

# UPDATE: STRATEGIC ESTATE DEVELOPMENT

<b>Relevant Board Member(s)</b>	Dr Ian Goodman, Chair, Hillingdon CCG Cllr Philip Corthorne
<b>Organisation</b>	Hillingdon Clinical Commissioning Group London Borough of Hillingdon
<b>Report author</b>	Simon Harwood, Strategic Estates Consultant, Hillingdon CCG Nicola Wyatt, S106 Monitoring & Implementation Officer, Residents Services Directorate, London Borough of Hillingdon
<b>Papers with report</b>	Section 106 Healthcare Facilities Contributions (March 2018)

## **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. HILLINGDON ESTATE STRATEGY - OVERVIEW**

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 and Wellbeing Strategy (HWBS) 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.

#### 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.

#### Key points emerging from the Strategic Estates Plan

- The need to progress the aims of the Out of Hospital strategy. Focussing investment in locations which support the implementation of the strategy at Uxbridge/West Drayton, North Hillingdon and Hayes & Harlington.
- The need to secure long term premises solution for the Shakespeare Medical Centre and Yeading Court Surgery.
- The need to address poor primary care infrastructure by making sure GP practices are in the right location and in fit for purpose accommodation.
- To build primary care estate capacity in Hayes Town to respond to the growth derived from the Housing Zone.
- To secure a replacement site for Yiewsley Health Centre and build additional capacity to respond to local residential development.
- The need to improve access to health care for people living in the Heathrow Villages.
- Consideration of any potential impact from the Southall Gas Works site development on Hillingdon practices.
- To develop a plan for the future of the Northwood and Pinner Community Hospital that respects the heritage of the site and realises the potential of its location.
- Consider any opportunity created by the future plans of Brunel University.
- Support The Hillingdon Hospital Trust with its master planning for both sites.

## Current status of strategic estate priorities

The table below summarises the projects and the current status.

Project	Status	Indicative Timeline
Create an Out of Hospital Hub in North Hillingdon	The CCG has completed an Options Appraisal for the creation of a new Out of Hospital Hub for the North of the Borough with the preferred solution being a redevelopment of the combined Northwood and Pinner Community Hospital and Northwood Health Centre sites. Work has commenced on the Outline Business Case working with NHS Property Services (NHS PS) to refine the design in order to obtain planning consent.	Target date for outline business case Dec 2018  Projected hub opening date February 2021
Create an Out of Hospital Hub in Uxbridge and West Drayton	The CCG has continued to work in partnership with Central and North West London NHS Foundation Trust (CNWL) to identify a potential location for the Hub. A feasibility study has been undertaken that identifies that there is development potential on the existing Uxbridge Health Centre site to meet the Hub requirements. The CCG has completed an Options Appraisal that identifies a redevelopment on the Uxbridge Health Centre site as the preferred option. The CCG has now commenced production of the outline business case and as part of this work will further develop the design solution to maximise value from the site and decant options with the Council.	Target date of outline business case March 2019  Projected hub opening date June 2021
Building capacity for Hayes and Harlington	<p>The CCG, working in partnership with the Council, has been successful in securing circa 900m<sup>2</sup> of accommodation for a new health facility as part of the Old Vinyl Factory development. The Section 106 agreement has now been signed and the provision of a health facility, subject to commercial terms being agreed, has been secured.</p> <p>The CCG has now commenced commercial negotiations with the developer with a target date of November 18 for this to be concluded.</p> <p>Using Council housing projections the CCG has established a further requirement of circa 600 - 1000 m<sup>2</sup> of health care space in Hayes to accommodate the new population. The inclusion of a health facility has therefore been incorporated for consideration as part of the community infrastructure provision on the former Nestle Factory Canteen building.</p>	S106 agreed for the OVF  Detailed design and commercial negotiations to be concluded November 2018

Project	Status	Indicative Timeline
New premises for Shakespeare Medical Centre and Yeading Court Surgery	Heads of Terms have been agreed between the practice, CCG and Council for the relocation of the practice to new premises on the redeveloped former Woodside Day Centre site. A planning application for the scheme has now been approved, subject to the completion of a s106 agreement. Project meetings between the Council, CCG and practices continue to oversee scheme development.	Target date for project completion 2021
Yiewsley Health Centre	<p>The CCG has been successful in securing funding to refurbish vacant space at the site into additional clinical accommodation. This will create additional capacity for primary care provision at the site. In addition, a proposal to spend some health S106 funding on improving the entrance, reception and waiting area has been agreed by Cabinet. A long term solution for the site is still being explored with the support of CNWL and the Council planning team.</p> <p>The project commencement has been delayed while lease terms are being agreed between NHS Property Services and the practices.</p>	<p>NHS England due diligence completed Dec 2017 and release of funding agreed</p> <p>Target date for project commencement October 2018</p>
Improving Access to Primary Care	<p>The CCG continues to review the quality and capacity of primary care premises across the Borough. A primary care strategy has been developed and was approved by the CCG in November 2017.</p> <p>Thirteen GP practices have received NHS funding to invest in improving practice premises. The total amount of investment being made totals £2.7 million and will benefit more than 70,000 patients.</p> <p>The three schemes to be delivered in 2018/19 have now been given formal approval to proceed by NHS England.</p> <p>The CCG has completed the preliminary approval process for 2019/20 Improvement Grant funding. NHS England is now reviewing applications with a view to responding to practices in December 2018.</p>	<p><b>Kincora Surgery</b> funding awarded in Oct 2017 works underway and expected to complete in Oct 2018</p> <p><b>Heathrow Medical Centre</b> works completed</p> <p><b>Yiewsley HC</b> – works to commence once practices have signed their leases and works will take three months thereafter</p> <p><b>St Martin's Medical Centre</b> planning consent for revised scheme obtained and on site – Completion date June 2019.</p> <p><b>Acrefield Surgery</b> Reconfiguration of ground floor works to commence upon</p>

Project	Status	Indicative Timeline
		<p>approval of due diligence. Completed by March 2019</p> <p><b>Wood Lane Medical Centre</b> Infection control improvements to premises expected to be completed by Dec 2019</p> <p><b>Hillingdon Health Centre</b> Infection control improvements to premises expected to be completed by Dec 2019</p>

## FINANCIAL IMPLICATIONS

The NWL Strategic Outline Case Part 1 (SoC1) to deliver the Shaping Healthier Future and Strategic Transformation Plan has been assured by NHS England but capital bids are now to be submitted under an STP wide Wave 4 funding bid to invest in facilities for GP Practices, Hubs and acute hospitals in NWL.

In Hillingdon this includes:

- additional investment in a number of GP practice premises to improve access, clinical capacity and quality;
- the capital investment required to deliver the North Hillingdon and Uxbridge & West Drayton Hubs; and
- the expansion and refurbishment of key areas at Hillingdon Hospital.

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.

## 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 30 June 2018. Since the last report to the Health and Wellbeing Board in June, the Council has not received any further contributions. As at 30 June 2018, the Council therefore continues to hold a total of £1,231,479.12 towards the provision of health care facilities in the Borough.

The CCG has "earmarked" the s106 health contributions currently held by the Council towards the provision of the health hubs as outlined in Appendix 1. A request to allocate individual contributions towards further schemes will be submitted as each scheme is brought forward.

To note is one contribution held at case reference H/34/282F (£15K) which has a spend deadline in the next 6 month period (February 2019). This contribution is currently earmarked by Hillingdon CCG towards the provision of a health hub in the North of the Borough. However, given the short timescales for spending this contribution, Hillingdon CCG is now requesting that the contribution is allocated towards an existing scheme to provide additional clinical space at St Martin's Medical Centre, as outlined in the table above. This will ensure that it is utilised towards an eligible scheme within the prescribed time limit.

Subject to the agreement of NHS PS, and in line with the Council's s106 allocation process, a Cabinet Member report to request the formal allocation and release of the funds towards scheme is expected to be submitted to the Leader of the Council and the Cabinet Member for Finance, Property and Business Services in October 2018.

### HILLINGDON COUNCIL FINANCIAL IMPLICATIONS

As at 30 June 2018, there is £2,814,576 of Social Services, Housing and Health s106 contributions available, of which £1,583,097 has been identified as contributions towards affordable housing. The remaining £1,231,479 is available to be utilised towards the provision of facilities for health and £553,899 of these contributions have no time limits attached to them.

Officers, in conjunction with the CCG and NHS PS, continue to work actively towards allocating all outstanding health contributions to eligible schemes. To date, funds totalling £1,074,840 are provisionally earmarked towards proposed health hub schemes as detailed below:

<b>Proposed Health Hub Scheme</b>	<b>Amount</b>
North Hub	140,484
Uxbridge / West Drayton Hub	520,593
Yiewsley Health Centre Refurbishment	1,691
New Yiewsley Health Centre	408,170
Pine Medical Centre	3,902
<b>Total Earmarked</b>	<b>1,074,840</b>
<b>To be determined</b>	<b>156,639</b>
<b>Total</b>	<b>1,231,479</b>

The remaining balance of £156,639, comprising three separate contributions, is yet to be earmarked to any schemes although it is anticipated that they will be expedited by their respective deadlines. The contributions are £35,621 (ref H/30/276G), £39,689 (ref H/69/404F) and £81,329 (ref H/70/40M) respectively.

The s106 contribution held at H/32/282F for £15,031 has a time limit to spend by February 2019, which has been earmarked to the North Hub Health Scheme. Hillingdon CCG has requested that this contribution is allocated towards St Martin's Medical Centre in order to avoid returning the funds with accrued interest to the developer.

## **HILLINGDON COUNCIL LEGAL IMPLICATIONS**

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 of the Council 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.