



DERBY CITY COUNCIL

**COUNCIL CABINET**  
**16 January 2007**

**ITEM 13**

Cabinet Member for Personnel, Performance Management and  
Economic Development

**Disposal of land at the former Merrill College site Jubilee Road  
– Chellaston Ward**

**SUMMARY**

1.1 To:

- consider the proposed terms for the disposal of the former Merrill College Upper School site for residential development
- to approve the split of the capital receipt
- to authorise the subsequent purchase of part of the land by the Council for the Housing PFI scheme

1.2 The proposed terms are set out in the confidential report.

1.3 Subject to any issues raised at the meeting, I support the following recommendation.

**RECOMMENDATION**

- 2.1 To note the proposal of the school governors to accept the highest offer as set out in the confidential report. Should the highest bidder fail to complete the sale within a reasonable time limit to accept an offer from the next highest bidder, subject to the minimum value not falling below the threshold identified in Appendix 3 and failing that to remarket.
- 2.2 To authorise the subsequent acquisition of part of the land by the council from the Developer to provide the 24% affordable rented housing element of the development scheme through the Housing PFI scheme.

**REASON FOR RECOMMENDATION**

3. To dispose of the surplus land for the school Governors and achieve an appropriate receipt part of which will be used to cover the cost of demolition, provide new facilities at Merrill College and the remainder to be split between other PFI schools, the Council and Merrill feeder schools as detailed in the confidential report.



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Report of the Corporate Director of Corporate and Adult Social Services

### **Disposal of land at the former Merrill College site Jubilee Road – Chellaston Ward**

#### **SUPPORTING INFORMATION**

- 1.1 The site of the former Merrill College Upper School (see hatched land on the plan appendix 2) was not required for the redevelopment of the school under the schools PFI contract and therefore became surplus. This land formed part of the former foundation school and as such the land is owned by the Governing Body of Merrill Foundation School. The Council have acted as the School's agent in the sale.
- 1.2 Following marketing by Salloway Property Consultants, 17 bids were received and further negotiations and consultations have taken place with the top three bidders and details of the offers are identified in Appendix 3.
- 1.3 In order to maximise the development potential of the land, the public open space required under the planning regime for residential development will be provided on the immediately adjacent land to the South, shown as site 1 on the plan in appendix 2. This land was previously owned by the School but has recently been transferred to the Council. The Council will lay out the open space as a neighbourhood park but the Developer will as part of the sale arrangement have to pay the cost of these works.
- 1.4 The former school playing field site of 4.96 hectares (shown as site 2 on the plan) was also transferred to the Council by the School in October and will be retained as open recreational land but open to the general public.

#### **OTHER OPTIONS CONSIDERED**

2. The land was not required for the new school.

**For more information contact:** Julie Basford 01332 255545 - e-mail [julie.basford@derby.gov.uk](mailto:julie.basford@derby.gov.uk)  
**Background papers:** None  
**List of appendices:** Appendix 1 – Implications  
Appendix 2 - Plan

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| <b>IMPLICATIONS</b> |
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**Financial**

- 1.1 The sales proceeds will be split on the pre-agreed basis, which is set out in Appendix 3.
- 1.2 The purchase of the land for the Housing PFI will be funded from the Council's Housing Capital Programme.

**Legal**

- 2. The land is owned by the School Governing body and the consent of the Development for Education and Skills has been obtained to its disposal. It is a condition of this consent that a price of not less than £3,150,000 is obtained.
- 2.2 There has been some site encroachment on to the site and officers are currently dealing with this prior to the sale being completed.

**Personnel**

- 3.1 None

**Equalities impact**

- 4. None

**Corporate objectives and priorities for change**

- 5. The disposal furthers the priority of delivering excellent services, performance and value for money. The sales proceeds will partly be use to encourage life long learning and achievement.

