

Primary Care Commissioning Committee

22 March 2017

Details	Part 1	X	Part 2		Agenda Item No.	7
Title of Paper:	Estates Request- Radcliffe Medical Practice and Redbank Group Practice					
Board Member:	Margaret O'Dwyer, Director of Commissioning and Business Delivery					
Author:	Amy Lepiorz, Deputy Director of Primary Care					
Presenter:	Who will present the paper at the meeting					
Please indicate:	For Decision	X	For Information		For Discussion	

Executive Summary

Summary	<p>This paper is to seek Primary Care Commissioning Committee's approval to fund the following costs:</p> <ul style="list-style-type: none"> Increased rental charges for extra space at Radcliffe Medical Practice Payment for a storage solution at Radcliffe Medical Practice Payment to convert to administration rooms at Redbank Medical Practice 					
Risk	High		Medium	X	Low	
	Based on the 'space-calculator' Radcliffe Medical Practice has insufficient space for its list size and Redbank has insufficient clinical space.					
Recommendations	<p>The Primary Care Commissioning Committee is asked to:</p> <ul style="list-style-type: none"> make a decision with regards to the three estates matters above 					

Strategic themes

To deliver improved outcomes and reduce health inequalities for patients through better preventative strategies	
To deliver service re-design in priority areas through innovation	
To develop primary care to become excellent and high performing commissioners	X
To develop the CCG leadership to work with the Local Authority to be excellent integrated commissioners	
To develop robust and effective working relationships with all stakeholders and partners to drive integrated commissioning	
To deliver long term financial sustainability through effective commissioning and innovative investment across the wider system	
To develop and influence the provider landscape through development of a Locality Care Organisation (LCO)	
Equality Analysis Assessed?	Supports NHS Bury CCG Governance arrangements X

Estates Request- Radcliffe Medical Practice and Redbank Group Practice

1. Introduction and background

- 1.1 Primary medical estates are governed by The National Health Service (General Medical Services-Premises Costs) Directions 2013. These directions lay down the requirements of NHS England in relation to premises in which Primary Medical Services are provided.
- 1.2 The management of primary medical estate is not simple, with different ownership arrangements in place. Within Bury there are practices in premises which are owned privately, usually by the GP partners, or managed by NHS Property Services (NHSPS) or Community Health Partnerships (CHP).
- 1.3 When a privately owned practice wishes to make an improvement to their practice they are able to apply for an improvement grant from NHS England and providing the bid is in line with the Directions and there is sufficient funding available, NHS England can fund up to 66% of the cost of the improvement.
- 1.4 Where a practice is located in a building managed by NHSPS or CHP improvement work should be funded by the relevant landlord who will then review and revise rental costs as necessary to the relevant tenant. Where the relevant organisation does not have sufficient capital monies to fund the work the CCG may agree to support the funding of costs by submitting a bid to NHSE who hold some capital resources for primary care estate. The maximum reimbursement would be 66% of costs. The CCG does not have any capital resources.
- 1.5 Requests for improvement of premises should be in line with the CCG's relevant strategies and the Bury locality plan and should be consistent with the Strategic Estates Groups strategy. Currently Bury does not have a sufficiently robust estates strategy with respect to primary medical estate.
- 1.6 The CCG, via delegation from NHS England, is responsible for the reimbursement of certain rental costs (revenue cost) associated with primary medical estate. Where a GP practice is privately owned this is often the current market rate, the cost of mortgage repayments or where a property is owned outright, a 'notional rent'. Where a practice is located in an NHSPS or CHP managed building this is the cost of rent.
- 1.7 The PCCC agreed in December 2016 that where a practice requested extra space, and that the space was available, the CCG would aim to fund that extra space, subject to affordability, to a level consistent with the requirements for their list size and subject to the request being consistent with the CCG's strategy.

2. Estate requests

- 2.1 The CCG has received requests from two practices within the Radcliffe Primary Care Centre. CHP have confirmed that they have no current funding for the capital and equipment costs below although the CCG should explore whether there is any potential slippage within their 2017/18 Investment Capital programme.
- 2.2 **Radcliffe Medical Practice**
 - 2.2.1 Radcliffe Medical Practice have a long standing request for extra clinical, administrative and storage space. CHP have identified extra room space for the practice that meets their requirements which results in the practice occupying extra five rooms (rooms 1087, 1088, 1089, 1094, 1102 and the associated shared space).

- 2.2.2 CHP have confirmed that the 'space-calculator' indicates that the additional room space is required given the practice's list size (8750).
- 2.2.3 The additional costs for this room space would be a revenue cost of £53,439.86 pa. However, this would not be an additional cost pressure to the CCG as the CCG is currently paying for this "void" space.
- 2.2.4 Radcliffe Medical Practice have also requested funding from the CCG to pay for a Bay Rollastore Mobile System at a total cost of £3,936 plus VAT. There is no contractual requirement for the CCG to fund this piece of equipment and currently no CCG policy. Any decision would need to be made without prejudice. As this falls below the capital threshold £5k, this would not fulfill the capital criteria for funding should any funds become available. NHSE could support the request from their BAU capital but only if the cost exceeds £5k and a maximum of 66% would be re-imbursable. Alternatively the costs could be potentially funded from revenue within the Primary Care Co-commissioning budgets however the CCG should be aware of the risk of setting precedents in this respect.

2.3 Redbank Group Practice

- 2.3.1 Redbank Group Practice has recently submitted a request to convert two administration rooms into clinical rooms. The request follows the recent award of the APMS contract currently held by RLC Surgery. Redbank previously had an informal arrangement to use space within the RLC demise, however this agreement will cease when the new contract commences on the 1 April 2017.
- 2.3.2 CHP have confirmed that the 'space-calculator' indicates that the practice does currently occupy the correct level of rooms for its list size (10,005). However, the mix of rooms is incorrect and two more clinical rooms are required.
- 2.3.3 The cost to convert these two rooms is £8,625.00. There is no revenue consequence to this conversion.
- 2.3.4 The CCG is supportive of this proposal which should be followed up with NHSE via their Business as Usual capital stream if capital is not available from CHP. Given that the new capital programme for 2017/18 will not yet have been expended, the CCG should explore whether there is any slippage within CHP's 17/18 programme.

3. Recommendations

The PCCC are asked to consider the report and make the following decisions:

- Consider the expansion of the lease for Radcliffe Medical Practice to include rooms 1087, 1088, 1089, 1094, 1102 and the associated shared space.
- Consider funding the costs for the Bay Rollastore Mobile System for Radcliffe Medical Practice
- Support the recommendation to convert rooms at Redbank Group Practice.
- Note that a policy on funding equipment needs to be developed as part of the wider primary care estates work

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