

Item No. 11.	Classification: Open	Date: 10 October 2012	Meeting Name: Borough, Bankside and Walworth Community Council
Report title:		Release of section 106 monies to deliver £508,757.75 of transport, public realm and employment training improvements associated with the Tate Modern 1 and 2 (9600269 a/n 089) and (09/AP/0039 a/n421) and Neo Bankside (06/AP/1481 a/n 339).	
Ward(s) or groups affected:		Cathedral ward	
From:		Director of Regeneration	

RECOMMENDATION

1. That the community council comments to the planning committee on the release of funds totalling £508,757.75 from the Tate Modern 1 and 2 (9600269 a/n 089) and (09/AP/0039 a/n421) and Neo Bankside (06/AP/1481 a/n 339) to deliver three projects:
 - Construction workplace co-ordinator[s] - Building London Creating Futures
 - Holland Street Public Realm (Bankside Urban Park) Project
 - Transport – bus stops (Southwark Street) contribution

BACKGROUND INFORMATION

2. Bankside is undergoing considerable change, as developers build out schemes to deliver the vision of the London Plan “Opportunity Area” at Bankside and London Bridge. The London Bridge and Bankside Development Team is working closely with the local community and developers in the area to maximise the benefits of the regeneration process. The area surrounding the Tate Modern is being comprehensively redeveloped, and a number of key sites have secured permissions for re-development which will dramatically transform the character and appearance of the area .
3. This report seeks to draw down funding from the Section 106 agreements associated with the following sites:
 - Bankside Industrial Estate, corner of Holland and Hopton Streets
 - Transforming Tate Modern, a large extension to the existing art gallery along Holland Street.
 - Bankside Power Station, the original planning agreement for the Tate Modern project
4. The total fund of £508,757.75 referred to in this report includes a sum of £144,393 from the original Bankside Power station legal agreement associated with the original planning consent for Tate Modern in 1996. The reason for the delay in delivering these projects relates to a deferred payment by Tate. The original sum of £86,000 was paid to the council in 2011 with an interest sum of

£58,858.88. The purposes of the original section 106 agreement require the funds to be expended on public realm and transport accessibility linked to the Tate site and this report recommends a project to deliver high quality public realm adjacent to the Tate.

KEY ISSUES FOR CONSIDERATION

5. Section 106 payments were secured as a prerequisite to the grant of planning permissions for the above sites in order to mitigate the harmful impact of large new developments on the local area, and provide the infrastructure and services to support such developments. The key area that links both landmark developments in Bankside is Holland Street which provides access to both sites, and links the visitors, workers and residents of both schemes to the new train station under construction at Thameslink Blackfriars (the terms of the legal agreements are attached in appendix 1). The table below details contributions made from the Neo Bankside and Tate Modern agreements towards employment and infrastructure projects.

Project	Neo Bankside	Tate Modern 2009 Agreement	Modern 1996 Agreement	Total
Planning application reference	06/AP/1481	09/AP/0039	96/00269	
S106 account number	339	421	089	
Construction workplace co-ordinator[s]		In-kind provision (penalty clauses for non-delivery)	n/a	
Employment payment for employment training related to or in the vicinity of the site	£76,860			£76,860
Transport / public realm payments to deliver Bankside Urban Forest projects adjacent to the Tate Modern site (Holland Street, Sumner Street and Park Street)	£179,504	Highways and transport £24,000 Local highways and transport £30,000 Taxi drop off point £20,000	£106,878.88	£360,379.88
Transport payments to Transport for London		Bus stop relocation £34,000	£37,517.87	£71,517.87
Total				£508,757.75

Construction workplace co-ordinator[s] - Building London Creating Futures

6. Building London Creating Futures (BLCF) is in partnership with a variety of private, public and voluntary organisations committed to identifying construction recruitment needs. The project aims to find long term employment for local people in London, placing long term unemployed people in the local area into jobs in the construction industry.

7. Employment benefits during construction will be provided in-kind by the Tate's contractor during construction. A sum of £71,675 has been identified as a "penalty payment" in the Tate section 106, should the contractor fail to deliver on the targets set out in the agreement. This activity will be monitored by the council's local economy team.

Employment Payment – NEO Bankside

8. £76,860 from the legal agreement with NEO Bankside will be used to fund employment projects to provide outreach support to place locally unemployed residents into sustained jobs. This project will be commissioned by the local economy team within Corporate Strategy.
9. It should be noted that the council has engaged with NEO Bankside's contractor Carillion since 2009 to deliver employment benefits in the NEO Bankside project but no commitment has been made to employ a workplace coordinator to date. This report seeks to commit funding to link the NEO Bankside project into wider employment and training programmes and deliver a series of employment and training benefits in the vicinity of the site.

Holland Street Public Realm (Bankside Urban Park) Project

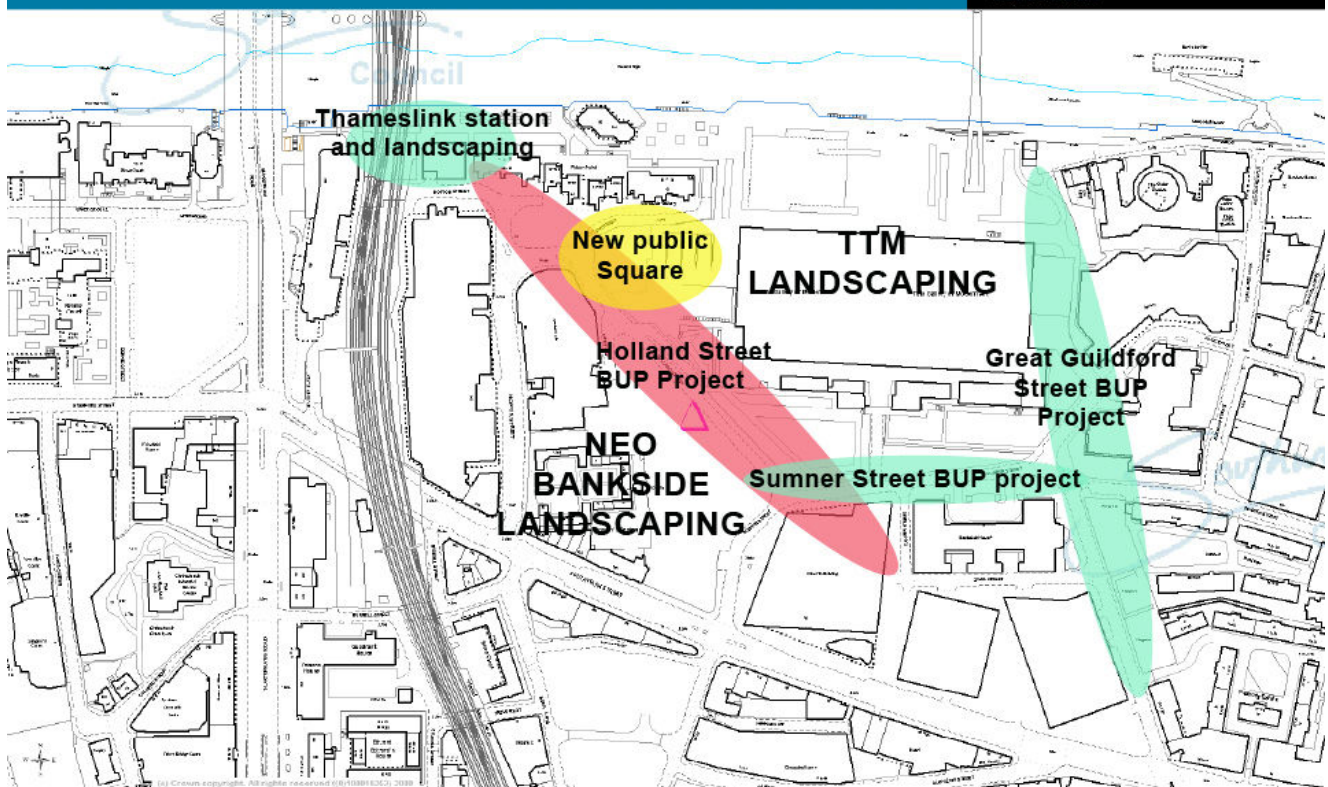
10. This report proposes to commit £360,379 of funding from the three legal agreements to deliver an integrated, holistic public realm improvement projects (including a number of specific items including taxi ranks and drops offs) linking the Tate Modern and Neo Bankside projects to the surrounding area. The funds will deliver projects along Holland Street, Sumner Street and Park Street, creating a new high quality link between the new developments and transport connections to both the north and south at Southwark tube and the future Thameslink Blackfriars riverwalk station.
13. The original 1996 Tate planning agreement provided for a number of interventions or "site related measures", notably a new crossing at the junction of Southwark and Sumner Street. The Southwark Street junction project has been implemented using existing funds. Improvements to Holland Street are identified in the agreement, and this project will deliver traffic calming in line with the original aspirations of the 1996 agreement along with the requirements for Coach surveys and parking.
14. This project has been discussed with the Council's transport policy team, who agree that this would constitute a major walking / cycling improvement project, and requested that the brief be extended to include links to the new riverwalk train station. The environmental improvements would be undertaken within the overall framework of the Bankside Urban Forest programme and will include:
 - A raised table treatment / level surface treatment across Holland Street to include traffic calming measures.
 - The integration of the design of the street with the new plaza to the west of Tate which is provided through the Neo Bankside section 106 agreement.
 - Creation of a high quality lighting scheme
 - Introduction of street trees and planters where possible.
 - Provision of taxi bays and drop off as specified in the Tate section 106 agreement

- Provision of raised tables and shared surface treatments to completely connect the Tate landscaping to the adjacent developments and promote movement north south.



Holland Street – Neo Bankside site on the left (west), Tate on the right (east), and the new Thameslink Blackfriars station to the north

15. This project will tie in and compliment a number of linked public realm projects in the area a number of which are shown in the figure below, including:
 - Thameslink Blackfriars station (under construction)
 - Thameslink Blackfriars environmental improvements (at design stage)
 - Hopton Street riverwalk diversion enhancement project (completed)
 - Great Guildford Street Bankside Urban Park project (at detailed design stage)
 - Tate to Tube lighting project (completed)
 - Sumner Street Bankside Urban Forest project (concept design)
 - Transforming Tate Modern landscaping (at design stage)
 - Neo Bankside landscaping (at design stage)
 - New public square for Bankside (at design stage)



Site plan showing location of Tate Environs Public Realm project.

16. The project is proposed to form part of the wider Bankside Urban Forest framework which will adopt a number of principles as detailed below. The Bankside Urban Forest has been recently selected as one of the Mayor's Great Spaces in London. The Urban forest plan, and programme of projects has been prepared by a coalition of local stakeholders, including Southwark Council, Better Bankside, Tate Modern, Transport for London, Cross River Partnership, Land Securities, GC Bankside LLP, and the Architecture Foundation.
17. The concept of the Bankside Urban Forest is one of a co-ordinated and strongly characterised urban design framework for the public realm. The area it covers extends from the River Thames southwards to the Elephant and Castle and bordered by Blackfriars Road and Borough High Street. It is intended that the Bankside Urban Forest framework can shape a common imagination between the many different interest groups in the area. This will help to negotiate, informally influence and, in some instances, directly inform projects and secure funding for enhancing the public realm and built environment.
18. Holland Street streetscene is seen as one of the key north-south routes in Bankside and within the forest framework. Such a scheme will link a series of environmental interventions of recent years, and improve links through Bankside and between the Riverside and Elephant and Castle and between key transport connections including the future Thameslink Blackfriars station. The vision is to create an integrated, high quality and cohesive streetscape environment linking around a series of new developments either underway or planned for construction

19. The creation of a high quality public realm is intended to compliment the employment projects, specifically in the end development jobs, by providing an attractive, high quality infrastructure which links transport nodes with the development sites, which will benefit residents, local employees and visitors to the area.
20. A meeting was held with Neo Bankside and Tate to discuss the project on 2nd February 2010. All parties supported the scheme, but it was explicitly asked by Tate that contribution to this Bankside Urban Forest project be on the basis that all other adjoining projects, notably the Falcon Point and Thameslink landscaping works are designed to integrate with the wider vision for the area. Tate were re-assured that opportunity would be given for Tate to input into the design of the riverside works, and a later meeting on 18th February 2010 confirmed that Tate would be a key consultee as part of this process.
21. This project will be commissioned by the Frameworks and Implementation team acting as client for the scheme. The brief for the scheme will be developed with the Architectural Foundation (AF) and Design for London (DfL), both of whom are involved in the Bankside Urban Forest and have expressed an interest in the scheme. Both DfL and AF are on the BUF steering group and were also on the Mayor's Great Spaces selection panel - hence their interest in the project.
22. In terms of programme, the project will be delivered to tie in with the completion of the Tate Modern project, and ensure that delivered works are not damaged by construction traffic. The currently completion date for the Tate Modern extension is 2015 and this project will be designed and programmed to tie in with the phased completion of landscaping associated with this date.

Transport – bus stops contribution

23. The frameworks and implementation team will work closely with Transport for London (TfL) to deliver a bus stop relocation project as set out in the legal agreement and annexed in the appendix below. £34,000 will be transferred to TfL as provided for under the agreement, and a letter of undertaking will be sought from TfL to apply the funds as stated.
24. A sum of £37,517 from the original Bankside Power station agreement is required to be transferred to Transport for London retrospectively for works carried out to deliver pedestrian improvements linking to the Tate site. The reason for the delay in paying TFL relates to the delayed payment by Tate cited above.
25. This project will be commissioned by the Frameworks and Implementation team acting as client for the scheme.

Community project bank

26. At its meeting on the 22nd July 2009, the Executive approved a list of community project bank projects for prioritisation. These priorities should be carefully considered in the case of releasing S106 monies.
27. The Building London Creating Futures programme is a revenue programme, and therefore falls outside the scope of the Community Project Bank prioritisation process. However, BLCF can support capital projects attached to specific sites which may fall within the CPB prioritisation matrices.

28. This report seeks to secure funding for the top priority project for public realm. The Tate Modern 2 legal agreement clearly states that the transport payment is for works "in the vicinity of the site." However it should be noted that this is not one of the top five projects prioritised by the Borough and Bankside Community Council. Under the themes of the S106 the highest prioritised projects in each theme are as follows:
- Mint Street Park Adventure Playground (community facilities),
 - Dickens Square (open space/play and sport)
 - Long Lane traffic reduction (transport).
29. The top priority projects of Dickens Square and Long Lane offer considerably less mitigation of the developments in question as they are not facilities that will be impacted upon by the developments or their occupants, nor would they offer new or enhanced facilities for use by the immediate surrounding community. However, consideration could be given to Mint Street Park open space improvements and the Thames Path surrounds projects, both of which are second level priorities for open space and transport themes.
30. It is considered that the benefits of the proposals put forward in this report of creating a major pedestrian thoroughfare to the new riverwalk station, coupled with the fact that it is the top public realm community project bank project proposal, justifies the use of the combined funds for this project.
31. Furthermore, it should be noted that the public realm project set out in this report has been developed in consultation with internal and external partners over the last 5 months, and has evolved as a key mitigation project between the Tate and Neo Bankside projects.
32. The defined transport projects in each agreement are not directly covered by the scope of the project prioritisation.

Community impact statement

33. All three projects will be designed to be fully accessible to all, without prejudice or discrimination.
34. As part of the Bankside Urban Forest project, as many existing materials as possible will be re-cycled and re-used within the design. Careful selection of method statements for the cleaning will be chosen to ensure existing brickwork and structures are not damaged.

Resource implications

35. The resource implications are outlined above. To deliver this programme, council costs will be recharged on a project by project basis - the Economic development and strategic partnerships unit requires a programme management contribution of 5% to deliver the above projects.

Consultation

36. The report is going for comment to the Bankside, Borough and Walworth Community Council.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

37. The release of funds towards the Construction workplace co-ordinator scheme, transport/public realm and transport contributions for TfL paid under Section 106 agreements 9600269 (dated 30 September 1996), 09/AP/0039 (dated 19 June 2007) and 06/AP/1481 (dated 14 May 2009) would comply with the obligations as set out in those legal agreements. Therefore Members are advised that the recommendation to release the funds can be approved.

Tate Agreement dated 30 September 1996

38. Clause 6 of Agreement 9600269 states that payment of £86,000 were due within 28 days of the Council's notifying the developer of its demand for payment. Clause 14 of the Agreement provided for interest payments of 3% above the interest rate of National Westminster Bank in the event of late payment.
39. The Council covenanted under clause 8 and Schedule 2, part 1 of the Agreement to expend or apply the monies (or any part thereof) for the following purposes:
- a. The promotion advertisement and implementation of a road traffic regulation order to increase the extent of the controlled parking zone within which the Site is situated including the holding of any public inquiry into the proposed order.
 - b. The promotion, advertisement and implementation of a road traffic regulation order banning coaches from the area within which the Site is situated including the holding of any public inquiry into the proposed order.
 - c. The carrying out by the Council or by its agents or consultants appointed by the Council of a study into the requirement for coach parking bays and other facilities within a one mile radius of the Site.
 - d. The provision of traffic lights and any associated road markings, signs or other works at the junction of Sumner Street and Southwark Street to include the provision of a dedicated pedestrian facility.
 - e. Traffic calming measures in Holland Street including the promotion advertising and implementation of any associated road traffic regulation orders.
40. As a result of late payment of the sums in 2011, the developer incurred interest fees of £58,878. Provided that the sums are expended in accordance with the above purposes, these will be lawful.

Tate Agreement dated 14 May 2009

41. The Tate Modern 2 Agreement (09-AP-0039) required that the developer pay a highways and transport sum of £24,000 within 12 months of commencement of development (Schedule 2, paragraph 1.1). The sum was required under schedule 3, paragraph 1.2, for the relocation and alteration of the taxi pick-up/drop-off on the east side of Holland Street to provide for 7 vehicles and the replacement of on-street parking spaces on Holland Street. A sum of £30,000 was required within 28 days of the Council's notification for local highways and transport, toward the realignment north of 6 existing on street parking spaces on Park Street and other related and necessary highway improvements in the vicinity of the site.

42. £20,000 was required as a Taxi Drop off point contribution within 14 days of the Council's notifying the developer, to be expended towards the preparation for and the carrying out of works for improvement of the taxi pick-up/drop-off space provision at Tate Modern. A Bus Stop Contribution of £34,000 was to be paid to the Council for payment to TfL for improving bus stops in the vicinity, such payment being made within 21 days of relevant TfL invoices being produced to the developer. No payments have been made in respect of the Tate Modern 2 Agreement to date as these have not been triggered. Provided that the sums are expended in accordance with the above purposes, these will be lawful.

Neo Bankside Agreement dated 19 June 2007

43. The 'Neo Bankside' Agreement (06-AP-1481) provides for payment of an employment payment of £76,860 to the Council by the developer, on commencement (Schedule 5, paragraph 4.1.1). The sum was to be used, by virtue of paragraph 4.2 of Schedule 5, for employment training related to or in the vicinity of the site. Paragraph 4.1.4 of Schedule 5 also provided for a transport payment of £177,004 to be expended towards highways and transportation related to or in the vicinity of the Development, to include bus stop provision. These sums have been paid to the Council. Provided that the sums are expended in accordance with the above purposes, these will be lawful.
44. The decision to approve the expenditure is reserved to Planning Committee in accordance with Part 3F, paragraph 2 under the heading 'Matters Reserved for Decision by the Planning Committee'.

Strategic Director of Finance and Corporate Services (SDFCS)

45. This report recommends that the Planning Committee authorises the release of S106 funds to deliver three projects. The SDFCS notes the contents of the report and resource implications contained herein. Officer time to effect the recommendations will be contained within existing budgeted revenue resources. NR/FCS/7/9/12

Section 106 Manager

46. Neo Bankside (Bankside Industrial Est, 118-122 Southwark St, 44 Holland St & 47 Hopton St SE1), 06/AP/1481 a/n secured £3,750,023 worth of S106 contributions. All the required contributions thus far have been made and total £1,003,946. This includes a provision of £177,004 for site specific transport and £2,500 for traffic management and £76,860 for a construction workplace coordinator.
47. The proposed use of these funds for the Holland Street Public Realm (Bankside Urban Park) Project which provides site transport specific mitigation as does the work place coordinator for that mitigation. The required TMO amendments are being progressed.
48. The Tate Modern 1 agreement, Bankside Power Station, Sumner Street, SE1, 96/AP/0269 a/n 421, secured £86,000 plus £58,878.88 late payment fees. The principal amount is for certain defined uses, which have been provided for and this will repay TfL for works provided, while the Holland St project will consider the provision of coach bays and traffic calming as per the requirements of the agreement.

49. The Tate Modern 2 agreement, (Tate Modern, Bankside SE1 9TG), 09/AP/0039 a/n 421 secures £178,200 worth of contributions. None have yet been triggered and those relating to this allocation are due in June 2013. In order to progress the project authority is sought in advance to deliver the project in coordination with the Tate 2 opening. This report gives no commitment to fund this element of the project until funds are received. The use of the funds of the Holland St project including the provision of the taxi drop off points and the transfer of £34,000 to TfL for the bus stops is in accordance with the agreement.
50. It is therefore considered that these projects provide appropriate mitigation for those related impacts of the three developments and are acceptable.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
S106 Legal Agreement Project Brief	Regeneration Department,	Dan Taylor 020 7525 5450

AUDIT TRAIL

Lead Officer	Dan Taylor – Principal Project Officer, Framework and Implementation Team		
Report Author	Dan Taylor – Principal Project Officer, Framework and Implementation Team		
Version	Final		
Date	27 September 2012		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title	Comments Sought	Comments included	
Director of Legal Services	Yes	Yes	
Strategic Director of Finance and Corporate Services (SDFCS)	Yes	Yes	
S106 Manager	Yes	Yes	
Cabinet Member	No	No	
Date final report sent to Constitutional Team		1 October 2012	