

# **MINUTES OF CABINET MEMBER SIGNING MEETING HELD ON THURSDAY, 10TH NOVEMBER, 2022, 5.00 - 5.15 PM**

**PRESENT:** Councillor Ruth Gordon, Cabinet Member for Council Housebuilding, Placemaking, and Development.

**In attendance:** Sarah Lavery, Head of Property Change, and Fiona Rae, Acting Committees Manager.

## **1. APOLOGIES FOR ABSENCE**

There were no apologies for absence.

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

## **3. PROPERTY ARRANGEMENTS TO ALLOW OCCUPATION OF A HEALTH CENTRE AT TOTTENHAM HALE**

The Cabinet Member for Council Housebuilding, Placemaking, and Development considered the report which noted that, in January 2022, Cabinet took a decision to take a long lease for a term of 999 years of the Health Centre area (in shell and core) from TH Welbourne Limited ("THWL") prior to practical completion of the Welbourne site development; and to grant a lease of the Health Centre to HealthLink for a term of 125 years, prior to practical completion of the Welbourne site development and subject to THWL granting the Council a lease of the Health Centre unit as set out. The deal with HealthLink subsequently fell away.

The North London Integrated Care Service ("NLICS") has secured funding to fit out the Welbourne Health Centre, which would allow the GPs to take a lease of the Health Centre unit. The funding conditions require spend by 31 March 2023. To achieve this, site access was required for the building contractor in early November 2022.

The report sought authority to grant a new 20 year lease (with tenant's option to extend by a further 16 years) to the Partners of the Lawrence House Group Practice ("the GPs") together with a licence to occupy & alter to facilitate access.

In order to be able to grant both the licence and the lease to the GPs, the Council would enter into a 999 year superior lease with THWL prior to practical completion as the entire building, of which the health centre unit forms part, had not yet reached practical completion.

The Cabinet Member enquired about the timetable for the arrangements and the risks and mitigations. The Head of Property Change noted that the risks and issues were

set out in the public report and some additional detail was included in the exempt report. It was explained that, if practical completion was not achieved, the Council would be required to repay the GPs costs but that the Council would have remedies under its Sale and Purchase Agreement with THWL that would allow for the completion of the building by the Council itself should that be necessary. It was added that, to offset the payment should it arise, the Council would be in possession of a state of the art health centre that it could use/ sell/ lease.

### **The Cabinet Member RESOLVED**

1. To agree to the Council taking a 999 year lease at a rent (set out in the exempt report) of the Ground and First Floor premises (in shell and core) known as Unit 1 Walter Tull building from TH Welbourne Limited (THWL) prior to practical completion of the Welbourne site development; and to subsequently grant a Lease of those premises for an initial term of 20 to the GPs together with a licence to alter based on the Heads of Terms (set out in exempt Appendix 2). The initial rent of the premises is set out in the exempt report.
2. To agree to delegate authority to the Director of Placemaking and Housing to agree the final terms of each agreement.

### **Reasons for decision**

In 2015, it was identified, by the NHS England Strategic Plan, that by 2025 a health facility providing services for 25,000 patients is needed within the Tottenham Hale locality.

Planning permission for the Welbourne site was granted in 2019 to provide 131 residential units and a health centre.

NLICS secured funding from NHS England to fit out the health centre. The funding must be spent by 31 March 2023. To achieve this, site access is required for the contractor by early November 2022. NLICS advise if these conditions are not met, it is unlikely they will be able to secure alternative funding in the future.

The Welbourne Centre development has encountered several delays - archaeological findings on site; covid delays and availability of materials. This has pushed the practical completion date out to a target date of April 2023.

THWL advise that they can offer sectional completion of the health centre to facilitate early access to commence the fit out works in November 2022, inline with NLIC requirements.

The value of the lease to be granted to the GPs will be confirmed by a Single Independent Valuation. The Basis of the annual rent payable is a fair reflection of Market Rent and will comply with "best consideration".

## **Alternative options considered**

No alternative site has been identified for the Health Centre - no other properties of a similar size and location have been identified.

NLIC advise that their funding is tied to this specific site.

This is the only contractual method available to the Council to achieve the timescales stipulated by NLICS.

*The Chair of Overview and Scrutiny has been informed that it was impracticable to give 28 days' notice of the decision.*

*The provision of a health centre at Tottenham Hale has been a longstanding requirement under planning permission ref HGY/2018/2223. The NHS has made two previous attempts to secure funding and deliver the health centre but both were unable to proceed within the required timeframes. The NHS Boards approved funding on 17 September 2022 and indicated this would be the final funding opportunity for this facility. The funding agreement requires that the health centre is delivered by March 2023 and, in order to meet this deadline, the property arrangements must be put in place by mid-November in order to allow sufficient build time. Related Argent LLP has now confirmed that they would be able to provide access to the building from mid-November 2022, subject to property arrangements being put in place.*

*If this decision is not taken by mid-November, the NHS will be unable to apply for alternative funding which would result in a significant loss of funding, reputational damage, and the loss of health centre provision for the area.*

*Given the above, it is not practicable to comply with the 28-day notice requirement in Part Four, Section D, Rule 13 of the constitution. This is set out in Part Four, Section D, Rule 16, of the Constitution.*

## **4. EXCLUSION OF THE PRESS AND PUBLIC**

### **RESOLVED**

That the press and public be excluded from the remainder of the meeting as item 5 contained exempt information, as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); paras 3 and 5, namely information relating to the financial or business affairs of any particular person (including the authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

## **5. EXEMPT - PROPERTY ARRANGEMENTS TO ALLOW OCCUPATION OF A HEALTH CENTRE AT TOTTENHAM HALE**

The Cabinet Member considered the exempt information.

CABINET MEMBER: Cllr Ruth Gordon

Signed by Cabinet Member .....

Date ...10 November 2022.....