 **Academies Property**

 **Information**

 **Note A**

# Disposals – not involving playing fields

| This Academy Property Information Note (PIN) A explains the information you need to provide to apply for consent to dispose of land and/or buildings – including new disposals and [lease renewals](#_To_Renew_a). - where playing fields are not involved. See [Academies Property Information Note B](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins) if playing fields are involved. |
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To ensure you use the right information and form, please also refer to:

* [the Introduction to academies property information notes;](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins)
* [Which Form;](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins)
* [The Glossary](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212638/efa-academies-capital/academypins)

The academy trust (the Trust) must seek and obtain explicit and prior approval from the Secretary of State before:

* entering into any freehold sales or purchases;
* granting any leasehold or tenancy agreement, regardless of length;
* granting easements in, under, on or over your land; and/or
* granting land charges or restrictions being placed on the land’s registered title.

Irrespective of whether the Secretary of State’s approval is required for a disposal, the Trust must:

* obtain relevant professional advice where appropriate, including external auditors, where necessary;
* justify that the decision represents value for money;
* agree internal delegation levels within the Trust; and
* disclose aggregate figures for transactions in the each of the above categories as a note to your annual accounts.

Most land used by an academy has been provided at public expense, and to lose it from public use is something the Education Funding Agency (EFA) considers thoroughly before making any recommendation for consent.

**When to use Form A**

Use [Form A](#FormA) where the disposal of land or buildings does not include land defined as playing fields. Refer to the [Academies Financial Handbook](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212647/external-assurance/academies-financial-handbook) for information on operational leases.

If the proposal includes playing field land, please use Form B with its Annex B1 if you own the freehold of your land or lease land owned or provided by a diocese or sponsor and is publicly-funded. Use Form SATPF1A if you hold your land under a lease from the local authority.

If you have received approval for capital funding from the Department for Education (DfE) or EFA, you will still need separate consent for the disposal if this has not been expressly included in the terms of the approved capital project as stated in the letter from the DfE or EFA.

## New disposals and leases

#### Step 1 Decide which form to submit

Confirm that [Form A](#_Form_A) is the right form for your proposal; using the wrong one could result in unnecessary delays. If you are unsure, check Which Form to decide which form is the most appropriate to you. You may also find the Glossary helpful.

 [Form A](#_Form_A) indicates the anticipated timescale for a decision from the Secretary of State after we have concerned we have received all necessary information. Be sure to allow for the time to collect all information, to appraise all options and for the EFA’s assessment process.

Do not sign any contract to dispose of land or grant a lease until you have received written notification of the Secretary of State’s consent.

#### Step 2 Evaluate the options

Your application for consent will normally follow an options appraisal as set out in the [Academies Financial Handbook](http://www.education.gov.uk/aboutdfe/executiveagencies/efa/efafundingfinance/b00212647/external-assurance/academies-financial-handbook) . Depending on the level of complexity of the decision and the range of expertise you have within the Trust, you may need external legal, financial and independent property advice to support the appraisal process.

#### Step 3 Valuation certainty and timing

Decide what further professional advice you need to take. In the majority of cases, it is important to provide a valuation of market value or market rent with your application from a Registered Valuer. The degree of detail required will be proportionate to the scale, size and value of the disposal. Disposals, including leases, to another publicly-funded school or academy will normally be expected to be at nil or nominal value.

Decide if you want to market the property before or after you have obtained the Secretary of State’s consent. We strongly advise that you seek consent before marketing to avoid having to pay for unnecessary fees and marketing costs with the risk of consent not being granted or subject to conditions that could mean having to re-negotiate terms.

Plan realistically, allowing sufficient time for all of the above.

#### Step 4 Submit the application

Submit your application when:

* you are sure you have provided all the information requested in [Form A](#_Form_A) and
* your Accounting Officer has signed the declaration. We cannot consider applications submitted without this signature.

#### Step 5 Clarify any points in the application

Provide any further information we might request to clarify your application, so we can assess it as speedily as possible.

## To renew a lease

To renew a lease, assignment or sub-letting that has a statutory right to renew under the Landlord and Tenant Act, 1954.

**Steps 1 to 3** As above

**Step 4** Only complete those parts of [Form A](#FormA) marked with an asterisk. Then submit the form with:

* a copy of the existing lease and
* either the agreed Heads of Terms or
* draft new lease and
* a covering letter signed by the Accounting Officer requesting consent to the terms set out. We will not be able to assess your application until we have received the signed letter.

## Description: Education Funding Agency Form A: Disposals - not involving playing fields

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| **FORM A** **Land disposals and granting leases not involving playing field land** ***If you are applying to renew an existing lease with statutory rights to renew,*** ***complete only the sections areas marked \**** ***and submit with the Heads of Terms and lease plan*** |
| 1\* | Academy Name and address  |  |
| Academy Address  |  |
| 2\* | Academy Trust Name  |  |
| 3\* | Unique Reference Number & UPIN  |  |
| 4\* | Contact details for further information: |  |
| Name |  |
| Position |  |
| Email address |  |
| Phone numbers |  |
| **Land ownership** |
| 5\* | Who owns the freehold of your land ORwho has the head leasehold interest of the land occupied by the Academy? If you do not own the freehold or are not the head lessee, attach the freeholder’s consent to the disposal (where the freehold is held by another party, such as the Local Authority, diocesan trust or Academy Sponsor).  | Freehold owner | Title Number(s) |
| Leasehold owner(s) | Title Number(s) |
| 6\* | Name of the legal firm advising you that:* + the Trust has good title to enter into the proposed land transaction,
	+ the Trust has received any consents necessary in addition to that of the Secretary of State for Education, and
	+ the purchaser/lessee has authority to enter into the transaction.
 |  |
| **Land descriptions** |
| 7\* | Attach plan to standard required to enable registration at the Land Registry of the land you would like to dispose of, or grant a lease of. |
| 8\* | State the size of the land to be disposed of (m2). Provide separate areas for buildings and land if the proposal includes both. | Land:  |  | m2 |
| Buildings: |  | m2 |
| **Marketing and consultation** |
| 9 | Has the land/building been marketed openly so you are obtaining the best value? |   |
| 10\* | Provide a valuer’s report to justify the price/rent. |
| **Terms of disposal/lease** |
| 11\* | Attach a copy of the heads of terms (or draft contract for sale/lease) that includes as a minimum, this information: * Name of purchaser/lessee
* Address of purchaser/lessee
* Repairing and insuring liabilities
* Liabilities for contamination/pollution
* Any restrictions/reservations
* Insurance requirements and estimated annual costs
* Service charges and estimated annual costs
* Break options
* Rights to renew under the 1954 Act.
* Sale Price, or
	+ If granting a lease :annual rent
	+ Rent review frequency
	+ Rent review mechanism (RPI, upward only etc)
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| 12\* | Reason for any difference between the valuation and price/rent. |  |
| 13 | Are there any grants repayable or charges that need to be novated to the purchaser/lessee? If so, provide details. |  |
| **Purpose of disposal/grant of lease** |
| 14 | Brief description of your rationale for the disposal and what you will do with the capital receipt/rent. |  |
| **Accounting Officer Declaration***The signature of the Accounting Officer below signifies confirmation that the* Trust :1. Complies with its duties and responsibilities under the Academies Act your Funding Agreement and the Academies Financial Handbook,
2. Has taken appropriate legal, financial and property advice,
3. Is satisfied the transaction represents value for money,
4. Confirms that the transaction does not involve any loan,
5. Confirms that the transaction is affordable without recourse to EFA or DfE capital or revenue budgets.
6. Is satisfied about all safeguarding issues, and
7. The information provided is a truthful statement and has brought attention to anything that might be pertinent to the Secretary of State’s decision, even if not asked directly.

Signed Accounting OfficerNameDate |

Please email the completed form with all attachments to: ***academy.questions@education.gsi.gov.uk***

We will acknowledge within three working days receipt of this form and will provide you with a unique reference number. We will then determine if you have provided all of the information that we need to make a decision. We will only be able to consider your case after you have provided all necessary information. Once the information is complete, we aim to provide you with a decision in 10 to 30 working days, depending on the complexity of the proposal.