

Item No. 21.	Classification: Open	Date: 21 July 2015	Meeting Name: Cabinet
Report title:		Development Proposals to the Eagle Wharf Site, London, SE15	
Ward(s) or groups affected:		Peckham Ward	
Cabinet Member		Councillor Mark Williams, Regeneration and New Homes	

FORWARD – COUNCILLOR MARK WILLIAMS, CABINET MEMBER FOR REGENERATION AND NEW HOMES

The regeneration of Peckham has seen significant investment in new homes, new public facilities like Peckham Library, and open spaces. We now have the opportunity to build on this progress and further enhance Peckham, and Southwark's, burgeoning creative and cultural sectors. This paper sets out the council's intention to enter into agreement with Mountview Academy of Theatre Arts and bring them to Eagle Wharf. Mountview have 70 years of experience in providing high quality training for actors, directors, and theatre technicians for stage, TV, film and radio. They are one of the best classical and musical theatre schools in the country. In addition they have a significant programme of activities and opportunities which will be open to and directly benefit our local residents and young people.

We are committed to the ongoing regeneration of Peckham, this includes new homes of all kinds – including new council homes, further improvements to public spaces, and bringing jobs and investment into the area. The proposals to bring Mountview to Peckham will support the work being undertaken by Carl Turner Architects to enliven the library square.

Bringing a vibrant cultural use to a key site in the heart of Peckham will bring new opportunities and facilities for local residents, but will also allow existing local cultural and creative organisations and groups to collaborate and extend their work. This report sets out the heads of terms for the council to enter into detailed discussions with Mountview, with the aim of signing a final agreement in September this year.

RECOMMENDATIONS

That the Cabinet

1. Approves the proposals to grant a long leasehold interest in the Eagle Wharf site, Peckham, SE15 to Mountview Academy of Theatre Arts, together with associated development funding arrangements as set out in the closed report.
2. Approves the draft Head of Terms and finance arrangements set out in the closed report.
3. Delegates to the director of regeneration powers to negotiate and agree terms relating to the lease and financial arrangements.

BACKGROUND INFORMATION

4. In November 2014 the council adopted the Peckham and Nunhead Area Action Plan. The council is committed to delivering this vision which will deliver on the Fairer Future promise to bring the benefits of regeneration to all.
5. The council have been widely consulting the communities in Peckham about proposals to improve Peckham Square. A further round of consultation on the scheme is proposed to take place in July which will include options to take forward to planning.
6. Eagle Wharf occupies an important site adjacent to Peckham Square and Peckham Library and presents an opportunity to significantly increase the area's focus as a cultural centre and fulfil its potential.
7. The council have an opportunity to work with Mountview Academy of Theatre Arts to develop the site. Mountview is one of the leading drama schools in the country with a long-standing and international reputation for providing the highest quality training to actors, musical theatre performance, directors and theatre technicians. They have been operating since 1945 and currently offer courses to achieve BA and MA qualifications to students aged 18 and over as well as foundation courses. Students benefit from intensive practical training with experienced staff and also with current theatre practitioners. They work to create significant opportunities for people of all ages and backgrounds.
8. Mountview Academy is currently located in Haringey. There are over 400 full time students and a further 300 attending the short courses. 120 members of staff are employed.
9. By relocating to Peckham, the Academy will benefit from being in a central town location and operating from a bespoke building that meets all of their requirements. Mountview have the opportunity to make a presence in Peckham and extend their current offer to enhance their prestigious reputation for providing the highest quality musical theatre, classical acting and theatre production arts training.
10. The move also provides opportunities for Mountview to grow, which is important as the school is committed to further extending their offer which includes an extensive range of courses, outreach work and activities that will be available for the local community.
11. Local residents will benefit from enhanced learning, cultural, leisure and employment opportunities. The development is expected to contribute to the overall regeneration of the area by:
 - Bringing greater momentum to the regeneration of Peckham and attracting future investment
 - Contributing to the completion of the development of Peckham Square to help it reach its potential
 - Providing an active frontage to Surrey Canal Walk
 - Extending the educational offer in the borough
 - Contributing to the borough's cultural strategy
 - Contributing to the borough's health and well-being agenda
 - Bringing a leading UK and internationally respected school to the borough

- Bringing wider place-making benefits to the town centre

KEY ISSUES FOR CONSIDERATION

12. The proposal will enable the construction of a bespoke building for educational, commercial and leisure use. A massing study has been carried out and indicates that the site can accommodate the academy's requirements along with a variety of complementary commercial uses, which will cross subsidise the building and running costs.
13. The building is in a prominent and central location on the border of two conservation areas and behind Peckham Library. The site boundary and location are shown in Appendix 1.
14. An initial view from planning officers has indicated that the principal massing, siting of the building and proposed uses are acceptable. The council expects there to be a scheme of high quality design that provides a positive contribution to the character or appearance of the conservation areas. There will be further consultation with planning officers in order to develop the designs prior to submitting a planning application.
15. Construction options are being considered to facilitate a time and cost efficient build that will enable the school to move in by summer 2018. Initial community consultation is expected to start in July 2015 as part of a wider discussion on the options for Peckham Square. The scheme will then be subject to further local consultation as well as the usual statutory consultation as part of the planning process.
16. Mountview currently offer full and part time foundation, BA and MA courses. They are committed to extending their educational offer where possible to include apprenticeships and programmes for over 16's.
17. The community offer will also be substantially extended from the current arrangements, and will include:
 - Community evening, weekend and summer drama classes and productions
 - School and library outreach sessions
 - Collaboration with partners and community organisations locally and across the borough
 - A range of dance classes for all ages
 - A range of community fitness, health and wellbeing classes for all ages
 - Emerging talent competitions, access to bursaries/subsidies for local people to attend courses (subject to negotiations on CIL).

Commercial principles

18. The Heads of Terms (attached in the closed report) which are subject to negotiation set out the principles of the land transaction and financial arrangements. The freehold will be retained by Southwark Council and Mountview will take a long leasehold interest of the land. The lease is conditional upon a satisfactory planning consent being secured, the cost of the project and financial viability.

Timetable

19. The timetable to practical completion of the build is set out below.

Completion of agreement for lease:	September 2015
Completion of loan agreement:	September 2015
Satisfactory planning permission achieved:	January 2016
Completion of lease no later than:	1 April 2016
Practical completion target date:	1 Jan 2018
Practical completion longstop date:	1 May 2018

Financial arrangement

20. The details of the financial arrangement are set out in the closed report.

Legal considerations

21. The legal considerations are set out in the closed report.

Key/Non Key decisions

22. This report deals with a key decision

Policy implications

23. The council is committed to revitalising neighbourhoods, making them places in which we can all be proud to live and work. The project supports the Fairer Future promise to invest in Peckham town centre to support arts and business.
24. The development plan for the borough consists of the Mayor's London Plan, the Core Strategy 2011, the Southwark Plan policies, and area action plans.
25. Eagle Wharf is owned by the council and it is a key development site identified within the Peckham and Nunhead Area Action Plan for mixed use. Any future proposals for the development of the site will be in line with all planning policy.
26. Agreement is subject to confirmation that the transaction represents best consideration under s. 123 of the Local Government Act 1972.

Plans for monitoring and management of the agreement

27. The proposal is subject to

- Viability
- Intrusive site investigations/survey
- Any board or committee approvals
- A satisfactory planning consent.

28. The Heads of Terms will include clear longstop dates, milestones and deliverables in terms of the implementation of the development including obtaining planning consent and constructing the new buildings. Management of this will be dealt with by the Property team.

Community impact statement

29. The council is mindful of its public sector equality duty and attempts to mitigate the impact upon those individuals and groups whose protected characteristics, as defined by the Equalities Act 2010 fall within one or more categories described as 'protected groups':
30. The site has been empty for five years and not accessible to the public. By bringing it back into use for educational, leisure and cultural uses, this proposal has a positive implication for all sections of the community.
31. Mountview is committed to a comprehensive policy of equal opportunities for their students. The Equality and Diversity Policy is available on their website <http://www.mountview.org.uk/landing-pages/landing-pages/policies.html>.
32. As outlined above, along with the formal studies, there will be an extensive programme of courses, activities and events that significantly extends the availability of leisure, cultural and educational services in the area. A number of these services will be accessible to all sectors of the community (subject to negotiations on CIL).
33. In addition, Mountview propose to work with organisations within the cultural and commercial and voluntary sector to engage with people of all ages, cultures and abilities. There will be outreach sessions in schools, libraries and open spaces.

Economic considerations

34. The relocation of Mountview Academy to Peckham is expected to give economic benefits to the borough by way of increased job opportunities, apprenticeships, access to training bursaries/subsidies and enhanced further and higher educational offer in the borough (subject to negotiations on CIL).

Social considerations

35. Mountview Academy welcomes students from all sectors of the community. It is noted that the offer includes access to annual bursaries/subsidies available to the local community (subject to negotiations on CIL).

Environmental considerations

36. As part of the planning application, the developer will be required to submit a suite of detailed surveys and reports setting out how the new development will impact, mitigate and improve the existing environmental condition. The environmental and streetscape improvements from the development will assist the council's Cleaner, Greener, Safer agenda.

Market considerations

37. Mountview Academy has a proven track record of delivering specialist performance arts qualifications. They enjoy a prestigious status within the arts industry and are a unique provider of higher education.

Staffing implications

38. The construction project will be managed by Mountview Academy, and Regeneration South will meet regularly with Mountview's project manager over the design development of the scheme prior to the planning submission. Governance arrangements are to be agreed.
39. The financial arrangement will be monitored against the agreed programme, key milestones, risks and deliverables and staffed within existing resources within the regeneration division.

Financial implications

40. The financial implications are set out in the closed report.

Legal implications

41. The lease agreement will be negotiated with advice from the council's legal team and specialist legal experts.

Consultation

42. Consultation has taken place with the Leader of the council and cabinet members for Regeneration and New Homes and Finance, Modernisation and Performance. All members are in support of the proposals.
43. The council's statutory director of children's services (including education) supports the proposal. Higher education for young people in the borough would be enhanced by Mountview Academy of Theatre Arts' expanded offer as set out in para 13. The proposal is consistent with our ambition to improve the quality of education in the borough and to secure access for Southwark young people to specialist high quality education in areas that are directly linked to employment opportunities.
44. The council's arts service supports the Mountview proposal, which both enhances and complements the existing arts and cultural provision in the local area. The proposal presents many opportunities for collaboration with other long established local providers, such as Theatre Peckham, to expand the portfolio of activity for Southwark's young people and emerging talent. This could be achieved through a number of ways, for example: shared use of theatre and learning facilities; co-creating new work; work placements for students; and progression routes for young people into higher education.
45. This proposal aligns with Southwark's cultural strategy in the following ways:
 - Delivering high quality engagement programmes and opportunities for local people to participate in high quality cultural experiences

- Enabling the creation and production of new work that promotes innovation and best practice
- Providing a platform and opportunities for new and emerging artists to practice effectively in the borough
- Promoting collaborative working, shared skills and experiences between cultural sector organisations to maximise the use of existing resources and explore artistic practice innovation

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

46. Not applicable.

Director of Legal Services

47. Comments included in the closed report.

Strategic Director of Finance and Corporate Services

48. Comments included in the closed report.

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Peckham and Nunhead Area Action Plan	Planning Policy Southwark Council 5th Floor, 160 Tooley Street London SE1 2QH	Juliet Seymour 020 7525 0508
http://www.southwark.gov.uk/info/200315/peckham_and_nunhead		
Cultural Strategy 2013-2018	Arts and Culture, Southwark Council 3rd Floor, 160 Tooley Street London SE1 2QH	Coral Flood 020 7525 5231
http://www.southwark.gov.uk/downloads/download/3733/culture_strategy_2013-2018		

APPENDICES

No	Title
Appendix 1	Site plan

AUDIT TRAIL

Cabinet Member	Councillor Mark Williams, Regeneration and New Homes	
Lead Officer	Stephen Platts, Director of Regeneration	
Report Author	Jessica Caruth, Senior Project Manager	
Version	Final	
Dated	9 July 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments sought	Comments included
Head of Procurement	No	No
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Head of Specialist Housing Services	No	No
Cabinet Member	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	No	No
Corporate Contract Review Board	No	No
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team	9 July 2015	