



# COMMERCIAL SITE SELECTION AND OPTIONS APPRAISAL FOR SCHOOLS

Lara Newman, 13 September 2018

# TODAY'S WORKSHOP

## Will look at...

- Introduction to LocatED
- Best practice for site acquisition and development of new schools
- Commercial site selection
- Conducting effective options appraisals
- Opportunities available via mixed use development

# ABOUT LocatED

## Our current remit

- Acquire and develop sites and buildings for free schools across England
- Manage sites held for free schools, including disposal of properties that are no longer needed
- Provide advice to the DfE and other bodies involved in education on property and site issues

## Key facts

- Setup by the Department for Education in March 2017
- A limited company and arms-length body, wholly owned and funded by the Secretary of State for Education
- Non-profit-making
- 53 employees

## WHAT IS THE CHALLENGE?

- **Time** – urgent need to deliver quickly to keep pace with the free schools programme and meet demand for pupil places
- **Value** – sites acquired for schools must represent value for money for the taxpayer and lots of the low hanging fruit is gone
- **Local context and requirements** – finding the right site in the right place: working closely with communities, LAs and the free school trust
- **Complex deals** – often site acquisitions require complex work with multiple partners across the public and private sectors

**AND market uncertainty...**

## HOW DO WE WORK?

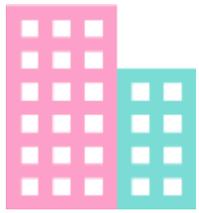
- We acquire land and buildings on behalf of the DfE for new free schools across the country
- We operate at pace and negotiate complex deals with multiple partners across the private and public sector
- We have a multidisciplinary team with specialist skills, qualifications and extensive property sector experience
- Regionally-based teams with local expertise and community links

“The LocatED team is highly responsive and very proactive, both in the initial search for suitable sites and throughout the process to reach Heads of Terms and beyond. Everyone we have dealt with at LocatED has been knowledgeable, approachable and highly professional.”

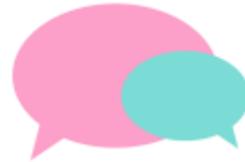
**Trust Project Manager, Derby Cathedral School**



## WHAT HAVE WE DELIVERED TO DATE?



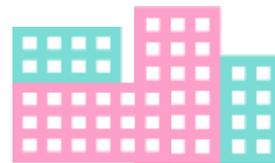
**66** sites  
acquired



**50** advice  
commissions



**1** site disposal  
in progress



**8** mixed use  
schemes in progress



**90** assets  
managed



**23,749** potential school  
places for the future



# COMMERCIAL SITE SELECTION

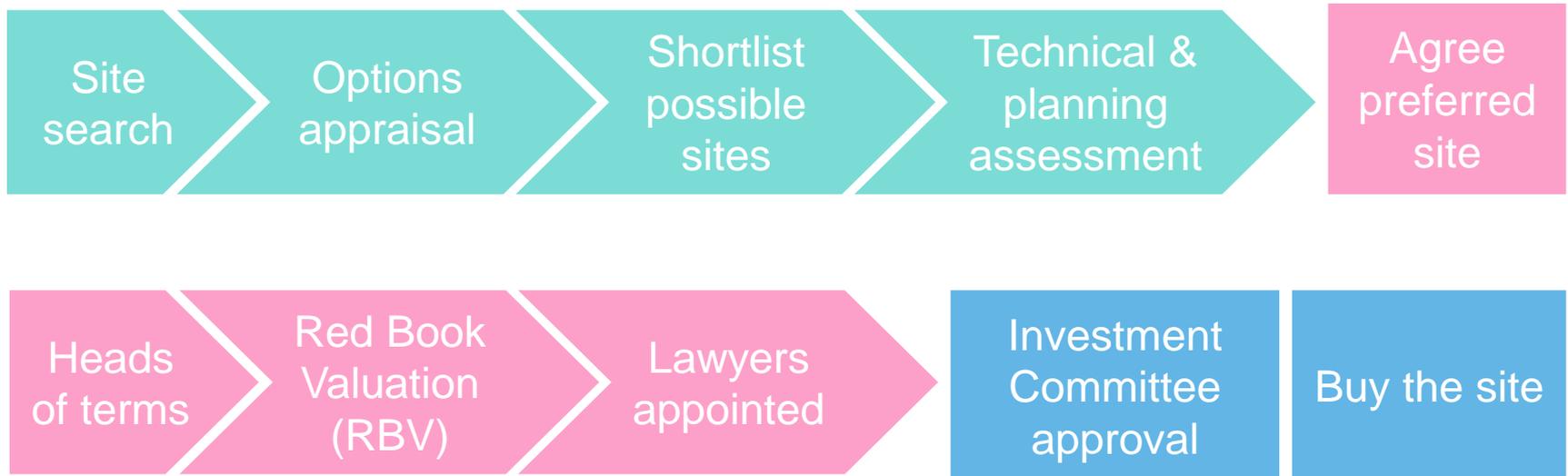
# WHAT CAN WORK AS A SITE FOR A SCHOOL?

- Brownfield or greenfield land
- Whole or part buildings with development/extension capability
- Land and development sites
- Derelict and heritage buildings
- Sites of all planning designations
- Space as part of wider or mixed use developments

# WHAT KIND OF BUILDING?



# ACQUISITIONS PROCESS



# SITE SEARCH METHODOLOGY

Upon receiving a commission, a comprehensive site search is undertaken, applying the following services and initiatives as applicable:

1. Review internal land database for openly marketed sites
2. Bespoke property searches using Land Insight, CoStar etc.
3. Internal information share
4. Desktop site analysis using Google maps
5. Direct approach, via letter or email utilising land registry to identify appropriate landowners
6. ePIMS
7. Speak with retained agents
8. Email / telephone land agents known to be active in the immediate area
9. Liaise with professional contacts
10. Review Estates Gazette and Property Week
11. Mailshots (using MIS directories)

## QUESTIONS ON SITE SELECTION?

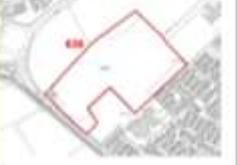
# OPTIONS APPRAISAL

# OPTIONS APPRAISAL – SCORING MATRIX

Assessment of each potential site is based upon the following criteria:

- Can a school of the required size operate from the site?
- The site is within the agreed commissioned site search area
- The site is technically deliverable by the proposed opening date
- There are surmountable delivery risks
- Indicative land value (where available or options are tied)
- Result: The report provides a clear recommendation and shortlist of alternative options

		Identified sites -scored in order of suitability (10 best and 1 worst score)							
	Site Criteria	Option 1	Option 2	Option 3	Option 4	Option 5	Option 6	Option 7	Option 8
1	Can a school of the required size (i.e. pupil numbers) operate from the site?	10	10	10	10	10	10	10	10
2	Is the site within the commissioned site search area (i.e. agreed with the PD / Trust at the inception meeting).	10	10	10	8	10	10	10	10
3	Is the site technically deliverable by 2020 (i.e. is there vacant possession, is there access to the site, can a school of the required building fabric be constructed on the site, are there rights of ways, are the restricting covenants etc)?	7	2	2	5	2	3	3	3
4	Are there delivery risks? (i.e. procurement, planning, technical risks etc)	7	2	2	5	2	3	2	3
5	Is the site the best land value (low the value the better)?	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Total Ranking</b>		<b>34</b>	<b>24</b>	<b>24</b>	<b>28</b>	<b>24</b>	<b>26</b>	<b>25</b>	<b>26</b>

# RAG	Image	Size	Quoting Terms	Details	Comment
1	Health Clark, Dupples 1MI Road, Croydon CR0 4BD 	3.98 Acres	£7m+	<p><b>Site:</b> Owned by Croydon College. Sufficient capacity to accommodate the requirement with potential surplus land available for residential development.</p> <p><b>Cost:</b> Agent advised that vendor previously agreed deal at c. £7m + overage</p> <p><b>Planning:</b> Currently designated public open land. Allocation for school and residential expected. Issues re access need to be considered as part of a full technical assessment.</p> <p><b>Location:</b> PO has confirmed satisfaction with location. PTAL rating of 3. Satisfactory transport links.</p>	<p>Proposed sale in late 2010 fell through when purchaser (7 review homes) pulled out. Currently considered Local Open Land by planning authority but emerging Local Plan recommends allocation for secondary school with residential development on balance of site.</p> <p>A small part of the site is subject to a long leasehold interest to a nursery. It might be advisable to relocate the nursery as part of any scheme to mitigate access/egress issues. Available off market. Remarketing expected to commence Feb/March 2017.</p>
2	Car Park at Lion Green Road, Coudbro, CR5 2NL 	3.1 Acres	TBC	<p><b>Site:</b> Sufficient capacity to accommodate the requirement</p> <p><b>Cost:</b> TBC (awaiting agent response)</p> <p><b>Planning:</b> Allocation for a mix of commercial, leisure and parking uses. May be requirement to retain an element of public car parking</p> <p><b>Location:</b> PTAL rating of 3. Satisfactory transport links.</p>	<p>Council-owned development site in central Coudbro location.</p> <p>Previous applications for mixed-use scheme(s) have not proceeded and we are confidently advised that the Council may now be willing to dispose of the site.</p>
3	Lion House, High Street, Croydon CR0 1NF 	TBC	5 Acres	<p><b>Site:</b> Sufficient capacity to accommodate the requirement</p> <p><b>Cost:</b> Terms not disclosed as site discounted by PO</p> <p><b>Planning:</b> May be suitable as part of a mixed-use scheme</p> <p><b>Location:</b> PO has ruled this site out as not being in a suitable location. Preference is for a more southerly location. PTAL rating of 4a. Excellent transport links.</p>	<p>Central Croydon quadrilateral site which currently accommodates approximately 200,000ft<sup>2</sup>. Opportunity for a 2V exists.</p> <p>Location of the site is considered too central by Trust so is not being actively progressed.</p>
4	Land west of Tamebridge Community Centre, Lodge Lane, Croydon CR0 0QA 	18.3 Acres	TBC	<p><b>Site:</b> Sufficient capacity to accommodate the requirement</p> <p><b>Cost:</b> Not known - Croydon Council has indicated an unwillingness to discuss a disposal</p> <p><b>Planning:</b> Allocated for a secondary school use in existing Local Plan.</p> <p><b>Location:</b> PTAL rating of 3. Poor transport links.</p>	<p>Large Council-owned site to the east of the borough.</p> <p>Site has planning allocation for a secondary school.</p> <p>Council has rebuffed approaches for land, states that it will be developing its own secondary school on the site and is therefore unwilling to discuss a disposal.</p>

5	Wicks, Marston, Carshalton Road, Borewood SM7 3AU 	8.7 Acres		<p><b>Site:</b> Sufficient capacity to accommodate the requirement</p> <p><b>Cost:</b> Not known as not on the market</p> <p><b>Planning:</b> Unlikely to be considered suitable for required use in light of other allocations.</p> <p><b>Location:</b> Site falls within the London Borough of Sutton. PTAL rating of 1a. Very poor transport links.</p>	<p>Privately owned site currently being used for scrap metal, storage and as a contractor's yard.</p> <p>Sufficient capacity to accommodate requirement but site is not being marketed and planning thought to be a challenge.</p> <p>Site is in Sutton, not Croydon and is poorly served by public transport. Unlikely to be deliverable.</p>
6	Coombe Road Playing Fields, Coombe Road, Croydon CR0 5BD 	26.7 Acres	TBC	<p><b>Site:</b> Sufficient capacity to accommodate the requirement</p> <p><b>Cost:</b> N/A as already being brought forward for WGS25 Primary School.</p> <p><b>Planning:</b> Allocation for secondary school in Croydon Local Plan.</p> <p><b>Location:</b> PTAL rating of 1a. Very poor transport links.</p>	<p>Large Council-owned site with an allocation for a secondary school.</p> <p>Not being pursued as the site has been acquired for a different use school requirement.</p>
7	Coudbro Youth Centre, Coudbro Valley Road, Coudbro CR5 3SE 	1.8 Acres	TBC	<p><b>Site:</b> Council-owned site. Sufficient capacity to accommodate the requirement but on a narrow site.</p> <p><b>Cost:</b> Not known as not on the market. Croydon Council does not currently wish to dispose of any further sites for education use.</p> <p><b>Planning:</b> Unlikely to be considered suitable for required use in light of other allocations.</p> <p><b>Location:</b> PTAL rating of 2. Poor transport links.</p>	<p>Council-owned site in Coudbro currently accommodating youth and community centre.</p> <p>Development would likely require re-provision of existing use.</p> <p>Site is only 1.8 acres which may be insufficient for requirement and compares poorly to other options.</p> <p>Council has indicated it will not dispose of further sites for school provision. Planning may be an issue in light of other unsubmitted allocations.</p>
8	Croydon Garden Centre, Waddon Way, CR0 4RF 	c. 2.50 acres	£8-7m	<p><b>Site:</b> Owned by Wyevale Garden Centres Ltd.</p> <p><b>Cost:</b> Off market, Savills have suggested a level of £8-7m would be accepted with an unconditional offer.</p> <p><b>Planning:</b> Savills understand that the site is allocated for education use.</p> <p><b>Location:</b> Below average PTAL rating of 1b. Bus routes available. Waddon Station and South Croydon Station in relatively close proximity.</p>	<p>Savills intro @£1.75m.</p> <p>Awaiting response from PO on whether this is suitable.</p>

# QUESTIONS ON OPTIONS APPRAISAL?



# CREATIVE AND MIXED USE DEVELOPMENT

## WHY?

- Secure school sites in locations where it might not otherwise be possible
- Ongoing revenue generation opportunities for schools to fund lifecycle maintenance and future improvements
- Capital subsidy in some cases
- Strong basis for good future estate management for schools
- Potential to help deliver much needed housing including affordable homes and teacher housing for staff

# KINGSTON COMMUNITY SCHOOL

**Kingston House, 15 Coombe Road, Norbiton, KT2 7AB**

- Former office building acquired by the ESFA in 2014
- Planning consent received for a new 2FE 420 place primary school plus 19 residential apartments





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# DEER PARK, RICHMOND

- Mainstream 2FE primary school
- Site owned by Lidl
- Lidl is including a school instead of residential development
- DfE buys the school element



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Rd. RICHMOND ROAD | SITE BOUNDARY | HILL SUPERMARKET 1 | TRUCKY STORE | CAR PARK ENTRANCE | 2000m DISTANCE (W/TH HILL DRIVE) | SITE BOUNDARY | HILL SUPERMARKET 2

OPPOSED SOUTH ELEVATION



ROADSIDE ROAD | SITE BOUNDARY | OFFICES | BIN STORE | SINGLE STORE | FIRE ESCAPE STAIR TO HALL | ENTRANCE TO CAR PARK | SITE BOUNDARY

OPPOSED EAST ELEVATION



# SUPPORTING SCHOOL IMPROVEMENTS

**LocatED is working with the DfE, school trusts and local authorities to improve the efficient use and management of school estates by;**

- Unlocking funds from school sites to support additional capital investment in school buildings
- Developing capability in school trusts to manage estates and plan for the long-term condition of school buildings
- Supporting the disposal of surplus land on school sites
- Advising on the release of land to local authorities for affordable and key-worker housing

# WHAT ARE THE BENEFITS?

- Release of funds for investment to improve condition of school buildings
- Revenue generation to fund lifecycle maintenance
- Teacher housing for staff
- Better long-term estate management
- Proactive support in meeting challenging national housing targets
- MATs able to self-fund improvement to school buildings so no need for government funding
- Better utilisation of spaces in the hearts of communities
- Advice and guidance to ensure commercial agreements and deals are optimum
- Support handling consents for disposals

# QUESTIONS ABOUT MIXED USE AND SCHOOL SITE OPTIMISATION?



THANK YOU FOR LISTENING

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