

Single Member Cabinet Decision

Executive  
Forward Plan  
Reference

**E3638**

**Abbot Alphege Academy Beckford Drive Lansdown Bath  
New leases for commissioned services at less than best  
consideration.**

<b>Decision maker/s</b>	<b>Cllr Paul Roper - Cabinet Member for Economic and Cultural Sustainable Development</b>
<b>The Issue</b>	<p>The report proposes relocating St Matthias Academy to Abbot Alphege School due to the need to vacate the Culverhay site for the development of two new Free Schools. The move addresses the statutory obligation to provide suitable education for children unable to attend mainstream schools, with St Matthias Academy (part of Midsomer Norton Schools Partnership Trust) on the ground floor and HERS (run by The Partnership Trust) to remain on the first floor (TPT currently occupy the whole of Abbot Alphege). The closure of Abbot Alphege as a primary school frees up this site, which is already fit for educational use, and avoids costly remodelling of alternative premises. However, the transition presents cost challenges: Abbot Alphege is more expensive than Culverhay, rent and service charges are higher, and VAT now applies to all charges. While the move is a practical solution for continued service provision and supports the broader development of new AP and SEND Free Schools at Culverhay, it requires financial adjustments, notably offering nil rent but charging for services and utilities, to remain viable given the schools' inability to recover VAT on these costs.</p>
<b>Decision Date</b>	29 August 2025
<b>The decision</b>	<p>The Cabinet Member agrees to delegate authority to the Head of Corporate Estates to grant two leases at less than best consideration, with a combined undervalue not exceeding <b>£112,600 per year</b>, based on the outlined terms. This includes a new three-year lease to MNSP for the ground floor at Abbot Alphege School at nil rent, where tenants will cover service charges and utilities up to a capped amount, and a new three-year lease with annual break clauses to TPT for the first floor, also at nil rent, with service charges and utilities paid by the tenant but similarly capped.</p>
<b>Rationale for decision</b>	<p>The proposed lease arrangements aim to ensure affordability for both MNSP and TPT during a transition period, as charging rent, service charges, and VAT make the building otherwise unaffordable. By offering leases at nil rent but with capped service charge and utility costs, the Council enables essential education services to continue without jeopardising statutory provision or placing unsustainable pressure on budgets. This approach balances the running costs with the wider community benefit, maintains momentum for future</p>

	development at Culverhay, and addresses the inability of schools to reclaim VAT. The overall impact is managed by limiting the Council's financial deficit while supporting long-term educational goals.
<b>Financial and budget implications</b>	The proposed leases for MNSP and TPT at Abbot Alphege set charges at £70,000 and £40,000 per year respectively, inclusive of VAT, with both tenants covering service charges and utilities up to a capped amount. This approach aims to ensure affordability, resulting in an annual deficit of approximately £7,000 for the Council and a notional rent loss of £105,600, but avoids making statutory education services unviable due to excessive costs or irrecoverable VAT.
<b>Issues considered</b>	<p>Property: The terms are less than best consideration and as such are not in accordance with Section 123 of the LGA 1972 and member approval is required.</p> <p>Education: B&amp;NES is legally required to provide suitable education for children unable to attend mainstream school. Section 19 of the Education Act 1996.</p>
<b>Consultation undertaken</b>	<p>Lead Cabinet Member: Cllr Paul Roper</p> <p>Head of Legal and Democratic Services: Michael Hewitt</p> <p>Section 151 Finance Officer; Jeff Wring</p>
<b>How consultation was carried out</b>	Single Member Decision report circulated to the consultees.
<b>Other options considered</b>	Although alternative sites such as Dartmouth Avenue were considered and ultimately discounted due to high conversion costs, the charging model for the property could involve adjusted rent payments instead of service and utility charges; however, affordable rental rates would fall significantly below market value.
<b>Declaration of interest by Cabinet Member(s) for decision:</b>	None
<b>Any conflict of interest declared by anyone who is consulted by a Member taking the decision:</b>	None

<b>Name and Signature of Decision Maker/s</b>	Councillor Paul Roper Cabinet Member for Economic and Cultural Sustainable Development Bath and North East Somerset Council
<b>Date of Signature</b>	29 August 2025
<b>Subject to Call-in until 5 Working days have elapsed following publication of the decision</b>	