

## Report of the Director of Place

### External Funding Panel – 2 November 2016

#### OVERVIEW OF CURRENT AND FORTHCOMING EUROPEAN AND EXTERNAL FUNDING APPLICATIONS

<b>Purpose:</b>	To outline the capital and revenue implications for a new Medical and Family Support Centre at Mayhill, and to seek authority to progress the specified development in partnership with the Local Health Board.
<b>Policy Framework:</b>	Swansea Local Plan Review No.1 Policy HC1 Deposit Draft Unitary Development Plan 2005 CCS Asset Management Plan.
<b>Reason for Decision:</b>	To progress with the development of the new Medical and Family Centre.
<b>Consultation:</b>	In preparing this report the Head of Corporate Property, Head of Financial Services, and Head of Legal and Democratic Services, have been consulted.
<b>Recommendation(s):</b> It is recommended that External Funding Panel;	
1)	Authorises approval for the project to continue
2)	Authorises the provision of funding for the additional cost of £167k to be considered in the Capital Budget process for 2016/2017.
3)	Notes the provision of an update on land sale negotiation and build costs
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## **1.0 Introduction**

- 1.1 In 2007 the former Swansea Local Health Board identified as a priority the need for a replacement doctor's surgery to serve this area of Swansea as the existing Mayhill doctor's surgery is located in a converted dwelling house which is no longer fit for purpose. This aspiration has been supported and developed since this time by the current health board i.e. Abertawe Bro Morgannwg University Health Board (ABMUHB).
- 1.2 The area of Mayhill and Townhill is recognised as one of the most deprived areas in Swansea. Consequently the Welsh Government announced in 2009 that the Urban Area of Swansea including Mayhill was to be designated as a Regeneration Area with the aim of providing a co-ordinated approach to address social and economic regeneration for this part of Swansea.
- 1.3 ABMUHB has been working in partnership with the Welsh Government Regeneration Team and the Council to progress plans for an integrated health and family support centre co-located with the new surgery premises, addressing the child poverty and family deprivation issues within the area.
- 1.4 The City and County of Swansea has been working with ABMUHB to progress this project through the Mayhill Primary Care and Family Centre Development Steering Group with representatives from the Health Board (ABMU), officers within Education, and Cabinet Member for Target Areas. This steering group reports to ABMUHB's Swansea Locality Management Board, and then on to the ABMUHB Executive Team. For the City and County of Swansea the steering group reports into a Project Management Board and then the QEd Programme Board within Education.

## **2.0 Background**

- 2.1 The main problems identified with the existing Mayhill surgery include the lack of adequate disabled access facilities, the restricted space available for an increasing patient list resulting from an increasing local population and the inability of the premises to accommodate further expansion for uplifted service delivery.
- 2.2 The current family centre building at Mayhill is now over 30 years old and this is showing in the interior and the exterior of the building. Surveys undertaken indicate a backlog maintenance figure of £127,000 in 2010. The building requires extensive roof repair to prevent further water ingress damage and disruption to service delivery.
- 2.3 The existing family centre building is of insufficient dimension, hence compromising necessary service delivery requirements as follows:

- There is no room for staff to run a full complement of services when family facilitators are running group sessions as the 2 main rooms are in full occupation.
- Demand for Afterschool and Play schemes is very high and running the split rooms has implications for staffing and limits the number of children that can access this high demand service.
- The kitchen facility is of insufficient size and cannot offer much needed healthy cookery classes. In Penlan over 50 families a year access this service.
- The open foyer is not conducive for confidential work and neither appropriate for group sessions.
- The building has only one small meeting room accommodating five people as a maximum. This is inadequate for staffing levels and general service requirements.
- The facility does not have a sensory room for children with specialist needs, it is recognised that there is a high need for this support in the area.
- The building sits in an isolated location and is vulnerable to vandalism consequently there are increased health and safety concerns.
- The facility was previously a Social Services building and service stigma remains. Welcoming families into a building that is in some cases in as poor a condition as their own homes mean it is not a suitable inviting environment.
- The centre is generally not fit for its current community, partnership, one stop shop purpose as there is no confidential flexible room for one to one meetings and family advice workshops offered by partner organisations eg Citizens Advice Bureau and Job Centre plus
- There is no reception area to meet and greet families.
- The outside play area security fence line is easily compromised by vandals due to its location in relation to the centre, reoccurring damage impacts on outdoor opportunities that can be offered for children.
- Not part of a community area or linked particularly well to other services ie Surgery, schools etc. quite isolated.

2.4 Co-locating Primary Care and Family Centre provision will play a key role in realising the Health Board's strategic objectives for Primary and Community Services, and the priorities in the Children and Young People Plan relating to co-ordinated, integrated and seamless services for families. It will achieve a one stop shop for families enabling them to be signposted for information on parenting, activities, childcare, and benefits advice, supporting the Healthy Cities and Marmot objective of giving every child the best start in life.

2.5 It is expected that the integrated scheme will provide efficiencies via the closer working between the GPs and preventative services and the ability to provide support to families when they need it. The integrated design

will ensure there are shared spaces, reception areas, boiler and other utilities, reducing the cost of the overall build.

2.6 The Cabinet Members for Business Improvement and Efficiency, Education and Economic Regeneration and Planning presented a joint report in April 2012 which outlined the proposals for a new Primary Health Care and Family Support Centre at Mayhill and sought authority to progress the development in partnership with the ABMU Health Board.

2.7 The City and County of Swansea's contribution to the costs of the integrated Medical and Family Centre is capital funding through the provision of £400k SRA Grant from Welsh Government received on the 27 June 2012 to be used for funding towards the development of a Family Centre in 2013/2014 which is part of a wider integrated, health led scheme in Mayhill. This grant was applied for by the Council based on the previous costs and specification of other Family Centres. In signing the agreement for this Regeneration Area Grant the Council agreed to a number of targets, milestones, and the delivery of outputs:

- Premises created
- Land developed
- Physical improvement scheme
- Jobs accommodated
- Investment induced
- Participants accommodated

### **3.0 General information**

3.1 The project has suffered delays since developer selection interviews in October 2012, given Welsh Government funding uncertainties and a moratorium on all new submissions which was issued in June 2013.

3.2 Due to these uncertainties in November 2012 developer appointment was put on hold until colleagues in ABMUHB understood the impact of these changes at Welsh Government level.

3.3 The Mayhill Primary Care and Family Centre Development Steering Group held on January 17 2013 received reports that a number of submissions were still with Welsh Government awaiting approval for funding, at this point concerns were raised regarding the Council's ability to fully expend the SRA grant this financial year. In March there was still uncertainty regarding the continuation of this development which Health Board reported to steering board held on 14 March 2013.

3.4 Given the delays already incurred and the impact the extended timeline may have on the grant availability ABMUHB made a decision in June 2013 to formally appoint Ashley House PLC in order to develop a detailed business case for submission. However, the length of time it has taken to finalize the funding and schedule for the Family Centre has

resulted in the original timeframe being pushed far beyond that which was agreed at the outset, thus directly affecting the SRA grant.

- 3.5 A letter outlining the Council's concerns was sent to Welsh Government in September 2013 requesting support for an extension to the SRA Grant funding to 2014/2015. This request has been approved and a copy of the agreed carry forward letter is on file.
- 3.6 The Mayhill Primary Care and Family Centre Development Steering group were informed in March 2016 that the developer Ashely House plc were unable to appoint their preferred contractor. A revised programme was proposed which was agreed by the steering group. A replacement contractor was subsequently identified through a selection process undertaken by Ashley House plc.
- 3.7 Welsh Government agreed to roll over the funding to the next financial year 2016/2017 to support the project going forward whilst also indicating that additional funding would be available to cover any increased construction costs. A revised business case would be required to WG from the Authority to support any cost increases. The completion of the business case would be carried out in conjunction with Ashley House plc outlining all changes and the rational for these.
- 3.8 In July 2016 an updated award letter for £400k was issued to the City and County of Swansea in respect of the Family Centre element of the Mayhill Integrated Centre. It was noted that the terms and conditions of the grant were to remain the same as those outlined in the original award letter of June 2012. It was also explained that all funding would need to be expended by 31 March 2017. Additional funding would be drawn down on the successful submission of a sound business case which would then be supported by a further grant letter for the outstanding amount. The additional sums would also be subject to the same Terms and Conditions as those outlined in the award letter of June 2012

3.9 Revised timeframe for the project:

Key Milestones	Indicative Timescale
Revised Business Case	August 2016
Award of additional funding grant letter	August 2016
Exchange of contracts	September 2016
Construction Start	September 2016
Construction Completion	September 2017
Planning for handover & Set up	September 2017
New facility opens to the public	October 2017

## **4.0 Equality and Engagement Implications**

- 4.1 The area of Mayhill and Townhill to the north of the City Centre is one of the most deprived areas in Swansea as outlined in the Welsh Indices of Multiple Deprivation (WIMD).
- 4.2 The proposed Family Centre will be a key component of Swansea's Anti-Poverty Strategy which has identified the Mayhill area as one of the priority areas in line with high deprivation and need factors.
- 4.3 The Primary Care Patient Profile shows Mayhill with a higher than average concentration of -:
- Single parent families
  - Asylum seekers unable to speak English
  - At risk children on child protection register
  - Drug and alcohol problems
  - Unemployed

### **Statistics**

- In Mayhill every 1 in 2 children live in poverty
  - Teenage conceptions double the average for Wales ( 10 in 1000 Females )
  - 30% of young families have a history of substance misuse
  - 25% of young families have a history of domestic violence
  - During 2009/10 Swansea had the highest number of referrals to Child and Family Services (twice the average in Wales)
- 4.4 Initial engagement has taken place with partners of the existing GP surgery in Mayhill and the practice who have signed up to running their services from the new medical centre.
- 4.5 Further engagement and consultation work will need to take place with local service users of the existing GPs surgery, and Family Centre, and potential future users of the surgery, and Family Centre.

## **5.0 Financial Implications**

- 5.1 Ashley House and their contractor have valued the family centre at 31% of the contract value, compared to 26% as previously calculated.
- 5.2 The price increase on the Family Centre element of the build leaves a grant shortfall of circa £167 000.00. This has been provided by Welsh Government as follows:

WG grant awarded to CCS	= £400k
CCS funding allocated to project	= £143k
WG additional Grant award	= £167k
<b><u>Total Project funding</u></b>	<b>= £710k</b>

- 5.3 The monies as outlined above will be managed by CCS in line with the Terms and Conditions of the 2015 Grant Award Letter.
- 5.4 In line with the Grant Award letter issued August 2016 all funding will be expended by March 2017.
- 5.5 All additional Grant monies allocated to the project will fall under the same Terms and Conditions and will also be expended by March 2017.
- 5.6 This report seeks permission to accept the additional capital grant funding of £167k from Welsh Government which will then be paid out to Ashley House plc in line with the terms and conditions and by the deadline of 31 March 2017.

## **6.0 Legal Implications**

- 6.1 The Council will need to ensure that it complies with the terms and conditions relating to the offer of grant funding from Welsh Government.
- 6.2 All contractual documentation relating to the land disposal issues have been agreed between the parties and can be finalised once all relevant approvals have been received.

## **Background Papers:**

Regeneration Area (RA) - Project Application Form 1 (PAF1) 8 May 2012.  
 Mayhill Medical Centre and Family Centre Cabinet Report in April 2012  
 Equality Impact Assessment (EIA) Report

## **Appendices:**

Appendix 1: Letter from Welsh Government agreeing to the carry forward of £400k SRA grant  
 Appendix 2: Letter from Welsh Government agreeing to the additional £167,000 grant funding.