

Committees:	Dates:
Community and Children's Services Health and Wellbeing Board	12 October 2014 28 November 2014
Subject: Workplace Health Centre – Middlesex Street	Public
Report of: Director of Community and Children's Services	For Decision

Summary

The research carried out by the City of London Corporation and NHS East London and the City in 2013 entitled 'The Public Health and Primary Healthcare Needs of City Workers' demonstrated that there is a significant need and demand by City workers for health services that address issues such as stress, smoking and alcohol.

Tobacco control, substance misuse and health checks are already being provided for workers at a number of diverse locations in the City, but to bring them together with other preventative services such as stress counselling, physiotherapy, inoculations, minor injuries and sexual health services in a single, well publicised location is an opportunity to deliver a wider range of services more efficiently and effectively.

The Middlesex Street Estate has a redundant mezzanine car park of 894 square metres, access to which is via two ramps. The ramps are due to be removed in October 2014. The car park adjoins the existing Artisan Street Library and Community Centre which already provides a number of health and fitness services, so it is a potentially ideal location for a workplace health centre.

The Projects Sub Committee and the Corporate Projects Board have considered and approved a project proposal recommending further exploration into the possibility of incorporating a healthcare facility and fitness centre within the Middlesex Street Estate, for use by City workers and local residents.

Recommendations

Members are asked to:

- Note the project proposal and agree the next steps:
 1. Conduct space planning, cost assessment and a building survey to clarify the potential of the mezzanine as a workplace health centre and to enable a viability appraisal to be undertaken.
 2. Take the proposal to the next stage (report to Gateway 3/4 – Options Appraisal) including consideration of the proposal alongside a commercial redevelopment option.

Main Report

Background

1. The research carried out by the City of London Corporation and NHS East London and the City in 2013 entitled 'The Public Health and Primary Healthcare Needs of City Workers' demonstrated that there is a significant need and demand by City workers for health services that address issues such as stress, smoking and alcohol. Although a number of workers in higher paid jobs are able to use these services in the City through facilities at their own companies or through private health insurance, a majority of workers only have access to these services at home. In April 2013 the City of London Corporation took over the responsibility for public health in the Square Mile and committed to use the funding to improve services for workers as well as residents.
2. Tobacco control, substance misuse and health checks are already being provided for workers at a number of diverse locations in the City, but to bring them together with other preventative services is an opportunity to deliver a wider range of services more efficiently and effectively in a single well publicised location. Examples of other medical services that could also be delivered in such a location are: mental health counselling, travel vaccination, primary medical services covering minor injuries, occupational health and sexual health services. The benefits for workers and for London as a whole are immediately improved health and a reduction in developing more debilitating illnesses later in life. The benefits for businesses include reduced time off for workers to attend health appointments in the areas they reside in and reduced absences.
3. The proposed model for financing the revenue costs of the centre would be a combination of public health funding from the City of London, subscriptions from City businesses that do not provide health facilities for their workers and City businesses that provide facilities for only some of their workforce, and individual payments from higher paid workers who wish to use services in the City. This should allow us to cross-subsidise free or much reduced charges for low paid City workers and City residents. In order to make sure that the centre would bring in sufficient income it would also need to provide a fitness centre, partly because exercise on referral and other fitness programmes are already part of a public health programme and partly because membership of the fitness centre would produce an additional income stream.
4. In order to establish the viability of the proposed model, further research has been jointly commissioned by DCCS and EDO to map current healthcare provision in the City of London. The research will be carried out for the City by BDRC Continental and will be complete by January 2015. The research will establish both the level of private and NHS provision in and around the City and its current cost to the user. This will enable us to confirm that there are areas of the current health market that are underprovided for in terms of both coverage and price.

5. The space requirements of a centre like this are quite considerable – approximately 450 square metres for a gymnasium, 200 square metres for studios/multi-purpose rooms and a reception, 200 square metres for medical consultancy rooms, and 110 square metres for office and circulation areas.
6. The preferred location for the centre is in the Liverpool Street/Aldgate area because:
 - it contains the greatest concentration of City workers and we have evidence that the NHS Walk-in Centre in Liverpool Street was well used by them before its closure in 2010
 - it is close to the Portsoken Ward which has the highest levels of residential health needs and poor access to the existing GP practice in the City and the minor injuries unit at the Bart's site. There is also the greatest potential to impact on the children and families living in the Portsoken ward through preventative health programmes, thereby impacting on life expectancy in our most deprived community.
7. The Middlesex Street Estate is a mixed use site that combines 260 residential units, 37 ground floor retailers, and a library and community centre. There is a redundant mezzanine car park at the Estate of 894 square metres, access to which is via two ramps. The ramps are due to be removed in October 2014. The car park adjoins the existing Artisan Street Library and Community Centre which already provides a number of health and fitness services, so it is a potentially ideal location for a workplace health centre.

Current position

8. The Projects Sub Committee and the Corporate Projects Board have considered a project proposal, outlined below, recommending further exploration into the possibility of incorporating a healthcare facility and fitness centre within the Middlesex Street Estate, for use by Portsoken residents and City workers.
9. The proposal was approved by the Corporate Projects Board on 1 August 2014 and by the Projects Sub Committee on 2 September 2014.

Options

10. The following options have been identified:
 - To agree a project to establish the feasibility of a workplace health centre in the Middlesex Street mezzanine car park.
 - To consider this alongside a project to commercially redevelop the retail units at Gateway 3/4 stage.
 - If the option to establish the health centre at Middlesex Street is not taken forward, to investigate other potential locations appropriate for a workplace health centre in the City.

Project proposal

11. It is proposed to explore the physical potential to make use of the mezzanine level to incorporate a healthcare facility and fitness centre for use by both the Portsoken residential community and by City workers.
12. If the project is not approved, the mezzanine may continue to be used inefficiently with associated maintenance and repair costs as no alternative use has yet been identified. Although this is the prime location for the workplace health centre, other alternative locations in the City can be investigated if this is not suitable.
13. The following success criteria have been identified:
 - Enhancing the site by redeveloping redundant space within the Estate.
 - Creating an innovative income-generating workplace health facility for the City of London that can be adopted by other city areas with large working populations.
 - Linking with the existing library facilities to develop a community hub for the east of the City.
14. The following governance arrangements have been proposed:
 - Spending Committee: Community and Children's Services Committee
 - Senior Responsible Officer: Director of Community and Children's Services
 - Formation of a Project Board.

Resource implications

15. The estimated overall cost of the project at this stage is around £2.5 million. The resource requirements to reach the next stage are set out below.

Item	Reason	Cost	Funding source
Quantity surveyor	Assess cost	£5,000	DCCS
Staff time		£10,000	City Surveyor
Total		£15,000	

- The initial space planning and building surveyor assessment will be carried out utilising internal City Surveyor's Department resources. In liaison with the CLPS, it is proposed to appoint consultants to carry out a quantity surveyor's cost assessment. The results of this will be used to clarify the potential of the site which will enable officers to carry out a cost and viability appraisal.
- Funding of these initial requirements can be met from DCCS budgets. Further clarification of the level of Public Health (managed by DCCS) and CIL funding will be required when a recommendation is made.
- The mezzanine car park is now redundant and therefore incurring costs with no revenue being generated. The workplace health centre and fitness facility will generate a financial return which will be less than a

full commercial rent. The level of return will be dependent on the level of cross-subsidy agreed between higher paid workers and businesses paying full prices and lower paid workers and residents paying concessionary prices. There may be potential adverse VAT implications and these will need to be kept under review.

Legal implications

16. There are no legal implications at this time.

Corporate property implications

17. No alternative use for the mezzanine floor has yet been identified following removal of the ramps; linkage to the library and community centre should be considered and may result in efficiency savings through joint management.
18. Formal consultation with residents will be required as this is an HRA property.

Sustainability and energy implications

19. The proposal represents an opportunity to enhance the energy performance of the mezzanine area and make more efficient use of an underutilised asset.

Key stakeholders

20. The following stakeholders and consultees have been identified:
 - Middlesex Street residents and business tenants.
 - Barts Health, City and Hackney Clinical Commissioning Group, and Tower Hamlets Clinical Commissioning Group.
21. Meetings have taken place with Barts Health and will commence with other stakeholders in October 2014.

Corporate and strategic implications

22. This proposal links to the strategic aim “to provide modern, efficient and high quality local services and policing within the Square Mile for workers, residents and visitors with a view to delivering sustainable outcomes”.
23. This proposal supports the priorities set out in the Joint Health and Wellbeing Strategy to improve resident and worker health outcomes.
24. There are also links to existing programmes and projects:
 - Middlesex Street Phase III to incorporate maintenance and repair and enhanced environmental credentials including newly clad exterior
 - Ramps Removal Project

- Proposal for commercial redevelopment of the existing retail units.

Conclusion

25. Incorporating a healthcare facility and fitness centre within the Middlesex Street Estate for use by City workers and local residents will support the City to deliver its agreed health and wellbeing aims.
26. Members are therefore asked to note the proposal and agree the steps to take the project to the next stage.

Appendices

- None

Background paper

'Workplace Health Centre – Middlesex Street – Project Proposal – Gateway 2',
Projects Sub (Policy and Resources) Committee, 2 September 2014.

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