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Bwrdd Iechyd Prifysgol
Bae Abertawe
Swansea Bay University
Health Board



Meeting Date	07 October 2021		Agenda Item	3.1
Report Title	Adult Thoracic Surgery Service for South Wales			
Report Author	Patricia Jones, Senior Project Manager, Strategy Joanne Abbott-Davies, Assistant Director of Strategy & Partnerships			
Report Sponsor	Siân Harrop-Griffiths, Director of Strategy			
Presented by	Siân Harrop-Griffiths, Director of Strategy			
Freedom of Information	Open			
Purpose of the Report	This report updates the Health Board on the position in relation to the development of a single Adult Thoracic Surgery Service for South Wales based at Morriston Hospital. The Board is asked to approve the Final Strategic Outline Case (SOC) for submission to Welsh Government (WG).			
Key Issues	<p>In November 2018 all Health Boards in South Wales were advised about the outcome of the public consultation on the future of thoracic surgery services in South Wales and agreed the recommendations of the associated report prepared by WHSSC. All Health Boards approved the recommendations that thoracic surgery services for the population of southeast Wales, west Wales and south Powys should be delivered from a single site and that this should be Morriston Hospital.</p> <p>This report:</p> <ul style="list-style-type: none"> Sets out the further work which has been carried out to plan the new Adult Thoracic Surgery single centre for South Wales; Notes that the SOC was approved by WHSSC Joint Committee in September 2021, for submission to Swansea Bay UHB and subsequent onward submission to WG; and Seeks Health Board approval of the SOC. 			
Specific Action Required <i>(Please choose one only)</i>	Information	Discussion	Assurance	Approval
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recommendations	Members are asked to:			

	<ul style="list-style-type: none"> • NOTE the work which has been undertaken to plan for the new Adult Thoracic Surgery Centre for South Wales. • NOTE the risk register for the project and note the mitigating actions being taken • NOTE the Strategic Outline Case has been endorsed by the Thoracic Implementation Board on 13th August 2021 and the Health Board's Management Board on 18th August 2021. • NOTE the Strategic Outline Case was approved by WHSSC Joint Committee on 7th September 2021. • AGREE the outline additional revenue consequences of between £4.5m to £8.8m p.a. which will be required to be funded in full by WHSSC, and the capital requirements of between £24.7m - £42.2m which will require full Welsh Government funding. • APPROVE the Strategic Outline Case and subsequent submission to Welsh Government for consideration against the All-Wales Capital Programme.
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ADULT THORACIC SURGERY SERVICE FOR SOUTH WALES

1. INTRODUCTION

This report updates the Health Board on the position in relation to the development of a single Adult Thoracic Surgery Centre for South Wales based at Morriston Hospital and seeks approval of the Strategic Outline Case (SOC) for onward submission to Welsh Government.

2. BACKGROUND

In July 2018 Health Boards in South Wales, on behalf of WHSSC, undertook a public consultation on the location of the single site for adult Thoracic surgical services in South Wales. This was proposed and subsequently agreed to be at Morriston Hospital.

Services are currently provided from both Morriston and UHW hospital sites, and whilst both sites have good standards and outcomes of care, there has been concern for some time that they are small services, and therefore unsustainable. In future, they may not fully meet the needs of the population of south Wales, and these concerns have been highlighted in several external reviews.

Implementing this new model of a single adult thoracic surgery centre at Morriston Hospital for south Wales, west Wales, and south Powys to replace the current two centres at Morriston and University Hospital of Wales is likely to take 3-4 years, dependent on the availability of Welsh Government capital funding. In addition to changing service pathways across the 6 Health Boards involved, there is also a requirement for a capital development at Morriston Hospital which needs to be agreed with all 6 Health Boards involved and funded through the all-Wales Capital Programme. The scale of the capital required means that a full five case capital business case is required to secure Welsh Government capital monies.

The “go live” date for the new Centre and associated new Model of Service was initially anticipated to be 2024. This was based largely on the time required to plan and build / refurbish the required facilities through the Welsh Government capital business case process. Due to delays as a result of the pandemic this timeline has slipped, and depending upon approval timelines, the earliest potential date of the service being operational is now November 2025.

3. GOVERNANCE AND RISK ISSUES

Attached as **Appendix A** is the risk register for the Thoracics Project which has been discussed and amended at the Implementation Board, with clinical and managerial input from all 6 affected Health Boards and WHSSC.

4. PROGRESS SINCE THE LAST REPORT (November 2019)

The Covid-19 Pandemic, has resulted in a slowing in the pace of implementing this programme across Health Boards.

The development work on the Service Model highlighted that the original specification was outdated. WHSSC agreed to bring forward the revision date for their specification to January 2020. The commissioners undertook consultation on a revised specification, aligned with the best practice identified through the Clinical Summits held to develop the new Service Model and this was subsequently approved at WHSSC Joint Committee in September 2020, attached as **Appendix B**.

There has been extensive engagement and coproduction across all organisations, through Clinical Summits and through direct engagement with patients and carers. All views have been taken on board, and, where appropriate have been incorporated into the Final Service Model including associated pathways {Surgical Pathway for Suspected and Confirmed Lung Cancer (Oct 2020); Benign Conditions Pathway (Oct 2020) and the Thoracic Prehabilitation and Rehabilitation Model of Care (Oct 2020)}. The final Service Model was signed off by the Implementation Board in January 2021 attached as **Appendix C**.

In 2019, Swansea Bay UHB had met with all 6 Health Boards individually plus WAST, to start discussions on planning how they would deliver their local elements of the service model. A second round of these meetings are being organised, with a meeting recently held with Hywel Dda UHB.

To support implementation of the new Thoracics Surgical Centre at Morriston and the wider requirements of the Service Model, task and finish groups were established. A number of these had completed their work prior to the pandemic and had therefore been stood down. It has been agreed that a Clinical Redesign Group be established, reporting into the Implementation Board to ensure that the wide range of clinicians from across South Wales who have been involved in the implementation planning to date can continue their involvement. This group is due to commence in October 2021.

The outstanding area of action relates to workforce planning, which is required to coordinate the requirements across the 6 Health Boards to ensure that key staff and skills are developed in preparation for the new service model. A meeting has been organised for 12th October 2021 to consider how to progress this element of the programme.

WHSSC has confirmed that it expects the new surgical centre to increase activity by an additional 300 cases per annum, although the timeframe for this increase is to be determined. This, along with the service specification agreed by WHSSC, means that the scheme will not be revenue neutral, which was the original premise of the business case development. , In terms of capital requirements, WHSSC also requested that the option of replacing the HDU requirement (as outlined in their service specification) with a Post Anaesthetic Care Unit (PACU) be considered. This has therefore been incorporated as a sub-option within the SOC options. There has been agreement on the principles and staffing model required for the PACU or a Thoracic Enhanced Care Unit (T-ECU).


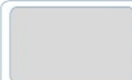


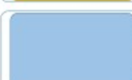

This means that the SOC contains a level of detail not usually provided at this stage. The revenue costs have been subject to significant test and challenge between Swansea Bay, Cardiff, and Vale and WHSSC to ensure the case can be presented with confidence in the costing methodology.

An additional capital option has also been included, as, the implementation of the Swansea Bay UHB Annual Plan 2021/22 will release theatre capacity at Morriston, as activity is transferred to Singleton Hospital. An option of refurbished theatre and ward accommodation within the existing hospital footprint has also been included.

Welsh Government have been kept apprised of progress on the development of the SOC.

The shortlisted options, along with indicative capital requirements are set out below:

Thoracic Surgical SOC Shortlist Options

	Option 1 - Business as Usual - Continue with two centre service model (UHW, Cardiff & Morriston Hospital, Swansea)
	Option 2 - Do Minimum (1) - Refurbish existing accommodation to create a Thoracic Enhanced Care Unit – utilise existing theatres & provide ITU beds in existing facility (involves relocation of existing services to create a developable footprint)
	Option 3 - Do Minimum (2) - Develop a new build Thoracic Enhanced Care Unit – utilise existing theatres & provide ITU beds in existing facility (involves relocation of existing services to create a developable footprint)
	Option 4 – Intermediate1 - Develop a stand-a-lone new build Thoracic Surgical Unit with a 32 bed Ward & 2 Theatres (with link corridor)
	Option 5 – Intermediate2 - Develop a stand-a-lone new build Thoracic Surgical Unit with a 32 bed Ward & 3 Theatres, one is shell & core (with link corridor) & 2 shell and core floors
	Option 6 – Do Maximum - Develop a stand-a-lone new build Thoracic Surgical Unit with a 32 bed Ward & 3 Theatres, one is Robotic (with link corridor) & two shell and core floors

These options provide a range of high-level service / technical solutions. No design has been undertaken.

The preferred option will be confirmed at Outline Business Case stage.

Options 2 & 3 deliver a Thoracic Enhanced Care Unit (T-ECU) solution with a reduced footprint. Option 2 utilises released capacity wards & theatres. Option 3's wards are a new build but it uses released capacity theatres. Refurbishment/remodelling of released capacity areas provides fully compliant accommodation

Options 4 -6 are stand-a-lone new build Thoracic Surgery solutions



A summary of the indicative capital and revenue requirements of each option are set out below:

Indicative Capital & Revenue impact above baseline

Capital Requirements (£000s incl. VAT and excl Optimism Bias)	Option 1 Business as Usual	Option 2 Do Minimum1	Option 3 Do Minimum2	Option 4 Intermediate1	Option 5 Intermediate2	Option 6 Do Maximum
Capital Outturn	3,456	27,975	17,098	19,452	26,765	29,159
OB Adjustment	813	6,479	3,960	4,505	6,198	6,753
Plus VAT	854	6,891	4,211	4,791	6,593	7,182
Less Recoverable VAT	-65	-882	-569	-622	-844	-858
Project Costs (adjusted for OB)	£5,058	£40,463	£24,700	£28,126	£38,712	£42,236

Revenue Impact above baseline (£000s)	Option 2 Do Minimum1	Option 3 Do Minimum2	Option 4 Intermediate1	Option 5 Intermediate2	Option 6 Do Maximum
Pay	4,551	4,551	8,232	8,232	8,232
General Non-Pay	31	27	20	6	257
Hotel Services	- 64	- 64	- 1	214	211
Estates	- 47	- 47	- 16	140	138
Total	£4,471	£4,412	£8,236	£8,592	£8,838



The key reasons for the increased revenue requirements are:

- Additional activity – 300 cases p.a.
- Additional medical staffing and rota requirements
- The Thoracic Enhanced Care Unit
- Prehabilitation service.

These all relate to the service specification that has been developed and agreed by WHSSC, and the additional activity requirements (over a timescale yet to be agreed).

The SOC (attached as **Appendix D**) was endorsed at the Thoracic Implementation Board on 13th August 2021, and then the Health Board's Management Board on the 18th August 2021. At this stage, all Health Boards and WAST were asked to review the SOC at Executive level and to provide a letter of support. These have been received from 5 Health Boards and WAST and are attached at **Appendix E**. Powys Health Board will be discussing this at their Board at the end of September, although verbal support has been received. In the letters of support, a number of issues were raised. These are summarised below, with proposed mitigating actions:

- SOC does not contain a great deal of detail about ambulance transport at this stage. Going forward we will need to fully understand the expected ambulance activity to determine any WAST resources required. Whilst it is not expecting a significant increase, there may be some additional resources required due to the increase in patient transfers and journey times particularly from the South East. This will need to be factored into next steps of the capital business case process:
Mitigation quarterly meetings are in place with WAST to ensure there is a feedback mechanism to understand the patient flow for each Health Board and the impact this will have to their activity.

- Given the capital constraints identified across Wales, none of the long-listed options may be deliverable in the short/medium term. Noting there is no alternative service delivery model
Mitigation; as part of Covid response a joint group from C&V and SBU has been established to manage flows through the system, making sure these are optimised. This group will continue with an overview to provide sustainable service, and seek to implement changes to the service model which don't require capital investment in advance of the new development being operational. Regular dialogue will continue with WG to progress the capital development as quickly as possible.
- What level of scrutiny of the revenue implications of the long-listed options have been put in place and will these continue?
Mitigation There has and will continue to be significant high level of scrutiny on both the capital and revenue implications. There is confidence in the arrangements and methodology in the way this has been costed, and this has been confirmed through Directors of Finance of WHSSC, Swansea Bay and Cardiff and Vale UHBs. Development of the OBC will ensure ongoing scrutiny.
- Current services do not include specialist prehabilitation and rehabilitation services, assurances are sought those patients access to the new centre will not be dependent on this? Regional Coordination and support will be needed to ensure the developed pre-habilitation and rehabilitation services with each Health Board to achieve improved health outcomes for patients.
Mitigation All Health Boards at clinical and managerial level were involved in developing the service model with wide distribution for feedback prior to sign off, and the model aligns with the WHSSC Service Specification. Furthermore, all Health Boards gave commitment from the public consultation that services will be provided locally where possible. An initial series of meetings across all Health Boards have taken place to commence discussions on the agreed service model, its implication for local provision. We will continue to work with all Health Boards as part of the local delivery element of the model to ensure that any required services developments to support the model are included in their Health Board sustainability and recovery plan.
- It is recognised the need for capital investment to provide the infrastructure capacity required to support the new reconfiguration, Final and formal approval will clearly be dependent upon the revenue and operational implementation being satisfactorily addressed with all appropriate stakeholders during the OBC/FBC stage.

The SOC was presented to WHSSC's Joint Committee (In Committee) on 7th September 2021. Members (1) Supported the Strategic Outline Case (SOC) for submission to Welsh Government; (2) Noted that significant further work will be undertaken at the outline and full business case stages to ensure that the revenue requirements set by Joint Committee were met, that the cases could be demonstrated to be prudent and that the business case built in efficient practice and pathways; and (3) Noted that if there was growth in thoracic surgery in the years prior to the centre becoming operational then this will be

dealt with in the way growth is usually dealt with via the WHSSC Integrated Commissioning Plan (ICP).

WHSSC have funded a twelve month post to support the programme implementation through the appointment of a Programme Manager, and the postholder took up post on 5th July 2021.

5. FINANCIAL IMPLICATIONS

Any business cases associated with this service change will be considered through the SBUHB IMTP / Annual Planning / Business Case process and WHSSC processes as appropriate.

6. RECOMMENDATIONS

Members are asked to:

- **NOTE** the work which has been undertaken to plan for the new Adult Thoracic Surgery Centre for South Wales.
- **NOTE** the risk register for the project and note the mitigating actions being taken
- **NOTE** the Strategic Outline Case has been endorsed by the Thoracic Implementation Board on 13th August 2021 and the Health Board's Management Board on 18th August 2021.
- **NOTE** the Strategic Outline Case was approved by WHSSC Joint Committee on 7th September 2021.
- **AGREE** the outline additional revenue consequences of between £4.5m to £8.8m p.a. which will be required to be funded in full by WHSSC, and the capital requirements of between £24.7m - £42.2m which will require full Welsh Government funding.
- **APPROVE** the Strategic Outline Case and subsequent submission to Welsh Government for consideration against the All-Wales Capital Programme.

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 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 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 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		
<p>The establishment of a single Adult Thoracic Surgery Centre for South Wales, West Wales and South Powys should result in improved patient outcomes and quicker access to treatment. Using patient and carer experiences of current services to plan future services should ensure that these are considered in the new models of care.</p>		
Financial Implications		
<p>Any business cases associated with this service change will be considered through the SBUHB IMTP / Annual Planning / Business Case and WHSSC processes as appropriate.</p>		
Legal Implications (including equality and diversity assessment)		
<p>As part of the engagement and public consultation on this service change a number of issues were raised and assurances have been given that mitigations to address these will be included in the new model of services developed.</p>		
Staffing Implications		
<p>Implications of the single site service are being worked through and will be considered by the Implementation Board.</p>		
Long Term Implications (including the impact of the Well-being of Future Generations (Wales) Act 2015)		
<p>The new pattern of services planned will ensure the long-term sustainability of these services for the region. Integrating this specialist service with local respiratory and related services will be critical to its successful operation. Involving patients and carers in helping define the new models of care will be important to ensure that their needs can be met effectively by the new pattern of services.</p>		
Report History	Previous updates have been provided to the board.	
Appendices	Appendix A	Thoracics Project Risk Register
	Appendix B	WHSSC Service Specification 2020
	Appendix C	Service Model, 2021
	Appendix D	Strategic Outline Case
	Appendix E	Letters of Support