

#### **Committee and Date**

Cabinet, 8th March 2023

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**Public** 









# Disposal of Oakland School, Bayston Hill

| Responsible Officer:               |                               | Mark Barrow       |     |              |
|------------------------------------|-------------------------------|-------------------|-----|--------------|
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| Cabinet Member (Portfolio Holder): |                               | Cllr Dean Carroll |     |              |

### 1. Synopsis

Proposal to dispose of the site known as Former Oakland School, Bayston Hill to Cornovii Developments Ltd (CDL).

### 2. Executive Summary

- 2.1. The proposal to dispose of the site has most relevance to the healthy economy priority, however the proposal does achieve, in some capacity, all four priorities contained within the Shropshire Plan.
- 2.2. The disposal of the site will be in accordance with the previously approved land purchase structure for the Council's wholly owned housing company CDL, as set out and approved by full Council on the 17 December 2020 in the report, 'Addressing Unmet Housing Need, Site Disposals to the Housing Company'.
- 2.3. The proposal to dispose of the property to CDL will also help meet the objective of addressing unmet housing need. The scheme which will be developed by CDL provides 23 new homes

Former Oakland Primary School site, Bayston Hill - Property Types

| Property Type               | Total<br>No. of<br>Units | Market<br>Sale | Affordable<br>S106 |
|-----------------------------|--------------------------|----------------|--------------------|
| 1B2P Semi-Detached Bungalow | 2                        |                | 2                  |
| 2B4P Semi-Detached Bungalow | 2                        | 2              |                    |
| 2B4P Semi-Detached House    | 5                        | 5              |                    |
| 3B5P Semi-Detached House    | 12                       | 12             |                    |
| 4B6P Semi-Detached House    | 1                        | 1              |                    |
| 4B6P Detached House         | 1                        | 1              |                    |
|                             | 23                       | 21             | 2                  |

- 2.4. The Section 106 agreement will also help achieve the objective of a 'safe, strong, and vibrant destination' as the funds (£75,000) will be utilised to facilitate playing pitch improvements and/or changing room improvements at a locally agreed site in line with the council playing pitch strategy. A memorandum of agreement is in agreed form between the Local Planning Authority and Head of Property and Development which secures the developer contribution provisions pending the sale to CDL.
- 2.5. Throughout the lifetime of the development, the strategic objective of 'skills and employment' will be attained as the development will require multiple trades and businesses to see through to completion and CDL seek to employ Shropshire based contractors and apprentices.
- 2.6. The Oakland school site was declared surplus to requirements and earmarked for disposal as set out in a previous Cabinet report dated 27 September 2017. This incorporated the redevelopment of the Oakland School site and the adjacent land owned by the Diocese of Lichfield. This was however, discontinued. This report now details a proposal to dispose of just the Oakland School site (the land in Shropshire Council's ownership only).
- 2.7. CDL has obtained full planning permission following a recommendation for delegated approval by the Northern Planning Committee on 6<sup>th</sup> December 2022

#### 3. Recommendations

- 3.1. Cabinet is requested to approve the disposal of the site (as outlined in appendix 1) to CDL to realise a capital receipt
- 3.2. Cabinet is requested to delegate the following to the Head of Property and Development, in consultation with the Portfolio Holder for Growth, Regeneration & Housing,
  - 3.2.1 the authority to formalise the detailed terms of the structure of the disposal incorporating the agreed valuation approach as set out and approved by full Council on the 17 December 2020 in the report 'Addressing Unmet Housing Need Site Disposals to the Housing Company'
  - 3.2.2 in accordance with 3.2.1 ensure the sale of land is compliant with the obligations placed on the Council pursuant to Section 123 of the Local Government Act 1972 and the UK subsidy control regime in accordance with the Subsidy Control Act 2022.

3.2.3 the ability to settle terms and conclude a sale.

## Report

#### 4. Risk Assessment and Opportunities Appraisal

- 4.1. One potential risk is the land needs to be transferred to CDL by the 31st March 2023 so that the remedial works can be contracted and commenced.
- 4.2. Another potential risk is the loss of a School Site and places; however, the school has not been used for 12 years and this has been mitigated by the provision of a new school site (Oak Meadow) which has capacity to support the increased number of children from the proposed development.
- 4.3. The development of the former Oakland School site offers a variety of potential opportunities for Shropshire Council and the local community. These include providing a range of housing sizes and types identified for local housing need.
- 4.4. Another opportunity and benefit is the payment of £75,000 to facilitate playing pitch improvements and/or changing room improvements at a locally agreed site in line with the council playing pitch strategy.
- 4.5. The proposed scheme submitted by CDL delivers public open space.
- 4.6. Another opportunity arises in that it will revitalise an area that has been targeted by those perpetrating anti-social behaviour on its grounds.
- 4.7. The development will also improve the general parking issues and drainage in the immediate surrounding area of the development site.

### 5. Financial Implications

- 5.1. A capital receipt of £0.650m for the site was included within the School Place Planning report that was agreed by Council on 17<sup>th</sup> December 2020, with the receipt ring-fenced to be reinvested back into education. The agreed valuation approach as approved by full Council on the 17 December 2020 in the report 'Addressing Unmet Housing Need Site Disposals to the Housing Company', will be undertaken in accordance with the recommendations in this report. The sale price is estimated to be in excess of £0.5000m and therefore requires the agreement of Cabinet as set out in Council's Constitution and Financial Rules.
- 5.2. A grant of £0.335m has been awarded to Shropshire Council through One Public Estate's Brownfield Land Release Fund in partnership with Department of Levelling Up, Housing and Communities. The grant is to undertake remedial works on the site. The grant will be drawn down by CDL for permissible spend from the Council through an appropriate funding agreement.

5.3. The Council has an obligation under Section 123 of the Local Government Act 1972 to obtain the best consideration that can reasonably be obtained on a disposal of land. The Council must also comply with the subsidy control regime in accordance with the Subsidy Control Act 2022. In exercising the delegation within this report advice will be taken to ensure compliance with the legislation whilst working under the framework previously approved on 17<sup>th</sup> December 2020 in the report 'Addressing Unmet Housing Need Site Disposals to the Housing Company'.

#### 6. Climate Change Appraisal

- 6.1. Were Shropshire Council to dispose of the site to CDL, the proposed development submitted by CDL meets and exceeds the minimum requirements and is therefore compliant with CS6 and as such resource, energy efficiency and renewable energy generation are incorporated. The homes are expected to achieve between a 45% and 50% reduction in CO2 emissions measured against governments Standard Assessment Procedure (SAP) 2009 and each property will have an EV charging point.
- 6.2. Energy and fuel consumption The proposed development has been noted as constituting a sustainable form of development and enabling the reuse of a brownfield site. In order to facilitate CO2 reduction, the future re-development project will capitalise on sustainable design solutions, using processes and materials that are not detrimental to the environment which ensures that post-construction operations are also environment friendly.
- 6.3. Carbon offsetting or mitigation Most existing trees on the site are proposed to be retained and the submitted landscaping plans provide additional planting.
- 6.4. Renewable energy generation There are a range of opportunities for the generation and storage of renewable energy including building mounted solar panels which have been incorporated into the design where possible.
- 6.5. Climate change adaptation The development has been designed in a way which is sympathetic to the climate using materials and construction methodologies that reduce the emission of CO2 to the atmosphere. The design proposal helps influence behaviours such as to encourage staff and visitors to use public transport since there are already several bus stands near the site as well as build in resilience to future challenges associated with climate change. Surface water drainage, landscaping and foundation design takes into account challenges associated with climate change including extreme heat, wind, rainfall flooding and drought. These matters have been addressed throughout the design and planning process.

### 7. Background

7.1. The former Oakland Primary School site, consisting of school building, parking area and school grounds is owned by Shropshire Council. The school closed in 2009, when the Oakland and Longmeadow schools merged to form Oakmeadow Primary School. The Oakland school site was declared surplus to requirements and earmarked for disposal. As part of the statutory process for the discontinuance of the school, on 15<sup>th</sup> February 2011, Cabinet agreed the above and agreed for the receipts from the sale of the Oakland site to be ring-fenced for education (Learning

- and Skills), subject to Secretary of State approval. Secretary of State approval was granted in August 2016.
- 7.2. A previous cabinet report dated 27 September 2017 was submitted for the redevelopment of the Oakland School site and the adjacent land owned by the Diocese of Lichfield. This was however, discontinued due to valuation issues and abnormal costs involved with developing the diocese site. It is recommended the decision is taken to transfer the land in Shropshire Council's ownership only, as shown at Appendix 1. The aforementioned report from 2017 further details the background of the site.
- 7.3. In 2019, SC and the Diocese of Lichfield achieved outline planning permission for 52 new homes and a community hub building, which amongst other benefits would re-house Bayston Hill Library, for the former Oaklands School site and Glebe land to the south.
- 7.4. Planning consultation events were held by CDL in April 22 for the reduced 23 unit scheme at the Shropshire Council owned Oakland School site only. A key concern raised by the local member, parish council and residents was that the new community hub building was no longer going to be provided. CDL explained delivery of a hub would not be viable but they would be contributing over £200,000 in CIL funding for the development.
- 7.5. It was agreed that as the update to the existing library was contained within the place plan that the traditional CIL allocation route would be followed for this scheme.
- 7.6. The proposed development for the demolition of an existing school building and reception and construction of 23 residential dwellings along with formation of a vehicular access from Glebe Road, as well as footpaths/cycleways and public open space has been recommended as being acceptable in principle. A full application was made under reference 22/02517/FUL.
- 7.7. A grant of £0.335m has been awarded to Shropshire Council through One Public Estate's Brownfield Land Release Fund in partnership with Department of Levelling Up, Housing and Communities. The Funded Works within the grant require the land to be transferred to CDL by the 31st March 2023.
- 7.8. A section 106 contribution of £75,000 has been secured and will be paid to the Council upon commencement of development. This sum is appropriately index linked and will be used to facilitate playing pitch improvements and/or changing room improvements at a locally agreed site in line with the Council's Playing Pitch Strategy.

#### 8. Additional Information

8.1. A preliminary Ecological Appraisal was carried out in July 2021 and identified four trees with potential for roosting bats, one of which was to be removed. A bat survey was undertaken, and no evidence of bat roosts were identified within the tree that is to be removed. This further demonstrates the achievement of the strategic objective of maintaining and protecting the environment.

#### 9. Conclusions

9.1. The former Oakland School site is redundant and earmarked for disposal. The proposed disposal to CDL would generate a capital receipt for Shropshire Council and the proposed development submitted by CDL has the potential to provide a mixture of housing in line with unmet demand. Cabinet approval is now required in order to proceed with the land transfer to CDL.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet Report – 27.09.17 <u>Date (shropshire.gov.uk)</u>

Local Member: Cllr Rosemary Dartnall

Cllr Ted Clarke
Cllr Tony Parsons

**Appendices** 

Appendix 1. Site Plan

#### **APPENDIX 1.**

