


<p><b>Cabinet</b></p> <p>28 November 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Ann Sutcliffe, Acting Corporate Director, Place</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>The Infrastructure Delivery Framework: Report to Cabinet recommending the approval of the allocation of S106 funding in respect of the following projects:</b></p> <ul style="list-style-type: none"> <li>➤ <b>Wood Wharf Primary School;</b></li> <li>➤ <b>Additional 6th Form places - Langdon Park and George Green's School</b></li> </ul>	

<p><b>Lead Member(s)</b></p>	<p><u>Covering Cabinet Report</u> Councillor Rachel Blake, Cabinet Member for Strategic Development</p> <p><u>Wood Wharf Primary School Project Initiation Document</u> Councillor Amy Whitelock Gibbs, Cabinet Member for Education and Children's Services</p> <p><u>Additional 6th Form places - Langdon Park and George Green's School Project Initiation Document</u> Councillor Amy Whitelock Gibbs, Cabinet Member for Education and Children's Services</p>
<p><b>Originating Officer(s)</b></p>	<p><u>Covering Cabinet Report</u> Owen Whalley, Divisional Director, Planning and Building Control, Place Directorate</p> <p><u>Wood Wharf Primary School Project Initiation Document</u> Janice Beck, Head of Building Development, Children's Services</p> <p><u>Additional 6th Form places - Langdon Park and George Green's School Project Initiation Document</u> Janice Beck, Head of Building Development, Children's Services</p>
<p><b>Wards affected</b></p>	<p>Blackwall and Cubitt Town; Lansbury and Island Gardens, but meets borough-wide need.</p>
<p><b>Key Decision?</b></p>	<p>Yes</p>
<p><b>Community Plan Theme</b></p>	<p>A great place to live; A fair and prosperous community; A safe and cohesive community; A healthy and supportive community.</p>

## 1. **EXECUTIVE SUMMARY**

1.1 This document has been formed in order to seek approval from the Mayor in Cabinet for:

1. The allocation of £3m in Section 106 (S106) funding to the proposals set out in the “*Wood Wharf Primary School*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix A.
2. The allocation of £7.5m in Section 106 (S106) funding to the proposals set out in the “*Additional 6th Form places - Langdon Park and George Green’s School*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B.

1.2 The projects to which this document relates can be summarised as follows:

- a) **Wood Wharf Primary School:** This project involves the expenditure of £3m of S106 funding for the fit-out of a new 2FE primary school. The total cost of the proposal is £5m. £2m of the overall cost is being met by DfE Basic Need Grant. The school is included within a mixed use development for which planning consent has been obtained. The shell and core construction is programmed for completion in June 2020, with fit-out completed to enable the school to open in September 2022.
- b) **Additional 6<sup>th</sup> Form places - Langdon Park and George Green’s Schools:** This project involves the expenditure of £7.5m of S106 funding on the delivery of additional accommodation at Langdon Park and George Green’s Schools to allow them to offer a 6th form curriculum to up to 250 students. This follows a review of all secondary schools with Sixth Forms, which demonstrated that neither Langdon Park School nor George Green’s School currently had all the accommodation required for a 250 place Sixth Form, as set out in the Government’s Building Bulletin.

1.3 Table 1 below sets out the amount requested for each of the projects highlighted in 1.2, including the source of requested funding related to CIL and S106.

**Table 1: Source of Funding and Overall Amount Requested for Allocation**

Project Title	Amounts			Funding (Capital/ Revenue)
	Overall Request (£m)	S.106 (£m)	CIL	
Wood Wharf Primary School	3.0	3.0	-	Capital
Additional 6 <sup>th</sup> Form places - Langdon Park and George Green's School:	7.5	7.5	-	Capital
<b>Total</b>	<b>10.5</b>	<b>10.5</b>	-	

## **RECOMMENDATIONS**

The Mayor in Cabinet is recommended to:

1. Approve the allocation of £3m in Section 106 (S106) funding to the proposals set out in the "*Wood Wharf Primary School*" Project Initiation Document (PID), which is attached to this Cabinet report at Appendix A and Table 1.
2. Approve the allocation of £7.5m in Section 106 (S106) funding to the proposals set out in the "*Additional 6th Form places - Langdon Park and George Green's Schools*" Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B and Table 1.

## **2. REASONS FOR THE DECISIONS**

2.1 Approval is sought to deliver these projects for the following reasons:

1. They help contribute to the delivery of positive improvements to people's lives that will underpin the Community Plan themes of:
  - A Great Place to Live;
  - A Fair and Prosperous Community;
  - A Safe and Cohesive Community;
  - A Healthy and Supportive Community.

2. The Infrastructure Delivery Framework: Evidence Base identifies a need to increase the capacity of the education offer across the borough. These projects will result in an increase in primary and 6<sup>th</sup> form education spaces.

2.2 Please refer to the following associated documents/appendices for more information about the projects:

- Appendix A: Wood Wharf Primary School Project PID
- Appendix B: Additional 6th Form places - Langdon Park and George Green's Schools PID

### **3. ALTERNATIVE OPTIONS**

3.1 The projects within the attached PIDs can be individually or collectively approved. The only alternative option is to not allocate the funding to some or any of these projects.

3.2 It should be noted that the use of S106 funding proposed for allocation in this report is restricted, as it must be spent in accordance with the terms and conditions of its expenditure pertaining to a specific S106 agreement related to the development from which it originates. Further details of the specific restrictions attached to each S106 agreement can be found in the attached PIDs. Any alternative spend of this funding would have to be on the projects that would meet the requirements of the relevant S106 agreement.

### **4. BACKGROUND**

#### S106

4.1 S106 of the Town and Country Planning Act 1990 allows a Local Planning Authority (LPA) to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning obligations/S106 Agreements are legal agreements, negotiated between a LPA and a developer, with the intention of making development acceptable which would otherwise be unacceptable in planning terms.

4.2 S106 contributions must be spent in accordance with the agreement to which they relate. The contributions secured in S106 Agreements are usually tied to the need to provide a certain type of project in a defined location.

#### PIDs

4.3 The background to the projects is provided below. For further information on the projects described in this report it is necessary to consult the PIDs attached at Appendices A and B.

#### **Wood Wharf Primary School Project (PID attached at Appendix A)**

- 4.4 This project involves the expenditure of £3m of S106 funding for the fit-out of a new 2FE (forms of entry) primary school.
- 4.5 The project is to provide a 2 FE primary school, accommodating 420 pupils. It is proposed that the school will open in September 2022 and admit up to 60 pupils each year at Reception year until all the year groups fill. No nursery provision is made within the scheme as the site available cannot support the required accommodation or external play space.
- 4.6 The new school is a site to the east of the wider Wood Wharf mixed use development and will share servicing access with adjacent site users. The scheme provides free access for the school to community leisure facilities immediately accessible from the school site, during the school day. This allows the scheme to meet requirements for play space.
- 4.7 The developer and Council officers have worked very closely on the design details of the school to ensure it is a good design and that the Council is able to assess the details and costs of the fit-out requirements. A schedule of fit-out items and other costs e.g. furniture and equipment, have now been agreed. These have been independently costed and amount to £5m.
- 4.8 At its meeting on 31 October Cabinet will be asked to agree to lease the proposed shell, core and site and approve the capital cost estimate of £5m for the fit-out. Although the school will not be operational until September 2022, the Council is required to make a decision on taking up the option significantly earlier than would normally be the case for delivery of a new school. This is because the developer requires the certainty in order to proceed with the scheme, enabling work for which is programmed to start on site in January 2018. The fit-out of the shell comprises all the mechanical and electrical installations, internal partitioning and sanitary fittings, provision of built in furniture, decoration and all floor finishes.

#### **Additional 6th Form places - Langdon Park and George Green's School (PID attached at Appendix B)**

- 4.9 This project involves the expenditure of £7.5m of S106 funding on the delivery of additional accommodation at George Green's and Langdon Park Schools to allow them to offer a 6th form curriculum to up to 250 students.

- 4.10 This project comprises the delivery of additional accommodation at George Green's and Langdon Park Schools to allow them to offer a 6<sup>th</sup> form curriculum of up to 250 students each. This follows a review of all secondary schools with Sixth Forms, which demonstrated that neither The George Green's School nor Langdon Park School currently had all the accommodation required for a 250 place Sixth Form, as set out in the Government's Building Bulletin.
- 4.11 George Green's School currently accommodates 160 students within 6<sup>th</sup> form and an analysis of the available accommodation indicated that to provide for 250 students a further 700m<sup>2</sup> of accommodation was required. A feasibility study which looked into the most economical way of delivering the necessary facilities, however, highlighted the potential for some existing poor quality provision to be replaced. This option was considered to provide the best match of accommodation to need and results in the removal of detached modern foreign languages under sized 'cabin' classrooms and the nursery block which currently houses 6<sup>th</sup> form to be replaced by a purpose build 1400m<sup>2</sup> two storey building. The overall increase in floor area is, however only 100m<sup>2</sup>, demonstrating a more efficient plan format whilst accommodating a further 90 6<sup>th</sup> form students.
- 4.12 At Langdon Park School the current accommodation can only support 87 6<sup>th</sup> form students and an overall increase in accommodation of circa 600m<sup>2</sup> is required to deliver the additional 163 places. The proposed scheme provides a new detached block over three floors, minimising the amount of external space lost by the development. Remodelling of existing accommodation will also provide additional improved science facilities.

## **5. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 5.1 In accordance with the Council's Infrastructure Delivery Framework, this report seeks the approval of the Mayor in Cabinet to allocate Section 106 resources totalling £10.5m to two projects, the scheme costs and relevant funding sources being summarised in the table below.

	<u>Scheme Cost</u>		<u>Funding</u>	
	Capital	Section 106	DfE Basic Need Grant	
	£m	£m	£m	
Wood Wharf Primary School	5	3.0	2.0	
Additional 6 <sup>th</sup> Form Places: – Langdon Park and George Green's Schools	9	7.5	1.5	
	<b>14</b>	<b>10.5</b>	<b>3.5</b>	

- 5.2 In order that spending decisions can be made during the financial year by the Infrastructure Delivery Board and the Mayor in Cabinet, an initial provision of £30m for infrastructure delivery was incorporated within the 2016-17 capital programme, with uncommitted resources being carried forward into 2017-18 and future years as necessary. The approval to fund schemes from this budgetary provision can only be made following the receipt of the relevant developer contributions - in the case of the schemes proposed in this report, the required resources have been received by the Council. The planning contributions that are being applied to the projects are detailed in section 2 of each of the Project Initiation Documents that are included as Appendices A and B of this report.
- 5.3 A significant element of the Section 106 resources that are held by the Council relates to capital projects. The proposed allocation of these funds is undertaken by the Infrastructure Delivery Board and should take place in accordance with the priorities within the Council's capital strategy, although certain resources are specific to particular initiatives. In order to undertake Section 106 funded capital schemes, projects must be incorporated into the capital programme and appropriate capital budgets adopted. The capital budgets for the two projects were approved by the Mayor in Cabinet on 31<sup>st</sup> October 2017, pending formal approval of the Section 106 allocations.
- 5.4 Due to the risk that funding will have to be repaid to developers, with interest, if the time period specified in the Section 106 agreement expires, it is important to ensure that projects continue to be closely monitored and that actions are taken to mitigate any risk that resources will be lost. The possibility of applying funds to alternative projects should be considered if schemes are unlikely to draw down the funding before the time limited resources expire, although this must be done in accordance with the specific use conditions that are detailed in each Section 106 agreement.
- 5.5 Payments of Section 106 resources to external bodies can potentially be determined to be grants which require the approval of the Grants Determination Sub-Committee in accordance with the Council's decision making framework. In the case of the projects in this report, both relate to Local Authority maintained schools so do not require further approval unless payments are to be made to external voluntary organisations.
- 5.6 The revenue implications of the significant increases in school placement provision (420 additional primary school places and 250 additional 6<sup>th</sup> form places) that will result from the proposals in this report will be incorporated into future budget processes.

## **6. LEGAL COMMENTS**

- 6.1 It is one of the Council's statutory functions to ensure that there are sufficient primary and secondary education facilities in its area by virtue of section 14 of the Education Act 1996. Further by virtue of section 111 of the Local Government Act 1972 the Council has the power to do all things that are ancillary to the discharge of its functions. Therefore the Council has the legal power to take forward these projects.
- 6.2 Section 106 Planning Obligations are obligations secured pursuant to section 106 of the Town and Country Planning Act 1990. Such Planning obligations, commonly known as s.106 agreements, are the mechanism whereby development proposals which would otherwise not be acceptable can be made acceptable in planning terms. They are focused on site-specific mitigation of the impact of development. They can impose financial and non-financial obligations on a person or persons with an interest in the land and become binding on that parcel of land.
- 6.3 As a contract the Council are required to spend any monies received in accordance with the terms of the s.106 agreement. It is therefore important to consider the provisions of each agreement when allocating monies to a particular project.
- 6.4 This report is asking the Mayor in Cabinet to approve the allocation of s.106 resources to Wood Wharf Primary School and 6<sup>th</sup> Form Places at Langdon Park and George Green's School that were recommended for progression by the Infrastructure Delivery Steering Group on the 4th October 2017. The allocation of this section 106 funding is considered to be in accordance with the s.106 agreements and therefore lawful.
- 6.5 When making decisions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). A proportionate level of equality analysis is required to discharge the duty and this is met by the Equality Analysis' attached to the PIDs at appendices A and B.

## **7. ONE TOWER HAMLETS CONSIDERATIONS**

- 7.1 This report proposes to allocate funding to help deliver infrastructure at a local level. In scoping these infrastructure projects the objectives of One Tower Hamlets and those of the Community Plan have been considered.
- 7.2 It is hoped that these infrastructure projects will contribute to the reduction of inequality and will foster cohesion in the borough.



## **8. BEST VALUE (BV) IMPLICATIONS**

- 8.1 If approved, the project referred to in this document is required to be delivered in consideration of best value implications and the Council's Best Value Strategy and Action Plan (2015).

## **9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 9.1 Sustainability considerations will be applied as far as possible to the use of building materials and fixtures.

## **10. RISK MANAGEMENT IMPLICATIONS**

- 10.1 The risks relating to the delivery of this project as well as mitigating measures are set out in detail in the attached PIDs.

## **11. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 11.1 It is hoped that a number of these projects will improve places in the borough including buildings, making them less susceptible to crime or disorder and increasing natural surveillance.

## **12. SAFEGUARDING IMPLICATIONS**

- 12.1 There are no safeguarding implications in respect of the fit-out of the new 2FE primary school.

- 12.2 On the Langdon Park project, THSL Quality Management System complies with the Quality, Environmental and Safety Management System Standards ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.

- 12.3 Both projects will be monitored during delivery by members of the Children & Adult Services Building Development Team to ensure compliance with the specification and to ensure the safe management of construction on occupied sites. Handover of projects will not be accepted unless the schools can make beneficial use of the facilities provided i.e. that they are a fit and safe condition to be used.

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None

**Appendices**

- Wood Wharf Primary School PID – Appendix A;
- Additional 6th Form places - Langdon Park and George Green's Schools PID – Appendix B.

**Background Documents – Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012**

- None

**Officer contact details for documents:**

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