

<p align="center">Cabinet Decision – Grants Determination Sub-Committee</p> <p align="center">13 March 2018</p>	
<p>Report of: Denise Radley, Corporate Director, Health, Adults and Community</p>	<p>Classification: Unrestricted</p>
<p>Goodman’s field: Approval of the Allocation of S106 and CIL Funding, totalling £ 4,824,474.</p>	

Originating Officer(s)	Matthew Phelan, Healthy Environments Programme Lead, Public Health
Wards affected	Goodman’s Fields: Shadwell, Stepney Green and Whitechapel Wards
Key Decision?	Yes
Community Plan Theme	A healthy and supportive community

Addendum

Following attending scrutiny of 8 March 2018, the following additional material was requested from the report.

3. Details of the Report

3.2 Clarification on what community health services mean.

Community health services provide a wide range of care, from supporting patients to manage long-term conditions, to treating those who are seriously ill with complex conditions. Teams of nurses and therapists coordinate care, working with professions including GPs and social care workers. Additionally community health provides preventative and health improvement services, often with partners from local government and the third sector.

The majority of these services are commissioned by Tower Hamlets Clinical Commissioning Group (CCG), but additional examples include the council’s smoking cessation services, sexual health services or Fit 4 Life weight management services, all commissioned by Tower Hamlets Public Health team.

3.7 Clarification on what elements of the build are eligible for VAT payment.

With regards to VAT liabilities for this project, the CCG has received advice from Bauer VAT Consultants Ltd, as follows: Whereas ‘normal businesses’ are entitled to recover VAT on goods/services used in the course of business, the NHS is severely restricted on precisely what services it is able to recover VAT on; the specifics of

which are included in the COS guidance. To give some context, local authorities, under the Section 33 of the VAT Act 1994, are unrestricted on VAT recovery, however the NHS are dictated by different Section 41 (Contracted Out Services) and face restrictions on what they are entitled to recover VAT on. In conjunction with the COS Guidance, the NHS must have an 'in-house-ability' to conduct the services; an example where this would not occur would be on statutory building inspections, the NHS could not conduct this service in-house therefore they would be unable to recover the VAT on the inspection. Taking account of further advice received from Quantity Surveyors, Currie & Brown Holdings Ltd, we estimate that 3.58% of the total project cost will be VAT recoverable. A sum equivalent to this percentage has been deducted from the estimated VAT total in Table 4 above.

3.9 NHS Property Services will lead the development on behalf of Tower hamlets CCG.

Section 106/CIL Context

5.9 Section 106 (S106) of the Town and Country Planning Act 1990 allows a Local Planning Authority (LPA) to enter into a legally-binding agreement or planning obligation with a developer over a related issue. Planning Obligations/S106 agreements are legal agreements negotiated between a LPA and a developer, with the intention of making acceptable development which would otherwise be unacceptable in planning terms.

5.10 CIL is a £ per square metre charge on most new development. In April 2015, the council adopted its own CIL Charging Schedule. CIL must be spent on the provision, improvement, replacement, operation or maintenance of infrastructure, where a specific project or type of project is set out in the Council's Regulation 123 List.

5.11 On the 5th January 2016, the Mayor in Cabinet agreed the implementation of a new Infrastructure Delivery Framework which will help ensure the process concerning the approval and funding of infrastructure using CIL/S106 will be appropriately informed and transparent.

S106

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5.13 This S106 PID is part of the Tower Hamlets Council S106 Delivery Portfolio and is aligned with the agreed Heads of Terms (HoT) for the Deed creating Planning Obligations and undertakings for the developments in the table below

PA number	Site	Expiry date comment	Expiry date	Funding Requirement	Amount Received	Amount applied to project
PA/11/03388	25-77 Knapp road	10 years from date of practical completion of the whole development	TBC	provision of additional health facilities	£8,611.00	2,033.79
PA/08/00305	Former Bishops Challoner School, Christian St	No expiry date mentioned		Health facilities within the vicinity of the development **	300,417.00	300,417.00
PA/11/01120	Land bounded by Limehouse Cut and St Annes Row	10 years from date of payment	03/06/2025	mitigate the demand of the additional population on healthcare facilities	£591,578.46	£94,899
PA/10/01481	60 Commercial Road	no expiry date		additional healthcare facilities in the Whitechapel wards area and/or shadwell ward area	184,859.96	184,859.96
PA/13/00862	213-217 Bow Common Road	expended or committed within 10 years from date of practical completion	TBC	towards the provision of additional health facilities	56,262.37	56,262.37
PA/14/02607	Barchester Street	All or any part of the financial contributions paid for the purposes specified within FIVE years of payment or SEVEN years in the case of sums which the council is under a binding contractual obligation to pay at the expiration of the said five years which have not been expended at	08/11/2022	provision and or improvement of health care and well being facilities in the borough	171,291.00	171,291.00

		that date.				
PA/14/01428	Meridian Gate, Marsh Wall	in the event that all or part of any financial contribution has not been expended (or committed for expenditure) within 5 years from the date upon which it is paid, to repay the unexpended balance of such contribution (or any part not already committed)	13/12/2022	towards health facilities within the Council's administrative areas.	519,720.09	519,720.09
Total						£1,329,483.21

Background documents – Equalities Impact Assessment

Stage 1A – Overview of the proposal

This project proposes to relocate the Whitechapel and City Wellbeing GP practices from their existing under-sized premises to a new health centre within the Goodman's Fields development at Aldgate. The new Goodman's Fields Health Centre will provide the increased capacity needed to mitigate the impact of population growth in the South West Locality of Tower Hamlets.

This project will have borough-wide benefits. Collectively the current registered patient lists of both 'City Wellbeing Practice' and 'Whitechapel Practice' patient lists total in excess of £15.8k in the Whitechapel ward alone. A further 3.2k patients are registered from Shadwell and 891 from Stepney Green and a further 2081 patients registered across 17 other wards. The new facility will allow patients to access a wider range of community and specialist health services that will be provided from the site.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- NONE

Background Documents

- Goodman's Fields Equalities Analysis

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