

Cabinet Member Delegated Decision 22 August 2019

Report title: S106 and DIF funding for Wyvil Primary School Expansion

Wards: Oval

Report Authorised by: Christina Thompson Acting Strategic Director – Finance and Investment

Portfolio: Councillor Jennifer Brathwaite, Deputy Leader (Children and Young People)

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Saboor Nasar, Senior Project Manager, Finance and Investment

Report summary

This report follows previous Cabinet Member Decision Reports (CMDDR) dated 2 May 2017 and 11 June 2018 CMDDR Keybridge House Development Agreement that outlined the development of a school site by Mount Anvil at their Keybridge site as part of a 2FE expansion to the Wyvil Primary School. The scheme involves the expansion of Wyvil Primary School from 2 FE (Form Entry) to 4FE, via the construction of a new build 2FE facility on the nearby Keybridge site (Vauxhall).

The key purpose of this report is to allocate the Council's capital funding towards the refurbishment of existing school on the Wyvil site.

Finance summary

The Council already has funds to the amount of £681,177.68 funded from s106 contributions that it is able to draw down; further potential funding of £2.8m is also available through Development Infrastructure Funding Study (DIFS).

- The Council's School Community Capital Programme (SCCP) estimate a total budget cost of £2.6m for the refurbishment with a programme estimating 42 weeks from procuring a Design team to Practical completions.
- The scheme is funded purely through s106 (already in place) and DIFS contributions.
- Funding for the scheme is capital

Recommendations

- (1) To allocate a contribution of £1.92m + 10% contingency totalling £2m from Development Infrastructure Funding Study (DIFS) for the refurbishment of the Wyvil site.

1. Context

- 1.1 Keybridge House is a large-scale major development currently under construction in Vauxhall by the housing developer Mount Anvil. The Keybridge site is planned to accommodate years 4, 5 and 6 with the Wyvil site, after refurbishment, to accommodate pupils from nursery up to and including year 3. The refurbishment to the Wyvil site (site A) is ever more pertinent now that the Keybridge site is underway and due to accept pupils by September 2021.
- 1.2 The school expansion is now reinforced further following the recent publication of 'Future Lambeth – Our Borough Plan (2016-21)', which identifies the three priorities of 'inclusive growth', 'reducing inequality' and creating 'Strong and sustainable neighbourhoods'. Recent School place need analysis confirms that there will be demand for additional school places by September 2020. Given that the Keybridge House developer is currently on site constructing the Phase I development, the Council seeks to work in partnership with the developer to deliver the school for the Council. In this context the Council is acting responsibly in delivering the social infrastructure in tandem with the population growth that demands it.
- 1.3 As outlined in the finance summary, the estimated capital cost for the Council to build the school expansion is £2.6m. This capital would have to come from DIFS as a priority. In the context of significant financial cuts to local government it is considered prudent and sensible to explore options that would minimise expenditure where possible to optimise the use of the council's scarce resources. The CMDDR dated 2nd May 2017 agreed the principle of a partnership with the developer and the CMDDR dated 11th June 2018 allocated £844,000 as Lambeth's contribution to school on the Keybridge site.

2. Proposal and Reasons

- 2.1 As described above, the previous CMDDR dated 2 May 2017 agreed the principle to allocate the Council's capital payment towards the development. This current CMDDR's purpose is to allocate DIFS funds into the Capital Investment Programme to deliver the Wyvil school expansion.
- 2.2 The Council is already in partnership with Mount Anvil and is receiving a building that has the capacity to house three primary year cohorts at 4FE (forms of entry). Alongside this there is available funding for primary expansion sitting in DIFS allocation. It is seen as prudent that the Council takes advantage of the new building and the available funding is used to refurbish the existing Victorian Wyvil site to accommodate 4 forms of entry from nursery to year 6 by September 2026.

3. Finance

- 3.1 The Wyvil Primary Victorian site (also known as Site A) had a concept design put together by an Architectural team. The costing of the scheme was Value engineered to a figure of £1.6m and with contingencies and professional fees a total budget of £2.6m is forecast.

3.2 £681,177.68 of s106 funding has been allocated and secured for Wyvil Primary expansion since 2015. There is still £2.8m of potential DIF funding available to be drawn down for the expansion project.

3.3 Subtracting the £681,177.68 of funding already available from the total forecast required budget of £2.6m leaves a draw down need for £1.92m plus contingency.

4. Legal and Democracy

4.1 Section 14 of the Education Act 1996 places a duty on the Council as local education authority to secure that sufficient schools for providing primary and secondary education in its area. The schools available for an area shall not be regarded as sufficient for the purposes of this section unless they are sufficient in number, character and equipment to provide for all pupils the opportunity of appropriate education.

4.2 Section 111 of the Local Government Act 1972 gives the power to the Council to do anything whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights, which is calculated to facilitate, or is conducive to, the discharge of its functions.

4.3 S106 agreements under the Town & Country Planning Act 1990 provide for developer obligations to reduce or offset any harmful impacts of a development. These can include contributions to facilities at a local level. Any money paid over for such a purpose must be applied for the agreed purpose/s set out in the agreements.

4.4 This proposed key decision was entered in the Forward Plan on 27 December 2018 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and co-production

5.1 There is no statutory obligation for the council to publically consult or engage in regard to DIFs funding.

6. Risk management

6.1 Risk Management procedures are in place and overseen by an officer group (North Lambeth Board), including the Strategic Director for Resident Services, in consultation with the Leader of the Council and the Strategic Director for Finance and Investment.

7. Equalities impact assessment

7.1 Not applicable for DIFs funding

8. Community safety

8.1 Not applicable for DIFs funding

9. Organisational implications

9.1 Environmental

None

9.2 Staffing and accommodation

None

9.3 Procurement

The consultant that will assist the council in the drafting of the Development Agreement will be appointed via the Valuation and Strategic Property Services team's Framework Agreement. The same consultant will be advising the council on responsible procurement practises should the developer proceed in delivering the school on the council's behalf.

9.4 Health

None.

10. Timetable for implementation

Key Milestones		Date
1.	Design development	December 2018
2.	Pre-planning application negotiations	March 2019
3.	Planning submitted	May 2019
4.	Planning approval	August 2019
5.	Construction commences	November 2019
7.	Practical completion of school	June 2020
8.	School opens	September 2020

Audit trail				
Consultation				
Name/Position	Lambeth directorate/division or partner	Date Sent	Date Received	Comments in para:
Councillor Brathwaite	Deputy Leader (Children and Young People)	18.07.19	31.07.19	
Christina Thompson	Acting Strategic Director: Finance and Investment	29.04.19	02.05.19	
Cathy Twist - Director	Education and Learning	21.02.19	20.03.19	
Legal Services David Thomas	Legal and Governance	29.04.19	09.05.19	4
Maria Burton Democratic Services	Legal and Governance	13.03.19	19.03.19	4
Paul Butler, Finance	Finance and Investment	29.04.19	08.05.19	

Report history	
Original discussion with Cabinet Member	December 2018
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	27.12.2018
Key decision reasons	2. Income, expenditure or savings in excess of £500,000
Background information	<ul style="list-style-type: none"> • CMDDR Keybridge House Development Agreement 2nd May 2017 • Greater London Authority's (GLA) VNEB Opportunity Area's Development Infrastructure Funding Study (DIFS) 2010 • Vauxhall SPD 2013 • Planning Decision dated 19.07.14 • Lambeth Borough Plan
Appendices	Appendix 1 site location

APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board, and taken account of their advice and comments in completing the report for approval:

Signature _____ **Date** _____

Post Saboor Nasar, Senior Project Manager Schools and Communities Capital Programme

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:

Signature _____ **Date** _____

Post: Councillor Jennifer Brathwaite, Deputy Leader of the Council (Children and Young People)

Any declarations of interest (or exemptions granted):

Issue

Interest declared