

CABINET

23 MAY 2013

VICTORIAN BUILDING, WAINSCOTT PRIMARY SCHOOL

Portfolio Holder: Councillor Alan Jarrett, Deputy Leader and Finance

Report from: Perry Holmes, Assistant Director Legal & Corporate Services

Author: Nick Anthony, Head of Asset & Property Services

Summary

This report seeks delegated powers to dispose by way of lease or sale the Victorian building and playground (as shown shaded grey on the attached plan) at Wainscott Primary School, which will no longer be required by Wainscott Primary School.

1. Budget and Policy Framework

1.1 As the capital value of the building is over £100,000, but below £1,000,000 this is a matter for Cabinet.

2. Background

2.1 The project to expand Wainscott Primary School to two forms entry will include six additional classrooms, a fully integrated foundation stage, offices and ancillary spaces. It also includes refurbishment works to the existing classrooms and adaptations to provide a multi-use hall area for both teaching and dining.

2.2 As a consequence the primary school has already vacated the part of the Victorian building it previously occupied and as the project progresses its use of the playground will also cease.

2.3 The remainder of the Victorian building, together with its playground, is used by a local provider for a day nursery and after school clubs. The provider also occupies a temporary building within the main school site, which is required as part of the primary school expansion project.

2.4 To enable the day nursery and after school club provision to continue officers are working with the provider to safeguard and expand their current occupation of the Victorian building and its playground by either lease or sale, subject to Cabinet approval.

2.5 This will enable the provider to continue its service to local residents and vacate the temporary building in order to facilitate the primary school's expansion.

3. Options

3.1 The Council can retain the site and building for its own operational needs or it could delegate to officers its letting or disposal.

4. Advice and analysis

4.1 Officers have not identified an operational need for the site or building. Therefore it is recommended the building is either let or sold.

5. Risk Management

Risk	Description	Action to avoid or mitigate risk
Empty properties are expensive and difficult to manage pending disposal	Empty properties become a target of antisocial, behaviour, vandalism, squatters and theft pending disposal.	Let or dispose of the building and site as soon as possible.
Terms are not agreed with the nursery provider.	Disruption occurs to the nursery and after school clubs provision.	Negotiations with the provider have commenced, subject to Cabinet approval.

6. Consultation

6.1 Consultation has taken place with the service directorates and no objections to these proposals have been received.

7. Financial and legal implications

7.1 Disposal of the building and site will generate a capital receipt, which will add to reserves or be available to fund member priorities. If the property is let the rental income will form part of the income budget of the Council's portfolio of non-operational premises.

7.2 The Council has a duty under s123 of the Local Government Act 1972 to obtain best consideration, when it leases or disposes of interests in

property, unless the letting is for less than 7 years, or the General Disposal Consents applies.

- 7.3 The Council could rely on the General Disposal Consent (England) 2003 when disposing of the land onwards at best consideration if the value is £2,000,000 or less. Otherwise an application for specific consent of the Secretary of State is required. The Council is able to dispose of the land at less than best consideration, relying on Section 2 Local Government Act 2000, if the disposal at undervalue will promote the economic, social or environmental well-being of all or part of Medway and the value does not exceed £2,000,000. In disposing at less than best consideration, the Council would need to be mindful of the need to not breach European Union state aid rules without appropriate prior clearance through Department of Business, Innovation & Skills (BIS).
- 7.4 Should Cabinet decide to let or dispose of the premises then an application will be made to the Department for Education for the requisite permissions.

8. Recommendations

- 8.1 It is recommended that Cabinet:
- 8.1.1 Declares the Victorian building and site surplus to operational requirements.
- 8.1.2 Delegates authority to the Assistant Director of Legal and Corporate Services in consultation with the Portfolio Holder for Finance to:
- 8.1.2.1 Let or dispose of the property upon the best terms reasonably obtainable relying on the General Disposal Consent (England) Order 2003 (as amended) or otherwise at undervalue if promoting economic, social or environmental well-being of Medway using the well-being powers in the Local Government Act 2000.
- 8.1.2.2 The Council will need to be mindful of the need for any transaction not breach state aid rules and accordingly once specific transactions are identified, any appropriate clearance may then be sought from Department of Business, Innovation & Skills.

9. Suggested reasons for decision

- 9.1 To enable the continued use of the premises for nursery and after school club provision.
- 9.2 To minimise the management costs of retaining premises not required for operational needs and generate either revenue income or a capital receipt.

Lead officer contact:

Nick Anthony – Head of Asset & Property Services, tel: 01634 332294
nick.anthoy@medway.gov.uk

Background Papers:

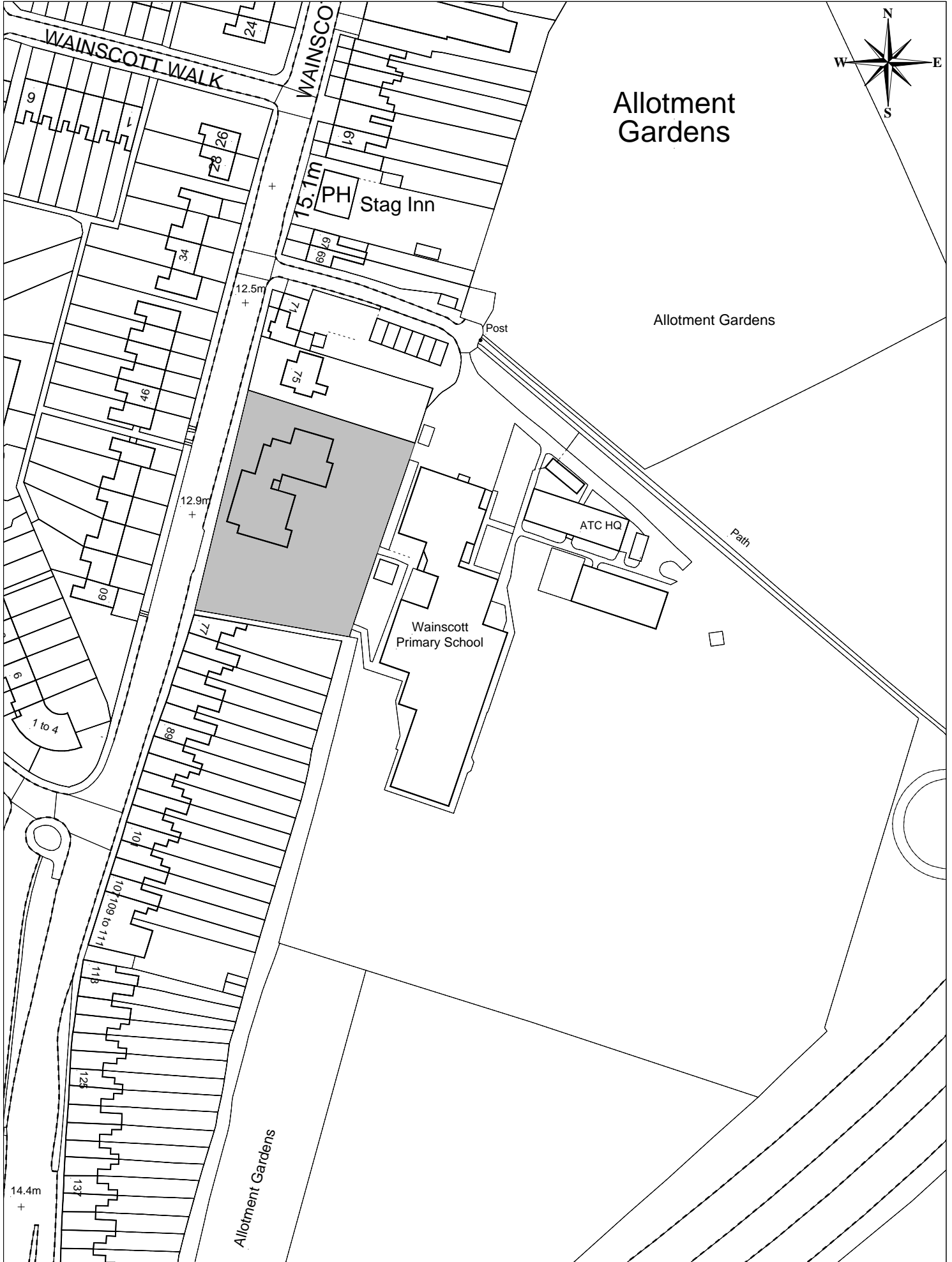
Local Government Act 1972, section 123

General Disposal Consent (England) Order 2003

European Communities Act 1972 and European Law governing competition and state aid, by Directives and Regulations

UK legislation is available via the website managed by The National Archives:
<http://www.legislation.gov.uk>

Guidance on European law governing state aid is available here:
<https://www.gov.uk/state-aid>



**Victorian School Building
Wainscott School**



Scale: NTS 16/11/12