



Doncaster Council

Report

Date: 10.08.2022

To the Chair and Members of the
CABINET

ACCEPTANCE OF FUNDING FOR THE BENTLEY AND ROSSINGTON GP HUBS AND ASSOCIATED DEMOLITION OF BENTLEY LIBRARY

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Councillor Joe Blackham Councillor Nigel Ball	Bentley Ward Rossington Ward	Yes

EXECUTIVE SUMMARY

1. Doncaster MBC and Doncaster Clinical Commissioning Group (CCG) wish to ensure that the Council and NHS Primary Care Estate in the localities of Bentley and Rossington are fit to accommodate and deliver services needed by the town's existing and future population.

Bentley Project

The project seeks to develop a community hub in Bentley that incorporates Don Valley Healthcare and the Ransome practice into a new build scheme of 1196m² over two and a half floors.

The facility will be developed on the existing Bentley library site at a cost of circa £5.63m (including VAT) and will accommodate a combined list of 21,000 patients. This development will require the relocation of the library service and the demolition of the existing building

It is proposed that the project be delivered by NHS England to Doncaster MBC under section 2 of the NHS Act 2006. The Council will be the building owner and Landlord. Don Valley Healthcare & the Ransome Practice will each take a lease with DMBC.

Rossington Project

The Rossington Hub is at an earlier stage of project development, not much information is known at this stage. It has been included within this report to gain approval to allocate the initial funding to the Scheme

EXEMPT REPORT

2. N/A

RECOMMENDATIONS

3. To approve the Delegation of the decision to accept and enter into the Section 2 funding agreement with the NHS, for each site, to the Director of Economy and Environment and the Chief Finance Officer, in consultation with the relevant portfolio holder.
4. That Cabinet approve that Bentley Library service will be relocated into Bentley Pavilion, and that the existing building be demolished in order to accommodate the new Bentley GP hub build following a procurement exercise.
5. To add the Bentley and Rossington Hub schemes to the Economy and Environment capital programme.
6. Approve the allocation of £200k from the Integrated Care Board Transition and Transformation earmarked reserve to fund Bentley Hub development costs including the cost of demolition, VAT advice and other costs.
7. Approve the allocation of £3m from the Adult Social Care Contract earmarked reserve to contribute towards the funding for the Rossington Hub scheme.
8. Note that for VAT purposes the Council will submit an option to Tax for both Hub sites.
9. Note that the Council will become owner of the Hub Buildings and will be responsible for all future on-going building management function and costs. These costs will be passed onto the tenants of the new buildings.
10. To approve the delegation of the decision to enter into leases with the GP surgeries in respect of the new Hub premises upon built completion, to the Director of Economy and Environment and the Chief Finance Officer in consultation with the relevant portfolio holder.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

11. The development of new GP hubs in Bentley and Rossington will provide high-quality accessible health estate for a rapidly growing population, that;
 - Provide fit for purpose facilities for the future delivery of Primary Care services

- Maximise the Doncaster pound and value for money through shared estate and facilities
- Provide improved access to and choice of services
- Support the recruitment and retention of workforce
- Support innovative and collaborative care delivery

BACKGROUND

Bentley Project

12. In late 2019/early 2020, approximately £57m was awarded to the Sheffield City Region for health sector development. Whilst much of this was targeted across the larger towns and cities, three priority areas were identified across Doncaster within our smaller towns and villages for potential investment, with a view to achieving some quick wins. The top priority area was identified as Bentley, with the focus being to deliver a health centre/hub building.
13. Suitable sites in Bentley were limited and options were quickly reduced down to one realistically viable opportunity, this being the redevelopment of the site of the existing Bentley community library premises, located off Chapel Street.
14. Bentley library is currently open 12 hours per week and is well used, but in need of major refurbishment. The existing building would require significant capital expenditure if the Council were to maintain it in its current format.
15. Bentley Pavilion has now been agreed as the location for the library service to be operated from. Initial consultation with the occupiers of the Pavilion (Manna CIC) provoked an enthusiastic response, with the prospect of a community library being viewed as a positive opportunity to build upon the existing offer from the building.
16. Bentley library is the central hub of the Council's IT connections in the area, supporting not only the library but also My Place and local CCTV. This service will need to be relocated to ensure there is no interruption to connected sites. Bentley MyPlace is identified as having a long term future for service delivery purposes and has therefore been put forward as the preferred alternative location for the IT hub. A TGB Report prepared on this basis was considered and approved on 18th July
17. An outline proposal has been drawn up to demolish and redevelop the existing community library site, and to integrate some adjoining Council owned plots of land into the scheme to ensure sufficient capacity whilst at the same time ensuring that the building mass and design are in keeping with planning requirements for the local area.
18. The proposed hub will incorporate Don Valley Healthcare and the Ransome practice into a new build scheme of 1196m² over two and a half floors. Bentley community library will be relocated.
19. The cost of the proposed new GP hub development is circa £5.63m (including VAT). This figure does not include costs associated with the relocation of the community library service. When constructed, the premises will accommodate a combined list of 21,000 patients, complemented by a digital offering and a moderate amount of bookable space for community activities.

20. It is proposed that the GP hub project be delivered by NHS England to Doncaster MBC under section 2 of the NHS Act 2006. The Council will be the owner and Landlord of the newly constructed asset. Don Valley Healthcare and the Ransome Practice will each take a lease with the Council.

Rossington Project

21. The Rossington Hub is at an earlier stage of project development, not much information is known at this stage. It has been included within this report to gain approval to allocate the initial funding to the Scheme of £3m, it is expected that the balance of funding required will be met from section 2 funding via NHS which is subject to approval. The Rossington Hub is expected to mirror the Bentley scheme in the main and may involve the Council having to purchase a construction site. The site purchase would be subject to a separate decision.

OPTIONS CONSIDERED

Bentley Project

22. Option 1 – Business as usual (not recommended)

Scope	To continue with current GP services, secondary and community provision operating from separate current locations. Existing building owners would retain responsibility for maintaining facilities. This option would realise a material increase in expenditure on backlog maintenance with existing funding streams.
Building solution	As existing
Location for new build	N/A
Owner/Landlord of new building	As existing
Funding	Existing funding streams

23. Option 2 – Integration of Services by a 3rd Party Developer – Standard lease term (25 years) (not recommended)

Scope	Integration of primary, PCN, community, acute, and third sector services, complemented by digital offering and moderate amount of bookable space for community activities under one roof
Building solution	New build
Location for new build	Community library site
Owner/Landlord of new building	3 rd party developer. Standard lease term (25 years)
Funding	Private Capital

24. **Option 3 - Integration of Services by a 3rd Party Developer – Extended lease term (not recommended)**

Scope	Integration of primary, PCN, community, acute, and third sector services, complemented by digital offering and moderate amount of bookable space for community activities under one roof
Building solution	New build
Location for new build	Community library site
Owner/Landlord of new building	3 rd party developer. Extended lease term (35 years)
Funding	Private Capital

25. **Option 4 – Integration of Services through a Public Sector partnership arrangement (Recommended option)**

Scope	Integration of primary, PCN, community, acute, and third sector services, complemented by digital offering and moderate amount of bookable space for community activities under one roof
Building solution	New build
Location for new build	Community library site
Owner/Landlord of new building	Doncaster MBC. Standard lease term (25 years)
Funding	NHS Capital

Rossington Project

26. **Option 1 - allocate the initial funding to the Scheme (Recommended option)**

The initial funding intended to be allocated to the Scheme is £3m. It is expected that the balance of funding required will be met from section 2 funding via NHS which is subject to approval

27. **Option 2 – do not allocate the initial funding to the Scheme (not recommended)**

A funding allocation is required to demonstrate the Councils commitment to the delivery of a new GP hub in the locality of Rossington

REASONS FOR RECOMMENDED OPTION

Bentley Project

28. The recommended option is considered to fully achieve the following desired project outcomes:-

- Creates a fit for purpose future ready premises solution
- Improves the range and quality of services, clinical and non-clinical
- Improves access to services
- Provides a catalyst for the economic, social and environmental regeneration of the local area
- Meets required standards
- Provides a strategic fit – national and local
- Provides value for money
- Provides an affordable solution
- Achievable from an organisational perspective

Rossington Project

29. The recommended option will support the enablement of a GP hub in the locality of Rossington. Assuming the GP hub in Rossington comes to fruition, it will deliver the same project outcomes as described above for Bentley.

IMPACT ON THE COUNCIL’S KEY OUTCOMES

30.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Living: Our vision is for Doncaster’s people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	

	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	<p>The development of the proposed GP hubs will improve the range and quality of services, clinical and non-clinical</p> <p>The co-location of 2x practices on a single site coupled with bookable space for community activities will improve access to services</p>
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>The GP hubs will provide a catalyst for the economic, social and environmental regeneration of the local areas (Bentley and Rossington)</p>

RISKS AND ASSUMPTIONS

31. Risks

- The availability of the appropriate people and skills to deliver the project.
- Availability of materials and cost increases owing to current economic factors

The above risks will be managed through usual project management

procedures.

Assumptions

- This project sits within the South Yorkshire and Bassetlaw Integrated Care system's Primary Care Capital Programme Business Case, which received formal approval in March 2022. Continued availability of support from South Yorkshire & Bassetlaw Integrated Care System (SYB ICS) Primary Care Capital Programme is assumed

LEGAL IMPLICATIONS [Officer Initials...NJD Date...21.07.2022]

32. Section 1 of the Localism Act 2011 provides the Council with a general power of competence, allowing the Council to do anything that individuals generally may do. Section 111 of the Local Government Act 1972 gives the Council the power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their function
33. The Council will be required to enter into funding agreement with NHS England. It is likely that the funding agreements will contain details of project outputs, project outcomes and milestones that must be achieved and the terms and conditions of the funding agreement must be adhered to avoid the risk of clawback. Legal advice should be sought once the funding agreement has been received.
34. The procurement of any goods, services and/or works should be carried out in compliance with the Public Contracts Regulations 2015 and the Councils contract procedure rules.
35. The library volunteer group occupies the current Bentley library building under a lease held with the Council. This lease will need to be surrendered by agreement between the parties. The library volunteer group also operates the library provision under a Service Level Agreement with the Council which will need to be amended to reflect the new location.
36. In relation to the proposed changes to Bentley Library, the Council will need to ensure it complies with the Equality Act 2010 which require the decision maker to comply with the public sector equality duty to consider the need to promote equality for persons with “protected characteristics” age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and have due regard to:
 - i) eliminate discrimination, harassment, and victimisation;
 - ii) advance equality of opportunity;
 - iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it.
37. Upon completion of the new Hub the Council will be responsible for maintenance and will be the owner in the same way as the Council is the freeholder for the existing building. The Councils use of the building may be governed by any restrictions in the NHS England funding agreement.
38. The new building will then be leased for use and occupation by the two GP organisations. It is expected the tenants will pay a peppercorn rent for the 25

years but will contribute towards maintenance of the building via a service charge. These leases will constitute a disposal of General Fund land.

39. It understood the new building will be leased at a peppercorn rent which is less than the best consideration reasonably obtained (i.e. the disposal will be at an undervalue) for the first 25 years. Under s.123 of the Local Government Act 1972 the Secretary of State's consent is required for the disposal of land for less than the best consideration reasonably obtainable. Under Circular 06/03 the Secretary of State has given consent to the disposal of non-housing/HRA land by local authorities for less than the best consideration reasonably obtainable provided that the difference between the consideration being received and full open market value does not exceed £2 Million and the Council is satisfied that the purpose of the disposal will:
 - a. contribute to the promotion or improvement of the economic,
 - b. environmental or social well-being of the area.
40. The Council's Financial Procedure Rules state that where there is a disposal of land for less than best consideration and that disposal exceeds £250,000 then the approval of Cabinet is required.
41. Any leaseholder occupation must be consistent with the provisions of any funding agreement related to the new Hub building.
42. It is proposed that the library service occupying the existing building will relocate into Bentley Pavilion. The Pavilion is currently Council owned and occupied although occupation is shared with Manna CIC as set out in the body of the report. The Council intend to continue to maintain the Pavilion due to the high costs of maintenance. The Pavilion is used by Manna CIC a local community group and a bowling club and will be used by the library group once relocated. As such it is proposed that all 3 parties enter into a licence to use the Pavilion which determines the specific areas and times they are permitted to use subject to payment of a licence fee to be determined per group. This will leave the Council in control of and responsible for the Pavilion but create a contractual agreement for the relevant parties to use the building. The licences do not amount to a freehold or leasehold disposal and are contractual in nature only.
43. It is proposed that the CCTV service currently using the existing library building will relocate into the MyPlace building in Bentley. The MyPlace building is currently Council owned and occupied. It will be used by the CCTV service once relocated. This will leave the Council in control of and responsible for the MyPlace but it will be partly used by the CCTV service area.
44. Property implications for the Rossington Hub will need to be obtained once a site has been identified.
45. Further legal advice will be given as these projects progress.

FINANCIAL IMPLICATIONS [Officer Initials JC Date 21/07/22]

46. The Bentley Hub build will be funded from Section 2 NHS funding. The draft S2 agreement is clear that the grant issued is inclusive of VAT, meaning if the funding is deemed inside the scope of VAT the amount of funding available to deliver the scheme would be reduced. The Council sought external advise and

is satisfied that the Section 2 funding can be treated as grant funding and is outside the scope of VAT, on the basis that the Integrated Care Board/NHSE will not take up any occupation of the building.

47. The draft section 2 agreement for Bentley says any over spend will be funded by the Council. Further clarification will be sought and agreed with the portfolio holder on this clause prior to accepting and entering into the final agreement. The current Council position is that any overspends on either scheme should not fall to the Council.
48. The report seeks to delegate the decision to accept and enter into the section 2 NHS funding agreements to the Director of E&E and Chief Finance Officer in consultation with the Mayor and the relevant portfolio holder. The future ODR will need to ensure FPRs relating to external funding have been considered and highlight key elements from the final section 2 agreements.
49. The Bentley Hub will be built on the site of the current Bentley Library. The Library will be demolished and relocated to the Bentley Pavilion building. Once the existing Bentley Library is demolished the £24k revenue budget allocated to the site will not be required, this budget could be used to fund the running cost pressures at Bentley Pavilion (Bentley Pavilion currently has no budgets for running costs). Any surplus budget should be offered as a corporate saving; or any further additional budget required being highlighted as part of the 23/24 budget setting process.
50. Bentley Library is the location of an ICT server which will need relocating prior to the building being demolished. This is subject to a now approved TGB report for the server to be moved to Bentley MyPlace. The existing ICT room at MyPlace is large enough to accommodate another server without impacting on the rest of the building. The server relocation costs are being considered separately as part of the TGB report/process.
51. The Library demolition is expected to cost approximately £150k and will be funded from the £200k allocation from the Integrated Care Board Transition and Transformation earmarked reserve, any unused funding from the allocation will be used to fund other costs associated with the Bentley Scheme e.g. VAT advice. The 21/22 Finance and Performance Quarter 4 report approved that the use of this EMR could be delegated to the Director of Public Health. The demolition would remove any future requirement for capital expenditure which may be needed if the building remains a Library e.g. refurbishment costs.
52. The value of the cleared Bentley Library site and other Council owned assets being included in the overall development site, are not considered a cost to the scheme. If the sites had to be purchased it would have increased the cost of the development. The Council should consider the value of the cleared site being contributed to the scheme and note the new Hub assets will be leased to the GP surgeries for 25 years, tying up these assets for the foreseeable future.
53. The Rossington Hub will be part funded by the £3m allocation from the Adult Social Care Contract earmarked reserve. The remainder of the scheme costs are expected to be funded from a further Section 2 NHS funding agreement. It is anticipated that enough section 2 money can be secured to fund the remainder of the scheme, however we have not yet had this confirmed. Should there be a shortfall in funding this would need to be considered as part of the

Councils 23/24 capital budget setting process. It is currently expected that ICG/NHS would fund any shortfall on the Rossington scheme with additional Council funding being considered as a last option. If the Council were to fund any shortfall it is expected that this funding would be repaid back to the Council by the ICB/NHS.

54. Both Hub buildings will be owned by DMBC, meaning the Council will be responsible for all associated costs. It is expected that the running costs and lifecycle costs will be recovered from the tenants as part of the lease agreement. The Council will 'opt to tax' both sites meaning the GP surgeries will incur VAT on costs within the lease. VAT advice is being requested to see if the VAT implication for the GP surgeries can be minimised.
55. The draft section 2 agreement says DMBC 'should not opt to tax' this has been raised with ICB/NHS colleagues who have advised the agreement can be changed to reflect the Councils decision to 'opt to tax' and will be amended in the final agreement. The Council must agree what date the decision the 'opt to tax' will take effect from, it can take effect from the date of the decision, or a later specified date as long as HMRC are notified in writing within 30 days of the decision or the specified start date. DMBC have been advised to check whether the option to tax dis-application rules would apply. DMBC feel that it is unlikely they would apply on the assumption that NHS/ICB and the GPs practice wouldn't be considered connected persons for the purposes of the tax legislation, and on the assumption that the GPs practice would do no more than make payments due under the lease after it has taken occupation of the completed property.
56. It is expected that the VAT implications for both hub schemes in relation to the section 2 funding would be the same, on the assumption the two schemes will be similar. This cannot be confirmed until the final agreements have been reviewed.
57. The building lifecycle costs are in the process of being agreed between the Council and Integrated Care Board (ICB). The Council has requested that if lifecycle costs were to differ to the final values agreed that the Council could seek to recover future additional costs.
58. The Rossington scheme will require a site to be purchased prior to construction, the purchase of the Land will be subject to a further ODR. One of the conditions of using NHS section 2 funding is that it can only be used to fund assets on local Authority owned land.
59. The schemes should be added to the Economy and Environment capital programme to indicate the funding allocated. No spend should be committed to the construction of the New builds until the ICB have confirmed they have Full business case approval. FBC for Bentley and Rossington are expected in December 2022, with both buildings currently being programmed for completion by December 2023. The demolition of the Bentley Library will be undertaken prior to FBC approval.
60. Where assets are amalgamated or change use/asset classification they should be included within the Council's annual asset revaluation programme to ensure any changes are reflected within the Councils asset register.

61. Financial procedure rule C.20 in respect of disposals of land and property should be also be considered in relation to any disposal. FPR C20 States:
- processes followed should be robust and transparent and in accordance with current legislation;
 - in all cases of planned disposal of land or property, the property officer, the assistant director of legal and democratic services and the CFO must be consulted.
 - in line with the capital key decision threshold, where the estimated disposal value is less than £1,000,000 the property officer, having taken financial and legal advice, may arrange for the disposal of land or property. Where the estimated disposal value of individual property assets is equal to or greater than £1,000,000, a key decision is required; Doncaster Council financial procedure rules www.doncaster.gov.uk page 18
 - in respect of disposal at less than best consideration where the estimated disposal value would otherwise have been at less than £250,000 (revenue key decision limit), the property officer may arrange for the disposal of land or property;
 - in respect of disposal at less than the best consideration where the estimated disposal value would otherwise have been at or above £250,000 (revenue key decision limit), the property officer shall prepare a report to cabinet, requesting approval to proceed with the disposal in accordance with the relevant legislation (circular 06/03: local government act 1972 general disposal consent (England) 2003;
 - all arrangements for the acquisition and disposal of land and buildings shall be in accordance with council asset management policy and be conducted by the property officer, including all negotiations and the preparation and certification of valuation certificates.

HUMAN RESOURCES IMPLICATIONS [Officer Initials AA Date 11th July 2022]

62. There are no direct HR Implications in relation to this decision to accept the funding for the Bentley and Rossington GP hubs and associated demolition of Bentley Library.

TECHNOLOGY IMPLICATIONS [Officer Initials...PW..... Date...12/07/22]

63. The existing Bentley Library site serves as a Doncaster Council Network hub with a 100Mbps SD-WAN managed service provided by Virgin Media into our communications room at that location. Bentley MyPlace shares this connection, via Doncaster Council private fibre (DPON) connecting the two sites. A further wireless link from MyPlace to Bentley Pavilion enables CCTV images to be fed back to the Civic Office. There is also legacy DPON from the Bentley Library location to Bentley High Street School, Bentley Training Centre & the former Cooke Street Social Services office, which are no longer used.
64. It is understood that enabling works for the demolition of the current Bentley

Library site have already commenced and service disconnection is planned for w/c 29/08/22. As such, Digital & ICT are urgently progressing alternative options to ensure there is no interruption to services at MyPlace and other connected sites and to prevent delays with the Bentley GP Hub project, where possible.

65. Indicative costs have been obtained for a new 80/20 SOGEA Broadband connection for MyPlace as follows, with supplier lead times of 20 working days:
 - Install £50
 - Rental £33 pm (min term 24 months)
 - New router £800
66. The exact technology requirements, implications and costs associated with moving the existing library service to Bentley Pavilion are not known at this stage and will require urgent refinement by Digital & ICT now that the proposed site has been confirmed. The existing wireless link from MyPlace to Bentley Pavilion is unlikely to meet the requirements for the relocated library service and an additional broadband connection into Bentley Pavilion may be required. Budgets will need to be provided for all of the technology deliverables relating to the library relocation.
67. Further consultation will be needed with Digital & ICT in relation to the Rossington project at the appropriate time to enable any technology implications to be confirmed.

HEALTH IMPLICATIONS [Officer Initials RS.. Date ...13/07/2022.....]

68. Primary care is the bedrock of health care in the UK. Ensuring facilities are fit for purpose, accessible to all and contribute to net zero are key considerations for health planners.
69. Decision makers will want to ensure that any future build takes into account future demands for primary health, likely future care models including increased use of digital and that activity complies with relevant legislation.
70. Any new build will still need to be able to accommodate community activities to maintain the good links with the community.
71. Decision makers will want to be able to evaluate how well the project delivers against any of the health outcomes in the project brief.
72. Decision makes will also want to ensure that the relocation of the library does not increase inequalities.

EQUALITY IMPLICATIONS [Officer Initials GF Date 07.07.2022]

73. There are no equality implications associated with this decision

CONSULTATION

74. Consultation has been undertaken with key stakeholders including:-
 - Portfolio Holders

- Ward Members,
- Bentley community library volunteers
- GP Practice Managers and staff
- GP Patients

BACKGROUND PAPERS

75. None

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

DCCG – Doncaster Clinical Commissioning Group

PCN – Primary Care Network

SYB ICS – South Yorkshire & Bassetlaw Integrated Care System

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