



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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	27 June 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 28<sup>th</sup> April 2022 and the Capital Sub-Committee (CSC) meeting held on 24<sup>th</sup> May 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 Welsh Government (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:

Expenditure	£m
All Wales Capital Programme	23.661
Discretionary Programme	5.290
<b>Total</b>	<b>28.951</b>

### All Wales Capital Programme (AWCP)

Allocation	£m
Glangwili General Hospital (GGH) - Fire Enforcement works - Phase 1	7.003
Withybush General Hospital (WGH) - Fire Enforcement works - Phase 1	4.285
Neonates - Phase II - main	0.806
I2S - Multi-site projects	0.373
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>23.661</b>

### Capital Expenditure Plan for 2022/23

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

Scheme	CRL £m	Amendments £m	Planned Spend 2022/23 £m	Cumulative Spend Apr - May £m	Spend May £m	Remaining balance £m
GGH - Fire Enforcement works - Phase 1	7.003		7.003	0.395	0.280	6.608
WGH - Fire Enforcement works - Phase 1	4.285		4.285	0.779	0.451	3.506
Neonates - Phase II - main	0.806	0.425	1.231	0.221	0.094	1.010
I2S - Multi-site projects	0.373	(0.051)	0.322	0.000	0.000	0.322

PPH Demountable	1.899		1.899	0.374	0.000	1.525
Fire Enforcement Works - WGH Hospital- Decant Ward Fees	0.188		0.188	0.068	0.065	0.120
WGH - Fire Enforcement works fees - Phase 2	0.935		0.935	0.006	0.006	0.929
National Programme - Decarbonisation	0.655	(0.023)	0.632	0.000	0.000	0.632
National Programme - Fire	0.125	0.375	0.500	0.008	0.003	0.492
National Programme - Mental Health	0.420	0.001	0.421	0.000	0.000	0.421
National Programme - Imaging			0.256	0.04	0.024	0.216
National Programme - Imaging - CT Scanner PPH			1.385	0.002	0.002	1.383
National Programme - Imaging - CT Scanner BGH	6.972	(0.059)	1.384	0.004	0.004	1.380
National Programme - Imaging - DR Rooms			1.068	0.001	0.001	1.067
National Programme - Imaging - Fluoroscopy Rooms			2.820	0.000	0.000	2.820
Cross Hands Primary Care scheme		0.075	0.075	0.014	0.014	0.061
<b>Sub-total AWCP</b>	<b>23.661</b>	<b>0.745</b>	<b>24.406</b>	<b>1.912</b>	<b>0.944</b>	<b>22.494</b>
<b>Discretionary</b>						
<b>Sub-total Discretionary</b>	<b>5.290</b>	<b>(0.745)</b>	<b>4.545</b>	<b>0.077</b>	<b>0.074</b>	<b>4.468</b>
<b>TOTAL</b>	<b>28.951</b>	<b>0.000</b>	<b>28.951</b>	<b>1.989</b>	<b>1.018</b>	<b>26.962</b>

Work on the resource schedule to commence the delivery of the Business Justification Cases (BJCs) associated with the Major Infrastructure Programme Business Case (PBC) has been undertaken and Hywel Dda University Health Board (HDdUHB) is in discussions with NHS Wales Specialist Services Partnership (NWSSP) Specialist Estates Services (SES) around the phasing of this requirement. It is currently unclear if funding will be received to progress with this programme during the year due to the constraints currently on the central WG capital programme.

## Diagnostic Imaging Programme

In 2021/22 the HDdUHB 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

## 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 approved DCP programme is as follows

Plan	Allocation £m
Pre-Commitments - DCP	1.222
Breakdown contingency	0.400
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
<b>TOTAL DCP</b>	<b>4.545</b>

We are currently aware that there may be a need to review the equipment priorities currently approved, work on this is currently being undertaken within the Operational Directorate and will be reported back to the CSC meeting in July 2022.

At the last meeting of this Committee, we reported on the schemes, such as the sterilizer replacement in WGH and the Preseli Centre that were unable to be progressed due to the funding constraints on the programme in 2022/23. The Capital Planning Group will discuss 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 at the next Capital Planning Meeting in June. Progress on this work will also be reported back to the CSC in July.

**Capital Governance – Project Updates**

At the May 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 WGH

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


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.
- Chemotherapy Day Unit, BGH.
- Fire Improvements BGH.
- Aseptic Services
- Sexual Assault and Referral Centre, Aberystwyth


Projects with a red RAG status are reported as follows:

- Cross Hands Health Centre.
- Women & Children Phase II
- Fire Enforcement Work WGH

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

<b>Project</b>	<b>Overall RAG</b>	<b>Matters for Committee attention</b>
<b>Cross Hands Health Centre</b>	<b>Current RAG</b> <b>Trend</b> 	The Outline Business Case (OBC) was approved by the Board on 26/05/22 and was submitted to Welsh Government on 31/05/2022. The UHB will now await scrutiny comments from WG. The RAG status of this Project will be reset to green going forward.

Project	Overall RAG	Matters for Committee attention
<b>Women &amp; Children Phase 2</b>	<b>Current RAG</b> <b>Trend</b> 	Work on Stage 3 has commenced. The contractor is currently opening up the building and gaining a better understanding of the risks associated with this next phase of works. A new programme has been issued C46, this has not yet been accepted by the Project Manager.

Project	Overall RAG	Matters for Committee attention
<b>Fire Enforcement Work WGH</b>	<b>Current RAG</b> <b>Trend</b> 	The scheme still remains under financial pressure due to the Mid and West Wales Fire and Rescue Service requirement to overboard existing lightweight partitions. Welsh Government/NWSSP-SES are receiving regular updates on position at Capital Review Meetings, Project Boards and through dashboard reporting. The Phase 2 BJC resource schedule has been agreed with NWSSP-SES. Approval is awaited from Welsh Government.

### Key updates on other Projects

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

**Aberystwyth Integrated Care Centre:** HDdUHB is exploring alternative infrastructure solutions to inform the development of the business case.

**Aseptic Services:** A draft scoping document has been discussed with WG for a refurbishment solution in WGH that now aligns to the national Transforming Access to Medicines (TRaMS) programme. A BJC will be produced to seek funding for the building works.

**Sexual Assault Referral Centre(SARC), Aberystwyth:** The solution to provide SARC services which comply with the ISO standards has been separated from the wider Aberystwyth ICC project to help ensure a quicker solution for the service. A BJC is the likely business case route subject to project scoping discussions with WG.

**Regional Pathology:** Work is underway on a regional basis across all laboratory disciplines to explore transformation opportunities. A resource schedule has been submitted to WG by Swansea Bay UHB for funding the OBC development stage. The in-house resources have been approved and work is also underway for the appointment of a Programme Director as well as external advisors and the supply chain partner by early August 2022. The WG Assurance Hub commissioned a Programme Assessment Review which has resulted in a positive report and an amber rating. A management response is being prepared against the recommendations.

**PPH Modular Build:** The scheme has experienced delays in latter stages of the build and during technical commissioning. A non-completion statement has been issued. A further delay of, worst-case scenario, up to 5 weeks has been reported by the project team due to issues with the ventilation system outputs which are not managing the required pressure differentials

in the theatre suites. The project team continues to meet on a weekly basis to manage the scheme to operational readiness.

**Transforming Mental Health – Adult Services:** Given the significant developments in thinking with regards to the service strategy for Mental Health and Learning Disability Services, consideration is being given to closure of the previous capital considerations and reconstituting Governance with a revised scope and Terms of Reference as part of the wider A Healthier Mid and West Wales Programme.

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

**Fishguard Health and Wellbeing Centre:** Service specifications provided are being analysed and meetings continue with the service leads to inform the future model. The Communication and Engagement Group is being established with a public engagement event planned for 29 June 2022 to ensure the scheme meets population needs.

#### Argymhelliad / Recommendation

The Strategic Development and Operational Delivery Committee is asked to:

- Note the update on the Capital Programme for 2022/23 and the significant reduction in capital availability in 2022/23 both in DCP and All Wales Capital
- Note the Capital Governance update and the restating of the Cross Hands Scheme to a green rating

<b>Amcanion: (rhaid cwblhau)</b>	
<b>Objectives: (must be completed)</b>	
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
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<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Included within the report
Rhestr Termau: Glossary of Terms:	Not Applicable
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Datblygu Strategol a Chyflenwi Gweithredol: Parties / Committees consulted prior to Strategic Development and Operational Delivery Committee:	CEIM&TSC Sustainable Resources Committee Capital Planning Group

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian: Financial / Service:</b>	Capital values noted within the report. Included within individual business cases and Capital prioritisation process.
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	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.