

## **Primary Care Premises—Interim Guidelines issued 22 April 2004**

With the new GMS contract, the arrangements for payment for premises improvements/replacements are fundamentally changed. The contract itself says that :-

“ Specific arrangements for implementation of the premises flexibilities and standards will be developed for Scotland, Wales and Northern Ireland. In Wales, separate allocation arrangements will apply to premises funding. From April 2004, subject to primary legislation, there will be a Welsh GMS Premises Fund that will be held by the National Assembly for Wales. Local Health Boards will be guaranteed baseline funding to support existing projects and projects that have already been agreed. Baselines will be updated annually for property cost inflation. Decisions on growth money will be taken by the Assembly, taking account of the needs of Local Health Boards as set out in their Estate Strategies and on specialist advice provided by Welsh Health Estates.”

We are working to put a fit for purpose system in place to serve the new situation. Full guidance will be issued as soon as possible. In the meantime you should note these points:-

- The old non-cash limited system of funding premises development no longer exists.
- A new funding approval system will apply. The new funding proposals have been approved in principle by the Capital Investment Board and further recommendations will be considered by the Capital Investment Board in late May. When formally approved, the proposals will form the basis of guidance for LHBs and we shall issue that guidance in late May/early June.
- The guidance will include details of how LHBs are to bid for the funding of new premises monies and will describe the evaluation process
- One of the criteria to be used in the bid assessment process will be how the developments fit within the aims and objectives of LHBs' estate strategies. No LHB bid will be considered unless an estate strategy has been developed and submitted to the Welsh Assembly Government for approval.
- Bids in respect of development schemes which have been progressed to advanced stage will be held in abeyance until the new guidance is issued and they will then be assessed under the terms of that guidance.
- Where there are genuinely exceptional circumstances, a case may be submitted to Primary Care Division to have a bid in the pipeline assessed before the new guidance is issued. Examples might include cases where development opportunities will be lost if approval is not given by a specific date or where failure to proceed would make it impossible to deliver adequate GMS to patients.
- No new binding commitments should be entered into until LHBs receive approval to proceed with individual development schemes.

This interim guidance applies to all schemes whatever the value of the contract.