

**HERTFORDSHIRE COUNTY COUNCIL**

**CABINET**  
**MONDAY 22 JANUARY 2017 AT 2.00PM**

**CROXLEY GREEN SECONDARY SCHOOL – AUTHORITY TO ENTER INTO THE DEVELOPMENT AGREEMENT AND OCCUPATION LEASE**

Report of the Director of Resources

- Author: Mike Evans, Head of Estates Management
- Executive Member: David Williams, Leader of the Council (as responsible for the Resources, Property and the Economy portfolio)
- Local Members: Sara Bedford, Abbots Langley, Steve Drury, Croxley  
Frances Button, Rickmansworth East and Oxhey Park  
Ralph Sangster, Rickmansworth West  
Joan King, South Oxhey and Eastbury  
Chris Hayward, Three Rivers Rural

**1 Purpose**

1.1 To seek Cabinet approval to authorise the County Council to enter into a Development Agreement for the planned secondary school at Croxley Green, a plan of the site is attached at Appendix A, and enter into a Lease of the new school once planning permission has been obtained.

**2. Summary**

- 2.1 Cabinet previously approved the acquisition of leasehold land at Croxley Green in September 2013 and the conditional land purchase contract completed in April 2017.
- 2.2 The planning applications and the suite of legal documentation required to deliver the development on the County Council's land are in the final stages. Upon review of the previous Cabinet approvals it has been identified that there is no explicit authorisation to enter into the Development Agreement and Lease.
- 2.3 The Development Agreement will permit the construction of the school, once planning permission is secured. The lease allows the Danes Educational Trust ("school trust") to occupy the buildings once the project is complete.

**3. Recommendations**

- 3.1 That Cabinet agrees that:

- i. the County Council enters into a Development Agreement of a new Secondary School in Croxley Green with the Secretary of State for Education and the Secretary of State for Housing, Communities and Local Government;
- ii. the County Council enters into a Lease of the new Secondary School in Croxley Green with the Secretary of State for Housing, Communities and Local Government; and
- iii. the Director of Resources, in consultation with the Leader of the Council (as responsible for the Resources, Property & the Economy portfolio) be authorised to finalise the Development Agreement and Lease and to arrange the appropriate execution of the documents by the Chief Legal Officer.

#### **4. Background**

- 4.1 Cabinet previously approved the acquisition of leasehold land at Croxley Green in September 2013 and the conditional land purchase contract completed in April 2017. A final payment is due when planning permission is secured. Negotiated Terms were agreed with Transport for London (TfL) avoiding a Compulsory Purchase. TfL would not sell the freehold but terms were agreed for a lease of 150 years, with the County Council paying £3,930,507 plus associated costs, such as Stamp Duty and VAT. The 150 year lease allows TfL to capture development value once the lease expires. In line with the Cabinet decision these terms were authorised by The Director of Resources and the Executive Member for Resources Property & the Economy in August 2017.
- 4.2 The Development Agreement permits the construction of the school, once planning permission is secured. The lease will allow the school Trust to occupy the buildings once the project is complete.
- 4.3 The Education, Skills and Funding Agency (ESFA) is providing the construction finance for the project, with some support from the County Council, see below, and Kier Construction have been appointed by the ESFA to deliver the new school.

#### **5. Terms of the Development Agreement and Lease**

- 5.1 The ESFA confirmed to the County Council that it would be prepared to fund the delivery of a free school on the basis that the County Council would lead the land acquisition process and purchase the site. This route was approved by Cabinet in September 2013.
- 5.2 The terms for the delivery of the school will be set out in the Development Agreement between the County Council, the Secretary of

State for Education and the Secretary of State for Housing, Communities and Local Government.

- 5.3 The ESFA led the negotiation on behalf of the Government departments and the terms of the Development Agreement are standard to ensure consistency across the work the ESFA undertakes.
- 5.4 The Development Agreement permits the ESFA to construct a new school, based on a planning approval, to be obtained.
- 5.5 Within the Development Agreement there is an agreed form of Lease, which allows the school Trust to take occupation when the development is complete. The lease will be for a term of 130 years, at a peppercorn rent. There are strict controls on the use of the land. The tenant has full responsibility for repair and maintenance, as well as being responsible for all statutory issues concerning the site.

## **6. Financial, legal and risk management implications**

- 6.1 In line with Cabinet approval in September 2013 the County Council has acquired the land at Croxley Green. The County Council's funding is now linked to the land acquisition plus contributions to highway and playing field works. All of these costs are covered within approved budget levels.
- 6.2 The consideration price is £3,930,507, which should be payable to Transport for London within this year's budgeting period. In addition there are associated costs, including Stamp Duty and VAT. Capital funds have been set aside for the acquisition and development contributions.
- 6.3 In addition to the acquisition price, the County Council has agreed to make contributions of £1.5 million to playing fields and highway improvements. Due to the nature of the site work is ongoing to verify the final cost of the works. The County Council's project manager for the project (MACE) will provide a validation report on such costs. These works will ensure that the new school has the facilities to provide a high standard of education. If such an investment was not made by the County Council the ESFA would not have undertaken these works to the current level.

## **7. Equalities**

- 7.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equalities implications of the decision that they are taking.
- 7.2 Rigorous consideration will ensure that proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EqIA) produced by officers.
- 7.3 The Equality Act 2010 requires the Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 7.4 There are no equality issues specific to these proposals.

## **8. Timeline**

- 8.1 The Development Agreement and Lease for school are in their final stages of completion. When planning permission has been secured, and subject to this approval, work on the new secondary school can start.