

# UPDATE: STRATEGIC ESTATE DEVELOPMENT

<b>Relevant Board Member(s)</b>	Dr Ian Goodman, Chair, Hillingdon CCG Councillor Philip Corthorne
<b>Organisation</b>	Hillingdon Clinical Commissioning Group London Borough of Hillingdon
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<b>Papers with report</b>	Appendix: Section 106 Healthcare Facilities Contributions (Sept 2016)

## 1. HEADLINE INFORMATION

<b>Summary</b>	This paper updates the Board on the CCG strategic estate initiatives and the proposed spend of S106 health facilities contributions in the Borough.
<b>Contribution to plans and strategies</b>	Joint Health & Wellbeing Strategy, Out of Hospital Strategy, Strategic Service Delivery Plan
<b>Financial Cost</b>	To be identified as part of the business case for each individual project
<b>Relevant Policy Overview &amp; Scrutiny Committee</b>	N/A
<b>Ward(s) affected</b>	All

## 2. RECOMMENDATION

**That the Health and Wellbeing Board notes the progress being made towards the delivery of the CCGs strategic estates plans.**

## 3. BACKGROUND

In 2014 Hillingdon CCG published its Strategic Service Delivery Plan (SSDP) which outlines the local context in Hillingdon CCG, the scale of change required to deliver the Out of Hospital Strategy and the model of care that is being developed at a national, regional and local level.

The document also considers the delivery implications of this new model of care. The aim is to achieve a patient-centred and integrated system of accessible, proactive and coordinated care;

but in order to implement this major change to the existing health and care infrastructure is required.

The SSDP presents detailed activity and estates modelling, focusing on the use of the existing health estate, the future space requirements and the identification of potential sites for locality based health and wellbeing hubs.

The pipeline for hubs has been identified as the following:

- Hayes and Harlington: Hesa Health Centre (already operational)
- Uxbridge and West Drayton: St. Andrew Park development as the preferred location
- North Hillingdon: Mount Vernon Hospital site as the preferred location

To realise the benefits outlined in the Five Year Forward View, Department of Health issued a guidance document in June 2015 entitled 'Local Estate Strategies – a framework for commissioners'. CCGs were asked to:

- produce a Local Estate Strategy in partnership with local stakeholders
- establish a Strategic Estate Group

The Hillingdon Strategic Estates Group was formed in September 2015 and has met quarterly since then. Representatives from the Council, Central and North West London Trust, Hillingdon Hospital Trust, NHS Property Services, the Local Medical Council and CCG have been in attendance.

It is essential that service and estates planning are integrated to ensure that we deliver high quality services and make well informed investment decisions. This approach will facilitate the best use of existing property, ensure that new estate developments meet service need and enable the disposal of surplus estate.

Good quality strategic estates' planning is vital to:

- maximising use of facilities
- delivering value for money
- enhancing patients/public experiences

Local circumstances should dictate what is appropriate for local health economies. The strategy should reflect the local footprint and should include secondary and tertiary care in addition to community and primary care to include wider public sector partners in its development.

The main priority of the Strategic Estates Group to date has been to produce the draft estate strategy; this document is based on the SSDP and in addition provides an overview of the entire estate in the Borough used for the delivery of healthcare services and capturing future investment plans of each stakeholder. The aim is to create a strategy that identifies and enables joint development opportunities across the Borough and embraces the key objectives of the 'One Public Estate' programme.

#### **4. HILLINGDON ESTATE STRATEGY**

In summary, the draft Hillingdon Estate Strategy sets out the following:

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## Strategic Context

The document provides a summary of the CCG local estate strategy review process and estate proposals within the context of the NWL Shaping a Healthier Future (SaHF) programme and the Hillingdon CCG Strategic Service Delivery Plan (SSDP) which both support the NHS Five Year Forward View.

The document feeds into the Strategic Transformation Plan (STP) for the Borough. Below is an outline of the Hillingdon vision of how the key priorities outlined within the Five Year Forward view and the STP guidance will be addressed:

### Health & Wellbeing

- Working collaboratively across health, social care and public health we will improve outcomes and reduce inequalities for our population with a focus on those with both traditional Long Term Conditions (including both physical and mental health LTCs) and emergent categories of LTCs such as pain, frailty and social isolation.
- Our coordinated programme of work will bring together our existing plans for the BCF and our Health & Wellbeing Strategy (HWBB) and engage our whole community to create a resilient population and assist people to remain independent with better quality of life for longer.

### Care & Quality

- We will provide care that is safe, effective and delivered by experienced practitioners through collaborative working across health and social care services.
- We will be able to share information that improves the quality of health and social care services and that enables our population to make informed choices.
- We will deliver the best and highest quality care possible within the constraints of our local economy and the growth in demand that we are predicting.

### Finance & Efficiency

- It is simply not viable to continue trying to respond to increasing demand for services, particularly at the expense of preventative action. We are committed to finding financial savings and ways to achieve better outcomes for individuals and their families through the better integration of services and by reducing demand through an increased focus on prevention and patient activation.

The SSDP had previously been developed to identify the estate solution required to support the delivery of the transformation of care and established a plan for a hub service of between 2,700 and 3,600 m<sup>2</sup> split over three key locations across the Borough.

The estate strategy has been further developed to include the Local Authority and primary care estate used for the delivery of health/social care and overall estate metrics on condition, market rent impacts and cost per clinic room/workstation.

## Key Drivers and Challenges

- To meet an estimated increase in demand and complexity of care delivered in the community for out of hospital care across the area of 30%-35%
- Enable a major shift in care from within a hospital setting to an out-of-hospital setting so more people are treated closer to their homes.
- A need to improve utilisation of the existing estate and effectively target strategic investment in new estate in locations appropriate for a Hub health care delivery model.

Forecast population and demographic growth in Hillingdon suggests an increasingly diverse population. In North West London generally, the youthful, ethnically diverse, communities will be the principal health service users.


### Property overview

- 71 property holdings: 21 health centres, 3 hospitals, 1 administration office and 48 primary care properties comprising over 148k m<sup>2</sup> Net Internal Area (NIA).
- 10 holdings are NHS PS estate representing 5% of total NIA.
- Total annual running costs in 2015/16 of circa £53m (Community Health & Primary Care 10%, acute hospitals 90%).

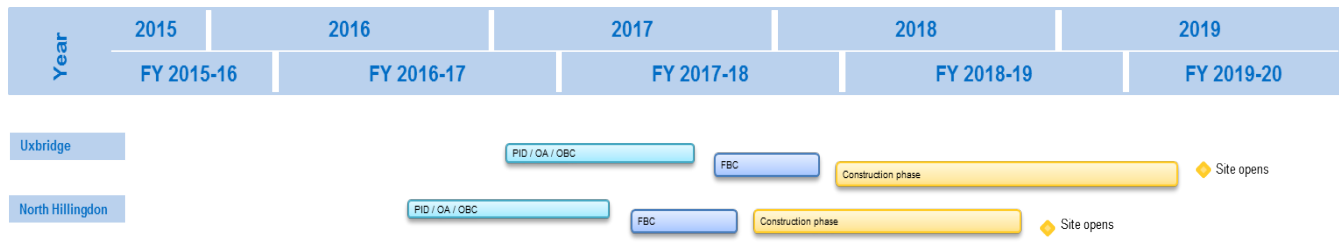
### Key points emerging from the strategic review

- The need to progress the aims of the SSDP and implement the hub strategy. Focussing investment in locations which support the out-of-hospital health care challenge at Uxbridge/West Drayton, North Hillingdon and Hayes & Harlington
- The need to secure long term premises solution for the Shakespeare Medical Centre
- The need to address poor primary care infrastructure by making sure GP practices are in the right location and in fit for purpose accommodation

### Current status of strategic estate priorities

	<b>As-Is Position</b>	<b>To-be Position</b>
 <p><b>Clinical Estate</b></p>	<ul style="list-style-type: none"> <li>▪ Uxbridge Health Centre – limited capacity, good primary care coverage but restricted capacity for OoH activity</li> <li>▪ <u>Yiewsley</u> Health Centre not fit for purpose</li> <li>▪ HESA – Hayes &amp; Harlington hub</li> <li>▪ Mount Vernon - Master planning</li> <li>▪ Shakespeare Medical Centre (<u>Elers Road</u>)</li> <li>▪ Mixed GP estate to be reviewed on condition &amp; suitability</li> </ul>	<div style="text-align: center; font-size: 2em; color: red; margin-bottom: 10px;">➔</div> <ul style="list-style-type: none"> <li>▪ Uxbridge &amp; West Drayton Hub created following viability appraisals at St Andrews</li> <li>▪ <u>Yiewsley</u> replacement Health Centre created</li> <li>▪ Central hub created at Hesa Primary Care Centre plus overflow OoH capacity in the area created</li> <li>▪ North Hillingdon Hub created at Mount Vernon</li> <li>▪ New larger premises acquired following project information document (PID) appraisal</li> <li>▪ All GP surgeries located in fit-for-purpose sites</li> </ul>

The indicative timeline for delivery of the two Hubs.



### Property opportunities and savings

There is potential to exit Kirk House at lease break in 2017 (£871k p.a. revenue savings) depending on the acquisition plans for the new Yiewsley Health Centre site for which Kirk House could be an option.

Determine the future of the vacant Northwood & Pinner Community Hospital site. Options are currently being assessed by NHS PS; this includes the potential of a whole site redevelopment (including Northwood Health Centre).

### Other property considerations

- Further data and property analysis on the condition of the public sector estate undertaken and being analysed
- A full review of the GP estate by NHS England and the CCG has been undertaken and will inform the production of a primary care strategy in early 2017
- Conclude work with Hillingdon Hospital Trust over the next 3 months to determine potential site options at Mount Vernon Hospital for north Hillingdon hub and produce a Project Initiation Document (PID) for approval by NHS England
- Work with the planning and property teams at the Council to establish the future health estate requirements within the Hayes Housing Development Zone

### Financial considerations

Across North West London the NHS is undertaking a review of the Implementation Business Case (ImBC) developed for the Shaping a Healthier Future Programme, including both the capital and revenue implications of the Hubs. The NWL Collaboration of CCGs is intending to take a refreshed business case to NHS England in early 2017 following sign off by CCG Governing Bodies in December.

Hillingdon Council, in consultation with the NHS in Hillingdon, has been collecting S106 contributions for health from residential developers where the size and scale of the housing scheme has been identified as having an impact on the delivery of local health services. Funding has been secured by the Council for investment in health premises and services in the Borough in order to help meet increased demand for health services as a result of new development. This additional non-recurrent funding has been used to build capacity within the primary care estate and subject to the Council's formal s106 allocation process, it is proposed that any further contributions received are used to the remainder will help to offset the cost of the Hubs.

The CCG will identify the financial implications of all estate investment as part of the business case development process for each project.

## 5. S106 HEALTH CONTRIBUTIONS HELD BY THE COUNCIL

Appendix 1 attached to this report details all of the s106 health facilities contributions held by the Council as at 30th September 2016. The Council has received two further contributions since the last report to the Board in September, these have been added to Appendix 1 and are highlighted in bold. As at 30th September 2016, the Council holds a total of £1,169,759 towards the provision of health care facilities in the Borough.

The CCG has "earmarked" the majority of the s106 health contributions currently held by the Council towards the provision of the health hubs as outlined in Appendix 1. To note, a total of (£533k) from s106 contributions previously held by the Council, has already been allocated and spent towards the provision of the Hesa health hub which was completed in November 2015. A request to allocate individual contributions towards further schemes will be submitted as each scheme is brought forward.

All of the s106 health contributions which had a spend deadline in 2015/16 have now been allocated and spent towards eligible schemes. There are currently no deadlines for spending s106 health contributions in 2016/17.

### HILLINGDON COUNCIL FINANCIAL IMPLICATIONS (

As at 30 September 2016, there is £2,377,753 of Social Services, Housing, Health and Wellbeing S106 contributions available, of which £1,207,994 has been identified as a contribution for affordable housing. The remaining £1,169,759 is available to be utilised towards the provision of facilities for health and £536,895 of these contributions have no time limits attached to them.

Officers in conjunction with the CCG and NHSPS are actively working towards allocating the outstanding health contribution to eligible schemes. Funds totalling £1,134,138 are provisionally earmarked towards proposed health hub schemes as follows:

<b>Proposed Health Hub Scheme</b>	<b>Amount</b>
North Hub	175,983
Uxbridge / West Drayton Hub	520,593
New Yiewsley Health Centre	433,660
Pine Medical Centre	3,902
<b>Total Earmarked</b>	<b>1,134,138</b>

### HILLINGDON 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.

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.