

**CAMBRIDGESHIRE COUNTY COUNCIL
PROPERTY TRANSACTION REPORT**

Appendix 2

**Terms for acquiring an option to acquire freehold property, provisionally agreed
by Head of Strategic Assets**

1	Description of property	<p>Freehold interest in land north of Cam Drive, Ely, comprising 3 hectares. The site to be acquired can be identified within the area shown edged red on attached plan entitled Land Transfer.</p> <p>The transfer shall include permanent rights of access and egress over land adjacent to the school site and over a roadway to be constructed along the route of the blue line on the plan. The right to utilise and to connect to services within the road shall also be included.</p> <p>The Vendor shall grant any additional temporary rights over retained land that are deemed necessary by the Purchaser to provide temporary site access and accommodate temporary services until permanent replacement facilities of a reasonable standard are provided to serve the school site.</p>
2	Interest to be acquired	Option to acquire the property in order to provide a permanent operational school.
3	Vendor	Lee family and Jackson family
4	Vendor's solicitor	Birketts – FAO Katherine Herbert.
5	Purchaser	Cambridgeshire County Council
6	Purchaser's solicitor	<p>Mickaela McMurtry Box No: RES1001 Shire Hall Castle Hill Cambridge CB3 0AP</p>
7	Option consideration & time period	£1.00 (ONE POUND) open for a 24 month period.
8	Freehold consideration	A price or 'Land Cost' of £10,000 per acre to be paid for the freehold subject to the cost of the Archaeological Works
9(a)	Other Terms and Conditions	Acquisition of freehold to be completed within 3 months of the grant of planning consent for a primary school, or such other reasonable extension thereof as may be agreed by the parties and further to the Purchaser receiving satisfactory confirmation of the completion of the agreed archaeological works via the County Council Archaeologist . Draft Transfer attached.
(b)		<p>Construction of the school is to commence no later than 18 months following the transfer of the property. If construction of the school has not commenced within this period and the property is no longer required for educational purposes or the property is not suitable for education purposes then the property will be offered back to the landowner at the freehold consideration.</p> <p>In so far as it is within the Council's powers the school shall become operational no later than 4 years following the transfer.</p>

(c)		<p>In the event of a dispute the parties agree to escalate matters to the most senior member of their organisation before seeking external remedy.</p> <p>In the event that Senior members are unable to agree a resolution then the parties agree to refer the matter for adjudication in accordance with RICS dispute resolution procedure.</p>
(d)		<p>If the operational school ceases to be used for educational and ancillary purposes within 50 years (the Overage Period) from the transfer the landowners will have the first option to purchase the property at existing use value for educational purposes. Existing use value as defined by the RICS. This option to be open for 60 working days.</p> <p>If the property is transferred to another party without commitment to continued educational use within the Overage Period a payment shall be made to the Vendor to reflect 50% of the uplift in land value between state (non private) educational use, and any proposed alternative use.</p> <p>The Purchaser will be permitted to transfer and or grant a lease to one or more parties where educational provision is to continue, without either party becoming subject to any Overage payment</p>
10	Undertakings	On completion of the option agreement each party agrees to comply with the relevant schedule of undertakings as follows.

SCHEDULE OF PURCHASER'S UNDERTAKINGS

11	Specification	The Purchaser shall contribute a maximum sum of £30,000 towards Vendor's receipted costs for the preparation of a performance specification to determine the design of the roadways.
12	Infrastructure Costs and Recovery	<p>The Purchaser shall design and construct an access road from Cam Drive to the school as shown coloured brown on the plan entitled Infrastructure Plan. This shall include permanent services and/or conduits capable of serving the south eastern section of the proposed development as shown coloured blue on the Infrastructure Plan.</p> <p>The costs of providing the access road from Cam Drive including the infrastructure to serve the south eastern corner of the development which are over and above the Council's capped contribution of £430,000 shall be met in full by the Vendor and recovered by the Purchaser in accordance with terms and a trigger set out in a Cost Recovery Agreement (CRA) or similar document the purpose of which is to ensure full recovery of the Purchaser's advance expenditure incurred in the provision of infrastructure beyond the boundary of the land identified as part of this option. The recoverable costs relating to the advance works shall include but are not limited to:</p> <p>All Ground Works/Site Preparation</p> <p>Archaeological Works - related to Option Site and advance works and defined by the scheme of works</p> <p>Highways – provision to Option Site</p> <ul style="list-style-type: none"> • Road Construction and Serviceways • All other required Transportation and Highways works, links, installations and landscaping <p>Infrastructure – provision to Option Site</p> <ul style="list-style-type: none"> • Mains Water • Foul Drainage • Surface Drainage/Attenuation

		<ul style="list-style-type: none"> • Electricity • Gas • Telecoms <p>All other site and project related advance expenditure including design costs, are to be recoverable in full unless apportionment between the Vendor and Purchaser is pre-agreed.</p> <p>The full cost of the Archaeological Works shall be set against the Land Cost, reducing or extinguishing the sum due to the Vendor at Transfer. The Vendor shall recover both the Land Cost or any proportion thereof and the full cost of all Archaeological Works undertaken, paid together with the advance works recoverable costs, but in the 1st receipt of advance expenditure recovery .</p> <p>Should the Purchaser not exercise the option to acquire the site the full cost of the advance Archaeological Works will be reimbursed to the Purchaser from the sale of any land included within the planning application for the wider development scheme.</p> <p>A technical specification of works and supporting plans will establish the parameters for construction, further defined by the construction contract.</p> <p>The trigger(s) for the recovery of the advance expenditure shall be upon the sale of any land capable of the construction of private residential units. The full amount of the advance expenditure shall be reimbursed to the Purchaser as a tariff in equal proportions per unit, extending to the first 400 units and excluding social housing allocations. The Purchaser will seek restriction on land title.</p> <p>Any contingency and retention rebalancing associated with the advance works expenditure shall be calculated and form part of the final payment.</p> <p>Interest shall accrue on the advance expenditure at 4% above the base rate, commencing 12 months from the start of the construction of the school, calculated at the end of the payment period. To be reviewed 30 months after the signing of the S.106 to the higher of the existing rate or the appropriate cost of borrowing incurred by the Purchaser on infrastructure projects.</p> <p>The longstop date for full recovery of the advance expenditure is the latter of 60 months from the start of the construction of the school, as defined in the construction contract, or 57 months after the signing of the s.106 agreement.</p> <p>The Vendor may make early payment to the Purchaser of any agreed advance funding expenditure such as that relating to construction and design (but not limited to) and that is incorporated within the CRA.</p>
13	Reg 3 application	Purchaser is to prepare and submit Regulation 3 planning application(s) for a school no later than 12 months following the transfer of the property. Planning application drawing(s) to be approved by the Vendor prior to submission to relevant planning authority.
14	Warranties	The Purchaser shall provide the Vendor with warranties associated with the advance works.

SCHEDULE OF VENDOR'S UNDERTAKINGS

15	Provision of access & grant of rights	<p>The Vendor shall facilitate entry to any land in their ownership or jurisdiction for planning and or site investigations or any other reasonable purpose as required in advance of the land transfer and shall not delay or otherwise prevent this. All appropriate permanent rights shall be granted as set out in the draft land transfer.</p> <p>On transfer the Vendor will enter into a Licence to Occupy permitting the Purchaser to enter land in the Vendor's ownership to facilitate the construction of the school and associated advance works.</p>
16	Warranties	<p>The Vendor shall provide the Purchaser with copies of any technical investigations that were commissioned to support their outline planning application. All rights to the technical investigations (e.g. topographical, ground investigation, archaeology) are to be assigned to the Purchaser.</p> <p>On completion of the Option agreement a maximum contribution of £10,000 towards receipted costs shall be paid by the Purchaser to reflect the Vendor's expenses incurred with providing collateral warranties.</p>
17	Legal Costs	<p>The Purchaser will pay a contribution towards the legal fees of the Vendor of up to £3,000, otherwise both parties shall meet their own legal costs.</p> <p>The Vendor's solicitors will undertake the preparation of the:</p> <ul style="list-style-type: none"> Draft Transfer Transfer Cost Recovery Agreement Licences to Enter/Occupy Required Service Connections/Easements Placement of restrictions on title for the Purchaser - to ensure full cost recovery from future land sales

Case Officer

Date.....

Head of Strategic Assets

Date.....