

MINUTES

meeting: **HEALTH SCRUTINY PANEL (CAPITAL PROGRAMME) SUB GROUP**

date: **7 JANUARY 2013**

PRESENT:-

Councillors Darke, Mrs Samuels, P Singh and Turner

OFFICERS IN ATTENDANCE:-

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| G Carson | - | LIFT Programme Manager, Black Country, Sandwell PCT and Black Country Cluster |
| Dr S Cartwright | - | Medical Director, NHS Commissioning Board Local Area Team |
| L Heath | - | Consultant in Public Health, Wolverhampton City Primary Care Trust |
| Dr H Hibbs | - | Chief Officer, Wolverhampton City Clinical Commissioning Group |
| A Lawley | - | Head of Estates and Facilities, Sandwell PCT and Black Country Cluster |
| D Loughton CBE | - | Chief Executive, Royal Wolverhampton NHS Trust |
| E Piggott-Smith | - | Scrutiny Officer, Governance Services Division, Delivery Directorate |
| C Skidmore | - | Chief Financial Officer/Chief Operating Officer, Wolverhampton City Clinical Commissioning Group |
| C W Craney | - | Democratic Support Officer, Governance Services Division, Delivery Directorate |

Wolverhampton
City Council



Election of Chair

It was proposed by Councillor Turner, seconded by Councillor P Singh and

1 Resolved:-

That Councillor Darke be appointed Chair of the Sub Group for the remainder of the Municipal Year.

Apologies for Absence

2 An apology for absence had been received from R Young, Director of Commissioning, Strategy and Solutions, Wolverhampton Primary Care Trust / Wolverhampton City Clinical Commissioning Group.

Declarations of Interest

3 C Skidmore declared an interest in Agenda Item No 4 (To consider methods of progressing a number of Primary Care Developments) inasmuch as she was a Director of LIFTCo.

To Consider Methods of Progressing a Number of Primary Care Developments

A Lawley, Head of Estates and Facilities, Sandwell PCT and Black Country Cluster, reported that there was a significant lack of progress in moving forward with the proposed development at Heath Town given that the National Health Services Commissioning Board Local Area Team (LAT) had been unable to agree a way forward with the General Practitioners. In such a situation, the LAT would not progress the Outline Business Case (OBC) without a full sign up and there was also a need to address the financial shortfall of £100k which would need to be absorbed. The Chair, Councillor Darke, enquired as to the particular issues outstanding from the perspective of the GPs. C Skidmore, Chief Financial Officer/Chief Operating Officer of the Wolverhampton City Clinical Commissioning Group, (WCCCG), advised that whilst Dr Peacock was still considering the offer, the partnership structure was likely to change and the partners had expressed concern in relation to liabilities on the existing building. The Primary Care Trust was still offering support to the practice and was aiming to draw up a legal agreement which would bind them to the transfer. She undertook to pursue this matter with the GPs. The Chair, Councillor Darke, enquired as to the next steps to be taken with regard to this matter. A Lawley advised that it would be necessary to refer further consideration back to the LAT and reiterated his earlier comments in relation to the need for the shortfall in funding to be addressed. C Skidmore advised that currently a budget existed within the PCT to cover the outstanding sum. G Carson, LIFT Programme Manager, Sandwell PCT and Black Country Cluster, suggested that such sums held by Primary Care Trusts had been cancelled by the Department of Health.

Dr S Cartwright, Medical Director, NHS Commissioning Board Local Area Team, advised that the LAT had no funding for Primary Care buildings and neither was there any additional money to be identified in current budgets. There was a requirement for the GPs to commit to the development and that currently there seemed to be an impasse. There was a need for the system to be challenged and for pressure to be exerted on the Commissioning Board. D Loughton CBE, Chief Executive, Royal Wolverhampton NHS Trust, enquired as to whether or not an agreement was in place with the GPs and, if not, as to why the land had been acquired in the first instance. C Skidmore advised that there was an 'in principle' agreement in place but that the situation had changed. G Carson explained that letters of 'in principle' agreement had been signed in 2010.

D Loughton CBE suggested that under the restructured National Health Service system, the money previously held by the Primary Care Trust was unlikely to be available and that the local health economy needed to be in a position to challenge the National Health Service Commissioning Board in relation to the provision of Primary Care developments. G Carson commented that this was now a common problem across all schemes with PCT monies having been withdrawn to the centre.

Dr H Hibbs, Chief Officer, Wolverhampton City Clinical Commissioning Board, commented that the problems could be summarised as follows:-

1. Lack of Primary Care premises
2. The expense of development opportunities and
3. The need to make any proposals for refurbished and/or new facilities more affordable.

A Lawley responded that this was exactly what was trying to be achieved with the Bradley scheme. D Loughton CBE enquired as to whether the contract with the LIFTCo novated from the Primary Care Trust to the City Clinical Commissioning Group. A Lawley advised that this was not the case. D Loughton CBE suggested that there was a need to investigate non LIFTCo models of developments. G Carson responded that it was difficult to estimate the potential costs of non LIFTCo models given the facilities management costs. Dr Hibbs enquired as to whether the £100,000 sum referred to earlier included the full utilisation of the site. G Carson confirmed this to be the case. D Loughton CBE suggested that there was a need to investigate other ways of packaging the proposed development. L Heath, Consultant in Public Health, Wolverhampton City Primary Care Trust, enquired as to whether the GPs in Heath Town required the whole of the building. G Carson commented that there was only scope for alternative uses if the building design could be reconfigured. L Heath explained the reasoning behind her question as the Council was keen to explore opportunities for siting community hub type facilities in Primary Care developments.

Dr H Hibbs emphasised that the Clinical Commissioning Group would not wish to lose an opportunity to move GPs into fit-for-purpose premises. G Carson commented on the desirability of co-location with other potential users but suggested that it was too late for this opportunity to be explored for the Heath Town scheme and that costs of £750k for abortive works would need to be addressed if the partners withdrew from the scheme at this very late stage. E Piggott-Smith, Scrutiny Officer, Governance Services Division, enquired as to the number of schemes within the area which were currently in a similar position to the Wolverhampton schemes. G Carson advised that there were 50 schemes under consideration across the area with four in Wolverhampton namely Bradley, The Scotlands, Heath Town and Bilston Urban Village. He advised on an opportunity to refurbish the existing Bradley building and utilise money saved for the provision of the scheme at Bilston Urban Village.

With reference to the abortive costs referred to, D Loughton CBE enquired as to whether these would need to be borne by the PCT or would disappear once the PCT was abolished on 31 March 2013. C Skidmore advised that the abortive costs only referred to the Heath Town scheme. D Loughton CBE suggested that for revenue purposes a method of walking away from the schemes with LIFTCo needed to be identified. G Carson advised that this was not possible as the liability would most likely transfer to the successor bodies; this point was subject to confirmation and legal advice had been sought

Dr H Hibbs enquired as to the existence of a Primary Care Strategy at the present time. Dr S Cartwright advised that it was for the individual Clinical Commissioning Groups to develop Primary Care Strategies in consultation with their respective partners. Dr Hibbs suggested that, it therefore fell to the individual GP partnerships to invest in their premises and of the need for a long term strategy to ensure that fit-for-purpose buildings were in existence. S Cartwright confirmed this suggestion as the way forward but reminded the Group that this required the support of the individual GP partnerships. D Loughton CBE suggested that such an incentive would be driven by the Care Quality Commission in the event that it did not consider the existing premises suitable for purpose. He suggested that there was a need to provide GPs with indicative figures together with alternative options.

With regard to the scheme at The Scotlands, G Carson advised that various options were currently being investigated and expressed concern that, currently, the preferred option was the demolition of Underhill House rather than its refurbishment. He suggested that with the use of prudential borrowing the Council could fund the refurbishment of Underhill House and then lease it on to the Local Area Team/GPs. This method had been used in Sandwell with the Tanhouse Community Centre as the model. This option would also overcome the exclusivity problem encountered with LIFTCo. Councillor Turner suggested that a similar opportunity and problem existed in Bradley where the LIFTCo wished to demolish a perfectly acceptable

building. In response to a question from Councillor P Singh, C Skidmore explained the principles behind LIFTCo. G Carson provided additional information and suggested that a variety of issues needed to be resolved including the Community Health Partnership through the Department of Health.

With regard to the Bradley schemes, G Carson advised that a number of sites had been explored with Councillor Turner at a meeting on 4 January 2013. The preferred option was currently stated as being the provision of a new building to be used by two practices although this would require a fresh options appraisal including the refurbishment of the existing buildings or extending the use of other buildings. He reported that it would be possible to prepare a fully costed Business Case by July subject to the commitment of the relevant GP partnerships.

With regard to the scheme at Bilston Urban Village, G Carson reported that there was a need to engage with the wider health economy on the various options and that a Health Care Planner had now been appointed to begin discussions with those partners. Work to be undertaken included investigating how the existing Health Centre worked. Councillor Turner reminded the Group that currently the GP facility operated from a portakabin and housed four doctors and three advanced nurses.

Councillor Mrs Samuels referred to discussions relating to the preparation of an Outline Business Case and capital refurbishment being undertaken by the Council but reminded the Group of the savings the Council needed to achieve within the current financial climate. G Carson assured Councillor Mrs Samuels that given the Council's greater scope for prudential borrowing, which would be underwritten by the NHS through a lease arrangement, the Council had an opportunity to not put itself at any risk and possibly to make a small profit on the scheme. A feasibility study in relation to the scheme at Bilston Urban Village would be available within three months and currently talks were taking place with developers in relation to taking over the existing site at the Urban Village.

E Piggott-Smith enquired as to the risks going forward into 2013/14 given the changing National Health Service structure. G Carson advised that the various rules in relation to the NHS structure changed on almost a daily basis but that by 31 March 2013 it would be possible to have a variety of options costed. E Piggott-Smith enquired as to who would be in a position to make decisions from 1 April 2013. G Carson advised that this would be for the individual organisations who were required to fund the schemes. Councillor Mrs Samuels enquired as to whether it was necessary for an exit strategy to be in place in the event that a stage one sign off had not been achieved by 31 March 2013. G Carson suggested that it was for this Group to undertake work in relation to such a strategy.

D Loughton CBE suggested that this Sub Group should act as a Project Board going forward to undertake all necessary works to

progress the various Primary Care developments in Wolverhampton. Dr Cartwright commented that from the LAT point of view this initiative was excellent.

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Resolved:-

(I) That the Sub Group continue to meet on a monthly basis acting as a Project Board with the next meeting being on Monday 4 February 2013 commencing at 1400 hours;

(II) That the relevant Officers be requested to explore the options for the refurbishment of Underhill House using the Council's prudential borrowing subject to a formal commitment to a lease back from the relevant GP partnership/Local Area Team.