

# Meeting of Primary Care Commissioning Committee

**Date:** 24<sup>th</sup> November 2020  
**Time:** 09:00 – 11:05  
**Location:** MS Teams

<b>Agenda Number :</b>	8
<b>Title:</b>	Weston Parklands Village – Full Business Case
<b>Purpose: For discussion</b>	
<b>Key Points for Discussion:</b>	
<p>To present the final Full Business Case (FBC) (attached in Appendix 1 of this paper) for the proposed new GP practice building at Weston Parklands Village to PCCC and seek approval to begin construction.</p> <p>The FBC has now been approved by the regional NHSEI ETTF panel (09/11/2020), but still requires approval from the National ETTF Panel (24/11/2020) and NHSEI Chief Financial Officer (16/12/2020) and North Somerset Council delegated officer approval.</p>	
<b>Recommendations:</b>	For PCCC to approve the Full Business Case to enable it to progress to final approval by the NHSEI Chief Financial Officer approval on 16/12/2020 and North Somerset Council officer approval the following day. This will enable construction of the building to begin in January 2021.
<b>Previously Considered By and feedback :</b>	A number of papers charting progress through the project have been brought to meetings of PCCC and PCOG. Most recently, the draft FBC was brought to PCG/PCCC in February 2020 and subsequently a paper addressing comments relating to the internal layout designs raised by PCCC was brought to PCCC in June 2020.
<b>Management of Declared Interest:</b>	Declarations of interest are managed in line with the CCG policy. There are currently no reported declarations of interest relating to this scheme, but the CCG will continue to keep reviewing these throughout the ETTF process.

<p><b>Risk and Assurance:</b></p>	<p>A full project risk register is available within Appendix E of the attached Full Business Case (appendices need to be downloaded from dropbox due to large file size).</p> <p>COVID-19 specific risks:</p> <p>Key risks addressed: The contractor is willing to commit to contract price, and delivery schedule. Further risk of disruption to project through contractor having to suspend work on site as a result of virus / government guidance tightening is reduced through proposals having been revised and developed with parties now having experience of operating in Covid environment.</p>
<p><b>Financial / Resource Implications:</b></p>	<p>The cost of business case development and subsequent construction of the building are funded by Section 106 agreements (circa £1.7 million) and an NHS ETTF grant (circa £3.7 million). The commercial deal agreed with NSC for development of the building means an annual saving of circa £250k per year for the CCG as the rent for the building will be reduced to a peppercorn rate for the first 30 years. A further CCG revenue saving of circa £12k per year will be achieved by using ETTF capital to make an upfront commuted sum payment to cover landlord side repair and maintenance costs. It is currently estimated that the new building will result in an increase in overall CCG revenue commitment in the region of £96k as a result of the Business Rates that will be levied. It is anticipated this cost will largely be offset by growth in CCG allocation linked to increased population growth on the surrounding housing estates. This was supported when the draft FBC was brought to the closed session of PCCC for approval in principle in Feb 2020.</p>
<p><b>Legal, Policy and Regulatory Requirements:</b></p>	<p>A copy of the legal pack can be found in Appendix N of the FBC and includes:</p> <ul style="list-style-type: none"> <li>• the draft Section 2 contract between NHSEI and North Somerset Council enabling the transfer of funds and provision of the building.</li> <li>• the draft lease documents between Pier Health as head tenants and North Somerset Council as landlord</li> </ul>
<p><b>How does this reduce Health Inequalities:</b></p>	<p>From patients' point of view, the key change this project present is the potential closure of the Locking Village branch and the relocation of the service to the new building at Parklands Village.</p>

	<p>It is not expected there will be an adverse impact on clinical outcomes from this relocation. An initial Quality Impact Assessment screening tool has been undertaken (see Appendix 3) and reviewed by the CCGs Joint Impact Assessment Panel (JIAP). This will be further developed into a comprehensive assessment as the engagement and consultation process progresses.</p>
<p><b>How does this impact on Equality &amp; diversity</b></p>	<p>An initial Equality Impact Assessment has been undertaken (see Appendix 3) and reviewed by the CCGs Joint Impact Assessment Panel (JIAP). The initial assessment largely determines impacts will be either positive or neutral for patients with protected characteristics, as the new facility will be open for longer hours and offer a more comprehensive range of services, as well as being a modern and purpose built building designed with accessibility issues in mind). The one area identified as having a potential negative impact is that some patients may find the new building more difficult to get to as it is approximately 1 mile away from the current site. This issue will be further explored and assessed through the patient engagement and consultation process that will be undertaken.</p>
<p><b>Patient and Public Involvement:</b></p>	<p>The ultimate closure of the Locking Village facility and relocation of the service to the new Parklands Village facility will require a public engagement and consultation exercise. This will now begin and the practice are writing to their patients to inform them of the potential change and the process that will be followed for engaging and consulting them.</p> <p>During the construction stage, the involvement of volunteers from patients and public will be sought to work with the practice and CCG on design and specification of the new building e.g. to influence the look and feel of the new practice (including décor, artwork, waiting room layout, chairs, noticeboards, signs, accessibility, children’s areas etc – host online focus groups / run a survey to get people’s views / hold a school art competition. At the end of this, a “You Said, We Did” report will be produced.</p>
<p><b>Communications and Engagement:</b></p>	<p>A communication and engagement plan is in place (included in FBC Appendix U) and close working relations are being maintained with North Somerset Council to maintain a coordinated approach to communication. The plan covers both the development of the new building and the potential closure of</p>

	the Locking Village branch facility in order to relocate the service to the new building.
<b>Author(s):</b>	Tim James, Estates Manager
<b>Sponsoring Directors</b>	Colin Bradbury, Area Director, North Somerset.



## Agenda item: 8

### Report title: Weston Parklands Village – Full Business Case

#### 1. Purpose

The purpose of this paper is to:

- Present the final draft of the Full Business Case (FBC) for PCCC approval and to enable the construction of the building to begin in January 2021.

PCCC approval of the FBC will enable it to progress to final approval by the NHSEI Chief Financial Officer approval on 16/12/2020 and North Somerset Council officer approval. North Somerset Council (NSC) committed support to the project at their Open Executive Committee meeting on the 05th Feb 2020 and delegated final approval to NSC Officers at that meeting.

This will enable construction of the building to begin in January 2021, with a view to the building being completed in December 2021.

#### 2. Background

The purpose of this scheme is to deliver a new GP practice building for between 12,000 and 16,000 patients on the major new housing developments collectively called Weston Villages where circa 6,500 new homes are being built. There is currently no GP provision in these new developments and the existing practices in the surrounding area do not have sufficient capacity to register all of the new residents. The scheme is being delivered under the One Public Estate agenda, working with the local authority as the developer and ultimate owner of the building through an innovative “Section 2” contract agreement. A plot of land for the building and circa £1.7 million is available to the scheme via Section 106 funding, in addition to circa £3.7 million of NHS Estates & Technology Transformation Funding (ETTF).

### 3. Building Design

Planning permission for the building was granted in April 2020. The building has been designed in line with all NHS standards including the Health Building Notices (HBN) and Health Technical Memoranda (HTM). These ensure that the building is fit for purpose both now and in the future, complying with the highest level design and building standards. It will be a first class facility and will provide highly specified clinical facilities.

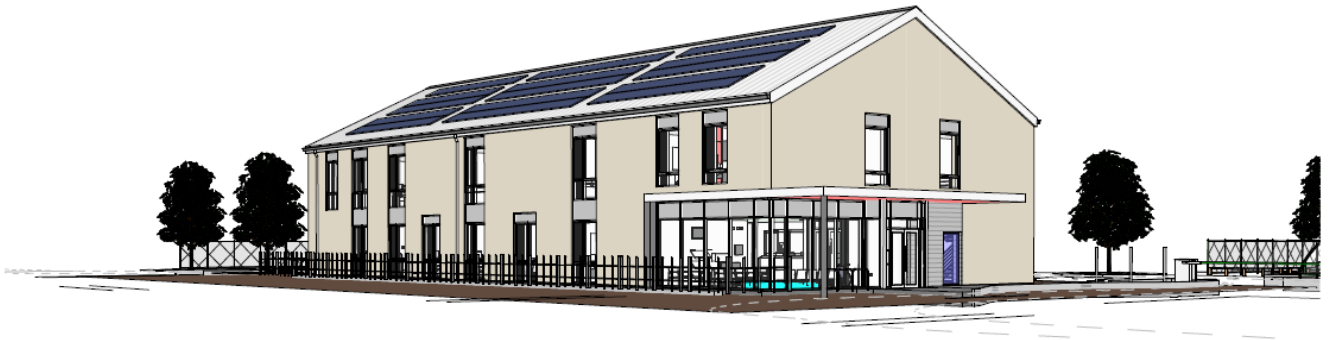
The building will also have an excellent environmental performance rating, having been designed to the stringent Building Research Establishment's Environmental Assessment Method (BREEAM) Excellent standard. This an all-round measure of the sustainability of a building. It sets the standard for best practice in sustainable design and specification.

The building has had to be designed within a fixed budget and so the focus has been on creating internal functionality to support the practical delivery of clinical services, and excellent patient and staff experience, rather than architectural flourishes. The building size also had to be reduced by around 10% compared to the proposals in the Outline Business Case in order to keep it within budget, which has affected the ability to provide larger internal spaces with less well defined uses. Notwithstanding these factors, the building will look appealing and will be finished to a high standard. It will offer an attractive place for staff to work and patients to visit and will have its own well sized car park for their use.

The design is a two-storey brick building with an entrance and canopy on the eastern side. A pitched apex roof of eaves 6.5m approximately and ridge height of 10.5m approximately runs the length of the building. The building is set back by 3m from footpath in accordance to Design Guide principles and provides the opportunity for a landscaped zone in front of the ground floor consulting rooms for additional privacy.

A canopy provides protection and emphasis to the main entrance while a wide paved apron and drop-off bay leads onto automatic entrance doors and entrance lobby. A proprietary horizontal cladding system is used in a small area alongside the entrance as a contrasting element.

## Sketch Elevations



### Sketch Elevations



0 10m  
Approximate Scale 1:200@A3

Key design features include:

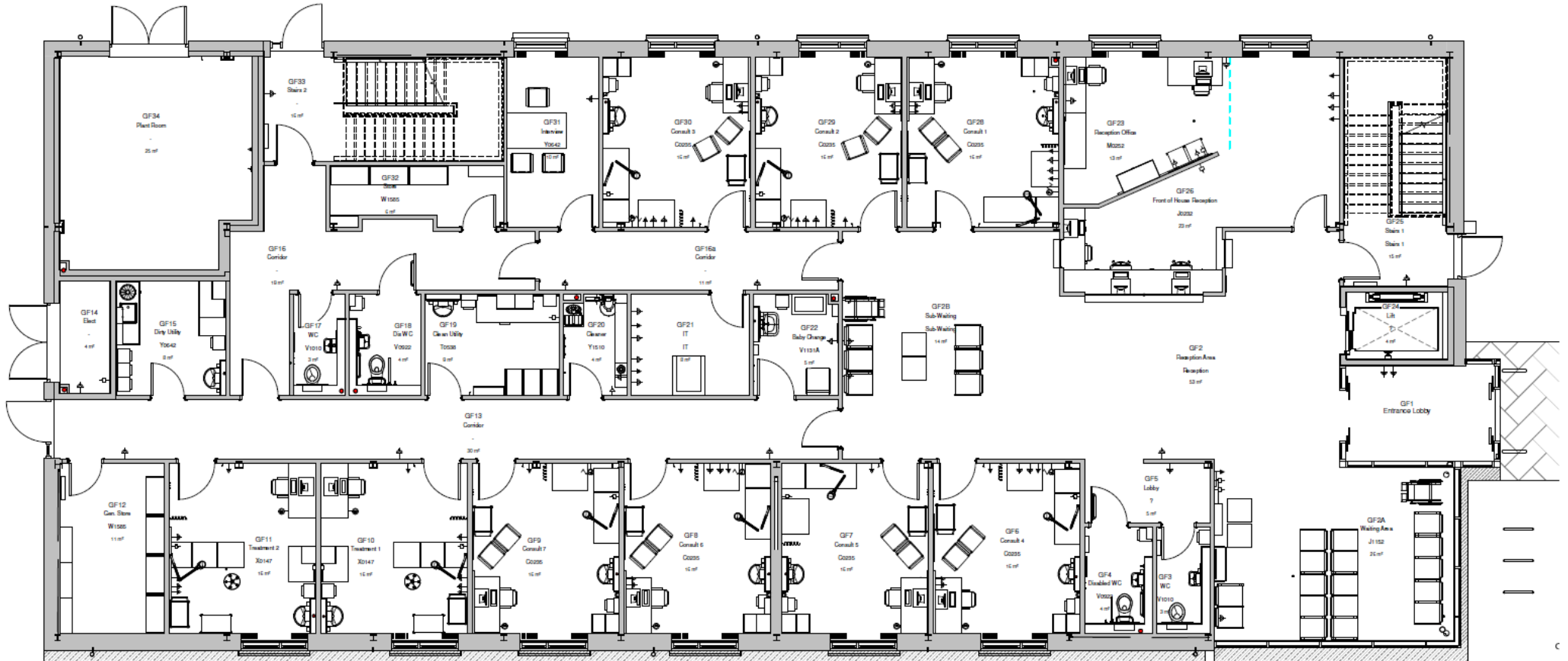
- BREEAM Environmental Sustainability rated Excellent
- The building has been designed to maintain a safe and secure environment for staff, patients and visitors
- Floor layouts enable maximum future flexibility with repeatable accommodation and rooms of regular proportion
- The resulting plans are for a design that provides a working environment which is attractive, environmentally friendly and low maintenance
- Fixtures and fittings have been chosen with regard to infection control

The design of the building has been based on the requirements of the GP's and the CCG's activity projections and agreed performance/utilisation assumptions. The detailed design phase has been led by NSC's appointed architects, Powell Dobson, in consultation with, and participation by, the relevant GP end users and their technical advisors. The consultations informed the architects and resulted in the Ground and First Floor layouts shown below.

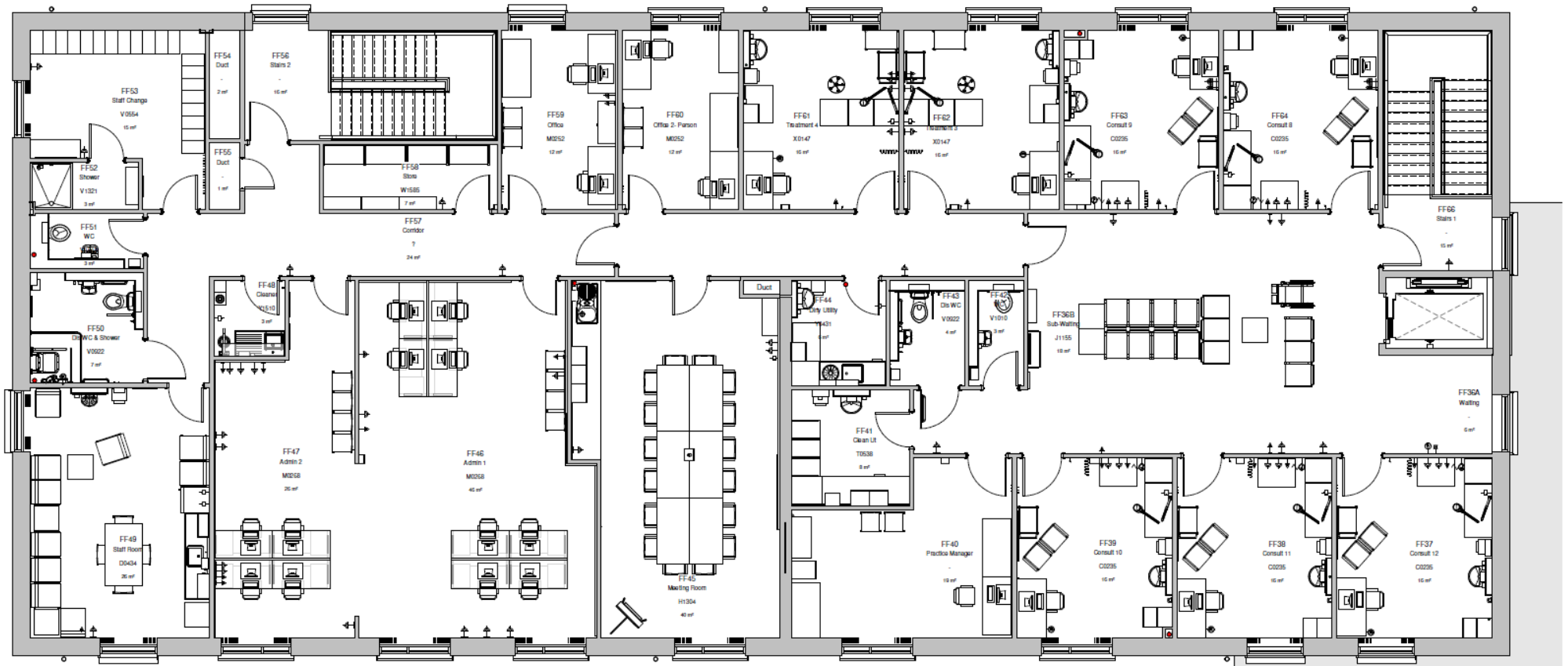
The building will include 12 consulting rooms: 6 on the ground floor and 5 on the first floor, with an additional training room, all of a generous 16m<sup>2</sup> size. This is the NHS recommended size for consulting rooms that provide for ultimate flexibility and use. These are very large consulting rooms by historical standards and provide the opportunity for flexible use and group consultations. In addition to these consulting rooms, there are 4 treatment rooms, also 16m<sup>2</sup> in size, 2 on the ground and 2 on the first floor.

The floor layout enables maximum future flexibility with repeatable accommodation and rooms of regular proportion, in compliance with HBN recommended room sizes. These plans have been developed in consultation with the GP end users.

## Ground Floor Layout Plan



### First Floor Layout Plan



## Key design improvements since draft FBC submission

The draft business case was well received at the closed session of PCCC in February 2020, with the strategic, economic, commercial and financial cases being supported, along with the aspects relating to location of the building and the external design. A range of comments were raised around the internal building design at that meeting. A paper was brought to PCCC in June 2020 setting out the design team's response to these comments and adopting many of them into the updated design. Subsequently, through further consultation with the GP end users and their technical advisors, a number of other design improvements have also been made. These include:

### Ground floor

- Sliding entrance doors to improve access for wheelchair users
- Increased reception and back office area
- Increased waiting area
- Creation of additional interview room
- Reconfiguration of support spaces (utilities, waste, IT etc)
- Increased area for dirty utility and IT comms room

### First floor

- Large meeting area accessible by patients without entering staff zone – Will enable room to be used more and to facilitate group consultations
- New Practice Manager's office
- Additional window into multi-purpose admin room to increase light and natural ventilation

### Both floors

- Inclusion of underfloor heating in all areas to increase comfort in the building and reduce infection control risks around radiators in rooms



## Flexibility for future models of care

The GP practice is keen to ensure the building has the maximum number of consulting rooms possible. Their view is that the consulting rooms that will be created in this building will be in high demand. Whilst group consultations and group community work will become more prominent, their view is that the increasing work that will take place in the community as part of the emerging models of care will put high quality consulting space at a premium. For example,

- Nurses will take on more work and will need consulting rooms
- Physiotherapy, outpatients and other services that will be relocated into the community will require consulting rooms
- Many practices across Weston have significant estate challenges particularly around consulting rooms and this building needs to serve their needs

To ensure a large space is available for group work, the access to the meeting room on the first floor has been designed to be within the clinical space. This will result in much better utilisation of the room and enable it to be used for a range of things in addition to practice meetings.

The reason NHSEI have set guidance size of room at 16m<sup>2</sup> is that it provides a large flexible space, enabling double sided couch access if required, and future proofing. The consulting rooms in the new building will be 16m<sup>2</sup> in size. This is a large area, and if/when Covid social distancing restrictions allow, will comfortably enable group consultations with 3 patients, and up to 5 if the wheeled couch is removed from the room

The privacy afforded by consulting rooms rather than increased use of shared offices has been preferred by the GP end users. There is likely to be increased use of online and telephone consultations which could be delivered in shared spaces, but this would only be needed where there is a shortage of consulting rooms, which do offer better privacy.

During the daytime the reception space will operate as a large waiting area. In the evenings, doors at the start of each of the ground floor corridors can be closed to lock off the space beyond reception so that in evening's large group consultation and community type meetings can take place in the waiting area.

Redesign work has taken place to allow a partial shutdown of the clinical space to preserve access to the reception area and a small number of consulting rooms for extended hours use. It will be possible to create a "mini practice" of variable size out of hours, through locking down doors placed at the start and also a short way down the corridors as well as locking off the lift and stair access so that patients cannot access other parts of the building at this time.



## Impact of Covid-19

Covid-19 has posed a challenge to the way Pier Health works. Practices have had to significantly adapt to delivering care to the residents of Weston and Worle via video and telephone rather than the traditional face to face consultation whenever possible. Whilst this has been achieved, for patients and clinicians this has not been without challenges. The clinicians have also found that the older generation and populations in most deprived local authority wards in Weston often do not have sufficient mobile data, a compatible device or internet connection which can support video consultation. Pier Health is also establishing a “hot site” at the Riverbank building in Worle that will reduce the need for patients with suspected or confirmed cases of Covid-19 to attend other buildings and support winter capacity pressures.

Whilst it is too early to assess whether the changes made will be sustained, there are a number of ways the use and operation of the proposed Parklands Village building can be modified in order to ensure social distancing and infection control measures are supported. The building offers the ability to:

- Designate a red and green entrance ensuring patients displaying Covid-19 symptoms enter the building via a different route, with appropriate lighting and signage
- Alternatively, patients can be flowed through the building so that there is a separate entrance and exit
- Clinicians and patients can occupy a consulting/treatment room and be 2m apart;
- The waiting room can be adapted to ensure there is a 2m gap between patients
- Within the specification there are digital improvements to the building which reduce the need to contact doors and handles, such as automatic entrance doors, and internal access control doors can be held on “hold open” during operational hours if required
- There is a shower on site

## 4. Location

The new building will be located in the new Weston Parklands Village housing development. The land for the site is provided at no cost to the NHS through a Section 106 agreement with the housing developer. A total of 26 locations and site configurations were considered in total, with the final location on Anson Road being advantageous in a number of regards, including:

- The building will be near to the end of Anson Road that connects to the new £13 million North South Link Road currently being constructed by North Somerset Council. The link road will be the main artery through the new housing development and will have bus routes running along it, as well as making it easily accessible by car and other means of transport. The Link Road will also include measures to make it safer for cyclists and pedestrians. The

intention is for this road to have the feel of a traditional High Street, rather than that of a spine road.

- It will be located in the local shopping and business district, making it convenient for patients and also support “place-making” and the creation of a vibrant new community.
- The “Design Code” on Anson road is less stringent than on alternative locations proposed, including on the Link Road itself, and which brings a number of benefits, including:
  - The building can be set back from the road and pavement, enabling greater privacy and a quieter environment. This also means external windows can be opened, which reduces the need for expensive mechanical ventilation in rooms with windows.
  - More economical materials can be used on the facade and a more economical design is allowed, with particular benefits for the roof design.
- The location enables the building to have its own dedicated car park with over 60 spaces.

Achieving the above benefits has been a priority in the negotiation for this plot of land, and the CCG has achieved all of its objectives with this outcome. A suite of location maps and site plans can be seen in Appendix 2 of this document.

## 5. Developer

The building will be owned and developed by North Somerset Council (NSC). The NHS capital funding to develop the building will be transferred to NSC under a “Section 2” contract. Section 2 contracts are an innovative way of delivering capital schemes through partnership between NHS bodies and local authorities and have a number of advantages. These include:

- The approach is compliant with the NHSEI Premises Cost Directions;
- NSC are an experienced developer and landlord;
- The model builds upon the strategic relationship between NSC and the CCG;
- The building will be kept within public ownership and provides best value;
- The Premises Cost Directions allow for a higher level of NHS grants (up to 100% of total build cost) to be used towards construction by Local Authorities than by GPs (up to 66%). This has reduced the ongoing revenue cost to the CCG as there is no longer a need to cover the cost of borrowing capital to cover the shortfall, as the ETTF and S106 grants will cover 100% of the cost of build.

## 6. Head Tenant

Pier Health Group Partnership will be the head tenants and hold the lease with NSC as their landlord. Pier Health Group Partnership holding the head lease means they will be able to take a strategic view on what services to provide from this building in addition to core GMS services, with potential to provide accommodation for new, integrated models of health and social care for the population of Weston, Worle and Villages.

## 7. Tenant

168 Medical will be the GP practice providing GMS services from the new building. The service will be a re-provision of the service the practice currently provides at their Locking Village branch. This branch service in Locking Village currently operates from hired rooms within the village hall and serves a patient list of circa 1,700 patients. This is a 0.8 mile walk or a 1.4 mile car trip from the proposed new building at Parklands Village. The current branch surgery is open weekday mornings only, while the new building will be open all day throughout core GP hours and also offer a more comprehensive range of services from a wider range of clinicians. The Locking Village branch will be closed subject to a successful patient engagement and consultation process. This approach was agreed at the closed session of the May 2019 PCCC meeting. The communications and engagement plan in Appendix U of the FBC set out proposals for the engagement and consultation process.

## 8. Commercial

The Section 2 Contract is the agreement that will sit between NHSEI and NSC and will facilitate the transfer of the capital funding to the council in exchange for them making the new building available for use by the NHS.

The contract will have a 60 year term, during which time the building will be protected for NHS use. For the first 30 years of this period the NHS will pay only a peppercorn rent for the use of the building. For the following 30 years, a market rent will be applicable.

This arrangement has been endorsed by the District Valuation Office and represents good value to both the NHS and NSC and retains the asset within public ownership.

## 9. Procurement Route

NSC reviewed the procurement options and determined that, given the timescales for the project, it would be most effective to utilise a framework. The Local Authority have experience of delivering many projects through a framework agreement, including Locking Parklands Primary School on a neighbouring plot of land within Weston Villages. NSC identified Willmott Dixon as the preferred contractor as it is not only familiar with site conditions but also has experience in working with the public sector and delivering health schemes.

The Procurement Hub Framework was chosen. The framework allows for cost certainty and control and is OJEU compliant. The Contractor (through the Procurement Hub framework) has produced a cost plan that is a defined cost. The rationale of the Framework is such that this cost plan will include all costs and also a design development value that in essence means that the

contractor takes on the risks associated with the project – within the remit of the construction phase.

With this scheme, as St Modwen are bound by the S106 to pass across a site that is ready for development, NSC will be ensuring that St Modwen comply with the strictures as detailed by the contractor. Works to prepare the site are already well underway and St. Modwen anticipating completion by the end of November 2020.

Key supply chain members have been engaged early in the process in order that they can contribute to the technical design process in terms of programme, build and innovation. The final development will be assessed through Design Quality Indicator (DQI) assessment and BREEAM assessment.

### Key Contractors

Discipline	Contractor
Building contractor:	Willmott Dixon
Structural engineers:	Cambria
Mechanical and electrical contractor:	McCanns
Architect final design:	Powell Dobson
BREAAM Environmental Assessment:	Cambria
Cost Consultant:	Pick Everard

## 10. Project Schedule

Key Project Milestone	Week commencing/Date
Submission of planning application	25.11.2019
NSC Land & Legal Executive Paper	05.02.2020
Draft FBC submitted to NHSEI	17.02.2020
PCCC meeting (closed)	25.02.2020
Planning application approval	23.04.2020
Final FBC submitted to NHSEI	14.10.2020
NHSEI panel Approval of FBC	09.11.2020
PCCC meeting (open)	24.11.2020
NHSEI CFO sign off	16.12.2020

Key Project Milestone	Week commencing/Date
NSC Delegated Approval: Contract Award	16.12.2020
St Modwen mobilisation: enabling works	December 2020
Mobilisation of contractor on site	December 2020
Construction Period	January 2021
Transfer of funds from NHSEI to NSC (1 <sup>st</sup> tranche)	April 2021
Project Completion	December 2021
ETTF expenditure deadline	March 2022

## 11. Financial Resource Implications

### Capital Costs

Capital costs have been derived from a Schedule of Accommodation based on a spatial requirement of 1023 m<sup>2</sup> and are broken down as follows:

GIA	1023
Sq m cost	£4,226
Construction cost (inc design fees)	2,810,442
On costs	652,826
Fees included in cost plan	420,638
Sub total as per cost plan	3,883,906
Other fees	31,049
NSC Remaining Fees	154,286
CCG Remaining Fees	63,500
SDLT	8,000
Equipment	-
Contingencies	182,292
Sub Total	4,323,033
<b>Total</b>	<b>4,323,033</b>

<b>Sources and Application of Funds</b>	
Construction costs	4,323,033
Commuted Sum (excl VAT)	435,000
VAT on S2 payments	511,875
Pre project costs/SDLT	215,998
<b>Total Applications</b>	<b>5,485,906</b>
ETTF Grant	3,771,386
S106	1,714,520
<b>Total Sources</b>	<b>5,485,906</b>

## Revenue Costs

Normally, the CCG would be liable to pay notional rent costs for a new building to the owner. The intention is to minimise this revenue implication by agreeing a “rent free period” with the building owner in exchange for providing the capital grants to develop the building. This is detailed as the “Rent Abatement” in the following table.

Annual Costs:	Rent	£249,580
	Rates	£97,090
	Water	£3,710
	<b>Total:</b>	<b>£350,380</b>
Annual Savings:	Less Locking Road	£4,400
	Less Rent Abatement (first 30 years)	£249,580
	<b>Total:</b>	<b>£253,980</b>
	<b>Grand Total:</b>	<b>£96,400</b>

Whilst the building will be effectively “rent free” for the first 30 years, and this will result in a significant annual saving to the CCG of circa £250k, there is no way to reduce the mandatory payment of business rates, which for this building are estimated to be circa £96k per year. It is anticipated this cost will largely be offset by growth in CCG allocation linked to increased population growth on the surrounding housing estates. There will also be an opportunity for other providers to be based in the building in the early years while the local population is growing and the practice do not need all of the space. This could result in a CCG saving on any such provider’s estates costs as a result of them moving into this rent free building.

To achieve a further revenue saving for the CCG, a formal request has been made to NHSEI and subsequently approved, for additional ETTF funds to cover the landlord repair and maintenance costs over the 30 year peppercorn rent period. This will be paid as an upfront commuted sum of £435k and will result in an annual revenue saving to the CCG of circa £12k per year.

## 12. Legal implications

A copy of the draft Section 2 contract that will sit between NHSEI and North Somerset Council and enable the transfer of funds and provision of the building is available within the Appendix N of the FBC. The draft lease documents that will sit between Pier Health as head tenants and North Somerset Council as landlord are also available within the Appendix N of the FBC.

## 13. Risk implications

### Proposed FBC Risk transfer matrix

Risk Category	Allocation			
	NHS	NSC	Contractor	Shared
1. Design risk				✓
2. Governance and approvals risk	✓	✓		
3. Construction and development risk				✓
4. Programme and Performance risk		✓	✓	
5. BREEAM Excellent risk		✓	✓	
6. Commissioning and Mobilisation Risk	✓			
7. Operating risk	✓			
8. Variability of revenue risks	✓			

Risk Category	Allocation			
	NHS	NSC	Contractor	Shared
9. Ongoing Maintenance risks		✓		
10. Section 106 shortfall risk		✓		
11. Section 2 Legal risks	✓	✓		
12. ETTF allocation risks	✓			
13. Legislative risks	✓			
14. Other project risks				✓

Notes:

1. Main design risk sits with contractor to ensure compliance with NHS requirements (HBN, HTM's etc). NHS to manage end user input.
2. Governance and approvals to be managed by NHS and NSC.
3. Costed risk register has been produced to allocate elements of contingency to construction risks upon completion of detailed design.
4. NSC responsible for contract administration and deliverability with contractor.
5. As above
6. NHS BREEAM excellent requirement fully understood from outset of the project.
7. NHS end user holds operating risk.
8. CCG to manage revenue implications of the relocation of Locking Village branch to the new premises.
9. NSC need to manage all maintenance within NHS capital funding.
10. Council has wider Section 106 pot to draw from to bridge any gaps.
11. Agreed heads of terms required in FBC, both parties to obtain Board approval
12. NHS to manage NHSEI assurance process
13. NHS to manage changes in legislation for NHS premises



## **14. How does this reduce health inequalities**

From patients' point of view, the key change this project presents is the potential closure of the Locking Village branch and the relocation of the service to the new building at Parklands Village. The current branch premises is only open in the mornings and provides a restricted service while the new purpose built facility will offer a greater range of services across the whole core contract hours. It is not expected there will be an adverse impact on clinical outcomes from this relocation. For new residents of the growing housing estates, the new building will provide a great improvement on having to travel to surround practices. An initial Quality Impact Assessment screening tool has been undertaken (see Appendix 3) and reviewed by the CCGs Joint Impact Assessment Panel (JIAP). A comprehensive assessment will be developed and evolved as the public engagement and consultation process progresses. Once the engagement and consultation process is concluded, PCCC will be presented with the relevant reports and asked to make any final decision on the closure.

## **15. How does this impact on Equality and Diversity?**

As with the assessment of the impact on quality and health inequalities, the key change for patients relates to the relocation of the service provided at the Locking Village branch to the new facility. An initial Equality Impact Assessment has been undertaken (see Appendix 3) and reviewed by the CCGs Joint Impact Assessment Panel (JIAP). The initial assessment largely determines impacts will be either positive or neutral for patients with protected characteristics, as the new facility will be open for longer hours and offer a more comprehensive range of services, as well as being a modern and purpose built building designed with accessibility issues in mind).

The one area identified as having a potential negative impact is that some patients may find the new building more difficult to get to as it is approximately 1 mile away from the current site. This issue will be further explored and assessed through the patient engagement and consultation process that will be undertaken.

## **16. Consultation and Communication including Public Involvement**

The closure and relocation of the Locking Village branch to the new building will require a full public engagement and consultation exercise. This will be led by the practice. In consultation with the practice, a CCG communications plan has been drafted can be seen in Appendix U of the FBC. During the construction stage, the involvement of volunteers from patients and public will be sought to work with the practice and CCG on design and specification of the new building e.g. to influence the look and feel of the new practice (including décor, artwork, waiting room layout, chairs, noticeboards, signs, accessibility, children's areas etc – host online focus groups / run a survey to get people's views / hold a school art competition. At the end of this, a "You Said, We Did" report will be produced.

## 17. Appendix 1 – Full Business Case Attachments

### Main Document –



FBC - Weston  
Villages V7.6 FINAL

**Full Technical Appendices (including those referenced in this paper) can be downloaded from the following drobox link:**

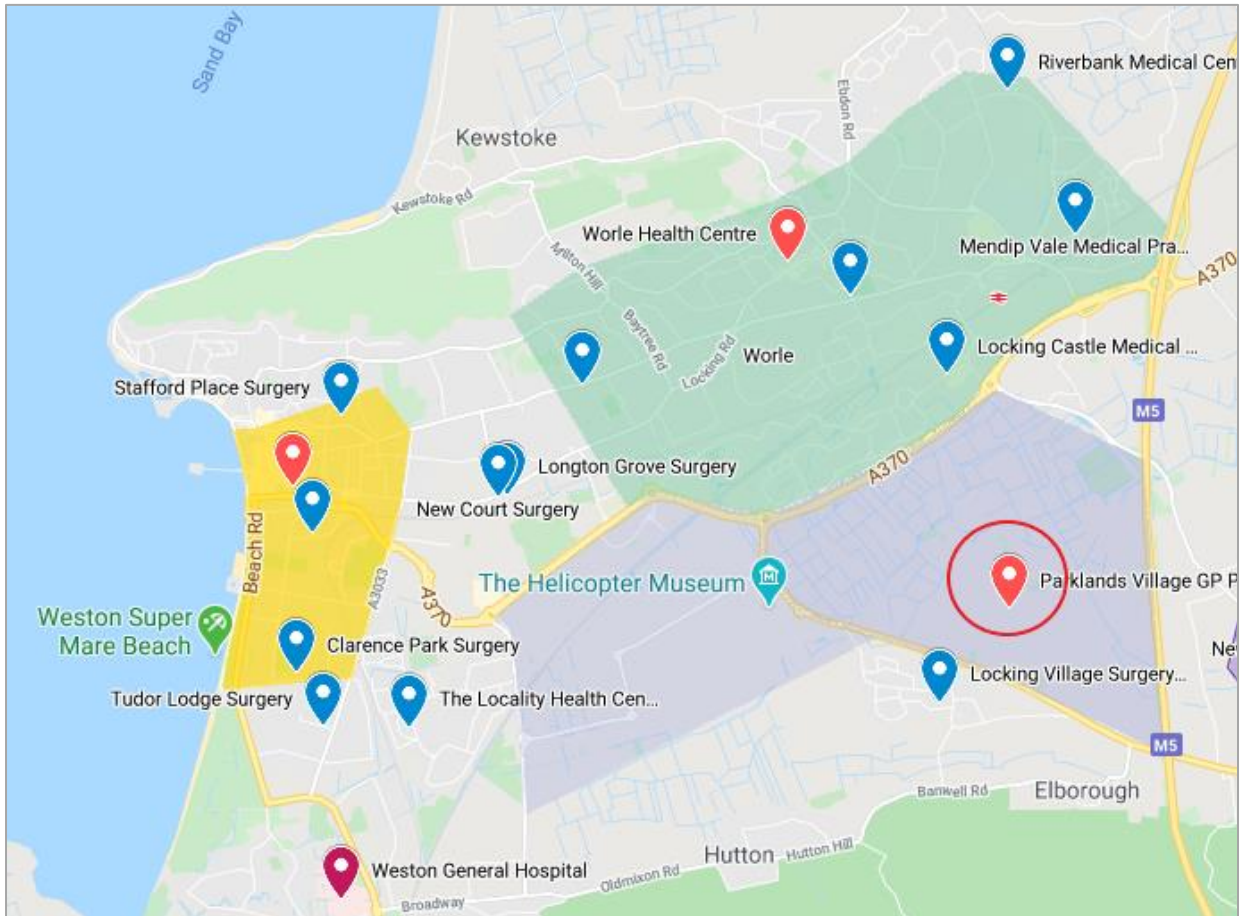
<https://www.dropbox.com/sh/uctxih7h8xq293b/AADBzAgQrG7kY0DRkPOyZQhqa?dl=0>

### List of Appendices:

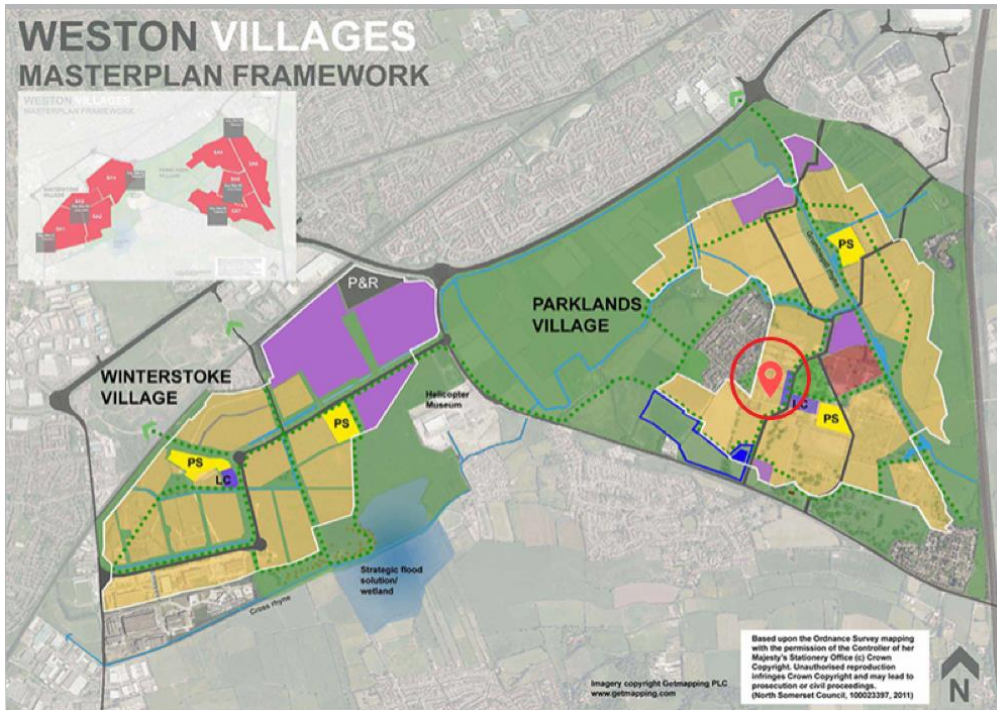
- Appendix A – Letters and Documents of support
- Appendix B – Options Appraisal Report, Estates, Healthy Weston
- Appendix C - Options Appraisal Report, Service Provider
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- Appendix F – Small GEM (v5)
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- Appendix S - Land Acquisition and Requirements - St Modwen
- Appendix T – Planning Permission Notice
- Appendix U – Communications and Engagement Plan

## Appendix 2 – Location Maps and Site Plans

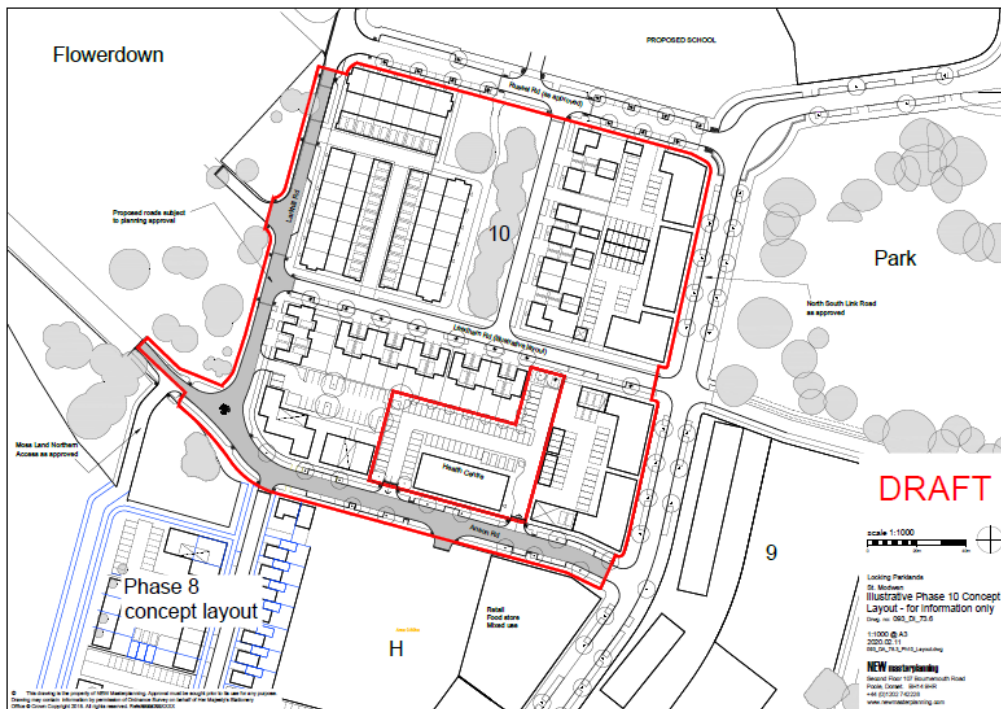
The red marker inside the red circle on the following map shows the location of the proposed building, with the grey shaded areas showing where the new housing developments are in relation to the rest of Weston and Worle and surrounding practices.



The following shows the high level masterplan for the housing developments, with the red marker inside the red circle on the following map shows the location of the proposed building

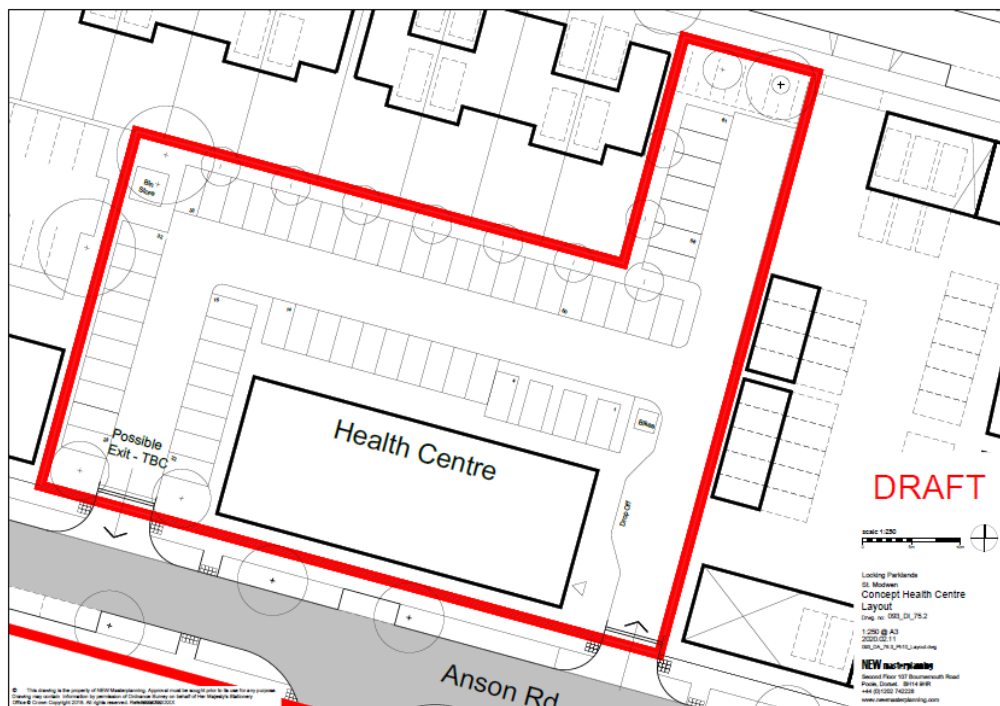


The following drawing shows where the proposed building and its car park will sit in relation to Anson Road and the new Link Road running from the bottom to the top of the drawing.





The final plan shows a closer up view of the plot, with the red line indicating the site boundary.



## Appendix 3 – Equality and Quality Impact Assessments

### Equality Impact Assessment:



Draft Equality  
Impact Assessment -

### Initial Quality Impact Assessment Screening Tool:



Draft Quality Impact  
Assessment - Westo

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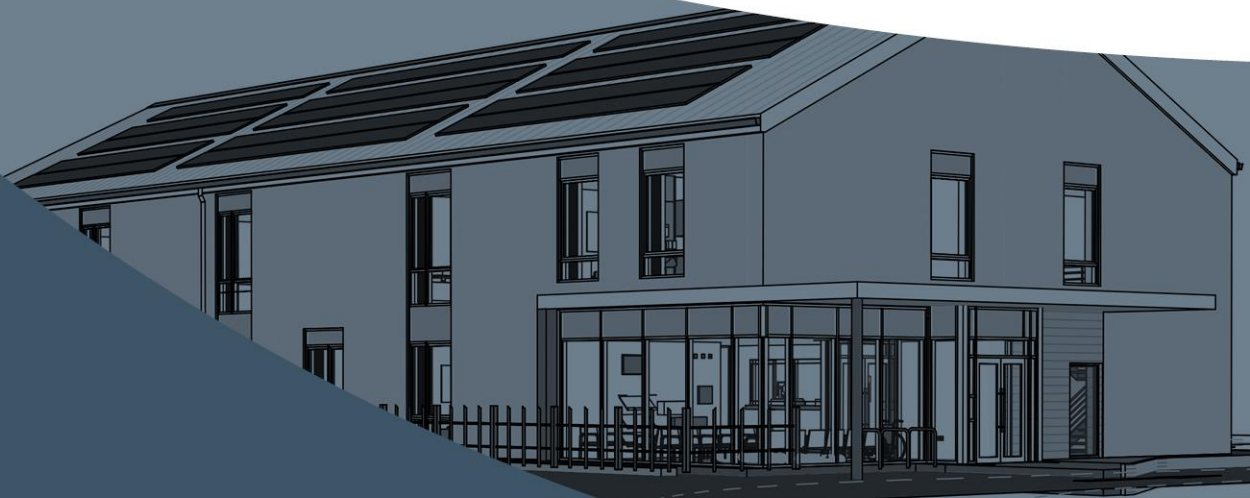
optimise • implement • achieve

## Full Business Case for the Weston Villages Primary Care Development

November 2020



**Bristol, North Somerset  
and South Gloucestershire**  
Clinical Commissioning Group



Full Business Case for Weston Villages Primary Care Development – BNSSG CCG

<b>Title of Scheme</b>	
Improvement Scheme	
Reference	
Organisation issuing the reference number.	

**Sponsoring NHS Organisation/s (or other such as GP)**

<b>Lead Sponsor</b>	BNSSG CCG
<b>Others</b>	Pier Health Group and Longton Grove Surgery

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### Source of Capital

Proposed Source of Capital	ETTF
Sources of funding to be accessed	Section 106 monies

### Capital Value and Proposed Cash Flow of Funding (ETTF)

Funding source	2018-19	2019-20	2020-21	2021/22	2022/23	Totals
	£000	£000	£000	£000		£000
NHS England ETTF	136	500	0	3,152	0	3,788
ETTF additional request (pending approval)						
S106			714	277	724	1,715
NSC Bridging			622	102	(724)	
<b>Total</b>	<b>136</b>	<b>500</b>	<b>1,336</b>	<b>3,531</b>	<b>0</b>	<b>5,503</b>

Item	2018-19	2019-20	2020-21	2021-22	2022-23	Totals
	£000	£000	£000	£000	£000	£000
Info: Scheme cost 100%	136	500	1,336	3,531		5,503
Info: Third party funding			1,336	379		1,715
Item 1: ETTF capital				3,152		3,152
Item2: ETTF Pre project costs	136	500				636
<b>Total ETTF for 2020/21</b>	<b>136</b>	<b>500</b>	<b>0</b>	<b>3,152</b>	<b>0</b>	<b>3,788</b>

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## Document control

Document Title	Full Business Case for Weston Villages Primary Care Development		
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Project director	Project owner	(e.g. organisation)	
Author/s			
Version	Version issue date		

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1	30.09.2019	First draft – Strategic Case	Sandra Reading
2.	10.11.2019	Economic Case and Management Case updates	Bev Letherby
3.	06.12.2019	First draft issue to CCG and Pick Everard	Bev Letherby
4.	06.02.2020	Full draft issued to CCG and Pick Everard	Bev Letherby
5.1	18.02.2020	Revised draft with reworked financial section	Mike Stevens
5.2	19.02.2020	Final draft of financial section	Mike Stevens
6.	05.03.2020	Final Issue to NHSE Panel	Bev Letherby
7.1	07.10.2020	Revised FBC with main text updates (financials to follow)	Bev Letherby
7.2	12.10.2020	Revised FBC with financials	Mike Stevens
7.3	13.10.2020	Revised FBC with financials v2	Mike Stevens
7.4	14.10.2020	Revised FBC with financials v3	Mike Stevens
7.5	27.10.2020	Final revision following reviewer comments	Mike Stevens
7.6	16.11.2020	Final version following panel approval	Mike Stevens

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## Glossary of Abbreviations and Acronyms

2WW	Two Week Wait
A&E	Accident & Emergency Department
ADB	NHS Activity Database
AEC	Ambulatory Emergency Care
AQP	Any Qualified Provider
BCIS	Building Cost Information Service
BIM	Building Information Modelling
BREEAM	Building Research Establishment Environmental Assessment Methodology
CAAS	Compliance Assessment and Analysis
CCG	Clinical Commissioning Group
CDM	Construction (Design and Management) Regulations
CEO	Chief Executive Officer
CIA	Capital Investment Appraisal
CIP	Cost Improvement Programme
CMA	Competition and Markets Authority
COSHH	Control of Substances Hazardous to Health
CQC	Care Quality Commission
CQUIN	Commissioning for Quality and Innovation
CRG	Clinical Reference Group
CSF	Critical Success Factor/s
CT	Computed Tomography
DH	Department of Health
DQI	Design Quality Indicator
ED	Emergency Department
ENT	Ear Nose and Throat
EOI	Expression of Interest
EPR	Electronic Patient Record
ERIC	Estates Return Information Collection
GMP	Guaranteed Maximum Price
HBN	Health Building Note
HLIP	High Level Information Pack
HMT	Her Majesty's Treasury
HPCG	Health Premises Cost Guides
HSCIC	Health and Social Care Information Centre, also known as NHS Digital
HTM	Health Technical Memoranda

Full Business Case for Weston Villages Primary Care Development – BNSSG CCG

ICT	Information Communication and Technology
MEP	Mechanical, Electrical and Plumbing design
MHRA	Medicines and Healthcare products Regulatory Agency
MRI	Magnetic Resonance Imaging
MRSA	Methicillin-resistant Staphylococcus aureus: a gram-positive bacterium responsible for several difficult-to-treat infections
MSP	Managing Successful Programmes
NAO	National Audit Office
NEC	New Engineering Contract
NEPT	Non-Emergency Patient Transport
NHSE	NHS England
NHSI	NHS Improvement
NHSP	New-born Hearing Screening Programme
NICE	National Institute For Health and Clinical Excellence
NQA	National Quality Authority
OBC	Outline Business Case
OGC	Office of Government Commerce
OJEU	Official Journal of the European Union
OPD	Outpatient Department
P22	Procure 22
PEP	Project Execution Plan
PID	Project Initiation Document
PLACE	Patient-Led Assessments of the Care Environment
PMI	Project Manager’s Instruction
PPE	Personal Protective Equipment
PRINCE2	PRojects IN Controlled Environments: a structured project management method
PSCP	Principal Supply Chain Partner
PUBSEC	Public Sector Price and Cost Indices
RDS	Room Data Sheets
RICS	Royal Institute of Chartered Surveyors
RPA	Risk Potential Assessment
RTT	Referral To Treatment
SBD	Secured By Design
SLA	Service Level Agreement
SOC	Strategic Outline Case
SOF	Single Oversight Framework (NHSI)
SOFP	Statement of Financial Position



SRO	Senior Responsible Officer
STP	Sustainability and Transformation Plan / Partnership
SWOT	Strengths, Weaknesses, Opportunities, Threats
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
VFM	Value for Money
WHO	World Health Organisation

## Executive Summary

### Overview

This Full Business Case (FBC) has been developed following full approval of the Outline Business Case (OBC) in January 2019 and has been submitted by the Senior Responsible Officer for the Weston Villages project and is noted to be fully supported and subsequently approved by the BNSSG CCG Board.

Originally an ETTF allocation for a collection of schemes in Weston was approved in principle of £3,579,250 following OBC approval in January 2019 against which £136,636 was spent on Central Weston, Weston & Worle SOC and Worle OBC with a further sum of £203,728 on developing the Weston Primary Care Transformation Programme. These sums have been deducted leaving a net ETTF allocation of £3,238,886 available to progress the Weston Villages scheme to Full Business Case and delivery. For the purposes of this FBC, this sum represents the starting point for this project excluding previous ETTF allocations of £340,364 which were spent on other developments in Weston and are not considered further in this business case.

Taking this starting point of £3,238,886 of the original grant in respect of Weston Villages the CCG has submitted change requests for £420,000 in relation to lifecycle costs (commuted sum) and £10,500 for SDLT costs and a further request for £119,000 to extend the commuted sum from 25 years to 30 years and other minor adjustments making a total ETTF bid of **£3,788,386** which has been approved

Final approval is therefore sought for an ETTF grant of **£3,788,386 in respect of the Weston Villages scheme of which £2,550,625 plus VAT of £510,125 (if applicable) making a total of £3,060,750 (see table below)** is to be transferred to North Somerset Council (NSC) as part of a section 2 agreement in respect of construction and project costs to build a health and wellbeing centre on the Parkland Villages site in Weston Super Mare and formal approval by NHSE of funding through ETTF contributions based on a demonstration of affordability and achievability. The ETTF funding is also supplemented by Section 106 land and development grants of circa £1,714,520. See table below which summarises the funding available.

#### *ETTF and Section 106 allocations*

	£	Notes
Original ETTF allocation (for Weston Villages only)	£3,238,886	
Additional ETTF grant approved	£430,500	£420,000 incl VAT commuted sum for NSC Landlord repairs £8,000, for Stamp Duty Land Tax, £2,500 other fees
Further grant to allow for commuted sum period to match initial lease/rent free period and other minor adjustments	£119,000	Based on DV assessment of £85,000 plus VAT
Total ETTF funding approved	£3,788,386	
Draw down to date (Total draw down to date £977,000 of which £340,364 related to Central Weston/Worle OBC)	£636,636	£136,636 – 2017/18 £500,000 – 2019/20

ETTF grant remaining	£3,151,750	£91,000 to be retained for CCG fees post FBC plus SDLT – see section 4.4) Section 2 transfer to NSC of £2,550,625 plus VAT of £510,125 (if required) = £3,060,750
Section 106 allocation	£1,714,520	See breakdown section 1.10.1
Total funds available ETTF/S106	£5,502,906	

NSC understand that the ETTF grant is fixed and that the NHS does not have the ability to increase this allocation to meet any increase in budget arising after the final market testing process that has been completed. This has been clearly set out in the Executive briefing paper approved on 5<sup>th</sup> February (see *Appendix A3*). The total project cost is £5,502,906 including VAT payment required on the Section 2 ETTF transfer sum as set out in the table below.

*Total Project Costs*

	£
Total Capital Cost (see table 15)	4,341,783
Non Recurrent Revenue - pre project costs (see table 17)	215,998
Commuted Sum	435,000
VAT payable by NHS on S2 agreement	510,125
Total Project Cost	5,502,906

After deducting the total ETTF allocation of £3,788,386 this leaves a balance of £1,714,520 to be funded from S106 monies. NSC has confirmed that they will manage any further increases in cost following business case approval from other Section 106 monies available to them. This has been further supported by a letter from the 151 officer of the Council confirming that any cash flow challenges from deferred Section 106 payments will be managed by the Council from wider Section 106 monies (see *Appendix A6*)

A draft FBC was submitted to NHSE Panel on 17th March where NHS E confirmed its ongoing support for this scheme subject to the following conditions (see *Appendix A7*.)

1. Planning Determination – Planning permission 19/P/2950/FUL was granted on 23<sup>rd</sup> April 2020 (see *Appendix T*).
2. Public Consultation and Locking Village Surgery – The draft Communications and Engagement Plan has been prepared in consultation with the CCG and GP Provider (see *Appendix U*).
3. Locking Village Surgery – It is the intention of the Longton Grove Medical Practice to close the Locking Village Surgery following the opening of this new facility and the financial assessment in the FBC is based upon this assumption. The closure is of course not predetermined though and will be dependent on the outcome of the engagement and consultation exercise that will be undertaken.

4. Product Design – The Stage 4 design has been submitted to the Pick Everard technical team for review.
5. Legal Agreement – an updated Legal Pack can be found in Appendix N
6. Support from the GP Practices – the GP Letter of Support can be found in Appendix A5
7. CFO Approvals Process – CFO sign off is scheduled for 2<sup>nd</sup> December 2020
8. Financial Reconciliation – the economic and financial case have been updated to reflect the outturn costs following completion of the Stage 4 market test exercise. The Stage 4 cost plan has been reviewed by Pick Everard, the Cost Advisor for the project. (See Appendix R).

This new primary care facility is required to address the challenges of the rapidly growing population that is expected to rise by up to 20,000 from 2016 to 2026. The increased population is expected to be concentrated around the Parkland Villages developments and will therefore impact on the GP practices closest to those developments.

This FBC has been produced using the agreed standards and Five Case model format for business cases, as set out in guidance provided by NHS England. The following chapters are addressed:

- The **Strategic Case** – sets out the strategic context and the case for change, together with the supporting investment objectives for the scheme.
- The **Economic Case** – presents the robust option appraisal process followed and the selected choice for investment which best meets the existing and future needs of services and optimises value for money.
- The **Commercial Case** – outlines the content and structure of any commercial aspects of the project.
- The **Financial Case** – assesses the affordability and proposes the funding arrangements of the preferred option.
- The **Management Case** – explains processes and procedures that have been put in place which will enable the scheme to be delivered successfully in terms of quality, cost and time.

### Changes in Scope since the OBC

The ownership and development model now proposed is a change from that which had been previously proposed, that the Winscombe and Banwell Family Practice be the owner, developer and service provider of/from the new building. This change was a result of NHSE not securing changes to the Premises Cost Directions, the NHS rules and regulations that govern this type of development, they had hoped to achieve, i.e. to allow a GP owned building to be supported with a 100% grant, rather than being capped at 66%. As an alternative, NHSE proposed a collaboration with the local authority and undertake the development through a Section 2 agreement with them. This alternative development model was proposed in the previous OBC but was a late change and the implications were still being considered by the Winscombe and Banwell Family Practice.

The closure of Banwell was less appealing to the practice if they would only be a tenant of the new building rather than the owner. Further to this, the practice raised the issue of a potential “gap” of circa £200k between the valuation of the Banwell building on their books and if sold on the open market, and that this would constitute a financial loss to them that they would seek “compensation” for from the CCG.

In May 2019, a paper was taken to a closed session of the Primary Care Commissioning Committee (PCCC) setting out the preferred option of developing the FBC on the basis of keeping Banwell open and proposed

the preferred option of the closure and relocation of the Locking Village branch of Longton Grove to Parklands Village.

Pier Health Group is the recently established Super Partnership has formed the PCN including 10 GP practices with a combined list size of over 109,000 patients. The Longton Grove practice is part of this Super Partnership and PCN.

In August 2020, NSC advised that the Section 106 contribution from the Meads Realisation will increase to the full and final figure of £653,339 instead of the reduced sum of £250,000 advised in the previous draft FBC. See table 5 for full Section 106 allocation.

### Strategic Context

The strategic drivers for this scheme are fully aligned with a clear clinical evidence base and support for proposals from commissioners and the wider national strategies including the NHS Long Term Plan and Five Year Forward View, the regional strategies of BNSSG STP, and the local strategies of the PCN for integrated service delivery across primary care. The proposal also meets the strategic need for service change in that it meets the consistency with the current and prospective need for patient choice and plans for public and patient engagement in the final design proposals.

Through consolidation and expansion of the footprint for Primary Care in Weston Super Mare, starting with Weston Villages, the services will be enabled to:

- Optimise the local GP practice estate to best meet the population need within the resources available;
- Provide added benefits of the new development including options for delivery of new services and extended multi-professional working;
- Deliver increasing access to primary care appointments including extended hours of operation in line with improved access across the BNSSG footprint;
- Deliver collaborative working arrangements across Pier Health PCN and the wider locality to provide care to an agreed set of standards, using a common set of pathways, and resulting in a consistent set of outcomes;
- Deliver shared back-office functions and shared telephony and IT systems to enable practices to take advantage of economies of scale where appropriate, reduce costs and improve services;
- Deliver improved patient communications to drive the required uptake of prevention and self-care options which in turn will lead to a reduction in GP workload;
- Deliver improved workforce demand and capacity planning and more innovative workforce staffing models and cross-organisational career paths for staff.

### Benefits and Objectives

The strategic objectives for this project are to develop primary care capacity to respond to the needs of the growth in the local community that is being driven by the housing developments, whilst at the same time providing replacement estate for the low quality local branch surgery at Locking Village. The specific and measurable investment objectives for this project are as follows:

- The development must support delivery of sustainable estate in primary care;
- The development should support delivery of sustainable community services;
- The development should make the best use of public estate;

- The development should improve patient experience to improve quality of care;
- The development must be achievable within the ETTF timeframes.

Agreed benefits criteria at OBC stage have informed the investment objectives for this project and a qualitative options appraisal was carried out that compared the two preferred options for Weston Villages. The results of this demonstrated that Option 1 (Long list option 3) to build the smaller two storey building that could be expanded at a future date (total GIA 1151m<sup>2</sup>), best met the agreed investment objectives at this time. The subsequent re-forecasted patient demographics continue to support this preferred option.

There are a number of added clinical benefits enabling measurement of improved outcomes and patient experience. There are also a number of associated benefits, such as more integrated working and other health service needs that are supported and will be delivered as a result of this investment. The detailed benefits realisation plan can be found in section 5.19.

### Stakeholder Engagement

In order to set the clinical and service priorities that have led to the scheme design and objectives detailed engagement has taken place with the service stakeholders across primary and community provision. A Communications Strategy has also been developed by the CCG's Communications and Stakeholder Engagement Team in order to provide communication for local people within Weston village and for surrounding local practices. Following agreement of the preferred option this team understood a programme of engagement to identify the key stakeholder groups and any key messages that need to be shared at key milestones for the project.

The Communications Lead for the BNSSG CCG attends the Project Board meetings and is in direct liaison with the Council's Communications Officer to ensure that all stakeholder communication is co-ordinated and managed appropriately.

### Preferred Option

This list of options was reviewed in a number of clinical forums, and had also been subjected to a technical appraisal with full 6 facet surveys of neighbouring GP practices completed to determine alternative options and impact relating to current site constraints and requirements of the building.

The options were also assessed against a set of agreed investment objectives to review their suitability for shortlisting. The investment objectives were developed with a range of key stakeholders and aligned to Bristol, North Somerset and South Gloucestershire CCG strategic objectives to:

- Improve the resilience and sustainability of General Practice to transform opportunities for new ways of working.
- Development of a proposed infrastructure for health and care for the new housing development and resultant population increase across Weston.

Two short listed options were identified for the Weston Villages site were further considered within the OBC and a recommended final option taken forwards for FBC approval.

The two shortlisted options were appraised against the benefit and investment criteria to establish the recommended preferred option;



- **Long list Option 3 – Smaller Building** - Build a two storey building with a GIA of 1151 m2 that can be expanded at a future date if required.

The preferred option is a smaller two storey building that includes a number of consultation and examination rooms. This has been subject to detailed discussions with the GP end user leading to the sign off of the agreed Schedule of Accommodation shown in section 2.7.

The rooms are designed for multi-purpose use that can be re-organised to suit changing health care needs of the local population. The main staff facilities are on the first floor including a number of meeting rooms, office space and shared office facilities. There is an education facility to support GP trainee requirements and nurse/support staff education and support.

Complex negotiations have been held with Homes England and St Modwen, the housing developer for the Parkland Villages scheme requiring the Section 106 transfer of land for the GP facility. These were concluded in October 2019 with approval of the preferred site enabling detailed design to commence. Full details on this can be found in Section 2.8.

Outline planning permission was granted (13/P/0997/OT2) for a health centre build and the final site has been agreed. Full planning application (19/P/2950/FUL) was granted on 23<sup>rd</sup> April 2020.

#### Commercial Case

The proposed ownership and development model for the new facility is for North Somerset Council to become both the owner and developer of it.

St Modwen are required to undertake enabling and infrastructure works to the agreed site prior to its transfer to NSC, which are underway and due to be completed by December 2020.

NHSE will transfer ETTF Capital in the sum of £3,060,750 including VAT (if applicable) to NSC under a Section 2 agreement in 3 tranches with the first payment on 1<sup>st</sup> April 2021. NSC in turn will deliver the building and provide it for use as a health facility. The main works contract will commence in January 2021 with a forecast project completion date of December 2022. A detailed cashflow will be carefully monitored to ensure that all ETTF monies are expended within the agreed deadline of March 2022. NSC will also be the beneficiary of the various S106 monies totalling £1,714,520.

The total project costs are circa £5,502,906 (based upon latest Stage 4 Cost Plan mentioned above and including VAT (payable on the Section 2 transfer sum) which includes the balance of the Section 106 monies allocated to this project. As previously stated, NSC understand that the ETTF grant is fixed and any cost overspend will be managed from wider Section 106 monies available to them (see confirmation letter *Appendix A1*).

The completed building will be leased from NSC to the end GP tenant for 25 years with an option to extend the lease for a further 20 years, of which the first 5 years will be rent free. The final draft Agreement for Lease can be found in the Legal Pack in Appendix N. In return for the capital ETTF contribution, NSC will grant a total rent-free period of 30 years, as recommended by the District Valuer.

The completed building will be leased to the GP's on the basis of a tenant's internal repairing obligation. Included within the Section 2 transfer payment is a Commuted Sum which is required to provide sufficient funds to enable NSC to discharge its Landlord's Repairing obligation during the rent-free period in the sum of



£522,000 including VAT. This was subject to two separate change requests which were approved in February 2020/November 2020 by NHSE from within the updated ETTF allocation of £3,788,386.

NSC procured a Feasibility Study through Willmott Dixon, the appointed contractor, in July 2019 and has confirmed that they consider that the proposal is commercially feasible and deliverable. NSC Executive approved the recommendations of a paper on 5<sup>th</sup> February which included the principle that the ETTF grant is a fixed sum and therefore any overspend on the construction costs will be managed from the remaining available Section 106 monies allocated to this development but also from the wider Section 106 fund held by NSC if required. This arrangement is reflected in the risk share matrix.

- The Council identified Willmott Dixon as the preferred contractor, procured through its Procurement Hub Framework Agreement, as it is not only familiar with site conditions but also has experience in working with the public sector and delivering health schemes. It was deemed that procurement through a framework agreement was the most suitable way to proceed with this project in order to meet the time ETTF expenditure timeframe.

### Financial Case

Since approval of the Outline Business Case – considerable work has been undertaken in conjunction with NSC to firm up building requirements to meet the needs of a rapidly growing local population and for the local authority to provide more accurate capital costs to construct the new GP premises.

Capital costs have been based on a spatial requirement of 1023 sqm for option 1 and 1584 sqm for option 2 (Option 1 being the preferred option.)

Using the Cost Plan information (shown in *Appendix R1*) capital costs have been estimated for both options i.e. £4,341,783, for option 1 and £6,722,761 for option 2 as per the table below. These figures largely exclude VAT (except for £2k in respect of £15k of the fees)

*Summary of capital costs*

<b>Capital Costs</b>			
<b>Option 1 - Smaller Building</b>		<b>Option 2 - Larger Building</b>	
GIA	1023	GIA	1584
Sq m cost	£4,244	Sq m cost	£4,244
Construction cost (inc design fees)	2,810,442	Construction Cost	4,351,652
On costs	652,826	On costs	1,010,827
Fees included in cost plan	420,638	Fees included in cost plan	651,310
Sub total as per cost plan	3,883,906	Sub total as per cost plan	6,013,790
Other fees	31,049	Other fees	48,076
NSC Remaining Fees	154,286	NSC Remaining Fees	238,894
CCG Remaining Fees	83,000	CCG Remaining Fees	128,516
CCG SDLT	8,000	SDLT	12,387
Equipment	-	Equipment	-
Contingencies	181,542	Contingencies	281,097
Sub Total	4,341,783	Sub Total	6,722,761
Optimism Bias		Optimism Bias	
<b>Total</b>	<b>4,341,783</b>	<b>Total</b>	<b>6,722,761</b>

In addition to the capital costs, additional non recurrent revenue costs have been incurred in respect of pre-project costs in respect of business case preparation and fees plus Stamp Duty Land Tax which will be incurred by the GP practice on setting up the premises lease and application has been made for an additional ETTF grant to cover this sum.

VAT will be payable on the Section 2 transfer subject to formal clarification with HMRC. An additional cost of £510,125 has been allowed for VAT.

*Non-Recurrent Revenue Costs*

<b>Non recurrent revenue</b>	
Pre project costs 2017/18	136,636
Pre project costs 2018/19	-
Pre project costs 2019/20	500,000
Less Design Fees incl in Capital	(420,638)
<b>Total</b>	<b>215,998</b>

The £91,000 figure above will cover the CCG for client-side project support, GP Technical Advisors, IT consultancy and SDLT required during the construction phase and so will be retained from the ETTF monies plus a small number of minor adjustments

All fees planned to be incurred post FBC have been charged against capital

The recurrent revenue costs of the new surgery for each of the options has been calculated based on the following:

- Rent – as per the DV interim report of 19<sup>th</sup> October 2020 plus VAT
- Rates – based on Valuation Office formula utilising DV rental as basis and 2020/21 rate poundage

- Water – based on sqm of buildings using average rate for similar buildings
- Rent rebate – as per the DV interim report of 19<sup>th</sup> October 2020.

The rent rebate of £249,580 which is 100% of the rental payments has been calculated by the DV to cover the first 30 years of occupation and is to offset the fact that the majority of the capital costs are being met from the NHS ETTF grant. This sum includes VAT which NSC will be required to charge as they have opted to recover VAT costs incurred during construction.

Using these assumptions, the following recurrent revenue costs have been calculated

*Recurrent revenue costs of options*

<b>Option 1 - Smaller Building</b>	<b>£</b>	<b>Option 2 - Larger Building</b>	<b>£</b>
GIA	1,023	GIA	1,584
Rent	249,580	Rent	386,446
Rates	97,090	Rates	150,333
Water	3,710	Water	5,745
<b>Total</b>	<b>350,380</b>	<b>Total</b>	<b>542,524</b>
Less Locking	(4,400)	Less Locking	(4,400)
Less Rent Rebate (100%)	(249,580)	Less Rent rebate (73%)	(249,580)
<b>Total</b>	<b>96,400</b>	<b>Total</b>	<b>288,544</b>

In net terms, therefore, the new GP surgery will incur an additional revenue cost to the CCG in terms of premises cost re-imburements of £96,400. There is the potential to mitigate this recurrent revenue pressure by sub-letting areas of the first floor of the new building that are unlikely to be required by the GP's until the forecasted house building is completed in 8-10 years' time.

**Management Case**

This scheme is a key estates project for Bristol, North Somerset and South Gloucestershire (BNSSG) and sits within a portfolio of projects as part of an Estates Strategy. These were set out in the Strategic Outline Plan and Options Appraisal for the project which were agreed in December 2017.

The project is required to enable the expenditure of the ETTF monies by March 2022. This timeline is predicated on meeting key submission and approval dates to BNSSG CCG Board, NSC Executive Board and to NHSE in order to meet with the national timeframes for ETTF funding approval and allocation.

The key project milestones are set out below:-

*Key project milestones*

<b>Key Project Milestone</b>	<b>Week commencing/Date</b>
Submission of planning application	25.11.2019
NSC Land & Legal Executive Paper	05.02.2020
Draft FBC submitted to NHSE	17.02.2020

Key Project Milestone	Week commencing/Date
PCCC meeting (closed)	25.02.2020
Planning application approval	23.04.2020
Final FBC submitted to NHSE	14.10.2020
NHSE panel Approval of FBC	09.11.2020
PCCC meeting (open)	24.11.2020
CFO sign off	02.12.2020
NSC Delegated Approval: Contract Award	02.12.2020
St Modwen mobilisation: enabling works	December 2020
Mobilisation of contractor on site	December 2020
Construction Period	January 2021
Transfer of funds from NHSE to NSC (1 <sup>st</sup> tranche)	April 2021
Project Completion	December 2021
ETTF Expenditure Deadline	March 2022

Under a partnership framework NSC will take responsibility for final technical design and construction of the project, although the CCG, and GP end tenant have been and will continue to be involved in the design process and have sign off authority on the final design.

Over the course of developing this business case, senior stakeholders across these work streams, and the boards of each organisation, have been fully engaged in each iteration of the scheme. Leaders within the CCG and NSC are fully supportive of the FBC outlined here and will continue to be engaged through the governance structure outlined in the detailed Management Case.

The Governance structure has a partnership approach with an overall objective to provide effective leadership and governance arrangements that ensure the interdependencies between the different programmes within the STP will be defined and managed.

In summary;

The table below summarises the ETTF and Section 106 allocations for this scheme.

*ETTF and Section 106 allocations*

	£	Notes
Original ETTF allocation (for Weston Villages only)	£3,238,886	
Additional ETTF grant approved	£430,500	£420,000 incl VAT commuted sum for NSC Landlord repairs £8,000, for Stamp Duty Land Tax, £2,500 other fees
Further grant to allow for commuted sum period to match initial lease/rent free period and other minor adjustments	£119,000	Based on DV assessment of £85,000 plus VAT
Total ETTF funding approved	£3,788,386	
Draw down to date	£636,636	£136,636 – 2017/18

(Total draw down to date £977,000 of which £340,364 related to Central Weston/Worle OBC)		£500,000 – 2019/20
ETTF grant remaining	£3,151,750	£91,000 to be retained for CCG fees post FBC plus SDLT – see section 4.4) Section 2 transfer to NSC of £2,550,625 plus VAT of £510,125 (if required) = £3,060,750
Section 106 allocation	£1,714,520	See breakdown section 1.10.1
Total funds available ETTF/S106	£5,502,906	

- Approval is sought for a total ETTF grant of **£3,788,386 in respect of the Weston Villages scheme of which £3,060,750 including VAT (if applicable)** is to be transferred to North Somerset Council (NSC) in respect of the S2 grant to build a health and wellbeing centre on the Parkland Villages site in Weston Super Mare.
- This new primary care facility is required to address the challenges of the rapidly growing population across Weston and Worle that is expected to rise by up to 20,000 from 2016 to 2026.
- The preferred option is a smaller two storey building that includes a number of consultation and examination rooms.
- The completed new premises will leased to the GP end tenant on a rent free period of 30 years on the basis of a Tenant’s Internal Repairing obligation.

# 1 The Strategic Case

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## 1.1 Approvals and Support

This full business case (FBC) has been developed following full approval of the Outline Business Case (OBC) in January 2019 and has been submitted by the Senior Responsible Officer for the Weston Villages project and is noted to be fully supported and will be subsequently submitted for approved by the BNSSG CCG Governing Body.

Originally an ETTF allocation was approved in principle of £3,579,250 following OBC approval in January 2019 against which £136,636 was spent on Central Weston, Weston & Worle SOC and Worle OBC with a further sum of £203,728 on developing the Weston Primary Care Transformation Programme. These sums have deducted leaving a net ETTF allocation of £3,238,886 available to progress the Weston Villages project to Full Business Case and delivery. For the purposes of this FBC, this sum represents the starting point for this project excluding previous ETTF allocations of £340,364 which were spent on other developments and are not considered further in this business case.

Taking this starting point of £3,238,886 of the original grant in respect of Weston Villages the CCG has submitted change requests for £420,000 in relation to lifecycle costs (commuted sum) and £10,500 for SDLT costs and a further request for £119,000 to extend the commuted sum from 25 years to 30 years and a small number of minor updates making a total ETTF bid of **£3,788,386** which has been approved

A draft FBC was submitted to NHSE Panel on 17th March where NHS E confirmed its ongoing support for this scheme subject to the following conditions (see Appendix A7.)

1. Planning Determination – Planning permission 19/P/2950/FUL was granted on 23rd April 2020 (see Appendix T).
2. Public Consultation and Locking Village Surgery – A Communications and Engagement Plan has been prepared in consultation with the CCG and GP Provider (See Appendix U).
3. Locking Village Surgery – It is the intention of the Longton Grove Medical Practice to close the Locking Village Surgery following the opening of this new facility and the financial assessment in the FBC is based upon this assumption. The closure is of course not predetermined though and will be dependent on the outcome of the engagement and consultation exercise that will be undertaken.
4. Product Design – The Stage 4 design has been submitted to the Pick Everard technical team for review.
5. Legal Agreement – an updated Legal Pack can be found in Appendix N
6. Support from the GP Practices – the GP Letter of Support can be found in Appendix A5
7. CFO Approvals Process – CFO sign off is scheduled for 2nd December 2020
8. Financial Reconciliation – the economic and financial case have been updated to reflect the outturn costs following completion of the Stage 4 market test exercise. The Stage 4 cost plan has been reviewed by Pick Everard, the Cost Advisor for the project. Their VFM Report can be found in Appendix R.

Approval is therefore sought for an ETTF grant of **£3,788,386 in respect of the Weston Villages scheme of which £3,060,750 including VAT (if applicable)** is to be transferred to North Somerset Council (NSC) under a section 2 agreement to build a health and wellbeing centre on the Parkland Villages site in Weston Super Mare and formal approval by NHSE of funding through ETTF contributions based on a demonstration of affordability and achievability. The ETTF funding is also supplemented by Section 106 land and development grants of circa £1,714,520.

NSC understand that the ETTF grant is fixed and that the NHS does not have the ability to increase this allocation to meet any increase in budget arising from the final market testing process that is to be completed in April 2020. This has been clearly set out in the Executive briefing paper approved on 5th February (see *Appendix A3*). NSC has confirmed that they will manage any increases in cost from other Section 106 monies available to them.

An additional ETTF sum of £430,500 has been approved made up of:

- £420,000 incl VAT to provide a Commuted Sum to NSC to enable them to discharge their Landlord's Repairing obligations during the agreed 30 year rent free period;
- £10,500 for Stamp Duty Land Tax payment re-imburement to the GPs.

A further ETTF allocation of £119,000 was approved in November 2020 to allow the commuted sum to be extended from 25 to 30 years to match the rent free period and a small number of minor updates.

The table below summarises the ETTF and Section 106 allocations for this scheme.

*Table 1 - ETTF and Section 106 allocations*

	£	Notes
Original ETTF allocation (for Weston Villages only)	£3,238,886	
Additional ETTF grant approved	£430,500	£420,000 incl VAT commuted sum for NSC Landlord repairs £8,000, for Stamp Duty Land Tax, £2,500 other fees
Further grant to allow for commuted sum period to match initial lease/rent free period and other minor adjustments	£119,000	Based on DV assessment of £85,000 plus VAT
Total ETTF funding approved	£3,788,386	
Draw down to date (Total draw down to date £977,000 of which £340,364 related to Central Weston/Worle OBC)	£636,636	£136,636 – 2017/18 £500,000 – 2019/20
ETTF grant remaining	£3,151,750	£91,000 to be retained for CCG fees post FBC plus SDLT – see section 4.4) Section 2 transfer to NSC of £2,550,625 plus VAT of £510,125 (if required) = £3,060,750
Section 106 allocation	£1,714,520	See breakdown section 1.10.1
Total funds available ETTF/S106	£5,502,906	



## NSC Approval

NSC has submitted two papers to its Executive Board at key milestones in the project which provided key stage approvals in September 2019 and February 2020. NSC has undertaken to provide a formal letter of support to the project but has provided an interim letter of support from the Head of Major Projects which can be found in *Appendix A1* along with the full Executive Board papers summarised above (Appendices A2 and A3). This has been further supported by a letter from the 151 officer of the Council confirming that any cash flow challenges from deferred Section 106 payments will be managed by the Council from wider Section 106 monies (see Appendix A6).

## BNSSG CCG Approval

This draft FBC was presented to the Primary Care Commissioning Committee (PCCC) (closed session) on 25 February 2020 for approval.

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*Extract from 25 February 2020, PCCC Closed Session minutes, re Parklands Village:*

### **05 - Weston Parkland Villages Full Business Case**

ML declared an interest in this item and left the meeting.

Tim James (TJ) noted the business case was still in draft form as the team were market testing the final cost quoted by the builders. The final draft business case would be presented to the April PCCC meeting. The current draft would be submitted to the ETTF panel in March and the Committee were asked to support the plans in principle.

TJ gave the background to the project noting the new homes being built in the area. It was noted that to reduce costs the staff at Longton Grove would be providing the services. The planners had met with the staff at Longton Grove to discuss design and to discuss the changes to the building boundaries. The number of parking spaces has been reduced to allow for a dedicated entrance to the practice. This has resulted in a change of entrance canopy height and a public notice with these changes would need to be issued, this would result in an additional 2 week approval process.

TJ reported that the section 2 agreement needed to be agreed between North Somerset Council and NHS England (NHSE). As the building has been funded by the NHS and would provide commercial opportunities for the council, NHSE have asked that the building be provided rent free for a number of years. The current suggestion was 25-30 years.

The CCG were negotiating on the cost of repairs and maintenance which would amount to 5% of the rent and would need to be paid despite the rent-free period. NHSE support an upfront, lump sum payment to the council. TJ outlined the approach to VAT noting that the CCG would be paying VAT on rent and not the construction costs. This approach was with NHSE for approval.

TJ noted that the housing developers would be granted access to prepare the land in April/May with the building contract beginning in June for a 12-month construction. The expectation was that the building would be ready for use in 2021.

Although the CCG would be saving financially on rent, business rates of £97k per year would still need to be paid. Consideration has been made on how this cost pressure can be mitigated and included asking the council for a discount and considering offering space in the building to other organisations.

FF highlighted the high environmental sustainability credentials and asked about transport links to the building. TJ confirmed that there would be a bus stop on the site but as the site was currently a field this had not yet been discussed in detail.

The committee discussed the floorplans and noted that the layout looked inflexible for other purposes such as community services and group consultations and some of the rooms appeared small. TJ noted that the design had been developed by the GPs who would be operating the building. The Committee asked that consideration be taken to the future proofing of the building and the size of the space and requested that these comments were included as part of the business case. It was asked that the feedback on these considerations was fed back to the Committee in April.

David Moss (DM) asked whether consideration had been given to development of a pharmacy on the site. TJ suggested that NHSE would not have the budget to consider this.

AM noted that the risks all related to the building and asked whether recruiting work force would be an issue. TJ explained that the plan was to close an existing building and move the staff over to the new building.

The Primary Care Commissioning Committee supported the draft full business case and its submission to NHS England for conditional approval under the condition that the concerns regarding future proofing and size were included and considered.

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It is intended that this final FBC document will be presented to the PCCC open session on 24 November 2020. The CCG Letter of Support has been provided in Appendix A4.

### GP Approval

Pier Health Partnership, established in July 2019 is a super-partnership and PCN consisting of ten GP practices in Weston super Mare, including Longton Grove Practice. It is proposed that the Locking Village branch surgery of the Longton Grove practice will relocate to this new GP facility upon completion.

Partners at Longton Grove and Pier Health Partnership have been fully engaged in the design and development proposals and their letter of support can be found in Appendix A5.

## 1.2 Rationale and objectives

There is a clear rationale for this scheme which demonstrates a number of strategic objectives to meet full alignment with the wider strategies of the BNSSG Healthier Together Sustainability and Transformation Plan (STP) and more recently to meet the key requirements of the NHS 10-year plan for development of integrated services across primary, community and local authority care. In March 2017, the former North Somerset CCG (now incorporated into BNSSG CCG) identified the need to assess the potential estate requirements to ensure they continue to meet primary care needs in the Weston area.

The programme of investment was initiated as a result of the Clinical Commissioning Group successfully securing circa £3.5 million Estates and Technology Transformation funding (ETTF) to address the challenges of the rapidly growing population that is expected to rise by up to 20,000 from 2016 to 2026. The increased population is expected to be concentrated around the Weston Villages developments and will therefore impact on the GP practices closest to those developments. The ETTF funding is also supplemented by Section 106 development grants of £1.714,520 million for the development of a health facility on Parklands Village.

The total project costs are estimated at £5,502,906 (based upon latest Stage 4 Cost Plan mentioned above and including VAT) including the balance of the Section 106 monies allocated to this project to provide additional project contingency.

NSC will also have access to wider Section 106 monies to cover any increase in costs as it is fully understood that the ETTF grant is a fixed sum and there is no additional money available from the NHS to support this development.

### 1.2.1 Objectives for the proposed investment

Stakeholder workshops were held at OBC stage to evaluate the objectives and benefits associated with the options available for this investment. The key benefits were agreed using SMART objectives to assess that they are specific, measurable, achievable, relevant and time-bound. The agreed objectives are that the investment:

- Creates a sustainable, high quality and compliant premises to use as a base for general practice and for integrated primary and community care delivery in an area of significant population growth.
- The objective of the additional premises will support the capacity needed across Weston and ease the current overcrowding in neighbouring premises.
- Supports workforce development, recruitment and retention for GPs in Weston by facilitating an increase in the number of GP and healthcare professional training practices.
- Drives service integration and collaboration to the benefit of the local population by providing a base for services that meet local need and can also host a range of visiting services as a back up to integrated, collaborative health provision.
- Meet all national and local strategic objectives to support integrated care including – GPFV, NHS Long Term Plan PCN developments, the Naylor Report and Carter Review and Healthier Together objectives for the development of integrated care partnerships.
- Provides additional capacity to accommodate growth of patient registrations in the Weston Villages development and supports locality plans for implementation of new models of care across an integrated care partnership from 2021
- Provides value for money in the longer term through efficient and cost-effective premises that can be open for longer, provide high standard of accommodation for community health and social care delivery and overall capacity to provide primary care at convenient times for patients.

The strategic objectives for this project are to develop primary care capacity to respond to the needs of the growth in the local community that is being driven by the housing developments, whilst at the same time providing replacement estate for the low quality local branch surgery at Locking Village.

The specific and measurable investment objectives for this project are as follows:

*Table 2 - Specific project aims and objectives*

Specific Objective	Aims
The development must support delivery of sustainable estate in primary care	Provides the required space for primary care services in the locality based on population growth.
	Gives opportunity to reduce unscheduled hospital attendances and admissions
	The facility enables resilience and sustainability for primary care.
	Provides an estate that is fit for purpose and supports integrated IM&T services

Specific Objective	Aims
The development should support delivery of sustainable community services	<p>Enables the delivery of community services close to patients' home.</p> <p>Maximises the opportunity to work with other community providers and the voluntary sector</p> <p>Supports new pathways and early intervention for people with long term conditions</p>
The development should make the best use of public estate	<p>The facility gives the ability to deliver services by population and area</p> <p>Supports sustainability of primary and community services in North Somerset</p> <p>Provides a facility that has multiple and flexible use, supports extended access and can be shared between providers</p> <p>Enables collaboration between organisations, council, NHS and others</p>
The development should improve patient experience to improve quality of care	<p>Improves local community access to healthcare and health promotional activities</p> <p>Enables a range of clinical care and procedures to be delivered in estate that fit for purpose</p> <p>Enables seamless transition between services reducing unnecessary duplication</p>
The development must be achievable within the ETTF timeframes	<p>Provides a realistic solution to the estates priorities</p> <p>The development provides a solution that can be delivered within the ETTF programme timescales and within the required financial plan</p>

## 1.2.2 Project Benefits

The investment objectives as described above will be measured to ensure they deliver the high-level strategic and operational benefits. Agreed benefits criteria have informed the investment objectives for this project and are further expressed as follows:

- CRB = cash releasing benefits (e.g. avoided costs);
- Non-CRB = non-cash releasing benefits (e.g. staff efficiencies);
- QB = quantifiable benefits (e.g. achievement of targets);
- Non-QB = non-quantifiable or qualitative benefits (e.g. improvements in staff morale).

A qualitative options appraisal was carried out that compared the two preferred options for Weston Villages. The full options report prepared in January 2018 can be found in *Appendix B*.

The results of this demonstrated that Option 1 (Long list option 3) to build the smaller two-storey building that could be expanded at a future date, best met the agreed investment objectives at this time.

*Table 3 - Qualitative options appraisal Weston Villages*

Options	Preferred option	Total GIA	Overall Score	Rank
<b>Option 1 – Smaller building</b> <b>(Long list option 3)</b>	Build a two storey type building that can be expanded at a future date if required. 560 m2 existing requirement will be needed to enable a current small practice to occupy it allowing for additional capacity of 590 m2.	<b>1151m<sup>2</sup></b>	<b>44</b>	<b>1<sup>st</sup></b>

Options	Preferred option	Total GIA	Overall Score	Rank
<b>Option 2 – Larger building</b> <b>(Long list option 4)</b>	Build a large three storey facility on Parklands with the option of multiple use. 560 m2 existing requirement will be needed to enable a current small practice to occupy the building allowing for further additional capacity of 1024 m2.	<b>1584m<sup>2</sup></b>	<b>40</b>	<b>2<sup>nd</sup></b>

Agreed weightings were applied to each benefit criteria which resulted in the final weighted rankings being the same as the raw rankings i.e.

- Rank 1 - Preferred Option: Option 1
- Rank 2: Option 2

### 1.2.3 Clinical benefits

There are a number of added clinical benefits enabling measurement of improved outcomes and patient experience. Work has been undertaken between the CCG and the Pier Health Partnership Clinical and Practice Management Leads to quantify the clinical benefits resulting from this project, these include:

- Improved patient experience and access to integrated primary care
- Improved patient environment
- More efficient use of time and resources
- Improved staff morale and ease of recruitment and retention
- Increased opportunity for learning, development and training.

Currently patients moving into the Weston Villages new housing have to register with Practices outside the immediate area. The CCG expects to establish a trajectory for list size growth at the new Practice that reflects the demographic changes driven by local housing development and will agree access performance for the service.

### 1.2.4 Associated benefits

The investment and spending objectives are clearly linked to the associated benefits for the local population of Weston. This was demonstrated as part of the Weston Sustainability Programme from which the Commissioning Context for Weston, Worle & Villages (WW&V) locality was developed, which has subsequently become the Healthy Weston programme.

It is recognised that there are exciting opportunities in WW&V locality to transform local services in order to meet the changing needs of the local population in the delivery of personalised care, where services are easily accessible within an area of increasing need coupled with the plan for more integrated working to address a number of significant challenges around both clinical and financial sustainability. Improving General Practice (GP) retention and recruitment and increasing access to primary care services is a key priority and it is within this context that the current challenges of the increased demand for services and restricted options for growth need to be addressed.

## 1.3 Changes to the original scope or objectives

The proposal at OBC stage was for the closure of the Banwell branch of the Winscombe and Banwell Family Practice and relocating the service to Parklands Village.

The ownership and development model now proposed is a change from that which had been previously proposed that the Winscombe and Banwell Family Practice be the owner, developer and service provider of/from the new building. This change was a result of NHSE not securing changes to the Premises Cost Directions, the NHS rules and regulations that govern this type of development, they had said they would, i.e. to allow a GP owned building to be supported with a 100% grant, rather than being capped at 66%. As an alternative, NHSE proposed a collaboration with the local authority and undertake the development through a Section 2 agreement with them.

Whilst it wasn't the original preferred option, this model is thought to be a positive evolution and has a number of advantages. These include:

- This model is compliant with the NHSE Premises Cost Directions;
- NSC are an experienced developer and landlord;
- The model builds upon the strategic relationship between NSC and the CCG;
- The building will be kept within public ownership and provides best value;
- The Premises Cost Directions allow for a higher level of NHS grants (up to 100% of total build cost) to be used towards construction by Local Authorities than by GPs (up to 66%). This has reduced the ongoing revenue cost to the CCG as there is no longer a need to cover the cost of borrowing capital to cover the shortfall, as the ETTF and S106 grants will cover 100% of the cost of build.

At the time of the OBC, Winscombe and Banwell Family Practice had indicated that it was their intention to continue on the basis of the above. However, since that decision was taken, several contextual factors have changed, including the closure of Banwell being less appealing to the practice if they would only be a tenant of the new building rather than the owner. Further to this, the practice raised the issue of a potential "gap" of circa £200k between the valuation of the Banwell building on their books and if sold on the open market, and that this would constitute a financial loss to them that they would seek "compensation" for from the CCG.

This valuation difference is based on the amount they could achieve if the building were sold to a property investor on a "sale and lease back" basis with the GP practice and their resultant notional rent being guaranteed for the long term (the higher value), compared to the valuation of the building if it were to be sold on the open market, probably for redevelopment as a residential property (the lower value).

The closure of Banwell for the service to be located to Parklands Village would mean the practice could only achieve the lower value for the building, but would have to pay out retiring partners at the higher value, as that is how the building is valued in their partnership agreement. The practice had been content to absorb this potential loss if they became the owners of the new Parklands Village building, but the change of proposed owner led to them seeking recompense from the CCG which would reduce the revenue benefit to the CCG.

Further to this, since the original model of closing Banwell was determined, a long-term strategic housing delivery plan (Joint Spatial Plan (JSP)) had been developed by NSC in partnership with neighbouring local



authorities that proposed circa 2,000 new homes for Banwell. This will double the size of the population of the village and led to the CCG questioning the desirability of closing the Banwell building. In addition to the planned homes for Banwell, a further strategic housing development is planned for nearby Churchill with around 2.5k additional homes. Although this JSP is currently under review, it is still likely that additional new homes will be required in the Banwell and Churchill areas.

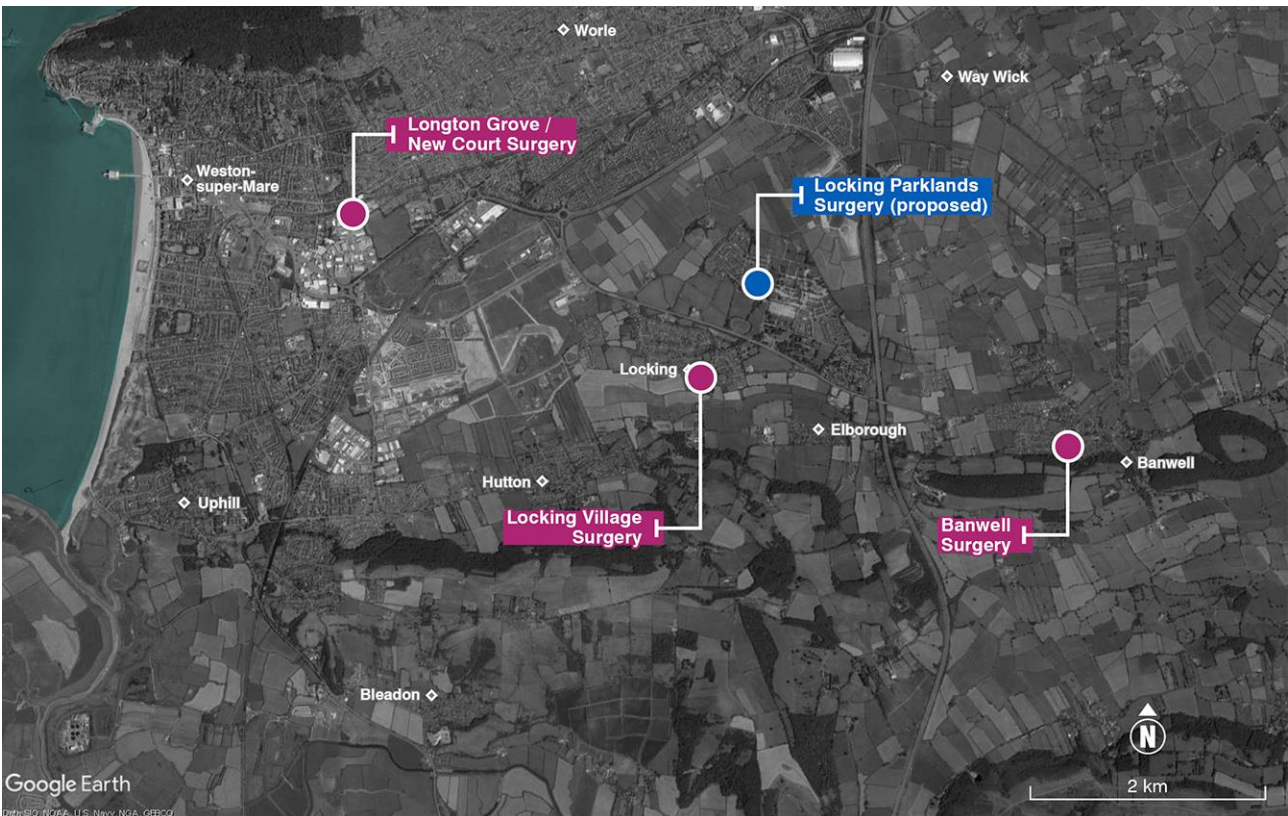
In May 2019, a paper was taken to PCCC setting out the preferred option of developing the FBC on the basis of keeping Banwell open and proposed the preferred option of the closure and relocation of the Locking Village branch of Longton Grove to Parklands Village.

Pier Health Partnership, established in July 2019 is a super-partnership and PCN consisting of ten GP practices in Weston super Mare, including Longton Grove Practice.

In August 2020, NSC advised that the Section 106 contribution from the Meads Realisation will increase to the full and final figure of £653,339 instead of the reduced sum of £250,000 advised in the previous draft FBC. See table 5 for full Section 106 allocation.

The original scope and objectives for this project, however, have not changed and the paper can be found in *Appendix C*.

Figure 1 - proposed site and existing locations map





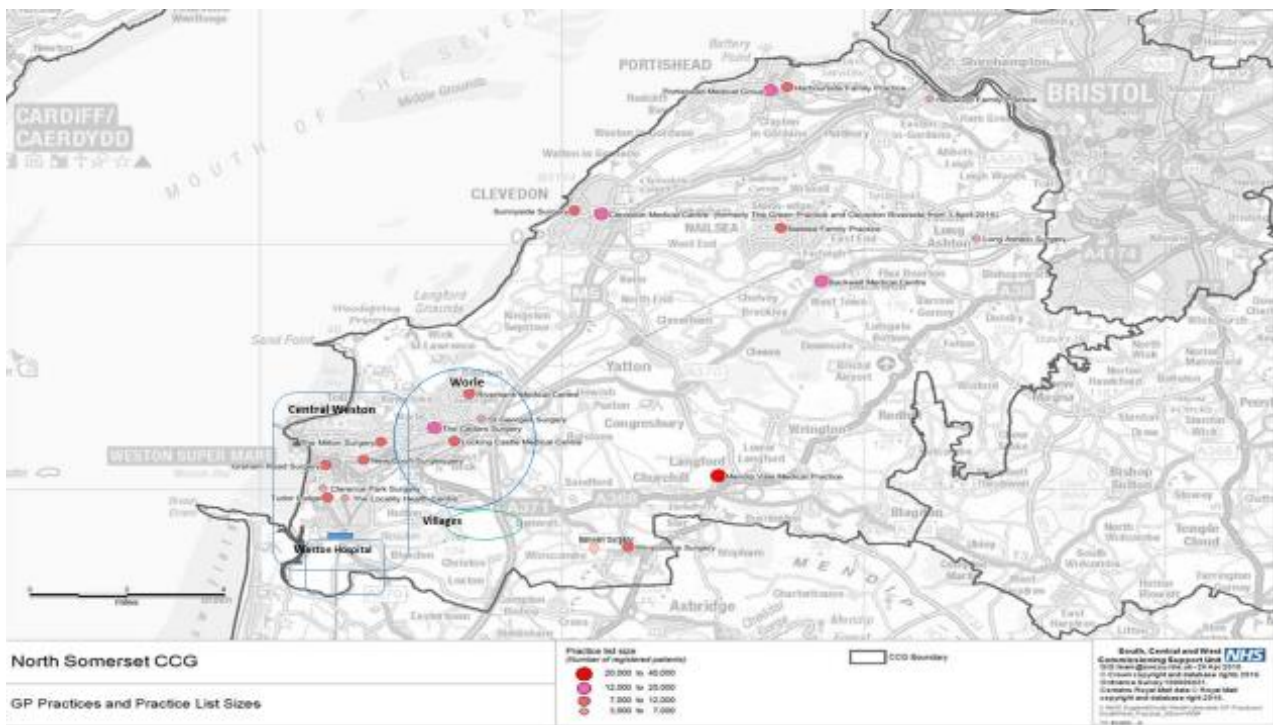
## 1.4 Strategic and policy context

### 1.4.1 Introduction

This section documents an overview of the strategic context in which the CCG provides its primary care services, its strategic guiding principles, directives and policies that ensure the operational, clinical and managerial objectives are met. It will provide an overview of primary care and the strategic objectives of the CCG, to highlight current care service delivery and set the context for this business case. The strategic context gives an overview of the driving policies and guidance documents at National, Regional and Local level that are driving the changes in future service provision.

Bristol North Somerset & South Gloucestershire CCG was formed on 1 April 2018 following the mergers of Bristol CCG, North Somerset CCG and South Gloucestershire CCG. The CCG covers a wide range of commissioning services including becoming a fully delegated commissioner of Primary Care services. In addition to this the CCG is responsible for the commissioning of emergency and urgent care (to include ambulance services and a GP ‘out-of-hours service’, community health services, acute and elective hospital services, maternity and children’s services, mental health and a learning disabilities services. The CCG was formed from a commissioning collaborative known as ‘BNSSG CCGs’ which included Bristol, North Somerset and South Gloucestershire CCGs. Since the forming of the BNSSG CCGs collaborative and the subsequent creation of the Healthy Weston Programme, this business case was commissioned by North Somerset CCG, who were successful in a bid for ETTF funding to enable the estates development work and this project to be managed through that route.

Figure 2 - General Practices and the new Weston Villages site



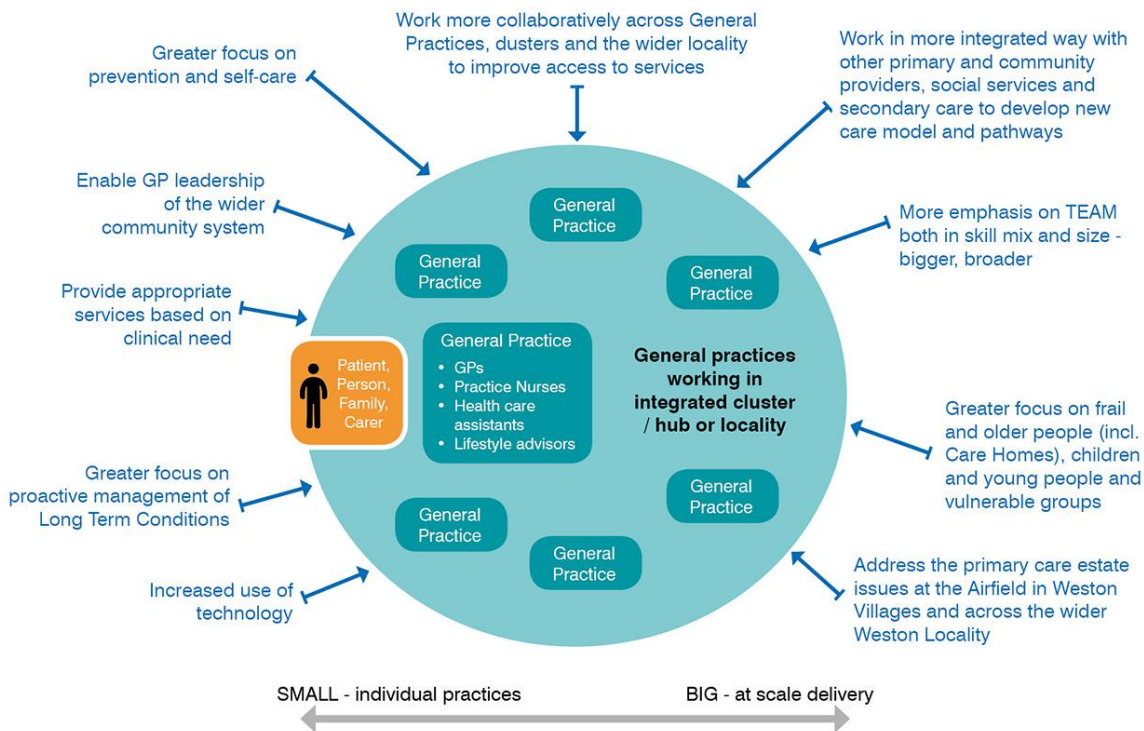
### 1.4.2 National context

#### Five Year Forward View 2014

The ‘Forward View’<sup>1</sup> is a government strategic policy that sets out a clear direction for the NHS, identifying what it needed to look like within the next five years and the plans to be set for on-going change. One of the aims of the paper is to ensure that clinical commissioning groups (CCG’s) have more control over the wider NHS budget, enabling a shift in investment from acute providers to primary and community services. The change focuses on developing new partnerships between acute trusts, clinical commissioning groups, local communities, local authorities and employers and underlines the need for integration and change to current models of care. These recommended future models of care will expand the leadership of primary care to include more joined up working and a wider scope of services being delivered in the community and primary care settings.

Enabling these developments has influenced the strategic objectives of this Full Business Case and has been an important factor for consideration in the future sustainability of Weston’s primary care estate. The recommended development on Weston Villages will not only deliver extra capacity for the growing population but will enable development of an estate that will be fit for future needs, promote integrated and different ways of working and improve patient experience. The clinical drivers for change are described by implementing the organisational structures and capabilities required to operate successfully ‘at scale’ through collaborative cluster and locality based working arrangements. The objective will be to improve access to services, re-balance General Practice workload and release clinician time to improve care (as described in the BNSSG Primary Care Strategy & GP Forward View top 10 must dos).

Figure 3 - The General Practice Forward View 10 Must-Dos



<sup>1</sup> NHS five year forward view (2014) Department of Health

The new Health Centre development will address the primary care estate issues in Weston Villages and support the wider Weston Locality.

The new facility will enable development of a vibrant and dynamic primary care locality to enable General Practice leadership of the wider community system and importantly, lay the foundations on which to build a new, and more integrated, model of community provision (as described in the BNSSG CCGs Locality Transformation Scheme). And will ensure that GPFV funding is used effectively to support delivery of key priorities e.g. resilience funding aligns with resilience plans.

### Sustainability and Transformation Partnerships

Following the FYFV, in December 2015 the NHS shared planning guidance which outlined a new approach, where health and care services are built around the needs of local populations. To do this, every health and care system in England produced a multi-year Sustainability and Transformation Partnership (STP) plan, demonstrating how their local services will evolve and become more sustainable over the next five years. The aim is to deliver the vision as set out in the Five Year Forward View of better health, better patient care and improved efficiency. The plans are based on local populations and their needs within local health and care systems.

Commissioners and provider organisations within the geographic footprint of North Somerset, are all working together to implement the BNSSG Healthier Together STP objectives, helping drive genuine and sustainable transformation in patient experience and health outcomes for the longer-term.

This scheme is already listed as a priority project aligned with the STP objectives in the October 2016 STP Plan Submission. It is integral to the Healthy Weston vision of service transformation and will complement the exciting proposals for integrated service redesign in Weston including the implementation of the Safe Haven Centre and new primary care facility in Central Weston. The scheme is compliant with the Carter Report<sup>2</sup> to support efficiencies with integrated sharing of premises and services to improve proficiency and reduce costs.

### NHS Outcomes Framework 2016-2017

The Outcomes Framework for the NHS in England 2016/17<sup>3</sup> sets out a series of standardized measures for the business arrangements for the NHS, as well as describing outcomes and corresponding indicators that NHS England is required to achieve in relation to improvements in health outcomes. The Framework outlines five key domains which are as follows:

1	Preventing people from dying prematurely
2	Enhancing quality of life for people with long-term conditions
3	Helping people to recover from episodes of ill health or following injury
4	Ensuring that people have a positive experience of care
5	Treating and caring for people in a safe environment and protecting them from avoidable harm

<sup>2</sup> Review of operational productivity with NHS providers June 2016

<sup>3</sup> Department of Health (2016, April). The Outcomes Framework 2016- 2017

The indicators assigned to each domain provide clear, comparative information to support CCGs, and Health and Wellbeing Boards identify local priorities and demonstrate progress on improving outcomes, as well as delivering public transparency about local health services.

### NHS Long Term Plan 2019

One key message that runs through the NHS Long Term Plan is that there should be shared clinical pathways across primary, community and secondary care, with resources fairly directed to where the care would be best delivered. This is supported by the British Medical Association<sup>4</sup> with 94% of GPs supporting more collaborative and coordinated working.

Integrated Care Systems (ICSs) and integrated team working across health and social care is quoted throughout the report and will be central to delivery of the ambitions noted. Integrated teams are a collaboration of services working together to deliver health and social care in different ways – the aim being that by April 2021 Integrated Care Partnerships at ‘place’ level (c.100,000 populations) will be in place.

The NHS Long Term plan talks about looking beyond healthcare provision, noting that the NHS has a wider role to play in influencing the shape of local communities to increase the capacity and responsiveness of the primary, community and intermediate care services to those who are clinically judged to benefit the most. This will help prevent unnecessary admissions to hospitals and residential care, as well as ensure a timely transfer from hospital to community.

#### **NHS Long Term Plan - Preventing illness and tackling health inequalities**

The NHS will increase its contribution to tackling some of the most significant causes of ill health, with a particular focus on the delivery of care within primary care for groups of people most affected by these problems.

Through the development of modern primary care facilities more integrated working and health care packages can be delivered to support timely care, delivered by flexible teams working across primary care and local hospitals, developed to meet local needs, including GPs, new additional roles including paramedics, clinical pharmacists and physiotherapists, district nurses, mental health nurses, therapists, re-enablement teams and voluntary services.

### 1.4.3 Regional context

North Somerset CCG originally secured ETTF funding from a bid submitted to NHSE in September 2016. The original ask was for circa £10million to support the development of a SOC for the Weston and Worle wide transformation of Primary Care with the further development of business cases and subsequent delivery of 2 new Primary Care facilities. NHSE were not able to support this full requirement and instead awarded £3.58million.

In 2016 the provision of primary care services in Weston and Worle was facing a number of significant challenges and quality and sustainability were a real concern for the CCG. Local issues included:

- Number of ‘vulnerable’ GP practices;
- Separate destabilising GP Contract handbacks at Worle and St Georges practices;
- Further local GP practices - problems and resilience and stability issues and request to close Stafford Place branch site in the centre of Weston;
- Estate in the area was ageing and not fit for purpose;

<sup>4</sup> British Medical Association. Caring, supportive, collaborative? Doctors’ views on working in the NHS. November 2018.



- Wider system vulnerability – smallest General Hospital in the country, with significant financial and quality issues. CCG experiencing significant financial challenges in the system and was put into special measures by NHSE;
- Rapid population growth circa 15% population increase planned (major new housing developments) across town in the coming decade;
- High proportion of elderly and frail patients;
- Difficulty in recruiting GPs and Nurses due to poor reputation of the area;
- Large proportion of GPs and Nurses near retirement;
- Media coverage on inability to get appointments.

To address the estate issues, it was also necessary to address the provider vulnerability and seize on the opportunity for developing a new model of care delivering the ambitions of the Five Year Forward View. This had to be done as a single activity. This was set out in in North Somerset CCG’s original bid, and subsequent PID, and NHSE’s letter of confirmation dated 20 March 2017, the purpose of the programme was to complete:

- The development of service proposals for primary care, community health services, community mental-health services and acute outreach services,
- Identified interfaces with social care, community locality services and services provided by the voluntary sector.
- Development of proposals for new general practice infrastructure and its relationship to other primary care services within the development, surrounding general practice and other NHS services. This will include the Interim solution,
- Management of the interface with the Council, housing developers and other stakeholders,
- Business Case for the affordability, construction and obtaining approval on any bids for resources
- Tender for Technical Support Partner to complete options appraisal and business case development.

The Weston Primary Care Transformation Programme was established to deliver this. This work later evolved into the Healthy Weston programme, which had an even wider remit and is addressing the issues at the local acute provider as well as wider primary and community services in the town. To date, the programme has resulted in the delivery of:

#### Estates:

- Undertaking of full 6 Facet Surveys across all GP facilities in Weston and Worle
- An approved OBC for a new building at Parklands Village (Ref Attachment: 009 - Parklands Villages OBC - V12)
- Work is underway on the FBC for Parklands Village
- An enhanced SOC and Economic Case has been developed for the wider Weston and Worle context and proposes new buildings in the centre of Weston and Worle. This has enabled:
  - The securing of £3.2 million STP capital to deliver a new facility in the centre of Weston – The OBC work is now underway for this with the use of a separate funding stream (Ref Attachments: 010 - STP Wave 4 Capital Bid)
  - A compelling case has been created for the creation of a new facility in Worle and when funding opportunities materialise, a strong bid can be made on the back of this and the work required to

take it to OBC level is relatively small. (Ref Attachments - 011 - Options Appraisal Report Issue 1.1 & 012 - Wider Weston and Worle OBC)

- Establishment of strategic commercial estates relationship between NHS and North Somerset Council, who have become the preferred developer of these schemes.

#### Service Transformation:

Establishment of Weston Primary Care Transformation Programme, which included the following workstreams, each with clinical leadership (Ref Attachment - 013 - Weston Primary Care Transformation Programme - Project Summaries):

- Estates Optimisation Sub-Group
- Clinical collaboration - General Practice Skill Mix
- Locality Transformation Setup
- Clinical collaboration - Improved Access
- Clinical collaboration - Frailty MDT meetings
- Clinical collaboration - Care Homes Project
- Clinical collaboration - Long Term Conditions
- Back office integration - Patient communications & self-care
- Back-office integration Telephony
- Back-office Integration Opportunities – Appointments & Consultations
- Back-office Integration Opportunities – Shared Specialist Services
- Back-office integration – Social Prescribing
- Back-office Integration Opportunities – IT
- Back-office Integration Opportunities – Online Consulting and Alignment and Integration of Back Office
- A step change in the level of cooperation and trust between provider

The establishment of Pier Health, a ground-breaking new GP super federation and PCN of practices across the town that now provides greater resilience, innovation and better service and care for patients. This work was the catalyst and enabler from which this significant new stabilising organisation emerged.

#### Primary Care Networks 2019

From April 2019, GP practices in England have had changes to contracts mandating them to join a Primary Care Network (PCN), with an overall objective to improve patient outcomes, reduce the current pressures faced by individual practices and improve the working environment for primary care teams - working together with neighbouring practices, community and local authority and social care services to find efficiencies and deliver a wide range of services to patients. All GP practices are to come together in geographical networks covering populations of approximately 30–50,000 patients if they are to take advantage of additional funding attached to the new GP contract. This size is consistent with the size of localized services which exist in many places in the country, but much smaller than most GP Federations. NHS England has expressed the view that 30,000 is a firm lower limit for population size, except in areas of extreme rurality, but the upper limit could be more flexible.

These Primary Care Networks form a key building block of the [NHS long-term plan](#) for people to be able to access network-based services. GP practices will be working together at scale for a range of reasons, including improving the ability of practices to recruit and retain staff; to manage financial and estates pressures; to provide a wider range of services to patients and to more easily integrate with the wider health and care system. While GP practices have been finding different ways of working together over many years – for example in super-partnerships, federations, clusters and networks – the NHS long-term plan and the new

GP contract, puts into place a more formal structure around this way of working to make the best use of suitably designed primary care facilities that can be used more effectively and efficiently.

Pier Health Group is the recently established Super Partnership has formed the PCN including 10 GP practices with a combined list size of over 109,000 patients. The Longton Grove practice is part of this Super Partnership and PCN.

#### Local context and BNSSG CCG strategic priorities

The strategic drivers for this scheme are fully aligned with having a clear clinical evidence base and support for proposals from commissioners and the wider national strategies as described above, the Healthier Together system strategies, and the local strategies of the PCN for integrated service delivery across primary care. The proposal also meets the strategic need for service change in that it meets the consistency with the current and prospective need for patient choice and plans for public and patient engagement in the final design proposals.

The plan commenced in 2017 when North Somerset CCG identified the need to look at the potential estate requirements to ensure that they meet the increasing primary care needs in the Weston area. The scope of the project has considered the condition, capacity, appropriateness and sustainability of all of the primary care estate and its facilities with the review informing the primary care need for the people of Weston Villages as the population rises by up to 20,000 by 2026. In May 2017, the predominately hospital focused Weston Sustainability Programme broadened its scope to include a review of healthcare provision across the whole of North Somerset.

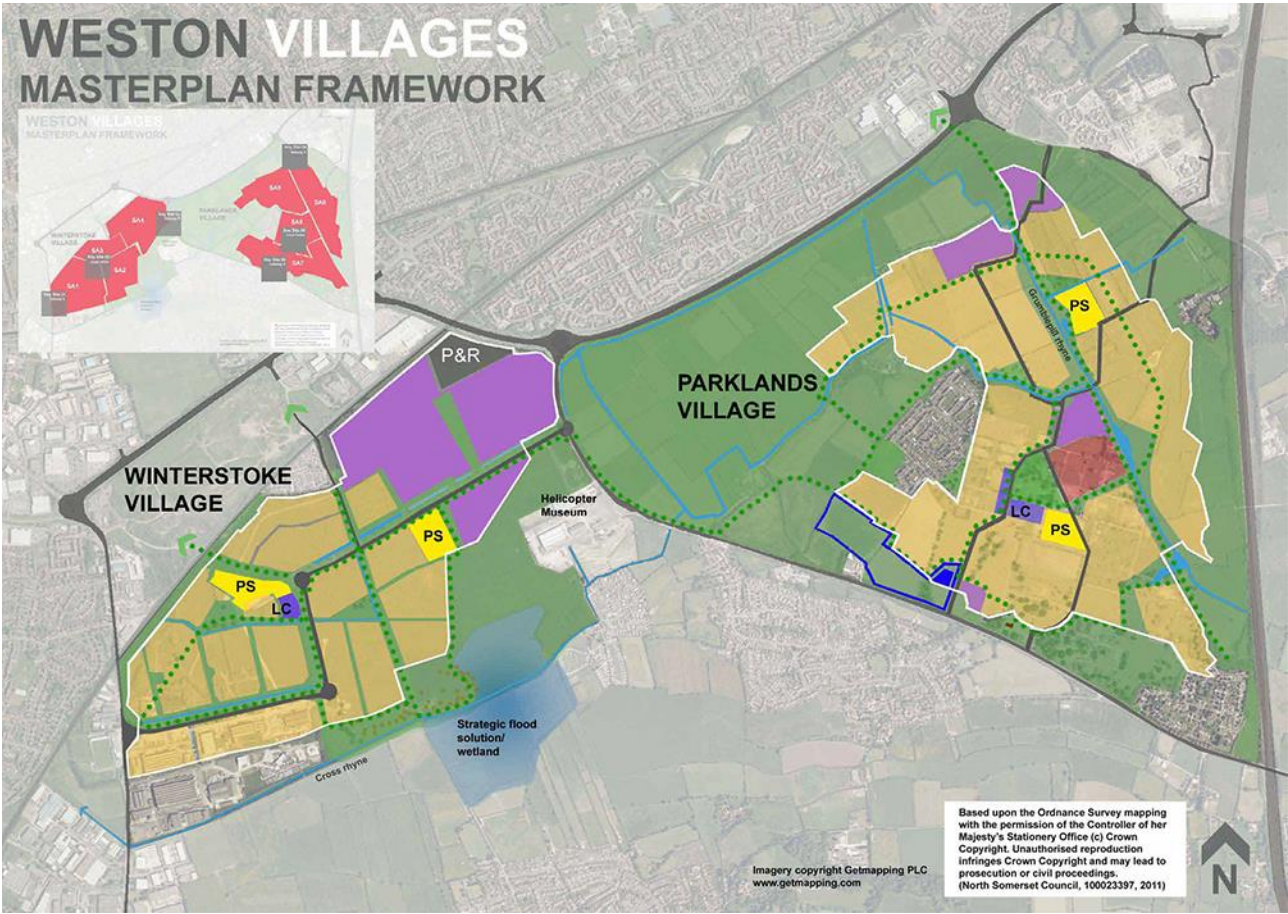
As a result of this the ‘Commissioning Context<sup>5</sup>’ for North Somerset was developed. Improving General Practice resilience and capacity to deliver improved access to primary care services is a key priority of the commissioning context.

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<sup>5</sup> Healthy Weston: Joining up services for better care in the Weston area. A commissioning context for North Somerset (BNSSG 2017)



Figure 4 - Local Centre on the Parklands Village is the proposed site for the health facility



However, it is recognised that there are a number of challenges with this due to the continual growing pressure on the primary care estate. These challenges include a number of local practices seeing an increased demand for services and a number of practices struggling with their limited estate capacity in an area that is expected to be the second largest urban settlement in the West of England. This means that demand for primary health services will continue to grow. It is in this context that there is a key requirement to provide new improved, sustainable, accessible and integrated services that are fit for future health provision.

This work is fully aligned with Healthier Together STP plans and the transformation plans as described in the Regional Context. The Governance of this project through transition from outline business case to full business case is managed by the CCG.

**Alignment with integrated working between health, social care and public health**

In support of the overall strategy for integrated working between health, social care and public health, NSC and CCG are also engaged in a major programme of partnership work with an ambition to transform health and care services across Weston. The partnerships objectives are:

- To engage partner organisations in the forward vision for their services for the next 10-15 years. A recognition of the growth and increasing diversity of need across the area means that it will not be suitable to merely provide health activity in the same way but to work together to develop joint initiatives for health and social care provision;

- To ensure that service provision can be truly transformational and designed to meet the known future and changing needs of the local populations across Weston.

Weston's population is seen as large enough to enable strategic system thinking in a manageable configuration of local services, and is in line with the locality model in development across BNSSG intentions through a clear vision and direction of travel for local services in the Weston locality.

The vision is based on three core design elements including;

- Transformational change with primary care working at scale and providing strong system leadership;
- Efficient space utilisation across primary and community care estate;
- Stronger, and more integrated community services and a more focused acute care model.

The CCG has further established a programme of activity called the 'Healthy Weston Programme' to design and deliver these activities and a number of clinical and operational work streams have been established to support their delivery. Each work stream proposal promotes integrated working between health, social care and public health and has developed a mandate describing the key elements to deliver, how and when they will be delivered and by whom.

The Enabling Primary Care work stream focused on Weston Primary Care and is leading on clinical strategy development and clinical quality requirements including delivering primary care at scale through cluster & locality working, primary care estates requirements and GP leadership. Local GPs have formed Pier Health Partnership, a Super Partnership of all 8 local Practices as the vehicle for change, developing services that better meet the needs of the population and that enable individuals to take responsibility for their own health and wellbeing. Pier Health has also become the local Primary Care Network and is working with local health and social care partners including third sector and patient groups to redesign how we work together to deliver high quality best value services.

The Longton Grove Practice is in the process of merging with New Court Practice to form 168 Medical by April 2020. This larger GP Practice will provide services over its current building at 168 Locking Road and the new Parklands building. Through merging it will create a stronger back office and admin team supporting three clinical teams offering high levels of access and continuity of care. 168 Medical will become the supporting practice for the other smaller practices that make up Pier Health Partnership providing resilience and consistency.

Through consolidation and expansion of the footprint for Primary Care in Weston, starting with Weston Villages, the services will be enabled to:

- Optimise the local GP practice estate to best meet the population need within the resources available;
- Provide added benefits of the new development including options for delivery of new services and extended multi-professional working;
- Deliver increasing access to primary care appointments including extended hours of operation in line with improved access across the BNSSG footprint;
- Deliver collaborative working arrangements across GP Practice clusters and the wider locality to provide care to an agreed set of standards, using a common set of pathways, and resulting in a consistent set of outcomes;

- Deliver shared back-office functions and shared telephony and IT systems to enable practices to take advantage of economies of scale where appropriate, reduce costs and improve services
- Deliver improved patient communications to drive the required uptake of prevention and self-care options which in turn will lead to a reduction in GP workload;
- Deliver improved workforce demand and capacity planning and more innovative workforce staffing models and cross-organisational career paths for staff.

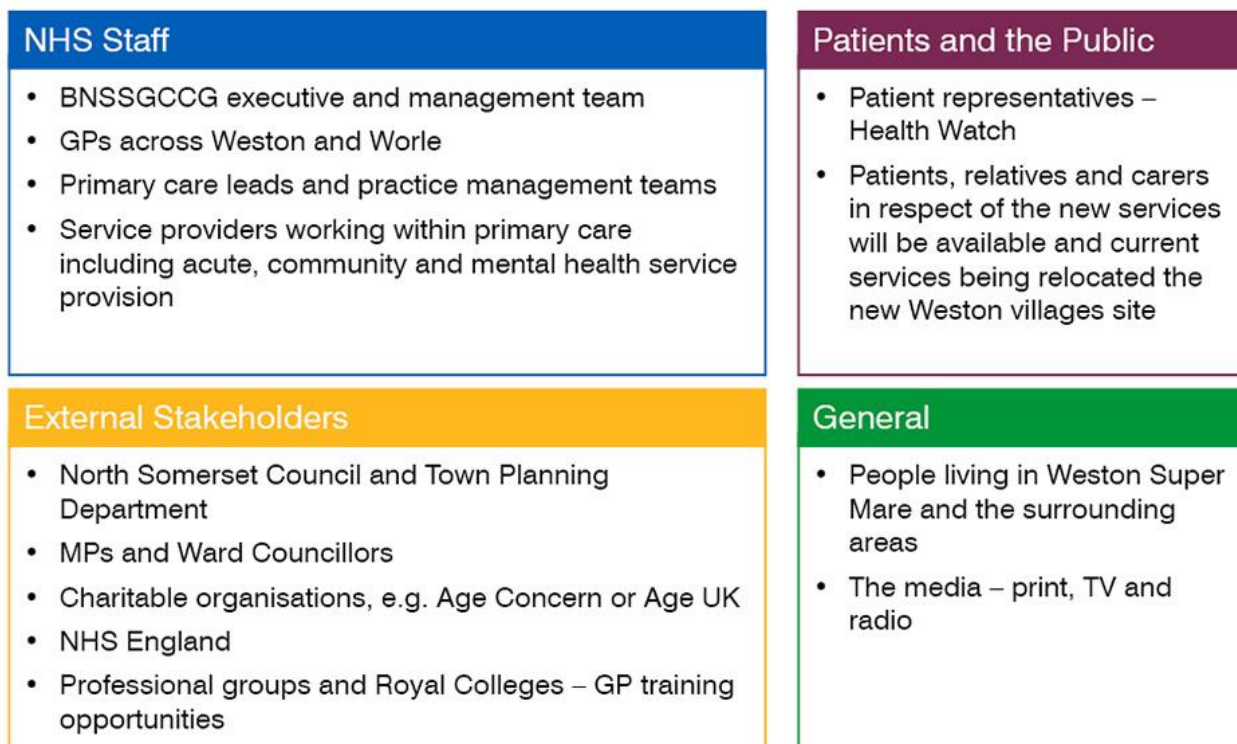
## 1.5 Engagement with stakeholders

In order to set the clinical and service priorities that have led to the scheme design and objectives detailed engagement has taken place with the service stakeholders across primary and community provision. This included a stakeholder workshop held in June 2017 to agree the Investment Objectives and Benefits Criteria for the project.

A Communications Strategy has also been developed by the CCG’s Communications and Stakeholder Engagement Team in order to provide communication for local people within Weston Villages and for surrounding local practices. Following agreement of the preferred option this team undertook a programme of engagement to identify the key stakeholder groups and any key messages that need to be shared at key milestones for the project.

This is an extremely important project for the CCG and a local strategy has been developed to take forward more detailed stakeholder engagement with local people from the new Weston Villages development and those from areas where a surgery will relocate. Examples of stakeholders who will require ongoing communication about this project will be:

Figure 5 - Key Project Development Stakeholders





## 1.6 Activity and capacity planning

An option appraisal has been completed with an activity analysis of the expected population growth and has informed the size of facility that will be required within primary care to meet future demand. The Capacity and Activity Modelling findings can be found in *Appendix D*. The review has demonstrated consistency and has looked at the related local and wider service planning and looked at whether existing GP practices have the capability to manage the demand and changes required. It is evident from the analysis that the GP practices across Weston cannot provide for the Weston Villages growth, either due to being under capacity currently or short of space for future development. This is mainly due to existing estate restrictions and further complicated by aging primary care buildings, some of which have been assessed as not fit for purpose for the range of health facilities that will be required.

The table below summarises the Capacity Planning findings.

*Table 4 - Capacity planning findings*

GP Practice	Current List Size (Jul 2019)	Projected list size 2026/27 inc. housing	NHS England s106 calculator (GIA m2)	Current GIA m2	Variance m2 (current minus projected)
New Court / Longton Grove	19,724	24,767	1,458	1,550	92
Graham Road Surgery	8,680	13,140	1,000	432	-568
Winscombe Surgery	9,663	11,760	916	373	-543
Tudor Lodge	10,384	13,850	1,000	526	-474
Milton Surgery	8,954	11,476	916	456	-460
Stafford Medical Group	11,519	12,776	958	622	-336
Clarence Park Surgery	4,506	7,353	667	268	-399
The Cedars Surgery	15,486	17,533	1,167	399	-768
St George's Surgery (Mendip Vale)	3,500 (Jul 18)*	29,867	1,665	828	-837
Riverbank Medical Centre	13,000 (Jul 18)*	10,266	875	427	-448
Locality Health Centre	Not listed	6,342	584	342	-242

The proposed project provides a new Health Centre on the Weston Villages site. The Centre will be a purpose built facility, allowing for integrated care provision and the increase in demand for primary care expected over the next ten years.

## 1.7 Supporting patient choice and access

The scheme supports greater patient choice on where and how they may access care in an area where GP lists in surrounding practices are becoming overcrowded and being delivered in a number of buildings that are not conducive to the requirements of future primary and community care provision.

The North Somerset health and care system is currently on a journey to shift the balance of a fragmented and dis-jointed out-of-hospital community provider environment, with minimal focus on proactive health management, to a model where the broader community based system and the secondary care system are more in-balance. This scheme will support greater patient choice on where and how to access care in order to improve the quality and safety of service provision.

By working together in a more integrated and cohesive way, and a focus on proactive health management across the entire system more directed services will be provided making services more locally thought through to be more efficient and cost effective.

Over the next few years, the CCG's Healthy Weston programme, working in close collaboration with local providers, key stakeholders, service users and the public, will deliver a new and innovative model of care for the local population in Weston that will transform the way services are delivered and provide a framework for other areas across BNSSG.

This business case supports these objectives through the provision of a new health facility that will support these new models of care. The proposed health centre on Weston Villages will be designed to support a more cohesive way of joint working across multi-professional groups to better meet the needs of the local population. For the local workforce, the facility will provide exciting and more varied job opportunities, including a stronger role for the voluntary sector, through the creation of new roles and the ability to work more fluidly across organisational boundaries as capacity is freed up in other local practices, allowing for new models of care to be delivered.

## 1.8 Addressing the quality and diversity impact

The population profile for Weston Villages has been assessed to ensure that any equality and diversity impacts have been addressed and provided for. The review shows that the main strategic growth area for North Somerset will be in this area as it equates to a potential of 14,950 new residents. Previously the overall census profile for North Somerset has been added to this population number to give an illustrative example of what the population would be like if it mirrored the overall North Somerset profile.

However, it is likely that this new build housing will attract a different demographic profile and based on advice from North Somerset Council's research and monitoring department it was agreed the closest population match would be that of the Locking Castle area, which has seen similar new build development, but with sufficient time to have passed to allow an established resident population. Therefore Census data for four Lower Layer Super Output Areas (LSOA) in Locking Castle have been used to model the population age structure, ethnicity and long term health problems for the new population of Weston villages ensuring that future health developments preferred from this Business Case take the following into account<sup>6</sup>;

- The age profile for Weston Villages is likely to be much younger than North Somerset with a higher proportion of 0-14 and 25-44 year olds;
- Life expectancy and fertility rates Life expectancy for both males (82.6) and females (87.4) is higher than the North Somerset average (79.8 and 83.5 respectively);
- The fertility rate in Weston Villages (86 per 1,000 females aged 15-44) is likely to be the highest in North Somerset and is much higher than the average rate (66);
- In the Weston Villages area, the dependency ratio is 52.5%, lower than the North Somerset average (60.7%). - This is the ratio of the number of dependents to working age people;
- Ethnicity estimates for the BME population suggest that the proportion in Weston Villages (3%) are fairly similar to North Somerset (2.7%);

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<sup>6</sup> Source: 2011 Census

- Just over one in six households (17%) in North Somerset do not have access to a car however in the Weston Villages area it is likely that there are far fewer households without access to a car (8%).

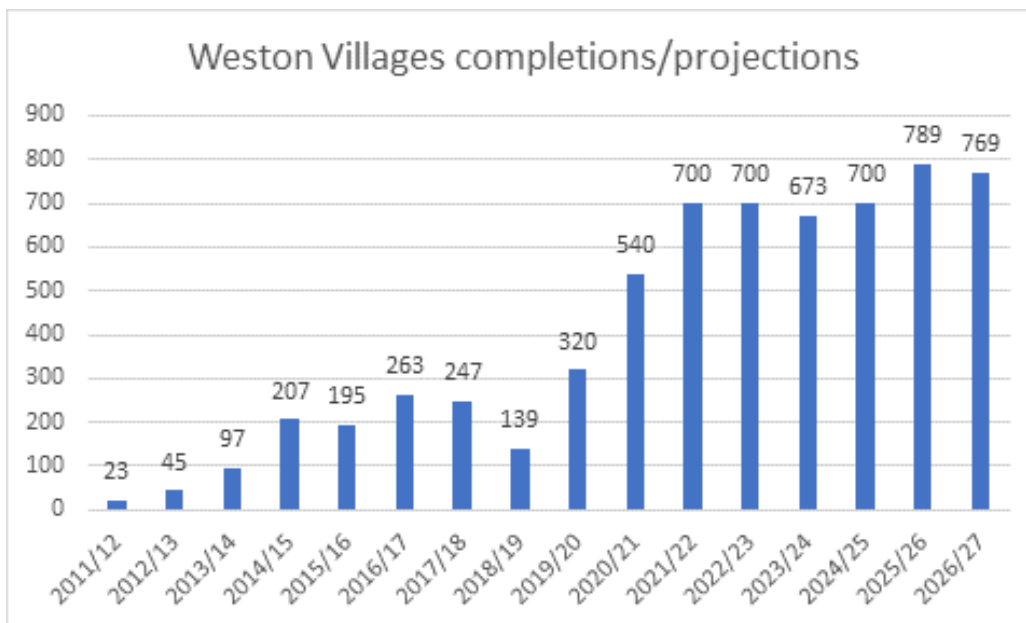
Indicators for health suggest that less than one in ten people in Weston Villages are likely to have a long-term health problem or disability that limits their day-to-day activities compared to 19% in North Somerset. Levels of bad and very bad health (2.3%) will also be lower than the North Somerset average (5.3%) meaning that there are fewer carers in Weston Villages (6.1%) than in North Somerset (11%). It is therefore expected from the above figures that disease prevalence figures will be lower in the area compared to Central Weston and Worle. One in eight people are recorded as having hypertension (13%), 7% suffer from diabetes, 4% from coronary heart disease and 3% from stroke and Chronic Obstructive Pulmonary Disease<sup>7</sup>. Consideration of the clinical requirements and the way primary care services are delivered is especially important in Weston Villages, given the expected growth and changing demographic profile.

## 1.9 Demand assumptions

The demand assumptions in support of the size and scope of the investment on Weston Villages remain valid, representing a total of 6,500 new homes as well as employment and community facilities. To date, around 1,300 homes have been completed across Parklands and Haywood Villages. Consents have been granted for all bar 70 of the remaining homes and they are expected to be built-out over the next 10 years, with most of the developers now on site. Applications for the remaining 70 dwellings are expected in the next five years.

The graph below shows the number of completions in each year of the development and the expected completion rate for future years of the development.

Figure 6 - Development completions year on year (and forecast)



<sup>7</sup> Source: National General Practice Profiles - QOF disease prevalence, 2015/16

A substantial uplift in build rate is shown from 2019 onwards. As with any such projections, these remain subject to change, for example depending on market conditions, however North Somerset Council has stated that this is what they expect in light of the increased number of individual sites that are now active (increasing from two active developers prior to 2018 to four in 2019 and five from 2021). The dip in delivery in 2018 reflected delays in securing planning, but these issues have now been resolved.

## 1.10 Source of funding

### 1.10.1 Section 106 Agreements

A source of funding for the construction of the Health Centre on Parklands Village site is available in the form of Section 106 (S106) grants.

The housing development sites for Weston Villages are split across a number of landowners and developers, whose planning applications are being received by North Somerset Council at different times. Although there is an informal agreement in place about the sharing of costs for health care provision, there is no single formal contract in place to commit them all. For this reason, negotiation is taking place with the council for contributions to be made from each application individually, through the S106 agreement process. Two S106 agreements have been signed to date in relation to planning consents 13/P/0997/OT2 (HCA/St. Modwen) and 12/P/1266/OT2 (Mead Realisations). These include:

Table 5 - S106 agreements

Ref	Description	Contribution	Trigger Point	NSC update 22.09.20
12/P/1510/OT2	Weston Airfield (Haywood Village) phase 2	£713,747	Prior to 1st occupation	Contribution received.
13/P/0997/OT2	Locking Parklands phase 3	£276,998	Payable within 28 days of a written notice that the contract for construction of the practice has been awarded	Contribution not yet due.  In light of Covid issues we have informally agreed not to invoice before April 2021 subject to developer completing agreed programme of site preparation.
13/P/0997/OT2	Locking Parklands phase 3	Transfer of plot of land for use as health centre	Completion of 1,450 dwellings	Land transfer processes underway.
12/P/1266/OT2	Mead Realisations phase 1 (Parklands Village).	£653,339	259 dwellings on developer's site	Trigger not yet met. Expected Q2 2022/23
16/P/1881/OT2	Moss land at Parklands Village	£70,436	90 dwellings on developer's site	Trigger not yet met. Construction is underway. Expected Q3 2022.
<b>Totals</b>		<b>£1,714,520</b>		



## 1.10.2 Estates and Technology Transformation Fund

In 2016 North Somerset CCG made a successful bid to NHS England for circa £3.5 million Estates and Technology Transformation Funding (ETTF) to support the development of new primary care premises in the Weston-Super-Mare and Worle area. This funding can be used on any build project within these areas, including Weston Villages. Projects supported by the ETTF need to be completed and operational by March 2022 and must be developed against a series of NHSE defined milestones. These include that they:

- Enable extended access to effective care in general practice;
- Increase capacity of clinical services out of hospital;
- Increase training capacity within general practice;
- Support the reduction of unplanned admission to hospitals by enabling wider services to be provided within general practice settings.

The ETTF funding secured in principal for the overall programme at OBC stage was a sum of £3,579,250 of which the sum of **£3,238,886** has been allocated to the Weston Villages Project. Against this sum £136,636 was drawn down in 2017/18 in respect of pre project costs

In October 2019, NHSE approved a further draw down of pre-project costs in the sum of £500,000.00 to enable the design team to undertake detailed and technical design to enable the submission of the planning application.

A request for an additional ETTF grant of £430,500 was approved. This is to cover the cost of lifecycle costs (Committed Sum payment from the NHS to NSC) in the sum of £420,000 to provide additional funds to NSC to enable them to discharge their Landlord's repairing obligations during this rent free period and a sum of £10,500 for Stamp Duty Land Tax. A further application for ETTF funding was approved in November 2020 in the sum of £119,000 to enable the commuted sum to be extended from 25 to 30 years to match the rent free period together with a small number of minor changes. This increased the total ETTF grant to **£3,788,386** of which £636,636 has been drawn down to date.

Securing the remainder of the funds, **£3,152,750**, was dependent upon gaining approval for the programme to proceed from the NHSE ETTF Panel . This approval was granted by the NHSE panel in November 2020 subject to a small number of conditions.

## 1.11 Risks, constraints and dependencies

### 1.11.1 Main risks

The main business and service risks (design, build and operational over the lifespan of the scheme) associated with the scope for this project, including the funding risks outlined above, are set out in the Management Case in section 5.4.2, together with their counter measures. For further details, please see the Risk Register in *Appendix E*.

### 1.11.2 Constraints

The project is subject to following constraints:

- The proposed housing development is only partly occupied and access points for the Health Centre development may be initially constrained by the progress of the road system and layout of the site.
- Because any construction will take place on a partly operational site, the sequencing and project timetable will be reserved by the need to fit in with the developer's requirements and maintenance of safe operations at all times. However, the ETTF expenditure timeframe is clearly understood by all parties, between April 2021 – March 2022
- There is a requirement for the housing developer to provide a fully serviced site prior to transfer, however NSC and design team are confident that they will be able to commence construction in January 2021.
- Approval of this FBC is required from NHSE in November 2020 to enable NSC to obtain final executive approval in December 2020, for funding to be secured and the section 106 land transfer to take place.

### 1.11.3 Dependencies

The project is subject to following dependencies that will be carefully monitored and managed throughout the lifespan of the scheme:

- Formal approval of funding through ETTF contributions;
- Full Business case approval by NHSE;
- Completion of site enabling works by St Modwen and transfer to land from St Modwen to NSC
- Section 106 monies from associated housing developments
- Guaranteed Maximum Price will be delivered within the cost envelope in anticipation of the demographic expansion.

## 2 The Economic Case

### 2.1 Options appraisal

An economic appraisal of the Weston Villages development options and final recommendation has been completed at OBC stage in accordance to the Capital Investment Manual and requirements of Her Majesty's Treasury's (HMT) Green Book (A Guide to Investment Appraisal in the Public Sector).

### 2.2 Long List

Following identification of options for the delivery of future General Practice, on the new site of Weston Villages, a long list of options was recognised for appraisal – this is outlined below.

*Table 6 - Long List of Options*

Option	Description
1 (13)	Do Nothing
2 (14)	Don't build on the new Parklands Village but expand surrounding GP practices
3 (15)	Build a smaller type building that could be expanded at a future date
4 (16)	Build a large facility on Parklands Village with the option of multiple use
5 (17)	Build a new GP hub in Worle on the Worle Health Centre Site

This list of options was reviewed in a number of clinical forums and had also been subjected to a technical appraisal with full 6 facet surveys of neighbouring GP practices completed to determine alternative options and impact relating to current site constraints and requirements of the building.

The options were also assessed against a set of agreed investment objectives to review their suitability for shortlisting. The investment objectives were developed with a range of key stakeholders in a workshop held in June 17 and aligned to BNSSG CCG strategic objectives to:

- Improve the resilience and sustainability of General Practice to transform opportunities for new ways of working.
- Development of a proposed infrastructure for health and care for the new housing development and resultant population increase across Weston

The table below provides the outcome of these reviews, identifying whether the option was shortlisted for detailed appraisal, or discounted. The key criterion for short listing was based on the extent to which each option met the project objectives.

Table 7 - Results of the Review of Long Listed Options

Option	Current Discounted/Shortlisted Status
1 Do Nothing	<i>Discounted – This option will not address the primary care requirement of population growth</i>
2 Don't build on the new Parklands Village but expand surrounding GP practices	<i>Discounted – This option does not meet the essential requirements due to constraints of existing buildings and population growth</i>
3 Build a smaller type building that can be expanded at a future date	<b>Shortlisted</b>
4 Build a large facility on Parklands Village with the option of multiple use	<b>Shortlisted</b>
5 Build a new GP hub in Worle on the Worle Health Centre Site that would accommodate patients from Weston Villages	<i>Discounted – This option does not meet the essential requirements of the villages population and is not sustainable as an option for Weston Villages and also for Worle</i>

Two short listed options were identified for the Weston Villages site were further considered within the OBC and a recommended final option taken forwards for FBC approval.

## 2.3 Short List

The shortlisted options discussed within the OBC were as follows:

- Long list Option 3 – Smaller Building - Build a two storey building that can be expanded at a future date if required. 560 m2 existing requirement will be needed to enable a current small practice to occupy it allowing for additional capacity of 590 m2.
  - The estimated GIA is 1151 m2. The building will require a combination of S106 funding and ETTF funding with utilisation of the second tranche of S106 funding when the second funding stream is released.
- Long list Option 4 – Larger Building - Build a large three storey facility on Parklands with the option of multiple use. 560 m2 existing requirement will be needed to enable a current small practice to occupy the building allowing for further additional capacity of 1024 m2.
  - The estimated GIA is 1584m2. This will require a combination of the 1st and 2nd tranche of S106 funding and ETTF funding and will reduce the available funds for other sites but would provide a sustainable estate for future health needs.

For the purposes of the analysis within the Economic Case and the associated Financial Case, the following principles have been assumed:

- That all clinical costs associated with a GP practice transfer will change to the new facility and that any new clinical posts required will be assessed and will be subject to a future workforce development plan.
- That current estate costs associated with any current GP facility will be a cost saving due to the new estate costs associated with the new facility.

## 2.4 Qualitative Benefits – Identifying the Preferred Option

The two shortlisted options were appraised against the benefit and investment criteria to establish the recommended preferred option. The criteria that would be delivered by the Weston Villages development and their raw scores are detailed in the table below. It is acknowledged that this does not reflect the latest Options Framework but this process was undertaken prior to the issue of this later guidance.

Table 8 - Raw Scores

Criteria	Weight	Smaller Building Option 3		Larger Building Option 4	
		Score 1-4	W * S	Score 1-4	W * S
<b>1 Supports delivery of sustainable estate in primary care</b> Provides the required space for primary care services in the locality based on population growth. Enables resilience and sustainability for primary care. Provides an estate that is fit for purpose	3	4	12	4	12
<b>2 Supports delivery of sustainable community services</b> Maximises the opportunity to work with other community providers and the voluntary sector Supports new pathways and early intervention for people with long term conditions	2	3	6	4	8
<b>3 Improves patient experience</b> Enable patients to receive care close to home and improves local community access to healthcare.	2	4	8	4	8
<b>4 Makes best use of public estate</b> Provides facilities that have multiple and flexible use. Have extended access and can be shared between providers Enables collaboration between organisations, council, NHS and others.	2	3	6	3	6
<b>5 Achievability</b> Provides a solution to estates priorities Provides a solution that can be delivered within the programme timescales	3	4	12	2	6
<b>Total</b>		18	44	17	40
<b>Rank</b>			1		2

Agreed weightings were then applied to each benefit criteria which resulted in the final weighted rankings being the same as the raw rankings i.e.

- Rank 1: Preferred Option: Option 3 – Smaller Building
- Rank 2: Option 4 – Larger Building

## 2.5 Key Findings of the Economic Appraisal

The GEM guidance (to be replaced by Capital Investment Appraisal CIA) suggests that for new build options an appraisal period of 60 years is used. For the purposes of this business case the appraisal period has been limited to 27 years as this ensures that the period of the initial lease is covered

A summary of the outcome of the financial appraisal is outlined below. A full copy of the GEM is included as *Appendix F*. The FB1 form is included in *Appendix G*.

*Table 9 - Key Results of Economic Appraisals*

<b>Summary of Discounted Cashflow</b>			
	<b>Do nothing</b>	<b>Option 1</b>	<b>Option 2</b>
Net Present Value	721,273	4,856,228	7,788,971
Annual Equivalent Cost	36,546	246,056	394,653
<b>Ranking</b>	<b>0</b>	<b>1</b>	<b>2</b>

The option which continues to offer the best value for money is the one with the lowest Net Present Cost (NPC) and is considered the preferred option from a purely financial perspective.

- Option 3 (Smaller Building) has the lowest NPC and is therefore the preferred and recommended option by a significant margin

The costs which are entered into the General Economic Model to generate the NPC come under a combination of capital and revenue costs as shown in the Financial Case. As per guidance contained in the Capital Investment Manual these costs exclude VAT and also exclude any income and resultant expenditure related to the S106 grant as this is not NHS funding. An equipment refresh has been assumed at 10 yearly intervals, but it is assumed that the building fabric will not require a refresh within the 30-year period except for routine maintenance which will be the responsibility of the Landlord (NSC). This is to be funded via an additional ETTF allocation of £435,000 excl VAT to cover NSC repair costs during the 30-year rent free period.

## 2.6 The Preferred Option

The preferred option is a smaller two storey building that includes a number of consultation and examination rooms. The rooms are designed for multi-purpose use that can be re-organised to suit changing health care needs of the local population. The preferred option is selected by combining both the financial and non-financial option appraisal into a single index to rank each option against each other with the following conclusions.

*Table 10 - Key Results of Overall Option Appraisal*

<b>Overall Benefits Appraisal</b>			
	<b>Do nothing</b>	<b>Option 1</b>	<b>Option 2</b>
Qualitative Evaluation Score	0	44	40
Annual Equivalent Cost	36,546	246,056	394,653
Cost per point	-	5,592	9,866
<b>Rank</b>	<b>0</b>	<b>1</b>	<b>2</b>

The main staff facilities are on the second floor including a number of meeting rooms, office space and shared office facilities. There is an education facility to support GP trainee requirements and nurse/support staff education and support.



## 2.7 Space Requirements

Numerous design meetings have been held with the CCG and representatives from the Longton Grove Practice to review the space requirements, resulting in the agreed Schedule of Accommodation set out below:-

Table 11 - Schedule of Accommodation

Rev E - 17.02.2020 Updated to include Baby Change

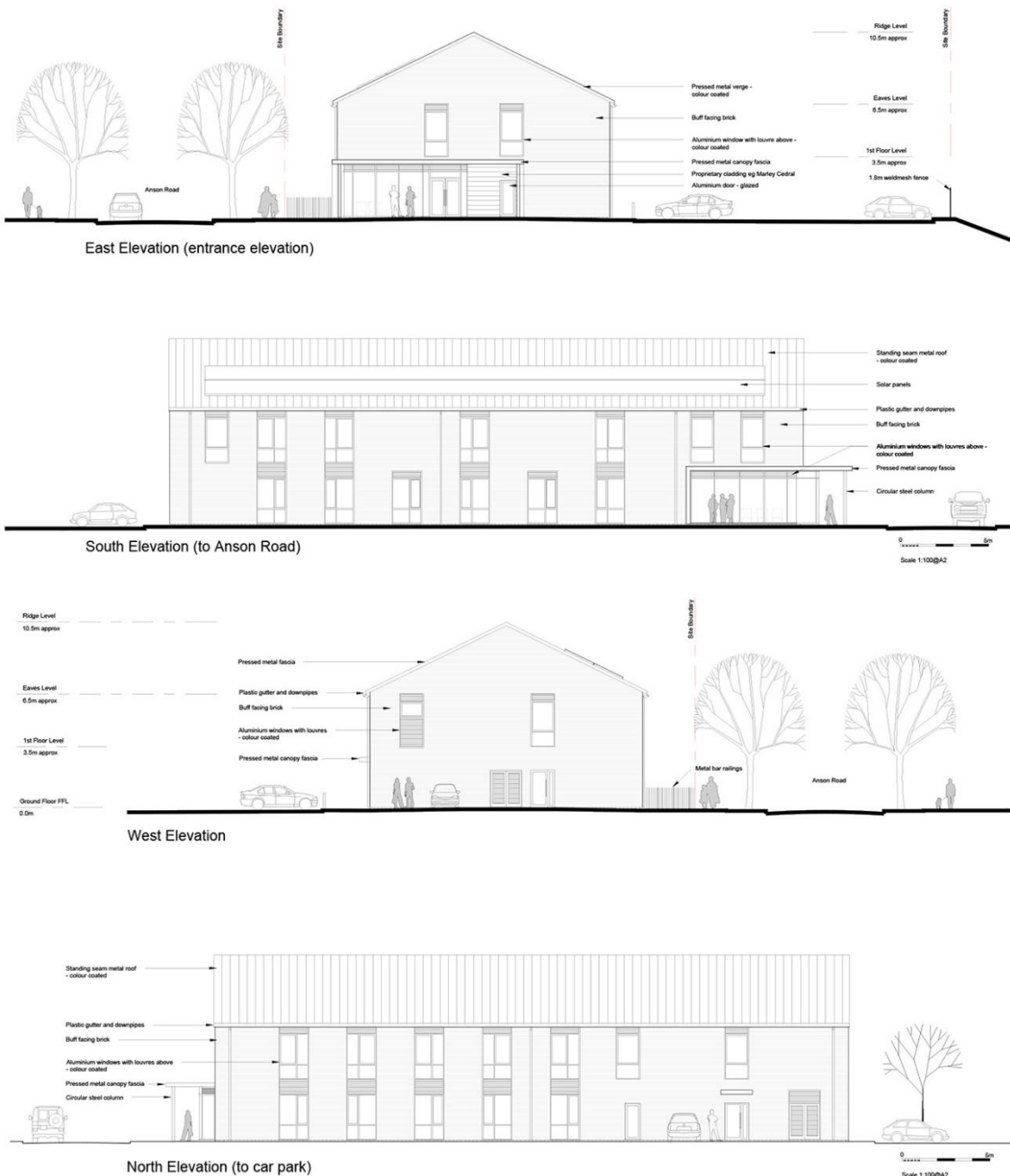
	ADB Code	HBN 11-01 Area M <sup>2</sup>	GP Pref'd Area M <sup>2</sup>	GP's Schedule		Floor Level	AREA per Floor	NOTES:
				No.	Area M <sup>2</sup>			
<b>Clinical Rooms</b>								
Consultation Rooms GF	C0235/7	16.00	16.00	6	96.00	GF	96.00	
Consultation Rooms 1F	C0235	16.00	16.00	5	80.00	1F	80.00	
GP Trainer Room GF	C0235	16.00	16.00	1	16.00	GF	16.00	
Treatment Rooms GF	X0147	16.00	16.00	2	32.00	GF	32.00	
Treatment Rooms 1F	X0147	16.00	16.00	2	32.00	1F	32.00	
Dirty Utility GF	Y0431	8.00	5.00	1	5.00	GF	5.00	Area dereogated from HBN
Clean Utility GF	T0538	8.00	10.00	1	10.00	GF	10.00	Area in excess of HBN
Dirty Utility 1F	Y0431	8.00	5.00	1	5.00	1F	5.00	Area dereogated from HBN
Clean Utility 1F	T0538	8.00	10.00	1	10.00	1F	10.00	Area in excess of HBN
Phlebotomy-		<del>12.00</del>	<del>0.00</del>	<del>0</del>	<del>0.00</del>	<del>GF</del>	<del>0.00</del>	Removed
Specimen-WC		<del>5.00</del>	<del>0.00</del>	<del>0</del>	<del>0.00</del>	<del>GF</del>		Removed
<b>Admin/Support</b>								
Front of House Reception	J0232-02	14.50	14.50	1	44.00	GF	44.00	Area in excess of HBN
Reception Back Office		n/a	0.00	0		GF		Included in combined area above
Office (2 person) Adjacent Reception	M0252	12.00	12.00	1	15.00	GF	15.00	Area dereogated from HBN
Office (2 person) 1F	M0252	12.00	12.00	2	24.00	1F	24.00	
Administration Office 1	M0268	32.00	44.00	1	44.00	1F	44.00	Area in excess of HBN
Administration Office 2	M0268	32.00	22.00	1	25.00	1F	25.00	Area dereogated from HBN
<b>Staff Facilities</b>								
Meeting Room	H1313	24.00	44.00	1	44.00	1F	44.00	Area in excess of HBN
Staff Room	D0434	24.00	24.00	1	28.00	1F	28.00	Area in excess of HBN
Library/resource room		<del>32.00</del>	<del>32.00</del>	<del>0</del>		<del>1F</del>		Removed
Staff Change, Lockers	V0554	8.00	8.00	1	15.00	1F	15.00	Area in excess of HBN
Staff WC (unisex) ambulant	V1010	2.00	2.00	1	2.70	GF	2.70	Area in excess of HBN
Staff WC (unisex) ambulant	V1010	2.00	2.00	1	2.70	1F	2.70	Area in excess of HBN
Staff Shower (unisex)	V1321	2.00	2.00	1	2.70	1F	2.70	Area in excess of HBN
Staff Toilets DDA Compliant (unisex)	V0922	5.00	5.00	1	5.00	GF	5.00	
Staff Toilets DDA Compliant (unisex)	V0922	5.00	5.00	1	5.00	1F	5.00	Note: Additional as GPs notes (4 x staff wcs)
<b>Public Areas</b>								
Entrance Lobby		8.00	8.00	1	8.00	GF	8.00	Note draught lobby only
Secure Pram and Buggy Store		<del>8.00</del>	<del>8.00</del>	<del>0</del>		<del>GF</del>		Removed
Waiting Area (per person) GF	J1152	1.50	1.50	25	42.00	GF	42.00	Area dereogated from HBN
Waiting Area (per person) 1F	J1152	1.50	1.50	15	27.00	1F	27.00	Area in excess of HBN
Public WC's (unisex) ambulant	V1010	2.00	2.00	1	2.70	GF	2.70	Area in excess of HBN
Public WC's (unisex) ambulant	V1010	2.00	2.00	1	2.70	1F	2.70	Area in excess of HBN
WC's Disabled GF	V0922	5.00	5.00	1	5.00	GF	5.00	
WC's Disabled 1F	V0922	5.00	5.00	1	5.00	1F	5.00	
Baby Change	V1131A	5.00	5.00	1	5.00	GF	5.00	
Baby Feed	S0012	<del>5.00</del>	<del>13.00</del>	<del>1</del>		<del>GF</del>		Removed
Interview room (inc. Baby Feed)	M0724/S0012	<del>8.00</del>	<del>10.00</del>	<del>1</del>		<del>GF</del>		Removed
<b>Services and FM</b>								
Domestic Waste Storage	Y0642	8.00	8.00	1	10.00	GF	10.00	Area dereogated from HBN
Clinical Waste	Y0642	8.00	8.00	1	10.00	GF	10.00	Area dereogated from HBN
M&E Plant		0.00	0.00	1	29.00	GF	29.00	
Telecoms/IT Server Room		0.00	0.00	1	6.00	GF	6.00	
Service risers		0.00	0.00	1	3.00	1F	3.00	
General Storage GF	W1585	12.00	12.00	1	19.00	GF	19.00	Area dereogated from HBN
General Storage FF	W1585	12.00	12.00	1	24.00	1F	24.00	Area dereogated from HBN
Cleaners Room	Y1510	4.00	4.00	1	4.00	GF	4.00	
Cleaners Room	Y1510	4.00	4.00	1	3.00	1F	3.00	Area dereogated from HBN
<b>Sub-total NIA</b>					<b>749</b>	<b>GF NIA</b>	<b>366</b>	
						<b>1F NIA</b>	<b>382</b>	
<b>Allowances</b>								
Corridors					All Levels	GF	1F	
Stairs and lift					155	89	71	
Internal Structure					76	36	36	
<b>TOTAL GIA</b>					<b>1027</b>	<b>518</b>	<b>509</b>	



This is a slightly smaller building than was required by the previous provider, the OBC schedule of accommodation resulting in a GIA of 1151m<sup>2</sup> for the preferred option, as it had been their intention to centralise its administrative function at this facility. It should be noted that the derogations highlighted above are generally larger than those recommended in the HBN and this is arising from the detailed design to meet the GP end user requirements.

The main staff facilities are on the first floor including a number of meeting rooms, office space and shared office facilities. There is an education facility to support GP trainee requirements and nurse/support staff education and support.

Figure 7 - Elevations



## 2.8 Site Selection

At the time that the OBC was written, the exact specification as to the size of the plot to be provided or the exact space the facility had to be located was still to be determined.

Policy CS30 of the adopted North Somerset Council’s Core Strategy says:

*“The village will be anchored by a local centre which will provide necessary retail, health, educational and community facilities to serve local needs. The location, type and mix of such uses will be agreed through the Weston Villages SPD”.*

It goes on to stipulate that proposals will be supported at local centres provided they *“are of a scale appropriate to the size and role of these centres”*.

The current standing outline planning permission also notes that St. Modwen are also required to make available units for other healthcare developments of a pharmacy, dental practice and opticians (to be confirmed), within the local centre/retail area. These are to be offered on the market for a period of two years *on commercial terms*.

The CCG and its advisors have undertaken extensive negotiations with St Modwen, the housing developer, and numerous site options have been considered, as set out below.

Following the closure of RAF Locking in 1998, the over 200 acre base was bought by the South West of England Regional Development Agency and the agency English Partnerships from the Ministry of Defence in 2002.

In cooperation with NSC, Homes & Communities Agency (HCA), the successors to SWERDA, formulated plans for the redevelopment of RAF Locking and adjoining land to the west of Weston Super Mare. The objective of the plans was to create thousands of new jobs and provide the necessary new housing (at least 6,400 dwellings) with additional local services and amenities including new road infrastructure, schools and health care facilities to support the new employment opportunities and related housing developments. Subsequently, planning consents were granted to HCA and its development partners, including St Modwen Developments Ltd.

Arising from these planning consents, in 2015, Section 106 of the Town & Country Planning Act 1990 Agreements were agreed by NSC with HCA/St Modwen and with Mead Realisations Ltd, which secured financial contributions and obligations from both developers relating to the provision of infrastructure, schools and health care amenities as part of the intended development of land at Weston Villages including Locking Parklands (part of RAF Locking).

Following consultation between NSC and NHS England it was agreed that, arising from the developments proposed by St Modwen & Mead Realisations, financial contributions toward the provision of a six-GP Health Practice facility plus transfer of a serviced site were agreed, together with the provision of future accommodation for a Pharmacy, Opticians and Dental Practice and the South West area of Parkland Village ( known as Locking Parklands ) was chosen as the preferred location for the Healthcare facilities , being the outcome of an analysis of existing facilities and as being relatively central and accessible to the proposed developments as a whole.

Specific provision was made in the Sect 106 Agreement signed in 2015 between NSC, HCA and St Modwen Developments for the following:

*‘Prior to the occupation of the 1,450th Dwelling across Weston Villages, the Developer agrees to provide the GP Practice land as a serviced site, transfer (with the Owner) the GP Practice and to NHS England on terms to be agreed between the Developer, the Owner and NHS England for consideration of £1 and with good and marketable title and pay the GP Practice Contribution to the Council’*

Whilst the Sect 106 Agreement contained no specification as to the exact size of plot to be provided or where exactly the facility was to be located, conditions and restrictions on site development within Locking Parklands were incorporated into various NSC adopted Planning Documents including the Design Code for Locking Parklands and various Supplementary Planning Documents relating to sustainable buildings and car parking standards. Similarly, St Modwen had submitted and agreed an illustrative Masterplan for Parklands Village with NSC.

These Planning and Development Policy Codes and Agreements, including the adopted Masterplan, were intended to create a much wider set of controls deemed necessary for the very large multi-use development of the whole area, not just the requirements of providing a Healthcare GP surgery development.

It should be appreciated that the interpretation and adoption of the Masterplan, the Design Code and the Supplementary Planning Documents have been well defined / redefined in agreements already reached between NSC and St Modwen in respect of earlier phases of the overall development of Parkland Village. For example, the transfer of land from Homes England (successor to HCA)/ St Modwen to NSC for the development of a Primary School has created precedents which would be, and already have been, difficult to overturn.

Similarly, the already well-established adoption of the Design Code for Locking Parklands, impose building design and specification requirements which are costly, risking affordability within NHS terms as well as potentially creating major operational difficulties. A dominant feature of the planning permission approved Masterplan for Locking Parklands is to create a high-density local Town Centre area with a lot of mixed uses and a building height up to four storeys. The Design Code for the High Street core centre prescribes: *“Flexibility for ‘statement’ buildings and ‘gateway’ buildings where materials could include glass, steel and timber”*. Similarly, that ‘on site’ dedicated car parking would be minimal, with the expectation that High Street users (or patients/staff) would use public car parks, although the future provision of such is intended to be limited.

In April 2018, the NHS approached St Modwen, asking for a site of approx. 0.75 acres (approx. 3025m<sup>2</sup>) to accommodate a two-storey building of approx. 1150m<sup>2</sup> (approx. 550 -600m<sup>2</sup> rectangular footprint) with on site dedicated car parking for approx. 70-80 spaces.

Accordingly, the first Site Option (OP1) proposed by St Modwen was located on the corner of Parade Street / McCrae Road, directly adjacent to the proposed High Street Town Centre core. The site suggested comprised approx. 950m<sup>2</sup> of site area, with a wide rectangular shaped building of approx. 300m<sup>2</sup> footprint, which could accommodate a three-storey building of approx. 900m<sup>2</sup> or a four-storey building of approx. 1200m<sup>2</sup>. The site could accommodate 15 dedicated on-site car parking spaces, but with no on-site provision for patient drop off, servicing or deliveries. The site was however adjacent to a future proposed local Town Centre /High Street public car park of approx. 100 cars.

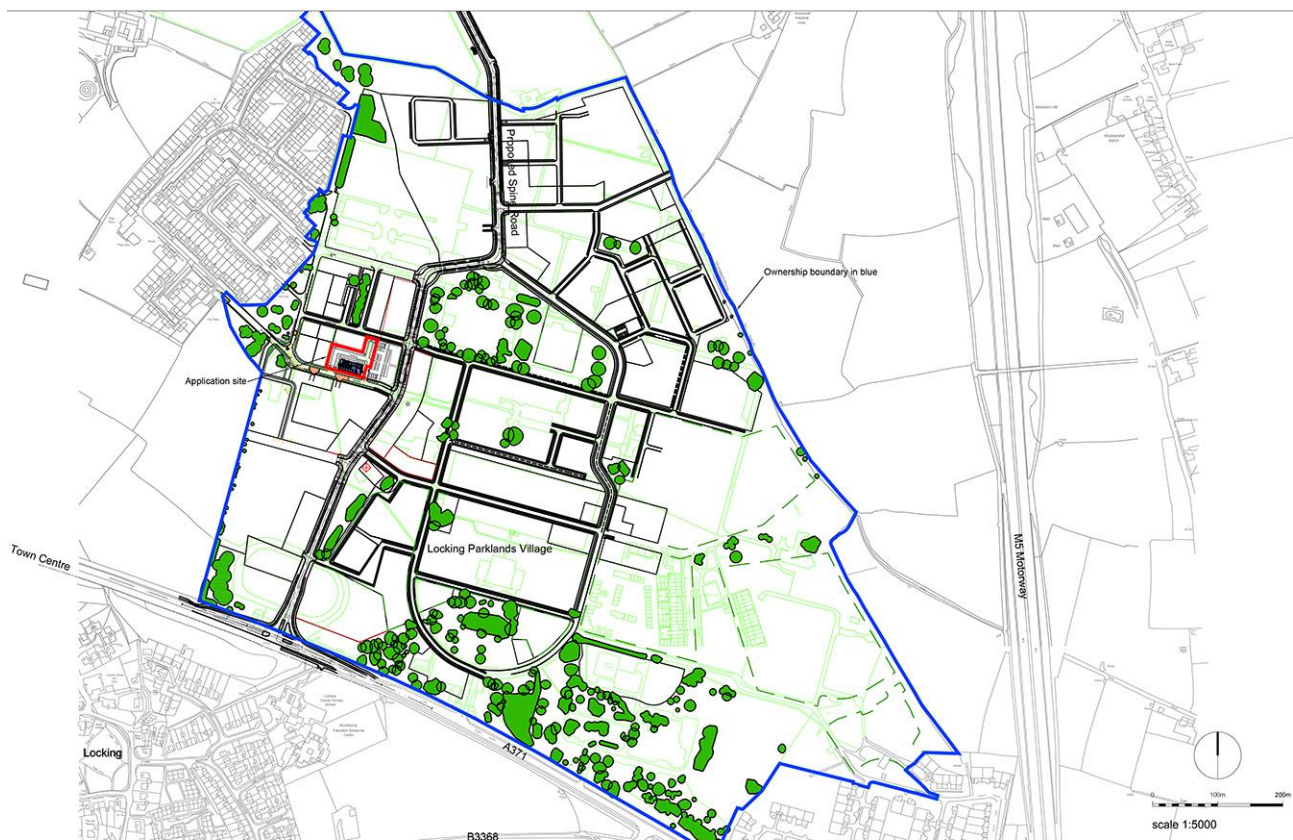
The option was rejected by NHS as it failed to satisfy the operational requirements and needs of the proposed GPs Practice Healthcare Centre, not least the unacceptability of a new-build Health centre squeezed into a four or three storey building with totally insufficient on site dedicated car parking provision, drop off facility etc.

Many months of discussion with St Modwen and their Masterplanning Advisers subsequently took place, establishing the needs and requirements of the NHS to secure a site large enough to accommodate a two storey rectangular building, with sufficient on site dedicated car parking spaces for staff /patients, together with onsite provision for patient drop off, servicing and deliveries.

Finally, on the 17th October 2019, St Modwen issued OP 21, New Masterplanning Drawing Health Centre + Phase 10 Block Plan – Option 1-093\_D1\_70.0. The plan is based upon an L shaped site of approx. 0,27ha, with an extended frontage on to the Northern side of Anson Road, with a short frontage onto Leedham Road. The proposal is for a rectangular footprint of approx. 530m2 fronting Anson Road, 2 Storey building, with 70 on site dedicated car parking spaces, with lay by for patient drop off, deliveries and servicing.

NHS have agreed to the acceptability of this OP 21 location and site configuration as the basis upon which a land transfer in accordance with the Section 106 Agreement between NSC/HE/St Modwen can be progressed in parallel to the detailed design of a new Health Centre can be progressed and finalized.

Figure 8 – site location plan (red outline)





## 2.9 Full Planning Approval

Full planning application (19/P/2950/FUL) was granted on 23<sup>rd</sup> April 2020 and a copy of the decision notice can be found in Appendix T.

## 2.10 Design Development

The NSC design team have completed RIBA stages 2-4.

### 2.10.1 Design principles of the new facility

The design is in essence a two-storey brick building fronting Anson Road with entrance and canopy on the eastern side. A pitched apex roof of eaves 6.5m approximately and ridge height of 10.5m approximately runs the length of the building.

The building is set back by 3m from footpath in accordance to Design Guide principles and provides the opportunity for a landscaped zone for additional privacy.

Car parking is placed around the building and caters for 69 spaces of which 4 are for disabled badge holders. Infrastructure is proposed for electric charge points.

A canopy provides protection and emphasis to the main entrance while a wide paved apron and drop-off bay leads onto automatic entrance doors and entrance lobby. A proprietary horizontal cladding system is used in a small area alongside the entrance as a contrasting element.

The junction off Anson Road is to be shared with the future neighbouring development whose identity is unknown at time of application. All visitors will be directed to the main entrance and then onto waiting rooms within the floor plan.

Consulting rooms are located on building perimeters and have large windows for light, wellbeing and natural ventilation. Opaque and/or translucent glass and internal blinds will be used where privacy demands.

The VOA Design Checklist has been completed which can be found in *Appendix H* – key design highlights are as follows:

- The scheme will be BREEAM rated excellent – see *Appendix I*: BREEAM Initial Assessment.
- The floor layouts enables maximum future flexibility with repeatable accommodation and rooms of regular proportion, in compliance of HBN recommended room sizes. These plans have been developed in consultation with the GP end users.
- The resulting plans are for a design that provides a working environment which is attractive, environmentally friendly and low maintenance.
- The developer confirms that they will make reference to current codes of practice for COSHH Regulations 2002
- The FBC estates standards are based on compliance with HBN 11-01 - 'Facilities for primary and community care services' and HTM 05-03 Fire Code. The developer confirms that a preliminary fire risk assessment will be carried out as part of the design process. The Stage 4 Fire Plan is due to be issued shortly.

- The FBC estates standards are based on compliance with HBN 11-01 - 'Facilities for primary and community care services'. And HBN00-09 (March 2013) Infection Control in the Built Environment. The developer confirms that fixtures and fittings have been chosen in regard to infection control. The design / drawings have been commented on and signed off by the commissioners approved infection control advisor – see *Appendix J* (ICN email on floor layouts)
- Providers of healthcare to the NHS are obligated to maintain safe and secure environments for their staff, patients and visitors and in addition must secure the physical assets and information critical to service delivery with these objectives best achieved by integrating security in the planning, design and construction of facilities whilst having regard for the operational needs of the users. The developer confirms that as the requirement in HBN 00-01 they have sought consultation with the local police crime prevention design advisory team. Safety and security is also part of the BREEAM assessment and requires a security specialist to be consulted and this is typically accepted as being the police’s advisory team.

A full design pack has been provided to NHS E reviewers and can be found in *Appendix K*.

### 2.10.2 Operational design

The functional content of the Centre has been based on the requirements of the GP’s and the CCG’s activity projections and agreed performance/utilisation assumptions. The identified functional content was used to determine the Schedule of Accommodation and 1:200 drawings as the basis for consultation with the GP end users.

The detailed design phase has been led by NSC’s appointed architects, Powell Dobson, in consultation with, and participation by, the relevant GP end users and their technical advisors.

The consultations informed the architects and resulted in updated Ground and First Floor layouts shown below.

*Figure 9 - proposed Ground Floor layout plan*

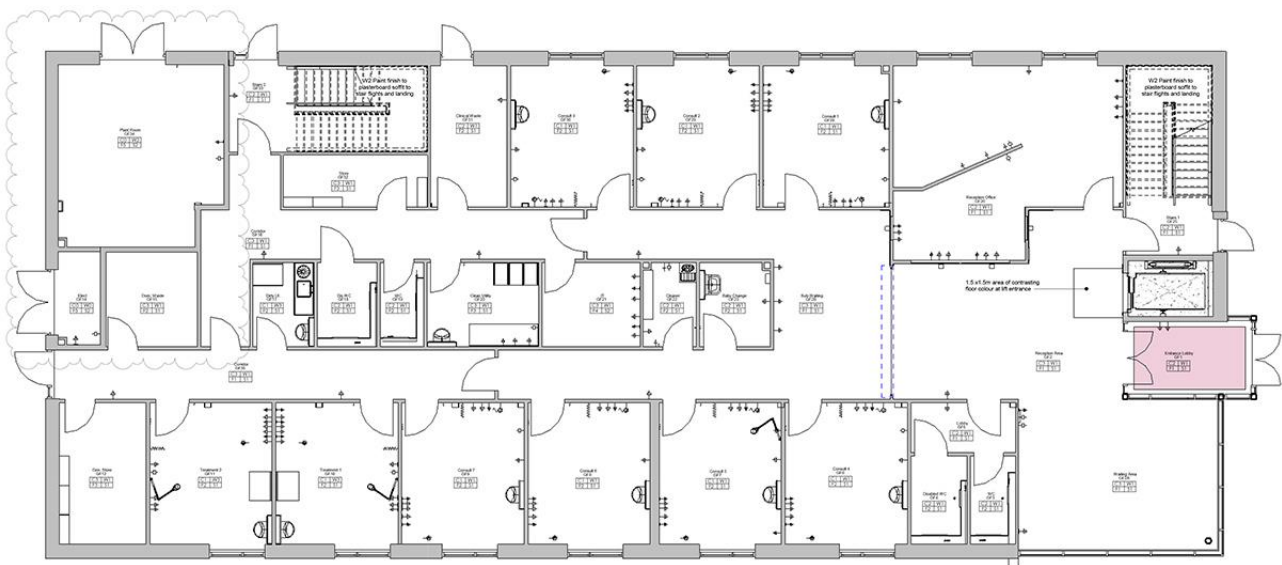
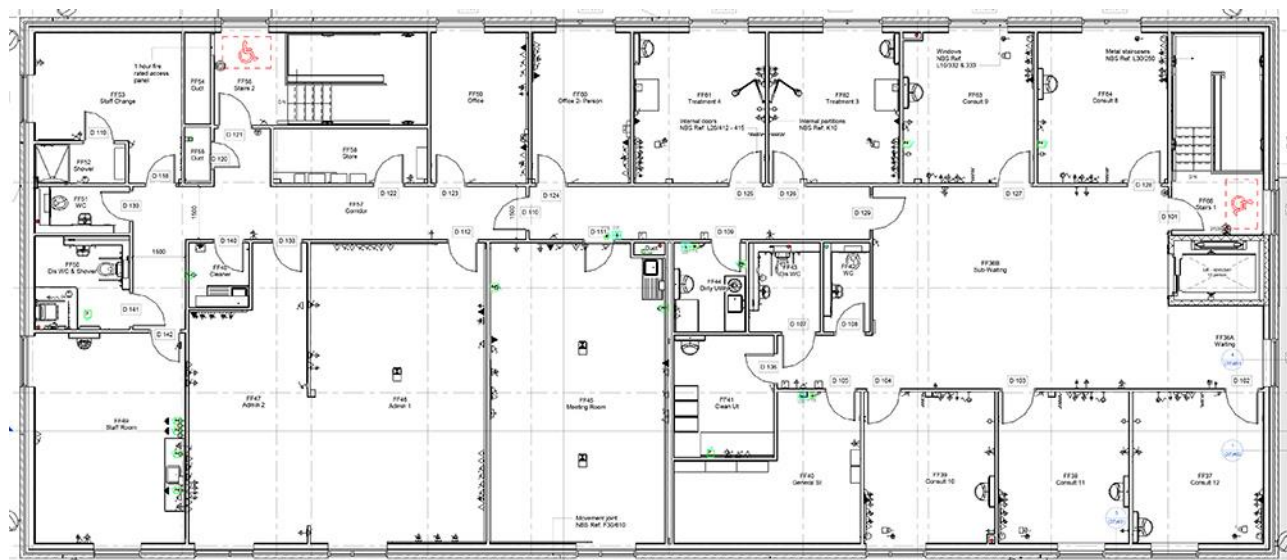


Figure 10 - proposed First Floor layout plan



The 1:50 scale drawings have been prepared based upon comments obtained by the GP end users on the ADB sheets issued which can be found in *Appendix L*.



## 3 The Commercial Case

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### 3.1 Introduction

This section of the business case outlines the proposed procurement strategy in relation to the preferred option outlined within the Economic Case.

The proposed ownership and development model for the new facility is for NSC to become both the owner and developer of it. NHSE will transfer ETTF Capital to NSC under a Section 2 agreement, and in turn they will deliver the building and provide it for use as a health facility for a rent-free period of 30 years.

The proposed ETTF funding of £3.788,386 is also supplemented by Section 106 development grants of £1.714,520 for the development of a health facility on Parklands Village.

The total project costs are estimated at £5.502,906 (based upon the Stage 4 Cost Plan including VAT) which includes the balance of the Section 106 monies allocated to this project to provide additional project contingency.

NSC understand that the ETTF allocation is a fixed sum and, therefore, any increase in costs arising from the final market testing process will be met from the Section 106 monies allocated to this project but also wider Section 106 monies if required.

### 3.2 Ownership and Development Model

The renegotiated NHSE Premises Cost Directions (PCD) has resulted in certain ownership and development models being more preferable than others. In light of this, a review of the models/options was undertaken by the CCG in partnership with NHSE ETTF Team (including Jo Fox) on Friday 20th July 2018.

Whilst the new PCDs will not directly allow for GP ownership of new-builds, there are a range of changes within them that make other development/ownership models more achievable and appealing. The full list of candidates considered for ownership and development of the facility are:

- North Somerset Council Ownership
- NHS FT Trust Ownership
- Community Health Partners (CHP) & LiftCo
- GP Ownership
- NHS Property Services
- St Modwen – Private Developer

Following the options review meeting, the most favourable model and preferred procurement option is ownership and development of the new facility by NSC. Key advantages to this in relation to the PCDs are:

- It is anticipated this option would result in minimal cost to the CCG in terms of ongoing revenue commitment.
- 100% of investment of S106 and supplementary ETTF grants can be used and are not tied to any percentage restrictions.
- It is already being done elsewhere, for example a project in Southborough is currently being delivered this way.

- NSC will already have significant experience in developing estates schemes and acting as a landlord.
- Mechanisms in the form of Sections 2 of the NHS Act already exist to enable NHS capital to be used, but for the council to own the freehold. For S256, a legal charge to provide the NHS with security over its investment is required.
- NHSE say they would expect councils to provide a peppercorn rent arrangement for the lifetime of the building, reflecting the value of the ETTF and S106 monies to be provided by the NHS. This is more favourable than the GP ownership cost modelling undertaken to date, reflecting best value in the use of public funds.
- The option of entering into a S2 arrangement provides NHSE with the benefit of achieving spend against the project in a timelier way than in a GP-led scheme.
- With this option, the ETTF prescribed March 2022 deadline is the deadline for spending the money. In a 3rd party developer-led scheme, the building needs to be completed by then, as the capital investment is received as a bullet or premium payment by the Landlord, and a reduction in rent is agreed for a fixed period of time, in return. The investment made by NHSE can only be secured through the lease, hence the lease must be in place within the timelines of the programme and the building must be completed by that date to effect the lease. Given the status of the scheme currently, this option is risky in that assurance of spend is not possible at this stage.

The completed building will be leased from NSC to the end GP tenant for 25 years with an option to extend the lease for a further 20 years, the first 5 years of which would be rent free. In return for the capital ETTF contribution, NSC will grant a total rent free period of 30 years, as recommended by the District Valuer.

The completed building will be leased to the GP's on the basis of a tenant's internal repairing obligation. Therefore, an additional capital payment (Commutated Sum) is required to provide sufficient funds to enable NSC to discharge its Landlord's Repairing obligation in the sum of £522,000 incl VAT. This is to be provided by NHSE as part of the updated ETTF allocation of £3,788,386. The draft legal pack can be found in *Appendix N*.

### 3.3 Commercial feasibility

NSC procured a Feasibility Study through Willmott Dixon, the appointed contractor, in July 2019 and has confirmed that they consider that the proposal is commercially feasible and deliverable. The Procurement Pack can be found in *Appendix M*.

The key project milestones are shown in section 5.1 in the Management Case. The detailed construction programme can be found in *Appendix O*.

### 3.4 Procurement Strategy

NSC's project team has considered the various procurement routes against the desired outcome which is to deliver a new primary care facility to meet the population growth expected in Weston Villages. The project must achieve the following:

- Align with BNSSG operational plans and with the commissioning priorities of the BNSSG Sustainability and Transformation Plans
- Reduce pressure on the wider local Primary Care Estate

- Be satisfactory in design and construction to all stakeholders (St Modwen, NHSE, NSC)
- Deliver quantifiable social value through the scheme
- Achieve BREEAM Excellent status
- Evidence best value for money
- Enable expenditure of the full ETTF grant by the deadline of 31<sup>st</sup> March 2022.

### 3.5 Procurement Options Considered

The table below sets out the various procurement options available to NSC along with the advantages and disadvantages of each.

Table 12 – Summary of Procurement options

Procurement Type	Description	Positives	Negatives
Traditional	Procurement of a designer to undertake the preliminary design, manage statutory processes and develop detailed design Employ a D&B contract to undertake construction	<ul style="list-style-type: none"> <li>• Open tender generates competition</li> <li>• Tried and tested procurement method</li> </ul>	<ul style="list-style-type: none"> <li>• Two stages of tendering and evaluation – time consuming</li> <li>• Client has to manage separate designer and contractor</li> </ul>
Design and Build	Procurement of a designer to undertake preliminary design and manage statutory processes Employ a D&B contractor to undertake the detailed design and construction	<ul style="list-style-type: none"> <li>• Provides certainty on contract sum and bring cost benefits to a project</li> <li>• Reduces need to procure designers and contractors – as benefit from contractor supply chain</li> </ul>	<ul style="list-style-type: none"> <li>• Less scope for variations to design and scope</li> <li>• Still requires tender and evaluation which is time consuming</li> </ul>
Framework	Appoint a contractor through a known framework to design and build	<ul style="list-style-type: none"> <li>• Long term relationship with known suppliers</li> <li>• Fast and efficient which is OJEU compliant</li> <li>• Delivers better social value</li> <li>• Greater transparency evidencing good value for money</li> </ul>	<ul style="list-style-type: none"> <li>• May result in smaller, local suppliers not having opportunity to bid if not on framework</li> </ul>

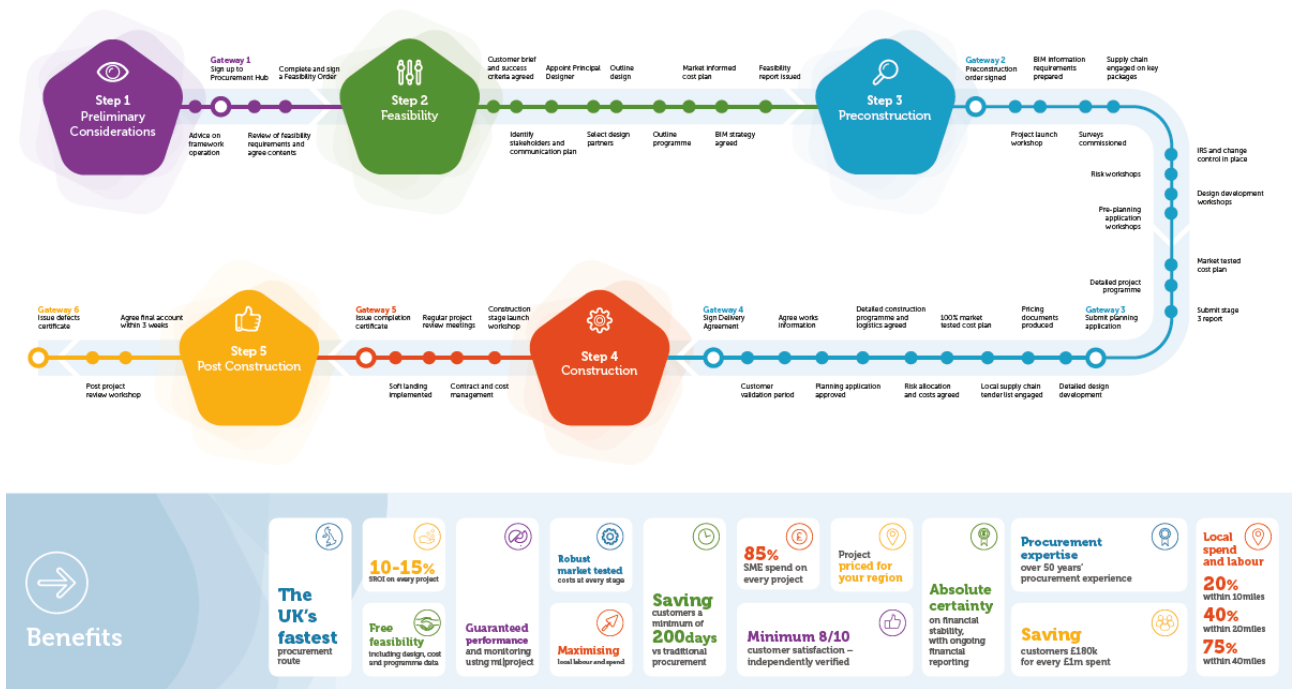
NSC reviewed the above options and determined that, given the timescales for the project, it would be more effective to utilise a framework. The Local Authority have experience of delivering many education projects through a framework agreement, including Locking Parklands Primary School on a neighbouring plot of land within Weston Villages, the contractor for this project is Willmott Dixon.

NSC identified Willmott Dixon as the preferred contractor as it is not only familiar with site conditions but also has experience in working with the public sector and delivering health schemes. It was deemed that procurement through a framework agreement was the most suitable way to proceed with this project.

The Procurement Hub Framework has a list of suppliers with a customer focussed approach particularly the public sector. The framework allows for cost certainty and control and is OJEU compliant. The Major Projects Hub through which Willmott Dixon would be procured, focuses on major project construction and works in relation to the professional services such as architecture, employer’s agent and the RIBA disciplines, it relies on the supplier for their supply chain or subcontractors and consultants. Suppliers of this framework will be required to work closely with the local government and other contracting authorities.

The Procurement Hub map (below) shows the steps that a supplier will undertake to deliver a major project. As the diagram shows, the client will have close control and visibility over the project at all times, the framework is just as robust a method as procuring a contractor or supplier through an open tender.

Figure 11 - Open tender Major Projects, step by step guide



The Contractor (through the Procurement Hub framework) has produced a cost plan that is a defined cost. The rationale of the Framework is such that this cost plan will include all costs and also a design development value that in essence means that the contractor take on the risks associated with the project – within the remit of the construction phase.

With this scheme, as St Modwen are bound by the S106 to pass across a site that is ready for development, NSC will be ensuring that St Modwen comply with the strictures as detailed by the contractor. The full set of requirements can be found in *Appendix S*.

The site requirements have been prepared by the contractor and so they should be comprehensive. However, if the contractor has ‘missed’ any issues, then they will bear the cost and resolve the matter within their cost plan – as part of the Design Development Value.

If the contractor takes possession of the site and there are issues that arise with the ‘state’ of the site (i.e. the contractor requirements as detailed in their document, are not met), then NSC will have recourse to recover costs from St Modwen and this is documented in the Land Transfer Agreement between St Modwen and NSC.

Key supply chain members have been engaged early in the process in order that they can contribute to the technical design process in terms of programme, build and innovation. The final development will be assessed through Design Quality Indicator (DQI) assessment and BREEAM assessment.

Should this development not proceed, BNSSG CCG will own the design at the point of termination but will only be liable for costs up to that point, in line with contractual commitments made during commissioning of the project.

Key external advisors in relation to the pre-development stages pre-construction services are as follows:

*Table 13 - Key External Advisors & Construction Services*

Role	Organisation
<b><i>Pre-construction to FBC</i></b>	
Business case preparation	Archus Ltd
Mechanical and electrical consultants	McCanns
Architects	Powell Dobson
Structural engineers	Cambria
Cost consultants	Pick Everard
Project management/ cost advice	North Somerset Council
GMP development	North Somerset Council
<b><i>Construction and Technical Design</i></b>	
Owner	North Somerset Council
Head Tenant	Pier Health Ltd
Building contractor	Willmott Dixon
Structural engineers	Cambria
Mechanical and electrical contractor	McCanns
Architect final design	Powell Dobson
Final design BREAAAM assessment	Cambria
Cost Consultant	Pick Everards

Under a partnership framework NSC will take responsibility for final technical design and construction of the project, the CCG, and Pier Health Group have been actively involved in the design process and will have sign off authority on the final design. Responsibilities will include:

- Single point responsibility to manage the design and construction process from completion of FBC, technical design through to project completion;
- Assemble a dedicated team from its supply chain of experienced health planners, designers and specialists, to successfully deliver facilities that will provide the services and benefits for patients and staff alike;

- Provide the benefits of experience of long-term partnering arrangements that will continue throughout the life of the project;
- Committed to identifying construction solutions that will assist in the implementation of improved service delivery, best practice and delivering best value within the agreed project timescales.

NSC appointed teams and BNSSG CCG have worked together through the FBC stage to develop and continue to do so to agree a guaranteed maximum price for delivery of the scheme. This will reflect:

- Fees for professional advice such as design and cost management;
- Market tested packages for construction works on a two-stage open book basis;
- The GMP will be assessed for overall value for money by cost consultants acting for both the Owner and BNSSG CCG.

This will take into account elements such as:

- Prevailing rates for similar works nationally and locally;
- Published cost indices;
- Knowledge of the cost of work in primary care from other recent schemes;
- Prime contractor and client retained risks as identified in the joint risk register.

Packages (expression of interest) responses have been assessed by NSC and appointed team's advisors to ensure the 'Best Value' tender is included in the GMP for the health centre development. The assessment was not only based on the price but also the programme, design/ technical proposals and the likely risk. The Owner has continued to liaise with BNSSG CCG and the proposed GP end tenant to ensure NHS support and to ensure agreement of the formal assessment proposal for each package.

Key supply chain members, (e.g. mechanical, electrical) have been engaged early in the build process to enable them to contribute to the final technical design process in terms of programme and buildability/ innovation.

### 3.6 Building Research Establishment Environmental Assessment Method (BREEAM)

BREEAM is the leading and most widely used environmental assessment method for buildings and communities. It sets the standard for best practice in sustainable design and has become the de facto measure used to describe a building's environmental performance. BREEAM provides clients, developers, designers and others with the following:

- Market recognition for low environmental impact buildings;
- Assurance that best environmental practice is incorporated into a building development;
- Inspiration to find innovative solutions that minimise the environmental impact;
- A benchmark that is higher than regulation;
- A tool to help reduce running costs, improve working and living environments;
- A standard that demonstrates progress towards corporate and organisational environmental objectives.



BREEAM addresses wide ranging environmental and sustainability issues and enables developers and designers to prove the environmental credentials of their buildings to planners and clients. It:

- Uses a straightforward scoring system that is transparent, easy to understand and supported by evidence-based research;
- Has a positive influence on the design, construction and management of buildings;
- Sets and maintains a robust technical standard with rigorous quality assurance and certification.

A pre-construction BREEAM assessment (included in *Appendix I*) was completed on 22 November which confirms a score of 74.04% ('Excellent') has been identified as being achievable.

### 3.7 Potential for Risk Transfer

BNSSG CCG have a risk management process that is discussed in the Management Case. The Project Director, and the CCG's project lead currently act as joint owners of the joint project Risk Register for this scheme. Responsibility for risks identified are then allocated and identified on the associated risk register.

An agreement and mechanism for reasonably sharing risk between NSC and the CCG has been agreed. Given the non-profit oriented development model NSC are willing to accept in this development, they have expressed a reasonable wish to avoid being exposed to risks associated to costs of delivery. The CCG is seeking to put in place an arrangement that reasonably apportions risk, accountability and responsibility as it will not be able to accept all of the risk if it doesn't have ultimate control/management influence over the process and build contractor. The agreed risk transfer matrix is shown below:

*Table 14 - Weston Villages FBC Risk transfer matrix*

Risk Category	Allocation			
	NHS	NSC	Contractor	Shared
1. Design risk				✓
2. Governance and approvals risk	✓	✓		
3. Construction and development risk		✓		
4. Programme and Performance risk		✓	✓	
5. BREEAM Excellent risk		✓	✓	
6. Commissioning and Mobilisation Risk	✓			
7. Operating risk	✓			
8. Variability of revenue risks	✓			
9. Ongoing Maintenance risks		✓		
10. Section 106 shortfall risk		✓		
11. Section 2 Legal risks	✓	✓		
12. ETTF allocation risks	✓			
13. Legislative risks	✓			
14. Other project risks				✓

It should be noted that a commuted sum payment is proposed to provide sufficient funds to cover NSC's landlord's repairing obligations during the rent free period of 30 years.



An independent Life Cycle Cost report has been obtained enabling the negotiations between NSC and the CCG, resulting in an agreed additional payment of £435,000 plus VAT. A copy of this LifeCycle report can be found in *Appendix Q*.

### 3.8 Proposed Charging Mechanisms

The payment for the proposed development will be arranged through a combined ETTF and S106 Agreement. The Building Contract will stipulate the payment mechanism, timescales, method of payment calculation etc. The charging mechanisms approach applied relates to the Income Forecast Method (IFM) being paid the Defined Cost for the works plus their fee up to the GMP.

### 3.9 Personnel Implications (including TUPE)

TUPE Regulations will not apply to this investment as no undertakings will transfer between employing entities. However, staff will be required to move from an existing surgery located at Locking Village.

### 3.10 Equipment Strategy

The incoming GP Practice intends to implement an equipment strategy that incorporates the following:

- Ownership of the majority of equipment
- Transfer of current equipment that complies with quality standards for the new build

### 3.11 Financial Reporting Standard 5 Accountancy Treatment

Expenditure underpinning the delivery of the service will be reflected on BNSSG CCG expenditure analysis.

## 4 Financial Case

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### 4.1 Introduction

The purpose of this section is to set out the forecast financial implications of the shortlisted options as set out in the Economic Case. As such it will provide calculations setting out the estimated capital and revenue costs, the assumptions being made to underpin those costs and an assessment of the value for money and affordability to demonstrate how the preferred option of the two storey building has been reached.

### 4.2 Financial Performance

In the last full financial year (2019/20) the BNSSG CCG had an agreed control total of £12m deficit. Due to an increase in the number of complex continuing healthcare packages, mental health out of area placements and changes in prescribing costs the CCG ended the financial year with an overall deficit of £34m. The CCG developed a £12 million joint financial recovery plan with system partners for the first time; and during the year has developed a five year financial plan that has support of all system partners, improves the CCG financial position every year and achieves a recurrent surplus of 1% by 2023/24.

### 4.3 Capital Requirements

Since approval of the Outline Business Case – considerable work has been undertaken in conjunction with NSC to firm up building requirements to meet the needs of a rapidly growing local population and for the local authority to provide more accurate capital costs to construct the new GP premises.

Capital costs have been derived from a Schedule of Accommodation based on a spatial requirement of 1023 sqm for option 1 and 1584 sqm for option 2 (Option 1 being the preferred option.)

This schedule of accommodation has been subjected to a competitive tendering process based on subcontract packages undertaken by Wilmot Dixon and verified by Pick Everard on behalf of North Somerset Council to arrive at a stage 4 cost plan. From this process, capital costs have been calculated for both options i.e. £4,341,783 for option 1 and £6,722,761 for option 2 as per the table below. Included in the Appendix are the Cost Plan Summary (*Appendix R1*) and Value for Money report (*Appendix R2*) assessing the capital costs for Option 1.

The overall capital costs have been allocated to 2020/21 and 2021/22 in accordance with the draft cashflow analysis provided by Wilmot Dixon.

Note: Most capital costs are exclusive of VAT as NSC are able to reclaim/exempt all VAT on new capital spend. A small amount of £2k has been included associated with £15k of 'Fees' which will attract VAT. However, VAT will be payable on the Section 2 transfer sum in accordance with the latest independent taxation advice.

Table 15 - Summary of capital costs

<b>Capital Costs</b>			
<b>Option 1 - Smaller Building</b>		<b>Option 2 - Larger Building</b>	
GIA	1023	GIA	1584
Sq m cost	£4,244	Sq m cost	£4,244
Construction cost (inc design fees)	2,810,442	Construction Cost	4,351,652
On costs	652,826	On costs	1,010,827
Fees included in cost plan	420,638	Fees included in cost plan	651,310
Sub total as per cost plan	3,883,906	Sub total as per cost plan	6,013,790
Other fees	31,049	Other fees	48,076
NSC Remaining Fees	154,286	NSC Remaining Fees	238,894
CCG Remaining Fees	83,000	CCG Remaining Fees	128,516
CCG SDLT	8,000	SDLT	12,387
Equipment	-	Equipment	-
Contingencies	181,542	Contingencies	281,097
Sub Total	4,341,783	Sub Total	6,722,761
Optimism Bias		Optimism Bias	
<b>Total</b>	<b>4,341,783</b>	<b>Total</b>	<b>6,722,761</b>

The construction period for each option is set out in the following table together with the relevant cashflow forecast.

Table 16 - Timing of capital costs

	<b>Option 1 - Smaller Building</b>		<b>Option 2 - Larger Building</b>	
	<b>2020/21</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2021/22</b>
Construction cost (inc design fees)	718,177	2,092,265	1,450,551	2,901,101
On costs	166,823	486,003	336,942	673,885
Fees included in cost plan (19/20)	420,638			
Sub total as per stage 4 cost plan	1,305,638	2,578,268		
Fees	7,762	23,287	16,025	32,051
NSC Remaining Fees	38,572	115,714	59,724	179,171
CCG Remaining Fees	20,750	62,250	32,129	96,387
CCG SDLT	-	8,000	-	12,387
Equipment	-	-	-	-
Contingencies	45,386	136,156	93,699	187,398
Sub Total	1,418,107	2,923,676	2,240,920	4,481,841
Optimism Bias	-	-	-	-
<b>Total</b>	<b>1,418,107</b>	<b>2,923,676</b>	<b>2,240,920</b>	<b>4,481,841</b>

Optimism Bias has been set at zero on the grounds that under the arrangements with the local authority any financial risk is held by them as the landlord.

The capital cost per sq m quoted above at £4,244 is quite different to that quoted in the OBC at £1,877. This is because these two sums are measuring quite different things. At OBC the quoted cost per sq m is measuring only the base level of construction cost as quoted by the RICS to start the calculation of overall capital costs and therefore excludes costs for contingencies, fees, equipment and VAT which are added subsequently. The rate quoted within the FBC encompasses all capital costs to be incurred divided by the GIA.

The tables at the front of the FBC show how the capital and non recurrent revenue sums are to be funded. As there is no remaining ETTF monies available uncommitted in 2020/21 and the final tranche of S106 monies do not become available until 2022/23, NSC have agreed that they will bridge the funding across financial years to ensure sufficient resource is available as and when it is required to enable the delivery of the current programme.

A copy of the FB1 form has been included as *Appendix G*

## 4.4 Non recurrent revenue

In addition to the capital costs, additional non recurrent revenue costs have been incurred in respect of pre-project costs in respect of business case preparation and fees plus Stamp Duty Land Tax which will be incurred by the GP practice on setting up the premises lease with the Local Authority which will be reimbursed by the CCG as per the following table in respect of which an additional bid has been made for an ETTG grant to cover this sum.

Any fees to be incurred post FBC have been included within capital expenditure as required by NHSE.

A sum of £91,000 will be retained by the CCG to cover its costs associated with client-side project support, GP Technical Advisor role, IT consultancy and SDLT required during construction together with a small number of minor adjustments.

*Table 17 - Non Recurrent Revenue Costs*

<b>Non recurrent revenue</b>	
Pre project costs 2017/18	136,636
Pre project costs 2018/19	-
Pre project costs 2019/20	500,000
Less Design Fees incl in Capital	(420,638)
<b>Total</b>	<b>215,998</b>

## 4.5 Sources and Application of Funds

The capital and non-recurrent revenue funds are to be funded from a combination of an ETTF grant (funded via section 2 agreement) and Section 106 funding which will be made available by the housing developer via the local authority.

Any balance of S106 monies available or allocated in the future will be held by the local authority as a project contingency.

Although no VAT is payable on the capital costs directly as NBC can reclaim those, the latest taxation advice is that VAT is chargeable on payments by the CCG under S2 arrangements but not on the S106 elements.

Sources and Application of Funds	
Construction costs	4,341,783
Commuted Sum (excl VAT)	435,000
VAT on S2 payments	510,125
Pre project costs/SDLT	215,998
<b>Total Applications</b>	<b>5,502,906</b>
ETTF Grant	3,788,386
S106	1,714,520
<b>Total Sources</b>	<b>5,502,906</b>

## 4.6 Recurrent Revenue Costs

Recurrent revenue costs to be incurred in this business case have been restricted to GP premises costs to be incurred by the CCG as set out in the GP premises directive which cover rent, business rates and water charges. Other costs such as staffing and other general support costs have been omitted as they are the responsibility of the GP practice.

It is anticipated that as the majority of the new space being created is based on the needs of a rapidly growing population in the Weston Villages area then the only surgery that will close thereby releasing resources towards the running costs of the new premises will be the Locking Branch Surgery will release only limited resources of £4,400 pa as the table shown.

Table 18 - Recurrent revenue resources to be released

Current Revenue Costs	£
Rent	4,400
Rates	incl
Water	incl
<b>Total</b>	<b>4,400</b>

The recurrent revenue costs of the new surgery for each of the options has been calculated based on the following:

- Rent – as per the DV interim report of 19<sup>th</sup> October plus VAT;
- Rates – based on Valuation Office formula utilising DV rental as basis and 2019/20 rate poundage;
- Water – based on sqm of buildings using average rate for similar buildings;
- Rent rebate – as per the DV interim report of 19<sup>th</sup> October.

The rent rebate of £249,580 which is 100% of the rental payments has been calculated by the DV to cover the first 30 years of occupation and is to offset the fact that the majority of the capital costs are being met from the NHS ETTF grant. VAT has been included within this figure as the Local Authority has opted to reclaim VAT on its input capital costs.

Using these assumptions, the following recurrent revenue costs have been calculated

Table 19 - Recurrent revenue costs of options

<b>Option 1 - Smaller Building</b>	<b>£</b>	<b>Option 2 - Larger Building</b>	<b>£</b>
GIA	1,023	GIA	1,584
Rent	249,580	Rent	386,446
Rates	97,090	Rates	150,333
Water	3,710	Water	5,745
Total	350,380	Total	542,524
Less Locking	(4,400)	Less Locking	(4,400)
Less Rent Rebate (100%)	(249,580)	Less Rent rebate (73%)	(282,106)
<b>Total</b>	<b>96,400</b>	<b>Total</b>	<b>256,018</b>

In net terms, therefore, the new GP surgery will incur an additional revenue cost to the CCG in terms of premises cost re-imbursements of £96,400. There is the potential to mitigate this recurrent revenue pressure by sub-letting areas of the first floor of the new building that are unlikely to be required by the GP's upon opening until the patient list increases in circa 8-10 years.

## 4.7 Sensitivity of the Preferred Option

The conclusions reached in this financial case are based on a review of extensive data sources and a number of assumptions. The deduction is therefore that there will always be a degree of sensitivity to changes in that data. Listed below are the most significant sensitivities and the impact they would have on the outcome of this process.

- **Population/ Activity Forecasts** - Forecasting future demographic changes will always carry an element of risk. For this reason, the design of this project and in particular of the asset itself will remain as generic/ flexible as possible to allow for multiple potential uses.
- **Rate of Capacity Growth** – If the smaller of the two options is selected then taking into account the rate of growth in the population plus increased house building would indicate that the smaller of the two options will run out of capacity within 10 years of opening.
- **Construction Costs** – These have been through a number of reviews and have been validated independently to ensure they are robust. The scheme has yet to be subjected to competitive tendering so some element of risk remains.
- **Design Risks** - Again retaining maximum flexibility throughout the planning period will help mitigate any such risks.
- **Option Appraisal Scoring** – The financial option appraisal has been stress tested to identify by how much the scoring process would need to alter in order to bring about a change in the preferred option. There is a 71% variation between the preferred option of the smaller 2 storey building and the second preferred option of the larger 3 storey building on overall cost grounds as calculated through the GEM model. There is also a significant variation of 55% in the capital costs alone. Having undertaken a risk assessment of the capital costs it is felt unlikely that this variation will be breached.



## 4.8 Affordability of the Preferred Option

- **Capital** - The smaller 2 storey building (option 1) is the preferred option with an overall capital cost of £4,341,783. Of this sum £1,714,520 will be funded through a S106 grant from the housing developers paid via the local authority. This leaves a balance of £2,627,263 to be funded from the ETTF grant. The Council recognise that the ETTF monies are a fixed grant and will not increase. Therefore, any cost pressures post FBC approval would be met by the Council from wider Section 106 monies.
- **Non recurrent revenue** – Pre project costs and SDLT amounting to £215,998 will be incurred which can be funded from within the overall ETTF grant applied for of £3,788,386 million.
- **Recurrent Revenue** – Additional recurrent revenue costs of £96,400 pa will be incurred as a result of this project related to GMS reimbursable costs. These costs can be mitigated through rental income until such time as the population growth has been achieved.

## 4.9 VAT position

- Due to the construction being managed by North Somerset Council they are able to reclaim all VAT on the cost of construction. VAT has therefore been omitted from most capital and fee costs.
- As North Somerset Council has opted for VAT, they are obliged to charge VAT on the lease rental charge. VAT of £41,607 has been included within the revenue costs on a lease rental of £207,983
- Both NHSE and North Somerset Council have taken independent taxation advice on the VAT treatment of the Section 2 payment and the agreed conclusion of both is that VAT is chargeable on the value of the Section 2 payment. Therefore, a VAT charge of £510,125 has been included in the business case on a value of Section 2 payment of £2,550,625. This sum will only be payable to NSC following formal confirmation by HMRC.

## 5 The Management Case

The Management Case provides a summary of the arrangements which have been put into place for the successful delivery of the project. It describes the structures and governance that were put in place to develop this business case.

This section also considers other service relocations and operational changes that will be needed to secure the benefits sought through the investment.

This scheme is a key estates project for the CCG and sits within a portfolio of projects as part of an Estates Strategy. These were set out in the Strategic Outline Plan and Options Appraisal for the project which were agreed in December 2017.

### 5.1 Project plan

The project is required to enable the expenditure of the ETTF monies by March 2022. This timeline is predicated on meeting key submission and approval dates to BNSSG CCG Governing Body, NSC Executive Board and to NHSE in order to meet with the national timeframes for ETTF funding approval and allocation.

The milestones for this project are set out below.

*Table 20 - key project milestones*

Key Project Milestone	Week commencing/Date
Submission of planning application	25.11.2019
NSC Land & Legal Executive Paper	05.02.2020
Draft FBC submitted to NHSE	17.02.2020
PCCC meeting (closed)	25.02.2020
Planning application approval	23.04.2020
Final FBC submitted to NHSE	14.10.2020
NHSE panel Approval of FBC	09.11.2020
PCCC meeting (open)	24.11.2020
CFO sign off	02.12.2020
NSC Delegated Approval: Contract Award	02.12.2020
St Modwen mobilisation: enabling works	December 2020
Mobilisation of contractor on site	December 2020
Construction Period	January 2021
Transfer of funds from NHSE to NSC (1 <sup>st</sup> tranche)	April 2021
Project Completion	December 2021
ETTF expenditure deadline	March 2022

## Workstream Interdependencies and Impacts

As stated previously, a transfer of land for the new health care facility is a requirement of the Section 106 Agreement in relation to the Locking Parklands Phase 3 development whereby the trigger point for land to be transferred is upon completion of 1450 dwellings. NSC has advised that they are about to reach this trigger point and will be on track for a land transfer in December 2020.

The Council has concluded negotiations with St Modwen, the current site owner, to confirm the date for the transfer of land. Prior to transfer, as a requirement of the Section 106 agreement, St Modwen are required to undertake enabling works to ensure that the site is fully serviced prior to transfer, as set out in the extract from the Section 106 Agreement below:

*“the provision of land that has been fully serviced ready to enable the construction of buildings to include the provision of vehicle, cycle and foot access, remediation of all land contamination, draining and levelling of the site, all services and utilities including Broadband to the premises or as agreed with the Council, attenuation provision required for the proposed building and structural landscaping within the serviced site plot to be maintained to ensure it is attractive to potential occupiers”*

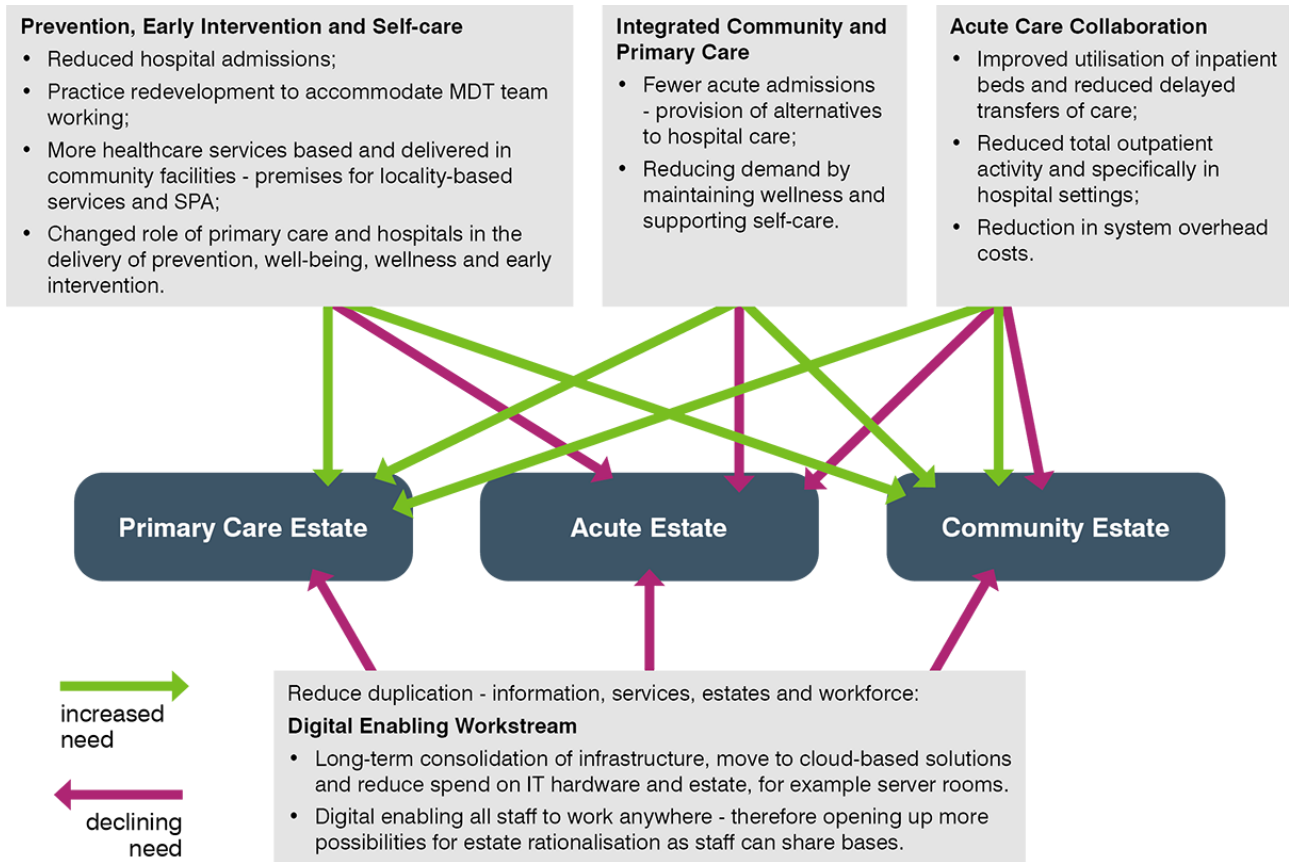
The Council previously obtained a letter of comfort from St Modwen to confirm that they are gearing up to undertake the required remediation works on the agreed site to enable the land transfer and access for the Council’s contractor to commence works as programmed in advance of this trigger point. This letter can be found in *Appendix P*. The works are now underway on site and due to be completed in early December 2020.

## 5.2 Impact on the estate arising from the work streams

It has been recognised through the Estates work stream that the primary care estate is a key enabler to the delivery of the strategic objectives through its potential to impact positively on quality and patient experience and support delivery of clinical and financial sustainability through system transformation.

The Estate work stream is therefore supporting a new approach to ‘enable primary care estates’ provision that will allow for delivery of intended new models of primary care and where utilisation of a ‘fit for purpose’ existing estate is maximised (Lord Carter targets). Effective future investment in the estate, with poorer quality buildings that are no longer suitable for purpose, replaced with new facilities that can support a wider range of services and sharing of premises to better meet future needs and support the delivery of community and primary care-based initiatives. In support of this in January 2015, all GP practices were advised of the availability of and opportunity to submit bids against a new primary care infrastructure fund, targeted at increasing capacity in primary care, enabling better access, reducing unnecessary demands on urgent care services and building the foundations for more integrated care.

Figure 12 - Estate provision arising from the estate work streams



In order to secure an at-scale level of ambition and associated practical delivery roadmap to address the significant challenges, the BNSSG organisations have built a collaborative foundation to support Estates provision. This scheme is one of key elements that is required to attain the desired footprint of high-quality primary care estate; thus, enabling the wider BNSSG estates strategy an integrated care system ambitions.

### 5.3 OGC Gateway review arrangements

Project Gateway reviews provide a valuable perspective on the issues facing the internal project team as the project reaches the FBC stage. External challenges to the robustness of plans provides support to the leads of the project by helping them to ensure the following:

- The impacts/risks associated with the project are scored against the Risk Potential Assessment (RPA) for projects and monitored through the risk register
- All the stakeholders covered by the programme or project fully understand the current status and the issues involved
- The programme or project can progress more confidently to the next stage of development, implementation or realisation
- Achievement of more realistic time and cost targets for the programme or project

The Gateway Project Review Process looks at a project or programme at six key stages in the life of the project and considers the readiness to progress to the next phase. The six stages are:

- Gate 0 - Strategic Assessment – SOC / Options appraisal stage;
- Gate 1 - Business Justification – OBC stage;
- Gate 2 - Delivery Strategy – FBC stage;
- Gate 3 - Investment Decision – FBC stage and Mobilisation;
- Gate 4 - Readiness For Service;
- Gate 5 - Operations Review and Benefits Evaluation.

A Health Gateway Review for strategic assessment and business justification is completed at completion of the FBC and agreed based on population need and affordability.

The Delivery Strategy assessment will then be undertaken, and a programme agreed. A Delivery Confidence Assessment of AMBER is issued by the review team provided everything is on track along with recommendations for consideration/ implementation.

The recommendations from the Gateway Review will be incorporated into the Project's Action Log; pending complete resolution.

## 5.4 Arrangements for post project evaluation (PPE)

The outline arrangements for post implementation review (PIR) and project evaluation review (PER) will be established in accordance with best practice and are as follows:

The CCG and Council will ensure that a thorough post-project evaluation is undertaken at key stages in the process to ensure that positive lessons can be learnt from the project. These will be of benefit to:

- The CCG - utilising the knowledge for future primary care capital schemes;
- NSC and other key local stakeholders – to inform their approaches to future projects;
- The NHS more widely – to test whether the policies and procedures used in this procurement have been used effectively;
- Contractors – to understand the healthcare environment better.

The evaluation will examine the following elements, where applicable:

- The quality of the documentation prepared by the Council and CCG for the requirements of contractors and suppliers;
- Communications and involvement during procurement and the effectiveness of advisers utilised on the scheme;
- The efficacy of NHS guidance in delivery the scheme;
- Perceptions of advice, guidance and support from NHSE and NHS Estates in progressing the scheme.

Formal post project evaluation reports will be compiled by project staff and reported to the Board to ensure compliance to stated objectives.

## 5.5 Post implementation review (PIR)

This review ascertains whether the anticipated benefits have been delivered. The review is recommended to be timed to take place immediately after the new health centre opens and then 2 years later to consider the benefits planned.

A benefits realisation plan will be developed as part of the implementation of the operational policy to demonstrate how the benefits have been realised.

## 5.6 Project evaluation review (PER)

This review appraises how well the project was managed and whether or not it delivered to expectations. It is timed to take place during the construction phase and will form part of the post project design evaluation. It will compare the current design assessment undertaken during the FBC project phase with the final operational building.

## 5.7 Project management

### Budget

An ETTF grant of £3,788,386 is required. NHS E has formally granted pre-project costs of £136,636 incurred between 2016 and 2018. In October 2019, NHSE approved a further draw down of pre-project costs in the sum of £500,000.00 to enable the design team to undertake detailed and technical design to enable the submission of the planning application. These fees include CCG's external advisors and legal costs, the Council's project management and legal fees and the Tenant's representatives' fees.

Securing the remainder of the funds will be dependent upon gaining approval of this FBC. Additional monies will be provided via the various Section 106 allocations totalling £1.715m.

NSC Executive has accepted the principle that the balance of Section 106 monies should be allocated to the Weston Villages project by way of additional contingency as the construction risk clearly sits with NSC and the level of ETTF funding is fixed.

### Structure

The STP Executive Board was established, with cross-sector representation, including local government, to act as the programme steering group for the overall STP. The executive board is a designated committee, with responsibilities which in summary, include:

- Advising the Board on formulating the strategy for the organisation.
- Ensuring accountability by holding each other to account for the delivery of the strategy and through seeking assurance that all systems of control are robust and reliable.
- Leading executively, in accordance with the STP shared values, to deliver the vision and, in doing so, help shape a positive culture for the organisation.

Cross-sector planning expertise has been identified and pooled to form a Project Group which coordinates the development work of the STP.



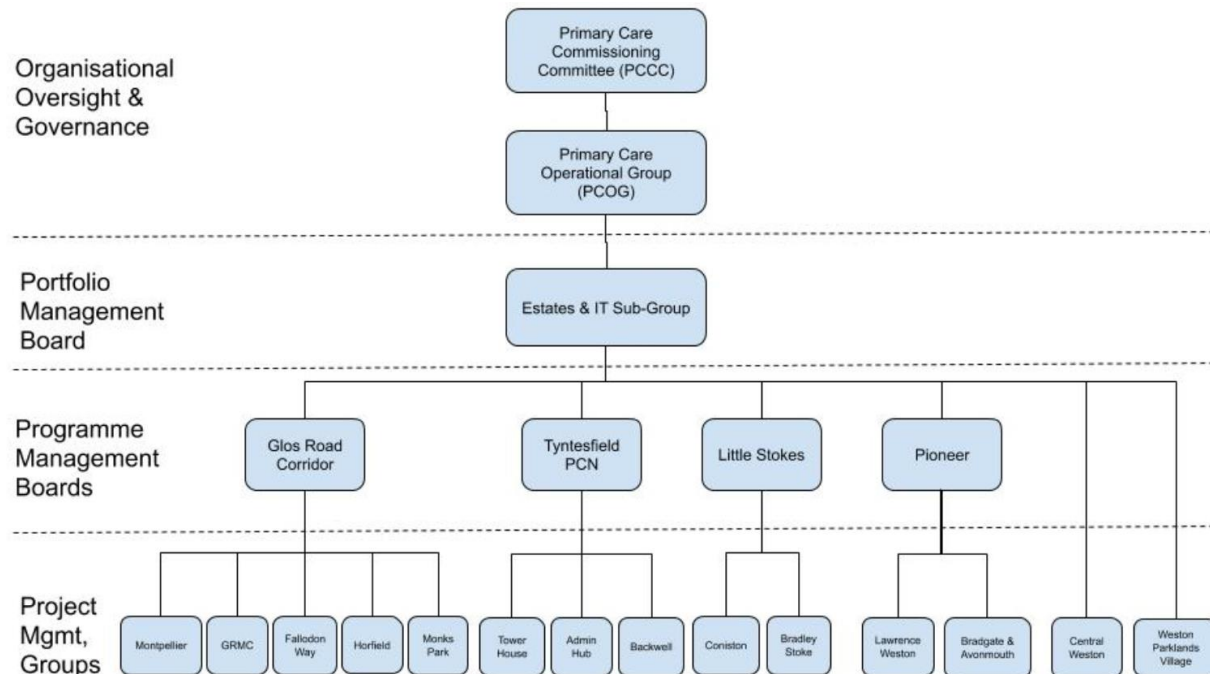
To date the project groups within the STP have identified separate work streams that are being led by a Project Lead and a Chief Officer or equivalent from the System Leadership Group as a Senior Responsible Officer (SRO). Clinical and Mental Health Leads have also been identified to work within the Operating Model work streams.

Figure 13 - BNSSG STP work streams

1	Integrated health and care operating model core themes
2	Finance, analytics and capacity modelling
3	Workforce
4	Estates
5	Stakeholder engagement
6	Clinical strategy
7	Digital roadmap

Over the course of developing this business case, senior stakeholders across these work streams, and the boards of each organisation, have been fully engaged in each iteration of the scheme. Leaders within the CCG and council are fully supportive of the FBC outlined here and will continue to be engaged through the following revised governance structure outlined below.

Figure 14 - Governance Structure

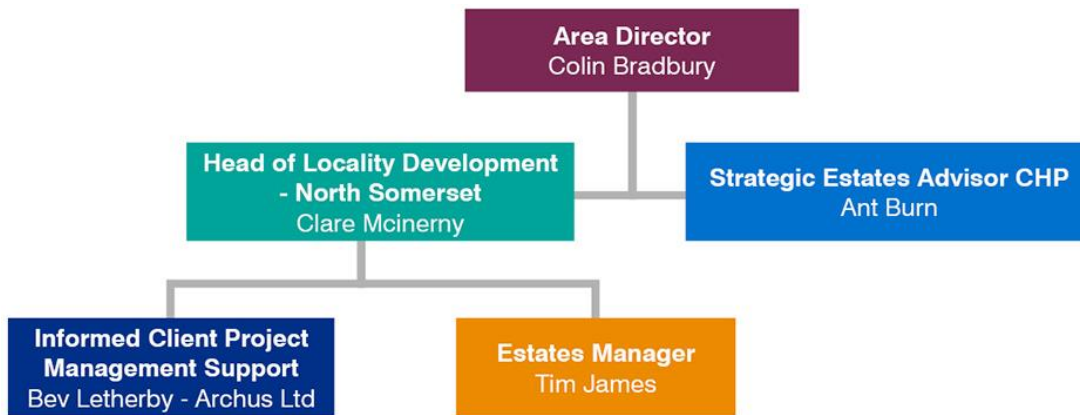


*Project Methodology*

The Weston Villages project is managed by the CCG and sits within the Enabling Primary Care Workstream and led by the Optimising Primary Care sub-group. The Project Board has the responsibility to drive forward and deliver the outcomes and benefits of this Development.

The Weston Villages project itself is managed in accordance with PRINCE 2 methodology<sup>8</sup>. Members will provide resource and specific commitment to support the project manager to deliver the outline deliverables. This is aligned with the NSC project Delivery Manual methodologies. The project management group structure is as follows

Figure 15 - project management group structure



## 5.8 Outline project roles and responsibilities

- **Senior Responsible Owner (SRO):** This role is being fulfilled by Colin Bradbury Area Director, with responsibility to the Executive Board for delivery of the project and to meet the terms of reference.
- **Project Director:** This role is being delivered by Clare McInerney Head of Locality Development – North Somerset with overall responsibility for delivery of the project in accordance with the project brief.
- **CCG Project Manager:** This role is being fulfilled by Tim James (Estates Manager), who will have responsibility for client liaison and development of the project initiation documents.
- **Informed Client/Project Manager:** This role is being delivered by Bev Letherby, Associate Director, Archus Ltd, who will have responsibility for the administration of the development of the project (within the delegated role permitted by the Project Board).
- **Provider representation:** Senior managers from the CCG and within Primary Care will undertake this role, having day to day responsibility for providing advice on the service brief to the development team and for planning and delivery of service and workforce change under the direction of the Project Director.

Regular Progress Reports are submitted to the Primary Care Estates Group and BNSSG CCG Executive for onward reporting and management within the established BNSSG management structure.

### Key responsibilities within the Workstreams

The individual roles within each work stream are designed for collaborative working and communication across the different project scopes.

<sup>8</sup> Capital Investment Manual ‘Managing Capital Projects’ (Department of Health); PRINCE2 (Office of Government Commerce); Managing Successful Programmes (Office of Government Commerce/ Efficiency & Reform Group)

Table 21 - Agreed work stream management arrangements and individual’s responsibilities

Role	Description
<b>Work stream Joint Chairs</b>	<p>The Chairs of a work stream are the Senior Responsible Owners or ‘SROs’ and are responsible for ensuring it meets its objectives; taking appropriate action where necessary to ensure successful delivery.</p> <p>The Chairs ensure agreement amongst stakeholders as to what the objectives and outcomes/benefits of the work stream are.</p> <p>The Chairs work with the Programme Director to prepare for each work stream meeting</p>
<b>Programme Director</b>	<p>The Programme Director is responsible for the delivery of the Healthy Weston Programme as a whole. They work closely with the work stream Chairs and Managerial Lead to ensure the work stream delivers in line with a clearly defined Work stream Mandate.</p> <p>The Programme Director is a point of escalation for work stream issues and they maintain and manage the overall programme issues and risks log.</p>
<b>Finance Lead</b>	<p>Responsible for understanding the financial implications of any proposed changes and linking in with the Finance &amp; Contract Models work stream</p>
<b>Managerial Lead</b>	<p>Acts as the work stream Project Manager and is responsible for working with the work stream Chairs to ensure that actions are completed as agreed and that work is progressing according to plan. They will raise any issues and identify risks and will escalate any concerns or blockers impacting progress.</p>
<b>Change Lead</b>	<p>Responsible for working with the Chairs, Managerial Lead and respective Sub-Group &amp; Project Leads to define and mobilise a series of projects to meet the work stream’s objectives. They will also work closely with the locality, clusters and practices to support delivery.</p>
<b>Admin</b>	<p>Provides admin support to the work stream including coordinating meeting dates and logistics, preparing and circulating papers, preparing and sharing meeting minutes and helping to coordinate/align activities across work streams.</p>
<b>Member</b>	<p>Attends and is actively involved in work stream meetings.</p> <p>May also be a member of a sub-group or task/finish group working on a particular project or deliverable or a member of another work stream.</p>

## 5.9 North Somerset Council’s Project Delivery Team

Under a partnership framework NSC will take responsibility for final technical design and construction of the project, although it will be essential the CCG, and GP end tenant are involved in the design process and have sign off authority on the final design. Responsibilities will include:

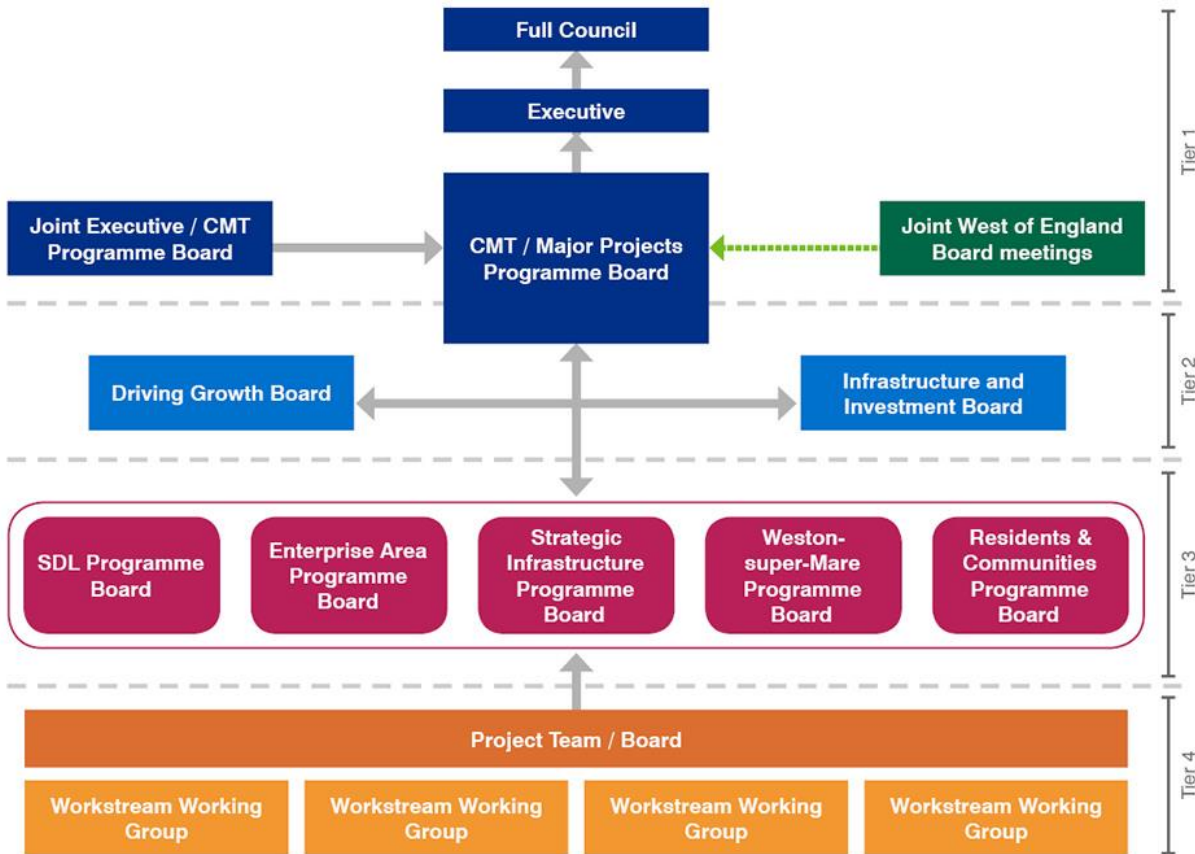
- Single point responsibility to manage the design and construction process from completion of FBC, technical design through to project completion
- Assemble a dedicated team from its supply chain of experienced health planners, designers and specialists, to successfully deliver facilities that will provide the services and benefits for patients and staff alike
- Provide the benefits of experience of long-term partnering arrangements that will continue throughout the life of the project

- Committed to identifying construction solutions that will assist in the implementation of improved service delivery, best practice and delivering best value within the agreed project timescales

NSC will be leading on the delivery of the scheme on behalf of the CCG. Regular project team meetings will be held and chaired by the Head of Major Projects with Senior Project Managers and officers required in the day to day project management alongside CCG representatives. These meetings will be held fortnightly with weekly teleconference updates to ensure the project is meeting critical project deadlines.

Internally at NSC, monthly progress and updates on the project will be reported through the appropriate programme board which are chaired at assistant director level. When requested, the Major Projects Programme Board report to Corporate Leadership Team, this ensures strategic oversight of all projects within the council and allows for joint benefits and opportunities to be assessed, these meetings are chaired by the Chief Executive. Figure 11 below identifies North Somerset’s governance framework for projects.

Figure 16 - NSC Project Governance Framework



NSC decision making for this project is undertaken by the Executive. The Executive comprises a panel of members who are responsible for a portfolio such as health, transport and finance within the Council.

A report was taken to Executive in September 2019 which recommended:

- Joint working between NSC and the CCG to develop health facilities at Weston Parklands Village.
- Approval of £279,000 expenditure to progress the project and;
- Approval of appointing Willmott Dixon to RIBA stage 3 through the Procurement Hub Framework.

A further report (*Appendix A3*) was taken to Executive in February 2020, which recommended:

- The acquisition of land at Locking Parklands from Homes England/St Modwen on the terms and conditions set out in this report for the development of a doctor’s surgery in partnership with Bristol, North Somerset and South Gloucestershire clinical commissioning group (the CCG).
- The Council entering into a Funding Agreement with the NHS to cover the funding of the development of the doctor’s surgery on the terms and conditions as outlined in this report and to be finalised by the Section 151 Officer and Head of Legal & Democratic Services in consultation with the Executive Member.
- The grant of an Agreement for Lease and a Lease of the completed doctor’s surgery to a CCG nominated GP Practice as set out in this report subject to agreement of the final terms and conditions being delegated to the Section 151 Officer and Head of Legal & Democratic Services in consultation with the Executive Member.
- A paper being brought to April’s Executive which will seek approval for the contract award for construction and increase of the capital programme.

A final report will be issued in December that will detail the contract award, request the increase to the capital programme budget and provide an update on the projects progress.

These reports must obtain approval from the S151 officer and monitoring officer before they are accepted for inclusion on the agenda. The CCG has been consulted on drafts of these papers in advance of submission.

The following staff have been involved in the delivery of the project for NSC:

- Head of Major Projects - Jonathan Kirby
- Head of Development – Jenny Ford
- Project Manager - Justin Harvey-Bennett
- Property Estates & Regeneration Manager – Martin O’Neill
- Project Office Manager – Katie Park

## 5.10 Use of Special Advisors

Special advisers have been used in a timely and cost-effective manner in accordance with the Treasury Guidance.

*Table 22 - External Advisors*

	Organisation	category
1	North Somerset Council	Building / Construction Supervisors
2	Willmott Dixon	Principle Supply Chain Partner / Contractor
3	Client role Advisors Limited	Commercial partner
4	Archus Ltd	Informed Client / Project Management
5	Powell Dobson	Architects
6	Archus Ltd	Business case / Finance analysis
7	Cambria	Structural Engineers
8	McCanns	Mechanical and Electrical Engineers
9	McCanns	BREAAM



	Organisation	category
10	Osmond Tricks	GP Technical Advisors
11	Pick Everard	NHSE Technical Advisors (Clerk of Works)

### 5.10.1 Roles and responsibilities during construction

The NSC project team described above in section 5.9 will be responsible for delivering the new facility within programme and on budget.

It will be necessary, however, for project coverage on behalf of the NHS to ensure that the end project meets the agreed specification and work with the Council to resolve any unforeseen issues that may arise during construction. Every effort will be made to minimise duplication where possible whilst ensuring all parties are adequately reassured that the end product will comply with the agreed specification and design.

#### CCG Client Advisor

Archus Ltd will continue with its role alongside the CCG to ensure the project governance is maintained through to completion with key duties including:

1. Attendance at monthly Project Board meetings;
2. Attendance at monthly site progress meetings;
3. Monitor of programme and risk register;
4. Monitor cash flow and total project budget;
5. Manage client-side input into any variations required through construction.

#### NHSE Technical Advisor

Pick Everard has been appointed on behalf of NHSE to undertake the following “Clerk of Works” duties:

1. Review and comment on the delivery team governance and comment;
2. Review and comment on the Risk Register and management of risk;
3. Review and comment on change control, assessments, valuations and payments;
4. Verify the delivery team obtains building statutory and non-statutory requirements;
5. Assure that building contracts comply fully with the scope included in the approved Business Case;
6. Review delivery scheme reports and programmes and comment;
7. Monitor actual cash flow against proposed ETTF cashflow and comment;
8. Monitor scheme progress against programme and comment;
9. Undertake selective site visits and attend key progress meetings and produce written and photographic reports to stakeholders, CCG and NHS England (South Region);
10. Monitor project certification/warranties/approvals and comment;
11. Review Commissioning, Handover and related documentation and comment;
12. Report no less frequently than monthly to stakeholders, CCG and NHS England (South Region) by exception;



GP Technical Advisor

Osmond Tricks have been appointed by Pier Health to undertake the following duties on behalf of the incoming tenants:

1. Monthly inspections to review progress on site, inspect the quality of the works, check that the works are progressing in accordance with the agreed specification.
2. Attendance at regular project meetings assumed to be on the same day as the inspections (monthly) to represent Pier Health in order to check progress, deal with any queries relating to the surgery element, manage any variations and changes.
3. Attendance at practical completion to inspect the works and make representations on behalf of Pier Health prior to the issuing of the Practical Completion (PC) Certificate.
4. Inspection at the end of the Defects Liability Period (DLP), usually 12 months after completion, to check for any remedial works.

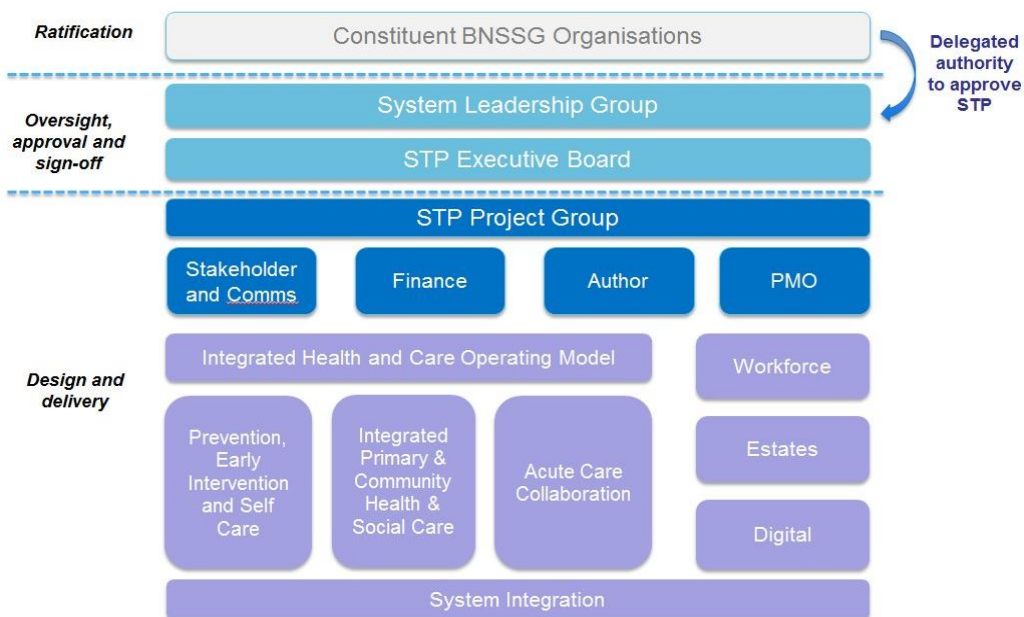
### 5.11 Programme Governance arrangements

Programme Governance Arrangements are in place to reflect national guidance and the CCG’s own Governance Framework for project development. Capital projects of this nature require STP support and in establishing an appropriate governance structure for development of this project and its ongoing management a number of principles have been agreed.

The Governance structure has a collaborative approach with an overall objective to provide effective leadership and governance arrangements that ensure the interdependencies between the different programmes within the STP will be defined and managed.

The governance reporting structure notes that Bristol, North Somerset and South Gloucestershire CCG Estate subgroup reports to the STP Estates project group and through to the Executive Board.

Figure 17 - BNSSG STP Planning Phase Governance Structure



## 5.12 Project Governance arrangements

The strategy, framework and plan for dealing with the governance of this project and management of risk ensures that any major foreseeable risks are identified, their effects considered, and actions are taken to remove, or mitigate the risks concerned.

For this build project risks are classified as:

- Project Risks – These are specifically related to the development of this Full Business Case through to delivery of the project and will be the responsibility of the CCG’s Project Board to manage and monitor;
- Owner (NSC) / Contractor – a separate project specific risk register will be set up for the Build Project. These will be the responsibility of the Owner to monitor and will form part of the GMP. The qualification of the costs of identified risks will enable the calculation of a realistic Owner contingency.

A pro-active risk management regime has been employed throughout the Weston Villages project.

## 5.13 Risk Management

The Risk Management system is described in the CCG’s Risk Management Strategy and Policy<sup>9</sup> document which is accessible to all staff. It is based on an iterative process of:

- Identifying and prioritising the risks to the achievement of the organisation’s policies, aims and objectives;
- Evaluating the likelihood of those risks being realised and the impact should they be realised;
- Managing any risks identified efficiently, effectively and economically.

This is achieved through a sound organisational framework, underpinned by a robust policy framework, which promotes early identification of risk, the co-ordination of risk management activity, the provision of a safe environment for staff and patients, and the effective use of financial resources.

Risks are identified through feedback from many sources such as proactive risk assessments, adverse incident reporting and trends, clinical benchmarking and audit data, complaints, legal claims, patient and public feedback, stakeholder/partnership feedback and internal/external assurance assessments.

## 5.14 Assurance Framework

The Risk Register and Assurance Framework are also described in the Risk management Strategy and provide a simple but comprehensive method for the effective and focused management of the principal risks. The assurance framework provides a structure and describes the controls and assurance mechanisms in place to manage the identified risks for operational projects. The key elements of the Assurance Framework are:

- Establishment of the CCG’s principal objectives;
- Identification of the principal risks that might prevent achievement of the objectives of the project;
- Identification and evaluation of the key controls intended to manage principal risks that are identified;

<sup>9</sup> NSCCG Risk management strategy and policy 2013

- Identification of the positive assurances and areas where there are gaps in controls and or assurances;
- Putting in place plans to take corrective action where gaps have been noted.

The Assurance Framework provides systems for reporting key information to Boards. It identifies which of the organisation’s objectives are at risk because of inadequacies in the operation of controls or where the organisation has insufficient assurance about them. At the same time, it provides structured assurances about where risks are being managed effectively and where objectives are being delivered.

The primary focus is confidence that effective processes are in place to deliver the strategic objectives of the CCG. This allows Boards to determine where to make efficient use of their resources and address the issues identified in order to improve the quality and safety of care.

Where any significant gaps in assurance have been identified they are transferred to the risk register and an action plan is developed.

## 5.15 Project Risk Register

This project has followed the requirements of the Risk Management Strategy and Policy and all the significant risks which are most likely to affect the project (positively or otherwise) are documented and monitored within a Project Risk Register. The risk register sets out who is responsible for the management of the risk related to aspects of the project and the considered mitigation measures being taken.

The project risk register was developed through a workshop environment and is now reviewed monthly. For each identified risk the following are noted:

- Reference number and category;
- Risk and associated likely impact;
- Risk owner and / or manager;
- Probability, impact factors and associated overall risk rating;
- Mitigation measures;
- Action Date for review.

The table below shows the initial risks identified from a joint workshop held between the Council and CCG in October 2019.

Table 23 - Initial risks identified at a joint workshop

Risk ID	RISK	LIKELIHOOD OF OCCURANCE (3- Low, 6-Med, 9-High)	SEVERITY (3- Low, 6-Med, 9-High)	MITIGATION	RISK LEAD
1	FBC is not ready for submission by 6 December	6-9 (depending on detail of information provided)	9	NHSE advice on what is needed for complete FBC. JHB/BL sitting down to discuss what additional information is needed	BL/TJ
2	Planning determination is not approved before panel in Jan 2020	9	9	NSC internally set up meetings with technical officers (drainage etc.) to ensure all our informed of proposals/design. Letter from planning authority - 'minded to approve'. Outline planning application is approved.	JK/JF
3	The detailed designs/drawings are not completed in time	3	9	Design details to be reviewed balancing time/cost (will need to include 1-50 layouts)	JHB/JK
4	The necessary surveys have not been carried out in time for submission of planning application	3	6 - 9	Carrying forward relevant surveys, updated statements for those necessary for planning. NSC colleagues to speak with technical officers for advice.	JHB/JK
5	Sign off for the design of the health centre is not approved by end user	3	3	End users engaged with project, managed by BL/TJ	BL/TJ
6	There is unexpected cost escalation during construction	6	9	Fixed price contract. Any prices reduced/efficiencies made will go into contingency pot.	JK/CB
7	The project does not meet the criteria to be VAT exempt, adding cost to the project	3	9	Land transfer and grant directly to NSC - will be VAT exempt	JK
8	We cannot obtain a serviced/level site from St Modwen around programme need	6	9	Progressing conversations with St Mod	RZ/JF/MO
9	The final design cost is higher than budget allows for	6	9	Value for money - internal & independent reviews undertaken	JK
10	BREXIT impact on the supply chain	9	6	Contingency amount built into project costs. Early engagement with Supply chain to secure early orders to avoid price and supply challenges	JK
11	Not being able to meet the grant conditions	6	9	Regular liaison between CCG bid team and NHSe assessment team	BL/TJ
12	Problems with land transfer between St Modwen/Homes Engand and NSC	3	9	agreemtn reached in principal with St Modwen's. Land requirement is secured through S106 and ability for developer to continue to build and sell houses will be affected if land/GP facility not provided. NSC, as planning authority can enforce	RZ/MO
13	Not being able to deliver the BREEAM excellent status within budget	3	9	BREEAM has been built into the project from inception	JHB
14	Challenging pre-commencement planning conditions	3	6	Early engagement with planners has taken place, formal pre-app process to be followed	JHB
15	Failure of obtaining planning permission	3	9	Outline palming and the principal has already been secured and approved through the planning process. The detailed application in December 19 is to in effect deal with the reserved matters.	JHB/JK
16	Unmanagable client requests	6	3	Detailed spec has been provided. GP's have been consulted. Clear understanding that Spec is the spec (relates to budget) and the GP's will not be able to make amendments that increase the budget of the project. Clear comms needed	BL/TJ
17	Ongoing future landlord liability	6	6	Early legal discussions have taken place. Options around commuted sum and or service charge. Two options but working on commuted sum	MO

A copy of the construction risk register is attached at *Appendix E*. This is a working document and will continue to evolve during the appointment of the developer and until completion of the project. Over time the allocation of the individual risks (CCG, Owner and Developer) will also be reviewed to ensure risks are placed with the party best placed to deal with it.

## 5.16 Arrangements for change management

The strategy, framework and plan for dealing with change management are in accordance with the Change Control procedures identified within NEC3<sup>10</sup> and will be the responsibility of the Developer as part of the Contract design process. Project specific versions of these will be prepared identifying the basic process in relation to:

- Appoint Project Manager's Instruction;
- Contractor confirms price and programme implications within 3 weeks;
- Project Manager raises Compensation Event within 2 weeks if in agreement;
- Client Accepts Compensation Event and signs accordingly;
- Contractor updates Programme.

<sup>10</sup> NEC3 – NEC Forms of Contract Design, Build and Operate Contracts 2017

Change management associated with the project will be monitored through the Project Board and executive forums that preside over it, under the chairmanship of the Senior Responsible Owner (SRO) and CCG Board respectively. Day to day change management issues will be discussed at the Project Team meetings and any resultant contract and/ or cost changes will need to be approved by the Project Board.

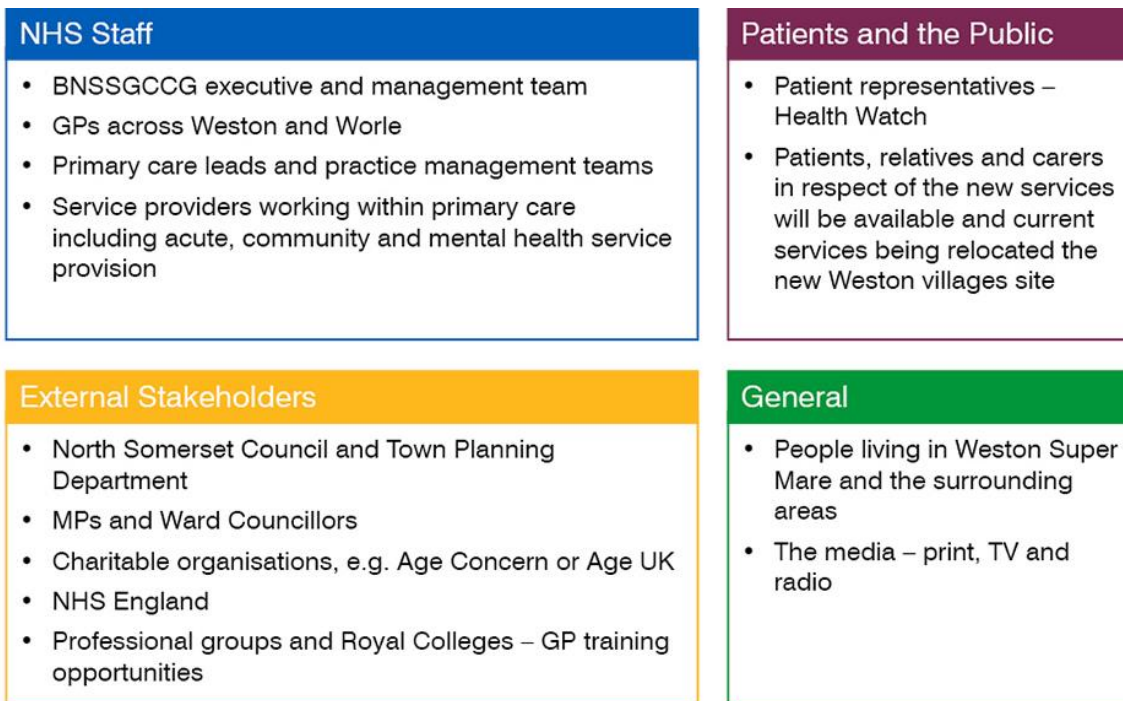
## 5.17 Stakeholder Engagement

A Communications Strategy has been developed by the CCG’s Communications and Stakeholder engagement team. Following agreement of the smaller 2 storey building as the preferred option this team commenced a programme of engagement to identify the key stakeholder groups and any key messages that need to be shared at key milestones for the project.

This is an extremely important project for the CCG and a local strategy is being developed to take forward more detailed stakeholder engagement with local people from the new Weston Villages development and those from area in Locking Village where a surgery will relocate to ensure that business as usual (BAU) continues and any disruption to services is kept as a minimum.

Examples of stakeholders who will require communication about this project will be:

Figure 18 - Key Project Development Stakeholders



Methods of communicating information to the various stakeholders has been confirmed as follows:

### Internal stakeholder engagement plans

- Face to face briefings:** These should be used as the primary source of communication with staff;
- Factsheet style newsletters;
- Senior Management team Briefings: to update staff on progress.

### External stakeholder engagement plans

- **BNSSG CCG websites:** A section on the Weston Super Mare Primary care projects can be included on the website, with a link from the homepage
- Local media
- **Weston Hospital Patient Panel:** Panel made up of members of the public who provide comment on local issues
- Patient information leaflets

## 5.18 Public Consultation

The CCG has not undertaken any specific patient engagement and consultation around the closure of the Locking Village building in advance of FBC approval whilst there was still relatively high level of uncertainty of securing the required ETTF funding. It is intended that this will commence in earnest upon FBC approval. The detailed Communications and Engagement Plan can be found in Appendix U.

*Table 24 - communications and public engagement, key milestones*

Date	Item	Status
April 2020	Finalise communications and engagement plan.	Work in progress
April 2020	Prepare press release about the construction award approval at NSC Executive (on 29 April).	COMPLETE
May/June 2020	Work with Eloise Poynter (Practice Manager for Pier Health) on patient letter and consultation survey Locking Village Surgery	In progress
November 2020 – January 2021	<ul style="list-style-type: none"> <li>• Launch of the Locking Village consultation (12 weeks)</li> <li>• Patient letter and survey to launch consultation to go out ahead of PCCC on November 24</li> <li>• Stakeholder communications to launch the start of the consultation</li> </ul>	
November 2020	Press release about the consultation (prior to the open session PCCC)	
December 2020	Prepare press release and stakeholder communications about construction starting on site.	
December 2020	Organise photo opportunity of construction starting on site with Colin Bradbury, Martin Jones, GPs John Heather and Kevin Haggerty, St Modwen and Willmot Dixon – taking social distancing into consideration as appropriate	
End of Jan / start of Feb 2021	Consultation on Locking Village Surgery closes, You said, we did report to be created.	
February – April 2021	<ul style="list-style-type: none"> <li>• Engagement on look and feel to start involving patients and the public</li> <li>• Update press release on the development of the work</li> </ul>	
Summer 2021	Update press release on the development of the work	



Date	Item	Status
Winter 2021	Press release, stakeholder communications about the opening of the new practice	

The Locking Village site is a very small branch and serves a very small patient list of circa 1,700 patients. It's closure is seen as relatively low risk, as there are so few patients, many of whom will already travel to the main Longton Grove site (which is much further away than Parklands Village will be – see map in Figure 1, page 29) for some services, and they will be able to access the full range of GP services at the new parklands Village building. At the same time, if the engagement and consultation is not successful and it's necessary to keep Locking Village open for an ongoing period of time, then at an annual cost of only £4k to the CCG, it does not pose a material project risk.

## 5.19 Arrangements for benefits realisation

The strategy, framework and plan for dealing with the management and delivery of benefits will be managed through the CCG Project Board. An outline copy of the benefits realisation plan has been expanded within this full business case to identify who is responsible for the delivery of the project's specific benefits, when they will be delivered, and how achievement of them will be measured.

A key opportunity is presented by the new health centre, which will ensure capacity meets demand, efficiencies are met in service delivery, there is compliance to quality standards for patients and minimised disruption to overall Primary Care operations based on a growing population.

A Stakeholder Workshop was held in June 2017 to agree the Investment Objectives and Benefits Criteria for this project. This was attended by representatives from the following organisations: -

- North Somerset CCG;
- Weston and Worle Practice Leads;
- North Somerset Council;
- North Somerset Community Partnership;
- Avon and Wiltshire Mental Health Partnership NHS Trust;
- One Care Consortium;
- Weston Area Health Trust;
- Patient Participation Group.

## 5.20 Arrangements for Benefits Realisation

Table 25 - Benefits Realisation

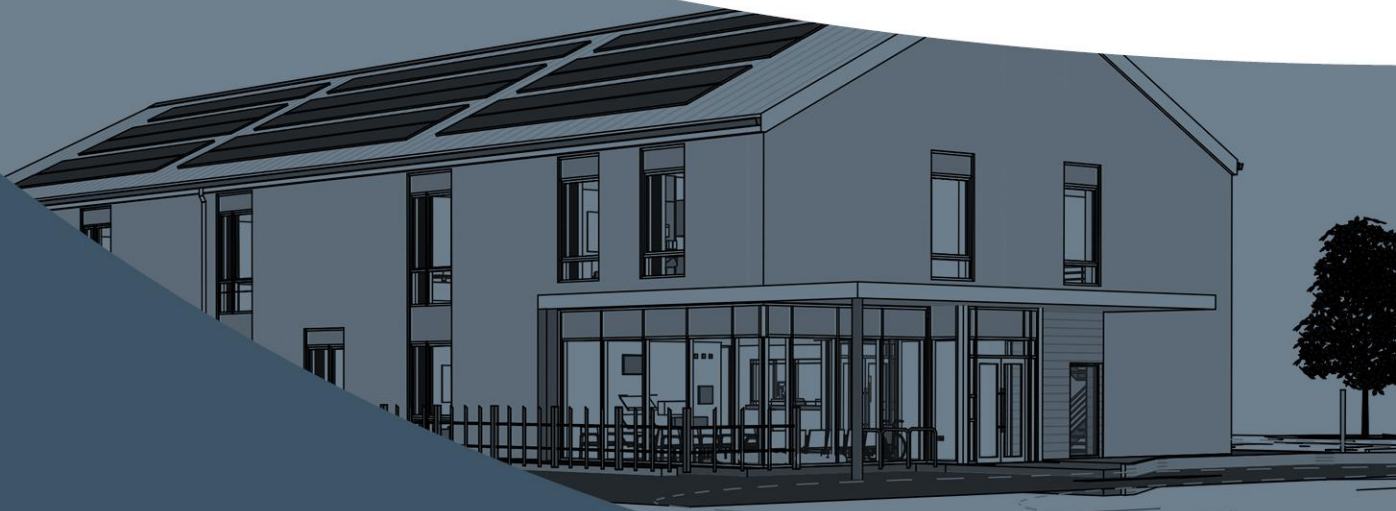
Project specific benefits (Benefit title)	To be delivered:	Achievement of the benefit will be measured by	Responsible for the delivery of the project specific benefit
The project aligns with BNSSG operational plan and the commissioning priorities of the STP to deliver more care in the community	Planned for 2021	Stakeholder and patient feedback	BNSSG CCG management team

Full Business Case for Weston Villages Primary Care Development – BNSSG CCG

Project specific benefits (Benefit title)	To be delivered:	Achievement of the benefit will be measured by	Responsible for the delivery of the project specific benefit
Provides the required space for primary care services in the locality based on population growth.	From 2021	Stakeholder and patient feedback Capacity monitoring to commence in 2021	BNSSG CCG executive and management team
Provides an estate that is fit for purpose	From 2021 and monitored 5-10 years	Stakeholder and patient feedback Capacity modelling led by BNSSG leadership team	BNSSG CCG executive and management team
Maximises the opportunity to work with other community providers and the voluntary sector	From 2021 and monitored 5-10 years	Stakeholder and patient feedback Clinical and Capacity modelling led by BNSSG leadership team	BNSSG CCG/ GP Tenant
Enables patients to receive care close to home and improves local community access to healthcare	From 2021 and monitored 5-10 years	Stakeholder and patient feedback Clinical and Capacity modelling led by BNSSG leadership team	BNSSG CCG/ GP Tenant
Enables seamless transition between services reducing unnecessary duplication	From 2021 and monitored 5-10 years	Stakeholder and patient feedback Clinical and Capacity modelling led by BNSSG leadership team	BNSSG CCG/ GP Tenant
Provides facilities that have multiple and flexible use and enables collaboration between organisations, council, NHS and others.	From 2021 and monitored 5-10 years	Stakeholder and patient feedback Capacity and clinical modelling led by BNSSG leadership team	Owner/BNSSG CCG
Enables new models of care to be implemented and care to be delivered in different ways and allowing simple and innovative solutions where multiple services can be delivered together	From 2021 and monitored 5-10 years	Stakeholder and patient feedback Clinical assessment and modelling led by BNSSG leadership team	BNSSG CCG/ GP Tenant
Provides a solution that can be delivered within programme timescales	From 2021 and monitored 5-10 years	BNSSG leadership team assessment and evaluation supported by Capacity modelling	Owner/Contractor
Ensures facilities are future proofed and adaptable to the changing needs of the health economy	From 2021 and monitored 5-10 years	BNSSG leadership team assessment and evaluation supported by Capacity modelling	BNSSG executive and management team

## Appendices

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Appendix A – Letters and Documents of support

Appendix B – Options Appraisal Report, Estates, Healthy Weston

Appendix C - Options Appraisal Report, Service Provider

Appendix D – Primary Care Capacity Modelling

Appendix E – Risk Management and Risk Register

Appendix F – Small GEM (v5)

Appendix G – FB form (v4)

Appendix H – Valuation Office Agency, Questionnaire for Primary Care Improvement

Appendix I - BREEAM Pre-assessment

Appendix J – Infection Control information

Appendix K – Design Pack

Appendix L – ADB

Appendix M – Procurement Pack

Appendix N – Legal Pack

Appendix O – Draft Construction Programme

Appendix P – Letter of Support from St Modwen

Appendix Q – Lifecycle Cost Report

Appendix R – Cost Plan and VfM report

Appendix S - Land Acquisition and Requirements - St Modwen

Appendix T – Planning Permission Notice

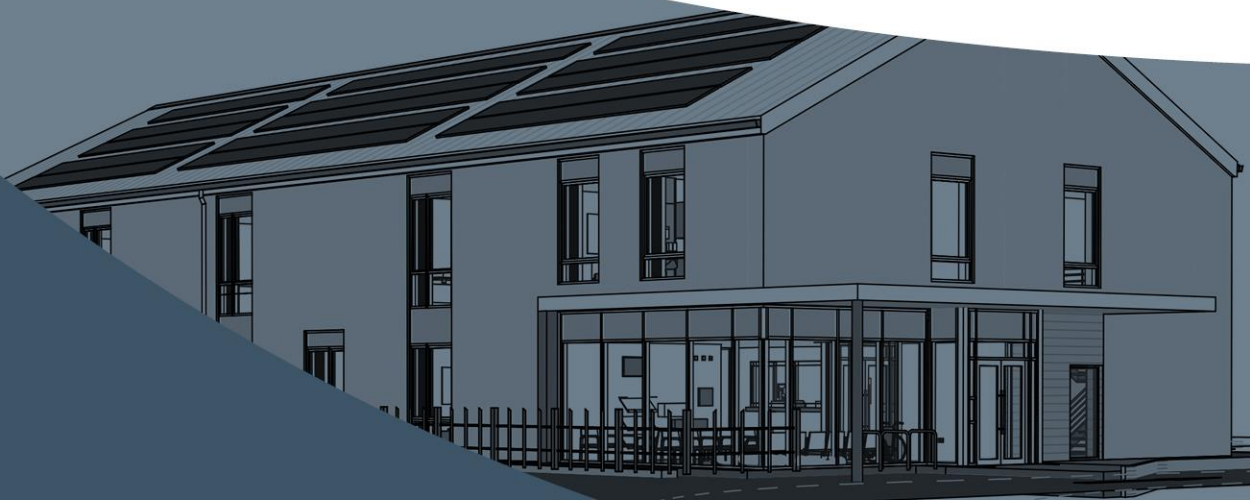
Appendix U – Communications and Engagement Plan

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**Equality Impact Assessment**




Name of Proposal being assessed:  
**Relocation of Locking Village Surgery to new Parklands Surgery**

Does this Proposal relate to a new or existing programme, project, policy or service?  
**New proposal**

Name of Person Completing Assessment: **Eloise Poynter, Executive Manager**

**Step 1: Equality Impact Assessment Screening**

- Does the project affect service users, employees and/or the wider community?  
 Yes
- Could the proposal impact differently in relation to different characteristics protected by the Equality Act 2010?  
 Yes

Assessment of Impact of Proposal on Protected Characteristics				
Protected Characteristic	Positive Impact 	Negative Impact 	Neutral Impact 	Please provide reasons for your answer and any mitigation required
<b>Age*</b> [eg: young adults, working age adults; Older People 60+]	✓  ✓			New larger building – able to offer a larger range of services for a longer period of time i.e. open all day rather than just 08:30 -12:00.  Potential for more specialist



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Assessment of Impact of Proposal on Protected Characteristics				
Protected Characteristic	Positive Impact ✓	Negative Impact ✗	Neutral Impact ✓	Please provide reasons for your answer and any mitigation required
	<p>✓</p> <p>✓</p> <p>✓</p>	<p>✓</p>		<p>services to be based in that building for example, physiotherapist Improved access to a range of clinicians rather than just one GP and one Nurse</p> <p>DDA compliant</p> <p>Infection Control compliant</p> <p>Some patients may find the new building more difficult to get to. New building approx. 1 mile away from current site but out of village location. Consideration for transports services to be implemented.</p> <p>For engagement purposes it is important to gain the views of these cohorts of the practice population to understand if there are any concerns. Outreach engagement will be undertaken to surface any issues.</p>
<p><b>Disability</b> Physical Impairment; Sensory Impairment; Mental Health; Learning Difficulty/ Disability; Long-Term Condition</p>	<p>✓</p> <p>✓</p>			<p>People with mental health illness and/or a long term condition may experience improvements if a greater range of services can be offered.</p> <p>Current building is not DDA</p>

Partner GPs

Dr C Clarke, Dr J Heather, Dr N Friend, Dr K Fretwell, Dr M Alam, Dr K Haggerty, Dr J Wadey, Dr P Wrigglesworth, Dr R Potts

Salaried GPs

Dr E Boulton, Dr A Byrne, Dr C Lim, Dr J Haley, Dr S Smith, Dr C Cottrell, Dr H Paris

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Assessment of Impact of Proposal on Protected Characteristics				
Protected Characteristic	Positive Impact ✓	Negative Impact ✗	Neutral Impact ✓	Please provide reasons for your answer and any mitigation required
	✓			<p>complaint. Those with disabilities will find the new building more accessible and may suit their needs in a more positive way Potential for more specialist services to be based in that building for example, physiotherapist, that may benefit this cohort of patients.</p> <p>The views of these patients and wider population will be sought to surface any issues people may have.</p>
<b>Gender Reassignment</b> [Trans people]			✓	<p>There should be no disproportionate impact on people undergoing or having received gender reassignment. The change process may present an opportunity to review how any improvements might be made if any issues are raised during the engagement process. Outreach engagement with representatives from the Trans community will be undertaken to surface any issues or concerns they may have.</p>
<b>Race</b> [including nationality and ethnicity]			✓	<p>There should be no disproportionate impact for people from the Black Asian and Ethnic Minority community from this proposal.</p> <p>Outreach engagement with representatives from the BAME</p>

Partner GPs

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Assessment of Impact of Proposal on Protected Characteristics				
Protected Characteristic	Positive Impact ✓	Negative Impact ✗	Neutral Impact ✓	Please provide reasons for your answer and any mitigation required
				community will be undertaken to surface any issues or concerns they may have.
Religion or Belief			✓	There should be no disproportionate impact for people with a range of religious or non-religious beliefs Outreach engagement with representatives from the faith community will be undertaken to surface any issues or concerns they may have.
Sex [Male or Female]	✓		✓	There should be no disproportionate impact for males or females from this proposal.  Currently only Male GPs regularly work at Locking Village Surgery (just worked out that these were the GPs available). The new building will enable a greater range of clinicians to be available for patients.  The engagement work will be open to all of the practice population.
Sexual Orientation			✓	There should be no disproportionate impact for people from Lesbian, Gay, Bisexual or Questioning communities.
Pregnancy and Maternity			✓	There should be no disproportionate impact for pregnant women and with

Partner GPs

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Assessment of Impact of Proposal on Protected Characteristics				
Protected Characteristic	Positive Impact ✓	Negative Impact ✗	Neutral Impact ✓	Please provide reasons for your answer and any mitigation required
	✓			maternity care.  Currently childhood immunisations are not carried out at Locking Village Surgery. Immunisations will be carried out at the new Surgery.  Outreach work with women receiving ante and postnatal services will be included in the engagement to ensure that any issues they have can be considered.
Marriage and Civil Partnership			✓	There should be no disproportionate impact for people who are married or who have a civil partnership.

\* Under-18s are only protected against age discrimination in relation to work, not in access to services, housing, etc. Children's rights are protected by several other laws and treaties, such as: The Children Act; the Human Rights Act 1998; the UN Convention on the Rights of the Child; the European Convention on Human Rights; the UN Convention on the Rights of Persons with Disabilities; and the UN Convention on the Elimination of Discrimination against Women.

#### 4. What is the outcome of the Equality Impact Assessment?

##### Continue the project: Yes

Despite potential for adverse impact or missed opportunities to promote equality, provided you have satisfied yourself that it does not unlawfully discriminate



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5. **Conclusion:**

Proceed to full EIA? **No**

Signed: *Eloise Paynter*

Date: 7<sup>th</sup> May 2020



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# Quality Impact Assessment

## Project's name: Parklands Surgery

Version: V3





## Quality is defined in terms of three domains:

- Patient safety (doing no harm to patients)
- Patient experience (care should be characterised by compassion, dignity and respect);
- Effectiveness of care (to be measured using survival rates, complication rates, measures of clinical improvement, and patient-reported outcome measures)

The quality and safety domains should be used to outline the details of the potential impacts of the plans on quality.

## Part 1: Screening Tool

### 1.1 Does your plan affect patient safety?

1. Is there an impact on patient safety? No
2. Is there an impact on delivery of national standards? No
3. Is there an impact on the provider's duty to protect people? No
4. Is there an impact on clinical workforce capability and skills? No
5. Does the plan create an impact on the prevention of violence and aggression; or contribute to service users feeling less safe? No
6. Is there an impact on partner organisations and any aspect of shared risk? No
7. Provide a rationale for assessing the impact on Patient Safety – the Practice is relocating our branch premises from Locking Village Hall to the new Parklands Health Centre currently under construction. This is a 0.8 mile walk or a 1.4 mile car trip from the Locking Village Hall. The current branch surgery is open weekday mornings while the new parklands Health Centre will be open throughout core GP hours. We cannot envisage any safety concerns with this relocation

**No impact on Patient Safety identified**

### 1.2 Does your plan affect clinical outcomes?

8. Does your plan comply with the best evidence guidance including NICE? N/A
9. Does your plan impact on the delivery of services in line with national clinical and quality standards? No
10. Does your plan lead to a change in care pathways? No
11. Is there an impact on the delivery of clinical outcomes? No
12. Provide a rationale for assessing the impact on Clinical Outcomes – The current branch premises provide a restricted service while the new purpose built facility will offer a greater range of services across the whole core contract hours. We cannot envisage any adverse impact on clinical outcomes from this relocation.

**Neutral or positive effect on clinical outcomes.**

### 1.3 Does your plan affect patient experience?

13. Does your plan have an impact on service user experience? Yes
14. Does your plan have an impact on carer experience? Yes
15. Does your plan support the choice agenda? Yes
16. Does your plan address concerns and issues identified through PALs, complaints, and national and local service user and carer surveys? No concerns raised
17. Provide a rationale for assessing the impact on Patient Experience – we have worked with our PPG members and they fully support the relocation. The current branch premises are inadequate and provide a restricted service, so patient experience will be enhanced in terms of accessing a new purpose built facility offering a greater range of services across the whole core contract hours. The building will be able to house a greater number of clinicians so patients will be able to choose who they see and improve their experience of continuity of care.

#### Positive effect on patient experience

### 1.4 Risk Scoring

Please add the risks identified for your project (copy and paste to add more if needed)

Quality Domain: Risk description: no quality risks identified with this relocation Probability: Impact: Total score:
--

Scoring: The scoring is based on a standard risk matrix scoring system. The score will therefore, reflect the potential risk to quality and is summarised below. The overall risk score should be the highest score from the individual quality domains.

The **probability** of the risk

1. Rare
2. Unlikely
3. Possible
4. Likely
5. Almost certain

The **impact** of the risk

1. Very low impact
2. Low impact
3. Medium impact
4. Hig/Serious Impact
5. Very Serious Impact

### 1.5 Conclusion of Screening Tool - Project Lead to confirm

18. Based on answers to the screening questions above, do you think this project needs to proceed to full QIA? No
19. Please explain your reasons: The plan to relocate services will not adversely impact on patient safety, outcomes or experience and no quality risks have been identified

## 1.6 Approval – Quality Lead to complete

20. QIA Approver(s):
21. Date of Quality Assurance:
22. Comments from QIA lead

DRAFT

## Part 2: FULL Quality Impact Assessment

### Please tell us how your plan impacts on the Quality Domains

- 23. Patient Safety
- 24. Clinical Outcome
- 25. Patient Experience

### Are there any specialist advisors that will need to be consulted or involved in the development of your plan?

- 26. Please Comment: (examples: Safeguarding lead, PPI leads, Clinical Advisor. Evidence and Evaluation Specialists)

### What is the outcome of your Quality Impact Assessment?

- 27. The QIA identified actual or potential harm to patients, carers or public
- 28. No major change (see help)
- 29. Changes have been made to the plan to remove any identified potential or actual harm
- 30. The plans are deemed 'business critical'. Clinical and / or legal advice has been sought and objectives justification for the plans are filed in the document folder

### Full QIA Approval

- 31. QIA Lead approval:



## Contact us:

Healthier Together PMO Office, Level 4, South Plaza, Marlborough Street, Bristol, BS1 3NX

[bnssg.htpmo@nhs.net](mailto:bnssg.htpmo@nhs.net)

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