

ICB Primary Care Commissioning Committee

Date of meeting	01 May 2024
Title of paper	Primary Care Capital Report 2024-25
Presented by	Peter Tinson, Director of Primary and Community Commissioning
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Agenda item	6
Confidential	Yes

Executive summary

The ICB Primary Care Capital allocations as notified within the Capital Guidance for 2022-25 remains unchanged from the reported position in the Primary Care Contracting Group capital report dated 13th September 2022. The Primary Care capital allocation remains a defined and ring fenced allocation for Primary Care, to allow systems to take a more cohesive approach to capital investments across all organisations within a system.

The Lancashire & South Cumbria ICB allocation for 2024/25 for Primary Care totals £3,109k and this paper is submitted to seek approval for the initial apportionment of this allocation across GPIT Capital acquisitions and Primary Care Medical Premises Improvement Grants. Further reports requesting approval of actual and fully detailed investments in GPIT and Grant will be submitted within the forth coming financial year.

The ICB has a number of longer term strategic investments in the primary care medical estate, these are developments utilising other sources of capital but impacting upon the revenue costs of the ICB, the status of these developments and whether they have been reviewed by the ICB or legacy CCGs for approval is also detailed.

Advise, Assure or Alert

Advise the committee:

- Of the proposed initial apportionment of the allocation for GPIT and General Practice improvement grants.
- Of the availability and ongoing development of the “investment prioritisation” tool for the investment of capital and revenue resources relating to general practice infrastructure.

Assure the committee:

- That all investments are in line with national guidance and regulations.
- That contingency plans are in place to ensure full investment of the allocated resources.

Recommendations				
The Committee is asked to note the contents of the report and to approve the proposed apportionment of the capital allocation and the recommendation for a development session.				
Which Strategic Objective/s does the report contribute to				Tick
1	Improve quality, including safety, clinical outcomes, and patient experience			x
2	To equalise opportunities and clinical outcomes across the area			x
3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees			x
4	Meet financial targets and deliver improved productivity			x
5	Meet national and locally determined performance standards and targets			x
6	To develop and implement ambitious, deliverable strategies			x
Implications				
	Yes	No	N/A	Comments
Associated risks	x			Included within a separate risk section of the paper
Are associated risks detailed on the ICB Risk Register?		x		
Financial Implications		x		Financial implications will be presented to the committee on a case by case basis
Where paper has been discussed (list other committees/forums that have discussed this paper)				
Meeting	Date		Outcomes	
Primary Care Capital Group	21/02/2024 & 20/03/2024		Recommended approval	
Conflicts of interest associated with this report				
Impact assessments				
	Yes	No	N/A	Comments
Quality impact assessment completed			x	
Equality impact assessment completed			x	
Data privacy impact assessment completed			x	
Report authorised by:	Craig Harris, Chief Operating Officer			

ICB Primary Care Commissioning Committee

01 May 2024

General Practice Capital Investment

1. Introduction

- 1.1 The Lancashire and South Cumbria ICB through the authority of the Primary Care Committee is requested to review and approve the Capital Investment proposal, and to inform the NHS England NW team of our intended utilisation of the capital resources in the forth coming financial year.
- 1.2 This paper is to provide:
- Further information on the primary care capital allocations
 - Outline the 2024/25 general practice capital investment plans
- 1.3 The paper will also provide further information on the current governance arrangements for general practice capital investments and the alignment with the wider Integrated Commissioning Board (ICB) Infrastructure Strategy.

2 Background Primary Care Capital Allocations

- 2.1 The three-year NHS Capital Guidance for 2022-25 and the system allocations were released based upon the new ICB organisations. Within the ICB capital allocation was a defined and ring-fenced amount for General Practice, to allow ICB's to take a more cohesive approach to capital investments across all organisations within their system. It must be noted however that the General Practice capital investment cannot be reduced or invested in other sectors of the system, and that all investments are made by NHS England upon the approval and recommendation by the ICB.
- 2.2 The Lancashire and South Cumbria ICB Primary Care Commissioning Committee is requested to confirm the initial apportionment of the proposed capital investments for the forth coming financial year 2024/25 as detailed in the table 1 below.

Table 1

NHS L&SC ICB	Primary Care Capital Allocation £'000s		
	2022/23	2023/24	2024/25
Annual Allocation	£3,117	£3,113	£3,109

GPIT Acquisitions	£2,500	£2,299	£2,332
Capital Grants	£617	£814	£777

2.3 For completeness the table contains the initial plans from each of the three years.

3. Investment in 2024/25

3.1 The total planned capital investment has been apportioned to maintain a consistent level of investment in the GPIT capital infrastructure, and to provide a level of investment into the General Practice estate that can be used to both improve and enhance practices premises and increase clinical capacity within practices based on evidence and prioritised need.

3.2 The GPIT investment proposals for 2024/25 continue to be based broadly on an annual investment of £2.5m, the investment in 2024/25 has been reduced due to an additional investment of £156k made on GPIT in 2023/24, therefore releasing a greater resource to invest in general practice improvement grants.

3.3 As detailed in the core and mandate element of the GPIT contract the ICB is required to carry out a regular and cyclical refresh of IT equipment in general practice primary care. Traditionally this works across a 3 to 5-year basis with approximately 20% to 25% of equipment being replaced, investments will include for example laptops, desk top computers, monitors, docking stations and network infrastructure. NHS England has within the L&SC system invested approximately £2.5m on an annual basis and this level of investment has been identified to ensure equipment is maintained and replaced within the advised timeframes, in order to reflect the larger investment in 2023/24 the value planned for GPIT in 2024/25 is reduced by £156k.

3.4 General Practice Improvement Grants are only provided to GP practices in accordance with the NHS GMS Premises Cost Directions 2013. Grants are provided in a collaborative manner with NHSE contributions not exceeding 66% of the total costs. Practice may be supported with grants being provided across a wide range of works including extensions to existing premises, creation of clinical rooms, to compliance with regulatory requirements for fire, DDA or infection control and compliance. All grants must be formally agreed via a Grant Agreement with the practice and NHS England.

The ICB notified, via the GP Bulletin on the 4th January 2024, all General Practices that in 2024/25 a prioritization process will be undertaken to ensure the limited resources available to the ICB for Improvement Grants are invested based on a needs based approach. Practices were invited to submit an Expression of Interest, with the deadline set for 28th February 2024, all applications will be reviewed and prioritised not later than May 2024.

Priority will be given to proposals that align to estate capacity demands arising from the following two strategic primary care developments:

- **Conversion of Record storage rooms** due to the digitalisation of Lloyd George records created capacity and space within practice premises. At no additional recurrent revenue cost this space can be converted into consulting and examination clinical rooms, treatment rooms or facilities to provide non face to face patient consultations, or facilities to accommodate ARRS roles or administration staff more efficiently. These investments can and do provide an incremental increase in general practice capacity.
- **Creation of clinical space** to house the increased workforce provided through the Additional Roles Reimbursement Scheme. The Primary Care Network Direct Enhanced Service has provided funding to encourage Primary Care Networks to employ staff from a selection of roles to improve services and care for their patients. It has been consistently raised by the Lancashire and South Cumbria Primary Care Networks that the lack of capacity within existing estate is a major barrier when consider employing further staff.

3.5 A further paper will be submitted to the committee to confirm the full details of the proposed investments in GPIT and Improvement Grants in due course.

4. Other capital programmes

4.1 In addition to the practice improvement grant capital investment, there are also several larger legacy CCG capital schemes that the ICB has inherited, with other schemes entering initial development stages since CCG's transitioned into the ICB. It must be noted that the capital investment for these schemes is not from the NHSE or ICB capital resource, but via an alternative route such as a third-party developer, local council or community infrastructure levy. However, all such schemes have the potential to have a material revenue consequence for the ICB, consequences which need to be agreed by the Primary Care Commissioning Committee.

4.2 In order to assess the current status and detail of the historical governance processes applied to the various projects a thorough review and collation of information has been undertaken across the ICB.

4.3 The majority of the schemes are identified as "not yet authorised." The development of individual schemes can range from initial approaches with proposals to develop practice estate, to schemes that have been developed over a number of years that have been subject to ongoing discussions and support from local primary care teams or estates teams.

5. Summary of Approved Investments

- 5.1 Adelaide Street & South King Street – The project is to build a new primary care centre to replace the premises of the two practices. The development phase has been ongoing for a number of years, with many papers presented within the legacy CCG governance processes. On the 27th April 2021 the Blackpool and Fylde & Wyre joint CCG PCCC approved the scheme to be progressed using council capital, approving an additional annual revenue cost of £357k. Blackpool Borough Council was approved to build the new Centre using their own capital resources, the council will then lease the asset to the two practices for a period of 32 years to recoup their capital investment. After the lease expires, the council will offer to sell the asset to the NHS for a fee of £1.
- 5.2 Wesham Primary Care Centre – very similar in nature to the scheme above and approved at the same meeting. On the 27th April 2021 the Blackpool and Fylde & Wyre joint CCG PCCC approved the scheme to be progressed using council capital, approving an additional annual revenue cost of £322k. The council will build the new Centre using their own capital resources, the council will then lease the asset to the two practices for a period of 32 years to recoup their capital investment. After the lease expires, the council will offer to sell the asset to the NHS for a fee of £1.
- 5.3 South Shore Primary Care Centre – The project to create additional car parking was approved by the ICB Primary Care Commissioning Group on the 15th June 2023, the project will incur an additional annual cost of £17,500.
- 5.4 Lockwood Surgery – The practice sought authorisation to increase the practice demise in a leased council building, proposing to occupy a further 6 rooms on the first floor of the council owned Civic Centre in Poulton. The proposal requested approval at an additional revenue cost of £14,500 per annum. The proposal was approved at the joint Blackpool CCG and Fylde & Wyre CCG PCCC meeting on the 19th October 2021.
- 5.5 With regards to the four large projects, none have been implemented in full, the two new build scheme are still within the development and design stages, but building works are expected to commence within the next 12 months. The car park and Lockwood Surgery are also expected to progress within the coming financial year.

6. Summary of Approved in Principle Investments

- 6.1 Haverthwaite Surgery - The project has been reviewed at the ICB Medical Access Group and recommended for approval to the ICB PCCC on the 12th October 2023. The relocation of the practice has been approved in principle, the revenue implications have been assessed and provide value for money as confirmed by the district valuation office. Further reports regarding the

proposed new site and the final revenue consequences will be submitted to committee in due course.

- 6.2 Birleywood Surgery – The West Lancashire CCG’s Clinical Executive Committee in September 2021 approved the scheme to progress, with NHSPS progressing the project on behalf of the system to outline business case, the NHSPS capital investment at that time was identified at £4.2m, with the CCG confirmed approval of the additional £80k revenue cost. Further governance of the project has been within the NHS Property Services system.
- 6.3 The building of the new centres has not yet started. But the expectation is that building works will commence presently.

7. Governance

- 7.1 Primary care governance arrangements relating to General Practice infrastructure are depicted in appendix 1.
- 7.2 NHS England requires each ICB to ensure they have a robust and thorough process for reviewing capital investments and ensuring compliance with all estates and digital guidance. This role is provided by the Capital Group, with onward recommendations for decisions made to the Primary Care Commissioning Committee.
- 7.3 Assurance and sign off of all General Practice Improvement Grants and General Practice IT investments is required by the ICB Executive Director of Finance prior to submission to NHSE for final approval.
- 7.4 Infrastructure investments with only revenue impacts are purely internal investments and require the authorisation of the Primary Care Commissioning Committee, no additional approvals are required by NHS England to progress these schemes.

8. Risks

- 8.1 Financial Risks:- The current and historic governance process of the Legacy CCGs and now the ICB are required to ensure all revenue impacts are assessed and authorized as part of the thorough process to authorize all infrastructure projects.

The inherited commitments from legacy CCGs will incur a high recurrent revenue cost, and due to the longer time frames an inherent impact from inflation.

- 8.2 Reputational Risks –The inherited commitments include public, patient and partner engagement and investments, the ICB must honour these historic agreements.

8.3 Equitable approach – The inherited commitments may not represent the ICB wide estate priorities.

9. Conclusions

9.1 The investment plan for primary care capital and the proposed investments in GPIT and Improvement Grants align to the historical levels of investment in GPIT with the balance of resources offered to support grant applications.

9.2 The capital investments in primary care that impact only on the ICB revenue costs have been reviewed, in order to better understand these schemes a development sessions is proposed.

9.3 However, a number of projects have been authorized by the legacy CCG governance structures or by the ICBs own structures.

10. Recommendations

10.1 The committee is asked to:

- Note the contents of the report.
- Approve the proposed plans for the 2024/25 Primary Care Capital investments in GPIT and Capital Grants.
- Accept the proposal to convene a development session to review thoroughly the larger, more strategic, proposed infrastructure developments.

David Armstrong

Senior Delivery Assurance Manager

18th April 2024

Appendix 1 – Governance Diagram



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%20Capital%20Gove