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15 December 2014

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Dear Sir/Madam

Royal Borough of Greenwich - Submission Draft Charging Schedule Consultation

On behalf of our client, Greenwich Hospital ("the Hospital"), we set out below representations to the Royal Borough of Greenwich (RBG) CIL Draft Charging Schedule Submission document published for consultation until 15 December 2014.

We write further to our previous representations prepared to the Draft Charging Schedule Consultation in September 2014 and to the Preliminary Draft Charging Schedule Consultation in December 2013. We understand that RBG is now consulting on the Statement of Modifications to the Submission Draft Charging Schedule. On behalf of the Hospital we have reviewed this Statement and the other Submission documents and make the following comments.

Exemption from CIL

Mandatory Charitable Relief

We note at point R25 of the Regulation 19(1b) Representation Statement that RBG has accepted the point regarding references to registered charities in the CIL Supporting Document. RBG notes that references to registered charities in paragraph 6.1 of the CIL Supporting Document will be replaced with 'charitable institution' in line with the expression used in the Regulations. The Hospital is just one of a range of charitable organisations which will fall within the definition of 'charitable institution' as set out in the CIL Regulations. For this reason the Hospital is pleased that this will be updated in the CIL Supporting Document.

However, having reviewed the Submission Supporting Information Document, we note at paragraph $10.5\,$ that -

"The Royal Borough is not intending to make discretionary relief available for charitable institutions for non-charitable purposes that form part of the charity's investment activities. However, development by registered charities (our emphasis) for the delivery of their charitable purposes will be exempt in

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accordance with the regulations"

The Hospital requests that this reference to 'registered charities' is updated to 'charitable institutions' as set out at point R25 of the Regulation 19(1b) Representation Statement. As set out in our previous representations, Mandatory Charitable Relief under the CIL Regulations is intended to be available for those institutions defined as a Charity under the Act (Planning Act 2008) and CIL Regulations (2010 as amended). The reference to registered charities is mistaken and there are a range of charitable organisations which will fall within the definition of 'charitable institution', but which (as in the Hospital's case) will not necessarily be registered charities.

The Hospital wishes to ensure that this is reflected in the final Supporting Information document once adopted.

Discretionary Charitable Relief

We note that RBG is not intended to make discretionary charitable relief available for charitable institutions for non-charitable purposes which form part of the charity's investment activities. In previous representations, the Hospital supported the enactment of this discretionary relief and asked RBG to provide evidence to demonstrate RBG had fully considered enacting this relief.

We note at point R26 of the Regulation 19(b) Representation Statement that RBG does not consider that Regulation 44 requires evidence or an explanation as to why charitable relief will not be made available in their area and that the Mayor has not done so.

The Hospital reiterates that it is wishes to understand the Council's reasoning for this. It seems to us a CIL Charging Schedule which excludes such an important relief by simply following the Mayor's example and without properly considering the evidenced implications and consequences of that exclusion (and without being able to demonstrate that proper consideration) can hardly be said to be sound

As set out in the previous representations, the Hospital is a charitable institution but the nature of its operations and set up mean that we consider it appropriate for RBG to consider the implementation of discretionary charitable relief in the borough in the light of the Hospital's particular circumstances.

Much of the Hospital's development activity across its estate in Greenwich will relate to its investment property holdings, rather than development for its own occupation. Income generated from the Hospital's investment holdings is to be used to further the Hospital's charitable outputs and is a vital part of the funding required to sustain these outputs. Contrary to the perception which is sometimes encountered, the Hospital does not receive public funding and is entirely dependent on its own resources, such as the revenues from its investment holdings, in order to fulfil its charitable obligations through the provision of pensions, education, grants and care for seafarers.

On behalf of the Hospital we request that RBG reconsider introducing discretionary charitable relief under Regulation 44, to allow the Hospital to continue to invest in its estate in Greenwich without incurring CIL on new GIA floorspace proposed. The Hospital is responsible for managing its property holding to the best advantage and investing for the long term growth and improvement of the Hospital's properties, the profits of which are solely used to fulfil the Hospital's charitable purposes.

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We trust our comments will be given due consideration. Please do not hesitate to contact me should you wish to discuss further. We would like to be kept informed on the progress of the submission draft charging schedule and the date of the Examination in Public.

If you have any questions please contact me, or my colleague Vicky Woollett (020 7303 4172),

Yours faithfully

Leonie Oliva

Deloitte LLP

