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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	26 May 2022	Agenda Item	3.4
Report Title	Theatre Development –Singleton Hospital		
Report Author	Jan Worthing, Group Director NPTSSG		
Report Sponsor	Darren Griffiths, Director of Finance and Performance		
Presented by	Darren Griffiths, Director of Finance and Performance		
Freedom of Information	Closed		
Purpose of the Report	<p>The Board has previously been updated on plans to expand theatres at Singleton Hospital in November 2021 and January 2022. These have been supported by the Board.</p> <p>The purpose of this report is to update the Board on the further work undertaken to develop the strategic case to expand theatre numbers at Singleton Hospital by three.</p> <p>The paper updates the Board on work completed to date and seeks approval to proceed with the development; recognising that further detail will be brought before the Board at the appropriate time.</p>		
Key Issues	<ul style="list-style-type: none"> • Elective access times for patients have increased during the pandemic and the Health Board is aware that waiting times for the population we serve are unacceptable. • The recent planned care trajectories from Welsh Government add further challenging times for delivery • Significant progress was made during 2021/22 to increase theatre sessions across the Health Board using existing resource and existing estate. This capacity is now at its near maximum. • In order to improve access times, work has been developed to increase theatre capacity for a number of surgical specialties including Plastic, Breast, ENT, Colorectal and Gynaecology Surgery. • Initial modelling indicates that this additional capacity will be needed even when theatres will operate at high standards of benchmarked productivity. Singleton Hospital already compares favourably in national productivity comparisons. • Based on the initial modelling and in alignment with the Health Board's surgical intention as set out in 		

	<p>“Changing for the Future”, further additional theatre sessions are required at Singleton Hospital to meet demand and reduce backlog which will enable the Health Board to achieve the new planned care recovery targets recently announced by Welsh Government (WG) by 2023 and 2025.</p> <ul style="list-style-type: none"> • The funding model for the physical theatres and their equipping will need to be agreed in partnership with Welsh Government. Capital funding would be desirable but the Health Board has experience of revenue model theatre funding with the Neath Port Talbot Orthopaedic development and this could be adopted in Singleton should National capital not be available. The Health Board’s own discretionary capital funding is not able to support tis. • Should a revenue lease model be needed preliminary discussions with WG have indicated that could be possible with further work on handling technical accounting treatment to follow. • The ongoing revenue running costs of this increased capacity will need to be a call against recurrent revenue funding notified to the Health Board by WG. • The plan is to bring modular theatres to site in financial year 2023/24. • The benefits to patients of the development in terms of increased capacity are significant and further detail is included in this paper. Ongoing modelling will demonstrate this in a granular fashion when available in June 2022. • Additional capacity has also been sourced from the independent sector and through insourcing to utilise all opportunities to increase capacity and begin to recover waiting times for our population. • The receipt of capital funds and the commitment of future revenue expenditure to run these developments are matters for Board approval • Full year recurrent revenue costs of between £7.374m and £10.032m will be required to run the new theatres and supporting infrastructure dependent upon final workforce model. • Capital of £5.928m will be required to complete ground works and equip the new theatres. 			
Specific Action Required (please choose one only)	Information	Discussion	Assurance	Approval
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recommendations	<p>Members are asked to:</p> <ul style="list-style-type: none"> • Note the strategic context of this proposal. 			

	<ul style="list-style-type: none"> • Note the current waiting times position and the need for further capacity to address surgical backlog, based on the firm planning assumption that existing theatres will be efficiently run. • Note that further refinement work is underway in terms of demand and capacity modelling, workforce modelling and resource transfer from Morriston Hospital theatres to this proposal. • Note that further revenue (full year effect) of between £7.374m and £10.032m will be required to fund this proposal; funding to be sourced wither from Welsh Government or from flexing the Health Board future financial plan as we recalibrate our development monies which have reduced waits across a range of specialties. • Note that the approval of the commercial lease, should this be the final financing model will be a matter for Board and WG approval given its potential value. • Note next steps • Approve the establishment of the additional 3 theatres at Singleton Hospital to expand capacity to deliver waiting times reductions. • Note that further detail on the final case will be brought back to the Board for consideration.
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THEATRE DEVELOPMENT – SINGLETON HOSPITAL

1. INTRODUCTION

The Board has previously agreed the expansion of theatres with an additional day case theatre at Singleton and the Orthopaedic development at Neath Port Talbot. This paper sets out the rationale and context which supports the request to expand theatre capacity at Singleton Hospital by a 3 further theatres to allow inpatient planned care activity at Singleton.

Elective access times for patients have increased during the pandemic and the Health Board is aware waiting times for the population we serve are unacceptable.

The further capacity is required to reduce waiting volumes and improve access times. This additional capacity supports the Health Board to increase the numbers of patients it can treat to move towards meeting new planned care recovery targets recently announced by Welsh Government (WG) by 2023 and 2025 and to assist with the strategic changes set out in Changing for the Future.

The paper updates the Board on work completed to date and seeks approval to proceed with the development with the Chief Executive Officer and Director of Finance and Performance currently exploring the funding routes, be they capital or revenue and reporting back to HB for endorsement as this becomes clearer.

2. BACKGROUND

Context

In recent years, health services across the United Kingdom have been subject to significant pressures which have impacted on health care systems' ability to run sustainable surgical models. Prior to the COVID pandemic these pressures were driven by the following: -

- Availability of beds as a result of unscheduled care pressures,
- an aging co-morbidity population with increasing chronic conditions and
- more complex health and social care needs

The above leading to a mismatch between referral demand and theatre capacity for the demand.

Most recently, the impact of the COVID pandemic has been reduce the activity that Health Boards can provide surgically and this escalated waiting times for access to surgery above acceptable levels.

Health Board Response

The Health Board's strategic response to these access pressures is set out in ***“Changing for the Future”*** which references Singleton Hospital's role as a centre of excellence for planned care, cancer care, maternity and diagnostics. The response will not only reconfigure surgical services in line with this strategy, but it will also increase core capacity to help to reduce the backlog of patients waiting for

treatment and create flexibility for surgical moves prior to achieving service sustainability.

As stated above, in addition to the need for increased capacity there is also a need to maximise surgical capacity across the Health Board with less reliance on Morriston Hospital to deliver elective surgical services for patients of all acuity levels. This will allow Morriston to concentrate on emergency and acute pathways, increase productivity, access and improve patient experience.

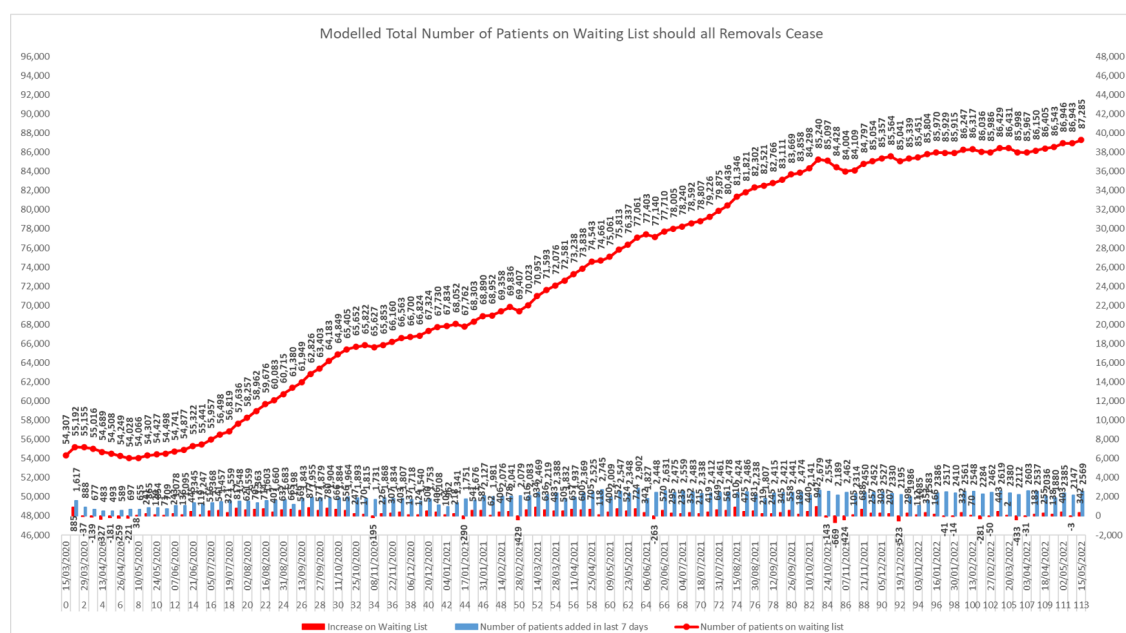
Immediate solutions to have an impact over the medium term are required and Board will be aware of the work undertaken to develop additional theatre capacity for Orthopaedic surgery at Neath Port Talbot Hospital and Ophthalmology theatre capacity at Singleton Hospital are part of the Health Board strategy. Complementary redesign in the provision of acute medical care within the Health Board will realign services to create a single medical take and an optimised medical model which will create bed space at Singleton Hospital for alternative solutions.

Waiting List Behaviour

Swansea Bay University Health Board (SBUHB) provides cancer surgery, General Surgery, Ear, Nose and Throat (ENT), Oral and Maxillofacial Surgery (OMFS), Ophthalmology, thyroid and Plastic Surgery to residents of Swansea and Neath Port Talbot, as well as residents of the Hywel Dda University Health Board footprint.

Over the course of the pandemic, waiting volumes and times have increased and whilst the total waiting list volume has stabilised there is a pressing need to add to the strategic solutions already agreed for Ophthalmology and Orthopaedic theatres to increase theatre capacity to help treat this backlog of patients. The chart below shows how the total waiting list size has increased from 1st March 2020 to today.

TOTAL WAITING LIST – MOVEMENT



Within the above figures there are currently 53,000 patients waiting for an outpatient appointment. This backlog has been driven by COVID and as the Health Board begins to address this backlog there will be a further increase our inpatient and day case backlog as patients convert to treatment following initial consultations and diagnostic assessment. In overall terms it is therefore likely that the waiting list volume will reduce, but that within this the composition will change with more patients within the list now at their treatment stage waiting to be seen within surgical capacity.

Most recently, the COVID-19 pandemic has escalated the pre-existing, unacceptable, waiting times for cancer surgery, General Surgery, ENT, OMFS, Ophthalmology, thyroid and Plastics Surgery patients. This is detrimental for patients who are facing longer and longer delays for treatment and worsening of their condition and is damaging to the morale of staff.

Singleton Hospital Solution

It is planned that additional theatres will be provided at Singleton Hospital to increase the number of operations to be carried out on site alongside the re-purposing of existing clinical facilities. Theatre lists will be moved from Morriston Hospital and additional new capacity will be brought in alongside this to increase theatre capacity throughout on site. This will set the focus on Singleton Hospital as the centre of excellence for planned care surgery along with being the focus for cancer surgery that does not require the complex care that will only be provided at Morriston Hospital.

Singleton Hospital's current 6 theatres undertake procedures for Gynaecology, Ophthalmology, Colorectal, General surgery, Obstetric planned cases, Breast, Orthopaedic and Plastics Surgery.

It is envisaged that initially the proposed theatres will undertake additional activity for Plastic Surgery, General Surgery, ENT and OMFS. These specialties have been identified as they: -

- no other solutions available when other specialities e.g. Orthopaedics and Ophthalmology
- have excess stage 5 demand compared to capacity
- no solution to deliver in resourced capacity
- support strategic fit as set out in ***“Changing for the Future”***

Modelling work is underway (due to conclude in early June 2022) which will further support the need for additional theatre capacity for the Health Board and whilst plans are underway in Orthopaedics and Ophthalmology, further capacity will be needed across a range of Health Board specialities to reduce waiting times. This modelling will be based on the firm planning assumption that Singleton Hospital will deliver high performing productivity in its core sessions before considering further theatre capacity. Theatre core capacity is at its maximum with productivity for Singleton regularly in excess of 80% with an average of 2.5 cases per list. When benchmarked against National Performance, Singleton Hospital is in the upper

quartile and this will be a key performance requirement to underpin the modelling of the additional capacity.

The current stage 5 position for these specialties is circa 6,000; this means there are 6,000 patients waiting for surgery after their initial consultation and diagnostic tests. This is set out in the table below.

Many of these services already use Singleton's current theatres and the additional theatres will provide a facility to undertake an additional 2,190 cases per annum creating a potential capacity of 4,801 patients per annum.

Whilst the backlog is 5,996 patients, demand will continue to flow through from ongoing referrals from General Practitioners. This shows a clearance time of 1.5 years even if demand were to cease in its entirety. This is a recognised measure when considering waiting lists. We know that demand will not cease, that there is latent demand in outpatients and there is latent demand in diagnostics which evidence the need for significant further surgical activity to meet demand. The modelling referred to above will show by specialty when sustainable improved access times can be achieved.

Specialty	Current Stage 5 patients	Current % via Singleton	Current Volume	% with PACU	Potential Volume	Potential Increase
Plastic Surgery	2,085	17%	354	80%	1,668	1,313
General Surgery	1,985	70%	1,389	90%	1,786	397
ENT	1,452	50%	726	83%	1,205	479
Oral/MFS	474	30%	142	30%	142	0
Grand Total	5,996		2,612		4801	2,189

In order to support the treatment of more clinically complex patients the establishment of a 4 bedded Post Anaesthesia Care Unit (PACU) at Singleton Hospital will be necessary. The previous report to the Board highlighted the significant increased potential patient numbers that can be treated at Singleton Hospital through this revised clinical model. This will allow work to transfer to Singleton that is currently only able to be undertaken at Morriston.

Design Solution

In terms of a design solution, capital planners have identified that it is possible to commission modular theatres to be connected to the main block of Singleton Hospital to create this capacity. This will have the benefit of enabling the Health Board to increase capacity for the duration indicated by the modelling work without material disruption to activity delivered by the existing theatres at Singleton Hospital.

The plans show that a modular theatre block accommodating 3 theatres and a recovery suite would fit adjacent to the theatres located behind the main ward block at Singleton Hospital and whilst the construction would require careful planning given the location of the development, this would represent an optimal location into the surgical ward. **Appendix 1** provides the outline drawing for the configuration of

the 3 theatre and recovery bay model. Further work is required to ensure suitable access for the required heavy load/crane equipment to the site.

Whilst a national funded capital solution from WG would be desirable, we are aware that capital is scarce and currently oversubscribed in terms of ongoing commitments at a national level. Should capital not be available, the financial plan for this proposal would be similar to that being planned for the Orthopaedics development at Neath Port Talbot Hospital. Capital would be required to undertake enabling works and equipping. The modular theatre could be leased, with the workforce and all other associated running costs requiring revenue support to fund. Given the forecast scarcity of capital, this is the proposed model as the theatre lease could be a revenue charge. Indications about appropriate handling under IFRS 16 are positive should a revenue solution be required.

Current funded elective Surgical bed capacity at Singleton is 15, although a further 15 beds are available if staffed. Following the completion of the Acute Medical Services Redesign Programme further beds will be available for the surgical expansion which is included in the workforce and financial assumptions. The current planning assumption is that the activity set out above would need to be supported by a further 30 beds. The final detail of this will be informed by the modelling work. The financial plan for this proposal (based on current assessments) is set out in section 4 below.

Workforce Requirements

Additional workforce requirements for additional theatre capacity and additional ward staffing is set out in the table below. It is anticipated that some resource will be transferrable from Morriston Hospital and a detailed workforce model will be developed as the planning processes refine. The table should therefore be viewed as a draft analysis. Further, as the Post Anaesthetic Care Unit plan across the Health Board is separately funded and being worked up separately it is excluded from the workforce numbers and the financial analysis below.

Indicative additional workforce requirement

	WTE
Theatre x 3 plus recovery	39.39
Ward x 30 beds	55.19

The current planning assumption is that the new theatres will run 2 sessions days, 5 days a week for 50 weeks a year. Again this could be flexed based on modelling outputs. Session time at the weekend could also be commissioned based on areas of priority for access time recovery, should this be needed).

When the backlog has been cleared and sustainability achieved the theatres can be utilised to be decant space to enable us to refurbish well out of date and high risk air handling plant in existing theatres.

The modular theatres can be commissioned in Q2 2023/2024 if approval is granted to progress now. The risks set out below could have a material impact on

this timeline; in particular, the final build and craning plan will need careful management to not extend timescales. Workforce availability is also a key risk.

3. GOVERNANCE AND RISK

The governance structure for this work is that a Senior Responsible Officer (SRO) has been appointed and the Theatres Steering Board will report into the Planned Care Board.

The risks and mitigations of these proposals are set out below.

Risk	Mitigation
Demand for services does not match theatre availability	Modelling work to be completed to identify choices available to remove back log over different periods of time.
Planning consent	Early engagement with Swansea Local Authority planning colleagues and transparent discussion.
Ability to build	Further work to be undertaken on the suitability of the proposed site from an access perspective as very large cranes will be required for the installation of the modular buildings
Availability of additional ward beds	Ward space to be released as part of the Acute Medical Redesign Programme
Funding	Allocations for both revenue and capital would need to be sought from Welsh Government as part of recovery funding. If no national funding available the revenue cost will need to be accommodated in a revised financial plan for the Health Board from 2023/24 onwards.
Availability of workforce	Recruit early to workforce model and potentially insource capacity as recruitment beds in

Further Welsh Government approval will be needed whether capital or revenue solution is pursued. Given the material sums and the strategic nature of the changes, Health Board approval is required to place orders and commence the work necessary to deliver this development.

Once WG approval has been agreed, an optimum route for procuring the development will be sought by the Health Board.

4. FINANCIAL IMPACT

This development will have capital and revenue funding requirements. The tables below set these out at a high level.

Whilst a full capital solution will be discussed with WG it is unlikely that the cost of the theatre build will be able to be funded by capital. However, as with the orthopaedic theatre development at Neath Port Talbot Hospital, the Health Board will seek a modest allocation for ground enabling works and theatre equipping.

Detailed work has been completed to cost the development and for absolute clarity the table below assumes capital funding available for works and equipping but that a revenue solution (IFRS 16 compliant) will be actioned for the theatres themselves.

Due to the further work required to agree the resource transfer from Morriston Hospital (included in current baseline funding) a range has been calculated for the revenue model. The table below will show this range which reflects a maximum and minimum revenue impact on the Health Board depending on level of resource to be moved as opposed to new resource being required. This is largely focussed on surgical and anaesthetic staff matters which need working through to maintain critical mass and most effective utilisation of job plans.

	2023/24		2024/25	
	Min £m	Max £m	Min £m	Max £m
Revenue Running costs	3.687	5.016	7.374	10.032
Set up premium	1.000		n/a	
Capital – works	2.311		n/a	
Capital Equipment -	3.617		n/a	

Notes:

1. Length of lease, final workforce and theatre model and the scale of potential service to transfer from Morriston Hospital (already funded) will reduce costs.
2. The set up premium is a provisional sum to pump prime recruitment and provide for potential use of agency rates should recruitment be challenging
3. Table assumes 1st October 2023 start date in 2023/24

Capital funding will need to allocated to this project in 2023/24.

The delivery of this model will allow the Health Board to cease outsourcing and direct resource being allocated to outsourcing into core services.

All of the above costs and assumptions will be continually refreshed as the capacity modelling, building design and timescales become clearer.

5. NEXT STEPS

- Further modelling refinements will be undertaken in the coming weeks to confirm activity and throughput (completion mid-June 2022)
- Workforce recruitment plans to be completed by end of June 2022
- Ongoing work with Capital Planning colleagues to understand the logistics and feasibility of bringing heavy load/crane equipment to the site.
- The timescales for operationalising this programme of work whilst planned for 2023/24 are dependent on a number of factors which are listed below. These will need careful work through to inform the final business case.
 - Ability to recruit the workforce,
 - Ability to source the finances

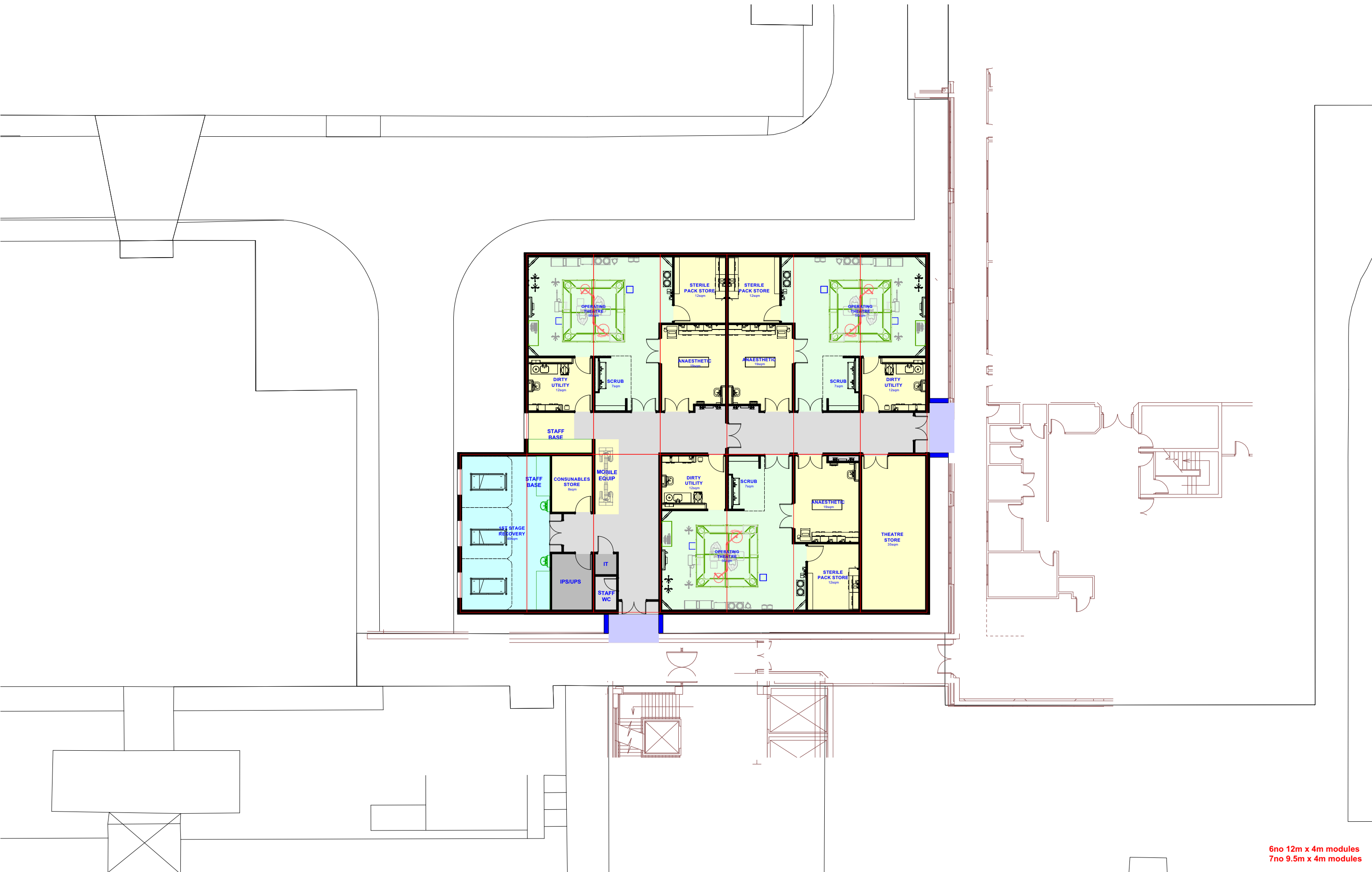
- Ability to build the modular units off site if the logistical issues are resolved
- Development of Business case to submit to Welsh Government

6. RECOMMENDATION

Members are asked to:

- **Note** the strategic context of this proposal.
- **Note** the current waiting times position and the need for further capacity to address surgical backlog, based on the firm planning assumption that existing theatres will be efficiently run.
- **Note** that further refinement work is underway in terms of demand and capacity modelling, workforce modelling and resource transfer from Morriston Hospital theatres to this proposal.
- **Note** that further revenue (full year effect) of between £7.374m and £10.032m will be required to fund this proposal; funding to be sourced wither from Welsh Government or from flexing the Health Board future financial plan as we recalibrate our development monies which have reduced waits across a range of specialties.
- **Note** that the approval of the commercial lease, should this be the final financing model will be a matter for Board and WG approval given its potential value.
- **Note** next steps
- **Approve** the establishment of the additional 3 theatres at Singleton Hospital to expand capacity to deliver waiting times reductions.
- **Note** that further detail on the final case will be brought back to the Board for consideration.

Governance and Assurance		
Link to Enabling Objectives (please choose)	Supporting better health and wellbeing by actively promoting and empowering people to live well in resilient communities	
	Partnerships for Improving Health and Wellbeing	<input 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 type="checkbox"/>
	Excellent Staff	<input checked="" type="checkbox"/>
	Digitally Enabled Care	<input type="checkbox"/>
	Outstanding Research, Innovation, Education and Learning	<input type="checkbox"/>
Health and Care Standards		
(please choose)	Staying Healthy	<input 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 type="checkbox"/>
	Staff and Resources	<input checked="" type="checkbox"/>
Quality, Safety and Patient Experience		
Improved access for a range of surgical services will improve quality, safety and experience and will move the Health Board to a more sustainable service model.		
Financial Implications		
Set out in the paper.		
Legal Implications (including equality and diversity assessment)		
There are no legal implications to highlight.		
Staffing Implications		
The units will need to be staffed and it is the Health Board's intention to attract a substantive workforce. This recruitment will commence once approval to proceed and operational timelines are known.		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
<p>The following wellbeing goals will be met as a consequence of this initiative:</p> <ul style="list-style-type: none"> • A Resilient Wales • A Healthier Wales • A More Equal Wales • A Wales of Cohesive Communities • A Globally Responsible Wales 		
Report History	The Health Board previously reports in November 2021 and January 2022 setting out the strategic elements of these developments	
Appendices	1 – design options – Singleton Hospital modular theatres	

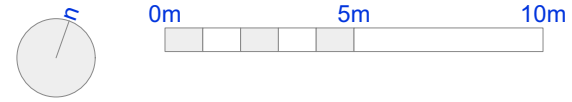


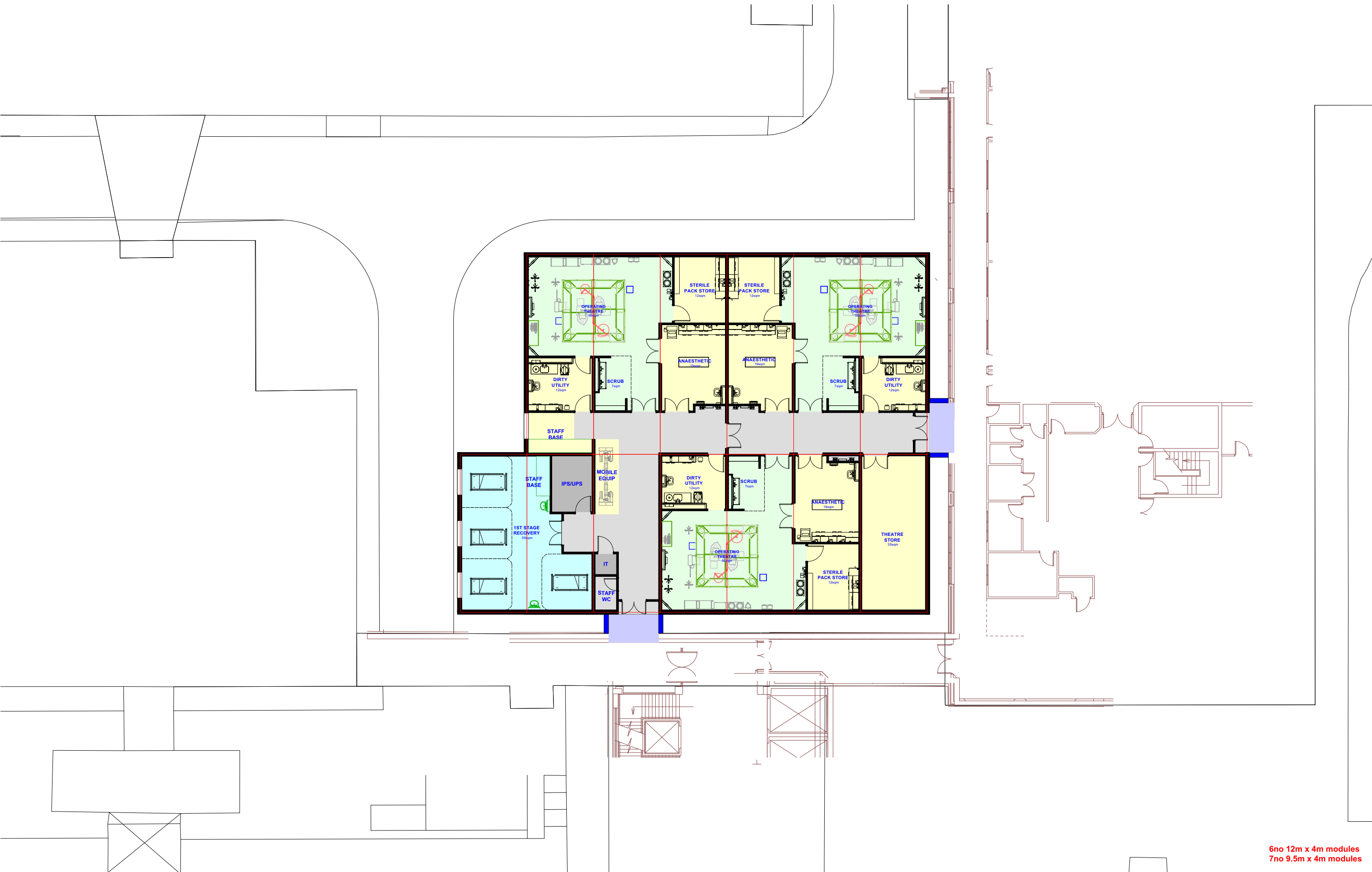
6no 12m x 4m modules
7no 9.5m x 4m modules

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Singleton Hospital - New Operating Theatres

First Floor Layout Proposed Option A 1:200 @ A3 March 2022 Issued 28/03/22





6no 12m x 4m modules
7no 9.5m x 4m modules

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Singleton Hospital - New Operating Theatres

First Floor Layout Proposed Option B 1:200 @ A3 March 2022 Issued 28/03/22

