

POLICY DEVELOPMENT GROUP

6 JANUARY 2015

ITEM 3 – PUBLIC QUESTION AND ANSWER SESSION

Members will be aware that the Ashby Civic Society has campaigned for the last eighteen months, in line with the overwhelming views of the residents of Ashby, for the retention of Ashby Hospital. You will also know that the NHS bodies have now decided to proceed with disposal of the site which has left Ashby with no local inpatient beds, a lacking palliative care service, a fragmented community service not the “one stop, state of the art facility” as promised.

A major part of the NHS argument for this closure was the disputed condition of the building and the lack of funds for the NHS estimate for required maintenance costs. At this meeting tonight you are due to discuss the appalling situation of the imminent failure to use £246,901.28 of Section 106 monies designated for health service projects which have been available for use for several years!

In all our communications with the NWLDC and the NHS about Ashby Hospital no one has ever mentioned the availability of these funds!

We see from NHS England Health and Wellbeing Board papers of July 2014 that £221,457.59 was allocated for “a new GP surgery in Ashby or to support the CCG in the reconfiguration of services following the community hospital review”. We also see that almost that amount is listed in your papers as being available from developments in Ashby alone.

We also understand that the West Leicestershire CCG asked for and, earlier in 2015, received delegated authority to manage their share of S.106 health monies; yet more than £200k is in danger of being returned, with interest, to developers, and presumably the total of more than £1.3 held by the Council could also potentially be at risk of the same fate unless better management of these funds is implemented straightaway.

As a matter of urgency will the Council please therefore explain:

Why it has taken so long to establish the failure to spend these much needed monies , what are the communication difficulties with the NHS bodies referred to in the papers now before you and how the council will address these difficulties in order to facilitate a process which will ensure the retention and proper utilisation of the monies now highlighted to be at risk (and remaining s106 monies) thus reassuring the public , in these times of austerity, that any repayments to developers, with interest, will not come from increases in Council taxes or further reduction in services funded directly or indirectly by the Council?

RESPONSE

In relation to the closure of Ashby Hospital, it will be a matter for the NHS to set out their financial position and the decision making they have followed in relation to the hospital. However it is understood that the financial shortfall that existed in relation to the running costs of Ashby Hospital were ongoing revenue shortfalls. The money that is available to the NHS through section 106 funding is capital or one-off funding that could not be used for revenue purposes even if, under the terms of the existing 106 agreements, it was legitimate to use them for the purposes of supporting Ashby Hospital.

The District Council is therefore not in a position to comment on the individual projects the NHS intend to use the section 106 funding for. That is entirely a matter for the NHS.

Turning to the question before the Policy and Development Group; the District Council has been in regular contact with NHS representatives for a number of years to remind them of the availability of the section 106 funding. Unfortunately the reminders of the availability of this funding have either not been replied to, or where a reply has been given it has been to say that they are considering their options. In 2013 it is understood the Primary Care Panel were considering how best to allocate funds and which individual parts of the health service may be able to bid for monies that would be available. This did not lead to any firm proposals despite continued reminders.

It was therefore partly in response to these difficulties that the Council escalated the issue in July 2015 when the Director of Services personally wrote to the NHS representative to ask for an urgent update on the intentions to spend the money allocated to them. No reply was received to this correspondence.

Therefore following a meeting with District Councillor Cllr Eynon on 19th October 2015, the Director arranged for a meeting to take place between the Council and health representatives to discuss the use of 106 funding. That meeting took place on 17th November 2015 but unfortunately due to other urgent commitments some key people were unable to attend. A further meeting was therefore held on 6th January 2015 and a verbal update can be given as to the outcome of that meeting.

What can also be reported is that on 30th December 2015 the District Council received a request from the NHS to release £257,000 of section 106 funding which would be used towards the expansion of the Long Lane surgery in Coalville. This request for release of funding is currently being assessed by the District Council officers.

Having now established appropriate contact with health representatives, it is proposed to continue with this arrangement to ensure that appropriate use of 106 funds for healthcare is being made.

On the final point within the question regarding repayments, to date, the District Council has not had to make any repayments of 106 funding and the processes now being established with NHS colleagues are being developed so that every opportunity is taken to ensure that no monies are required to be repaid in the future. However should a repayment become necessary, most agreements require that any interest accrued on the capital sums received by the district council are repaid with the capital. It is therefore expected that any interest payable will be covered by the interest earned. Some agreements require no interest to be paid at all.