

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 and 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 2015, a further meeting has been held between officers from NHS Property Services (NHSPS), Hillingdon Clinical commissioning Group (CCG) and the Council's S106 Monitoring and Implementation officer to discuss progress and to work to bring schemes forward.

Proposed new Yiewsley Health Centre (former Yiewsley Pool site)

2. Due to funding difficulties, it has become clear that the proposed new Health Centre on the former Yiewsley Pool site will not now be going ahead. NHSPS has consequently reappraised the potential for developing the existing Yiewsley Health Centre and has concluded that it would not be viable to redevelop this site to provide a new fit for purpose health centre. Hillingdon CCG has therefore commissioned NHSPS to conduct a property search in the Yiewsley/West Drayton area to find an alternative site.

3. NHSPS had previously "earmarked" a total of £398,438 from five separate s106 health contributions currently held by the Council towards the fitting out costs associated with the proposed new health centre. The majority of this funding is not subject to a time limit for spend and will therefore continue to be held towards a new scheme. However, the contribution held at H/23/209K (£37,723) must be spent before March 2016.
4. The CCG Premise Sub-Group agreed at its meeting held on 13 October 2015 that this contribution should be invested in one of the practices in the Yiewsley/ West Drayton area with a viable scheme that can be implemented before the spend deadline. It is anticipated that a scheme will be brought forward in the next few weeks following the result of the NHS England (NHSE) bidding round (see paragraphs 9 and 10).

Proposed new health hub for Uxbridge (St Andrews Park)

5. 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.
6. 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.
7. The CCG remains in contact with VSM and has discussed in principle the possibility of securing a 15,000 sq ft health centre in the North West of the site. However, due to other development priorities, there has been little further progress. The Planning Authority is currently dealing with Phase 3 of the wider site, plus the complex ongoing delivery of the Town Centre Extension Phase. Any potential for a future health facility is currently not likely to come forward until Phase 5.

Proposed capacity improvements at Uxbridge Health Centre

8. 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 has therefore proposed 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.
9. The 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.
10. A Cabinet Member report to request that funds totalling (£273,000) from six separate s106 health facilities contributions were allocated and released towards the scheme, received Cabinet Member Approval on 12 June 2015. These funds were subsequently transferred to the CCG to be spent towards the scheme.

11. The project commenced on site in July and is now practically complete. The CCG has advised that the practice has also engaged two newly qualified GPs who will start as soon as the new consulting rooms can be brought into operation.

S106 health contributions held by the Council

12. Appendix 1 (attached to this report) details all of the s106 health facilities contributions held by the Council as at 30 September 2015. New contributions received since the last report to the Board are highlighted in bold. As at 30 September 2015, the Council holds a total of £1,108,823 towards the provision of health care facilities in the Borough.

13. Officers are continuing to work with the CCG and NHSPS to allocate health contributions towards eligible schemes. The CCG has advised that NHS England has set aside a budget of £250 million in 2015/16 to be invested in primary care premises. This is to help manage the increase in demand for primary health care services in England. All local practices were invited to submit requests for funding to NHS England in August, and the results of the bidding process are expected imminently. Once this decision has been made, the CCG has advised that they will work with practices that have been unable to secure funding from NHS England, but have a viable scheme, to identify proposals which might be eligible to benefit from s106 funding.

14. There is now only one unallocated s106 health contribution which has a spend deadline in 2015/16. This is the contribution held at H/23/209K (£37,723) which was formerly earmarked towards the fitting out costs associated with the proposed new Yiewsley Health Centre and must be spent before March 2016. Following the results of the NHSE bidding round, a request will therefore be submitted to allocate this contribution to an eligible scheme within the Yiewsley/ West Drayton area, which was not successful in gaining funding from NHSE (see paragraph 3).

FINANCIAL IMPLICATIONS

As at 30 September 2015, there are £2,147,509 of Social Services, Health and Housing S106 contributions available, of which £1,037,449 has been identified as a contribution for affordable housing and £1,237 towards a social services scheme. The remaining £1,108,823 is available to be utilised towards the provision of facilities for health. It is worth noting that £496,220 of these contributions have no time limits attached to them.

The Yiewsley Health Centre development project is now not likely to go ahead after protracted negotiations with the NHSPS did not reach a resolution. Of the £398,438 formally allocated to the scheme, only £37,723 (H/23/209K) has a spend deadline of March 2016. The remaining contributions have no time limits and therefore can be applied to suitable schemes as and when they are identified.

The S106 contribution held at H/23/209K for £37,723 is now earmarked towards improvements to practice premises in the Yiewsley/West Drayton area subject to an eligible scheme and formal allocation request. Given that the deadline for the contribution is fast approaching and a scheme is yet to be identified, there is a risk that the funding will require returning to the developer with accrued interest if not utilised by the end of the financial year.

S106 contributions which were approved towards the Uxbridge Health Centre scheme totalling £273,000 were transferred to NHS Property Services on 8 July 2015 as set out in the table below:

S106 Funding Reference	Development	Amount	Time Limit to Spend
H/9/184C	34-46 Pembroke Road, Ruislip	£13,115	July 2015
H/10/190D	Armstrong House, Uxbridge	£43,395	July 2015
H/21/237D	Bishop Ramsey School, Ruislip	£22,456	February 2016
H/40306D	Fmr Knights of Hillingdon, Uxbridge	£4,646	n/a
H/41/309D	Former Dagenham Motors, Uxbridge	£12,030	n/a
H/49/283B	Former RAF Uxbridge	£177,358	August 2024
	Interest	£315	
Total		£273,315	

The Uxbridge Health Centre transfer included £177,358 from H/49/283B Former RAF Uxbridge (St Andrews Park), reducing the balance from £624,508 to £447,150.

Officers, in conjunction with the CCG and NHSPS, are actively working towards allocating the outstanding health contribution to eligible schemes.

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.

Any planning obligation must be relevant to planning and 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 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.