

Appendix A

Report to Barnet Health Overview and Scrutiny Committee – Monday 30th March 2015

Update on Barnet CCG & NHS England's plans for Finchley Memorial Hospital

1. Introduction

At the Overview & Scrutiny meeting on 20th October 2014 Fiona Erne, the Deputy Head of Primary Care (North Central & East London Team) NHS England reported on the status of negotiations to move two GP practices into the new Finchley Memorial Hospital (FMH) - specifically how it had not been possible to reach agreement with the practices around the financial aspects of the move and that the negotiations had been terminated.

Dr Debbie Frost, Chair of Barnet Clinical Commissioning Group explained that the CCG and NHS England were developing plans for a new Health Village on the Finchley site and that the aim was for this to include primary care services.

This paper provides further information about progress on this issue.

2. Review of Commissioning Plans for Finchley Memorial Hospital

Following the last Health and Overview meeting, the CCG established a project to review how the two commissioning bodies could make a more effective use of the new facilities at FMH to deliver their objectives for improving health care for the local population.

This project has focussed on the current configuration of services and how they can be adapted to use the vacant spaces at FMH and also make greater use of the under-utilised facilities.

As well as working with the commissioners and their clinical leads, the project is also working with the main providers¹ currently working from the facility and will involve community groups and voluntary sector organisations.

3. The Challenge

The space issues at FMH can be summarised as follows:

- Vacant primary care unit
- Empty ward (17 beds)
- Under-utilised outpatient and therapy space

¹ The Royal Free Hospital has formally confirmed to Barnet CCG that there it has no plans to reduce services at FMH as part of its wider plans for Barnet & Chase Farm Hospitals.

Whilst much of the earlier efforts focussed on moving two local practices into FMH, this review is taking a more holistic view of how the whole facility is operating and the aim is, as Dr Frost explained, to develop a new configuration of services that work in a more integrated way, using all of the excellent resources in the FMH building.

4. Leading Health Priorities

Although discussions are well advanced the project has not yet identified its preferred options but the main proposals are focussed on two main health priorities – the needs of Barnet’s elderly population – particularly the most frail elderly – and also on ways to improve access to health care to reduce pressure on local Accident and Emergency services.

The aim is to develop new models of services for these two health priorities which will be based on greater integration between primary care and urgent care (ie the role of the walk in centre) and how the outpatient, diagnostic and inpatient facilities in the building are used.

5. The General Practice Question

The negotiations with the two GP practices originally identified to go into the building stalled largely due to financial reasons – specifically the two practices wanted to have financial support from NHS England and the CCG for the additional costs of occupation (i.e. above and beyond their current facility costs for their present surgeries). As has been previously reported, the two NHS commissioning bodies were unable to provide the support sought by the two practices for more than a five year transitional period. Furthermore, the CCG was keen to develop a more innovative model of services in FMH designed around an integrated solution focused on health needs of the population locally.

The CCG and NHSE are now exploring whether or not to revisit the invitation to local practices to move into FMH. There has been significant progress with reducing the building costs (see section 6 below) although there would still be a significant shortfall for any practice moving into the building. Under the current funding model for general practice taking on additional service charge costs is not normally covered by increased practice income.

The commissioners (both NHSE and the CCG) are also exploring different ways that primary care services can be brought to FMH so that patients can receive care from GPs working in the building. These models have not yet been finalised but it is hoped that progress can be made in the near future and developed proposals can be shared with the Committee shortly.

6. Costing Issues

As previously reported, the question of premises costs was one of the issues at the root of the failure to agree commercial terms with the two GP practices and it has also been a significant factor in the wider under-utilisation of the building.

In the last six months Community Health Partnerships (CHP), the building landlord, and the CCG have made considerable progress reviewing and reducing these costs. Baseline costs have been investigated and specific charges have been more fairly apportioned – for example the catering costs

were originally shown as a shared cost for all building occupants when they relate specifically to the inpatient ward area. CHP is also reviewing all building costs to ensure that they are value for money.

7. Process

The CCG Finchley project is scheduled to develop a series of initial options in April but these will then require detailed appraisal and planning to work through the commissioning and costing consequences. The aim is to identify agreed options by the summer and then commence work on implementing the new models of service at Finchley

**Barnet CCG & NHS England
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