

North Yorkshire Council

EXECUTIVE

16 July 2024

Transfer of part of former Northallerton School and Sixth Form College (Grammar School Lane) to the Department for Education

Report of the Corporate Director - Resources

1.0 PURPOSE OF REPORT

- 1.1 To approve the transfer of the part of the property as shown on the attached plan to the Department for Education (DFE), or another nominated government department, in order to secure DFE investment in a new school to be developed to meet the needs of pupils with Special Educational Needs (SEN) within the County.

2.0 BACKGROUND

- 2.1 The Council owns the former Northallerton School and Sixth Form College, Grammar School Lane, Northallerton (the Site). The site extends to approximately 5.36 hectares (13.24 acres) and sits toward the southern end of Northallerton bordered by residential properties to the south-east and south-west. It immediately adjoins Mill Hill Primary Academy to the east.
- 2.2 On 30th September 2021 the school was handed back to NYC's Property Service by Arete Learning Trust following a review into education provision in Northallerton. The previous services which were delivered from this site are now being delivered from the former Allertonshire school site on Brompton Road, Northallerton.
- 2.3 As part of this review the Council was asked by the DFE to contribute financially to the upgrading of the former Allertonshire school site, and whilst figures have not been agreed, this proposed transfer negates the need to make any additional financial contribution.
- 2.4 The Site has been retained by NYC to meet the known need for SEN places within the County.

3.0 DETAILED PRESENTATION OF THE SUBSTANTIVE ISSUE

- 3.1 There is a current shortfall in the number of SEN school places across North Yorkshire. Working with the DFE, a route to deliver a SEN school in Northallerton is currently being progressed, subject to the approval of the recommendations detailed within this report. The terms for the transaction are being prepared, however, the DFE requires NYC to have the necessary internal approvals in place in order to formalise the project and commence feasibility work on site.
- 3.2 The proposal will deliver the following:
- 3.2.1 120 pupil SEN School with associated car parking and playing field space
 - 3.2.2 additional land being made available to the adjacent Mill Hill Primary School to enable it to meet the required outdoor space standards.

3.2.3 Investment from the DFE in North Yorkshire education in the region of £15m.

4.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 4.1 The Children and Young People Service (CYPS) has identified a requirement for the development of new provisions to meet the needs of pupils with Special Educational Needs (SEN) within the county.
- 4.2 The proposed transfer of the site at Grammar School Lane, Northallerton to the Department for Education to facilitate the development of a new SEN school forms part of a broader programme of work, including investment in current schools, to increase the amount of specialist places that are available in North Yorkshire.
- 4.3 Specifically, the site at Grammar School Lane has been identified as being ideally located to be accessible for pupils within the north of the county.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Given the sites previous educational use, it is of an appropriate size in a suitable location to deliver a SEN school. The site has good access to the highway network and has the necessary utility connections in place. It is therefore considered the best site available to develop a new SEN School cost effectively.
- 5.2 No other options have been identified in this part of North Yorkshire to meet the established need.

6.0 FINANCIAL IMPLICATIONS

- 6.1 NYC and the DFE have jointly instructed an independent Market Valuation of the site. The valuation reported for the site is £1,950,000. The transfer of the site to the DFE would be at nil consideration and therefore this represents a sale at undervalue. Further details are provided in paragraphs 7.1 and 7.2 of this report.
- 6.2 The Proposed transfer to the DFE at undervalue will only be enacted in the event that there is certainty that the SEN scheme will be delivered.
- 6.3 By transferring this site to the DFE, North Yorkshire will benefit from approximately £15m of direct investment from the DFE for the delivery of this new school.
- 6.4 Once the transfer of the site has taken place the Council will benefit from annual revenue savings associated with managing a vacant property.

7.0 LEGAL IMPLICATIONS

- 7.1 A transaction may be approved at a price that is at less than best consideration if it would be in the Council's best overall interest and in line with the Council's fiduciary duty to the taxpayer and providing that it is permitted under a general consent issued by central government. The general consent removes the need for the Council to seek specific consent from the Deputy Prime Minister and First Secretary of State, for any disposal of land which the authority considers "will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area" where the difference between the unrestricted value of the interest to be disposed of and the consideration accepted (the undervalue) is two million pounds or less.

- 7.2 In this case the disposal will be at nil cost which equates to an undervalue of £1,950,000. The Executive has authority under the Council's constitution at paragraph 6.9 of the Property Procedure Rules to approve an undervalue transaction of up to £2m.
- 7.3 The playing field to the south of the site is listed as an Asset of Community Value, but the proposed transaction will not be a relevant disposal under the Assets of Community Value (England) Regulations 2012 as set out in Schedule 3. This is because the disposal of the land is to be held for the purposes of a school as defined in section 4 of the Education Act 1996' and so the transaction is not affected by the provisions in the Localism Act.
- 7.4 The proposed transaction will not extinguish the Asset of Community Value designation; it will simply transfer to the DFE's title.

8.0 EQUALITIES IMPLICATIONS

- 8.1 The proposal will ultimately benefit those children with Special Educational Needs and improve the provision of education to young people where there is currently a shortfall of specialist provision.

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 The matters subject to this decision, being a land transfer, do not give rise to Climate Change implications.
- 9.2 The re-development of the site by the DFE may give rise to climate change implications, however, this will be assessed through the Planning process and addressed in accordance with the Planning policy that is in place.

10.0 REASONS FOR RECOMMENDATIONS

- 10.1 The Proposed Transaction should proceed as detailed in the report to enable the Council to meet an immediate service delivery need and to attract the investment of £15m from the DFE in Education provision for North Yorkshire.

11.0 RECOMMENDATION

- i) That the transfer of the site at undervalue to the DFE, or another nominated government department, is approved by the Executive on Terms to be agreed by the Corporate Director - Resources.

Appendix A – Grammar School Lane site plan
Appendix B – Equality Impact Assessment
Appendix C – Climate Change Impact Assessment

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County Hall
Northallerton
4th July 2024

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Presenter of Report – Philip Cowan

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.