

Report for Stalbridge Town Council re Closure of Surgery

Dr Stephen Clayton has provided a page of general information concerning the transfer or closure of his Surgery in Stalbridge (12th April 2017). This was given in a meeting with myself and Keith Harrison who is the **NHS Dorset CCG Patient & Public Involvement Development Worker**.

At the **end of April two members of Dr C's staff have left** (Gillian Cooke and Amanda Hogg). There is one replacement appointed, but I have no details on this.

There are **two main problems** that unless addressed and resolved will mean the closure of the Surgery in Stalbridge.

Succession of Practice.

This means that either Dr C must **find a buyer** for his Practice or find another Doctor or Doctors who will **merge his Practice** with theirs.

He has so far been **unable to find a buyer** and, as to mergers, the **Milborne Port Practice Partnership** and the **Blackmore Vale Partnership** have rejected this as a way forward.

Problem 1 The Surgery building is owned by Dr C. It therefore follows that any buyer would have to purchase that freehold from him. I do not have any figure for the value, but in conversation, a figure of £500,000 was mentioned in passing in connection with something else.

In addition, **The Pharmacy/Dispensary** also has also provided a source of income to Dr C, but it seems that he will **not be able to assign or pass on** that **income stream** to anyone else it being **personal to him** rather than his Practice. This would probably be so even if a merger had gone ahead with him remaining in practice there.

Problem 2 Staffing of a Surgery. Whether on an outright sale or on a merger, there is a big problem in recruiting Doctors and this is a national problem that is worse in rural areas. It seems that young Doctors would rather work in a hospital environment where they have employment, a salary and no worries about running and administering a Doctors Practice. They do not have to take on a business and have borrowing to acquire any freehold or leasehold premises thereby incurring personal financial liability. There is also a perception that there is more social life in an urban environment – facilities and schools etc.

I have looked at the first problem of **Stalbridge being able to provide a Surgery building**.

The **Town Council** could probably obtain a **Public Works Loan (PWL)** to buy the existing building from Dr C.

There are however serious concerns about this as it would be a **long term financial liability**.

Reasons against this:

1. The loan would have to be over a period of probably 20-25 years with regular repayments.
2. There would have to be a **Lease to any Doctors** taking on a building to provide the surgery. Whilst the **NHS** may be a good risk financially, they would **not be the Tenant**. That means the Doctor(s) as the tenant. Doctors have a contract with the NHS. The

premises are a separate matter and the **NHS would not contract with the Council** as Landlord.

3. Any such replacement Practice would have to make a long term commitment in terms of the lease, repairs, insurance etc.. In order to match the Council's PWL responsibility, it would ideally have to be a at least a 20 year letting to run with the borrowing from a PWL.
4. **The PWL lends at attractive rates** and does **not usually require a formal mortgage** to be taken over the premises which means that the **freehold could be sold on by the Council at any time**. However, if repayment is made within the term of the loan (ie before the expiration of 20 years), then there are **serious "early redemption penalties"** imposed. This means it would be very expensive to repay and the Council would have to be very sure that it would get sufficient sale proceeds to cover this.
5. **John Cowley**, to whom I had explained all of this, came up with another "Blue Sky" suggestion. There could be **an appeal to raise the purchase price by public subscription**. With a Practice List of **at least 4,000 patients** it would break down to **every patient contributing £125 per head**. Clearly, this could not be a "call" on every patient as many would not be able to contribute this, particularly if there were children. It is nevertheless perhaps worth some discussion as there may be some who would be in a position to contribute more personally. The **suggestion does not however get over the Staffing problems** with which any potential Surgery would still be faced.
6. If the Surgery **building was not bought from Dr C** it would mean **finding, buying and fitting out appropriate premises**. If there is going to be **residential development in Stalbridge** along the lines of the current three proposals, then the **Practice list will be swelled considerably**. It might also be possible to get **money from the Developers under the S 106 provisions**. The exercise would be expensive and it is **unlikely** that there would be **sufficient money from any or all of those ultimate Developers** to meet the cost of a **brand new Medical Centre**. The **timing of any of this aspect** will be **too far in the future** to meet the **more imminent requirements of a Surgery in Stalbridge**

What happens upon closure of the existing Surgery?

Each Medical Practice has a **List of patients** on its books. The List in Stalbridge is believed to be **4,400**.

Every patient will need to find a new Doctor with whom they can register.

I am currently trying to find out exactly **how this List Dispersal is carried out**, but it seems that prior to actual closure every patient would be contacted by letter advising them of the date of closure and what Practises there are in the local area.

That is fine and good, but **what if** those adjacent **Practices have closed their books because they are overwhelmed** and have **not the staff to cope** with such an increase in their List?

Timing of Closure.

In the absence of a sale or merger it is entirely **up to Dr C to say when he wants to close down**. As far as I can ascertain the regulations only require him **as a Sole Practitioner**, to **give three months' Notice** to that effect. This Notice, I believe **goes to the Dorset CCG** (its **Board meets quarterly**). In some circumstances the Notice required **may be 6 months**, but whatever the period, it does leave **control in the hands of the Doctor seeking closure**.

Dr C **has already given instructions** to a **potential developer** to commence preparations for a **Planning Application** requesting **return to residential use** and perhaps further development on the site. It is his asset after all and he is fully entitled to take such steps as he feels necessary to liquidate that asset.

If he goes through and gets Planning Permission for whatever, it is likely to take him at least, say, 4-5 months. With his Notice to the CCG to follow (3 months) it will take a period of **8 – 12 months for it all to fall into place**. Not long!

Conclusion:

I believe that the **Town Council has an obligation to try and find a way by which a Surgery can be maintained here in Stalbridge for the foreseeable future**.

If we fail in that, then it is **incumbent on the Council to ensure** that any **“Dispersal of the List”** is carried out as carefully as possible, giving **special consideration** to those who **are more vulnerable within this Community**. They will need help in due course and this is something upon which we **can ask the CIO for their involvement and support**.

This matter will shortly become more public and is likely to attract media attention (BVM).

The Council needs to show that it is trying to address the problems.

VAB

(For 10th May 2017 Meeting)