

## Part I Briefing Report

Integrated Health Hub at Colin Campbell Court



### Background

The proposal is to create an integrated Healthcare Building (a Health Hub) in the City Centre.

The Health Hub would be a place where Primary Care services can be brought together providing a comprehensive offer of health and wellbeing.

Following an initial high level discussion with key healthcare stakeholders a specialist consultant was commissioned to undertake a first stage feasibility study into the development of a Health Hub within the City Centre, potentially on land at Colin Campbell Court.

The feasibility study relies on assumptions which will need to be tested before any firm certainty of delivery can be ascertained however the conclusion at this time is that it is unlikely, given the relatively low levels of rental values across Plymouth, development of new medical facilities on a strictly commercial basis is achievable without public sector intervention.

Therefore a first stage financial analysis has been undertaken using the consultants assumptions and the Council's own Discounted Cashflow model applying current Council borrowing rates over a 50 year term. The analysis demonstrates that it may be possible, subject to firming the various assumptions, for the project to create a positive Net Present Value over 50 years utilising preferential borrowing rates available to the Council.

The proposal is therefore that the health hub building will be developed by the Council using borrowing. The loan will be serviced by rental income received from the healthcare providers tenating the building. However in order to progress with this potential development the Council will need to begin to incur costs at risk to firm up the assumptions contained in the first stage feasibility study.

This decision requests funds are made available for project development costs to work up the scheme providing further certainty on design, costs and income prior to a full business case being presented for decision.

### Objectives, outcomes and benefits of providing a city centre health hub

Objectives and outcomes of developing a Health Hub could include;

- Provision of a modern healthcare facility
- To improve health and wellbeing outcomes for the local population
- To reduce inequalities in health and wellbeing of the local population
- To improve people's experience of care
- To improve sustainability of the health and wellbeing system

- To act as a catalyst for the wider redevelopment of Colin Campbell Court.
- To increase business rates and footfall in the west end of the city centre.

**Recommended Decision**

It is recommended that the Leader of the Council:

- Approves the Business Case
- Allocates £1,500,000 for project development costs within the Capital Programme funded by Corporate Borrowing.