



PWYLLGOR DATBLYGU STRATEGOL A CHYFLENWI GWEITHREDOL STRATEGIC DEVELOPMENT AND OPERATIONAL DELIVERY COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	16 December 2022
TEITL YR ADRODDIAD: TITLE OF REPORT:	Discretionary Capital Programme (DCP) 2022/23 & Capital Governance Update Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies – Director of Strategic Development & Operational Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Eldeg Rosser, Head of Capital Planning

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report is presented to the Strategic Development and Operational Delivery Committee (SDODC) detailing:

- Update on the 2022/23 Capital Programme
- The capital schemes governance update

Cefndir / Background

This report provides an update on the 2022/23 Discretionary Capital Programme, it follows on from the report and discussion at the SDODC meeting held on 25th August 2022 and the Capital Sub-Committee (CSC) meeting held on 30th September 2022. The report also captures the additional All Wales Capital allocations received from Welsh Government (WG).

The capital programme is set within the context of continuing risks associated with backlog pressures which are particularly relevant given the significant reduction in the DCP allocation for the year and the constraints on the wider All Wales Capital Programme.

The terms of the Discretionary Capital Allocation letter from WG state:

‘Discretionary capital is that allocated directly to NHS organisations for the following priority obligations across all healthcare settings: meeting statutory obligations, such as health and safety and firecode; maintaining the fabric of the estate; and the timely replacement of equipment’.

The prioritisation process for DCP includes representation from Executive portfolios at the Capital Planning Group (CPG) which reports to the CSC, and the position set out is consistent with that reported to the Sustainable Resources Committee (SRC).

Asesiad / Assessment

Capital Resource Limit and Capital Programme 2022/23

The current CRL for 2022/23 has been issued with the following allocations:

Allocation	£m
All Wales Capital Programme (AWCP)	24.881
Discretionary Programme (gross allocation)	5.290
Disposal Proceeds	0.075
Total	30.246

Recent changes to the UHB's CRL include the following

Capital Scheme	Net Change to CRL £m	Brief Scheme Description
<u>Slippage into 2023/24 (Confirmed at end October deadline)</u>		
Glangwili - Fire Enforcement works - Phase 1	-0.597	
Withybush - Fire Enforcement works - Phase 2	-0.054	
Withybush - Fire Enforcement works - Phase 1	-0.400	
Glangwili Fire Enforcement works – Phase 2	-0.635	
Sub-total	-1.686	
<u>Underspend returned to WG (Confirmed at end October deadline)</u>		
PPH Demountable	-0.540	
National Programme – Mental Health	-0.270	
Radiology Schemes	-0.120	
Sub-total	-0.930	
<u>Additional Funding allocations approved</u>		
Emergency Department (ED) Waiting Area Improvements	0.457	Funding allocated for improvements at ED / Minor Injuries Unit areas at the four acute sites.
Building Energy Management Systems (BEMS) Upgrades at 12 community sites	0.262	Decarbonisation focused scheme which is likely to lead to financial saving benefits.
Mammography Equipment, Prince Philip Hospital.	0.747	Funding approved as a part of Imaging equipment replacement programme. There will be an additional £0.029m revenue maintenance costs from year two.
Fire Safety Works, Prince Philip Hospital (PPH)	0.270	To undertake works to comply with fire safety notices at PPH.
Sub-total	1.736	
Total	-0.880	

Capital Expenditure Plan

The table below reflects the additional DCP contributions / payback required to the AWCP programme in 2022/23:

Scheme	Planned Spend 2022/23 £m	Cumulative Spend Apr - Oct £m	Spend Oct £m	Remaining balance £m
AWCP				
Glangwili - Fire Enforcement works - Phase 1	5.430	2.729	0.679	2.701
Withybush - Fire Enforcement works - Phase 1	6.560	3.395	0.653	3.165
Neonates - Phase II - main	1.067	0.395	0.063	0.672
I2S - Multi-site projects	0.322	0.000	0.000	0.322
PPH Demountable	1.361	0.698	0.070	0.663
Fire Enforcement Works - WGH Hospital- Decant Ward Fees	0.188	0.156	0.032	0.032
WGH - Fire Enforcement works fees - Phase 2	0.882	0.448	0.123	0.434
National Programme - Decarbonisation	0.653	0.037	0.010	0.616
National Programme - Fire	0.126	0.109	0.000	0.017
National Programme - Mental Health	0.150	0.044	0.000	0.106
National Programme - Imaging	0.136	0.070	-0.029	0.066
National Programme - Imaging - CT Scanner PPH	1.217	0.798	0.501	0.419
National Programme - Imaging - CT Scanner BGH	0.942	0.053	-0.004	0.890
National Programme - Imaging - DR Rooms	1.869	0.432	0.231	1.437
National Programme - Imaging - Fluoroscopy Rooms	1.570	0.054	0.001	1.516
Cross Hands Primary Care scheme	0.075	0.068	0.005	0.008
Business Continuity Programme - Fees	0.150	0.026	0.026	0.124
Glangwili - Fire Enforcement works - Phase 1	0.454	0.006	0.006	0.448
DPIF - Digital Medicines Transformation Pre-implementation team	0.008	0.000	0.000	0.008
Additional Imaging	0.175	0.009	0.000	0.166
Emergency Department Waiting Area Improvements	0.457	0.000	0.000	0.457
Energy Saving Schemes	0.262	0.000	0.000	0.262
Mammography Equipment, Prince Philip Hospital.	0.747	0.000	0.000	0.747
Fire Safety Works, Prince Philip Hospital	0.270	0.000	0.000	0.270
Sub-total AWCP	25.071	9.527	2.367	15.546
Discretionary/receipts				

IT	0.200	0.179	0.037	0.021
Equipment	2.374	0.454	0.043	1.920
Estates - Statutory	0.447	0.089	0.028	0.358
Estates Infrastructure	1.616	0.233	0.050	1.383
Other	0.538	0.226	0.028	0.312
Sub-total Discretionary	5.175	1.181	0.187	3.994
TOTAL	30.246	10.706	2.554	19.540

Capital Programme 2022/23

All Wales Capital Programme (AWCP)

The All Wales Capital Programme Allocations for the UHB in 2022/23 are noted above.

Diagnostic Imaging Programme

In 2021/22 the UHB received All Wales Capital of £12.2m to deliver a programme of diagnostic equipment replacement across the 4 main acute hospital sites over a 2-year period. The CT replacement scheme in GGH was completed in 2021/22 and the following schemes will be delivered during 2022/23

Plan	Completion Date
Complete Computerised Tomography (CT) WGH	June 2022
CT PPH	October 2022
CT BGH	February 2022
Digital Radiography (DR) PPH	October 2022
DR GGH	November 2022
DR WGH	December 2022
DR/Fluoroscopy BGH	March 2023
DR BGH	March 2023
Mammography Equipment Replacement PPH	March 2023

All are currently on target to complete by end of March 2023. The UHB has been advised that it is unlikely that there will be a Diagnostic Imaging allocation available centrally in 2023/24.

On the 9th of November 2022 the UHB received notification that funding had been made available to replace the mammography equipment in Prince Philip Hospital (PPH), this being the top priority replacement on the radiology team's risk register.

Six replacement ultrasounds have also been made available to the UHB from surplus items previously procured by NHS Wales. These assets will be transferred to the UHB under existing asset transfer protocols.

Discretionary Capital Allocation (DCP)

The Board approved the Capital Programme for 2022/23 on 31st March 2022, following endorsement at SDODC on 24th February 2022.

The current programme is as follows

Plan	Allocation as per Expenditure Plan £m
Pre-Commitments - DCP	1.602
Breakdown contingency	0.650
Business Case Development	0.300
Capital support	0.200
Residential accommodation	0.150
Credits for Cleaning/HIW	0.200
Equipment Replacement	0.688
IT & Digital	0.200
Infrastructure	0.665
Statutory	0.520
TOTAL DCP	5.175

Contingency Reserve

The contingency reserve of £0.650m set aside to deal with emergency issues and breakdowns is currently coming under significant pressure as the following items have already been funded from this reserve in 2022/23. The contingency fund has recently been topped up by another £0.100m by moving some of the pre-commitment for 2022/23 into 2023/24

Item	Allocation £m
PPH Faxitron	0.072
BGH Accommodation repairs	0.035
GGH Chiller Unit	0.017
Networking solution records scanning project	0.050
Pharmacy Robots	0.107
GGH Fire improvements	0.020
PPH Nurse Call	0.006
Gamma Camera	0.018
Additional costs records scanning project	0.066
New fencing Creche WGH	0.013
Additional allocation agile working	0.030
Shoring works BGH Lift	0.100
Sterilizer essential works	0.007
IT equipment	0.026
Emergency roof works Hafan Derwen	0.012
Boiler replacement Junior doctors GGH	0.007
Oven replacement PPH	0.016
BALANCE	0.092

End of Year bids

A prioritised schedule was submitted to WG, of confirmed schemes that could be delivered by the end of March should end of year monies become available. The following schemes have currently been allocated funding:

Schemes	Allocation £m
Energy Saving Schemes	0.262
Fire Safety Works, PPH	0.270
IT equipment refresh	0.400
Digital costs - Welsh Nursing Care Record	0.125
Omni Hysteroscope and fluid system	0.071
Image Intensifier, WGH	0.084
TOTAL DCP	1.212

Emergency Department (ED) bids

All the bids submitted as part of the original submission have been funded and are now being progressed. At the end of November UHBs were asked to submit a second tranche of bids that could deliver environmental and supportive enhancements for patients being held in areas not usually housing inpatients or being held in ambulances. A schedule of small projects and equipment priorities was developed with the operational site management teams and estates and have been submitted to WG.

Estates Funding Advisory Board (EFAB) bids

WG announced that an allocation of £20m in 2023/24 and 2024/25 is available across the following headings:

- **£12m** for Infrastructure (including a focus on Emergency Department (ED) Waiting areas) and Mental Health;
- **£5m** for Fire Compliance works; and
- **£3m** for Decarbonisation schemes.

In a change to the previous EFAB allocations issued, the programme for 2023/24 and 2024/25 will require a 30% contribution towards schemes from the UHB's DCP allocation. To accommodate this, the Minister has also increased the DCP allocation across Wales by £10m – Hywel Dda's contribution will equate to £0.888m

The UHB submitted their EFAB bids on the 8th of November 2022 with a caveat that the maximum contribution the UHB could contribute from the DCP in any year was £1.4m.

The UHB have currently been informed that following the review of bids an indicative allocation is being considered by WG, split as follows

Schemes	Allocation	Allocation
	2023/24	2024/25
	£m	£m
Infrastructure including Mental Health and ED	0.943	1.219
Fire	2.507	2.675
Decarbonisation	0.684	0.165
TOTAL EFAB	4.134	4.059

This indicative allocation will require a DCP contribution of £1.240m in 2023/24 and £1.218m in 2024/25, this will need Board ratification as a pre-commitment against the 2023/24 and 2024/25 Programme.

Pre-commitments for 2023/24

The current expectation is that the DCP allocation for 2023/24 will be £6.533m, the current known pre-commitments for 2023/24 are as follows

Item	Allocation
	£m
BGH Chemotherapy Day Unit	0.346
GGH Women and Children	0.553
Pharmacy Cytotoxic Isolators – (repayable from Aseptic scheme if approved)	0.098
Primary Care Works	0.100
30% EFAB Contribution	1.240
TOTAL	2.337

Work has started on the prioritisation of the balance of the Capital Programme for 2023/24 and a programme will be developed and taken to the Capital Sub-Committee in January for review and ratification and onto SDODC in February.

Capital Governance – Project Updates

At the November 2022 meeting of the Capital Sub-Committee, updates were considered from all HDdUHB's capital projects. Other than the A Healthier Mid and West Wales (AHMWW) PBC, the following projects are in the commissioning phase:

- PPH Modular Theatres (COVID-19 recovery scheme)
- CT Scanner Replacement PPH
- DR Replacement PPH
- DR Replacement GGH
- DR Replacement WGH

The following are in progress/construction:

- Women and Children Phase II
- Fire Enforcement Work Phase 1, WGH
- Fire Enforcement Work Phase 1, GGH

- CT Scanner Replacement BGH
- Fluoroscopy Replacement BGH
- DR Replacement BGH

The following projects are currently in the design and development stage:

- Mammography Replacement PPH
- Cross Hands Health Centre
- Carmarthen Hwb – Partnership Project led by Carmarthenshire County Council (CCC), levelling up funding approved by UK Government on 27th October 2021.
- Regional Cellular Pathology and Immunology Services
- Chemotherapy Day Unit, BGH
- Aseptic Services, WGH
- Sexual Assault and Referral Centre, Aberystwyth

Several projects are now progressing into scoping stages and will require resourcing from a Capital Planning, Estates and Digital perspective:

- Aberystwyth Integrated Care Centre.
- Aberystwyth Integrated Education and Research Centre.
- Fishguard Integrated Health and Wellbeing Centre.
- Fire Improvements BGH.
- Llandoverly Health and Wellbeing Centre

Projects with a red RAG status reported to the CSC were as follows:

- Women & Children Phase II
- PPH Day Surgery Unit

It is pleasing to provide 2 positive updates that,

- Women & Children Phase II – the current phase of works is progressing well with the handover of the first theatre expected on 21st December 2022 and becoming operational on 17th January 2023.
- PPH Day Surgery Unit - the UHB has now received full handover of the facility from the contractor, and live service commenced on 5th December 2022. Minor works left to be undertaken were agreed at the handover meeting, which are being locally managed by the estate's operations teams. A lesson learnt exercise will be scoped shortly and to complete within 6 months.

Key updates on other Projects

Cross Hands OBC: The Project Group presented the Outline Business Case to the Integration and Rebalancing Capital Fund (IRCF) Board on 30th November 2022.

Aberystwyth Integrated Care Centre: A scoping meeting with WG has been held and it has been agreed that the next step will be the development of a Strategic Outline Case (SOC)/Outline Business Case (OBC). Tenders have been issued to appoint business case writers to work with the UHB to develop the case.

Sexual Assault Referral Centre (SARC), Aberystwyth

The solution to provide SARC services which comply with the ISO standards is being developed and a Business Justification Case (BJC) has been agreed as the business case route with WG.

Aseptic Services, WGH

A BJC has been agreed as the business case route for this scheme. A BJC has been prepared for this scheme and a summary presentation has been developed for the Committee to consider the case in advance of it being considered by Board at its January meeting. The scheme will provide the interim service solution pending the implementation of the national TRAMS programme.

Fishguard Health and Wellbeing Centre

A scoping meeting with WG was held on 7th October 2022 where the next steps in the business case process were agreed. This will be a combined Strategic Outline Case/Outline Business Case. Tenders have been issued to appoint business case writers to work with the UHB to develop the case.

Llandovery

A project launch event was held in Llandovery on 5th December 2022. Stakeholders from the wider community, service providers and other UHB staff were invited to participate. Tenders have been issued to appoint business case writers to work with the UHB to develop the case.

Projects led by other organisations

Carmarthen Hwb: The Local Authority(LA) has appointed a Principle Contractor and a Project Manager. The UHB has provided detailed feed back on Stage 2 design. The LA have submitted a planning application for the development.

Regional Pathology: Work is underway on a regional basis across all laboratory disciplines to explore transformation opportunities. A paper was submitted to the November 2022 Board to consider a management model for the South West Regional Pathology Services. Work on the OBC is anticipated to complete in the summer of 2023.

Cylch Caron

Work is currently being undertaken by the Ceredigion County Council Legal Team to update the documentation required to enable the issue of tender documentation for the project. Tenders will be issued to determine the market interest for design, build and/or management of this scheme.

Argymhelliad / Recommendation

The Strategic Development and Operational Delivery Committee is asked to:

- Note the update on the Capital Programme for 2022/23
- To note the additional allocations and expenditure over £0.500m in 2022/23 for onward ratification to the Board
 - the additional ultrasounds
 - Mammography equipment in PPH
- To note the additional ED bids submitted to WG
- To endorse the pre-commitment for 2023/24 and 2024/25 associated with the indicative EFAB allocation for onward ratification by the Board
- Note the other anticipated 2023/24 pre-commitments against the DCP
- Note the updates on the Health Board Capital schemes

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.11: Consider proposals from the Capital Sub Committee on the allocation of capital and agree recommendations to the Board.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Corporate Risk 1196 - not be able to provide safe, sustainable, accessible and kind services. This is caused by insufficient investment to ensure we have appropriate facilities, medical equipment and digital infrastructure of an appropriate standard. Score 16
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report	8. Transform our communities through collaboration with people, communities and partners

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Included within the report
Rhestr Termiau: Glossary of Terms:	Not Applicable
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Datblygu Strategol a Chyflenwi Gweithredol: Parties / Committees consulted prior to Strategic Development and Operational Delivery Committee:	CSC Sustainable Resources Committee Capital Planning Group

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Capital values noted within the report. Included within individual business cases and Capital prioritisation process.

Ansawdd / Gofal Claf: Quality / Patient Care:	Included within individual business cases and Capital prioritisation process.
Gweithlu: Workforce:	Included within individual business cases and Capital prioritisation process.
Risg: Risk:	Risk assessment process is integral to the capital prioritisation process and the management of capital planning within HDdUHB also included within individual business cases and Capital prioritisation process.
Cyfreithiol: Legal:	Included within individual business cases and Capital prioritisation process.
Enw Da: Reputational:	Included within individual business cases and Capital prioritisation process.
Gyfrinachedd: Privacy:	Included within individual business cases and Capital prioritisation process.
Cydraddoldeb: Equality:	Equality assessments are included within individual business cases and Capital prioritisation process when required.