

# UPDATE: ALLOCATION OF S106 HEALTH FACILITIES CONTRIBUTIONS

<b>Relevant Board Member(s)</b>	Councillor Ray Puddifoot MBE
<b>Organisation</b>	London Borough of Hillingdon
<b>Report author</b>	Jales Tippell, Residents Services
<b>Papers with report</b>	Appendix 1

## 1. HEADLINE INFORMATION

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

## 2. RECOMMENDATION

**That the 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 December 2014, NHS Property Services (NHS PS) has engaged a Strategic Estates Planner, whose remit is to lead on local authority liaison for the North West London area, including s106 matters. An initial meeting between officers has been held and it is anticipated that the difficulties experienced during the last few months can now be resolved and identified schemes moved forward.

### **Approved GP expansion schemes**

2. Three of the four GP schemes which were approved by the NHS panel in August 2013 were completed in 2014 and the agreed contributions transferred to NHS PS. These schemes were to provide an additional consulting room at King Edwards Medical Centre and to provide extensions to the GP surgeries at Wallasey Crescent and Southcote Rise.

3. The fourth scheme to provide an additional clinical room at the Pine Medical Centre, Fredora Avenue, Hayes, was not progressed due to insufficient information being provided by the GP and NHS restructuring which has slowed the allocation process. Following the engagement of new staff, NHS PS has now been able to confirm that this proposal is still valid and that the scheme has been satisfactorily completed. A Cabinet Member report to request that £1,800 from the s106 health contribution held at H/18/219C is formally allocated and transferred to NHS PS, to be used towards the costs associated with the scheme, will be submitted in March.

### **HESA Health Centre expansion**

4. This scheme is approaching practical completion and is now fully operational. NHS PS has, however, advised that the works have recently been extended to further reconfigure rooms on the first floor of the building to accommodate additional health services. These works are programmed to be completed by the end of February.
5. So far, a total of £264,818 from three s106 health contributions has been allocated and transferred towards this project. A request to allocate and release £251,701 from seven health contributions currently held by the Council towards phases 2-5 of the scheme was also formally approved on 4 December 2014. This takes the total s106 allocation formally approved towards the scheme to £516,519.
6. In addition to the above, a further request to allocate funds from the s106 contribution held at H/8/186D (£15,549) towards the HESA scheme has also been submitted and approved (Cabinet Member Decision 25/02/2015). This contribution was originally earmarked by NHS PS to be used towards the fitting out costs associated with the proposed new Yiewsley Health Centre (see paragraphs 8-9). However, as this scheme has been delayed and the spend deadline for this contribution is now fast approaching (April 2015), the relevant Cabinet Members have agreed that this contribution can be used towards the additional costs associated with the HESA scheme instead.
7. As a result of the further works required and additional costs associated with providing a lift to the second floor of the building, NHS PS has confirmed that the overall budget for the HESA scheme has risen to £1.4 million. They have also confirmed that they have invested over and above the total s106 allocation which has so far been released towards the scheme.

### **Proposed new Yiewsley Health Centre (former Yiewsley Pool site)**

8. Further progress with this scheme has been slow, primarily due to the structural changes taking place within NHS PS and changes in personnel. However, NHS PS now has a new team in place and are actively progressing the scheme. At a meeting held on 8 January 2015, NHS PS verbally confirmed that it is still committed to the scheme. The Lease Heads of terms are largely agreed, although some details on service charges and floor areas are still being clarified. NHS PS will then need to reach agreement with all users before final sign off by NHS England.
9. NHS PS has "earmarked" a total of £398,438 from s106 health contributions currently held by the Council towards the fitting out costs associated with the new health centre.

This total excludes the contribution held at H/8/186D (£15,549), which is now proposed to be allocated towards the HESA scheme (see paragraph 6).

## **St Andrews Park**

10. Negotiations between VSM and the CCG for the inclusion of a health facility within the town centre extension area of the site are still ongoing. The CCG is seeking a larger facility than originally anticipated which would be co-located in the area where a care home was approved as part of the master plan. The CCG has now provided a specification for the proposed health centre to VSM and VSM is in the process of carrying out detailed costings for the scheme. A full appraisal and discussion is expected to be held at their Board meeting on 18 March 2015.
11. 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.

## **Unallocated s106 health contributions**

12. Appendix 1 (attached to this report) details all of the s106 health facilities contributions held by the Council as at 31 December 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.
13. The table below details the s106 health contributions which have spend deadlines in 2015. The contribution held at H/16/210C is now allocated towards the HESA scheme which is currently on site (see paragraphs 4-7). A Cabinet Member report to request the formal allocation of the contribution held at H/8/186D towards the HESA scheme has also been submitted and approved in order to ensure that the funds are fully utilised before the spend deadline (see paragraph 6).
14. NHS PS has also advised that the contributions held at H/9/184 and H/10190D be earmarked towards a scheme to provide capacity enhancements at Uxbridge Health Centre. This scheme will be in addition to a proposed new health "hub" in Uxbridge, the location of which is yet to be determined. A feasibility study for the Uxbridge Health Centre has been completed and a scheme to redesign the internal layout of the building in order to create additional consulting rooms is currently being progressed. Any proposals to allocate s106 funding to the scheme will be subject to the Council's formal allocation and release process. Both contributions must be spent before July 2015 or may be at risk of having to be returned.

## Contributions with spend deadlines in 2015

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

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

15. Most of the s106 funding currently held by the Council is earmarked by NHS PS 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, might be able to be considered towards expanding the health services provided through pharmacies.
16. NHS health checks are primarily provided through GP surgeries and only 19 local pharmacies within the Borough currently provide this service. Officers from Public Health Services are therefore working to identify additional pharmacies within the Borough which could be supported to extend this provision for local communities. This will be largely 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 be used to 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 the feasibility of providing standalone health screening equipment such as height, weight and blood pressure machines in community buildings such as libraries or health centres. Two possible sites are currently being considered at Uxbridge and Botwell libraries. Proposals to provide the necessary equipment at these locations are currently being costed and, if feasible, will be brought forward in consultation with NHS PS and the CCG.

## **FINANCIAL IMPLICATIONS**

As at 30 December 2014, there is £2,266,841 of Social Services, Health and Housing s106 contributions available of which £646,884 has been identified as a contribution for affordable housing and £49,602 towards a social services scheme. The remaining £1,570,355 is available to be utilised towards the provision of facilities for health. It is worth noting that £1,164,159 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.

The following table sets out the specific s106 contributions that are earmarked towards Yiewsley Health Centre development (subject to formal allocation):

<b>S106 Funding Reference</b>	<b>Development</b>	<b>Amount</b>	<b>Time Limit to Spend</b>
H/23/209K	Tesco, Trout Road, Yiewsley	£37,723	March 2016
H/32/284C	Former Honeywell site, Yiewsley	£5,280	No time limit
H/33/291C	Former Swan PH, West Drayton	£5,417	No time limit
H/42/242G	West Drayton Garden Village	£337,574	No time limit
H/50/333F	39 High Street ,Yiewsley	£12,444	No time limit
<b>Total</b>		<b>£398,438</b>	

The construction of the new Yiewsley Health Centre development will not commence until 2015/16 and the s106 contributions in the above table for £398,438 will not be utilised until the works are complete.

A Cabinet Member report to request the formal allocation and release of the contribution held at H/8/186D towards the HESA scheme has been submitted and approved in order to ensure that the funds are fully utilised before the spend deadline of April 2015.

## **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.