

Executive Summary

Report to the Board of Directors

Being Held on 25 July 2023

Subject	Application of the Corporate Seal
Supporting TEG Member	Kirsten Major, Chief Executive
Author	Collated by Claire Coles, Business Manager
Status¹	A* and N

PURPOSE OF THE REPORT

To seek Board of Directors approval to apply the Corporate Seal of the Trust for relevant contract documents related to the:

1. Fracture Clinic Relocation at Northern General Hospital
2. Lease and licence for alterations with Crucible Pharmacy Limited for the Huntsman unit, C Floor, Northern General Hospital
3. Retrospective reporting of application of the seal to: Lease for Boots in the former ISS Chesterman café at Northern General Hospital, and licence to carry out alternations for Boots for the Chesterman café.

KEY POINTS

1. Northern General Hospital Fracture Clinic Relocation

- The contract is between the Trust and RLX Construction Limited.
- The form of contract is: The JCT Intermediate Building Contract 2016.
- The contractor does not have design responsibilities under this form of contract.
- The works on site commenced in October 2022.
- Completion was April 2023.
- Contract value: £1,410,119.15.

2. Lease and licence for alternations between Trust and Crucible Pharmacy Limited for the Huntsman unit

- The Trust is ending it's outpatient pharmacy service contract with Boots UK Limited.
- Boots are temporarily relocating to the former coffee shop unit in Chesterman for the remaining duration of their contract. Private Board approved the surrender and lease and licence for alterations documentation on 27 June 2023.
- Crucible Pharmacy Limited (CPL) will thereafter be providing an outpatient dispensing service to our patients from the former Boots unit at the Huntsman C floor entrance.
- The CPL lease will be for a term of approximately 10 years, with a start date to sit alongside the start of the service contract but with an expiry date of 31 March 2034.
- The tenant will pay a rent of £170,000 p/a plus a service charge.
- The tenant will be under obligation to maintain the internal space in good repair and condition.
- The licence for alterations is required to give authorisation to CPL to carry out fit out works to the unit.
- Each party will pay their own legal costs.

3. Boots Pharmacy Unit in Chesterman, C floor at Northern General Hospital and the licence for them to carry out alterations.

- Boots currently have a 1-year lease for the retail unit at the Huntsman entrance on C floor, which is due to expire on 1 November 2023. It is the fourth lease they have been granted for that unit.
- The project to transfer outpatient pharmacy services to the wholly owned subsidiary, Crucible Pharmacy Limited (CPL), requires Boots to vacate the unit to allow CPL to carry out works to make it fit for purpose for the new service.

- To provide interim outpatient pharmacy services Boots will move to the currently empty retail unit on C floor of the Chesterman wing. This was formerly run as a coffee shop by ISS, most recently under a Starbucks franchise. This has been closed since April 2021 and the lease was surrendered last year.
- This lease is for the unit in Chesterman and runs from 24 July 2023 to the end of the current service contract on 1 November 2024. There is a tenant and Landlord break right at month 3 which continues for each 1 month to the end of the term.
- The rent is £168,813.00 per annum. There is a rent-free period from 24 July until Boots move into the unit at the end of August 2023. Boots will also be charged for utilities via a service charge.
- The licence to carry out alterations is to allow Boots to carry out works that are needed to make the space fit for purpose.

IMPLICATIONS²

Aim of the STHFT Corporate Strategy		✓ Tick as appropriate
1	Deliver the Best Clinical Outcomes	
2	Provide Patient Centred Services	
3	Employ Caring and Cared for Staff	
4	Spend Public Money Wisely	✓
5	Deliver Excellent Research, Education & Innovation	
6	Create a Sustainable Organisation	

RECOMMENDATIONS

The Board of Directors is asked to:

- **APPROVE** the application of the relevant signatures to the contract documents.
- **NOTE** the application of relevant signatures to the lease alternations following approval at the Private Board of Directors meeting held on 27 June 2023.

APPROVAL PROCESS

Meeting	Date	Approved Y/N
Private BoD	27 June 2023	Y
BoD	25 July 2023	

¹ Status: A = Approval
A* = Approval & Requiring Board Approval
D = Debate
N = Note

² Against the six aims of the STHFT Corporate Strategy 'Making a Difference – The next Chapter 2022-27'