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| <p><b>Cabinet</b></p> <p>19 December 2017</p>  | <br><b>TOWER HAMLETS</b> |
| <p><b>Report of:</b> Directorate of Place</p>  | <p><b>Classification:</b><br/>Unrestricted</p>  |
| <p><b>The Infrastructure Delivery Framework: Report to Cabinet recommending the approval of the allocation of S106 and CIL funding and approval for the adoption of a capital budget in respect of the following projects:</b></p> <ul style="list-style-type: none"> <li>• South Dock Bridge: Initiation, Design and Public Consultation</li> <li>• Route 108: Bow Enterprise Park Development Bus Service Enhancement</li> <li>• Brick Lane Regeneration – Phase 2 Project Delivery</li> <li>• Middlesex Street Art</li> <li>• Toynbee Hall Refurbishment</li> </ul> |   |

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| <p>Lead Member(s)</p> | <p><u>Covering Cabinet Report</u><br/>Councillor Rachel Blake, Cabinet Member for Strategic Development</p> <p><u>South Dock Bridge: Initiation, Design and Public Consultation Phases</u><br/>Councillor Rachel Blake, Cabinet Member for Strategic Development</p> <p><u>Route 108: Bow Enterprise Park Development Bus Service Enhancement</u><br/>Councillor Rachel Blake, Cabinet Member for Strategic Development</p> <p><u>Brick Lane Regeneration – Phase 2 Project Delivery</u><br/>Councillor Joshua Peck, Cabinet member for Work and Economic Growth</p> <p><u>Middlesex Street Art</u><br/>Councillor Joshua Peck, Cabinet member for Work and Economic Growth</p> <p><u>Toynbee Hall Refurbishment</u><br/>Councillor Sirajul Islam, Statutory Deputy Mayor and Cabinet Member for Housing</p> |
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| <b>Originating Officer(s)</b> | <p><u>Covering Cabinet Report</u><br/>Owen Whalley, Divisional Director, Planning and Building Control, Place Directorate</p> <p><u>South Dock Bridge: Initiation, Design &amp; Public Consultation</u><br/>Owen Whalley, Divisional Director, Planning and Building Control, Place Directorate</p> <p><u>Route 108: Bow Enterprise Park Development Bus Service Enhancement</u><br/>Owen Whalley, Divisional Director, Planning and Building Control, Place Directorate</p> <p><u>Brick Lane Regeneration</u><br/>Andy Scott, Acting Service Head for Economic Development</p> <p><u>Middlesex Street Art</u><br/>Andy Scott, Acting Service Head for Economic Development</p> <p><u>Toynbee Hall Refurbishment</u><br/>Suzanne Jones, Supporting Divisional Director, Corporate Finance</p> |
| <b>Wards affected</b>         | <p>Canary Wharf<br/>Bromley South<br/>Spitalfields and Bangla Town<br/>Whitechapel<br/>Weavers</p>  |
| <b>Key Decision?</b>          | <p>Yes</p>  |
| <b>Community Plan Theme</b>   | <p>A great place to live;<br/>A fair and prosperous community;<br/>A safe and cohesive community;<br/>A healthy and supportive community.</p>   |

## 1. EXECUTIVE SUMMARY

1.1 This document has been formed in order to seek approval from the Mayor in Cabinet for:

1. The allocation of £270,000 Community Infrastructure funding (CIL) funding to the proposals set out in the “*South Dock Bridge Project Initiation and Design & Public Consultation Phases*” Subordinate Project Initiation Document (Sub-PID), which is attached to this Cabinet report at Appendix A.
2. The allocation of £440,000 in Section 106 (S106) funding to the proposals set out in the “*Route 108 - Bow Enterprise Park Development Bus Service Enhancement*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B.

3. The allocation of £1,143,405 in Section 106 (S106) funding to the proposals set out in the “*Brick Lane Regeneration – Phase 2 Project Delivery*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix C.
4. The allocation of £305,000 in Section 106 (S106) funding to the proposals set out in the “*Tonybee Hall Refurbishment*” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix E.
5. The adoption of a capital budget for the following projects:
  - 1) Brick Lane Regeneration – Phase 2 Project Delivery
  - 2) Middlesex Street Art

1.2 A summary of the projects can be found below:

- a) **South Dock Bridge: Initiation, Design & Public Consultation:**  
The project is for the expenditure of £270,000 CIL funding for work relating to initiation, design and public consultation for a new walking and cycling link identified as South Dock Bridge on the Upper Bank Street Alignment. The proposed bridge will support the large quantum of development now underway in South Quay and the Isle of Dogs.
- b) **Route 108: Bow Enterprise Park Development Bus Service Enhancement:**  
Planning permission for the Bow Enterprise development was given in 2011. The associated S106 provided for £440,000 ‘towards public transport infrastructure provision in the vicinity of the Land’. This project seeks retrospective funding in order to extend existing bus services following the rerouting of the D8 and 108 routes in 2016. This will result in increased capacity and frequency of the services, longer hours of operation and new direct travel opportunities to north of the river.
- c) **Brick Lane Regeneration - Phase 2 Project Delivery:**  
This project seeks the expenditure of £1,143,405 S106 funding to deliver the phase 2 of the Brick Lane Regeneration Project. Key projects that will be delivered will include improvements to the public realm through surface changes and removal/replacement of street furniture; alterations to traffic management including closure of the majority of Brick Lane and part of Hanbury Street, a series of wayfinding projects to improve visibility and connectivity to surrounding areas; open space improvements to Allen Gardens; the delivery of further shopfront improvement projects; continuing to bring vacant units back into use; and a series of activities and events delivered around the proposals to promote the project and draw in community support.
- d) **Middlesex Street Art Project:**  
This project involves the expenditure of £304,323 S106 funding to create a series of individual artworks that will act as sign posts to places of interest and form a cultural trail for visitors and residents, within the scope of the

Aldgate Public Art Cultural Trail. It would include an ‘artistic’ map to be situated in the immediate vicinity of the Middlesex Street development indicating specific places of interest. This project will enhance the environment and inform residents and students in the area of what’s on their doorstep.

e) **Toynbee Hall Refurbishment:**

This project seeks the expenditure of £305,000 S106 funding to contribute to the refurbishment of the Tonybee Hall site. The plans include for the site to conserve the historic halls, transform Mallon Gardens into an accessible public space and build a new building in place of Profumo House. The new building will consist of a Centre for Advice, a Centre for Wellbeing and four floors of commercial office space to bring in a sustainable source of unrestricted funding that will support the activities of the occupying charity.

1.3 Table 1 below sets out the amount requested for each of the projects highlighted in 1.2, including the source of requested funding related to CIL and S106. Table 2 sets out the project costs and the amounts that require a capital budget to be adopted.

1.4 It should be noted that the figures in this report have been rounded to the nearest pound. For exact figures please refer to the attached PIDs.

**Table 1: Source of Funding and Overall Amount Requested for Allocation**

| Project Title  | Amounts           |                   |                 |
|--|-------------------|-------------------|-----------------|
|  | Overall Request   | S.106             | CIL             |
| South Dock Bridge: Initiation, Design & Public Consultation        | £270,000          | -                 | £270,000        |
| Route 108: Bow Enterprise Park Development Bus Service Enhancement | £440,000          | £440,000          | -               |
| Brick Lane Regeneration - Phase 2 Project Delivery                 | £1,143,405        | £1,143,405        | -               |
| Toynbee Hall Refurbishment   | £305,000          | £305,000          | -               |
| <b>Total</b>   | <b>£2,158,405</b> | <b>£1,888,405</b> | <b>£270,000</b> |

**Table 2: Adoption of Capital Budget > Requested Amount**

| Project Title  | Amounts           |   |
|--|-------------------|---|
|  | Overall Request   | Adoption of Capital Budget > Request Amount |
| South Dock Bridge: Initiation, Design & Public Consultation        | £270,000          | -   |
| Route 108: Bow Enterprise Park Development Bus Service Enhancement | £440,000          | -   |
| Brick Lane Regeneration - Phase 2 Project Delivery                 | £1,143,405        | £1,143,405                                  |
| Toynbee Hall Refurbishment   | £305,000          | -   |
| Middlesex Street Art   | £304,326          | £304,326                                    |
| <b>Total</b>   | <b>£2,462,731</b> | <b>£1,447,731</b>                           |

**RECOMMENDATIONS**

1.5 The Mayor in Cabinet is recommended to:

1. Approve the allocation of £270,000 in Community Infrastructure Levy (CIL) funding to the proposals set out in the “South Dock Bridge: Initiation, Design and Public Consultation Phases” Subordinate Project Initiation Document (Sub-PID), which is attached to this Cabinet report at Appendix A and Table 1.
2. Approve the allocation of £440,000 in Section 106 (S106) funding to the proposals set out in the “Route 108: Bow Enterprise Park Development Bus Service Enhancement” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix B and Table 1.
3. Approve the allocation of £1,143,405 in Section 106 (S106) funding to the proposals set out in the “Brick Lane Regeneration - Phase 2 Project Delivery” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix C and Table 1.
4. Approve the allocation of £305,000 in Section 106 (S106) funding to the proposals set out in the “Toynbee Hall Refurbishment” Project Initiation Document (PID), which is attached to this Cabinet report at Appendix E and Table 1.
5. Adopt a capital estimate for the following projects detailed in Table 2:

- a) Brick Lane Regeneration – Phase 2 Project Delivery Project Initiation Document (PID) attached at Appendix C and Table 2 (£1,143,405)
- b) Middlesex Street Art Project Initiation Document (PID) which is attached at Appendix D and Table 2 (£304,326)

## **2. REASONS FOR THE DECISIONS**

2.1 Approval is sought to deliver these projects for the following reasons:

1. They help contribute to the delivery of positive improvements to people's lives that will underpin the Community Plan themes of:

- A Great Place to Live;
- A Fair and Prosperous Community;
- A Safe and Cohesive Community;
- A Healthy and Supportive Community.

2. They will improve the public realm, accessibility, and wellbeing of residents and workers; improve economic activity, and employment and enterprise opportunities, as well as overall levels of public participation and civic pride.

2.2 Please refer to the following associated documents/appendices for more information about the projects:

- Appendix A: South Dock Bridge: Initiation, Design and Public Consultation Phases Sub-PID
- Appendix B: Bow Enterprise Park Development Bus Service Enhancement PID
- Appendix C: Brick Lane Regeneration - Phase 2 Project Delivery PID
- Appendix D: Middlesex Street Art PID
- Appendix E: Toynbee Hall Refurbishment PID

## **3. ALTERNATIVE OPTIONS**

3.1 The projects within the attached PIDs can be individually or collectively approved. The only alternative option is to not allocate the funding to some or any of these projects.

3.2 It should be noted that the use of S106 funding proposed for allocation in this report is restricted, as it must be spent in accordance with the terms and conditions of its expenditure pertaining to a specific S106 agreement related to the development from which it originates. Further details of the specific restrictions attached to each S106 agreement can be found in the attached PIDs. Any alternative spend of this funding would have to be on the projects that would meet the requirements of the relevant S106 agreement.

#### **4. BACKGROUND**

##### S106

- 4.1 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 development acceptable which would otherwise be unacceptable in planning terms.
- 4.2 S106 contributions must be spent in accordance with the agreement to which they relate. The contributions secured in S106 Agreements are usually tied to the need to provide a certain type of project in a defined location.

##### CIL

- 4.3 Community Infrastructure Levy (CIL) funding must be spent in accordance with the Council's Regulation 123 List.

##### PIDs

- 4.4 The background to the projects is provided below. For further information on the projects described in this report it is necessary to consult the PIDs attached at Appendices A to E.

##### **South Dock Bridge: Initiation, Design & Public Consultation Phases (PID attached at Appendix A)**

- 4.5 This project relates to the expenditure of £270,000 CIL funding to undertake work-streams associated with the first two phases of the South Dock Bridge Project. Further PIDs will be submitted for the later phases of the project.
- 4.6 The Isle of Dogs South Dock Feasibility & Design Study (May 2016) identified a strong business case for the delivery of a new walking and cycling link identified as South Dock Bridge, to support the scale of development coming forward in South Quay and the Isle of Dogs and to relieve congestion on the existing Wilkinson Eyre Bridge.
- 4.7 The study considered different options with the provision of the South Dock Bridge on the Upper Bank Street Alignment proving to be the most feasible and appropriate option.
- 4.8 The detailed business case and background information for the South Dock Bridge is set out in the accompanying Programme Overview PID.
- 4.9 The project asks for funding to undertake the following tasks:

- **Undertake land ownership assessment:**  
It is important to identify the different landowners around the site to progress negotiations with the Canal and Rivers Trust (CRT), Canary Wharf Group and Berkeley Homes (and any other identified stakeholders) for land/water space use to build the bridge.
- **Compulsory Purchase legal advice:**  
Advice will be sought on the compulsory purchase Order (CPO) process in case other land/water space agreements cannot be reached with stakeholders.
- **Procurement of consultants to undertake public consultation:**  
Specialist consultants will be procured to undertake consultation on the South Dock Bridge proposal in alignment with the project's Communication & Public Consultation Management Strategy. Prior to the procurement exercise, the Council's Communications Team will be consulted on the most appropriate approach to the consultation exercise.
- **Undertake commercial assessment of impacts on South Dock moorings:** External consultants will be procured to identify the economic impacts on the South Dock moorings that will be displaced as a consequence of the bridge. The commercial impacts assessment will also help inform negotiations with CRT and any CPO application should it be necessary.
- **Procurement of consultants to prepare planning application documents:** Planning consultants will be procured to prepare and lead the planning application process for South Dock Bridge. They will also be responsible for preparing a Planning Statement and to coordinate planning impact assessments.

**Route 108: Bow Enterprise Park Development Bus Service Enhancement (PID attached at Appendix B)**

- 4.10 This project requires the expenditure of £440,000 of S106 funding on bus service delivery as part of the S106 contributions for the Bow Enterprise Park Development.
- 4.11 Planning permission for the Bow Enterprise development was given in 2011. The associated S106 provided for £440,000 'towards public transport infrastructure provision in the vicinity of the Land.' More detailed analysis was undertaken of this suggested scheme and in March 2016 consultation was undertaken to swap the D8 and 108 routeings. In October 2016 the scheme was implemented and routes 108 & D8 were swapped and larger buses procured to operate on both routes.

4.12 This project directly benefits the Bow Enterprise Park development by creating additionality – namely higher capacity, higher frequency, longer hours of operation and new direct travel opportunities. More specifically space for passengers per hour in each direction Monday to Saturday daytimes from 275 to 420 – a 53% increase. (In fact in the busiest hour, busiest direction the increase is higher still). Bow Enterprise Park also receives a higher frequency (6 buses per hour rather than 5 bph) meaning less wait time at the bus stop. Frequencies also improved on Sundays and all evenings. The scheme also introduces a 2 bph night service past the site where previously there was none. Finally the scheme introduced new, direct travel opportunities e.g. North Greenwich and other locations south of the river.

4.13 Continuation of the scheme is proposed to enable additional capacity overall and better targeted capacity to mitigate anticipated growth in demand from new development like Bow Enterprise Park. The scheme proposes value for money by generating an estimated £820,000 of passenger benefit per annum or alternatively £1.90 worth of benefit for every £1 spent.

**Brick Lane Regeneration - Phase 2 Project Delivery (PID attached at Appendix C)**

4.14 This project involves the expenditure of £1,143,405 of S106 funding to deliver the phase 2 of the Brick Lane Regeneration Project.

4.15 The Brick Lane Regeneration project aims to deliver a holistic regeneration programme for the Brick Lane area, which is defined as from the bottom of Osborn Street (Whitechapel High Street) to the top of Brick Lane (Redchurch Street and Bethnal Green Road). The activity will include linking up Brick Lane with other major visitor attractions such as Spitalfields Market and Petticoat Lane. It will also look to develop cultural trails and activities that bring footfall into Brick Lane from cultural facilities such as Rich Mix and Whitechapel Gallery.

4.16 The key aim of the project is to improve Brick Lane – particularly the part south of the Truman Brewery – and return it to be:

- A vibrant and diverse local economic centre;
- An important focus for local communities,
- A major visitor and tourist destination; and
- The home of a lively night-time economy.

4.17 The Brick Lane Regeneration project has been implemented across two phases. Phase 1, which began in October 2016 and was due to be completed by October 2017, was designed to deliver feasibility work to determine which capital and revenue improvements would deliver the most appropriate improvements for Brick Lane, as well as undertaking a number of early win projects that had previously been scoped.

- 4.18 Phase 2 is the major delivery phase of the project which will begin in January 2018 and run to April 2019, delivering a range of capital and revenue improvements identified within the feasibility work undertaken during Phase 1. Key projects that will be delivered will include improvements to the public realm through surface changes and removal/replacement of street furniture; alterations to traffic management including closure of the majority of Brick Lane and part of Hanbury Street, initially on Sundays, with a potential extension to Saturdays; a series of wayfinding projects to improve visibility and connectivity to surrounding areas; open space improvements to Allen Gardens; the delivery of further shopfront improvement projects; continuing to bring vacant units back into use; and a series of activities and events delivered around the proposals to promote the project and draw in community support.
- 4.19 Phase 2 will also see the Brick Lane Regeneration Project supported in taking ownership of the Improvement Plan and taking a leadership role in its delivery, with the ultimate goal of ensuring that there is continued action in the area once the S106 funding ends.

**Middlesex Street Art (PID attached at Appendix D)**

- 4.20 A capital estimate is sought for the expenditure of £304,326 of S106 funding. This is following the approval at the Planning Contributions Overview Panel (PCOP) of £250,000 in September 2011 and a further £65,000 approved in March 2016.
- 4.21 It is proposed that the capital funding is used to create a series of individual artworks that will act as sign posts to places of interest and form a cultural trail for visitors and residents, within the scope of the Aldgate Public Art Cultural Trail. It would include an 'artistic' map to be situated in the immediate vicinity of the Middlesex Street development indicating specific places of interest.
- 4.22 The project will be split into two phases. The first phase will look at:
- Proposed location of the art pieces to be commissioned
  - Key stakeholders/parties to be involved
  - Community engagement plan
  - Draft tender document for a public art consultation
- 4.23 The second phase includes commissioning of high quality art pieces that are:
- Sympathetic to the location
  - Connect to the history of the area
  - Are of robust construction

## **Toynbee Hall Refurbishment (PID attached at Appendix E)**

- 4.24 The project involves the expenditure of £305,000 of S106 funding to contribute to the refurbishment of Toynbee Hall. Over the next two years Toynbee Hall will be undertaking significant regeneration works. The organisation has been on the same site since it was founded in 1884 and much has changed in that time but the buildings and sense of place have continued to be a valuable resource for the organisation and for the community.
- 4.25 The plans that they have for their site is to conserve the historic halls, transform Mallon Gardens into an accessible public space and build a new building in place of Profumo House. The new building will consist of a Centre for Advice, a Centre for Wellbeing and four floors of commercial office space.
- 4.26 The total cost of the project is £16.7m. Toynbee Hall worked to secure a significant amount of funding from a variety of sources reflecting that it has a wide reach and community presence. A shortfall of £305,000 was identified (1.8% of the total cost) with the potential of this amount being approved as an allocation from the Community Facilities element of s106 funding.
- 4.27 The Council currently invests £664,000 per annum in services provided by Toynbee Hall - £600,000 to deliver Link Age Plus and £64,000 in mainstream grants projects. Investment in the redevelopment of Toynbee Hall will help ensure the continued delivery of these services in the future and, with improved facilities, should enhance the quality of service provided. It is also proposed that this will give the charity a sustainable income stream, making the organisation more resilient and less reliant on support from public bodies.
- 4.28 If the redevelopment does not proceed, there is an identified risk that if Toynbee Hall is no longer able to provide a range of other community based services, there could be an increase in demand for public services as local residents seek alternative provision.

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

- 5.1 In accordance with the Council's Infrastructure Delivery Framework, this report seeks the approval of the Mayor in Cabinet to allocate Section 106 resources totalling £1,888,405 and Community Infrastructure Levy funding totalling £270,000 to five projects.
- 5.2 The scheme allocations and their relevant funding sources are summarised in the table below.

|  | <u>Allocation</u> |                  |                  | <u>Funding</u>     |                |
|--|-------------------|------------------|------------------|--------------------|----------------|
|  | <u>Capital</u>    | <u>Revenue</u>   | <u>Total</u>     | <u>Section 106</u> | <u>CIL</u>     |
|  | £                 | £                | £                | £                  | £              |
| South Dock Bridge:<br>Initiation, Design and Public<br>Consultation        | -                 | 270,000          | <b>270,000</b>   | -                  | 270,000        |
| Route 108: Bow Enterprise<br>Park Development - Bus<br>Service Enhancement | -                 | 440,000          | <b>440,000</b>   | 440,000            | -              |
| Brick Lane Regeneration –<br>Phase 2 Project Delivery                      | 1,143,405         | -                | <b>1,143,405</b> | 1,143,405          | -              |
| Toynbee Hall<br>Refurbishment  | -                 | 305,000          | <b>305,000</b>   | 305,000            | -              |
|  | <b>1,143,405</b>  | <b>1,015,000</b> | <b>2,158,405</b> | <b>1,888,405</b>   | <b>270,000</b> |

Note: All figures are shown to the nearest £. Certain items in the tables contained in the project initiation documents show allocations in pence in order to ensure that the exact balance held in respect of each planning obligation is allocated. Many Section 106 payments received from developers are subject to indexation meaning that receipts are not necessarily in exact pounds.

- 5.3 In order that spending decisions can be made during the financial year by the Infrastructure Delivery Board and the Mayor in Cabinet, an initial provision of £30 million for infrastructure delivery was incorporated within the 2016-17 capital programme, with uncommitted resources being carried forward into 2017-18 and future years as necessary. The approval to fund schemes from this budgetary provision can only be made following the receipt of the relevant developer contributions - in the case of the schemes proposed in this report, the required resources have been received by the Council. The planning contributions that are being applied to the projects are detailed in section 2 of each of the Project Initiation Documents that are included as Appendices A to E of this report.
- 5.4 A significant element of the Section 106 resources that are held by the Council relates to capital projects. The proposed allocation of these funds is undertaken by the Infrastructure Delivery Board and should take place in accordance with the priorities within the Council's capital strategy, although certain resources are specific to particular initiatives. In order to undertake Section 106 funded capital schemes, projects must be incorporated into the capital programme and appropriate capital budgets adopted. The approval of capital estimates totalling £1,447,731 is sought in this report.
- 5.5 Due to the risk that funding will have to be repaid to developers, with interest, if the time period specified in the Section 106 agreement expires, it is important to ensure that projects continue to be closely monitored and that actions are taken to mitigate any risk that resources will be lost. The possibility of applying funds to alternative projects should be considered if schemes are unlikely to drawdown the funding

before the time limited resources expire, although this must be done in accordance with the specific use conditions that are detailed in each Section 106 agreement.

- 5.6 Payments of Section 106 resources to external bodies can potentially be determined to be grants which require the approval of the Grants Determination Sub-Committee in accordance with the Council's decision making framework. In the case of the projects in this report, those managed by the Council itself do not require approval unless payments are to be made to external voluntary organisations. The proposed allocation to Toynbee Hall will however require Grants Determination Sub-Committee approval as it is a payment to an external organisation.
- 5.7 The delivery of the projects proposed in this report may impact on existing Council revenue budgets, particularly in the case of the public realm and open space schemes i.e. Brick Lane regeneration and Middlesex Street public art. Any additional call on revenue resources will need to be incorporated into existing budgets.
- 5.8 in cases where project approvals contain a contingency item this will only be utilised if officers are fully satisfied with the supporting evidence provided to support the claim. Any unused contingency sums will be available for reallocation to other projects.

## **6. LEGAL COMMENTS**

- 6.1 Section 106 Planning Obligations are obligations secured pursuant to section 106 of the Town and Country Planning Act 1990. Such Planning obligations, commonly known as s.106 agreements, are the mechanism whereby development proposals which would otherwise not be acceptable can be made acceptable in planning terms. They are focused on site-specific mitigation of the impact of development. They can impose financial and non-financial obligations on a person or persons with an interest in the land and become binding on that parcel of land.
- 6.2 As a contract the Council are required to spend any monies received in accordance with the terms of the s.106 agreement. It is therefore important to consider the provisions of each agreement when allocating monies to a particular project. Whilst some agreements allow for a particular contribution to be spent on a type of infrastructure or project across the borough as a whole, other agreements are more specific in requiring that a contribution be linked more closely to the locality of the development.
- 6.3 This report is asking the Mayor in Cabinet to approve the allocation of s.106 resources to the following projects: Route 108 - Bow Enterprise Park Development Bus Service Enhancement, Brick Lane Regeneration – Phase 2 Project Delivery, Toynbee Hall Refurbishment and Middlesex Street Art that were recommended for progression by the Infrastructure

Delivery Steering Group and to adopt the necessary capital budget. In respect of these four projects, the allocation of this section 106 funding is considered to be in accordance with the s.106 agreements and therefore lawful.

### **Grants**

- 6.4 The Toynbee Hall Refurbishment concerns the payment of s106 monies to an external organisation and in this case, although the section 106 agreements limit what types of projects the monies can be used for, they do not specify any organisations to which payment is to be made. Therefore the Council is not under a legal duty to provide the payments to Toynbee Hall Charity. As such these payments are discretionary and are considered by Legal to be grants and therefore, if the allocation of this payment is agreed by Cabinet, approval should then be sought through the Grants Determination (Cabinet) Sub-Committee before any payment is made.
- 6.5 In the case of the project Route 108 - Bow Enterprise Park Development Bus Service Enhancement, this concerns the payment of s106 monies to TfL. The s106 agreement expressly envisaged that the money would be paid to TfL for them to carry out such improvements and so as this money is being passported it is not considered to be a grant.

### **South Dock Bridge: Initiation, Design and Public Consultation Phases**

- 6.6 This report is also asking the Mayor in Cabinet to approve the allocation of CIL to the project concerning South Dock Bridge: Initiation, Design and Public Consultation Phases. The Community Infrastructure Levy (CIL) is a pounds per square metre charge, introduced by the Planning Act 2008 on most new development and must be used to help deliver infrastructure to support the development of the area. It can be used to provide new infrastructure, increase the capacity of existing infrastructure or to repair failing existing infrastructure, if this is necessary to support development.
- 6.7 Legal Services notes that the amount of £270,000 requested as funding from CIL is to be used to fund various assessments and pieces of advice which are required to inform the delivery of this project. Whilst this is not infrastructure itself, Legal Services are satisfied that the delivery of significant infrastructure projects naturally require project management, design costs, consultation costs etc. and therefore such enabling costs (without which infrastructure could not be delivered) can appropriately be funded from CIL costs. This project is considered to be infrastructure necessary to support development of the area.
- 6.8 When making decisions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do

not (the public sector equality duty). A proportionate level of equality analysis is required to discharge the duty and where equality issues arise in respect of the projects these have been considered (where relevant) within the PIDs and any Equality Analysis' appended to the PIDs.

## **7. ONE TOWER HAMLETS CONSIDERATIONS**

- 7.1 This report proposes to allocate funding to help deliver infrastructure at a local level. In scoping these infrastructure projects the objectives of One Tower Hamlets and those of the Community Plan have been considered.
- 7.2 It is hoped that these infrastructure projects will contribute to the reduction of inequality and will foster cohesion in the borough.

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

- 8.1 If approved, the project referred to in this document is required to be delivered in consideration of best value implications and the Council's Best Value Strategy and Action Plan (2015).

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

- 9.1 This report seeks the approval of projects, including ones related to improvements to open space in the borough (Brick Lane Regeneration) and a second project which creates a new publicly accessible open space (Toynebee Hall Refurbishment). These projects will contribute towards achieving a greener environment.

## **10. RISK MANAGEMENT IMPLICATIONS**

- 10.1 The risks relating to the delivery of this project as well as mitigating measures are set out in detail in the attached PIDs.

## **11. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 11.1 It is hoped that a number of these projects will improve places in the borough including buildings and streetscape, making them less susceptible to crime or disorder and increasing natural surveillance.

## **12. SAFEGUARDING IMPLICATIONS**

- 12.1 The report proposes the delivery of infrastructure across the borough. The rights of all end users will be safe guarded and further information can be found in the attached PIDs.
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## **Linked Reports, Appendices and Background Documents**

### **Linked Report**

- None

### **Appendices**

- South Dock Bridge: Initiation, Design & Public Consultation Phases Sub-PID & South Dock Bridge Programme Overview PID – Appendix A;
- Route 108: Bow Enterprise Park Development Bus Service PID – Appendix B;
- Brick Lane Regeneration – Phase 2 Project Delivery PID – Appendix C;
- Middlesex Street Art PID – Appendix D;
- Toynbee Hall Refurbishment PID – Appendix E;

### **Background Documents – Local Authorities (Executive Arrangements) (Access to Information)(England) Regulations 2012**

- None

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

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