


<b>Cabinet</b>  10 July 2024	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Paul Patterson, Interim Corporate Director of Housing and Regeneration	<b>Classification:</b> Unrestricted
Former Shapla School interim use	

<b>Lead Member</b>	<b>Councillor Saied Ahmed, Cabinet Member for Resources and the Cost of Living</b>
<b>Originating Officer(s)</b>	Dave Hughes, Director Regeneration & Assets Wards
<b>Wards affected</b>	Whitechapel
<b>Key Decision?</b>	No
<b>Reason for Key Decision</b>	This report has been reviewed as not meeting the Key Decision criteria.
<b>Forward Plan Notice Published</b>	12/06/2024
<b>Exempt information</b>	N/A
<b>Strategic Plan Priority / Outcome</b>	All

### **Special Circumstances Justifying Urgent Consideration/ 'Reasons for Urgency**

This report was published after the statutory publication deadline due to delays with internal consultation. It is important that this report is considered at this Cabinet meeting due to the need to progress the issues swiftly to meet key administration priorities.

### **Executive Summary**

This report seeks the approval of Cabinet for the former Shapla School site to be allocated as the agreed decant site for the services identified in this report from the Professional Development Centre (PDC) and Commercial Road site until 2027 to meet the requirements for the re-development of the Professional Development Centre for the Institute of Academic Excellence and the decant of services based at Commercial Road site for housing redevelopment, of which both are Mayor Priority projects,

We request the site is retained for interim use within the Council rather than meanwhile use. This is a change to the original decision in October 2021 Cabinet that the site be considered for meanwhile use pending disposal.

## **Recommendations:**

The Mayor in Cabinet is recommended to:

1. Approve Shapla School site is allocated as the agreed decant site for the services identified in this report from the PDC and Commercial Road site until 2027.

## **1 REASONS FOR THE DECISIONS**

- 1.1 In October 2021, the Mayor in Cabinet approved for Shapla School to be used for meanwhile use under the delegated authority of the Corporate Director of Place. We return to Cabinet, to seek approval to use the site as an interim base for other Council services rather than meanwhile use.
- 1.2 Shapla School site has been identified within the corporate estate for the decant for services to meet the requirements for the re-development of the Professional Development Centre for the Institute of Academic Excellence and the decant of services based at Commercial Road site for housing redevelopment. This does not include the car pound which is to be relocated elsewhere.
- 1.3 We are seeking approval for allocation of the site for an interim period until 2027 whilst we continue to review the corporate landlord estate for future permanent accommodation. The proposed use is subject to planning permission and DfE consent.

## **2 ALTERNATIVE OPTIONS**

- 2.1 There are currently no alternative options within the corporate landlord estate for the services to relocate to, to enable us to vacate the buildings identified for redevelopment and we would therefore have to look at renting on the commercial market.

## **3 DETAILS OF THE REPORT**

- 3.1 We have reviewed the accommodation requirements for services which are being displaced from their current accommodation due to the sites being identified for future redevelopment.
- 3.2 As the corporate estate lacks buildings with parking and storage facilities, we are limited with what we can provide to meet these requirements. We have identified the former Shapla Primary School as the only site with the corporate

landlord estate, and the preferred interim site that we would like permission to use.

- 3.3 The site is located in Wellclose Square, E1 8HY and comprises of a single storey building with car park, hard standing playground, portacabin and small area with play equipment. The total site size is 1.136 acres and comprises of 18,488 sqft (1717m<sup>2</sup>) of low-rise buildings.
- 3.4 Shapla School was closed in August 2021 and deemed surplus to requirements by Children’s Services. This decision was approved by Cabinet in October 2021, delegating authority to the Corporate Director of Place to enter into meanwhile use agreements pending disposal. Between 2021 and 2024, the site was identified as interim accommodation for London Docks Secondary School if works failed to complete in time for the September 2024 intake.
- 3.5 The Shapla School site is considered to have potential for residential redevelopment, subject to planning. As part of a valuation exercise in 2020, a 123-unit scheme was assumed. On this basis and with 50% affordable housing, the valuation for disposal was approximately £11m. It is in the scope of the DfE consent regime applicable to former school sites, until 2031. The use of the site for council services is estimated to be required until 2027. In the run-up to that date, the options for the Shapla site would be developed in more detail in order to ensure that it is brought into a new use as swiftly as possible.
- 3.6 We propose for the site to be open by December 2024 to ensure we vacate PDC as the first priority. We will pursue planning permission for the change of use of the site and DfE consent for the new use of the site, ready for occupation in December 2024.
- 3.7 We have captured the background to the requirements from the three sites we have identified with accommodation requirements. The table below shows a summary of the services that would move to Shapla and those that are out of scope of the move to Shapla.

<b>Service</b>	<b>Current Base</b>	<b>Proposed location</b>
TH Arts & Music	PDC	Shapla
TH Schools Library Service	PDC	Shapla
Learning Advisory Service	PDC	Shapla
Enforcement/Operational Support - Managers/supervisors	Commercial Road	Shapla
Enforcement - street team	Commercial Road	Shapla
Maintenance - Managers/supervisors	Commercial Road	Shapla
NSL/TH estate staff - street team	Commercial Road	Shapla
School crossing patrol (storage only)	Commercial Road	Shapla
Park guard (Vehicle only)	Commercial Road	Shapla
Community safety (Vehicle only)	Commercial Road	Shapla
Trading standards (Storage & vehicle only)	Commercial Road	Shapla

Pest control	Commercial Road	Shapla
Parking Services - Back office/management (parking development/business/permits/refs & appeals/mobility	Commercial Road	Shapla

### **Outside of the scope of Shapla**

<b>Service</b>	<b>Current Base</b>	<b>Proposed location</b>
THEP	PDC	Alternative location to be found by THEP
Residents Hub	PDC	TBC
Car Pound	Commercial Road	TBC
Parking Debt	Commercial Road	Town Hall
Housing emergency	Commercial Road	Poplar business park or St Stephens Rd

## **3.8 CAPITAL AND REVENUE COSTS**

3.8.1.1 The capital costs to bring the site into use for the proposed services are currently estimated at £880k, we will pursue the funding for these works through the capital funding governance. New condition surveys have been procured and therefore these costs are indicative and may rise and we are reviewing internal decoration works with our in-house maintenance team to see how we can reduce these costs.

3.8.1.2 The site will continue to be operated under the Corporate Landlord model, but it has no existing budget and revenue budgets will be put together with finance colleagues from Children's Services and Communities to fund the running of the building from existing budgets including from their current accommodation charges.

## **4 EQUALITIES IMPLICATIONS**

4.1 There are no equalities implications for the repurposing of Shapla School.

## **5 OTHER STATUTORY IMPLICATIONS**

5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:

- Best Value Implications,
- Consultations,
- Environmental (including air quality),

- Risk Management,
- Crime Reduction,
- Safeguarding.
- Data Protection / Privacy Impact Assessment.

5.2 There are no statutory implications.

## **6 COMMENTS OF THE CHIEF FINANCE OFFICER**

- 6.1 The report is seeking approval for the Shapla School site to be retained for interim use within the Council. This represents a change to the original decision in October 2021 where Cabinet approved the site for alternative use pending disposal
- 6.2 Capital investment totalling £880k is required to bring the site into use. There is currently no budget allocation for these works within the capital programme and the capital governance process will need to be completed to secure this funding.
- 6.3 It is proposed to move services to the Shapla School site from Commercial Road and the PDC. Commercial Road is occupied by services within Public Realm and Community Safety. The building running costs are fully met by Parking, and in 2023-24 this was £335k. As Parking is a ringfenced account, there would not be a budget transfer to meet the running costs incurred within the Corporate Landlord Model, instead a contribution to Shapla running costs will be made through a recharge if Parking is to continue to fund this on behalf of the other services that are moving from Commercial Road. The PDC is occupied by Arts and Music, Schools Library Service, and Learning Advisory Service. There is no budgetary provision that will transfer to meet the running costs of Shapla school as the budget assigned to the PDC has been approved as a 2024/25 budget saving (SAV-CHI004-2024/25). As a result, there is insufficient budget to meet the ongoing revenue costs from occupying the Shapla School site.
- 6.4 The Council will also incur void property costs relating to Commercial Road and the PDC once these sites are deemed surplus to requirements. Costs are likely to include utilities, rates, insurance, ongoing repairs & maintenance and security. There is no budgetary provision to meet these costs ahead of redevelopment.
- 6.5 The Shapla site was previously earmarked as a site suitable for housing development, subject to planning approval with a disposal value of £11m. The site is in scope of the DfE consent regime applicable to former school sites, until 2031 and therefore must be vacated ahead of this date for the Council to dispose of it. Retaining the site will result in a delay in generating a capital receipt from the site which could be used as a source of capital funding within the existing capital programme.

## **7 COMMENTS OF LEGAL SERVICES**

- 7.1. The Council has the power to take the action proposed under section 1 of the Localism Act 2011.
- 7.2. It is understood that enquiries are taking place with the DfE to see if consent is necessary for any of the action proposed.
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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- NONE.

#### **Appendices**

- NONE.

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

- NONE.

#### **Officer contact details for documents:**

N/A