



Meeting Date	09 July 2020	Agenda Item	2.3
Report Title	Transitional Care Unit (TCU) Singleton Hospital, Swansea		
Report Author	Amanda Davies, Service Improvement Manager		
Report Sponsor	Simon Davies, Assistant Director Strategy (Capital)		
Presented by	Simon Davies, Assistant Director Strategy (Capital)		
Freedom of Information	Open		
Purpose of the Report	<p>In March 2018, the Health Board received notification of Welsh Governments approval of the Business Justification Case (BJC) to increase Neonatal and Post-natal capacity on the Singleton Hospital site.</p> <p>The purpose of this report is to provide Audit Committee with assurance that the Health Board was provided best value in undertaking the procurement route that ensued.</p>		
Key Issues	<p>Health Boards and Trusts in Wales are required to adhere to The Designed for Life (D4L): Building for Wales frameworks. These are the NHS in Wales’s construction procurement and delivery frameworks for major capital projects with construction costs in excess of £4 million.</p> <p>The initial scope of this project was for a refurbishment of existing accommodation, with an estimated cost of £3 million, below the D4L threshold. Following the appointment of a Clinical User Group to work with designers to develop the scheme to tender led to an extensive review of the original scope, which increased costs.</p> <p>NHS Wales Shared Services Partnership – Specialist Estates Services (NWS SSP – SES) audit report in 2019 on the Transitional Care Unit (Appendix A) gave the Health Board an overall ‘Reasonable Reassurance’ rating. However, one of the issues raised within the report was on the procurement route adopted on this scheme, as the Health Board did not adopt the D4L Framework.</p> <p>This report outlines the work that has been undertaken, provides an explanation and addresses the reasons as to why this route was taken.</p>		

	Work is continuing to progress the project with completion due in August 2020.			
Specific Action Required <i>(please choose one only)</i>	Information	Discussion	Assurance	Approval
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • NOTE the explanation given within the report • NOTE that WG approved the Business Justification Case to increase capacity on the Singleton site • NOTE the report and the position in terms of progress on the scheme to date. • NOTE that appropriate advice was provided by NWS SSP – SES, taking into account the mitigation of delay in programme and additional costs • NOTE – completion date of the scheme will be August 2020 			

TRANSITIONAL CARE UNIT SINGLETON HOSPITAL NEO NATAL & POST NATAL CAPACITY REPORT - PROCUREMENT PROCESS

1. INTRODUCTION

The Special Care Baby Unit (SCBU) located on the Neonatal Intensive Care Unit (NICU) ward at Singleton Hospital was not compliant with national recommendations for minimum cot spacing¹. As a result, not only was there was an increased risk of infections but also confidentiality and privacy could be difficult to maintain, particularly when occupancy levels were high.

In September 2017, a Business Justification Case (BJC) was submitted to Welsh Government seeking funding for proposals to increase Neonatal and Post-natal capacity on the Singleton Hospital site. A new dedicated SCBU area would be compliant with both national recommendations for cot spacing and infection prevention and control guidance.

The proposal to build a new Transitional Care Unit (TCU) enabled the Health Board to provide an estates solution to support the provision of sufficient intensive care and high dependency care for its catchment area, eliminating historic over occupancy of high dependency cots at Singleton Hospital. Additional capacity in intensive care and high dependency supported paediatric, obstetrics and neonatal forecast flows.

The availability of a vacant ward area, located one floor below the existing Neonatal Intensive Care Unit (NICU) at Singleton Hospital (in Ward 5) provided an excellent opportunity to develop new TCU and Special Care Baby Unit (SCBU) areas which would be fully compliant with national standards. The development of a dedicated TCU would improve quality of care for the mothers and babies who will receive their care there, and would free-up space in the existing NICU for significant expansion in HDU capacity on the NICU in the near future.

Formal approval of the BJC was received from Welsh Government on the 09.04.18.

In 2019, Internal Audit published the 'Neo-Natal and Post Natal Capacity' report (**Appendix A**). The Health Board received an overall 'Reasonable Assurance' on the scheme, however on the procurement route, as the Health Board did not adopt the *Design for Life: Building for Wales Framework*² (D4L)

This paper provides details of the procurement route that was followed and reasons why, on this occasion, the D4L procurement process was not adopted.

2. BACKGROUND

During 2015/16 the initial scope of the project was for a refurbishment of existing accommodation within Ward 5, with an estimated cost of circa £3m. At this cost level in order to progress the design and develop the Business Justification Case (BJC), a design team and contractor were appointed from the Health Board's 'In House Local

¹ <https://www.gov.uk/government/publications/guidance-for-the-planning-and-design-of...>

² www.designedforlife.wales.nhs.u

Framework'. The appointment of a Clinical User Group to work with the designers to develop the scheme to tender purposes led to an extensive review of the original scope which increased the costs up to an estimated £10M.

It was at this point the scheme was reviewed and fully tendered, costs submitted by the Contractor using their supply chain partners obtaining value for money with an average of three quotes for Mechanical / Electrical and other sub-contractors that was costed in at £8.316m.

At this cost level, the scheme was outside the Health Boards 'In House Framework' threshold of £4m. With a fully detailed design already completed and a contractor on board who had already worked through the complex and sensitive method statement of working within and carrying out the works in a 'live' maternity and neo-natal environment alternative procurement routes were considered. However, if this were to be undertaken at this stage of the project, it would have undoubtedly led to significant delays whilst undertaking a revised procurement process. Additionally, if a new contractor were to be appointed, would be able to fully understand the complexity of the works. They would also need to ensure the safety of patients and staff whilst undertaking these works in an existent environment having had no prior design detailed buildability knowledge.

The Health Board wanted to ensure that it was compliant with WG direction and audit. Advice was sought by Mr Simon Davies, Assistant Director of Strategy (Capital Planning) from Mr Ian Worby, Head of the Designed for Life Framework: Building for Wales NHS Wales Shared Services Partnerships Specialist Estate Services (NWSSP SES) to review the procurement route, given the amount of work already undertaken on the project under the Local Framework.

Emails between the two demonstrate that the Health Board requested advice on the option to procure this project through D4L due to the works cost exceeding £4m and asking if alternative procurement routes would be required.

The advice was as follows:-

'I can only advise that you maintain this current route of procurement (as opposed to utilising D4L). This advice is based on the time delays and abortive costs that would now be incurred should the D4L framework be deployed. Whilst abortive costs in the order of £0.5m were discussed, it is recognised that this was an estimate.

Email from Ian Worby to Simon Davies Dated: 17th March 2017.

As can be seen from the above, following changes in brief and a protracted period of tendering for this complex and multi phased scheme, NWSSP - SES agreed this course as to mitigate risk of time delays and abortive costs of approximately £0.5M which would have otherwise been incurred had the Health Board had moved to the D4L Framework.

The Business Justification Case (BJC) was therefore completed on this basis and was approved by the Health Boards Investments Benefits Group (IBG) on 29th September 2017. The case advised, "A main supply chain partner (SCP) would be appointed from the Health Boards Local Contractor & Consultant Framework. The

appointment was discussed with the Health Board during the WG scrutiny of the BJC and was subsequently approved by the WG in March 2018; this contract is due to be completed in August 2020.

3. GOVERNANCE AND RISK ISSUES

Internal Audit reviewed the TCU scheme in 2019. Overall, the schemes 'Neo-Natal and Post Natal Capacity report received a 'Reasonable Assurance' rating. However, Internal Audit did raise the issue with the Health Board regarding its procurement route, with the award not complying with Official Journal of the European Union (OJEU) regulations³ and advised there was the potential risk of procurement challenge from the D4L Framework contractors. However, the frameworks in question had already been tendered through the OJEU process. The risk of challenge from the D4L Supply chain partners / members was assessed to be very low as there was only four contractors appointed on the D4L framework and one of those contractors was on our Health Board's 'In House Framework' who was duly appointed to undertake the works.

Based on these facts, advice received stipulated that the Health Board should maintain and continue with its existing procurement route.

4. FINANCIAL IMPLICATIONS

Following changes in design brief and a protracted period of tendering for this complex and multiple phased scheme, NWSSP-SES agreed this course to mitigate risk of time delays and abortive costs of approx. £0.5m, which otherwise would have been incurred if we had moved to the D4L framework. A draft paper was provided which explained the procurement position but was not issued to Executive Directors due to an oversight at the time (See Appendix B).

5. RECOMMENDATION

Members are asked to:

- **NOTE** the explanation given within the report
- **NOTE** that WG approved the Business Justification Case to increase capacity on the Singleton site
- **NOTE** the report and the position in terms of progress on the scheme to date.
- **NOTE** that appropriate advice was provided by NWS SSP – SES, taking into account the mitigation of delay in programme and additional costs
- **NOTE** – completion date of the scheme will be August 2020

³ <https://www.gov.uk/guidance/transposing-eu-procurement-directives>

Governance and Assurance		
Link to Enabling Objectives <i>(please choose)</i>	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input checked="" type="checkbox"/>
	Co-Production and Health Literacy	<input type="checkbox"/>
	Digitally Enabled Health and Wellbeing	<input type="checkbox"/>
	Deliver better care through excellent health and care services achieving the outcomes that matter most to people	
	Best Value Outcomes and High Quality Care	<input checked="" type="checkbox"/>
	Partnerships for Care	<input checked="" type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input checked="" type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input checked="" type="checkbox"/>
Health and Care Standards		
<i>(please choose)</i>	Staying Healthy	<input checked="" type="checkbox"/>
	Safe Care	<input checked="" type="checkbox"/>
	Effective Care	<input checked="" type="checkbox"/>
	Dignified Care	<input checked="" type="checkbox"/>
	Timely Care	<input checked="" type="checkbox"/>
	Individual Care	<input checked="" type="checkbox"/>
	Staff and Resources	<input type="checkbox"/>
Quality, Safety and Patient Experience		
<p>The provision of this TCU facility at Singleton Hospital will be hugely beneficial to people living within South West Wales.</p> <p>Successful completion and implementation of the improvement to Neonatal and Post-Natal services within Singleton Hospital will provide a new 7 bedded TCU with specialist 24/7 nursing care for those babies who require more than normal postnatal care but do not require admission to the Neonatal Unit together with a fully compliant and permanent 12 cot SCBU.</p> <p>Providing this facility will mean that women and their babies will no longer experience having to be transferred out of the area, away from their support networks during what is a very difficult, stressful and emotional time.</p> <p>It will mean that, there will cease to be the unacceptably high occupancy rates of high dependency cots. There will be adequate capacity for babies who require the provision of intensive care treatment. This will directly lead to an increase in patient safety; as a Health Board we will reduce the risk of infections and decrease mortality rates.</p> <p>The Health Board has refurbished and added to the number of houses available for parent accommodation, which is compliant with National recommendations. The Transitional Care Unit is a means for parents to stay with their children whilst they are in hospital and receiving care.</p>		

Financial Implications

Full funding for the project was awarded by Welsh Government in the sum of £9.710 m (inclusive of reclaimable VAT)

Legal Implications (including equality and diversity assessment)

Internal audit criticised the Health Board for what they perceived to be non-compliance with OJEU – the Health Board’s response to this has been addressed within the paper.

As part of the engagement and public consultation on this service change, a number of issues were raised around neonatal flows between SBUHB and Cwm Taf and assurances have been given that mitigations to address these will be included in the new model of services developed.

Staffing Implications

Whilst there are no associated staffing implications within this report, severe staff shortages are one the biggest challenges facing the NHS. Reputation for work on patient safety and quality whilst investing in a new fit for purpose, state of the art neonatal unit which can enable the delivering of this, makes SBUHB’s neonatal unit an attractive place to work. Providing an environment such as this can help with recruitment and retention of talented staff. Our commitment to our staff in valuing and respecting one another making the work place a positive experience. Positive staff experience means better care for our patients and service users

Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)

The ‘5 Ways of Working’ are demonstrated in the report as follows:



We Plan for the **Long** Term & design our services to meet the needs of our population we serve and our staff. The importance of balancing short term needs with the need to safeguard the ability to also meet the long term needs. Evidenced by the avoidance of long term admissions and a reduction of avoidable harm that can lead to full term babies (babies born after 37 weeks of pregnancy being admitted to neonatal unit providing 24/7 access to specialist Neonatal transitional care nurses to our local population and a Tertiary Neonatal service for the population of South and West Wales.

We are working to promote health and wellbeing for all acting to **prevent** problems occurring or getting worse may help public bodies meet their objectives. Providing a new TCU with single rooms and ensuite facilities in compliance with national standards for infection prevention and control. Avoiding separating Mother & Baby at or soon after birth can adversely affect the mother - child attachment process.

We realise that all things are interconnected so we plan and deliver care in an **integrated** way. This scheme is evidenced by the modelling that was undertaken by Cwm Taf University Health Board which was to maintain the majority of paediatric, obstetrics and neonatal flows locally.

By taking an integrated approach, we realise the value of co-operating & **collaborating** with others. Working with the South Wales Programme and the strategic overview of the South Wales Programme and the South Central Care Alliance. This project meets the changes proposed in revised patient flow modelling across the alliance area; therefore optimising the use of specialist Neonatal and Postnatal clinical resources within SBUHB and in other Health Boards,

This leads us to **involve** the people who use our services & the staff who deliver them. This project can demonstrate how the Health Board has not only involved clinical staff but also Mothers and Carers in the design making process.

<p>Report History</p>	<p>Previous papers relating to this project have been submitted to the Executive Strategy Group, the Investments, Benefits Group, and the Health Board. The Business Justification Case from the Health Board was seen prior to being submitted to Welsh Government for approval.</p>
<p>Appendices</p>	<div style="text-align: center;">  <p>ABM Singleton Neonatal and post r</p> </div> <p>Appendix A - Internal Audit Report – Transitional Care Unit</p> <div style="text-align: center;">  <p>Draft Transitional Care Health Board R</p> </div> <p>Appendix B – Draft TCU Paper</p>