

Meeting:	NHS Grampian Board Meeting
Meeting date:	6th October 2022
Item Number:	6
Title:	National Treatment Centre – Grampian: Proposed Site Option
Responsible Executive/Non-Executive:	Paul Bachoo – Executive Lead (Medical Director Acute Sector)
Report Author:	Gary Mortimer – Senior Responsible Officer (for NTC-G) Cathy Young – Head of Transformation

1 Purpose

This is presented to the Board for:

- Endorsement: Proposed Site Option (current Estates Site on Foresterhill Health Campus)

This report relates to a:

- NHS Board/Integration Joint Board Strategy or Direction

This aligns to the following NHS Scotland quality ambition(s):

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

The Board supported the recommendation to further evaluation of site zones as an alternative to the reference site previously approved by the Board. The Project Team were asked to return to the Board Meeting in October 2022 with a preferred site option for progression to the next business planning stage.

2.2 Background

The physical site options appraisal for the NTC-G has been revisited as agreed with the NHS Grampian Board in July 2022 and the recommendation to exclude the reference design from being a viable option was agreed by the Board.

The proposed site option is the Estates Site – Foresterhill Health Campus and the process undertaken to identify it, is included in Appendix 1 – NTC-G Proposed Site Option, September 2022.

2.3 Assessment

Overview

The NTC Project Board constituted a “Site Cell” to consider further site options and associated risks, and to carry out a further detailed search of available and suitable sites. Property Asset and Development (PAD) instructed Shepherd Commercial to carry out a site search of available sites meeting NHS Grampian’s requirements for the NTC-Grampian. In addition the PAD reviewed potential sites on the Foresterhill Site. Collectively this led to identification of 32 sites across Grampian for consideration at initial long listing. This included the discounted reference site for benchmarking.

The long list of 32 sites included 27 sites off, and five sites on (including the excluded reference design), the Foresterhill Health Campus. These sites were scored against weighted criteria which led to the exclusion of 20 sites (19 of which off campus and one on campus) as they failed to meet one or more of the individual criteria. Of the remaining 12 sites, that met the minimum weighted criteria, the Site Cell recommended the top three scoring sites be further evaluated through wide stakeholder engagement.

The wide stakeholder engagement took place on the 7 September 2022, facilitated by AA Projects. A similar approach was taken during the Clinically Led Review, as per the Project Report to the Board in July 2022, to assess the three site options against weighted benefits. The output of the stakeholder engagement was combined with economic analysis to identify a proposed site option, which is the Estates Site – Foresterhill Health Campus.

2.3.1 Quality/ Patient Care

Improving quality of patient care / staff experience, protection of Elective Services from interruption by unscheduled flow and providing capacity for future generation demand is an integral aspect of this project. A stand-alone build has been endorsed to ensure quality, safe patient care can be delivered.

Quality in construction is also an integral aspect in the delivery of this Project. This includes ability to achieve strict compliance with healthcare building standards and regulations therefore a standalone build is recommended.

An assessment of site location and impact on inequity of access has concluded that due to dispersed areas of deprivation throughout Grampian, there is no preferred site option to minimise impact of inequity of access.

2.3.2 Workforce

Of the three shortlisted options the proposed site has the lowest revenue resource due to the flexibility in staffing offered by co-location with other Foresterhill Site clinical and non-clinical services. Work continues to refine the workforce requirements.

2.3.3 Financial

Projected capital costs are estimated in the region of £120m - £130m although there is some risk to these estimated costs from the continued volatility in the construction market. Estimated recurring revenue costs range from £14m - £15m The Board have previously approved, with the support of the Scottish Government, the allocation of capital funding up to an additional £5m, to further develop the design and complete the business planning stage of the project and in order to create further certainty over programme and cost.

Beyond this, however, there is no agreement with the Scottish Government to provide either additional capital investment to cover construction costs or additional revenue funding to cover the estimated revenue operating costs. Dialogue with the Scottish Government remains ongoing and work continues to further refine the estimated costs. Although National Treatment Centres are a recognised priority for the Scottish Government and they remain committed to the work underway in Grampian, without a confirmed funding source there is a risk that these costs will fall on NHS Grampian and additional financial savings will need to be delivered above those required to maintain current service delivery to meet the revenue costs.

It is important therefore, that the work to finalise the design, programme and cost of the capital build and to provide assurance on the value for money and cost effectiveness of the workforce and other operating costs is completed as soon as possible to allow the discussion with the Scottish Government to conclude with regard to funding availability

2.3.4 Risk Assessment/Management

Risk management procedures are an integral feature of the project with a comprehensive risk register maintained monthly by all parties, weekly risk reductions meetings and regular reporting of key risks to the Project Board.

2.3.5 Equality and Diversity, including health inequalities

The project undertook a Health Inequalities Impact Checklist as part of the Outline Business Case that was approved in November 2019.

2.3.6 Other impacts

No other relevant impacts to note at this stage.

2.3.7 Communication, involvement, engagement and consultation

The project has a very active communication work stream which has been in place since 2015 when engagement with patients and staff commenced. The project team has dedicated input from a Consultation and Engagement Advisor. This is in addition to communication being a significant feature in the work undertaken by senior project team personnel.

Through the development of OBC to FBC this has included a suite of communication documents that have been developed, and are maintained, by the project team. These include:

- Communication Plan
- Newsletters
- Ongoing active wider stakeholder engagement including patients, NHS G staff, and wider partners staff including Local Authorities and Voluntary Organisations, through meetings and workshops.

2.3.8 Route to the Meeting

Project performance is reported regularly at the monthly Project Board and Asset Management Group meetings and the content of this report is consistent with the most recent Project Director Report.

The weekly Core Review Group (Chair: Paul Bachoo), supported by the Project Team with appropriate technical and IPC support, guided the clinical led scope review and site options appraisal.

2.4 Recommendation

The Board is asked to:

- **Decisions**
 - Endorsement: Proposed Site Option as the Estates Site – Foresterhill Health Campus
- **Future reporting** - A revised Outline Business Case be brought back to the Board for approval when available. The project timeline is outlined in appendix 1 Table 5 page 10.

3 List of appendices

The following appendix is included with this report:

- Appendix 1 – NTC-G Proposed Site Option, September 2022