

Title of Meeting:	Primary Care Commissioning Committee (PCCC)	Agenda Item: 6.5c										
Date of Meeting:		<table border="1"> <tr> <th colspan="2">Session (Tick)</th> </tr> <tr> <td>Public</td> <td>X</td> </tr> <tr> <td>Private</td> <td></td> </tr> <tr> <td>Development Session</td> <td></td> </tr> </table>			Session (Tick)		Public	X	Private		Development Session	
Session (Tick)												
Public	X											
Private												
Development Session												
Paper Title:	Stokesley Health Centre – ETTF funded renovation of premises											
Responsible PCCC Member Lead Wendy Balmain Director of Strategy & Integration Dr Bruce Willoughby GP Lead and Governing Body Member		Report Author and Job Title Claire Saunders Service Improvement Manager - Primary Care										
Purpose (this paper is for)	<table border="1"> <tr> <th>Decision</th> <th>Discussion</th> <th>Assurance</th> <th>Information</th> </tr> <tr> <td>X</td> <td></td> <td></td> <td></td> </tr> </table>	Decision	Discussion	Assurance	Information	X						
Decision	Discussion	Assurance	Information									
X												
Has the report (or variation of it) been presented to another Committee / Meeting? Yes. If yes, state the Committee / Meeting: PCCC March 2021 – AOB Stokesley HC Rent Reimbursement												
Executive Summary In March 2021 PCCC approved a rent reimbursement uplift of £14,727.40 per annum (<i>Stokesley HC Rent Reimbursement Paper PCCC March 2021</i>) The District Valuer (DV) submitted their report to NHSE on the 9 th March 2021. (<i>District Valuers Report March 2021</i>) The report advised that the comparable rent had been adjusted by 7.5% to reflect the lease terms being on a fully repairing and insuring (FRI) basis. This generates a lease rent value of £113.95m2 for the building. Based on this information an adjustment of 7.5% or £4,725.82 was applied. However it was noted in the March 2021 paper that the CCG was following up with NHS Property Services (NHSPS) and the DV as the figure in the report of £6,532 was not 7.5%. The District Valuer subsequently confirmed that the £6,532 figure in the report for the repairs and insurance element was a deliberate decision to ensure that the building could be adequately maintained. The lower figure of £4,725.82 (7.5%) on the unimproved condition would potentially result in a capital shortfall, particularly at the end of the lease when external repairing and insuring costs would be likely to rise. The following table outlines the rent reimbursement amount with £6,532 added.												

	Pre DV Review @ £85.00 per m2	Following DV Review @ £113.95 per m2 with uplift at 7.5%	Following DV Review @ £113.95 per m2 with uplift at £6,532.00
GP Floor area (m2)	392.77	392.77	392.77
Car parking	<i>Not charged</i>	<i>Not charged</i>	<i>Not charged</i>
GP Rental	£33,385.45	£44,756.14	£44,756.14
Uplift to FRI	<i>Not charged</i>	£3,356.71	£6,532.00
Total applied	£33,385.45	£48,112.85	£51,288.14
Rent Reimbursement Uplift		£14,727.40	£17,902.69
<p>Recommendations</p> <p>It is recommended that PCCC note the amendment and approve the uplift of £17,902.69. A further increase of £3 175.29</p>			
<p>Monitoring</p> <p>The delivery of primary care operational and strategic plans is monitored through relevant CCG committees, the CCG Transformation and Recovery Executive Group and in discussion with key delivery partners.</p>			
Any statutory / regulatory / legal / NHS Constitution implications	No		
Management of Conflicts of Interest	No conflicts of interest have been identified prior to the meeting.		
Communication / Public & Patient Engagement	N/A		
Financial / resource implications	<p>Cost pressure to the CCG equating to per annum to be covered within recurrent allocation.</p> <p>This could rise over time in line with inflation, should the cost per metre square reimbursement be increased following future DV reviews</p>		

Name: Claire Saunders
Title: Service Improvement Manager (Primary Care)
Date: 30/04/2021