

TO: West Gloucestershire PCT Board

FROM: John Ford – Director of Service Delivery

DATE: 15th September 2005

SUBJECT: STRATEGIC SERVICE AND DEVELOPMENT PLAN 2005/6

1.0 PURPOSE

To update the Strategic Service and Development Plan (SSDP) previously agreed in 2004. This will encompass the outcome of the Gloucester and South Tewkesbury review, and provide an up to date plan which ensures adequate capacity of core primary care services and identifies the estates improvements and other measures necessary to support that.

2.0 BACKGROUND

- 2.1** The Board approved a Strategic Service Plan (SSDP) in 2004 (a full copy is available to Board members on request). This was in response to a national directive for each PCT to have such a plan. It reflected the PCT vision, Local Delivery Plan, a review of the fitness for purpose of current premises, and set out a statement of need. Prioritisation criteria were then applied to potential proposals/schemes being worked up and this led to the outline approval of three substantial estates schemes for 2005/6/7. They are Horton Road (North Gloucester), Churchdown, and Tuffley (Gloucester). These are all third party developments and will account for the growth in cost rent over 2005/6/7.
- 2.2** It was generally recognised that further work needed to be done to understand the future capacity requirements for core primary care services in Gloucester and South Tewkesbury in order to inform the next stage of the estates programme. Core services were already under considerable pressure. In 2004/5 a number of practices took action to de-register existing patients who were living outside the practice boundary, and there were examples of practices declining to register new patients. This was coupled with concern about the substantial population growth due to new housing within the Gloucester and South Tewkesbury area.

3.0 GLOUCESTER AND SOUTH TEWKESBURY REVIEW

- 3.1** A workshop was held on the 29th April 2005 to which all of the practices involved were invited. Most practices were represented. The workshop considered: current pressures, boundary changes, and population growth. A report on the workshop was taken to the PEC in July 2005.
- 3.2** Key messages from the Review were:
- The current provision of core services in a number of areas was under considerable pressure and a number of practices were at the limit of their list capacity.

- A lack of a planned approach across Gloucester city meant that there was a much greater risk of a gap between demand and supply of primary care services at a local level. There was not an agreed approach to deregistration or boundary changes. There was also a breakdown in communication between some practices and this in turn made unilateral action more likely and hence more difficult for the PCT to arrange a stable service.
 - The majority of practices had no wish to expand their current list size in the short or medium term.
 - The only practice with obvious spare capacity was the PCT managed practice at Matson ('Trinity').
 - There was a broad consensus at the workshop that Gloucester city centre constituted the most urgent problem but that the areas of Brockworth, Abbeydale and Quedgeley represented the other areas of major risk.

3.3 The report to the PEC emphasised the PCT statutory duty to arrange sufficient core primary care services to the population, and the need therefore to have a short and longer term plan for ensuring that capacity. It was recognised that the plan needed to take into account a number of factors including practice intentions regarding increase in list size, potential changes in practice boundaries, the number of current patients who live outside the practice boundary (and therefore at risk of de-registration), local population growth and fitness for purpose of premises. The PEC endorsed the general approach to the Plan.

3.4 Health and Inequalities

The PEC drew attention to the need to consider the needs of the Matson/Robinswood area for primary care services. A report on a health needs assessment of the area was also considered at the same meeting. The discussion focussed on the level of deprivation, the remaining inadequacies of the Matson premises, and the apparent reluctance of local residents to use the service. The approach that has been adopted in the revision to the SSDP is that any major improvements in premises at Matson need to be accompanied by a clear plan for increasing the number of patients, in order to demonstrate value for money. A number of accompanying strategies are being explored in order to increase the attractiveness of the service including recruitment of some female doctor input, mental health practitioner input, nurse practitioner time, and links with the developing children's centre agenda.

3.5 Boundary Changes

The PCT response to boundary changes needs to take into account the implications on other practices and the current and future pressures. Boundary changes therefore become part of the solution to achieving a balanced approach to the delivery of core services across Gloucester city. It may be that some applications will be put forward by the PCT for approval subject to other parts of the plan being put in place, rather than treating

applications in isolation. This approach has already been adopted in working up the current applications from Hucclecote and Brockworth.

3.6 Choice of practice

The provision of core primary care services needs to be managed because market forces alone will not deliver the coverage required. From time to time it may be that individual practices find that local circumstances (recruitment, rapid changes in list size etc) mean that they find it difficult to manage a further increase in list size. In exceptional circumstances the PCT may agree a joint approach to managing this pressure with other local practices. It would be on the basis that patients were still given a choice of 2 practices in their area even if their practice of first choice was not able to take them. This approach recognises the significance of the GMS national contract requirement for open or closed list status, but also the need to develop local strategies in exceptional circumstances for managing temporary planned variations to this.

- 3.7** This may also affect any future rationalisation of premises. In some cases there are substantial numbers of patients on lists who reside well outside of the practice area. Again, the management of this has to be part of the local plan and would be accompanied by a choice of at least 2 alternatives within their area.

3.8 Consultation

Any future major change in service (likely to apply to all of the longer term plans) would need to be the subject of consultation with key stakeholders.

4.0 DETAILED PLANS

- 4.1** Following the workshop detailed plans on the priority areas have been developed and discussed in outline with groups of practices. These are:

- Gloucester city centre (Immediate and 2 to 3 year plan)
- Brockworth/Hucclecote/Abbeydale/Matson (12/24 monthly plan)
- Quedgeley(12 months and longer term plan)

- 4.2** The detailed plans include some confidential information relating to individual practitioner intentions, and so these are summarised below for the purpose of the Board report. The plans take into account the number of patients currently registered out of area, current and proposed practice boundaries, practice aspirations and population growth. The status is that of proposals. They are subject to the outcome of detailed negotiations with practices, premises feasibility studies and affordability. All major developments are likely to be either third party or practice developments and therefore will be a call on cost rent growth in the Local Delivery Plan. The feasibility studies are under way.

4.3 The key features of the Plans are:

4.3.1 **Gloucester city centre:**

Immediate: Agreement with local practices to manage the current pressure in Gloucester city of about 1000 patients over the next 12 – 18 months, particularly at Bartongate, and including the remaining 2-300 population increase (estimate) at the Docks.

2 – 3 year :

Agreement in principle for the Rikenel practice to participate in the Westgate development with an increased list.

Reviewing the feasibility of the conversion of the practice owned premises next to Bartongate on the basis of an expanded list.

Review the expression of interest of the Hadwyn practice to concentrate their service at the Glevum site in Abbeydale.

The above to accommodate the future expansion in population of 5000 (estimated) at St Oswalds, and provide an infrastructure for developments at The Quays development (numbers not yet determined).

4.3.2 **Brockworth/Hucclecote/Abbeydale/Matson**

12/24 months

Proposed change in boundary (for new residents) for Hucclecote practice to allow some access by the future 5000 residents at Brockworth.

Review premises expansion potential at Glevum (Abbeydale) to provide for balance of new Brockworth residents (would depend for its success on the new access road, currently subject to planning considerations).

Assess potential to expand existing practice lists in the area to manage existing pressures and take into account implications of any future GP retirements.

Continue measures to increase the attractiveness of the service at Trinity(Matson) to local residents and then review potential for increased list size against costs of future development

4.3.3 **Quedgeley**

12 month

Short term agreements with the practices to manage the 1200 people per annum (estimate) population growth linked to longer term plan – this will be important if the cost rent of a major development cannot be funded until 2009.

Longer term

Providing for the population to increase by an estimated 8000 by 2011 (excluding Hunts Grove development –timescale to be determined). The plan is to invite local practices already practising in the Quedgeley area to put forward proposals for a longer term solution, taking into account other NHS premises in the area as well as new build/development. These could preferably be on a collaborative basis, but otherwise via a competitive evaluation of outline business case proposals to deliver the necessary increase in capacity. The proposals would also need to provide a solution to consequential issues regarding the provision of service in Gloucester city as a result of practice movement. The evaluation would take into account the cost benefit of the whole package including the impact on the wider health care system.

5.0 FOREST OF DEAN

- 5.1 There is overall expected to be a small decline in the population in the Forest of Dean, with the exception of new housing developments planned for Lydney. There is however sufficient capacity in Lydney in the existing premises to cope with that growth, although there are maintenance issues at Lydney health centre.

The SSDP in 2004/5 however identified significant issues about the fitness for purpose of a number of health centres in the area. These were:

Yorkley
Coleford
Cinderford
Newent
Lydbrook
Lydney

- 5.2 These need to be considered in parallel to (rather than in competition with) the above Gloucester third party/practice developments. This is because the health centres are owned by the PCT and therefore would normally be a call on capital finance, rather than revenue, for improvement schemes. There are specific considerations that the PCT will have to take into account as landlord, and any immediate access or safety improvements will be dealt with through the ongoing programme of the estates sub group using slippage from the capital programme.
- 5.3 The likelihood of accessing sufficient public sector capital for a major scheme (or schemes) is minimal. Therefore there would be value in carrying out an updated feasibility study of the condition of the PCT owned premises with a view to assessing whether a major third party scheme should be considered (equivalent to a local version of LIFT - the national model for Local Improvement Finance Trust. This would be of value in the context of potential PCT reconfiguration. The results could be 'joined up' with a similar exercise in the other constituent PCT's to achieve maximum economy of scale and

maximise the level of interest among potential commercial partners. This would inform the feasibility of a financial strategy. The exercise would also complement the community hospitals strategy. The Board is asked to endorse this feasibility work programme in principle. A report on the conclusions would be brought back to the Board.

5.4 Community Hospitals Strategy

Site and service options are being worked up with a view to future public consultation. First cut capital costs have been produced on the short listed site options. As with other estates schemes the likelihood of substantial public sector capital being available is minimal. The ongoing work therefore is seeking to match the affordability of the likely revenue impact of the capital costs for the various site options, with the financial impact of service options – not a straightforward task because of the complexities of the payment by results mechanism.

6.0 OTHER ISSUES AFFECTING THE SSDP

6.1 Schemes already approved to outline business case level

Because of the significance of capacity planning, the detailed business case discussions on the three approved schemes for 2005/6/7 have focused more than previously on confirming the practices commitment to list size as part of the agreement on premises and agreement to the detailed business cases will be dependant on this. The Board is asked to endorse this approach.

6.2 Cheltenham and Tewkesbury PCT review

There is an accompanying preview going on in the Tewkesbury area carried out by Cheltenham and Tewkesbury PCT. The direct practice implications of this are likely to be relatively minor. One specific change has been discussed with the relevant WGPCT practice that would be affected.

6.3 Cotswold and Vale PCT

Additionally there is a practice in Tuffley which is a branch of a Cotswold and Vale practice based in Stroud. Again the needs and implications of any development in Tuffley are being taken into account in the short and long term plans.

6.4 Minor Improvements

It was evident from the SSDP that there are a large number of practices experiencing shortage of accommodation and cramped conditions together with difficulties in meeting Disability Discrimination Act requirements. In many cases the shortage of space may be due to the expansion of the primary care team. It needs to be recognised that these are real day to day

problems for practices but the over riding duty of the PCT is to ensure the supply of core services. Where there is scope for improvement through the minor improvement grant scheme, and it is appropriate and affordable, this can still continue. The criteria agreed last year provided a process which is open and fair.

6.5 Dental Practice

There are no major new capital schemes planned. There will be substantial work required on access issues. This needs to await further clarification on the supporting arrangements for the new dental contract.

7.0 2005/6 SSDP

7.1 This report has set out the priorities, and measures to be taken on the basis of the latest assessment for 2005/6. The Board is asked to endorse these as a 2005 Annex to the existing SSDP.

7.2 This will enable a clear message to be given to practices in other locations that there will be no substantial cost rent growth in the short term. It also gives a potential direction of travel for the premises owned by the PCT.

8.0 FINANCIAL FRAMEWORK

8.1 The funding for SSDP projects comes from a number of sources:

8.1.1 PCT Premises: The PCT's capital allocation is used to purchase or improve premises. However the annual allocation is small (£292000 in 2005/6) and is also used to fund IM and T projects. Occasionally additional capital funds may become available in support of national initiatives (e.g.: dental access) The PCT's revenue budget for estates can be used to finance leased premises or private sector developments. Any significant new commitments would need to be identified and funded in the Local Delivery Plan.

8.1.2 Practice premises: As part of the new GMS contract the PCT pays for those premises from its revenue allocation. Increasingly third party developers will improve or replace primary care premises and pass on the costs as a lease, which will need additional funding to be identified for this budget, again as part of the LDP process. The PCT also makes available non recurring revenue from this budget to support minor changes as Improvement Grants. This will normally come from slippage on recurring commitments.

As an approximate guide the revenue cost of third party developed average size replacement premises might be £100000 per annum in excess of the current costs. It is therefore sensible to plan on the basis that there will be on average one such scheme financed each financial year.

Indicative timescales for existing and proposed projects are

2005/6	No completions
2006/7	North Gloucester and Tuffley, Gloucester
2007/8	Churchdown, plus scheme to meet the Brockworth population increase
2008/9	Westgate (to replace Rikenel) and smaller scheme at Bartongate(extension to existing practice)
2009/10	Scheme to meet the Quedgeley population increase

- 8.2** The current capital and primary care revenue plan for 2005/6 appears as Annex 1. A brief summary of progress on principal schemes appears as Annex 2

9.0 RECOMMENDATIONS

- 9.1** Endorse the strategy and outline plans set out above as a result of the Gloucester and South Tewkesbury review and note that individual major premises developments will be brought to the Board for approval.
- 9.2** To note that an expression of interest has been forwarded to the Westgate development project, subject to detailed discussions on costs and benefits, and that if successful this development would probably account for the revenue growth in 2008/9.
- 9.3** To endorse the need for an appraisal of the PCT owned premises to determine whether it would be feasible to consider major redevelopment/replacement of PCT owned premises in partnership with a third party developer.
- 9.4** To include this report as an amendment to the 2004/5 SSDP and that this amended version will become the 2005/6 SSDP.
- 9.5** That practices in the Quedgeley area be invited to put forward proposals to meet the short and longer term requirements of the plan. These would be the subject of competitive evaluation, taking into account the prioritising criteria agreed by the Board in 2004.
- 9.6** That any scheme being considered for detailed business case approval is subject to agreement on the future list size to be maintained by the practice.

- 9.7** The Board decision on endorsing the overall approach and implications is communicated to practices so that they can plan for the future.