

NHS Ayrshire & Arran



Meeting:	Ayrshire and Arran NHS Board
Meeting date:	Monday 28 November 2022
Title:	To declare Harbourside and Holmhead Lodge surplus to NHS Ayrshire & Arran use following the withdrawal of services from the premises
Responsible Director:	Nicola Graham, Director of Infrastructure & Support Services
Report Author:	Jac Maconochie, Assistant Property Services Manager and Greg MacKenzie, Property Transaction Manager, Property Services, Strategy and Partnerships

1. Purpose

This is presented to the Board for:

- Decision

This paper relates to:

- Annual Operational Plan

This aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective

2. Report summary

2.1 Situation

Following the withdrawal of Services from both Harbourside and Holmhead Lodge, no further use for the properties have been identified. NHS Ayrshire & Arran (NHSAA) Board are asked to declare the properties surplus.

2.2 Background

Holmhead Lodge was retained, on the former Holmhead Hospital site, as a residential property from 1993 until early 2022. The property is currently vacant.

Harbourside was utilised by The Richmond Fellowship Scotland (TRFS) who provide support to patients with learning disabilities and support them to live within the Community. The facility opened in early 1990 and the Service has recently re-located to other sites which better suit the care needs and offer an improvement in service delivery and facilities. The property is currently vacant.

As part of the Estates Rationalisation Programme and following consultation with the relevant clinical services, Estates, Capital Planning Services and Finance, the subject properties were not identified for any further clinical or care use by NHSAA or the relevant Health and Social Care Partnership (HSCP).

The Corporate Management Team (CMT) recommended Harbourside and Holmhead Lodge be declared surplus at the meeting on 20th September 2022.

2.3 Assessment

i) Harbourside

On 6th June 2022, the HSCP declared that Harbourside was surplus to their requirements and they had no further services that could utilise the site.

In considering the Service withdrawal and with no other future health care use identified, the future strategy supports the premises being declared surplus. At this stage, the poor condition and location of the property means it is unclear what the potential risks, costs or potential income to the Board are, and a marketing report would be instructed once the property is declared surplus to better understand how better to achieve best value from the disposal. Subject to this group's recommendation, Property Services would undertake the preliminaries to establish the Market Value for disposal and seek to dispose of the property.

Property Services completed the decommissioning process, with the relevant parties. Based on advice from TRFS, the overall recurring savings associated with the disposal of this site have been identified as follows:

Function	Cost
Rates	£6,972 p.a. (2022/23)
Electricity	£2,976 p.a. (2021/22)
Gas	£3,043 p.a. (2021/22)
Maintenance/Cleaning	£2,403 p.a. (2021/22)
Total	£15,394 p.a.

In addition to the operational costs, there is currently a backlog maintenance figure of £84,348.22 to bring the property in line with NHS standards. In declaring the property surplus the backlog maintenance liability would be reduced by £84,348.22 upon the disposal of the property.

In the most recent valuation carried out by Graham & Sibbald, the property was noted to have an existing use value of £175,000. Given the current market, building location and the property condition, a valuation to ascertain a more accurate market value will need to be provided by the property adviser.

If declared surplus, in accordance with the NHSScotland Property Transaction Handbook, we will submit a Trawl Notice to the Scottish Government to give other Central Government Bodies the opportunity to acquire the site. Should there be no interest from the Trawl we note that interest has been expressed by North Ayrshire Council Housing Department in acquiring the site. If confirmed, a sale to North Ayrshire Council would negate the need to go to the open market and avoid the costs and risks in doing so.

ii) Holmhead Lodge

The HSCP completed the decommissioning process, in conjunction with Property Services on 19th July 2022.

The overall recurring savings associated with the disposal of this site have been identified as follows:

Function	Cost (2021/22)
Council Tax	£ 1,630.69 p.a.
Operational Costs	£ 5,000 p.a.
Total	£ 6,630.69

In addition to the operational costs, there is currently a backlog maintenance figure of £114,385.37 to bring the property in line with NHS standards. In declaring the property surplus the backlog maintenance liability would be reduced by £114,385.37 upon the disposal of the property.

In the most recent valuation carried out by the District Valuer, the property was noted to have an existing use value of £80,000. To reflect the building location and the property condition, a Property Adviser will be appointed to provide a Market Valuation to ascertain a more accurate market value for the disposal.

Once approval has been granted, in accordance with the mandatory requirements of the NHSScotland Property Transaction Handbook, we will submit a Trawl Notice to the Scottish Government to give other Central Government Bodies the opportunity to acquire the site, before then processing to the open market if there is no further interest. Thereafter Property Services will also engage with the Local Authority to ensure there is no interest from them, or any community interest, before placing the property on the open market for sale.

In considering the Service withdrawal and with no other future health care use identified, the future strategy supports the premises being declared surplus. At this stage, the poor condition and location of the property means it is unclear what the potential risks, costs or potential income to the Board are, and a valuation report should be sought to better understand how better to achieve best value from the disposal. Subject to this group's recommendation, Property Services would undertake the preliminaries to establish the Market Value for disposal and seek to dispose of the property.

2.3.1 Quality/patient care

There is no effect on patient care as all services have been withdrawn from the properties.

2.3.2 Workforce

No staff are based there as all services have been withdrawn from the properties.

2.3.3 Financial

The objective is to sell the properties and obtain a capital receipt for the Board, which would eliminate the ongoing operational costs of £22,024.69 and the backlog maintenance liability of £198,733.59.

2.3.4 Risk assessment/management

There is a high risk when selling both properties that we may not get the current Market Value on the open market. As the operating costs for 2021-22 were £22,024.69, there is a danger that a long disposal period could expose the Board to increased costs for properties which no use has been identified. To mitigate this risk, we need to decide on the best method of disposal to help achieve the best outcome. This could be via sale on the open market where we would seek offers and take the properties to a closing date. The other option is to proceed via Auction where bidders pay the highest price for properties and the contract is legally binding on the day. The bidders also pay a deposit prior to the auction, which further reduces the likelihood of the bidders not fulfilling the purchase.

There is also a risk that the longer properties are vacant, it can attract vandalism, which in turn can harm the perpetrators, members of the public and NHS Staff, not to mention potentially increased costs to repair any damage.

2.3.5 Equality and diversity, including health inequalities

Impact assessments have been completed and published for [Harbourside](#) and [Holmhead](#) and are attached.

2.3.6 Other impacts

- The objective is to obtain best value in selling the property.
 - Property Services, Strategy & Partnership will manage the process and coordinate between the advisers.
 - The Post Transaction monitoring will be carried out in compliance with the NHS Scotland Property Transactions Handbook and any financial or corporate audits that will take place.
- The disposal of the property is in line with corporate objective of reducing the size of the estate, by removing buildings which do not support current service objectives.

2.3.7 Communication, involvement, engagement and consultation

There is no duty on the Board to involve and engage external stakeholders.

2.3.8 Route to the meeting

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- Infrastructure Programme Board Advisory Group - 24 August 2022
- Infrastructure Programme Board - 8 September 2022
- Corporate Management Team - 20 September 2022

2.4 Recommendation

For decision. Members are asked to approve Harbourside and Holmhead Lodge be declared surplus to the requirements of NHS Ayrshire & Arran

3. List of appendices

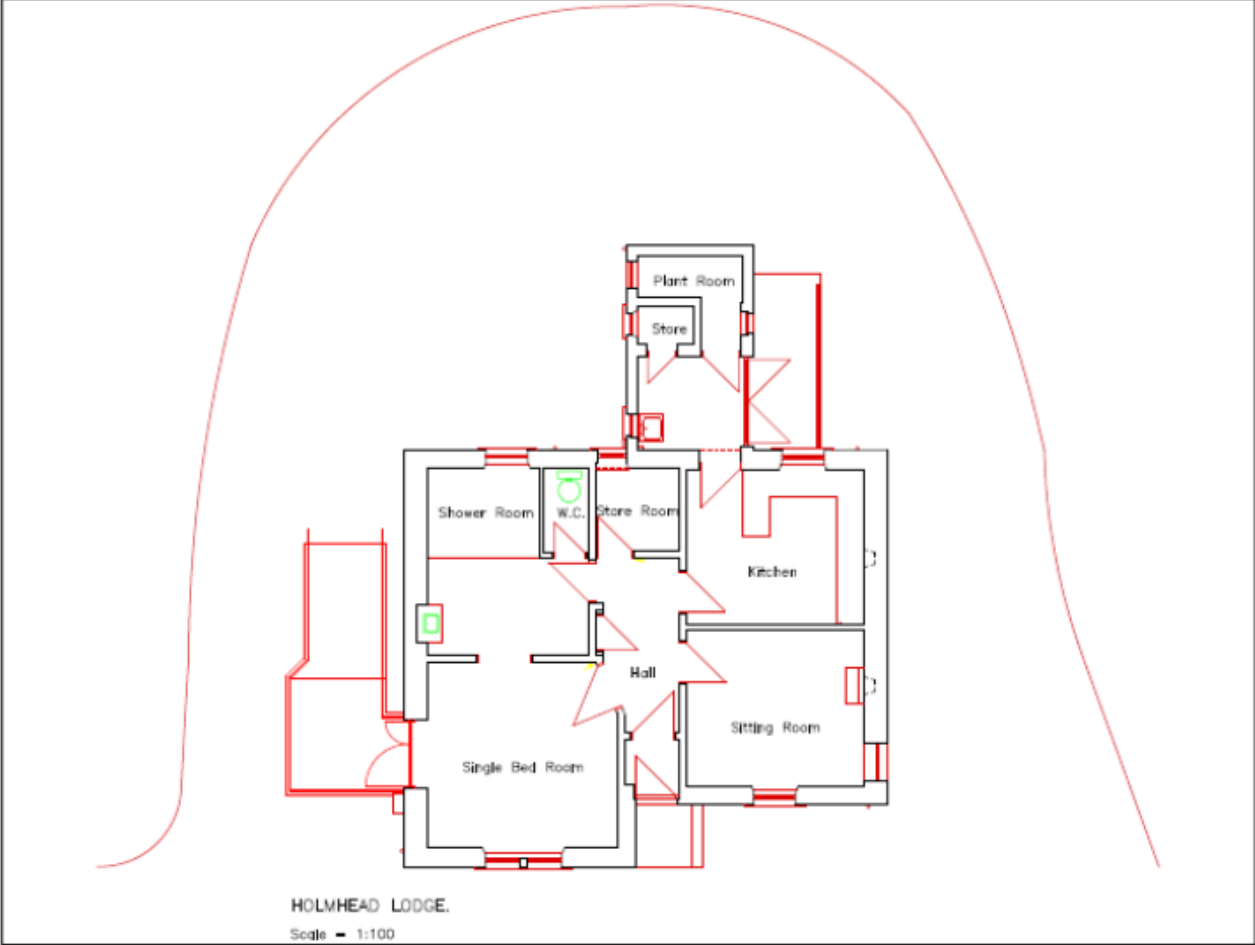
The following appendices are included with this report:

- Appendix No 1, Picture of Harbourside (No plan available)
- Appendix No 2, Floor plan and picture of Holmhead Lodge

Appendix 1 - Harbourside



Appendix 2 – Holmhead Lodge



EQUALITY IMPACT ASSESSMENT

This is a legal document stating you have fully considered the impact on the protected characteristics and is open to scrutiny by service users/external partners/Equality and Human Rights Commission

If you require advice on the completion of this EQIA, contact elaine.savory@aapct.scot.nhs.uk

'Policy' is used as a generic term covering policies, strategies, functions, service changes, guidance documents, other

Name of Policy	To declare Harbourside, Irvine surplus to NHS Ayrshire & Arran use following the withdrawal of services from the premises.		
Names and role of Review Team:	Greg MacKenzie – Property Transaction Manager Jac Maconochie – Assistant Property Services Manager	Date(s) of assessment:	11 th October 2022

SECTION ONE AIMS OF THE POLICY

1.1. Is this a new or existing Policy : New _____

Please state which: Policy Strategy Function Service Change Guidance Other

1.2 What is the scope of this EQIA?

NHS A&A wide Service specific Discipline specific Other (please detail)
Property Disposal

1.3a. What is the aim? To declare Harbourside, Irvine surplus and dispose of the property.

1.3b. What is the objectives? To obtain the best financial return for the sale and removing the liability of owning and maintaining the property.

1.3c. What is the intended outcomes? To reduce the size of the NHS Ayrshire & Arran Estate and to remove the ownership cost of the unused property.

1.4. Who is this policy intended to benefit or affect? In what way? Who are the stakeholders?

An empty property presents a risk of vandalism and also a potential fire hazard, so is a risk to members of the public and Estates staff. There is also a financial benefit in obtaining receipts from any sale and removing ongoing maintenance and utilities costs.

1.5. How have the stakeholders been involved in the development of this policy? There are no stakeholders associated with the premises as it is now vacant. The North HSCP are responsible for the relocation of services and will be able to evidence their Equality Impact Statement in this regard.

1.6 Examination of Available Data and Consultation - Data could include: consultations, surveys, databases, focus groups, in-depth interviews, pilot projects, reviews of complaints made, user feedback, academic or professional publications, reports etc.)

In accordance with the NHS Scotland Property Transactions Handbook, Property and Legal Advisers will be appointed.

Name any experts or relevant groups / bodies you should approach (or have approached) to explore their views on the issues.

The proposed disposal of the property by sale would be subject to the guidance set out in the NHS Scotland Property Transactions Handbook and once it is declared surplus by NHS Board a property and legal adviser would be appointed.

What do we know from existing in-house quantitative and qualitative data, research, consultations, focus groups and analysis?

.The property carries a backlog maintenance liability of approximately £84,348.22.

What do we know from existing external quantitative and qualitative data, research, consultations, focus groups and analysis?

The Market Value per the pre-marketing report is small in relation to the likely costs of either repair of the premises or demolition, so the best option is to dispose of the property quickly to minimise risk of exposure to further costs or adverse events. A quick sale may also reduce the potential for vandalism or fire.

1.7. What resource implications are linked to this policy?

There will be cost for a Property Adviser, and Legal fees.

SECTION TWO	IMPACT ASSESSMENT
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Complete the following table, giving reasons or comments where:

The Programme could have a positive impact by contributing to the general duty by –

- Eliminating unlawful discrimination
- Promoting equal opportunities
- Promoting relations within the equality group

The Programme could have an adverse impact by disadvantaging any of the equality groups. Particular attention should be given to unlawful direct and indirect discrimination.

If any potential impact on any of these groups has been identified, please give details - including if impact is anticipated to be positive or negative.

If negative impacts are identified, the action plan template in Appendix C must be completed.

Equality Target Groups – please note, this could also refer to staff

	Positive impact	Adverse impact	Neutral impact	Reason or comment for impact rating
2.1. Age <ul style="list-style-type: none"> • Children and young people • Adults • Older People 			✓	Services have been withdrawn from the property.
2.2. Disability (incl. physical/ sensory problems, learning difficulties, communication needs; cognitive impairment, mental health)	✓			Harbourside does not meet either best practice for supported residential accommodation, in terms of en-suite facilities, observation and support from staff and shared communal space. There are also questions relating to the equality act and compliance with fire risk assessment, in evacuating the building and spread of smoke. This would be dependent on how the building would be used, if retained.

2.3. Gender Reassignment			✓	Services had been withdrawn from the property.
2.4 Marriage and Civil partnership			✓	Services had been withdrawn from the property.
2.5 Pregnancy and Maternity			✓	Services had been withdrawn from the property.
2.6 Race/Ethnicity			✓	Services had been withdrawn from the property.
2.7 Religion/Faith			✓	Services had been withdrawn from the property.
2.8 Sex (male/female)			✓	Services had been withdrawn from the property.
2.9 Sexual Orientation <ul style="list-style-type: none"> • Lesbians • Gay men • Bisexuals 			✓	Services had been withdrawn from the property.
2.10 Carers	✓			By moving both patients and carers to new assisted living properties this has improved the conditions for carers and their ability to look after patients.
2.10 Homeless			✓	All patients have been relocated to other/improved properties, which better suit their needs.
2.12 Involved in criminal justice system			✓	Services had been withdrawn from the property.
2.13 Literacy			✓	Services had been withdrawn from the property.
2.14 Rural Areas			✓	Services had been withdrawn from the property.

2.15 Staff <ul style="list-style-type: none"> Working conditions Knowledge, skills and learning required Location Any other relevant factors 	✓			<p>The Building was in poor quality, with a high level of backlog maintenance. The building does not offer any potential for reuse and the North HSCP have confirmed that their services have no further use for the property.</p>
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2.16. What is the socio-economic impact of this policy / service change? (The [Fairer Scotland Duty](#) places responsibility on Health Boards to actively consider how they can reduce inequalities of outcomes caused by socio-economic disadvantage when making strategic decisions)

	Positive	Adverse	Neutral	Rationale/Evidence
Low income / poverty			✓	Services had been withdrawn from the property.
Living in deprived areas			✓	Services had been withdrawn from the property.
Living in deprived communities of interest			✓	Services had been withdrawn from the property.
Employment (paid or unpaid)			✓	Services had been withdrawn from the property.

SECTION THREE CROSSCUTTING ISSUES

What impact will the proposal have on lifestyles? For example, will the changes affect:

	Positive impact	Adverse impact	No impact	Reason or comment for impact rating
3.1 Diet and nutrition?			✓	Services had been withdrawn from the property.

3.2 Exercise and physical activity?			✓	Services had been withdrawn from the property.
3.3 Substance use: tobacco, alcohol or drugs?			✓	Services had been withdrawn from the property.
3.4 Risk taking behaviour?			✓	Services had been withdrawn from the property.

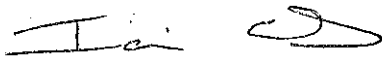
SECTION FOUR CROSSCUTTING ISSUES				
Will the proposal have an impact on the physical environment? For example, will there be impacts on:				
	Positive impact	Adverse impact	No impact	Reason or comment for impact rating
4.1 Living conditions?			✓	Services had been withdrawn from the property.
4.2 Working conditions?			✓	Services had been withdrawn from the property.
4.3 Pollution or climate change?			✓	Services had been withdrawn from the property.
Will the proposal affect access to and experience of services? For example:				
	Positive impact	Adverse impact	No impact	Reason or comment for impact rating
Health care			✓	Services had been withdrawn from the property.
Social Services			✓	Services had been withdrawn from the property.
Education			✓	Services had been withdrawn from the property.

Transport			✓	Services had been withdrawn from the property.
Housing			✓	Services had been withdrawn from the property.

SECTION FIVE	MONITORING
How will the outcomes be monitored? The NHS Scotland Property Transactions Handbook has Post-Transaction Monitoring process.	
What monitoring arrangements are in place? The Property Adviser and Legal Adviser sign off on the sale process during and after missives.	
Who will monitor? Head of Property Services, Strategy & Partnership will monitor the process and the Chief Executive will sign off once concluded.	
What criteria will you use to measure progress towards the outcomes? To complete the Property Transaction Monitoring Certification, which will be subject to audit by our external advisers.	
PUBLICATION	
Public bodies covered by equalities legislation must be able to show that they have paid due regard to meeting the Public Sector Equality Duty (PSED). This should be set out clearly and accessibly, and signed off by an appropriate member of the organisation.	
Once completed, send this completed EQIA to the Equality & Diversity Adviser	

Authorised by Iain Gairns **Title** **Head of Property Services, Strategy & Partnerships**

Signature

A handwritten signature in black ink, appearing to be 'I. J.', enclosed in a rectangular box.

Date

07.11.2022

Identified Negative Impact Assessment Action Plan

Name of EQIA:

N/A

Date	Issue	Action Required	Lead (Name, title, and contact details)	Timescale	Resource Implications	Comments

Further Notes:

Signed:

Date:

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2.1. Age <ul style="list-style-type: none"> • Children and young people • Adults • Older People 			✓	Services have been withdrawn from the property.
2.2. Disability (incl. physical/ sensory problems, learning difficulties, communication needs; cognitive impairment, mental health)	✓			If re-used Holmhead Lodge does not meet best practice for supported residential accommodation

2.3. Gender Reassignment			✓	Services had been withdrawn from the property.
2.4 Marriage and Civil partnership			✓	Services had been withdrawn from the property.
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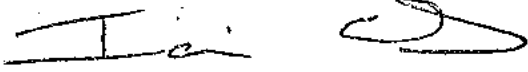
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Public bodies covered by equalities legislation must be able to show that they have paid due regard to meeting the Public Sector Equality Duty (PSED). This should be set out clearly and accessibly, and signed off by an appropriate member of the organisation.	
Once completed, send this completed EQIA to the Equality & Diversity Adviser	

Authorised by Iain Gairns

Title Head of Property Services, Strategy & Partnerships

Signature

A handwritten signature in black ink, consisting of a stylized 'I' followed by a cursive flourish.

Date

07.11.2022

Identified Negative Impact Assessment Action Plan

Name of EQIA:

N/A

Date	Issue	Action Required	Lead (Name, title, and contact details)	Timescale	Resource Implications	Comments

Further Notes:

Signed:

Date:

