

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE – 15 JUNE 2000

DEVELOPMENT OF PRIMARY HEALTHCARE FACILITIES – DRONGAN AND DALMELLINGTON

Report by Chief Executive

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the outcome of two partnership bids made by the Ayrshire and Arran Primary Care NHS Trust in conjunction with East Ayrshire Council to the Scottish Executive for funding to secure improved healthcare facilities in the communities of Drongan and Dalmellington and to seek the Committee's agreement on the actions now required.

2. BACKGROUND

- 2.1 A report by the Chief Executive on the relocation and development of healthcare facilities within the Main Street Dalmellington Industrial Estate and a separate report on the proposed relocation of healthcare and local Council office facilities within Drongan Police Station were considered by the meeting of the Policy and Resources Committee on 28 March 2000.
- 2.2 The Committee agreed to support the bids being made by the Primary Care NHS Trust to access funding for both the Drongan and Dalmellington healthcare projects through the Scottish Executive Health Department's Primary and Community Care Premises Modernisation Programme.
- 2.3 The meeting of the Emergency Powers Committee on 14 April 2000 agreed, among other things, in principle to the release of an area of Council land adjacent to Mill O' Shield Road in Drongan, subject to confirmation on ownership, for the purpose of a new build facility and to the reconfiguration of the development at Main Street, Dalmellington, in order that the proposals could be finalised and submitted to the Scottish Executive by the deadline of 14 April 2000. This deadline was duly met.

3 THE OUTCOME OF THE BIDS

- 3.1 The outcome of the bidding process, which covered the whole of Scotland, was announced by the Scottish Health Minister, Susan Deacon, on 1 June 2000. Both projects within East Ayrshire were successful in gaining all of the funding which was requested in the respective bids. The approved funding is as follows:-

Project	Approved Funding
Drongan Resource Centre	£1,170,458
Dalmellington Area Centre	£1,020,314
Total Allocation to East Ayrshire Projects	£2,190,772

- 3.2** This is clearly excellent news for the Doon Valley and in particular the communities of Drongan and Dalmellington. The total funding allocated to these projects represents some 13% of the entire £17.4m available across Scotland and individually are the largest allocations outside the major conurbations. This also compares favourably in relative terms, with East Ayrshire comprising only some 2.5% of the total population of Scotland. This is a clear recognition of the level of need and deprivation which exists within East Ayrshire and the extent of the cohesive partnership working underpinning these bids, which was seen as a priority by the Scottish Executive.
- 3.3.** Ayrshire and Arran Primary Care NHS Trust has confirmed there are no onerous conditions attached to the Scottish Executive's formal letter of approval. The Scottish Executive has indicated that all individual projects must be completed by 2000/2002 and it is anticipated that both the Drongan and Dalmellington projects will be completed well within this timescale.
- 3.4** The Primary Care Trust, as lead partner, has indicated its intention to write formally to all the partner agencies involved in supporting the bids to thank them for their input into these innovative projects.

4. ISSUES FOR ACTION

- 4.1** A significant factor in the success of these bids has undoubtedly been the active partnership which has been prevalent from the outset. It is the intention that this partnership approach be continued throughout the implementation of the projects.
- 4.2** Early discussions have been held with Officers of the Primary Care Trust to establish the way forward in planning for the implementation of these projects. It is the intention that a small strategic team be established comprising of senior officers of East Ayrshire Council and Primary Care Trust to oversee and ensure the proper co-ordination of the projects. The following section of this report highlights the immediate issues requiring consideration and the proposed way forward in relation to each of these projects.

4.3 Drongan

- 4.3.1** The report to the Emergency Powers Committee on 14 April 2000 identified a broad area of land adjacent Mill O'Shield Road which would require further investigation to establish the extent of land which is developable. The Primary Care Trust will now move to secure professional advice to assess ground conditions and thereby define more closely the site for the new build facility and associated parking requirements.
- 4.3.2** Whilst the land which has been identified for this new facility is included within the Council's visual land register as being in Council ownership, it is considered prudent that a title search be instructed particularly given the level of investment which is being made. A title search has therefore been initiated by the Head of Economic Development.
- 4.3.3** The Committee will recall that included within the Drongan bid to the Scottish Executive was a requirement for accommodation for Council local office staff, with the intention that the existing local office be relocated into the new Resource Centre. This accommodation is being provided at no cost to the Council, other than the ongoing revenue costs which are not anticipated to be in excess of that being incurred at present. This will provide purpose-built accommodation with Council local office facilities co-located with local health services in a central and easily accessible location. Additionally, the relocation of the local office from its present location in a shop unit on Mill O'Shield Road will free up this space for an alternative use.
- 4.4.4** The release of the area of ground identified for this development was agreed in principle by the Emergency Powers Committee of 14 April 2000. Having now received confirmation of the successful outcome of the bid to the Scottish Executive and subject to the satisfactory conclusion of the title search referred to above, it is now proposed that the Head of Economic Development, in conjunction with the Solicitor to the Council, move to dispose to the Primary Care Trust the land required to enable this development to proceed
- 4.4.5** In view of the opportunity which this proposal present, together with there being no requirement for a financial contribution from the Council, it is proposed that the Council's contribution to the project be in the form of the land required for the development. The total site area which has been identified is approximately 0.5 hectares and the Head of Economic Development has confirmed that the land, which is presently an area of passive open space, presently has little or no development value. In view of this it is proposed that the land required to enable this development to proceed be disposed of for a nominal consideration to Ayrshire and Arran Primary Care NHS Trust.
- 4.4.6** In addition to Council and healthcare facilities, the bid also incorporated the potential for accommodation for a local police office. Discussions have previously been held with Strathclyde Police on this and it is proposed that further discussions now take place with a view to securing the involvement of the Police in this facility. The outcome of these discussions will be reported to a future meeting of this Committee

4.4.7 In terms of the design and project management of the Drongan Resource Centre, the Committee should note that the Primary Care Trust will assume complete responsibility for this with no direct role for the Council. Clearly, it is the intention that given our presence within the Resource Centre, the Director of Community Services will maintain an involvement both at the design stage and in the development of protocols for the operation of the facility.

4.5 Dalmellington

4.5.1 In supporting the bid to the Scottish Executive in respect of Dalmellington it was recognised that in the event that the bid was successful further work would be required to redesign the project to accommodate the healthcare facility. Discussions are currently being held with project partners in this respect with a view to quickly gaining agreement on the layout and design of the facility. The Primary Care Trust has agreed to engage the Council's Homes and Technical Services Department to undertake this work and this is currently underway.

4.5.2 In order not to incur unnecessary costs by continuing with the works as originally planned prior to the involvement of the Primary Care Trust, the level of activity on the site was significantly scaled down, pending the outcome of the funding bid. In the event, this has proved to have been an appropriate measure with significant progress having still been made particularly in relation to external works.

4.5.3 Given that the general refurbishment of the Dalmellington units was already well underway, the bid to the Scottish Executive indicated that a significant spend could be incurred in the current financial year, with the expectation that the facility could be operational within that timescale. In view of this, early discussions have focussed on how to expedite matters and the proposed way forward is set out below.

4.5.4 The Committee will be aware that the Council's in-house contractor was previously engaged to undertake the refurbishment and conversion works at the Main Street Industrial complex. Discussion have taken place with the Primary Care Trust on the most appropriate contractual arrangements to establish which will ensure that the lead in time to work being recommenced on site is minimised, whilst securing value for money and ensuring that EC Procurement Regulations and legislative requirements are complied with fully.

4.5.5 It is therefore proposed that the Homes and Technical Services Department undertake project management responsibilities for this development overall. At the same time, it is proposed that the Council's in-house contractor re-establish itself on site, continuing to undertake works included within existing contractual arrangements. In parallel with these arrangements, it is proposed that the Council, acting as Agent to the Primary Care Trust, initiate procedures to identify and negotiate with a preferred bidder with a view to establishing a public/private partnership to see the whole project through to completion.

4.5.6 The Primary Care Trust has confirmed that these proposals would be acceptable to them. Initial market testing has indicated that this public/private partnership model would be likely to attract interest from private sector contractors. The Director of

Homes and Technical Services has confirmed that these proposals would be consistent with the financial and workload assumptions contained within the Building and Works Business Plan for the current financial year.

- 4.5.7** It was reported previously to Committee that the implementation of the healthcare element of the project would require that suitable alternative arrangements be made for some of the existing occupiers of the Complex. It is now proposed that the Head of Economic Development, in discussion with the current occupiers, find suitable alternative accommodation and make arrangements for their relocation. It is not anticipated that there will be any difficulties in this regard.

5. FINANCIAL IMPLICATION

- 5.1** There are no direct financial implications resulting from this report. Capital expenditure previously agreed in relation to the Dalmellington Area Centre for the current financial year will be fully committed.
- 5.2** The Head of Economic Development has advised that the land identified to allow the Drongan Resource Centre to proceed is currently amenity open space and as such has little or no development value. This, together with the other benefits which will accrue as a result of this development proceeding, justify the disposal of this land to the Primary Care Trust for a nominal consideration.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1** There are no direct legal or policy implications resulting from this report. All of the proposals contained within this report will be discharged in accordance with legislative requirements and with adherence to relevant Council policies and procedures

7 RECOMMENDATIONS

- 7.1** The Committee is asked to:-
- (i) note the successful outcome of the Drongan and Dalmellington bids, resulting in a £2.1M healthcare investment in the Doon Valley;
 - (ii) agree to the disposal of the land required to allow the Drongan Resource Centre to proceed;
 - (iii) instruct the Head of Economic Development in conjunction with the Solicitor to the Council to proceed to dispose of this land to the Ayrshire and Arran Primary Health Care Trust as outlined in paragraph 4.4.5 of the report;
 - (iv) instruct the Head of Economic Development to enter into discussions now with the Primary Care Trust to agree terms and conditions in relation to the joint arrangements for the use of both properties once operational;

- (v) agree in relation to the construction of the Dalmellington Area Centre to the establishment of a public/private partnership and instruct the Director of Homes and Technical Services to initiate procedures resulting in the selection of a preferred bidder.
- (vi) note that the Head of Economic Development will make suitable alternative arrangements for existing occupiers within the Main Street, Dalmellington Industrial Estate;
- (vii) note that further update reports will be presented to future meetings of this Committee as appropriate; and
- (viii) otherwise to note the content of this report.

David Montgomery
Chief Executive

MO'R
8 June 2000

LIST OF BACKGROUND PAPERS

1. Letter dated 24 February 2000 from Agnes Robson, Director of Primary Care, Health Department, Scottish Executive providing details of the Primary and Community Care Premises Modernisation Programme.
2. Report dated 23 March 2000 by the Director of Estates and Facilities, Ayrshire and Arran Primary Care NHS Trust on proposed provision of health care facilities within East Ayrshire Council's Area Centre in Dalmellington.
3. Letter from Scottish Executive Health Department to Dr Allan Gunning, Chief Executive of Ayrshire and Arran Primary Care NHS Trust, dated 1 June 2000

Anyone wishing further information should contact Fiona Lees, Depute Chief Executive on tel (01563) 576091.

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AGENDA