

# Estates Full Business Case

## Executive Summary

### 1.1. Introduction

The Investing in Our Future (IOF) programme launched following a UK Government announcement of £48m million to improve NHS services through investment in infrastructure. It brings the total capital investment to the Island's NHS to £75m over four years.

The Investing in Our Future Estates Full Business Case (FBC) sets out the Trust's detailed plans for the transformation of our estate on the St Mary's Hospital site and for the development of an exciting new community facility on Newport High Street.

The FBC includes the following:

- **Strategic Case:** An explanation of how the estates investment plans help the Trust deliver its strategy
- **Economic Case:** A description of the preferred building option and details of the benefits that developments will bring for the local community, patients and staff
- **Financial Case:** Confirmation that the £30.4 million development is affordable in both capital and revenue terms
- **Commercial Case:** Details of the contractual approach taken by the Trust to procure and manage its construction partner, Kier
- **Management Case:** The arrangements in place to make sure that the programme of work is delivered on time, within budget and to a high quality

This Executive Summary gives a brief overview of the contents of each of the five cases.

### 1.2. Strategic Case

The overall aim of the Investing in Our Future Estates redevelopment programme is:

*“To ensure the development of safe and clinically, operationally and financially sustainable acute services for our Island population.”*

This aim is supported by a more detailed set of Investment Objectives, which is set out below. These Investment Objectives were used to help decide which of the long list of potential estate improvement projects should be included in the preferred option case.



<b>Objective 1: Delivery of Trust and National Strategies</b>
<ul style="list-style-type: none"> <li>Clinically sustainable services, with sufficient capacity on the island</li> <li>Delivery of our frailty &amp; Long Term Condition models, making sure that care is well co-ordinated and that patients are supported</li> </ul>
<b>Objective 2: Improving care for patients</b>
<ul style="list-style-type: none"> <li>Increasing our Intensive Care and High Dependency beds so that we can care for the most seriously ill patients</li> <li>Improved clinical safety, outcomes and patient experience, including shorter waiting times for assessment and treatment</li> <li>Workforce: Safe staffing levels, improved staff morale and reduced turnover</li> <li>Improved patient flow for IoW emergency care patients</li> <li>Seven day availability of key services, including additional Intensive Care and High Dependency capacity</li> <li>Care pathway improvements, including stroke &amp; frailty</li> <li>Increased utilisation of facilities through the establishment of a new frailty unit and the relocation of the stroke ward to enable better integration with emergency services.</li> </ul>
<b>Objective 3: Meeting regulatory requirements: A cleaner, greener estate</b>
<ul style="list-style-type: none"> <li>Improved performance against the Estate 6 Facet survey criteria and progressing the Green/Net Zero Carbon agenda</li> </ul>
<b>Objective 4: Ensuring financial sustainability</b>
<ul style="list-style-type: none"> <li>The costs of the scheme are proportionate to the scale of benefits and numbers of IOW patients benefitting</li> </ul>

### 1.3. Economic Case and preferred building option

The Economic Case describes the option development and selection process, with a detailed description of the preferred option and the benefits that this will bring for local people, patients and staff. The preferred option and benefits are summarised below.



#### New integrated mental health and community hub in Newport

A new integrated Mental Health and Community Hub in Newport High Street including 8 treatment and talking therapy rooms, 11 telehubs for telemedicine appointments, 2 rooms for social and community use and a community café.

#### Benefits

- Better patient and staff experience, joined up services offering improved continuity of care
- Improves accessibility and offers late opening times
- Prevents mental health care needs escalating
- Promotes sustainability and regeneration of the high street



### New emergency care floor at St Mary's Hospital

Extensive refurbishment and expansion of emergency services. Co-locating the existing Emergency Department, Urgent Treatment Centre and short stay facilities with the addition of a new Frailty Unit. A separate, dedicated emergency entrance will improve access for patients.

#### Benefits

- New ambulance entrance for children improves flow and operational efficiency
- Increased size of treatment rooms and improved access to diagnostics
- New waiting room layout improving patient safety at night
- Better colocation and adjacency of emergency services



### Acute bed reconfiguration at St Mary's Hospital

A new 18-bed acute ward following the reconfiguration of existing acute beds. This will enable better use of beds and the separation of planned and emergency inpatient care.

#### Benefits

- Improved privacy and dignity for patients
- Relocates stroke unit to next to acute medicine facilities
- Relocates the breast screening service to an area more convenient for patients
- Expands current x-ray service and improves access to diagnostics



### New high dependency care unit at St Mary's Hospital

Major refurbishment and expansion of our Intensive Therapy Unit. Increasing from 6 to 8 beds and the addition of a separate 6 bedded Enhanced Care Unit to ensure that patients are cared for in the most appropriate clinical setting.

#### Benefits

- Increased resilience and improved patient outcomes
- Complies with new national guidance
- Increases capacity to develop specialist services
- Improves patient flow

## 1.4. Financial Case

The primary purpose of the Financial Case is to see whether the Preferred Option is affordable both in terms of revenue and capital funding requirements.

The preferred option described above requires a significant capital investment of £30.4m, which will largely be funded by the provisional £25.5m Public Dividend Capital (PDC) allocation from the Department of Health and Social Care. This will be supplemented by the use of an additional £4.9m of capital from a combination of the Trust's routine

internally funded capital programme and capital from the Hampshire and Isle of Wight Integrated Care System (ICS).

A capital investment of this size clearly has revenue implications due to additional depreciation and Public Dividend Capital (PDC) dividend charges. However, the impact of these additional capital charges is relatively modest, requiring the Trust to make additional savings of £0.2m from 25/26 onwards. These savings have been identified and the financial case demonstrates that the business case can be afforded in isolation and that there is sufficient capital funding to support the proposed investment.

The Trust believes that its capital spending proposals are robust and are underpinned by a costed P22 design agreement that this is signed off with the contractor.

The Trust's principal commissioner has indicated their support for the business case.

### **1.5. Commercial Case**

The purpose of the Commercial Case is to demonstrate that the project is viable, and that there is a supplier that can meet the needs of the project.

The Trust has used the ProCure22 process to support the development and delivery of the preferred option. Kier was appointed as the Trust's Principal Supply Chain Partner (PSCP) in December 2020, following a market engagement event and a structured evaluation of shortlisted suppliers.

Designs at 1:50 scale and detailed phasing and decant plans have now been developed by Kier following a detailed engagement process with the clinical and operational leads for each of the four projects, to ensure that the designs support delivery of the Investment Objectives for the programme, and in particular the delivery of clinical benefits.

Planning consent has been granted for all four Estates Projects.

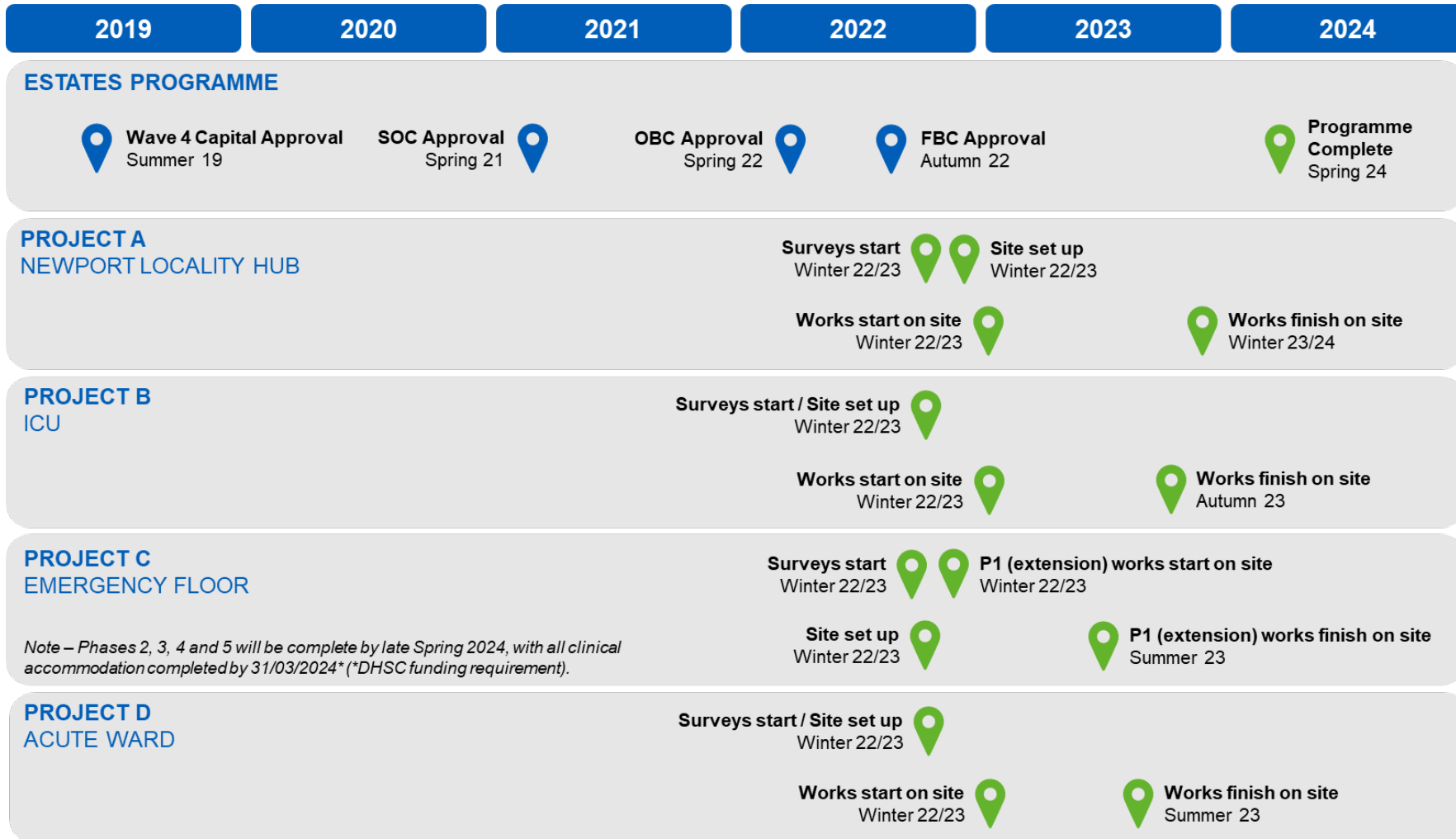
### **1.6. Management Case**

The purpose of the Management Case is to provide evidence that the Trust has robust systems and processes in place to deliver the estates projects.

A robust governance structure was put in place during 2020 to oversee both the Investing in Our Future Programme and the estates projects. This is now well established. A Programme Board is in place, the membership of which includes our partner organisations of Portsmouth Hospitals University NHS Trust (PHU), Solent NHS Trust and South Central Ambulance NHSFT (SCAS), Isle of Wight Council, and NHS England colleagues.

Detailed project implementation and phasing plans have been developed by Kier, working alongside the clinical and operational teams for each of the four projects. This includes a detailed consideration of business continuity issues, intended to anticipate and mitigate any risk to continuity of care and patient safety resulting from a building work taking place alongside busy clinical facilities. The phasing plan is summarised on the diagram below.

## 1.7. Timeline



**Milestone Key:**

-  Planned
-  Achieved

