



Policy and Resources Committee –11 March 2013

Authority to enter into S256 Agreement

Purpose of report

This report is to seek permission to enter into a section 256 Agreement with NHS Northants in order to secure capital funding for additional consulting rooms at Oundle which would otherwise be lost under the reorganisation of the NHS

1.0 Background

- 1.1 A GP Practice at Oundle (Glaphorne Rd) has identified the need to expand the number of consulting rooms available. The practice has submitted a planning application for a proposed two storey rear extension (EN/13/00163/FUL) to enable this to happen. The application is due to be determined by 2 April 2013.
- 1.2 NHS Northants (the local primary health care trust) has offered £131,520 towards the capital costs of this extension but will cease to exist on 31 March 2013 due to the imminent reorganisation of the NHS. They have therefore approached this council to see if this council would accept a transfer of this funding to enable the project to proceed as it is unlikely to be implemented by 31 March 2013.
- 1.3 The statutory duty of partnership on NHS bodies and local authorities was reinforced by the NHS Act 2006. Section 256 of this Act also continued the arrangement (previously Section 28A of NHS Act 1977) whereby NHS bodies and local authorities can delegate functions to one another to meet partnership objectives and create joint funding arrangements. Specifically PCTs can make payments (service revenue or capital contributions) to the local authority to support specific additional services provided the use of such funding is consistent with the local development plan.
- 1.4 The transfer under section 256 would be subject to a formal legal agreement which limited the use of the money to the specified purpose and required its return to the NHS if this purpose could not be delivered.

2.0 Equality and Diversity Implications

- 2.1 There are no known negative equality and diversity implications from entering into this agreement. On the contrary facilitating the delivery of additional surgery space could improve access arrangements for members of the community with protected characteristics to medical appointments.

3.0 Legal Implications

- 3.1 The legal agreement would be checked by the council's legal advisors before signature

4.0 Risk Management

- 4.1 The legal agreement would specify the terms under which the monies would either be paid to the GP practice or be returned to the NHS.
- 4.2 Agreeing to a S256 transfer would eliminate the risk of the money being lost to the practice and thus mitigate the risk that additional consulting rooms and consequent

medical services would not be delivered to meet the healthcare needs of an expanding local population.

4.3 Agreement of the transfer does not imply that the current planning application will be approved. The application will have to satisfy the normal planning requirements.

5.0 Financial Implications

5.1 The legal agreement would clarify that there will be no additional monies available to the project from this council other than those transferred and that any overspend on the project would be the responsibility of the practice. The agreement would outline the appropriate actions to be taken in the event of an underspend or the project not being delivered.

6.0 Corporate Outcomes

6.1 Agreement to enter into a S256 agreement to hold the proposed capital funding for an expansion of GP facilities at Oundle links to the corporate outcomes of Healthy Communities.

7.0 Recommendation

7.1 The committee is recommended to:-

- (1) Delegate to the Chief Executive authority to enter into a S256 agreement to hold capital monies from NHS Northants in order to enable the expansion of GP consulting rooms at Oundle

[Reason: To reduce the risk of funding being lost to the District and deliver the corporate outcome of Healthy Communities].

Legal	Power: NHS Act 2006				
	Other considerations:				
Background Papers:					
Person Originating Report: Sharn Matthews, Executive Director					
Date: 25 February 2013					
CFO		MO		CX	

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