

From: Rebecca Spore, Director of Infrastructure

To: Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services

Subject: Formal Lease for an Electricity Substation at Teynham Parochial Church of England Primary School, near Sittingbourne.

Decision No.: 24/00091

Non-Key Decision

Classification: ***UNRESTRICTED report with EXEMPT appendix A, under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.***

Future Pathway of report: Cabinet Member Decision

Electoral Division: Swale East - Mr Rich Lehmann

Is the decision eligible for call-in? Yes

Summary: This report seeks endorsement from the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services on the decision to grant a lease in excess of 20 years to UK Power Networks (UKPN) for occupation and use of a new electricity substation located within the grounds of the school.

Recommendation(s):

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services is asked to consider and endorse or make recommendations on the proposed decision to:

1. authorise the granting of a lease in excess of 20 years to UKPN in order that a new electricity substation can be built within the grounds of the school, to serve new education buildings to be built in 2025; and
 2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.
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1 Introduction / Background

- 1.1 Kent County Council (KCC) are the freehold owners of land and playing fields at Teynham Parochial Church of England Primary School. The buildings and tar paved areas are owned by Canterbury Diocesan Board.
- 1.2 The existing buildings at the school are beyond their economic life. The County Council have previously agreed to provide new education buildings on land at

the school to provide modern, fit for purpose accommodation. This project is scheduled for delivery towards December 2025.

- 1.3 The existing electrical supply to the school buildings is of insufficient capacity to provide the required supply to the proposed new buildings. To ensure a supply can be provided, a new substation needs to be installed within the school site. A very small part of the County Council's land has been identified for installation of a new substation, with cables to extend into parts of the new education buildings to be built on part of the Diocesan Board's land.
- 1.4 A formal lease will need to be granted to UKPN, who have been appointed to erect and operate a substation on the school site to serve the new buildings and also supply the local electricity network in emergencies. UKPN have been appointed to install and connect a proposed substation, which will remain their property.
- 1.5 To enable the substation to be provided, UKPN require the County Council to grant them a lease in excess of 20 years, to provide security of tenure for their desired legal estate in the land, having regard to the costs incurred in providing and maintaining the substation. UKPN also require a long lease to be granted to them for nominal consideration.
- 1.6 UKPN lease requirements accord with previous leases authorised and granted by the County Council for substations within school sites.
- 1.7 In order that UKPN can proceed with the provision, connection, use and maintenance of a new substation it first requires the County Council to commit to the granting of a lease.
- 1.8 Cable rights will need to be reserved within the lease which will be located under land owned by Canterbury Diocesan Board. To achieve this, the Diocesan Board will also need to be a party to the lease; the Diocesan Board have agreed to this.
- 1.9 The proposed lease terms are outlined in exempt Appendix A.

2 Options considered and dismissed and associated risk

- 2.1 As the proposed substation will serve the new education buildings in the first instance, it is desired to locate the substation as close as possible to the new buildings. The land upon which the new buildings will be built is owned by the County Council.
- 2.2 Consideration was given to locating the substation on the Diocesan Board's land, though having regard to limited timescales (Spring 2025 latest) for provision of the substation, it is preferable to retain control of granting the lease by the County Council, to accord with such timescales. The value of the land to be taken is de minimus.
- 2.3 The provision of substations on school sites does not present an issue to the County Council whilst it remains operational. The precise location of the substation is close to the site boundary and unlikely to prejudice any redevelopment potential for the school site should it close at a future date.

3 Financial Implications

- 3.1 UKPN to cover the County Council's reasonable legal fees.
- 3.2 A rent as set out in the exempt Appendix A.

4 Legal Implications

- 4.1 The County Council is the current owner of the land upon which the substation is to be located, together with all necessary rights of access. Part of the land required for associated cable rights is owned by Canterbury Diocesan Board. The various property holding relationships arising from this will be formalised appropriately.

5 Equalities Implications

- 5.1 The substation is required to provide power to the school at this location. This benefits all users of the school and the local community.
- 5.2 An Equality Impact Assessment (EqIA) has been completed and no issues have been identified.

6 Data Protection Implications

- 6.1 A data protection implication assessment (DPIA) screening tool has confirmed that there are no Data Protection implications.

7 Other Corporate Implications

- 7.1 This decision supports Framing Kent's Future – Our Council Strategy 2022-2026 as the decision assists in enabling the provision of new education buildings for use by the existing school. This supports KCC's commitment to maintaining its strategic role in supporting schools in Kent to deliver accessible, high-quality education provision.
- 7.2 Infrastructure for communities will be improved by the new substation, using modern materials and technologies associated with prevailing substation design and construction and protected for long term use by the presence of a long lease.
- 7.3 Environmental Step Change objectives will also be achieved, as the proposed lease will compel the operator to use sustainable materials and reduce any carbon emissions compared to the existing substation, which will help the County Council achieve its Net Zero targets.
- 7.4 The substation necessary to power the school will be supplied at no cost to KCC other than the preparation of the leases etc. and therefore supports Securing Kents Future 2022-2026 - Budget Recovery Strategy.

8 Governance

- 8.1 The local Member, Mr Rich Lehmann, has been formally notified of the proposed granting of the lease.

9 Conclusions

- 9.1 The granting of the proposed lease will provide UKPN with an estate interest in a small area at the school and enable the facilities to remain in full operational use.

Recommendation(s):

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services is asked to consider and endorse or make recommendations on the proposed decision to:

1. authorise the granting of a lease in excess of 20 years to UKPN in order that a new electricity substation can be built within the grounds of the school, to serve new education buildings to be built in 2025; and
2. delegate authority to the Director of Infrastructure, in consultation with the Deputy Leader and cabinet Member for Finance, Corporate and Traded Services to take necessary actions, including but not limited to entering into relevant contracts or other legal agreements, as required to implement this.

10. Appendices / Background Documents

- 10.1 Appendix A – EXEMPT initial lease terms
- 10.2 Appendix B – PROD – Proposed Record of Decision
- 10.3 Appendix C – EqIA – Equality Impact Assessment

11. Contact details

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