RE ExQ4: 21 June 2019: Q F.4.18 - Question to the Applicant re: Draft s106 Agreement

Ref IP 20014343

Dear Sirs

- 1 I am concerned that, thanks to meticulous and diligent questioning by the Examiners, the application as it now stands bears little relationship to the original submission by RiverOak Strategic Partners Ltd. In addition, the applicant has demonstrated a willingness to amend its business model in response to public opinion with the inclusion of passenger flights. I am concerned that, in submitting the comments and questions below, I am offering another opportunity to polish a flawed proposal
- 2 The Examiners have asked the Applicant for evidence that £139,000 is 1% of the annual budgets of the seven schools listed in the Seventh Schedule (Manston School House Nursery, Chatham & Clarendon Grammar School, The Elms Nursery School, Priory Court Infant School, Masque Theatre School, Fledglings Nursery School, and Ellington Infant School).

RSP has taken a simple approach to a complex problem.

3 As Clerk to the Governing Body of Chatham & Clarendon Grammar School (CCGS), I am familiar with the school's finances and its buildings.

CCGS is an academy: its income consists of a general annual grant (GAG funding), subsidiary grants and income generated by the school itself. The total budget for this year is in excess of £7m, forecast to rise to over £8m by 2023-2024. However, these figures do not reflect that, although CCGS is an academy and therefore an independent company, a large part of this income is routed through Kent County Council which "top slices" around £500 per student.

Q: Has RSP based its estimate on the amount the Education and Skills Funding Agency (ESFA), the school's paymaster, allocates to the school, the amount the school actually receives, or the total amount available to spend during the year which includes monies generated by the school?

Q: In stipulating that the funds would be paid to the County Council, has RSP negotiated either an administrative fee for KCC or secured an assurance that the funds would not be "top sliced"?

4 An increasing number of schools are technically insolvent and others, including CCGS, are having to taking quite drastic action to stay solvent. Parliament has recently debated the perceived inadequacy of school funding and the Prime Minister is attempting to secure additional funding for education as part of her legacy. Q: Why has RSP not factored in budget changes or inflation? Over the proposed 20year term of the agreement, the CCGS budget will increase while the real value of RSP's offer in monetary terms will diminish.

5 Chatham & Clarendon Grammar School operates across 5 sites in central Ramsgate, all under the proposed flight path. The three main buildings - Lower School, Upper School and Sixth Form Centre - are all Grade II listed. Supplementary accommodation ranges from the post-war sports hall and science block to prefabricated classrooms. In total, the estate has around 600 windows of varying types and sizes. In addition, the unusually large number of roofs are of different construction, each needing to be treated individually. Retro-fitting noise insulation and ventilation would be both challenging and costly.

RSP states "... the airport operator has committed to continually review the mitigation needs of schools within the 50 dB L Aeq (16 hour) day time contour presented in Chapter 12 of the ES by first establishing the baseline conditions of the school prior to the operation of the airport, and then annually assessing the potential benefits of mitigation for that school with the potential to fund mitigation via the Community Consultative Committee. "

Q: Has RSP considered the full cost of mitigation needs for Chatham & Clarendon Grammar School? Has anyone from the company visited the school in an attempt to understand what its needs might be? How does the applicant propose to carry out its assessment of baseline conditions? How does the applicant propose to carry out its annual reviews? Is the applicant proposing to use desk-top assessments or to employ independent and properly qualified surveyors with an understanding of both historic buildings and educational establishments?

Q: If RSP's business plan forecasts a pattern of growth, why is applicant proposing to provide a level of funding that will a) devalue in real terms, and b) stop after twenty years - by which time RSP forecasts that there will be a thriving air cargo/ air passenger business in operation, using the same flight paths?

Q: RSP refers to "the airport operator". Who is the "the airport operator"? If not RSP, how binding would RSP's commitment be on successor operators?

6 CCGS currently has 1,471 students on roll, each expected to attend on 190 days over the course of the school year. Students remain at the school for least 5 years, with the option of continuing in the Sixth Form for a further two years. The sum offered by RSP, assuming it is at least based on the current CCGS budget and not "top sliced" by KCC, would amount to compensation of less than a pound a week for each of these children whose education would be disrupted and whose health would be put at risk for the financial benefit of the "airport operator".

Q: Can RSP offer a properly substantiated assurance that its proposals will have no an adverse effect on the academic performance of students at CCGS?

7 Many of the students live locally (under the proposed flight path) and will have attended Priory Court or Ellington schools (also under the proposed flight path). They and their successors represent the future economic prospects of Thanet.

Q: Is there evidence that the benefits of RSP's proposal outweigh the damage it can inflict on the future economic health of the area?

8 CCGS employs around 200 people in teaching and non-teaching roles ie a large number of highly qualified employees as well as a substantial number in low skilled jobs. Many members of staff live in Ramsgate, under the proposed flight path. There is a recognised national problem with the recruitment and retention of teachers, particularly in areas of multiple deprivation such as Thanet.

Q: In assessing the employment opportunities it might provide, has RSP considered that its activities might make Thanet, and Ramsgate in particular, a less attractive place for highly skilled, educated workers such as teachers?

9 The Examiners have also asked why, given that this sum is designed to mitigate the impact of the proposed development, this mitigation should not be secured in the DCO?

The legal tests for a s106 agreement are set out in regulation 122 and 123 of the Community Infrastructure Levy Regulations 2010 as amended. The tests are:

- a. necessary to make the development acceptable in planning terms
- b. directly related to the development; and
- c. fairly and reasonably related in scale and kind to the development.

Q: Is this mitigation, fairly and reasonably related in scale and kind to the development?