NHS
Cambridgeshire and Peterborough
Clinical Commissioning Group

CCG REPORT COVER SHEET

Meeting Title	**Primary Care Commissioning Committee in Public**				**Date: 12 June 2018**			
Report Title:	**Primary Care Provision: Eddington Medical Centre**				**Agenda Item: 2.1**			
Lead Director	Rob Murphy Interim Director of Planned and Primary Care							
Report Author	Stuart Smith Assistant Contracts Manager NHSE							
Document status:								
Report Summary	This report seeks a decision by the Primary Care Commissioning Committee relating to how the new Eddington Medical Centre should be occupied/utilised.							
Report Purpose	**For Information**		**For Approval**		**To Note**		**For Decision**	✓

Recommendation	The Committee approves the Recommendation to undertake procurement.	
Link to Strategic Aims	**Strategic Aim 1 – Clinical Commissioning**	
	Strategic Aim 2 – Patient Quality and Safety	✓
	Strategic Aim 3 – Finance	✓
	Strategic Aim 4 – Change Management and Transformation	✓
	Strategic Aim 5 – Contracts Management and Performance	✓
	Strategic Aim 6 – Organisational Development and Workforce	✓
	Strategic Aim 7 – Governance	✓
CCG Assurance Framework & Risk Register (CAF) References	CC1 – Failure to engage with member practices and wider stakeholders QOP 6 – Failure to address quality improvement in primary care	
NHSE CCG IAF Links	**IAF 1 Domain 1 - Better Health**	
	IAF 2 Domain 2 - Better Care	
	IAF 3 Domain 3 - Sustainability:	✓
	IAF 4Domain 4 - Leadership	
Resource implications	None specific	
Legal implications including equality and diversity assessment	Procurement issues see report for details Public Contracts Regulations	
Conflicts of Interest	Relating to General Practices in Cambridge and surrounding area.	
Report history		
Next steps		

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MEETING: **PRIMARY CARE COMMISSIONING COMMITTEE IN PUBLIC**

AGENDA ITEM: **2.1**

DATE: **12 June 2018**

TITLE: **Eddington Medical Centre**

FROM: **Stuart Smith**
Assistant Contracts Manager NHSE

For: **Decision**

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1. Summary

1.1. To review and consider options relating to the utilisation of a Medical Centre that is being delivered as part of a new development to the north west of Cambridge. The facility is referred to as 'Eddington'.

1.2. The Eddington Medical Centre is currently likely to be ready at some point in the second half of 2018 for hand over to the NHS, a decision needs to be made as to how the premises will be utilised.

1.3. The Committee is asked to review the options set out in this paper and agree what and how services should be provided from this new facility.

2. Background

2.1. Cambridge City will be subject to significant growth in the coming years, both within the City and in the surrounding areas. The Eddington premises are located between Madingley and Huntingdon Roads. The premises are owned by and have been developed through Cambridge University.

2.2. Some housing has already been built; with gradual expansion expected to come over the coming years.

2.3. The Eddington site is distinct from most other developments and has been planned to accommodate residents on the following basis:

- 1500 key worker housing units (University key workers and their families)
- 2000 post graduate units
- 1500 market housing units
- 75 unit senior care facility

2.4. The Medical Centre is part of the healthcare contribution from the developer to mitigate the increased housing and associated population.

2.5. There is an initial rent free period for the building of 10 years. From year 11 the rent charged will be 20% of the actual rent increasing by 20% each year up to the 100% in year 15. The total lease length being 25 years therefore from year 15 to 25 the rent will be the full market value of the premises.

2.6. The rent free period will not include any of the running costs (heating lighting, business rates, water and sewage etc.) all of which will need to be funded through the NHS either via the successful contractor and their core funding or as a separate reimbursement through the CCG as part of delegated commissioning.

2.7. NHS Property Services (NHS PS) have been taking the lead in discussions about taking the head lease. The involvement of NHS PS would not be required should a GP practice take on the lease directly with the University, which is the preferred rental approach.

2.8. Once fitted out by the Universities contractor it will then be ready to be handed over to the NHS and the lease and running costs of the building will then need to borne by the NHS.

2.9. A further development referred to as Darwin Green for a similar facility of 700m2 is planned, for an associated 1,593 new homes of this development which is also located in the NW Cambridge area within the vicinity of Eddington. The building of this Medical Centre development has not yet started, but the health contribution from the developer was agreed with the previous PCT. The CCG will need to consider in due course how the Darwin Green site will be used.

2.10. To date there are a couple of existing Primary Care providers who have been heavily involved in discussions regarding the development of the Medical Centre and, along with several other practices in the area, would likely be interested in providing services from the premises. This presents the CCG with a dilemma, as we are unable to select a preferred provider without risk of challenge.

3. Options

3.1. The below table sets out the possible options for the use of the Eddington Medical Centre:

A. Procurement of a new GP APMS provider – the premises to be rented by a new standalone practice secured through any willing provider procurement.	
Advantages	**Disadvantages**
• New service provider to be able to build up capacity over time with space to grown in to.	• Cost of procurement • Timescales and resources required to run a procurement exercise to deliver a new provider

• Building could be used by other providers (community) whilst list size grows • Provides an additional GP provider in the NW Cambridge area. • Lowest risk of procurement challenge/risk to the CCG • City setting and likely initial demographics could be attractive to providers	• Cost of APMS contract compared to either GMS or PMS • Time limited contract • Procurement may not be successful if set within a particular financial envelope • Lease for premises with provider would need to be limited to contract length, requiring NHS PS to take head lease. • Having to build up patient list from scratch leading to inefficiencies/increased costs until suitable list is built up (likely some years hence) • Not consistent with commissioning at scale aspirations • Building will not become fully utilised by provider for considerable period of time due to natural growth • Lack of flexibility in initial service provision as commissioning would require a minimum level of service to be commissioned from start of contract irrespective of the number of patients registering.
B. Use of the premises by a Community Service Provider	
Advantages • Range of services can be provided locally within the community from services commissioned by the CCG. • Procurement for GP use may not be required. • Ensures benefit to patients for services local to the area.	**Disadvantages** • Patients still needing to register with a GP practice, and associated required GP capacity. • CCG still needs to consider any procurement issues for commissioning service. • Need identification of services able and willing to utilise the building • Lease will still need to be taken on by provider.
C. Restricted procurement to local GP practices as a branch to an existing practice	
Advantages • An existing population base to start with, services can be split across sites and build up capacity • Increases space capacity of practice to be able to grow • GMS/PMS practices are financially less costly to fund than APMS contracts • Funding would be based upon actual registrations from day one	**Disadvantages** • Significant risk of procurement challenge as not fully open market. • Would still need procurement process to identify practice to use premises (time and resources). • Premises may still not be fully utilised from day one in having to build up number of patient registrations in the area • No guarantee that patients will choose to register with this practice

and part of the wider practice patient list • Operating as a branch could allow services to be increased gradually as registrations in the area increase. • Full services are able to be provided at main site ramping up at the 'branch' as required • Fewer set up costs or pump priming of contract required. • Practice able to take lease directly with landlord	
D. Offering the site as a branch to an existing practice (without procurement)	
Advantages • Practice is able to start planning and get up and running with services as soon as building becomes available. • Less time and resources required to implement. • Practice would be able to enter in to lease directly with landlord.	**Disadvantages** • Further and wider risk of procurement challenge from prospective national and local providers. • No wider assessment of interest in providing services. • No wider assessment of suitability, capacity or need of selected practice.

3.2. Consideration should also be given in relation to the above options for the Darwin Green facility and how this would be used or fi it should be integrated when it comes on stream.

4. Consideration

4.1. **Option A** provides the greatest assurance, would run the least risk of possible legal challenge than other procurement options. The service would provide increased GP capacity and a new GP provider in Cambridge for provision of GP services.

4.2. **Option B –** This provides an alternative option outside of GP provision, CCG would need to investigate further the prospective providers, including the services to be provided and how any contractual or leasing arrangements would work. Could possibly be used in conjunction with Option A.

4.3. **Option C** undertaking a restricted procurement with existing practices in the Cambridge area ensures that there is an assessment of local practices and ensures that the best practice is selected to provide services from the local area, there remain significant risks

from national providers or other providers not able to bid for the service. This option is not recommended due to the relative risks.

4.4. **Option D** offering the premises as a branch to a specific practice without advertising or providing an opportunity for other practices could open up the process to challenge from other practices that could be interested in providing services as a branch. This option would not promote transparency in selection though would be able to be operating as soon as site becomes available. This option is not recommended due to the relative risks.

5. Recommendation

5.1. The committee is asked to consider the options and given competing demands and risk of challenge.
5.2. The CCG recommendation to the Committee is Option A, within an agreed financial cost envelope that is affordable to the CCG.

Author
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