

<b>Paper No. SET/40/19</b>	
	<b>Tick One ✓</b>
For discussion	
For approval	✓
For information/noting	

**Date of Trust Board Meeting:** 26 June 2019

**Confidential or Public Agenda:** Public

**Agenda item:** OBC Addendum for the Redevelopment of Ulster Hospital, Dundonald – Phase B

## 1.0 Introduction

Further to the briefing at Confidential Trust Board on 29 May 2019, the Trust has drafted the attached addendum.

Following a meeting with DoH representatives on 30 May 2019, additional information was requested which postponed the planned submission from 31 May 2019.

## 2.0 Background information

The main purpose of the addendum is to consider options to provide additional inpatient beds on the Ulster Hospital to provide the capacity required to meet unscheduled demand and planned elective inpatient activity. It is possible to convert level 6 from clinical support accommodation to inpatient beds.

DOH requested that the Trust included a 'status quo' option to update the costs if the project were to finish at the end of the current phase, B3, construction of the ASB.

An addendum normally considers the impact a change (either to scope or costs) would have on the preferred option, however DOH have requested a **full option and economic appraisal** for 7 options as described below:

### Options

**Option 1 – Status Quo**– Finish the project at current stage (B3) as planned

- Complete ASB with 170 beds
- Level 6 to be fitted for 221 clinical support staff as office accommodation (in line with PEL)

**Option 2** – Finish the project at current stage B3 with additional inpatient accommodation provided in the Acute Services Block. There are a number of sub-options:

Option 2a assume that approval will be received by November 2019 to enable contractor to remain onsite, Conversion to Level 6 to provide the required 53 inpatient beds is

progressed via a PMI to the existing GC works contract.

- Complete ASB with 223 beds (convert level 6 to 53 inpatient beds)
- Retain clinical support staff in current accommodation in Existing Ward Block

Option 2b assume a 1 year delay, conversion of level 6 to be progressed via a new contract

- Complete ASB with 223 beds (convert level 6 to 53 inpatient beds)
- Retain clinical support staff in current accommodation in Existing Ward Block

Option 2c as per 2a but with the inclusion of relocating other clinical services out of existing ward block.

- Complete ASB with 223 beds (convert level 6 to 53 inpatient beds)
- Retain clinical support staff in current accommodation in Existing Ward Block
- Relocate any clinical service above level 1 in Existing Ward Block to alternative accommodation (DOSA, Transition Ward, Discharge lounge)

**Option 3** - Finish full current approved project but brought up to current pricing

- Complete B3 as is including ASB level 6 as clinical support accommodation for 221 staff
- Complete phase B4:
- Complete retained estate conversion work
- Demolish existing ward block
- Inpatient accommodation (DOSA, Transition Ward, Discharge lounge) would have to close resulting in reduced inpatient capacity and restricted patient flow at the UHD, and c100 clinical support staff with no identified accommodation.

**Option 4** - Finish the project as per approved scope including stage B4 with the additional inpatient accommodation provide in the Acute Services Block

- Complete ASB with 223 beds (convert level 6 to 53 inpatient beds)
- Complete revised B4:
  - retained estate conversion work
  - relocation of Existing Ward Block based clinical services to alternative accommodation (DOSA, Transition Ward, Discharge lounge)
- Provide alternative accommodation for c350 clinical support staff via a new build at Ulster Hospital Site or via a lease
- Demolish existing ward block

**Option 5**- finish stage B3 (inc additional beds on L6 ASB), complete B4 but include significant refurbishment of EWB for clinical support Accommodation for c350 staff.

- Complete phase B3 including 53 beds on Level 6 ASB
- Significant refurb work of existing ward block ground floor to level 3, MacDermott, Theatres and Neely. Clinical support staff to be relocated to levels 2/3. Ambulatory hubs to relocate to levels G/1

- Refurb Neely to HTM / HBN standard for Transition ward
- Discharge lounge to relocate to refurbished accommodation in Inpatient Ward Block
- DOSA to relocated to refurbished accommodation in Inpatient Ward Block

### 3.0 Brief summary of key points contained in the paper/s

#### Non-Financial Benefits

A benefits appraisal scoring workshop was held to assess the relative level of benefits delivered by the short-listed options.

Each option was scored against the following criteria:

- Clinical Quality and Integration
- Capacity, Safety, Quality and Experience
- Service Delivery
- Quality of Accommodation
- Speed/disruption/impact of Implementation

The criteria were weighted in order of importance and then the participants scored each option against each criterion awarding a score of between 1 and 10.

The weighted scores were as follows:

Option	Weighted score
1	245
2a	645
2b	630
2c	730
3	415
4	970
5	680

Option 4 was clearly the preferred qualitative option.

#### Capital Costs

The additional capital costs, including optimism bias but excluding inflation, for each of the options are outlined in the table below.

Option	Additional Capital Costs required (£)
1	431,577
2a	14,969,376
2b	15,425,103
2c	16,197,059
3	24,930,753
4	54,541,935
5	36,776,393

## Revenue Costs

For the purposes of the addendum the revenue approved in the original case at £7.6 has been uplifted as per the IWB approach to £11m.

<b>Clinical costs</b>	<b>£'000</b>
Nursing	2089
Radiology	846
Medical Equipment Maintenance	400
Emergency Department	500
Other Clinical Staff	246
<b>Total</b>	<b>4082</b>

<b>Non- Clinical costs</b>	<b>£'000</b>
Patient Experience	3674
Estates	2962
ICT	436
<b>Total</b>	<b>7072</b>

Level 6 has been costed at £9.8m for 53 beds, however the net increase of beds is 45 (currently commissioned for 496 beds going to 541), and therefore this will be pro-rata for the overall net increase.

## Financial Appraisal

	<b>Non-Optimism Bias</b>	<b>Optimism Bias</b>	<b>NPC Ranking</b>	<b>Non-financial Benefit Scores</b>	<b>NPC Per Benefit Point</b>	<b>Final Rankings</b>
	NPC	NPC				
	£	£			£	
<b>Option 1 – Status Quo</b>	1,248,826,721	1,248,826,721	2	245	5,097,251.92	7
<b>Option 2a</b>	1,423,713,350	1,424,632,150	6	645	2,208,732.02	4
<b>Option 2b</b>	1,412,206,766	1,413,146,918	4	630	2,243,090.35	5
<b>Option 2c</b>	1,425,287,034	1,426,286,559	7	730	1,953,817.20	2
<b>Option 3</b>	1,202,849,289	1,204,357,200	1	415	2,902,065.54	6
<b>Option 4</b>	1,388,624,146	1,392,266,183	3	970	1,435,325.96	1
<b>Option 5</b>	1,414,997,607	1,417,855,956	5	680	2,085,082.29	3

## Preferred Option

The Trust's preferred option is option 4.

#### **4.0 Recommendation/s for the Trust Board**

Approval of the Addendum

**Lead Director:** Roisin Coulter

**Designation:** Director of Planning, Performance and Informatics

**Date:** 17/6/19