


<b>Cabinet Decision – Grants Determination Sub-Committee</b>  11 September 2019	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Denise Radley, Corporate Director, Health, Adults and Community	<b>Classification:</b> Unrestricted
<b>Wood Wharf Health Centre</b>  <b>To approve the additional grant funding of £5,780,000.00 (incl. VAT).</b>	

<b>Originating Officer(s)</b>	Matthew Quin, Healthy Environment's Programme Lead, Public Health
<b>Wards affected</b>	Blackwall and Cubitt Town
<b>Key Decision?</b>	Yes
<b>Community Plan Theme</b>	A healthy and supportive community

### **Executive Summary:**

This reports relates to the grant funding of £5,780,000.00 to provide a modern health facility within the Wood Wharf development. The development will provide sufficient capacity to meet projected population demand and support the introduction of new models of care to deliver a broader range of integrated primary care and community health services to the local community

Wood Wharf is a new mixed use community located east of Canary Wharf in the Blackwall and Cubit Town wards and forms part of the LBTH local plan completing the Canary Wharf character place in the centre of the Isle of Dogs.

The allocated site has a target GIA of 1,076sqm and is located in close proximity to the new primary school being developed within the Community. With the new health centre serving both the existing and new population of the catchment area, with sustained residential growth on the Isle of Dogs – with the Wood Wharf site being central to the central and North East of the areas developments.

The fitted-out premises will provide up to 18 clinical rooms, a multi-purpose group room, GP training rooms, and associated supporting rooms to deliver community healthcare services.

### **Recommendations:**

The Grants Determination Sub-Committee is recommended to:

1. To approve the grant funding of £5,780,000.00 to provide a modern health facility

within the Wood Wharf development. This will provide sufficient capacity to meet projected population demand and support the introduction of new models of care to deliver a broader range of integrated primary care and community health services to the local community.

## **1. REASONS FOR THE DECISIONS**

1.1 Tower Hamlets has one of the lowest healthy life expectancies for both men and women in the country and health inequalities particularly for BME people are a significant challenge for our communities. Additional infrastructure for GP services, in line with project population increase in the local area, will provide additional resource for the council's Public Health services (through commissioning) and local health partners to tackle these health inequalities and improve outcomes for local residents.

1.2 The Isle of Dogs region is particularly in need of additional health infrastructure, and extending healthcare provision will enable improved access for the existing population and provide future capacity for new residents in the local area. The Wood Wharf Health Centre will therefore be increasing health service availability in a location of appropriate need. GLA 2016-based Housing-led population projections highlights significant increases in the population demographic of Tower Hamlets. Figures show that for the period covering 2018 – 2028, the 0-3yr and 65+yr age groups, who are higher users of primary health care services compared to other age groups, will grow by 8% and 39% respectively.

## **2. ALTERNATIVE OPTIONS**

2.1 Do nothing, this would not achieve the objective to increase capacity, access and service provision in primary healthcare. It would lead to the impact of development across the Borough upon health services to be unmitigated.

### **DETAILS OF REPORT – Wood Wharf**

3.1 Wood Wharf is a new mixed use community located east of Canary Wharf in the Blackwall and Cubit Town wards and forms part of the LBTH local plan completing the Canary Wharf character place in the centre of the Isle of Dogs.

3.2 London Borough of Tower Hamlets placed an obligation of the developer Canary Wharf Group PLC to allocate an s106 site dedicated for health use within the Wood Wharf development to aid in the provision of primary health care for the project population increase of the ward; estimated at 23,079 increase to 2018-2033. The Wood Wharf health centre is well placed for the new developments in the local area, and will be designed to accommodate a significant proportion of this projected population increase.

3.3 The allocated site has a target GIA of 1,076sqm and is located in close proximity to the new primary school being developed within the Community. With the new health centre serving both the existing and new population of the

catchment area, with sustained residential growth on the Isle of Dogs – with the Wood Wharf site being central to the central and North East of the areas developments.

3.4 Tower Hamlets Clinical Commissioning Group and NHS Property Services (NHSPS) have been working with Canary Wharf Group PLC on the allocated site, negotiating on the unit and are now in a position to work towards an Agreement for Lease between NHSPS and Canary Wharf Group PLC to take a head lease of the facility.

### Project Objectives

3.5 The project objectives are:

- Carry out local consultation in line with NHS process and procedure of the patient list and local stakeholder to enable the procurement of a successful provider to operate the new practice.
- Provide a modern health facility within the Wood Wharf development with sufficient capacity to meet projected population demand and support the introduction of new models of care to deliver a broader range of integrated primary care and community health services to the local community.
- Ensure the Wood Wharf Health Centre development represents value for money and is affordable to the local health economy.
- To ensure the health and wellbeing needs are met within the Blackwall & Cubitt Town Ward to meet the demand for the growing population of the east of the borough.

3.6 The Wood Wharf Health Centre premises will be constructed to shell and core specification by the site developer, Canary Wharf Group PLC, in fulfilment of a planning obligation under the terms of a Section 106 Agreement. The premises will comprise a target GIA of 1,076sqm. The building is expected to be completed and handed over to the NHS in February 2021. The fit out works is expected to take approximately 12 months, with the health centre becoming fully operational in winter 2022.

3.7 The fitted-out premises will provide up to 18 clinical rooms, a multi-purpose group room, GP training rooms, and associated supporting rooms to deliver community healthcare services. The complete schedule of accommodation will be scoped by Tower Hamlets CCG through various workshops and modelling with the clinical user group identified for the practice. The additional capacity provided in the new building will enable the practice to deliver an extended range of integrated primary and community health services to tackle health inequalities and improve health outcomes for their patients, in line with the objectives and goals set out in the Tower Hamlets Health and Wellbeing Strategy 2017-2020. The facility will also be equipped with the latest information technology to enable patients to access a wide range of primary care services online and to facilitate integrated working across health and social care.

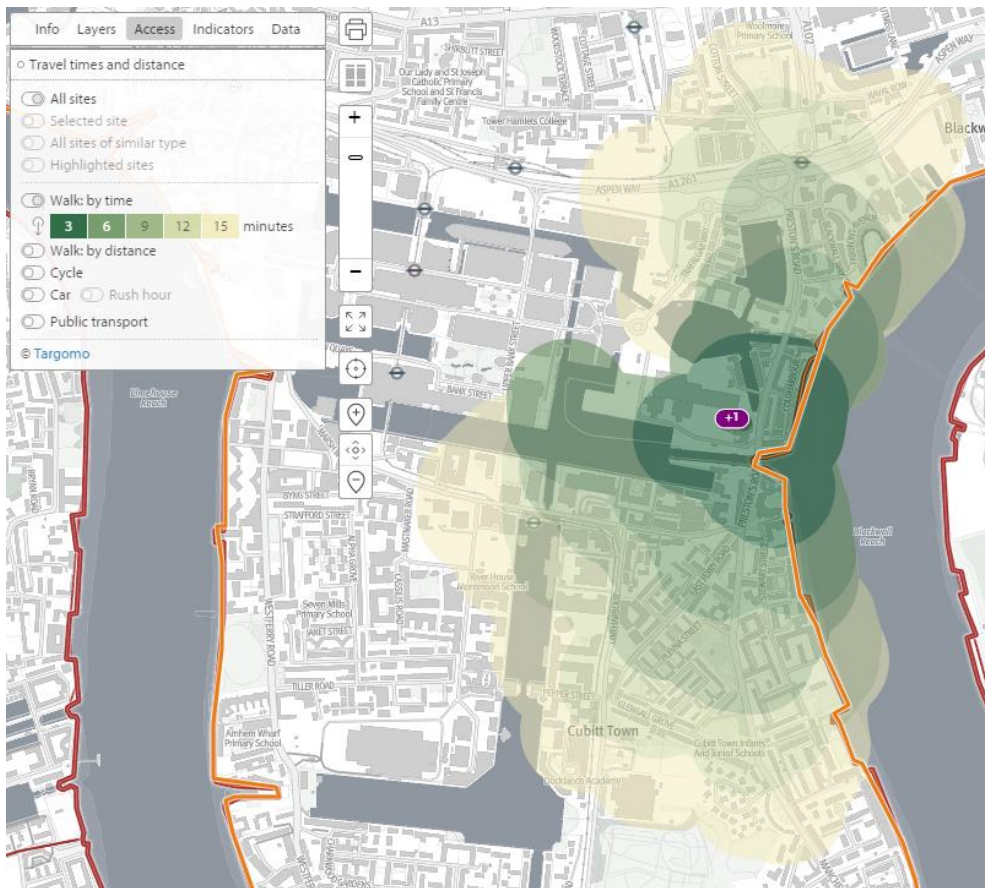
3.8 NHS Property Services have been negotiating on behalf of the NHS to hold the offered lease for the premises from Canary Wharf Group PLC. At present this

is an operational head lease of approximately 30 years (to be confirmed). A procurement exercise is about to be undertaken to identify a new practice to hold the lease.

### 3.9 The project timeline:

		<b>Financial Year</b>	<b>Note</b>
<b>1</b>	NHS Project Development	2019-20	Autumn 2019 - Project development will commence following grants approval.
<b>2</b>	Contractor Appointed	2020-21	February 2021 - Handover from developer (subject to change)
<b>3</b>	Commencement on Site	2021-22	April 2021 - Start on site following mobilisation circa 3-6 months (Pending handover from developer).
<b>4</b>	Practical Completion	2021-22	April 2022 – approximate 12 month works programme (Pending handover from developer and works period).
<b>5</b>	NHS Commissioning	2022-23	6 Months commissioning and practice mobilisation (Pending available overlap with contract works).
<b>6</b>	Facilities Open to the Public	2022-23	Estimated Winter 2022.
<b>7</b>	Project Final Account	2023-24	Estimated Winter 2023/24.

3.10 Wood Wharf Site and Population Access illustrates the current population access by walking time to the Wood Wharf healthcare facility, prior to any additional access infrastructure constructed by Canary Wharf Group PLC as part of the overall Wood Wharf scheme. Reviewing the access to the areas of development in Blackwall & Cubitt Town, the Wood Wharf site enables a significant proportion of the new residents in the area access to the Wood Wharf facility; whilst enabling greater patient choice to other facilities (such as Island Medical) in the local area.



## **COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 This report outlines a request to approve the grant funding of £5,780,000 to NHS Tower Hamlets CCG to enable the fit out of a new modern health facility within the Wood Wharf development. It is anticipated the facility will be open to the public by winter 2022.
- 4.2 At this stage of the development the amount of grant funding requested is an estimate. Following approval to award the grant funding, project development will commence, which will include further work to produce a more detailed estimate of the total cost to fit out the health facility. Any changes to the requirement in funding would need to be approved by the committee.

## **LEGAL COMMENTS**

- 5.1 The Council has the legal power to make the grant referred to in this report.
- 5.2 However, the ability to fund the grant is dependent upon the use of money received by the Council in accordance with S.106 of the Town and Country Planning Act 1990. Under s.106 Developers have entered into various planning obligations with the Council one of which will be the payment of money for certain purposes. The Council must satisfy itself that the actions

under this report comply with the various purposes for which the money was given by the Developer in order to spend the money through this grant. However, this will be / is being dealt with under a separate approval process in accordance with the Council procedures and must be determined before the final grant agreement is concluded.

5.3 In any event it appears as though this scheme has become necessary in order to mitigate the effects of increased population brought about by regeneration development in the surrounding area.

5.4 In any event the Council must ensure that the money is expended represents Best Value in order to comply with its own legal Best Value Duty. The grant will be subject to a legally binding grant agreement which will be used to monitor the use of the funds and to ensure the money is spent on the purposes for which it is intended. This will significantly assist the Council to demonstrate this legal Best Value.

5.5 Also the Grant recipient will be spending the money following completion of its own tendering exercises. This will assist the Council to show that the money is being spent on the best available goods, works and services at the price then available in the market place. This also demonstrates adherence to the Best Value principle.

5.6 The decision to make this grant does not create any mediate direct legal issues arising from the Equality Act 2010.

### **ONE TOWER HAMLETS CONSIDERATIONS**

5.1. The proposed buildings and improvements will increase capacity and access to provide more clinical appointments to all service users in the local population. These enhancements will benefit service users, in particular those who are more reliant upon health services including families with children, older people and those with complex health issues (including the disabled).

5.2. The project will not adversely affect people with protected characteristics.

5.3. EIA was undertaken and can be found in the appendices.

## **BEST VALUE (BV) IMPLICATIONS**

- 6.1. The delivery of this project ensures the Council meets its s106 obligations and spends funds in accordance with the agreement.
- 6.2. The project directly supports the HWB strategy to improve and develop local services; it also supports the Tower Hamlets' Commissioning Strategic Plan 2012 – 2015.
- 6.3. Additionally, through investing in primary care services, preventative steps are being taken to reduce demand upon hospital services which can often be more costly, thus supporting best value.

## **SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 7.1. There are no implications.

## **RISK MANAGEMENT IMPLICATIONS**

- 8.1. There is a risk that if the project is not approved, the benefits identified for the project relating to increased and improved access to local services, improved patient experience and increased GP registrations in the area will not be realised.
- 8.2. In addition, non-approval of this proposal of this s106 requirement could result in non-fulfilment of this obligation.

## **CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 9.1. There are no crime or disorder implications.

## **SAFEGUARDING IMPLICATIONS**

- 10.1. There are no safeguarding implications

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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- NONE

### **Appendices**

- Equalities Impact Assessment

## **Background Documents**

### **Officer contact details for documents:**

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