

Name of Sub-Committee:	Capital, Estates and IM&T Sub-Committee (CEIM&TSC)
Chair of Sub-Committee:	Deputy Chair - Paul Williams, Assistant Director of Strategic Planning and Developments
Reporting Period:	August - September 2021
Key Decisions and Matters Considered by the Sub-Committee:	
<p>Capital Resource Limit (CRL): The following key matters were discussed:</p> <p>Discretionary Capital Programme (DCP) 2021/22:</p> <ul style="list-style-type: none"> • The total CRL reported - £30.866m • Some additional allocations have become available since the last report to the Sub-Committee which stated that there was a potential over-commitment of £247k against our capital allocation <ul style="list-style-type: none"> ○ £0.129m – VAT recovery. ○ £0.337m – reallocation of the underspend associated with the replacement of the two CT scanners at Withybush General Hospital (WGH) and Glangwili General Hospital (GGH) to the overspend on the MRI scheme in WGH, releasing the equivalent allocation back into the DCP. <p>This releases £0.219m back into the programme.</p> • The following additional commitments were noted since the last report to the Sub-Committee: <ul style="list-style-type: none"> ○ £0.180m - at its meeting on 25th August 2021, Gold Command agreed to progress the Respiratory Syncytial Virus (RSV) scheme in Paediatrics. ○ £0.045m – for additional Fire Precautionary work in Tregaron. ○ £0.070m – it has been agreed to release this as a priority to enable the Estates Team to progress with priority Fire Precaution Works in Bronglais General Hospital (BGH). <p>This leaves the programme over-committed by £0.076m. Additional COVID-19 funding has been confirmed and this could potentially be used to off-set the over-commitment, however the overall position is being reviewed before this can be confirmed.</p> <p>Bids totalling £8.866m were submitted for COVID-19 related schemes and equipment. It was acknowledged that £4.824m has since been confirmed to address some of the issues but there is also some flexibility within the allocation.</p> <p>The Same Day Emergency Care (SDEC) bids totalled £0.142m, and feedback from Welsh Government (WG) is awaited.</p> <p>The full list of bids not funded will become a standard feature of future reports.</p> <p>Some additional issues have been identified where further funding may be requested as the year progresses:</p> <ul style="list-style-type: none"> ○ £0.700m - property issues in Managed Practices within Primary Care ○ £0.070m released to date – Letter of Fire Safety Matters issued for BGH, confirmation of total cost is awaited. ○ IT replacement requirement. ○ IT costs as part of work being undertaken by Roche in Pathology. 	

Capital Programme 2022/23

The Sub-Committee noted that work has been undertaken to develop the prioritisation matrix in order that this can be used as an element of the Discretionary Programme for 2022/23, to prioritise Estates, Digital and Equipment on an equitable basis. There was acknowledgement that the prioritisation process must consider the risk appetite of the Health Board (HB). Further work is now being undertaken to finalise the matrix and the outcome will be reported back to the Sub-Committee in November 2021.

The Sub-Committee was advised that the bid for Primary Care is the total overarching bid and work is currently being undertaken with the Primary Care Team to prioritise and timeline some of the investments. It was identified that some of the items of expenditure will not be Capital allocation and therefore other sources of funding would need to be explored.

In relation to the Fire Precaution issues, the Sub-Committee was advised that there is potentially further funding needed for works on the BGH residences, and a plan is currently being developed to identify whether this will be required.

Further work is needed at BGH beyond this financial year, however a potential plan is being finalised in terms of Estates and Facilities Advisory Board (EFAB) money for cashflow management which could potentially release money within this financial year to cover the majority of the work required at BGH residences.

It was acknowledged that the Fire issues at Prince Philip Hospital (PPH) cannot be confirmed until the Fire and Rescue Service (FRS) have visited this site. This visit had been expected in late September 2021 however is now likely to be in October 2021.

In reference to the modular build theatre in PPH, it was noted that this scheme is currently out to tender and that the timeline for delivery and financing options will be evaluated at the end of the tendering process. There may be a requirement for Capital in 2021-2022 and in 2022-2023. The Estates Teams advice has been provided to the service regarding the programme, project management and timeline.

In terms of the October 2021 deadline to set the CRL, the Women & Children's scheme was also recognised as a risk depending on the handover issues associated with Phase 2 that may have an impact on cashflow. There are also some potential issues regarding the EFAB money; discussions have been held with WG who acknowledge the position.

The Sub-Committee was advised that confirmation has been received that the expenditure plans for the £200k on the residential improvements is underway and will be utilised by 31st March 2022.

The Sub-Committee noted the following:

- The Capital Resource Limit (CRL) for 2021/22
- The financial risks currently being managed
- The interim over-commitment against the CRL
- The additional capital bids submitted to WG
- The further issues that may require capital solutions in year

- The work being undertaken on the capital prioritisation matrix
- The receipt of £4.824m COVID-19 funding

Capital Governance – Project Highlight Reports

The Sub-Committee received the Capital Project Highlight Reports, noting the projects with Red and Amber RAG status.

Projects with Red RAG rating	Projects with Amber RAG rating (2 consecutive months +)
Cross Hands Health & Wellbeing Centre	Carmarthen Hwb
Women & Children Phase II	Transforming Mental Health (TMH)
	MRI Withybush
	Aseptic Scheme
	Chemotherapy Day Unit - Bronglais General Hospital (BGH)
	Welsh Community Care Information Solution (WCCIS)
	Fire Enforcement Work (WGH)
	Fire Enforcement Work (GGH)

Other projects noted were:

- Cylch Caron
- Aberystwyth Integrated Community Centre
- Aberystwyth Integrated Education & Research Centre
- Fishguard Wellbeing Centre
- Integrated Primary and Community Development, Neyland
- Pond Street/Penlan

Capital Audit Tracker

A report was presented to the Sub-Committee highlighting that there are 30 open audit reports generating 173 recommendations. Of these, 59 recommendations have been completed leaving 114 outstanding. A total of 16 of the outstanding recommendations are currently behind schedule against the original implementation date. Two reports have been closed since May 2021.

The Sub-Committee noted the content of the report and it was agreed that a narrative be included in future reports to explain the management process behind a Red RAG status item.

WG Dashboard Reports

The Sub-Committee was presented with Month 5 Dashboards submitted in August 2021 and received assurance that the Dashboards had been submitted on time and in line with the good practice achieved so far this year.

It was confirmed that the Dashboards are scrutinised by WG in their All-Wales Capital Programme meetings and that the comments received from WG will be addressed in the next submission.

Estates Advisory Board Funding Tracker

The Estates Advisory Board Funding Tracker was presented to the Sub-Committee, highlighting that of the bids submitted to WG, approval for £5.429m key areas of Fire Safety Backlog, Estate Infrastructure, Mental Health Estate and Decarbonisation was received. To access the funding, a scheme must be planned, secured, delivered and commissioned within the 12 months deadline and must be confirmed at the start of the financial year

The following concerns regarding the EFAB schemes were noted:

- Fire Precaution Works at BGH – urgent work is being undertaken to reflect this investment in line with the agreed phasing plans established with the FRS.
- Hafan Derwen Solar Farm –There remains some risk to delivering the project in-year and an update on the position will be reported to WG by mid-October 2021.
- An issue has been raised around Points of Ligature (PoL) work with Mental Health. Procurement is proving challenging due to a lack of response from the Contractors involved. The project has now gone back out to tender and a firm position will be known once tenders have been returned.

A Healthier Mid & West Wales – Programme Business Case (PBC) Update

The following key matters were noted by the Sub-Committee;

- Achievement of the activity modelling, which has taken significantly longer than anticipated to complete.
- A Land Identification Workshop has been planned for 22nd October 2021. This will appraise the longlist of 10 sites against the hurdle criteria to identify a shortlist.
- The overarching timeline shows PBC submission in Q3. The timeline is proving very challenging because of the slippage on the activity modelling and the number of scenarios being appraised.
- A key issue from the completed Gateway Review process is to ensure our timelines are achievable both for the PBC and the Programme.
- The PBC will need to ensure that the Board recommendations in the original Healthcare Strategy and CHC recommendations at the end of the consultation are specifically addressed.

Post Project Evaluation & Lessons Learnt

The Sub-Committee received an overview of the Post Project Evaluation (PPE) of Ward 9/10 refurbishment at WGH and an update on the progress of the Cardigan Integrated Care Centre PPE ahead of a Gateway 5 review anticipated later in the year.

The Sub-Committee noted the contents of the report and commended the comprehensive and balanced report that had captured feedback from stakeholders and patients.

Infrastructure & Investment Plan Update

A progress update was provided on the Infrastructure Enabling Plan for 2020/2021. Consideration is now being given to the content of the next Infrastructure Investment Enabling Plan. There is an expectation from WG that schemes detailed in this submission will be prioritised.

The Sub-Committee was advised that the infrastructure requirement for the Major Trauma Unit at GGH will need to be revisited.

It was noted that in terms of medical equipment, some of the major issues with immediate risk have been dealt with. Consideration is being given on how to deal with medical equipment requirements going forward.

The Sub-Committee noted the update on the Infrastructure Investment Enabling Plan.

Papers for information

The Sub-Committee noted the following papers for information:

- Capital Review Meeting - Minutes of meeting held in May 2021
- Capital Monitoring Forum – Minutes of meetings held in July and August 2021.
- Sub-Committee Work Plan 2021/22: It was suggested that the PPE reports are built into the Work Plan.
- Terms of Reference for Capital Governance Review

Matters Requiring Strategic Development and Operational Delivery Committee Level Consideration or Approval:

All other key Capital matters are included in the separate DCP update report on the SD&ODC agenda.

Risks / Matters of Concern:

Capital Resource Limit and Discretionary Capital Allocations 2021/22: The capital allocation remains insufficient to provide SD&ODC with full assurance on the management of infrastructure and backlog risks for the 2021/22 year.

Capital Projects: To note the capital projects included in this report currently reporting a high risk. Further detail is included in the separate DCP 2021/22 and Capital Governance report on the SDODC agenda.

Planned Sub-Committee Business for the Next Reporting Period:

Future Reporting:

- Governance Update
- Risk Update Report
- Operational and strategic issues:
 - DCP Update
 - Dashboard Report
 - Estates Advisory Board Funding Tracker.
- Capital Planning Developments
 - A Healthier Mid and West Wales PBC Update
 - Post Project Evaluation and Lessons Learnt
 - Infrastructure Investment Plan.

Date of Next Meeting:

25th November 2021