



Democratic Services

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**To: COUNCILLOR RAY PUDDIFOOT
LEADER OF THE COUNCIL**

**COUNCILLOR JONATHAN BIANCO
CABINET MEMBER FOR FINANCE, PROPERTY
AND BUSINESS SERVICES**

- c.c. All Members of Executive Scrutiny Committee
- c.c. Chairman of Residents' and Environmental Services Policy Overview Committee
- c.c. Ward Councillors for Yiewsley
- c.c. Jean Palmer, Deputy Chief Executive and Corporate Director
- c.c. Nicola Wyatt, Residents Services
- c.c. Conservative and Labour Group Offices (inspection copy)

Date: 20 February 2014

Non-Key Decision request

Form D

**NEW ALLOCATION OF S106 CONTRIBUTIONS 2013/2014
Rebuild and expansion of Yiewsley Health Centre**

Dear Cabinet Member

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services 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.

You should take a decision **on or after Friday 28 February 2014** 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.

Charles Francis
Democratic Services Officer

**Title of Report: NEW ALLOCATION OF S106 CONTRIBUTIONS 2013/2014
Rebuild and expansion of Yiewsley Health Centre**

Decision made:

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

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

SignedDate.....
Leader of the Council / Cabinet Member for Finance, Property and Business Services

NEW ALLOCATION OF S106 CONTRIBUTIONS 2013/2014

Rebuild and expansion of Yiewsley Health Centre

Cabinet Member(s)	Councillor Ray Puddifoot and Councillor Jonathan Bianco
Cabinet Portfolio(s)	Leader of the Council/Cabinet Member for Finance, Property and Business Services
Officer Contact(s)	Nicola Wyatt, Residents Services
Papers with report	None.

1. HEADLINE INFORMATION

Summary	To seek approval to allocate funds from the s106 contributions currently held at H/5/161C, H/1/152C and H/14/206C towards a scheme to build a new health centre on the former Yiewsley Pool site.
Contribution to our plans and strategies	Planning obligations are an established delivery mechanism for mitigating the effect of development, making it acceptable in planning terms and achieving the aims of the Community Strategy and other strategic documents that make up the Local Development Framework.
Financial Cost	This report seeks to allocate, and release a total of £70,673 from three s106 health contribution held by the Council towards the scheme outlined in this report.
Relevant Policy Overview Committee	Residents' & Environmental Services
Ward(s) affected	Yiewsley
Portfolio Cabinet Member	Councillor Keith Burrows/Councillor Philip Corthorne
Portfolio Cabinet Member Approval received	February 2014

RECOMMENDATION

That the Leader of the Council and the Cabinet Member for Finance, Property and Business Services agree and approve the request from NHS Property Services to allocate a total of £70,673 from the following s106 contributions towards a scheme to rebuild and expand Yiewsley Health Centre on the former Yiewsley Pool site;

- (a) The s106 contribution relating to the redevelopment of 111 – 117 High Street Yiewsley currently held at case reference H/14/206C totalling £10,651.**
- (b) The s106 contribution relating to the redevelopment of the former Honeywell site, Trout Road, Yiewsley currently held at case reference H/5/161C totalling £51,118.**
- (c) The s106 contribution relating to the redevelopment of the former Middlesex Lodge, Hillingdon currently held at case reference H/1/152C totalling £8,903.**

Reasons for recommendation

Following a Cabinet decision on 19th March 2009, the allocation of s106 and s278 funds is now required to be formally approved by the Leader and the Cabinet Member for Finance, Property and Business Services on a case-by-case basis. This report requests approval for the s106 funds held at the above case references 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.

Policy Overview Committee comments

None at this stage.

3. INFORMATION

Supporting Information

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 section 106 agreement, the monies may need to be returned.

3. The Council has adopted a Supplementary Planning Document for Planning Obligations (adopted July 2008) which outlines the current approach, policies and procedures in respect of planning obligations. This document provides stakeholders with a fair, transparent and predictable basis for negotiating section 106 agreements. Details of the financial planning obligations held by the Council and the progress being made in their allocation and implementation are reported to Cabinet on a quarterly basis via the "Planning Obligations Financial Monitoring Report". The purpose of this report is to further assist in providing a transparent approach to the allocation of s106 funds.

1(a). S106 contribution held at case reference H/14/206C

Details of Unilateral Undertaking

4. A contribution of £10,651 was received in accordance with a Unilateral Undertaking dated 10 December 2007 and relating to the redevelopment of 111-117 High Street, Yiewsley (planning reference 6948/APP/2007/1326). The Unilateral Undertaking specifies that the funds are to be used towards the provision of health care facilities within the London Borough of Hillingdon. The funds held under this undertaking must be spent within 5 years of receipt (August 2014) or returned to the developer.

Planning background

5. Planning permission for the erection of a part 4, part 3 and part 2 storey building comprising 3 retail units on the ground floor and 28 residential apartments above was refused at the Council's Planning Committee on 2 August 2007. Given the proposal for 28 residential units, and at the request of Hillingdon Primary Care Trust (PCT), officers had recommended that if the application were to be approved, a contribution of £10,651 be sought towards the provision of additional health care facilities in accordance with the Council's Planning Obligations Supplementary Planning Guidance document. Following refusal, planning permission was subsequently granted on appeal and a Unilateral Undertaking to secure the contribution was received from the developer.

1(b). S106 contribution held at case ref: H/5/161C

Details of s106 agreement

6. The Council currently holds a contribution of £51,118 (including interest) in accordance with an s106 planning obligation dated 13th September 2005 and relating to the redevelopment of the former Honeywell site, Trout Road, Yiewsley (planning reference 335/APP/2002/2754). The planning obligation as varied by a deed of variation signed 30th November 2011 specifies that the funds are used towards the provision of new health care facilities within a radius of 2.5km of the development. Under the terms of the agreement, funds not spent within seven years of receipt are to be returned to the developer. In this case the deadline for the return of funds is March 2014.

Planning permission

7. On 23 April 2004, outline planning permission for the redevelopment of the former Honeywell site for a mixed use development comprising a new 5 hectare park, 211 residential units, an area of live/work units and other uses within use classes A1, A2, A3, B1, D1 & D2 was considered by Uxbridge Planning Committee. The Committee resolved to delegate authority to determine the application to the Director of Planning and Transportation, subject to the completion of an s106 legal agreement to secure a number of obligations including financial contributions towards education and public transport provision. In addition, the Committee also resolved that officers be asked to negotiate further with the developer and the Primary Care Trust to secure an appropriate obligation towards the provision of health care facilities in the Yiewsley, West Drayton area. Following negotiations, a contribution towards the provision of healthcare care facilities to be constructed at the corner of High Street and St Stephens Road, Yiewsley was agreed and subsequently received in accordance with the agreement.

8. Following the receipt of the health care contribution, the PCT advised that the proposal to develop a new health centre at the site on the corner of the High Street and St Stephens Road was no longer being progressed and therefore requested that the terms of the existing s106 agreement be varied to allow the funds to be spent towards an alternative scheme. A deed of variation to allow the funds to be spent within 2.5 kms of the development was subsequently completed by the developer on 30th November 2011.

1(c). S106 contribution held at case ref: H/1/152C

Details of s106 agreement

9. A contribution of £8,903 (including interest) is currently being held by the Council towards the provision of health care facilities and places in the London Borough of Hillingdon. The funds were received in accordance with an s106 planning obligation relating to the redevelopment of the former Middlesex Lodge, 189 Harlington Road, Hillingdon (planning ref:1284/APP/2005/1791). The funds held under this obligation must be spent by July 2014 or repaid.

Planning background

10. On 1st September 2005 planning permission was approved for the redevelopment of the former Middlesex Lodge to provide 30 two-bedroom flats (designed for the over sixty's). The scheme was recommended for approval subject to the applicant (the Council) entering into a Statement of Intent by the Council in its capacity as a housing authority to secure a number of contributions including the sum of £8,416 towards the provision of health care facilities and places in Hillingdon. This was secured via a Statement of Intent made by the Council on 27th January 2006.

Project proposal: To rebuild and extend Yiewsley Health Centre on the former Yiewsley Pool site

11. As part of its Commissioners Investment and Asset Management Strategy (CIAMS) for the future delivery of health care across Hillingdon, the NHS is proposing to develop a new health centre in the Yiewsley and West Drayton area. The proposal will ensure that facilities and staff will be in place to service the growing population as a result of new and planned development in the local area.

12. At present, GP services for the area are provided by two GP practices located in the existing health centre in High Street, Yiewsley and from a third stand alone practice located in Otterfield Road. The proposal is to relocate these practices into larger purpose built premises. This will allow them to increase and enhance their services and also create space for nurse practitioners and other services such as physiotherapy to be provided in one location. It is intended that the proposed development will fulfil the following objectives:

- increase the capacity of primary care to meet the demands of a growing population.
- increase the capacity and capability to develop and deliver new services for local residents.
- encourage joint working between GP's, community service providers and social care.

13. The proposed scheme is being developed in partnership with the Borough to provide a purpose built premises on the former Yiewsley swimming pool site which is well located within the catchment area and within easy travelling distance from the developments from which the health contributions were taken. The proposal is for the Council to construct the health centre on the site and for the NHS to then lease the building at a market rent. Design specifications for the new health centre have now been agreed and a planning application to redevelop the site to provide a new health centre, gym and 12 supported housing units was submitted to the Planning Authority in early December (planning reference 18344/APP/2013/3564).

14. Subject to planning approval, a contractor for the scheme is expected to be appointed by May 2014 and the building completed by November 2015. The Borough of Hillingdon will take the lead for stage 1 of the project to provide the new building to specification. NHS Property Services will then be responsible for stage 2 of the project, to include the fitting out of the building to current NHS standards, IT provision and decanting of staff. NHS Property Services has estimated that stage 2 will cost in the region of £600,000 which will be met from a combination of funding from NHS England and s106 contributions. It is anticipated that this funding is not likely to be required until 2015/16.

15. A s106 contribution totalling £149,836 (plus interest accrued) received from the Porters Way development and formerly held at case reference H/3/155A, was allocated towards an appropriate scheme to rebuild and expand Yiewsley Health Centre (Cabinet Member approval 6th August 2009). These funds were transferred to the former Hillingdon Primary Care Trust in 2011 and spent towards preliminary design and investigative works associated with developing an appropriate scheme.

16. As of the 1st of April 2013, NHS Property Services became the successor to Hillingdon PCT and has taken on responsibilities with regard to s106 health contributions in the Borough. NHS Property Services has requested that the three contributions outlined in the report are formally allocated towards this scheme and spent by the Council towards the costs associated with submitting the planning application for the development (estimated to be £186,000). This will ensure that these contributions are utilized towards the scheme within the time periods stipulated within the individual agreements. This course of action was agreed by the Borough's

Health and Wellbeing Board held 5th December 2013. NHS Property Services has however also advised that this will leave a shortfall in the s106 funding available to meet the fitting out costs associated with the scheme. Discussions between NHS PS and the Borough as to how this might be met are currently ongoing.

Financial Implications

The report requests the allocation of £70,673 from three S106 contributions detailed in the table below:-

S106 Funding Reference	Scheme	Amount	Time Limit to Spend
H/14/206C	111 - 117 High St, Yiewsley	£10,651	Aug-2014
H/5/161C	Former Honeywell Site, Trout Rd, West Drayton	£51,118	Mar-2014
H/1/152C	Middlesex Lodge, 189 Harlington Rd, Hillingdon	£8,904	Jul-2014
Total Costs		£70,673	

The funds are proposed to be used towards the proposed Yiewsley Health Centre which has a 2013/14 revised budget allocation of £250k. The month 9 forecast is to spend to budget and as such the £70.7k will be used to reduce the current year financing requirement on Council resources. The funding for this project is currently in the capital release approval process awaiting confirmation of release.

4. EFFECT ON RESIDENTS, SERVICE USERS & COMMUNITIES

What will be the effect of the recommendation?

The recommendation 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 has been carried out as part of individual project development.

5. CORPORATE IMPLICATIONS

Corporate Finance

Corporate Finance has reviewed the report and concurs with the recommendation to release the s106 monies to part fund the proposed Yiewsley Health Centre.

Legal

Decisions on the allocation of monies for all section 106 contributions are delegated to the Leader jointly with the Cabinet Member for Finance, Property and Business Services.

Legal Services has considered the content of the section 106 agreements for 111-117 High Street, Yiewsley (case ref H/14/206C), the Honeywell Site (case ref CSL/16/161F) and

Middlesex Lodge (case ref: H/1/152C) referred to in this report and conclude that the recommendations are consistent with the terms of the agreements.

Corporate Property and Construction

Corporate Property and Construction supports the recommendations set out in the report.

Relevant Service Groups

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

6. BACKGROUND PAPERS

Planning Obligations Quarterly Monitoring Report to Cabinet December 2013
Planning Obligations Supplementary Planning Document Adopted July 2008