



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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	25 August 2022
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Discretionary Capital Programme (DCP) 2022/23 & Capital Governance Update Report
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Lee Davies – Director of Strategic Development & Operational Planning
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Paul Williams, Assistant Director of Strategic Planning Report prepared by 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 27<sup>th</sup> June 2022 and the Capital Sub-Committee (CSC) meeting held on 28<sup>th</sup> July 2022. The report also captures the additions All Wales Capital allocations received from Welsh Government (WG).

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

Allocation	£m
All Wales Capital Programme (AWCP)	25.359
Discretionary Capital Programme (DCP)	5.290
<b>Total</b>	<b>30.649</b>

Since the last report the following changes to the CRL have been made:

- Glangwili General Hospital (GGH)- Fire Enforcement works - Phase 1 allocation has been reduced by £0.976m to reflect the revision to the cashflow forecast developed with the Project Team in July 2022
- Withybush General Hospital (WGH) - Fire Enforcement works - Phase 1 allocation has been increased by £2.674m to reflect the revision to the cashflow forecast developed with the Project Team in July 2022 and draw down of project contingency previously held separately by WG.

### All Wales Capital Programme (AWCP)

Allocation	£m
GGH - Fire Enforcement works - Phase 1	6.027
WGH - Fire Enforcement works - Phase 1	6.959
Neonates - Phase II - main	0.806
I2S - Multi-site projects	0.373
Prince Philip Hospital (PPH) Demountable	1.899
Fire Enforcement Works - WGH Hospital- Decant Ward Fees	0.188
WGH - Fire Enforcement works fees - Phase 2	0.935
National Programme - Decarbonisation	0.655
National Programme - Fire	0.125
National Programme - Mental Health	0.420
National Programme - Imaging	6.972
<b>Total</b>	<b>25.359</b>

### Capital Expenditure Plan for 2022/23

The table below reflects the planned expenditure for 2022/23 and the amendments from the CRL to reflect over and under spends in previous years between the DCP and the AWCP programme:

Scheme	Planned Spend 2022/23 £m	Cumulative Spend Apr - Jul £m	Spend Jul £m	Remaining balance £m
<b>AWCP</b>				
GGH - Fire Enforcement works - Phase 1	6.027	1.239	0.550	4.788
WGH - Fire Enforcement works - Phase 1	6.959	1.526	0.746	5.433
Neonates - Phase II - main	1.067	0.288	0.040	0.779
I2S - Multi-site projects	0.322	0.000	0.000	0.322
PPH Demountable	1.899	0.574	0.056	1.325
Fire Enforcement Works - WGH Hospital- Decant Ward Fees	0.188	0.118	0.048	0.070
WGH - Fire Enforcement works fees - Phase 2	0.935	0.011	0.003	0.924
National Programme - Decarbonisation	0.655	0.034	-0.010	0.621
National Programme - Fire	0.125	0.033	0.033	0.092
National Programme - Mental Health	0.420	0.048	0.048	0.372
National Programme - Imaging	0.256	0.089	0.042	0.167
National Programme - Imaging - CT Scanner PPH	1.384	0.009	0.006	1.375
National Programme - Imaging - CT Scanner BGH	1.386	0.006	0.001	1.380
National Programme - Imaging - DR Rooms	1.069	0.064	0.033	1.005
National Programme - Imaging - Fluoroscopy Rooms	2.820	0.000	0.000	2.820
Cross Hands Primary Care scheme	0.097	0.050	0.006	0.047
Patient monitors	0.423	0.000	0.000	0.423
<b>Sub-total AWCP</b>	<b>26.033</b>	<b>4.089</b>	<b>1.602</b>	<b>21.943</b>
<b>Discretionary</b>				
<b>Sub-total Discretionary</b>	<b>4.616</b>	<b>0.199</b>	<b>0.053</b>	<b>4.417</b>
<b>TOTAL</b>	<b>30.649</b>	<b>4.288</b>	<b>1.655</b>	<b>26.361</b>

### Capital Programme 2022/23

#### **All Wales Capital Programme (AWCP)**

The UHB is All Wales Capital Allocations for 2022/23 is noted above

Following detailed discussion on the resource schedule to commence the delivery of the Business Justification Cases (BJCs) associated with the Major Infrastructure Programme Business Case (PBC) with NHS Wales Specialist Services Partnership (NWSSP) Specialist Estates Services (SES) £0.150m has been allocated in 2022/23 to progress with the work required to align the UHB's risk registers and the packaging of schemes for the development of future BJC's.

## 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 WGH has been completed and good progress is being made on the following schemes to be delivered in 2022/23.

Plan	Planned Completion Date
CT PPH	October 2022
CT Bronglais General Hospital (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

## Discretionary Capital Allocation (DCP)

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

The Operational Directorate are reviewing the equipment priorities currently approved, with replacement anaesthetic machines and sterilizer replacements being assessed as the highest priority replacement items for the use of the equipment replacement allocation.

The contingency reserve of £0.400m, 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.

Item	Allocation £m
PPH Faxitron	0.072
BGH Accommodation repairs	0.035
GGH Chiller Unit	0.017
Networking solution records scanning project	0.050
<b>BALANCE</b>	<b>0.226</b>

Additional costs of @ £0.107m have also been identified around the enabling works associated with the pharmacy robotic replacement schemes in WGH and BGH currently the only funding stream available for this is the contingency. There is an opportunity to reduce the 2022/23 pre-committed contribution of £0.511m on Women & Children Phase II by £0.250m in year which will release monies back into DCP and enable the UHB to top up the contingency reserve in year. Capital Sub-Committee in July 2022 endorsed both the release of the additional £0.107m and reduction in the Woman & Children Phase II pre-commitment.

In previous meetings of this Committee, we reported on the schemes, such as the Preseli Centre that were unable to be progressed due to the funding constraints on the programme in 2022/23. Discussion will be had at the Capital Planning Group to determine the prioritisation of these schemes for further development by the Estates and other in-house teams.

The Estates, Digital and Operational Teams have also been asked to update the Capital Prioritisation Matrix so that the highest 15 priorities schemes can be scrutinised and agreed as priorities by the Capital Planning Group. Further work is required to progress this prioritisation work so that these can be reported back to the September meeting of the Sub Committee.

### **Capital Governance – Project Updates**

At the July 2022 meeting of the CSC, 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 progress:

- Women and Children Phase II
- Fire Enforcement Work Phase 1, WGH
- PPH Modular Theatres (COVID-19 recovery scheme)
- Fire Enforcement Work Phase 1, GGH
- CT Scanner Replacement PPH
- DR Replacement PPH

The following projects are currently at tender stage

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

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

- Cross Hands Health Centre
- Carmarthen Hwb – Partnership Project led by Carmarthenshire County Council (CCC), levelling up funding approved by UK Government on 27<sup>th</sup> October 2021.
- Regional Cellular Pathology and Immunology Services
- CT Scanner Replacement BGH
- DR Replacement GGH
- DR Replacement WGH
- 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.
- Neyland Integrated Primary and Community Development.
- Fire Improvements BGH.
- Llandoverly Health and Wellbeing Centre


Projects with a red RAG status are reported as follows:

- Women & Children Phase II

- Fire Enforcement Work WGH

SDODC is asked to note the **red** RAG status for the projects listed as follows:

Project	Overall RAG	Matters for Committee attention
Women & Children's Phase 2	Current RAG	Work on Stage 3 has commenced. Good progress has been made on some aspects of this work such as the shear wall installation. However there are some supply chain and material availability limitations which are challenging. Programme C48 has been issued and accepted by the Project Manager.
	Trend	
		

Project	Overall RAG	Matters for Committee attention
Fire Enforcement Work Withybush General Hospital	Current RAG	The UHB is working closely with the Mid and West Wales Fire and Rescue Service to ensure that the scheme is delivered within the dates of the current fire enforcement notices issued. There is a risk that due to the uncertainty around the precise nature of the works required in each area that additional costs will be incurred, and additional time will be required to undertake the work. The UHB has implemented very tight controls on this project due to the inherent uncertainty surrounding the nature of the works, with WG/ NHS Wales Specialist Services Partnership (NWSSP) - Specialist Estates Services (SES) receiving regular updates on position at Capital Review Meetings, Project Boards and through dashboard reporting.
	Trend	
		

### Key updates on other Projects

**Transforming Mental Health (TMH):** A paper was submitted to July 2022 Board which outlined that services will concentrate on the development of community pathways and that the capital requirements associated with these will be scoped and developed as part of the development of the AHMWW Community Projects such as Aberystwyth Integrated Care Centre (AICC). The scope of the new Urgent and Planned Care Hospital also includes provision for Mental Health Services. Based on the Board discussion this programme is now formally closed and will be re-established with new governance arrangements at the appropriate time

**Cross Hands OBC:** Scrutiny comments have now been received from WG and the UHB is in the process of responding to these comments.

**Carmarthen Hwb:** The Local Authority (LA) have appointed a Principle Contractor and the UHB is awaiting a detailed programme showing the critical path of the project. The LA are in the process of appointing an external Project Manager.

**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).

### **Sexual Assault Referral Centre(SARC), Aberystwyth**

The solution to provide SARC services which comply with the ISO standards has been separated from the wider AICC project to help ensure a quicker solution for the service. 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. This is now in development and the scheme will provide the interim service solution pending the implementation of the national Transforming Access to Medicines (TRAMS) programme.

**Regional Pathology:** Work is underway on a regional basis across all laboratory disciplines to explore transformation opportunities. Internal fees to progress the project has been agreed by WG for progressing with the OBC development stage. Interviews for Project Manager and Supply Chain Partners are being held in August. The tenders for Health Care Planners and Cost Advisors are also to be issued in August 2022.

**PPH Modular Build:** The scheme has experienced delays in latter stages of the build and during technical commissioning. A total of 16 week delay has been agreed but there remains confidence in the remaining programme with public communications advising a September 2022 go-live date. A successful Ministerial visit happened on 5<sup>th</sup> August 2022.

### **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.

### **Fishguard Health and Wellbeing Centre**

A public engagement event was held on 29<sup>th</sup> June 2022 with 80 public attendees across a good geographical spread and from several organisations.

### **Argymhelliad / Recommendation**

The Strategic Development and Operational Delivery Committee is asked to:

- Note the update on the Capital Programme for 2022/23
- Note the release of £0.107m from the contingency for the Pharmacy robotic scheme
- Note the reduction to the Women & Children pre-commitment in 2022/23 of £0.250m to support DCP pressures in 2022/23, noting that this will increase the 2023/24 pre-commitment
- Note the Capital Governance update and the closure of the current Transforming Mental Health Programme

### **Amcanion: (rhaid cwblhau)**

### **Objectives: (must be completed)**

Committee ToR Reference:  
Cyfeirnod Cylch Gorchwyl y  
Pwyllgor:

3.11 Consider proposals from the Capital, Estates and IM&T 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.



<b>Gweithlu: Workforce:</b>	Included within individual business cases and Capital prioritisation process.
<b>Risg: Risk:</b>	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.
<b>Cyfreithiol: Legal:</b>	Included within individual business cases and Capital prioritisation process.
<b>Enw Da: Reputational:</b>	Included within individual business cases and Capital prioritisation process.
<b>Gyfrinachedd: Privacy:</b>	Included within individual business cases and Capital prioritisation process.
<b>Cydraddoldeb: Equality:</b>	Equality assessment are included within individual business cases and Capital prioritisation process when required.