

**Report to:** West Yorkshire and York Investment Committee

**Date:** 8 May 2019

**Subject:** **Leeds City College Group  
Proposed Acquisition of Harrogate College**

**Director:** Melanie Corcoran, Director of Delivery

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	Paragraph 3

## 1. Purpose of this report

- 1.1 To seek approval to provide the Combined Authority's consent to the transfer of Harrogate College from the Hull College Group into the Leeds City College Group (currently rebranding to Luminare Education Group).

## 2. Information

- 2.1. Leeds City College Group are currently undertaking a rebranding exercise and are now called the Luminare Education Group.
- 2.2. On 1 December 2016 the Combined Authority approved the full business case and funding for the Leeds City College, Quarry Hill project. The approval was for a £33.4 million grant from the Growth Deal, with an in principle agreement for a loan facility of up to £8.8 million.
- 2.3. On 7 November 2018 the Investment Committee recommended the approval of the loan facility of £6.5 million. A loan agreement was entered into between the parties and the funding has been drawn down.

- 2.4. Once completed the Quarry Hill project will deliver 15,000 sqm of new build floor space together with 6,000 sqm refurbished floor space to the College's existing Park Lane campus, and will include disposal of a number of assets.
- 2.5. Construction work for the nine storey development began in July 2017. The new Quarry Hill campus will become the college's Creative and Digital Arts and Health and Social Sciences departments. It will also house new space for the expansion of Leeds College of Music (LCoM) with recording studio facilities for music courses. Construction work is expected to be complete by August 2019, ready for use in the 2019/20 academic year.
- 2.6. Leeds City College Group is now seeking to acquire Harrogate College from the Hull College Group and this requires the consent of the Combined Authority as a condition of the existing loan agreement. An update on the acquisition is outlined in **exempt Appendix 1**.

### **3. Financial Implications**

- 3.1 The financial implications and the risks are explained in the **exempt Appendix 1 and Appendix 2**.

### **4. Legal Implications**

- 4.1 The information contained in **Appendix 1** and **Appendix 2** is exempt under paragraph 3 of Part 1 to Schedule 12A of the Local Government Act 1972 as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information). It is considered that the public interest in maintaining the content of the appendices as exempt outweighs the public interest in disclosing the information as publication could prejudice current and future decision making.

### **5. Staffing Implications**

- 5.1 There are not considered to be any Combined Authority staffing implications arising from this report.

### **6. External Consultees**

- 6.1 The College has been consulted.

### **7. Recommendations**

- 7.1 The Investment Committee agree the recommendations as set out in section 6 of **exempt Appendix 1**.

### **8. Background Documents**

None.

## **9. Appendices**

Exempt Appendix 1 – Luminare Education Group (formerly Leeds City College Group) - Proposed acquisition of Harrogate College

Exempt Appendix 2 – Cashflow – March 2019