

UPDATE: ALLOCATION OF S106 HEALTH FACILITIES CONTRIBUTIONS

Relevant Board Member(s)	Councillor Ray Puddifoot MBE
Organisation	London Borough of Hillingdon
Report author	Nicola Wyatt, Residents Services
Papers with report	Appendix 1

1. HEADLINE INFORMATION

Summary	This paper updates the Board on 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 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 March 2015, a further meeting has been held between officers from the Council's Public Health Service, NHS Property Services (NHSPS) and the Council's S106 Monitoring and Implementation Officer to discuss progress and move identified schemes forward.

Approved GP expansion schemes

2. A Cabinet Member report to request that £1,800 from the s106 health contribution held at H/18/219C is formally allocated towards a scheme at the Pine Medical Centre, Hayes, was submitted in April and received Cabinet Member approval on 29th May 2015. NHSPS has confirmed that this scheme to provide an additional clinical room, has been

satisfactorily completed and, subject to a formal request from NHSPS, the agreed funds will now be transferred to be used towards the costs associated with the scheme.

3. This scheme is the last of the four GP schemes which were approved by the NHS panel in August 2013. Schemes to provide an additional consulting room at King Edwards Medical Centre and to provide extensions to GP surgeries at Wallasey Crescent and Southcote Rise were completed in 2014.

HESA Health Centre expansion

4. This scheme to extend the existing health centre by converting the ground floor of the adjacent former post office to provide additional clinical space is now complete and fully operational. The overall budget for the scheme was confirmed as £1.4 million of which a total of £530,068 from eleven separate health contributions has been allocated and transferred to NHSPS and spent towards the costs associated with implementing the scheme.

Proposed new Yiewsley Health Centre (former Yiewsley Pool site)

5. This scheme received planning consent in March 2014; however, there are still outstanding challenges to finalise regarding the wider project. These include items such as Heads of Terms for the Agreement for Lease funding arrangements, and the possibility of having to re-tender the scheme.
6. NHSPS has now also reassessed the scheme and proposed four options to address their needs for best value and flexibility:
 - NHSPS to take a 25 year lease, at 80% of open market value (OMV), subject to 5 yearly rent reviews (to 80% of open market rent (OMR)) and a tenant - only break option to purchase a 999 year lease at the end of years 10,15,20 and lease expiry.
 - NHSPS to take a basic shell from the Council on a 25 year lease with 5 yearly breaks at year 10 onwards at a shell rent, reviewed 5 yearly to 35% of the fully fitted OMR with NHSPS fitting out at its own cost.
 - NHSPS to take a 999 year long leasehold purchase at a peppercorn rent and a capital payment on practical completion for the fully fitted demise (2 floors of the building to an agreed specification).
 - NHSPS to take a 999 year lease at a peppercorn rent for a basic shell for a capital sum, with NHS fitting out at its own cost.
7. The previously proposed 25 year lease with no breaks at a full OMR appears to no longer be acceptable to NHSPS and, despite the efforts made with this site, there no longer appears to be a way forward.
8. 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 proposed new health centre.

Proposed new health hub for Uxbridge (St Andrews Park)

9. Hillingdon Clinical Commissioning Group (CCG), via its Out of Hospital Strategy and Strategic Service Delivery Plan, has identified a need to create a new Out of Hospital Hub in the Uxbridge and West Drayton area. The preferred option is for the new hub to be located within the town centre extension area of the St Andrews Park site.
10. The Council received a healthcare contribution (£624,507.94) from the developers of the St Andrews Park site (VSM) in August 2014 and, in accordance with Schedule 6 of the s106 agreement, VSM has therefore been released from their obligation to provide an on-site healthcare facility. Any agreement to provide a new health facility will therefore need to be a commercial arrangement between the two parties.
11. Negotiations between VSM and Hillingdon Clinical Commissioning Group (CCG) are still on - going, although little progress has been made. In recent weeks VSM has been concentrating their resources on progressing the s73 application and a detailed reserved matters application for development within the Town Centre Extension and these applications are currently their priority.
12. The CCG remains in contact with VSM and has been assured that the developer should be in a position to engage with them on the next stage of the development and the proposals for a health centre in the next couple of months.

Proposed capacity improvements at Uxbridge Health Centre

13. As a location for a new health hub in Uxbridge is yet to be determined, realistically it could be several years before a hub will be available. Hillingdon CCG is proposing to provide increased clinical capacity at Uxbridge Health Centre. This will be an interim measure to help deal with the immediate pressures on primary health care and GP services coming primarily from new developments in the area such as St Andrews Park.
14. The proposed scheme which is supported by NHSPS will reconfigure the GP accommodation on the ground floor of the existing Health Centre, in order to provide 3 additional consultation rooms and an interview room. Hillingdon CCG anticipates that this will provide adequate additional accommodation for the practice to service the immediate demand for GP services and further anticipated growth in population in the area in the short term.
15. A Cabinet Member Report to request that funds totalling (£273,000) from six separate s106 health facilities contributions are allocated and released towards the scheme, was submitted in June and received Cabinet Member Approval on 12th June 2015. Works are expected to commence in July.

S106 health contributions held by the Council

16. Appendix 1 attached to this report details all of the s106 health facilities contributions held by the Council as at 31st March 2015. New contributions received since the last report to the Board are highlighted in bold. The Council currently holds a total of £1,362,974 towards the provision of health care facilities in the Borough, of which £685,609 is currently earmarked or allocated towards identified schemes. This leaves a balance of £677,365 which remains to be allocated towards eligible schemes. Officers will continue

to explore options in consultation with NHSPS and the CCG to ensure that these are spent to maximum effect to provide viable improvements for the benefit of local communities.

17. The table below details the s106 health contributions which have spend deadlines in 2015/16. The contribution held at H/8/186D has now been allocated and spent towards the HESA scheme (see paragraph 3). A Cabinet Member report to request the formal allocation of the contributions held at H/9/184 and H/10/190D towards the Uxbridge Health Centre scheme has also been submitted and approved in order to ensure that the funds are fully utilised before their spend deadlines (see paragraphs 9-11).

18. The s106 health facilities contribution held at H/23/209K (£37,723) is currently earmarked by NHSPS towards the fitting out costs associated with the proposed new Yiewsley Health Centre (see paragraph 4 and 5). Officers are, however, aware that the time limit for spending this contribution is fast approaching (March 2016) and are now working to identify alternative capacity improvements in the area, towards which this contribution might legitimately be used, if it becomes clear that the contribution cannot be spent towards the Health Centre scheme as originally proposed

Contributions with spend deadlines in 2015/16

S106 Funding Reference	Development	Amount	Time Limit to Spend	Scheme
H/8/186D	92-105 High Street, Yiewsley	£15,549	April 2015	Allocated and spent towards Hesa extension.
H/9/184C	31-34 Pembroke Road, Ruislip	£13,115	July 2015	Allocated to Uxbridge health Centre scheme
H/10/190D	Armstrong House, Uxbridge	£43,395	July 2015	Allocated towards Uxbridge Health Centre scheme
H/23/209K	Tesco, Trout Road, Yiewsley	£37,723	March 2016	Earmarked towards Yiewsley Health Centre Scheme
Total		£109,782		

Possible spend of S106 health contributions towards expansion of NHS "health checks" at Hillingdon pharmacies.

19. Much of the s106 funding currently held by the Council is expected to be utilized by NHS Property Services towards the expansion/ improvement of GP Services in the Borough (see Appendix 1) and as at 1st 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.

20. Health checks in the Borough are primarily provided through GP surgeries, although currently there are 19 local pharmacies 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 may help relieve the pressures on local GP services and increase access to the service outside traditional GP hours.
21. Officers from the public health team are continuing to look at how this service might be extended to other pharmacies, initially in targeted areas of the borough where health needs are greatest. One option currently being considered is to provide further selected pharmacies with point - of care testing equipment, such as a Cardiocheck PA. This is a pin prick blood test which can be used to test for cholesterol and glucose. The test has a number of advantages in that results are rapidly available with the potential to affect immediate patient management. The equipment is also relatively cost effective, with an estimated cost per system, of between £375 - £495. There are however, additional costs for consumables such as test strips and for servicing the equipment which also need to be considered. Any proposals will be brought forward in consultation with the Hillingdon CCG.
22. In addition to extending the provision of health checks through existing pharmacies in the Borough, officers have also been 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. Officers are currently costing proposals to provide equipment at Uxbridge and Botwell libraries. If feasible, these proposals will be brought forward in consultation with NHSPS and the CCG.

FINANCIAL IMPLICATIONS

As at 31st March 2015, there are £2,059,459 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 £1,362,974 is available to be utilised towards the provision of facilities for health. It is worth noting that £478,631 of the health contributions have no time limits attached to them whilst £624,508 has been received in respect of St Andrews Park.

The S106 contribution held at H/8/186D which was approved towards the HESA Scheme has been transferred to NHS Property Services by the spend deadline of April 2015.

The following table sets out the specific S106 contributions that are earmarked towards Yiewsley Health Centre development (subject to formal allocation).

S106 Funding Reference	Development	Amount	Time Limit to Spend
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
Total		£398,438	

The Yiewsley Health Centre development project is currently on hold. The S106 contributions in the above table for £398,438 will not be utilised if the project does not proceed. Officers are working towards identifying schemes to utilise the S106 contribution held at H/23/209k for £37,723 as an alternative if it becomes clear that the contribution cannot be spent on the Yiewsley Health Centre Scheme by March 2016.

The following S106 contributions have been allocated towards the Uxbridge Health Centre scheme:

S106 Funding Reference	Development	Amount	Time Limit to Spend
H/9/184C	34-46 Pembroke Road, Ruislip	13,155	July 2015
H/10/190D	Armstrong House, Uxbridge	43,395	July 2015
H/21/237D	Bishop Ramsey School, Ruislip	22,456	February 2016
H/40/306D	Former Knights of Hillingdon	4,645	No time limit
H/41/309D	Former Dagenham Motors, Uxbridge	12,030	No time limit
H/49/283B	Former RAF Uxbridge (St Andrews Park)	177,358	August 2024
Total		£273,000	

A Cabinet Member report to request the formal allocation and release of S106 contributions totalling £273,000 towards the Uxbridge Health Centre Scheme was approved on 12th June 2015. Funds will be transferred to NHS Property Services in July 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, HESA Medical Centre and Uxbridge health 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.