

Item No. 7.	Classification: Open	Date: 26 February 2019	Meeting Name: Planning Committee
Report title:		Release of £1,752,478.34 of Section 106 monies from 9 developments in the borough towards school provision at six primary schools and one secondary school	
Ward(s) or groups affected:		Camberwell Green, Borough and Bankside, South Bermondsey, Old Kent Road, Rye Lane, North Walworth and Champion Hill	
From:		Director of Regeneration	

RECOMMENDATION

1. That planning committee approves the release of £1,752,478.34 from the agreements listed in Appendix 1, in order to contribute to the overall capital programme requirement for these seven schools listed below, the total lifetime cost of which is £80,610,920.

School	Total Available (£)
Crawford Primary School	315,666.20
Phoenix Primary School	305,490.51
Charles Dickens Primary School	249,751.67
Robert Browning Primary School	408,880.22
Bellenden Primary School	30,556.00
Cherry Garden Special School	419,206.03
The Charter School East Dulwich	22,927.71
TOTAL	1,752,478.34

BACKGROUND INFORMATION

2. Planning obligations under Section 106 of the Town and Country Planning Act 1990 are used to address the negative impacts caused by a development and contribute to providing infrastructure and facilities necessary to achieve sustainable communities. The council can enter into a legal agreement with a developer whereby the developer agrees to provide planning obligations. These obligations can take the form of financial contributions and can cover a range of facilities, including contributions towards educational facilities.
3. The council has been able to secure funding towards local educational capacity improvements from the developments listed in Appendix 1 to ensure that the council can provide some mitigation from the pressure of new developments on educational school places likely to be used by the residents of these new developments.
4. The council has a statutory duty under the Education Act 1996 (amended by the Education and Inspections Act 2006) to “secure that sufficient schools for providing— (a) primary education, and (b) [secondary] education are available for their area” as well as to “secure diversity and increase opportunities for parental choice when planning the provision of school places” in the borough.

5. In common with other London boroughs, Southwark has seen a sharp increase in demand for primary places and this year a record proportion of on-time applications were received. Birth rates have increased 12% across the borough from 2002-2014.
6. As a result, there is currently a programme of investment of approximately £160 million in Southwark schools to increase numbers and address capacity issues. This programme incurs capital expenditure, and is being funded mainly by EFA capital grant, council capital resources (with Section 106 support) and school contributions.
7. The S106 contributions to this programme recommended in this report would benefit the following schools expansion:

School	Scope of works	Additional forms of entry (FE)	Total Works expenditure	Completion date
Crawford Primary School	New extension to existing school	1	£5,243,847	Mar-17
Phoenix Primary School	New extension to existing school	1.5	£3,667,072	Dec-16
Charles Dickens Primary School	Alterations to existing building and new extensions, including expanded nursery and two-year old provision	0.5	£8,066,850	Aug-17
Robert Browning Primary School	New extension to existing school	0.5	£8,090,435	Feb-18
Bellenden Primary School	New build school	1	£12,254,591	Feb-18
Cherry Garden Special School	New build school	0*	£14,569,125	Dec-18
The Charter School East Dulwich	New build secondary school (Phase 1 only)	8	£28,719,000	Phase 1 Dec-18

* Cherry Garden is a SEND school and is doubling its capacity for pupils, but is not readily comparable to forms of entry (FE) in main stream schools.

8. All of these projects have been operationally completed, but none are yet financially complete; this will occur at the end of the financial year in March 2019. The release of S106 monies is being sought in order to enable the most efficient and effective use of the council's capital resources. At planning committee meetings on the 16 January and the 16 July 2018, approval was given to use S106 sums, received for the purposes of education, towards the schools expansion programme. The release sought here is a further contribution to that programme.
9. The expansion of schools listed in paragraph 7 above provides 12.5 additional forms of entry for Southwark's school provision, as well as the extra capacity provided at Cherry Garden.

KEY ISSUES FOR CONSIDERATION

10. Through the pupil place planning for schools places, the council has assessed the need for places throughout the borough and invested in additional school places to meet the growth in population and parental choice, as mentioned above.
11. The whole of the council maintained and voluntary aided school estate has been subject to a condition and capacity survey. The survey was completed in the summer of 2012 and informed the strategy for the provision of further places along with pupil place planning data.
12. It has always been planned that where appropriate and available, S106 funding would be used to contribute towards the costs of providing this extra educational capacity.
13. This report requests that the following forward funded expansion from the overall programme is funded from the identified S106 contribution from nearby developments.

Policy implications

14. The identified contributions were secured through S106 legal agreements with the justification for educational need from new developments identified in the previously adopted Planning Obligations SPD, 2007.
15. Further cabinet reports on the primary investment strategy were agreed 16 July 2013 detailing the outcome of the 2012 condition and capacity surveys; 18 March 2014 and 22 July 2014. This, in conjunction with the pupil place planning needs, informed the strategy of provision of school places.

Community impact statement

16. The school expansions will have a positive impact on the community. The provision of modern and practical facilities with more capacity will greatly enhance the quality of the education facilities for both the additional and existing pupils and teachers.
17. The provision will provide space for all sections of the community irrespective of class, gender, ethnic origin, disability, religious belief, age or sexuality can come together. This in turn will improve the quality of life of people in Southwark and encourage community cohesion.

Resource implications

18. The council has previously committed to forward fund these expansion projects from existing approved project budgets. The S106 funds identified in the report are currently unallocated and available for this programme.
19. The release of the monies described in this report will provide financing for the following WBS codes associated with the schools expansion projects described above.

School	Project WBS code
Crawford Primary School	E-1112-0310
Phoenix Primary School	E-1145-0310
Charles Dickens Primary School	E-1108-0310
Robert Browning Primary School	E-1138-0310
Bellenden Primary School	E-1104-0310
Cherry Garden Special School	E-1803-0310
The Charter School East Dulwich	E-1406-0340

Consultation

20. The education provision has been widely consulted upon including with each planning permission. The chair and vice chair of the community councils, local ward members and the schools themselves have all been consulted over the life time of the school places strategy.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Law and Democracy

21. The agreements referred to in Appendix 1 all have balances available and as explained in paragraph 8 of the report, the various projects identified at paragraph 19 have all been physically completed. In each case, the section 106 Agreement allows for spending on education projects either within the Borough or in some cases in the vicinity of the development site. For this reason, the individual site developments have been linked to particular section 106 Agreements.
22. Previous reports relating to the funding of these education projects have been brought before planning committee on two previous occasions in January and July 2018. The purpose of this report is to allow for a re-allocation of funding before the financial year end since the council agreed to forward fund these projects prior to allocation from the specific 106 Agreements. This exercise has now been undertaken after the appropriate consultation as explained at paragraph 20.
23. As with the previous reports concerning this education funding, approval from the planning committee is required in accordance with the council constitution.

Strategic Director of Finance and Governance

24. This report seeks approval from the planning committee to release the sum of £1,752,478.34 from the various agreements listed in Appendix 1 towards the schools expansion programme in Southwark.
25. The strategic director of finance and governance notes the resource implications at paragraphs 18 and 19, confirms that the council has received the related section 106 funds and they are available for the purposes outlined in this report.
26. Staffing and any other costs associated with the implementation of this recommendation are to be contained within existing departmental budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Copies of S106 agreements	Planning Division, 160 Tooley Street	Jack Ricketts 020 7525 5464
School Places Strategy	Regeneration Team, 160 Tooley Street	Andy Brown 020 7525 5538
Web link: http://moderngov.southwark.gov.uk/ieDecisionDetails.aspx?AllId=32647		
Primary Investment Strategy	Constitutional Team, 160 Tooley Street	Gerald Gohler 020 7525 7420
Web link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?Cid=302&Mid=4549&Ver=4		
School Places Strategy Update (March 2014)	Constitutional Team, 160 Tooley Street	Gerald Gohler 020 7525 7420
Web link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?Cid=302&Mid=4556&Ver=4		
School Places Update (July 2014)	Constitutional Team, 160 Tooley Street	Gerald Gohler 020 7525 7420
Web link: http://moderngov.southwark.gov.uk/ieListDocuments.aspx?Cid=302&Mid=4861&Ver=4		

APPENDICES

No.	Title
Appendix 1	S106 agreements delineated by funds available and intended purpose

AUDIT TRAIL

Lead Officer	Andy Brown, Capital Project Manager	
Report Author	James Gilliland, CIPFA trainee	
Version	Final	
Dated	14 February 2019	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Date final report sent to Constitutional Team		14 February 2019

APPENDIX 1

Proposed School	Account No.	Planning Reference	Development	Available funds inc. indexation
Crawford Primary School	754	14/AP/2948	Land to rear 240/252 Camberwell Road	315,666.20
Phoenix Primary School	674	13/AP/0876	Wood Dene – Queens Road	305,490.51
Charles Dickens Primary School	579A	13/AP/1403	Kings Reach Tower	3,473.20
	700	09/AP/0343	Eileen House Newington Causeway	246,278.47
Robert Browning Primary School	742	14/AP/0830	237 Walworth Road	102,578.00
	663	12/AP/1092	Heygate Estate	306,302.22
Bellenden Primary School	745	13/AP/2311	237 Rye Lane	30,556.00
Cherry Garden Special School	665	12/AP/1784	1-16 Blackfriars Road	366,395.56
	803	14/AP/1085	170 Sumner Road	52,810.47
The Charter School East Dulwich	611	11/AP/0024	18-22 Grove Vale	22,927.71
TOTAL				1,752,478.34