

# NHS Rotherham Clinical Commissioning Group

Operational Executive – 31 July 2020

Strategic Clinical Executive – 5 August 2020

Primary Care Sub-Group – 29 July 2020

Primary Care Committee - 12 August 2020

## STP Wave 4a Capital Programme – Rotherham Projects

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### Purpose:

The Rotherham Primary Care Estate Strategy was published in November 2018 and delivery of the plan is progressing. The purpose of this report is to give an overview on the:

- Rotherham Primary Care Estates Strategy; and
- STP Capital Programme – Wave 4a.

In particular to provide an update on the development progress and risks of the following capital projects:

- Waverley Medical Centre;
- Broom Lane scheme; and
- Maltby/Blyth.

### Overview and Update:

#### Rotherham CCG Estates Strategy

Across the area covered by Rotherham Clinical Commissioning Group (“RCCG”) there are over 50 General Practice premises ranging from rural branch surgeries, to large single or multiple practices in fully maintained buildings. In developing the Primary Care Estates Strategy (“PCES”), the general estates profile of each of the seven Localities was identified through asset mapping by practice and condition surveys including the results of available 6 facet surveys which assess them against the Schedule 1 Minimum Statutory and Contractual Standards for Practice Premises (NHS [General Medical Services] - Premises Costs Directions 2013)

The model for primary care is continuing to develop in line with the NHS England Five Year Forward View and Investment and Evolution (Long term plan for general practice).

This is resulting in the formation of networks of General Practices which prompts a change in approach to estate needs to underpin new models of care and should include consideration of the wider NHS estate in that area. The estates profiles generated in the PCES were considered against RCCGs emerging commissioning intentions to identify any impact and issues for the current asset base and inform potential estate priorities for the area.

The review and assessment of the primary care estate in each locality has been detailed in the PCES and identifies the main priorities across each area and the actions to be undertaken. The PCES was initially brought to Primary Care Committee in early 2019 and each of the practices identified within the PCES as requiring estates support has been visited with a number acknowledging the requirement for estates work or acknowledging that their premises now needed alternative plans e.g. Morthen Road.

#### **STP Capital Programme – Wave 4a**

In August 2019 South Yorkshire and Bassetlaw Integrated Care System (“SYB”) was ‘awarded’ £57.5million of new Department of Health & Social Care (“DHCS”), Sustainability and Transformation Partnership (“STP”) capital funding to improve primary care facilities in the locality. The primary focus of the funding is to:

- Create integrated service hubs bringing together primary care, community care and social care under one roof in purpose-built settings, offering the ability to deal with a wide range of issues affecting local communities in one location
- Improve GP practice facilities so that they are able to meet the minimum requirements needed to become a ‘training practice’, which means we will be able to train more primary care staff in South Yorkshire and Bassetlaw
- Undertake significant refurbishment and extension of existing primary care facilities so they are flexible and adaptive spaces which allow a wider range of health and wellbeing services to patients
- Join up local services and therefore improve the use of digital in primary care

An SYB ICS Estates Programme Board (“EPB”) was established to oversee the delivery of the programme which currently has circa 20 projects in development. Three of those projects are based in Rotherham. The Rotherham projects are:

- Waverley Medical Centre (“WMC”) development;
- Broom Lane reconfiguration & extension; and
- Maltby / Blyth reconfiguration.

A key function of the EPB is to achieve DHSC & Her Majesty’s Treasury (“HMT”) approval of a Programme Business Case (“PBC”). The initial PBC will demonstrate how the overall investment programme delivers that level of VFM and the system level benefits expressed in the original SYB STP bid. The PBC will be used as the vehicle for securing DHSC and HMT approval, and will be refreshed annually.

The PBC will set out the key system level benefits that the portfolio of projects will deliver and how the individual benefits, whether monetizable or not, will in aggregate deliver the total PBC benefit. The benefits will be categorised by type and beneficiary and the PBC

will identify how they will be measured in accordance with the HMT Better Business Case Guidance.

### **Project Delivery**

RCCG with its supply chain partners is progressing the development work of the three projects and in parallel drafting the respective project Business Cases (“BC”)

The following describes each of the projects, its ambition and gives an overview of the scale and value.

#### ***Waverley Medical Centre (WMC)***

The GP Practice involved is the Gateway Medical Practice who were awarded the contract to deliver services in 2018.

The WMC is a priority in RCCGs estate strategy and is a key requirement of the Waverley housing development planning consent and section 106 agreement. It is a new build medical centre which will sit within a wider housing and mixed-use complex. The building will be a dedicated standalone facility of circa 600m<sup>2</sup>.

An existing medical practice at Treeton is the nearest GP facility but is over 2 miles away. The practice is experiencing significant pressure from patients registering with them and they are at full capacity. An estates review of the Treeton practice has been undertaken which identified that it was not suitable for further extension. Some internal works have been undertaken to create additional clinical capacity but is fully maximised. There are some Sheffield practices within the 2 mile radius of the Waverley development but from discussion with Sheffield CCG these are also pressured and unable to accept more new patients as a consequence of the housing development.

Waverley Housing Development (“WHD”) is a brand new mixed use community that is being developed by the Harworth Group (“Harworth”) to deliver around 3,900 new homes, 1.5m sq ft of commercial space (as part of the Advanced Manufacturing Park) and a range of social and green infrastructure.

The WHD creates a significant increase in housing for Rotherham and the outcome of a needs assessment carried out in 2015 was that a medical centre to support the health needs of an additional 6000 people is required. RCCG have procured the healthcare provider (the Gateway Medical Practice) in readiness for the new medical centre.

Under the terms of the section 106 agreement and the planning consent for the WHD, there is a planning obligation on Harworth to deliver, but not fund a medical centre.

RCCG has been working with Harworth and they are well on with the design development for the facility. The Gateway Medical Practice have been engaged throughout the design period and the design is reasonably settled. The project costs have been established at circa £3m.

Planning permission has previously been agreed however the location on the site has now changed. Outline planning discussions have taken place in relation to the amended

location and no issues are being identified. Harworth is in regular discussion with the planners regarding the master planning for the whole site. Harworth are the owners of the land identified for the site of the health facility.

RCCG has been in ongoing discussions with Rotherham Metropolitan Borough Council (“RMBC”), who, in principle have agreed to support the project and act as the Landlord / building owner. RMBC have been clear in setting out that they do not want to lead on the project but will work with the RCCG and other stakeholders to facilitate the delivery of the health facility. To that end RCCG, Harworth and the supply chain will take on the “heavy lifting” for the project. It is likely that RMBC will enter into a development agreement with Harworth, to flow through the funding and ensure that the new facility is delivered to the required specification and timetable.

The detail of the final agreement still has to be determined but stakeholders acknowledge it will need to provide Value for Money (“VfM”) to NHSE and demonstrate a suitable payback period.

Harworth has an obligation under the s106 agreement to deliver a medical facility and to that extent a procurement process by the RMBC to secure a development partner is not considered necessary. However, the construction partner will be subject to a procurement process in order to demonstrate openness and transparency.

It is anticipated that the capital funding for the project will be delivered by NHSE to RMBC under section 2 of the NHS Act 2006 and through a section 2 Agreement and associated agreements. The reason RMBC will take ownership for the Property is because RCCG is not legally able to own or lease buildings other than those in which its own staff reside hence the requirement to establish a place-based solution.

The timeline for the delivery of the project is still in development but we are targeting the following milestones:

- PID / OBC drafted by Q3 2020\_21
- PID / OBC approval Q4 2020\_21
- FBC approval Q1 2021\_22
- Contract agreement Q1 2021\_22
- Construction commencement Q1 2021\_22
- Practical Completion / Occupation Q3 2022\_23

### ***Broom Lane***

The restricted floor space at Broom Lane medical centre is identified in the PCES.

The GP premises involved are:

- Broom Lane Medical Centre, Broom Lane, Broom, Rotherham, S60 3EU (GP Owned).
- Broom Valley Medical Centre, 102-104 Broom Valley Road, Rotherham, S60 2QY (GP Leased from RMBC– limited time remaining on lease.)

It is proposed to purchase bungalow adjacent to the Broom Lane Medical Centre and construct a two storey extension, including reconfiguration of part of the existing medical centre. This reconfiguration will include relocating the existing staircase (from ground floor to lower ground floor), which will open up the interface between the existing and new, to create one integrated space (rather than 2 “separate” spaces). The reconfiguration will also allow the currently isolated administration staff on the lower ground floor to relocate to the ground floor to provide more efficient team working with the reception staff. These works also allow for 3 existing non-compliant clinical rooms (directly off the waiting area) to be reallocated into the new extension providing additional compliant clinical space. The project costs have been established at circa £2.2m.

The specific objectives and benefits of this proposal are as follows:

Broom Valley MC merged with Broom Lane medical centre in 2019. Broom Lane MC is undersized at 516m<sup>2</sup> for the service it provides and the numbers of GP’s and Clinical staff employed. The Practice struggle to provide the numbers of appointments required and a lot of hot desking and inefficient working results. Currently, Broom Lane MC has 8,300 patients and is experiencing reputational growth. Based on NHS Space Guidance, the premises should be 833m<sup>2</sup>. The proposals will increase the overall floor area at Broom Lane to 846m<sup>2</sup>. The extension will address the current under sizing issues. This will require the purchase of the adjacent bungalow.

It is then proposed to close the Broom Valley site following consultation as these facilities are not fit for purpose and are restricted in what can be delivered because of their size. Informal discussions have been taking place with patients who have indicated that they are supportive of these actions.

Extend training time for students (GP Registrars, GP Students, Paramedics and Nurses). The Practice currently provides a successful but limited training programme in association with Sheffield University, however, the new training contract requires students to train for 12 months within a clinical setting, instead of the current 8 weeks. This will require more space and GP training time. In addition to this, the Practice have the appetite and track record to increase the number of students, provided more space is made available.

Extended Hours Hub – The Practice are already an extended hours hub, which means they are open from 06.30-20.30 (Monday to Friday) and 08.00-12.00 (Saturday and Sunday), 365 days a year. The proposals will allow more space for the number of out of hour’s services to be increased further.

Providing facilities for the Primary Care Network (PCN). Due to the lack of space, it is difficult for the Practice to provide the facilities required by the PCN. As a result, services are being provided in other surgeries on a “mix and match” basis and this involves a lot of inefficient working for the Practice staff. Facilities are required for social prescribing, physio, extended paramedics, pharmacy technicians and community teams.

Address the issues of the current premises. The majority of the following property issues will be addressed with the new proposals:

The proposed co-location of the 2 GP premises and the proposed extension, brings with it associated economies and benefits of working at scale. The proposals would therefore

enable a number of additional enhanced and hosted services to be offered more readily, (some of which have already ceased over the years due to the lack of space).

Provide a reduction in emergency attendances or admissions to hospital for over 65's, incorporating additional clinical space to facilitate employment of multi-disciplinary care planning teams (Tailored Care).

It is anticipated that the capital funding for the project will be delivered by NHSE to GPs under a Section 6 Development Grant. The rent equivalent will be abated for a period that will be determined through a VfM analysis.

The timeline for the delivery of the project is still in development but we are targeting the following milestones:

- PID / OBC drafted by Q3 2020\_21
- PID / PJC approval Q4 2020\_21
- PJC approval Q1 2021\_22
- Contract agreement Q2 2021\_22
- Construction commencement Q2 2021\_22
- Practical Completion / Occupation Q1 2022\_23

### ***Maltby/Blyth***

The GP Practices involved are:

- Manor Field; circa 6,500 list, located at Maltby JSC.
- Braithwell Road; circa 3,500 list, located at Maltby JSC.
- Blyth Road Surgery; circa 5,800 list, located within a few hundred yards of JSC.

The core strategic aim of the scheme is to respond to the following key issues within the Maltby locality:

- Maltby Joint Service Centre ("JSC") not being fully utilised, including first floor area sub-leased to Rotherham Foundation Trust ("RFT") Community Services, a number of vacant clinical rooms, non-sharing of utility / ancillary rooms between GP Practices and potential "unauthorised" occupation of rooms by 3<sup>rd</sup> parties.
- Blyth Road Surgery no longer fit for purpose; located in a former garage building, restricted space in some clinical rooms, inadequate space and car parking issues.
- RFT Community Services require minimal clinical and soft consulting rooms; their predominant need is for office / touch-down space, which can be readily provided in less expensive alternative accommodation.

The main defining risks, constraints and dependencies of the project include:

- Growing patient list sizes for all 3 GP Practices, arising from population growth, residential development and transfers from a neighbouring GP, who is single handed
- Blyth Road Surgery premises limitations, together with lack of GP resource and

property mortgage status.

- Non-profitable Pharmacy at Blyth Road
- Lack of GP training and low levels of recruitment and retention generally within the locality.
- Lack of formal lease arrangements at Maltby JSC.
- The need to retain CCG rental reimbursement costs at reasonable levels (although an element of increase is anticipated and budgeted for).
- Lack of suitable, best value, alternative premises within the locality to accommodate RFT Community Services.

The scope of works was originally to include refurbishment and alteration work at Maltby JSC and conversion (refurbishment) of Blyth Road Surgery into office / touch-down accommodation, or disposal of Blyth Road Surgery and leasehold acquisition of alternative similar accommodation within the locality. The project costs have been established at circa £1.2m. However, following the impact of COVID 19, further work is taking place to establish, if, with relevant home working arrangements, all parties could be accommodated in Maltby JSC.

There are a number of wider project stakeholders and project partners, including the following:-

- NHS Rotherham CCG
- NHSE Regional and Locality (South Yorkshire) teams
- RDASH; Mental Health Services
- Rotherham Hospitals Foundation Trust; Community Services
- RMBC (Council)
- Maltby & Wickersley Primary Care Network (PCN)
- Voluntary Services, including Local Charities

The timeline for the delivery of the project is still in development but we are targeting the following milestones:

- PID drafted by Q3 2020\_21
- PID approval Q4 2020\_21
- Contract agreement Q1 2021\_22
- Construction commencement Q1 2021\_22
- Practical Completion / Occupation Q3 2021\_22

## Analysis of key issues and of risks

### Waverley

RMBC fully engaging and proactively being involved in the project. There is acknowledgement and commitment from RMBC at the highest level but the mechanism and process to progress the project is still being established. We are working with RMBC at officer level to move the project forward and agree the action plan in order to progress to Heads of Terms. Below is an extract from the risk register highlighting the key risks and mitigations.

WMC002	If a commercial deal can not be structured with the stakeholders then the development would not proceed	CCG	Early engagement with stakeholders and affected parties. Early testing of the model and sign up to an agreed commercial structure.	15	12
WMC003	If the commercial structure can not be approved by NHSE & CCG then the project would not proceed	CCG	Early testing of the commercial structure with the approving bodies.	15	12

## Broom Lane

The two key issues for the Broom Lane project are:

- The GPs purchasing the adjacent bungalow site; and
- Developing a transactional structure and business case that achieves value for money for NHSE.

Negotiations between the GPs and the vendor for a conditional sale of the property are ongoing, but as yet no agreement has been reached.

We have developed a draft model and looked at a number of scenarios to establish the NHSE payback period ranging using either an improvement grant model or a capital grant model. The capital grant model looks to give a sensible payback period at 35 years. We are testing this with NHSE and await their comment.

BL001	If the adjacent site isn't secured then the project can not be delivered		GPs	Close relationship with the seller. Ongoing negotiations and both seller and purchaser entering in an early commitment.	20	12
BL002	If a commercial deal can not be structured with the stakeholders then the development would not proceed		CCG	Early engagement with stakeholders and affected parties. Early testing of the model and sign up to an agreed commercial structure.	15	12
BL003	If the commercial structure can not be approved by NHSE & CCG then the project would not proceed		CCG	Early testing of the commercial structure with the approving bodies.	15	12

## Maltby/Blyth

The key issue for this scheme relates to the Blyth Road Practice ("BRP") confirming that they will relocate into the Maltby JSC and vacating / closing the Blyth road facility. The strategy for the scheme is to clear the voids in Maltby JSC, reduce the footprint and maximise the use of core estate.

Should the BRP remain in their current building then the objectives would not be realised and it is doubtful whether VfM would be achieved by refurbishing the Blyth Road facility and reconfiguring Maltby JSC for the two current occupying practices.

Below is an extract from the risk register highlighting the key risks and mitigations

MB001	Existing lease arrangements can not be normalised and or exited as parties are unwilling		CCG	CCG to work with the GPs and NHSPS to solve any outstanding debt and lease issues	16	12
MB002	If a commercial deal can not be structured with the stakeholders then the reconfiguration doesn't proceed		CCG	Early engagement with stakeholders and affected parties. Early testing of the model and sign up to an agreed commercial structure.	15	12
MB003	If the commercial structure can not be approved by NHSE & CCG then the project would not proceed		CCG	Early testing of the commercial structure with the approving bodies.	15	12

## Patient, Public and Stakeholder Involvement:

Patient consultation took place in relation to the Waverley development back in 2015. The project group and Harworth continue to work with the virtual Waverley community group. As there have been many stop/starts with this project the plan is to undertake further engagement once the scheme is approved.

Informal patient engagement has commenced in relation to the Broom Lane scheme. If a conditional sale agreement is achieved, a more formal consultation particularly in relation

to the proposed closure of Broom Valley will be undertaken.

The Blyth scheme is still in early stages, once an outcome is known from the project team in relation to the feasibility of all providers being housed in the JSC, formal consultation will be undertaken in relation to the impact on patients.

**Equality Impact:**

Equality impact assessments will be undertaken once there is full clarity in relation to the proposed direction of travel for each of the schemes. We expect this to be by early Autumn.

**Financial Implications:**

To be able to progress the 3 schemes, project costs have to be incurred to take the projects to programme business case level. It is anticipated that the full project costs which could be incurred will be in the region of £300k. These costs are incorporated into project costs and will therefore be returned to RCGG in future years however there is the risk that the projects are not approved and the costs incurred will not be returned. RCGG has planned for this during this financial year utilising the funding that would have been utilised for the reimbursement of rent for the Waverley medical centre and will not be utilised this financial year.

**Human Resource Implications:**

N/A

**Procurement Advice:**

Advice has been taken via Bevan Britton in relation to the Waverley scheme and there is a very low risk of challenge given the planning obligations on Harworth to ensure there is a medical centre provision on the Waverley Housing Development site. The building contractor will be tendered for the scheme.

**Data Protection Impact Assessment**

N/A

**Approval history:**

N/A

**Recommendations:**

To update all parties on the position of the delivery of the estate strategy work and the 3 capital schemes in particular and to support the ongoing project costs to prepare the full business cases.

**Paper is for Support**