From: Gary Cooke – Cabinet Member for Corporate and

Democratic Services

Rebecca Spore – Director of Property and Infrastructure

Support

To: Policy and Resources Property Sub Committee – 27 March

2015

Decision No: 15/00026

Subject: Approval to enter into new long term lease at Lawn

Primary School, Northfleet

Classification: Unrestricted

Past Pathway of Paper:

Future Pathway of Paper: Cabinet Member Decision

Electoral Division: Northfleet and Gravesend West

Summary: This report seeks approval in principle to enter into a new long term lease with Lafarge Tarmac Cement and Lime Limited, to expire on 21 December 2114, with authority to agree the final terms to be delegated to the Director of Property and Infrastructure Support

Recommendation(s):

The Property Sub-Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Corporate and Democratic Services on the proposed decision for KCC to enter into a new long lease for a new playing field at Lawn Primary School and for the Director of Property and Infrastructure Support to finalise terms and complete the transaction in due course.

1. Introduction

- 1.1 KCC, Gravesham Borough Council and Lafarge have been negotiating the terms of a s.106 Agreement in respect of Lafarge's development site adjoining Lawn Road, Northfleet. A new playing field is to be delivered as part of the s.106 Agreement and is a contribution to mitigate the impact of the adjacent development upon Lawn Primary School and to free up space on the existing site to enable expansion of the existing school buildings from 1FE to 2FE. Lafarge is to create the new school playing field and to maintain the subsoil thereafter.
- 1.2 Lafarge have indicated they will grant a lease of a maximum 99 year term to the KCC, to be co-terminus with the KCC's existing lease from Lafarge for the school's adjoining land which expires on 21 December 2114. A long lease is desired, to ensure that the investment in the expansion of the school is safeguarded.

- 1.3 It is intended to finalise the s.106 Agreement by 31 March and a draft lease for the playing field site will be attached to that agreement. It is therefore necessary to agree the basic terms for the lease even though the playing field will not be provided to KCC until the 50th dwelling occupation which is expected to be in 2019.
- 1.4 The playing field will have engineered fill in accordance with Lafarge's supplied specification. The surface is to be prepared in accordance with Sport England guidance.
- 1.5 Terms for the taking of a lease are virtually agreed but negotiations are ongoing concerning the final details.

2. Financial Implications

- 2.1 KCC has agreed to pay a nominal rent, if demanded, throughout the term of the proposed lease.
- 2.2 Lafarge has agreed to bear the KCC's legal costs upon completion of the lease, at a capped figure to be agreed.

3. Bold Steps for Kent and Policy Framework

- 3.1 The taking of the lease will enable the KCC to provide the necessary open space required to enlarge the school and ensure the following benefits:-
- ensure all pupils meet their full potential,
- shape education and skills provision around the needs of the Kent economy.
- 3.2 The proposed decision does not relate to a plan or strategy set out in the Council's Policy Framework.

4. Proposed Lease Terms

- 4.1 The following terms have been agreed:
 - Term: maximum of 99 years to expire on 21 December 2114
 - Landlord's Works: Lafarge to create and fence the playing field to an agreed specification.
 - Other Terms: all other terms to be in accordance with a standard full repairing and insuring lease, as prepared and agreed between both parties solicitors.
- 4.2 The County Council will be taking a long lease of the playing field, rather than the freehold as Lafarge are required to retain responsibility for the subsoil, given that the site is composed of made-up ground. The length of the lease will protect the funding used to expand the school and is co-terminus with the lease term for the part of the school site which is subject to an existing lease from Lafarge.

4.3 No equalities implications are anticipated in respect of the taking of the lease.

5. Conclusions

The taking of the new lease will safeguard the long term use of the playing field by the school and mitigate the impact of the adjacent development by freeing up space on the existing site to enable expansion of the existing school buildings from 1FE to 2FE. Lafarge is to create the new school playing field free of charge to KCC and will maintain the subsoil thereafter to ensure any subsidence or pre-existing contamination issues are resolved at no cost to KCC.

6. Recommendation(s)

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The Property Sub-Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Corporate and Democratic Services on the proposed decision for KCC to enter into a new long lease for a new playing field at Lawn Primary School and for the Director of Property and Infrastructure Support to finalise terms and complete the transaction in due course.

7. Contact details

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8. Background Documents
Appendix 1 – Proposed Record of Decision