

**Borders NHS Board****EILDON MEDICAL PRACTICE****Aim**

To provide the Board with an update on the outcome of the option appraisal process for the future of Eildon Medical Practice sites.

**Background**

In November 2017 the Partners of Eildon Medical Practice informed NHS Borders of their intention to sell their Newtown St Boswells practice building by October 2019. Eildon Medical Practice currently operates from two surgery buildings; Melrose Health Centre (GMS premises) and Newtown St Boswells (building owned by the Partners).

A scoping group was established in February 2018 and recommended that a formal option appraisal exercise be undertaken to look at future options for the Eildon Medical Practice Sites at both Melrose and Newtown St Boswells.

A steering group was subsequently established representing all identified stakeholders, partnership, unions and public. The group has been meeting since April 2018 to look at future options for the Eildon Medical Practice sites at both Melrose and Newtown St Boswells in line with NHS Borders Option Appraisal Process. The steps in an Option Appraisal process are outlined in Appendix 1.

The process has been carried out with full engagement with patients and the wider community and we have worked in partnership with the Scottish Health Council to ensure due process is followed.

**Key Issues**

A total of 52 people attended a Non Financial Option Appraisal on 29<sup>th</sup> August 2018 to assess the shortlisted options. Based on Scottish Health Council recommendations over a third of the invited delegates were patient / public representatives, and 43 of the attendees participated in the scoring exercise. The attendees were split into 7 impartially facilitated groups and each group scored each option. The scores from each group were combined and averaged to give an overall score and ranking for the options.

Following the Option Appraisal Event on the 29<sup>th</sup> August 2018 a commitment was made to the Public to share with them the outcome of the process following presentation of the recommendation to the Clinical Executive Strategy Group in October 2018.

A high level financial appraisal was subsequently completed on each shortlisted option considered for the provision of primary care services by the Eildon Medical Practice. However, this appraisal has been heavily caveated due to the level of information available at this time for each option. Without more detailed information it is entirely

feasible that there could be a significant movement in costs which would subsequently change the outcome of the appraisal and the ranking of the options.

To establish a preferred option in line with the Scottish Government's Capital Investment Manual, the non financial scoring exercise and the financial appraisal are combined to enable a ranking of the options to be calculated with the identification of the preferred option.

Given that a comprehensive financial assessment has not been possible at this time, it provides only a high level indication of ranking whilst outlining a level of uncertainty and risk across a number of factors. It is therefore considered prudent to continue to develop the first 3 ranked options, working to define more accurate costs per option.

The three ranked options following the initial option appraisal exercise are:

- 1<sup>st</sup> - Option 4** - Sell existing Newtown St Boswells Site and rebuild Health Centre in alternative site in Newtown St Boswells whilst also retaining existing Melrose site
- 2<sup>nd</sup> - Option 3** – The practice sell Newtown St Boswells site and consolidate practice on refurbished existing Melrose Site
- 3<sup>rd</sup> - Option 5** - Sell both Newtown St Boswells and Melrose sites and Build one New Health Centre on a site which serves both populations and consolidate all practice patients and partnership working at the new build site

The two options discounted at this stage were the Status Quo (no change) and Melrose and Newtown site retained (latter purchased by NHS Borders) and planned refurbishment of Melrose site would go ahead.

The detailed development work that will be undertaken to enable a fuller option appraisal will include but not be limited to:

- agreeing a scope of services to be provided by the Eildon Medical Practice
- assessment of the accommodation footprint which would support the scope of services
- discussion with SBC on the feasibility of scale of further building work which would be permitted on the existing Melrose site (option 3)
- discussion with SBC to enable the identification of suitable available land and feasibility for planning permission for build on that land in the Newtown area (Option 4)
- discussion with SBC to enable the identification of suitable available land and feasibility for planning permission for build on that land for the consolidated new build option for all services (Option 5).

The plan will be updated in relation to the financial appraisal on an ongoing basis as further certainty to costs is established. It is estimated this will take approximately 3 months. The required development work will require significant input from key stakeholders to establish the required accommodation for the Eildon Medical Practice and wider health service teams. Finalisation of accommodation requirements will enable robust costs to be finalised for each option. This detailed work is required before a final preferred option can be proposed.

The Health Inequalities Impact Assessment and Public Bodies (Joint Working) (Scotland) Act 2014 planning principles assessments have not yet been completed, as they are

usually undertaken for the preferred option. Due to the requirement for continued development and more detail specification around the first three ranked options, the Steering Group will now undertake these assessments for the first three ranked options in parallel.

## Summary

An option appraisal exercise has been undertaken to consider the future options of the Eildon Medical Practice Sites, following NHS Borders Option Appraisal Process. Initial outputs from this have concluded it would be prudent to undertake more detailed work and analysis regarding the first 3 ranked options given the high level of uncertainty and risk across a number of factors which could potentially change the outcome of the appraisal and the ranking of the options.

The three ranked options following the initial option appraisal exercise are:

- 1<sup>st</sup> - **Option 4** - Sell existing Newtown St Boswells Site and rebuild Health Centre in alternative site in Newtown St Boswells whilst also retaining existing Melrose site
- 2<sup>nd</sup> - **Option 3** – The practice sell Newtown St Boswells site and consolidate practice on refurbished existing Melrose Site
- 3<sup>rd</sup> - **Option 5** - Sell both Newtown St Boswells and Melrose sites and Build one New Health Centre on a site which serves both populations and consolidate all practice patients and partnership working at the new build site

The two options discounted at this stage were the Status Quo (no change) and Melrose and Newtown site retained (latter purchased by NHS Borders) and planned refurbishment of Melrose site would go ahead.

The plan and recommendation will be updated in relation to the financial appraisal on an ongoing basis as further certainty to costs are established as part of the development work which is estimated to take approximately 3 months.

The Health Inequalities Impact Assessment and Public Bodies (Joint Working) (Scotland) Act 2014 planning principles assessments will be undertaken for the first three ranked options.

Following the Option Appraisal Event on the 29<sup>th</sup> August 2018 a commitment was made to the Public to share with them the outcome of the process following presentation of the recommendation to the Clinical Executive Strategy Group in October 2018.

The public will be updated on the outcome of the appraisal process week commencing 29<sup>th</sup> October 2018. The communication will advise them that further work on the top three ranked options is currently underway in order to identify a preferred recommendation option.

## Recommendation

The Board is asked to **note** the work undertaken to date; **support** further development of the financial appraisal to determine a final preferred option; and **support** that an update can be presented to the Integrated Joint Board in December 2018.

<b>Policy/Strategy Implications</b>	Capital Plan
<b>Consultation</b>	Eildon Medical Practice Steering Group Chief Executive, NHS Borders Director of Finance, NHS Borders Chief Officer, IJB
<b>Consultation with Professional Committees</b>	Clinical Executive Strategy Group
<b>Risk Assessment</b>	<p>Risk Assessment will be undertaken once preferred option identified.</p> <p>The level of detail of the information available on the options at this stage means it is entirely feasible that there would be a significant move in costs, which would change the outcome of the appraisal and the ranking of the options and at present it is considered prudent to continue to develop the first 3 ranked options.</p> <p>The Partners of Eildon Medical Practice intend to sell their Newtown St Boswells practice building by October 2019.</p>
<b>Compliance with Board Policy requirements on Equality and Diversity</b>	The Health Inequalities Impact Assessment and Public Bodies (Joint Working) (Scotland) Act 2014 planning principles assessments will be undertaken for the first three ranked options.
<b>Resource/Staffing Implications</b>	N/A at this stage

**Approved by**

<b>Name</b>	<b>Designation</b>	<b>Name</b>	<b>Designation</b>
Cliff Sharp	Medical Director		

**Author(s)**

<b>Name</b>	<b>Designation</b>	<b>Name</b>	<b>Designation</b>
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## Appendix 1 – Option Appraisal Process

An option appraisal is a standard tool utilised in the decision making process for setting objectives, creating and reviewing options and analysing their relative costs and benefits. Following an option appraisal process gives stakeholders' assurance that the strengths, weaknesses, risks and issues of a range of different options have been fully considered to identify a "preferred option". The option identification and appraisal process is as described below and the diagram.

