



Democratic Services

Location: Phase II
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To: **OUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE**
**OUNCILLOR JANE PALMER
CABINET MEMBER FOR HEALTH AND SOCIAL
CARE**
c.c. All Members of the Health and Social Care Select Committee
c.c. Nicola Wyatt – Central Services Directorate
c.c. Julia Johnson – Central Services Directorate
c.c. Perry Scott – Corporate Director of Place
c.c. Ward Councillors for Northwood

Date: 31 July 2023

Non-Key Decision request

Form D

NEW ALLOCATION AND RELEASE OF S106 CONTRIBUTIONS 2023/24: Provision of a New Health Centre on the Former Cottage Hospital Site, Pinner Road, Northwood (CR 4)

Dear Cabinet Members,

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic confirm that this is not a key decision, as such, the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply. Services

You should take a decision **on or after Tuesday 08 August 2023** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Ryan Dell
Democratic Services Officer

**Title of Report: NEW ALLOCATION AND RELEASE OF S106 CONTRIBUTIONS 2023/24:
Provision of a new health centre on the former Cottage Hospital site, Pinner Road,
Northwood (CR 4)**

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

Signed Date

Cabinet Member for Finance / Cabinet Member for Health and Social Care

NEW ALLOCATION AND RELEASE OF S106 CONTRIBUTIONS 2023/24: Provision of a New Health Centre on the Former Cottage Hospital Site, Pinner Road, Northwood (CR 4)

Cabinet Members	Councillor Martin Goddard Councillor Jane Palmer
Cabinet Portfolios	Cabinet Member for Finance Cabinet Member for Health and Social Care
Officer Contacts	Nicola Wyatt – Central Services Directorate Julia Johnson – Central Services Directorate
Papers with report	Appendix A – S106 Allocation and Release Request

HEADLINES

Summary	To seek approval to allocate funds from the S106 contributions currently held at H/47/329E and H/64/387E towards the provision of a new health centre on the former Cottage Hospital site, Northwood, and transfer the funds to NHS Property Services towards the delivery of the scheme.
Putting our Residents First	The report supports the Council objectives of <i>Strong Financial Management</i> .
Financial Cost	This report seeks to allocate, release, and transfer £29,584 from a S106 contribution held by the Council.
Relevant Select Committee	Health and Social Care Select Committee.
Relevant Ward	Northwood.

RECOMMENDATIONS

That the:

- 1) Cabinet Member for Finance agrees to the request from NHS Property Services to allocate a total of £29,584 from the S106 contributions held at H/47/329E and H/64/387E towards the provision of a new health centre on the former Cottage Hospital Site, Pinner Road, Northwood and;
- 2) Cabinet Member for Finance and Cabinet Member for Health and Social Care approve the capital release (Appendix A) and transfer of the S106 funds held at H/47/329E and H/64/387E to NHS Property Services, to be spent within the terms of the Service Level Agreement (SLA) dated 26 June 2015.

Reasons for recommendations

In accordance with the Council Constitution, the allocation of Section 106 (S106) and Section 278 (S278) funds is required to be formally approved by the Cabinet Member for Finance on a case-by-case basis – and any capital release in conjunction with the relevant Cabinet portfolio holder. This report requests the approval for the S106 funds held at the case reference detailed in this report to be committed as outlined in this report.

Alternative options considered/ risk management

The Cabinet Members may agree to fund the scheme and/ or suggest alternative projects to which funds could be allocated within the terms of the relevant legal agreements. If the S106 funds are not allocated to an appropriate scheme, the unspent funds may need to be refunded.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Purpose of Planning Obligations

1. Planning obligations, or S106 agreements, are an established mechanism for mitigating planning effects arising from development proposals. The agreements are usually negotiated within the context of planning applications, between Local Planning Authorities and persons with an interest in the piece of land (owners, leaseholders or developers). They are intended to make development acceptable, which would otherwise be unacceptable in planning terms.
2. Any S106 monies generated from planning agreements must be spent on their intended purpose and that the associated development contributes to the sustainability of the area by addressing the impacts of the development proposals. As a result, expenditure of S106 funds must relate to a specific development and must be in accordance with the corresponding legal agreement. If a contribution is not used for the intended purpose or not spent within the period allocated in the S106 agreement, the monies may need to be returned.

Proposed Allocation of S106 Health Contributions

3. The Northwest London Integrated Care Board (NW London ICB) as commissioners of primary and community care services are responsible for ensuring service delivery to patients in the Northwood area of Hillingdon Borough. A key priority in the NW London Estates Strategy is to identify an affordable fit for purpose long-term solution to meet the needs of patients in the Northwood Hills area of the Borough. NW London ICB currently commissions a range of clinical services provided at Northwood Health Centre; however, this site is coming to the end of its useful life and is no longer fit for purpose in the longer term. Consequently, NW London ICB has been exploring options for alternative premises and identified Northwood Cottage Hospital site as an option to provide a solution that would enhance the health and services available to meet the needs of a growing local population.
4. The project is being led by NHS Property Services (NHSPS) in collaboration with NW London ICB and aims to bring Northwood Cottage Hospital, a locally listed heritage asset back into use, transforming the currently derelict building into a new health centre. The existing tenants

within the adjoining Northwood Health Centre will relocate directly into the new facility without service disruption or temporary relocation. The project includes a partial demolition, refurbishment, extension and fit out of the existing Cottage Hospital and will result in an uplift of 512sqm floorspace compared to the existing Northwood Health Centre. The scheme was granted planning permission (23658/APP/2021/1296) on 19 January 2022 as part of the redevelopment of Northwood Cottage Hospital site, subject to a legal agreement which is currently in the process of being concluded.

5. The provision of a new health centre on this site is in line with the NHS's Strategy to bring health services closer to home through the integration of care organisations and the establishment of Primary Care Networks within the heart of the Community. The proposed new health centre will include accommodation for primary and specialist care, as well as physical and mental health services and health with social care which will enable the centre to provide integrated services within the community.
6. To ensure that available S106 funding can be fully utilised towards the scheme, NHS Property Services are requesting that the contributions outlined in Table 1 are allocated and released towards the preliminary costs associated with implementing the scheme. These contributions now have a short timescale for spend and this will ensure that they are utilised within their prescribed time limits. Further S106 funds will subsequently be requested as the scheme progresses towards the internal fit out of the building.

Table 1 - Details of health S106 contributions to be allocated.

CASE REF.	WARD	DEVELOPMENT / PLANNING REFERENCE	TOTAL INCOME	PROPOSED ALLOCATION	SPEND BY	COMMENTS
H/47/329E *106	Townfield	Land at Pronto Industrial Estate, 585-591 Uxbridge Road, Hayes 4404/APP/2013/1650	14,066.23	14,066.23	2024 (July)	Funds received the cost of providing healthcare facilities within the London Borough of Hillingdon. Contribution to be spent within 10 years of receipt.
H/64/387E *136	Uxbridge North	Norwich Union House, 1-2 Bakers Road, Uxbridge. 8218/APP/2011/1853	15,518.40	15,518.40	2023 (Sept)	Funds received towards the cost of providing health facilities in the Authority's area including expansion of health premises to meet increased patient numbers, new health services at local level, any new facilities required to compensate for the loss of a health facility caused by the development. Funds to be spent within 7 years of receipt.
TOTAL CONTRIBUTIONS			29,584.63	29,584.63		

7. The sum of £12,162 from a S106 health contribution has already been allocated and transferred to NHS Property Services towards the preliminary costs associated with this scheme (Cabinet Member Decision 25/05/2022). If the above allocations are approved this will take the total S106 allocation to £41,746.

Scheme to provide a new health centre on the former Cottage Hospital site, Pinner Road, Northwood

8. The proposed scheme provides for the refurbishment and extension of the existing Cottage hospital to provide a state-of-the-art Healthcare Centre. The new facility will accommodate both the existing Northwood Health Centre and provide accommodation for two GP surgeries

and Community Services Rooms. The new Community Services Rooms will deliver services for the community including a new baby clinic and mental health clinics. The proposal will therefore provide a modern fit for purpose Health Centre, which will contain facilities and provide services to meet the needs and demands of patients.

9. The project forms part of the Healthcare Estate Strategy for Hillingdon which identifies the need for a new health centre in the Northwood and Pinner area. The redevelopment of the cottage hospital and the relocation of the Northwood Health Centre into the new facility has been identified as one of three health hubs which will assist in delivering Hillingdon's Estate Strategy, which includes supporting the refurbishment of Mount Vernon Hospital and a new Hillingdon Hospital.

Financial Implications

(S106 Budget 2023/24 £30k; Previously Released Nil; Capital Release Requested £30k) – Appendix A

The report seeking the allocation, release and transfer totalling £30k from two S106 contributions detailed in the table below:

S106 Funding Contribution	Description	Amount	Time Limit to Spend
H/47/329E	Land at Pronto Industrial Estate, 585-591 Uxbridge Road, Hayes	14,066	Jul 2024
H/64/387E	Norwich Union House, 1-3 Bakers Road, Uxbridge	15,518	Sep 2023
Total		£29,584	

The report is seeking the allocation, capital release and transfer of £30k to NHS Property Services towards the provision of a new health centre on the former Cottage Hospital site, Pinner Road, Northwood.

Allocating both S106 contributions meet the conditions stipulated in the S106 agreements. The S106 held at H/64/387E is at a high risk of being returned to the developer with accrued interest if it is not used by the Council towards an eligible scheme by September 2023, as there is no other viable scheme to apply the funding against. The transfer of the funds to NHS Property Services by September 2023 will fulfil this requirement.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities

The recommendations will enable external funds to be spent to maximum effect to provide viable improvements for the benefit of local communities.

Consultation carried out or required

Consultation not required.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance concurs with the financial implications above, noting the contribution to NHS Property Services towards the provision of a new health centre on the former Cottage Hospital site, Pinner Road, Northwood as detailed in the above in the main report, will be funded from developer contributions in accordance with the planning obligation agreements.

Legal

Legal Services have considered the content of the section 106 agreements referred to in the report and conclude that the recommendations presented are consistent with the terms of the respective agreements.

In procuring any of the services required for the scheme, officers must ensure they observe The Public Contracts Regulations 2015 and the Council's Contract and Procurement Standing Orders and consult the legal department where necessary.

Infrastructure/ Asset Management

There are no Estates or Asset Management implications arising from the recommendations in this report and the proposals do not impede on any plans, strategies or proposals relating to Estates.

Comments from other relevant service areas

The scheme has been developed in consultation with relevant service groups as appropriate.

BACKGROUND PAPERS

Planning Obligations Supplementary Planning Document 2014

APPENDIX A – S106 Allocation and Release Request

S106 Allocation & Release Report 2023/24 – Proposed New Health Centre, Pinner Road, Northwood (CR 4)

Location	Project/ Expenditure Title	Information	Funds Release Sought £000's	Approv e	Hold	More Information Required
Pinner Road, Northwood	NHS Property Services – New Health centre	Provision of a new Health Centre on the former Cottage Hospital site, Pinner Road, Northwood.	30			
Total seeking release			30			
Previously released			0			
Budget			30			
Remaining budget			0			