

UPDATE: ALLOCATION OF S106 HEALTH FACILITIES CONTRIBUTIONS

Relevant Board Member(s)	Councillor Ray Puddifoot MBE
Organisation	London Borough of Hillingdon
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Papers with report	Appendix 1

1. HEADLINE INFORMATION

Summary	This paper updates the Board of the progress being made in allocating and spending contributions towards the provision of healthcare facilities in the Borough.
Contribution to plans and strategies	Joint Health & Wellbeing Strategy
Financial Cost	None.
Relevant Policy Overview & Scrutiny Committee	Social Services, Housing and Public Health Residents' and Environmental Services External Services
Ward(s) affected	N/A

2. RECOMMENDATION

That the Health and Wellbeing Board notes the progress being made towards the allocation and spend of s106 healthcare facilities contributions within the Borough.

3. UPDATE ON PROGRESS

1. Since the last report to the Health and Wellbeing Board in September 2014, progress has been slow. This is due to the disruption caused by the structural changes currently taking place within NHS Property Services (NHS PS), which has inevitably resulted in changes to staff roles and responsibilities and the need to recruit new personnel. NHS PS has advised that it is currently recruiting a Strategic Estates Planner, whose remit will be to lead on local authority liaison for the North West London area, including s106 matters. It is therefore anticipated that, once this post has been filled, officers will be able to continue to build on the good working relationship which has now been established with NHS PS and continue to move schemes forward.

Approved GP expansion schemes

2. NHS PS has confirmed that three of the four GP schemes which were approved by the NHS panel in August 2013 have been completed. The three completed schemes relate to the provision of an additional consulting room at King Edwards Medical Centre and extensions to the GP surgeries at Wallasey Crescent and Southcote Rise. There has been no further update with regard to the progress of the scheme at Pine Medical Centre. Details of the four schemes are outlined below:

- Improvements at King Edward Medical Centre, King Edwards Road, Ruislip – H/12/197B (£11,440) and H/9/184C (£8,560) - The scheme to provide an additional consulting room was satisfactorily completed in February 2014.
- Expansion of the GP practice at 1 Wallasey Crescent, Ickenham - H/19/231G (£193,305) - This scheme to extend the existing GP surgery to provide two GP consulting rooms and a clinical training room was completed in August 2013.
- Expansion of the GP practice at Southcote Clinic, Southcote Rise, Ruislip - H/15/205F (£184,653) – This scheme to extend the current practice premises to provide an additional GP consulting room, clinical training room and increased waiting area was completed in September 2014.
- Additional clinical room at Pine Medical Centre, Fredora Avenue, Hayes – H/18/219C (£1,800) – This project involves the conversion of an existing meeting room into a GP consulting room. NHS Property Services (NHS PS) submitted a formal request to the Council in July to allocate and release the s106 funds towards the scheme. A Cabinet Member report has been drafted and will be submitted to the Leader and the Cabinet Member for Finance, Property and Business Services for a formal decision, subject to confirmation from NHS PS that the scheme is still valid.

Hesa Health Centre expansion

3. So far, a total of £264,818 from three s106 health contributions has been allocated and transferred towards this project. Work on site has been progressing well with the first phase (post office conversion) which was completed in June 2014. Phase 2 of the scheme has now also been completed with phase 3 due to be completed in November/December. The project has a total of five phases, with the scheme due to be fully completed and operational by January 2015.
4. NHS PS has confirmed that the overall budget for the HESA scheme is in excess of £1million and that they have already invested over and above the s106 allocation which has so far been released towards the scheme. They have therefore recently submitted a request to allocate and release a further £251,701 from seven health contributions currently held by the Council towards phases 2-5 of the scheme. If formally approved, this will take the total s106 allocation to £516,519.
5. A Cabinet Member report to request the formal allocation and release of further s106 contributions towards the scheme has now been submitted to the Leader and the Cabinet Member for Finance, Property and Business Services for a formal decision in November.

Proposed new Yiewsley Health Centre (former Yiewsley Pool site)

6. Further progress with this scheme has been slow, primarily due to the structural/personnel changes taking place within NHS PS. In light of this, a further meeting was held in October between the Council and NHS PS to revisit the heads of terms of the letting agreement. The meeting was largely successful in reaffirming most of the terms (subject to formal agreement on both sides). The revised heads of terms have therefore been sent to NHS PS and the Council is awaiting a response.
7. At the meeting, NHS PS advised that, as a consequence of the recent structural changes within the organisation, the business case for the scheme would also need to be revisited and that the process for obtaining formal approval from NHS England would effectively need to be started again. They advised that this was likely to take at least 8-10 weeks, thus further delaying the scheme.
8. NHS PS has 'earmarked' a total of £401,543 from s106 health contributions currently held by the Council towards the fitting out costs associated with the new health centre. Due to ongoing delays with the scheme, these funds are not likely to be needed until 2015/2016. This will be too late to spend one of the contributions held at H/8/186D (£15,549) which has a spend deadline in April 2015. It will therefore be necessary, with the agreement of NHS Property Services, for the Council to consider utilising this contribution towards the costs associated with HESA scheme.

St Andrews Park

9. The Council received the healthcare contribution (£624,507.94) from the developer (VSM) in August 2014, in accordance with Schedule 6 of the s106 agreement. VSM has therefore been released from its obligation to provide an on-site healthcare facility. Notwithstanding this, VSM is keen, with the support of the Council, to try to reach agreement with the CCG for the inclusion of a health facility within the town centre extension area of the site. Discussions are therefore taking place to progress proposals for a larger health facility than that which was originally anticipated, which would be co-located in the area where a care home was approved as part of the master plan.

Unallocated s106 health contributions

10. Appendix 1 (which is attached to this report) details all of the s106 health facilities contributions held by the Council as at 30 September 2014. New contributions received since the last report to the Board are highlighted in bold. Officers will continue to explore options in consultation with NHS PS and the CCG to ensure that these are spent to maximum effect to provide viable improvements for the benefit of local communities.
11. The table below details the s106 health contributions which have spend deadlines in 2015. The contribution held at H/16/210C is earmarked towards the HESA scheme which is currently on site (see paragraphs 3 - 5 above). A Cabinet Member report to request the formal allocation of this contribution towards the scheme has now been submitted. The contribution held at H/8/186D is currently earmarked towards the Yiewsley Health Centre Scheme. However, as this scheme has been further delayed, it is proposed that these funds should now also be allocated towards the HESA scheme to ensure that they are fully utilised before the spend deadline (see paragraph 8). Eligible schemes have not yet

come forward to utilise the contributions held at H/9/184C and H/10/90D. These contributions must be spent before July 2015 or may be at risk of having to be returned.

Contributions with spend deadlines in 2015

S106 Funding Reference	Development	Amount	Time Limit to Spend	Earmarked towards
H/8/186D	92-105 High Street, Yiewsley	£15,549	April 2015	Yiewsley health centre
H/16/210C	Former Hayes Stadium, Hayes	£105,044	March 2015	Hesa extension
H/9/184C	31-34 Pembroke Road, Ruislip	£13,115	July 2015	Scheme to be identified
H/10/190D	Armstrong House, Uxbridge	£43,395	July 2015	Scheme to be identified
Total		£177,103		

GP expansions in the north of the Borough

12. In line with the process that was agreed with the Londonwide Medical Committee (LMC) in August 2013, NHS Property Services is preparing to consult with GP practices in the north of the Borough in order to enable them to express an interest in spending unallocated contributions towards eligible expansion schemes. Due to the recent organisational change within NHS Property Services, this process has been delayed until the new Strategic Planner is in post.

Possible spend of s106 health contributions towards expansion of NHS 'health checks' at Hillingdon pharmacies.

13. Local pharmacies have a key role in providing healthcare in the Borough and in recent years this role has been increasing in line with the demand for healthcare provision. Officers have therefore been exploring the scope for using s106 healthcare contributions towards continuing to expand the role of pharmacies in providing health checks in the Borough.

14. Health checks are primarily provided through GP surgeries, although currently there are 19 local pharmacies within the Borough which are also contracted to provide an NHS Health Check service for local residents. It is envisaged that extending the provision of this service to further local pharmacies in targeted areas of the Borough where health needs are greatest may help relieve the pressures on local GP services and increase access to the service outside of traditional GP hours.

15. Most of the s106 funding currently held by the Council is earmarked by NHS Property Services towards the expansion/improvement of GP Services in the Borough (see Appendix 1) and, as at 1 August 2014, s106 has now been replaced by Hillingdon's Community Infrastructure Levy (CIL). There may, however, be some further contributions still to be received under existing s106 agreements which, depending on the terms of the individual agreement, may be able to be considered towards expanding the health services provided through pharmacies.

16. Officers from Public Health Services are working to identify additional pharmacies within the Borough which could be supported to provide this service. This will largely be informed by the Pharmaceutical Needs Assessment (PNA) for the Borough which is currently being reviewed and is expected to be in place by 1 April 2015. This will highlight where the Borough's pharmaceutical needs are and the areas to be addressed. Any proposals for the expansion of the health checks service will be brought forward in consultation with NHS PS and the CCG.
17. In addition to extending the provision of health checks through existing pharmacies in the Borough, officers are also exploring other possibilities for extending this service. One possibility might be to provide standalone health screening equipment such as height, weight and blood pressure machines in community buildings such as libraries or health centres. This equipment would be free to use and a contact number provided for advice or further referral if users were concerned by their results. Again any proposals will be brought forward in consultation with NHS PS and the CCG.

FINANCIAL IMPLICATIONS

As at 30 September 2014, there is £1,950,469 of Social Services, Health and Housing s106 contributions available, of which £347,886 has been identified as a contribution for affordable housing and £49,602 towards a social services scheme. The remaining £1,552,981 is available to be utilised towards the provision of facilities for health. It is worth noting that £1,146,785 of the health contributions have no time limits attached to them, and £624,508 of this has been received in respect of St Andrews Park. This will be reported to Cabinet in December via the quarterly s106 monitoring report.

The following tables set out the specific s106 contributions that are earmarked towards Hesa health centre expansion and Yiewsley Health Centre development.

Earmarked towards Phases 2-5 HESA Scheme (subject to formal allocation)

S106 Funding Reference	Development	Amount	Time Limit to Spend
H/16/210C	Fmr Hayes Stadium, Hayes	£105,044	March 2015
H/25/244C	505-509 Uxbridge Road, Hayes	£20,270	June 2018
H/26/249D	Fmr Glenister Hall, Hayes	£33,219	No time limit
H/29/267D	Fmr Ram PH, Dawley Road, Hayes	£6,069	No time limit
H/30/276G	Fmr Hayes FC, Church Road, Hayes	£68,698	July 2019
H/31/278D	6-12 Clayton Road, Hayes	£4,650	No time limit
H/38/303E	70 Wood End Green Road, Hayes	£13,751	No time limit
Total		£251,701	

A report has recently been submitted to formally allocate and release the s106 contributions held in the above table towards the HESA Scheme for £251,701 and a decision is due shortly.

Earmarked towards fitting out costs associated with Yiewsley Health Centre (subject to formal allocation)

S106 Funding Reference	Development	Amount	Time Limit to Spend
H/8/186D	92-105 High Street, Yiewsley	£15,549	April 2015
H/23/209K	Tesco, Trout Road, Yiewsley	£37,723	March 2016
H/32/284C	Fmr Honeywell site, Yiewsley	£5,280	No time limit
H/33/291C	Fmr Swan PH, West Drayton	£5,417	No time limit
H/42/242G	West Drayton Garden Village	£337,574	No time limit
Total		£401,543	

Due to the structural changes taking place in the NHS and slow progress of the Yiewsley Health Centre scheme, the s106 contributions in the above table for £401,543 are not likely to be utilised until 2015/16. It is therefore advisable to allocate the contribution held at H/8/186D of £15,549 towards the HESA scheme in order to ensure that this is fully utilised before the spend deadline of April 2015, subject to agreement from NHS Property Services and the Council.

LEGAL IMPLICATIONS

Under the provisions of section 111 of the Local Government Act 1972, a local authority has the power to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of any of its functions. The work to be carried out in accordance within this report would fall within the range of activities permitted by Section 111.

Regulation 122 (2) of the Community Infrastructure Levy Regulations 2010 states that a planning obligation may only constitute a reason for granting planning permission for the development if the obligation is:

1. necessary to make the development acceptable in planning terms;
2. directly related to the development; and
3. fairly and reasonably related in scale and kind to the development.

Circular 2005/05 goes further than Regulation 122 and suggests that a planning obligation must also be:

4. relevant to planning; and
5. reasonable in all other respects.

The monies must not be used for any other purpose other than the purposes provided in the relevant section 106 agreement. Where monies are not spent within the time limits prescribed in those agreements, such monies should be returned to the payee.

When the Council receives formal bids to release funds, each proposed scheme will need to be assessed and reported to the Leader and Cabinet Member for Finance, Property and Business Services in order for the monies to be released. As part of that process, the Council's Legal Services will review the proposal and the section 106 agreement that secures the funding, to ensure that the Council is permitted to spend the section 106 monies on each proposed scheme. The content of the section 106 agreements in relation to King Edwards Medical Centre, Southcote Medical Centre, Wallasey Medical Centre, Pine Medical Centre and HESA Medical Centre referred to in this report have been assessed and approved in line with those procedures prior to release of the capital monies for the schemes.

The use of section 106 monies for future schemes mentioned in the report will need to be assessed against their respective agreements when these are finalised on a case by case basis.

BACKGROUND PAPERS

None.