

Agenda Item

10

Title/Subject: Falkirk Community Hospital Update Report
Meeting: Integration Joint Board
Date: 6 September 2019
Submitted By: Chief Executive NHS Forth Valley
Action: For Decision

1. INTRODUCTION

- 1.1 The Falkirk Community Hospital (FCH) provides a range of both local and area wide services such as the Area Sterilisation Disinfection Unit. Some of the services provided are not delegated to the Integration Joint Board (IJB) but the current in patient units are provided as part of the IJB's delegated functions. The IJB accordingly has a key role in planning and commissioning the model of care provided.
- 1.2 This report advises the IJB of the Health Board's plans in relation to Falkirk Community Hospital. It asks the IJB to support the development of a Falkirk community resource, to approve a proposed governance structure and to request further reports on a planned review of the model of care for the IJB functions provided on the site.

2. RECOMMENDATION

The Integration Joint Board is asked to:

- 2.1 support the NHS Board's proposal for a Falkirk Community resource as part of the FCH development
- 2.2 agree the proposed governance structure
- 2.3 request a report from the Chief Officer on the review of the model of care with costed options and proposals.

3. BACKGROUND

- 3.1 The requirement to review Falkirk Community Hospital has been acknowledged by the NHS Board for some time, the plans for significant development having been halted previously at Outline Business Case stage when the financial collapse became apparent in late 2010.
- 3.2 The Community Hospital has been in something of an interim status since then, although with some development has taken place, e.g. the redevelopment of part of the former Ward 17 to accommodate the Westburn GP Practice and other functions and the refurbishment of former Wards 18 & 19 to form Woodlands Resource Centre, as well as the creation of Unit 5.

- 3.3 Further to the completion of Stirling Health & Care Village, the proposed development would be the final major pillar of the vision for 'community hospital' infrastructure supporting Forth Valley Royal Hospital, with ongoing development in primary care premises also in support.
- 3.4 A NHS Board paper was shared with the Chief Executive of Falkirk Council and the IJB Chief Officer prior to its submission to the NHS Board in August. The paper reaffirmed the NHS Board's commitment to review the FCH site in collaboration with the Council whilst acknowledging the need to relocate Summerford House. The NHS Board was supportive of the facility being relocated to the FCH site if the proposal was approved by the IJB. The Council has set aside capital to invest in a purpose built intermediate care facility located on the FCH site. A report on site appraisal for the facility appears on the agenda.
- 3.5 The agenda also includes the NHS Board's Operating Plan which contains two commitments relevant to the FCH development:-

"developing a Falkirk community resource (that will require a NHS business case process to secure capital and it is intended partners notably Falkirk Council and SAS will play key roles in developing this Case) similar to what has been achieved prior to health and social care integration in both Clackmannanshire and Stirling that takes account of our Forth Valley responsibilities and the need for dedicated Forth Valley community services (economies of scale) that serve both local and area wide need"; and

"A review of the model of care at Falkirk Community Hospital led by the Chief Officer to include: a review of AHP input to both community hospitals and Summerford House (includes expansion of 6 assessment beds), implementation of Home First approach, process mapping and redesign of patient pathways across services and through multiagency intervention to transfer of care including transfer to Community Hospitals this work will inform further reductions in the trajectory in light of progress during 2019/20".

4. KEY POINTS FOR CONSIDERATION

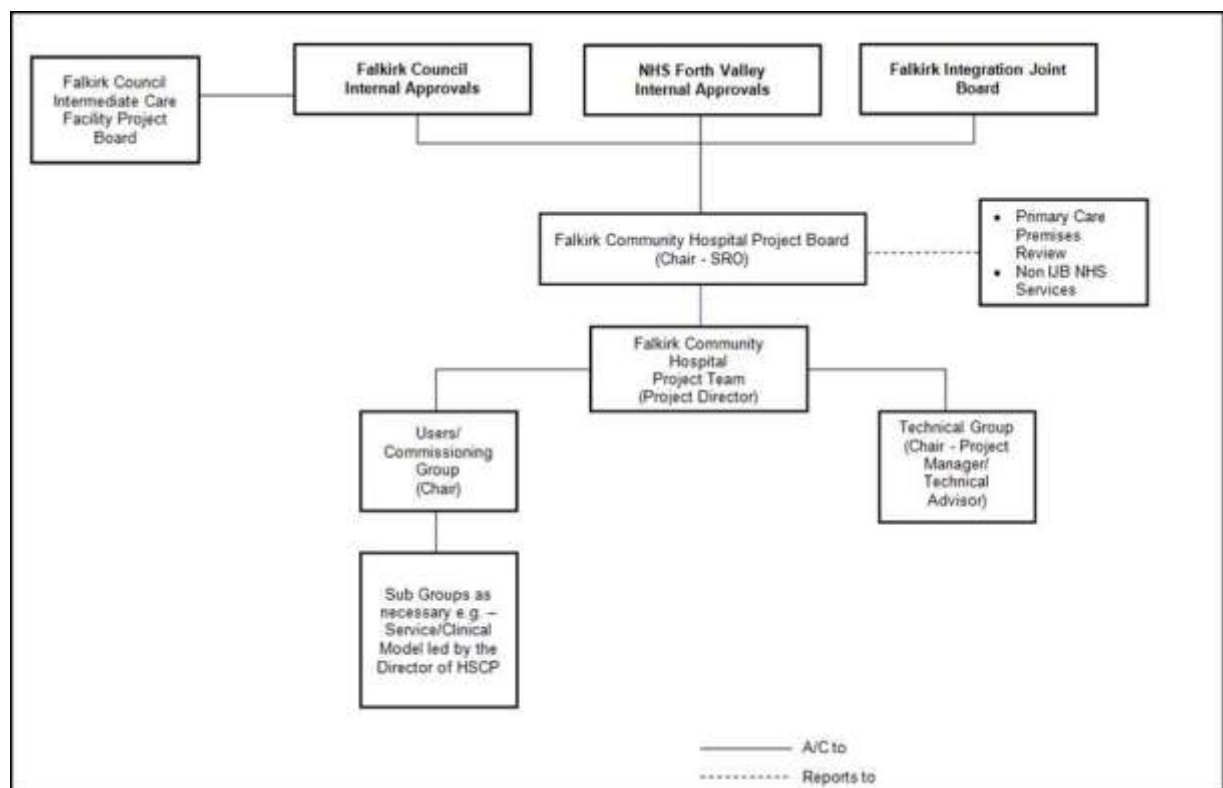
- 4.1 Table 1 below sets out the timeline to develop/agree a Full Business Case. The IJB has responsibility for strategic planning for community hospitals. It is proposed that the Chief Officer in line with the Business Case process leads the *service model case*. This work will play into the wider FCH Strategic Assessment proposal to Scottish Government (by end of 2019) who will consider it against other competing investment needs before giving its support for a project to proceed to Initial Agreement stage.

Table 1

Project Title	Estimated time of presentation to CIG			Funding Type	Value (£'m)	Est. Completion Date	Current Status
	IA	OBC	FBC				
Falkirk Community Hospital	Aug-20	Jun-21	Dec-21	Capital	50.000 to 100.000	30 Sept 2023	Planning

- 4.2 As noted in the Operating Plan, the proposed service/clinical model for the Community Hospital will be informed by the Home First work involving the Institute of Public Care, in consultation with stakeholders. The review of the proposed service/clinical model will be led by the Chief Officer.

- 4.3 The NHS Board has access to service planning support, commissioned via Hub East Central Scotland and some initial data gathering and discussion has taken place, which needs now to be pursued to allow the initial stages of the business case process to be pursued.
- 4.4 The development will require to comply with the Scottish Capital Investment Manual (SCIM) and the staged approach to the business case process, i.e. Strategic Assessment, Initial Agreement, Outline Business Case, Full Business Case as set out in Appendix 1. Each stage develops the case and will be subject to Scottish Government as well as internal approvals. It will be the aim to have the Strategic Assessment completed in the current Financial Year and Initial Agreement progressed. The SCIM revision in recent years emphasises more work in the initial stages of the business case process than previously, therefore, these are more involved and are to be approached with care.
- 4.5 It is important to note that the project extends beyond functions delegated to the IJB which will be the subject of the review of the model of care referred to above (assumed to include the work on the intermediate care facility). It will also include NHS Board wide services not delegated to the IJB and also the Primary Care system wide premises review in line with the new General Medical Services contract. This requires a governance structure that allows each of the relevant bodies, the Health Board, the IJB and the Council to give the relevant approvals and obtain assurance on progress.



5. CONCLUSIONS

- 5.1 This report seeks IJB support to progress the FCH development in line with the timeline set out in Table 1.

Resource Implications

The review of the model of care will assist in identifying financial implications for the IJB.

Legal and Risk Implications

There are risks to the NHS Board as the Community Hospital currently stands in the provision of services and departmental accommodation in older, in parts not fit for purpose facilities. The Backlog Maintenance burden for the NHS Board, although not containing any 'high' risk items, is significant, as reported in the NHS Board's Property & Asset Management Strategy.

Relevance to IJB Outcomes and Priorities

The review of the Community Hospital is consistent with the NHS Board's and Integration Joint Board's objective to improve the provision of clinical services in the most efficient and effective way, including in line with Health and Social Care Integration. The proposed development is contained within the NHS Board's Property & Asset Management Strategy.

Equalities Assessment

An impact assessment is not be required at this stage but is likely to be required in relation to consideration of the model of care.

Consultation

The proposal has already been discussed and considered at a meeting of the Health Board. The review of the model of care will require consultation.

Approved for Submission by: Cathie Cowan Chief Executive

Authors: Cathie Cowan, Chief Executive
Morag Farquhar, Head of Estates & Capital Planning

Date: 26 August 2019

List of Background Papers: The papers that may be referred to within the report or previous papers on the same or related subjects.

Falkirk Community Hospital Development
The Scottish Capital Investment Manual (SCIM) and Business Case Process
(extracted from SCIM 2017 version)



Introduction

The Scottish Capital Investment Manual (SCIM) provides guidance in a NHS context on the processes and techniques to be applied in the development of all infrastructure and investment programmes and projects within NHSScotland.

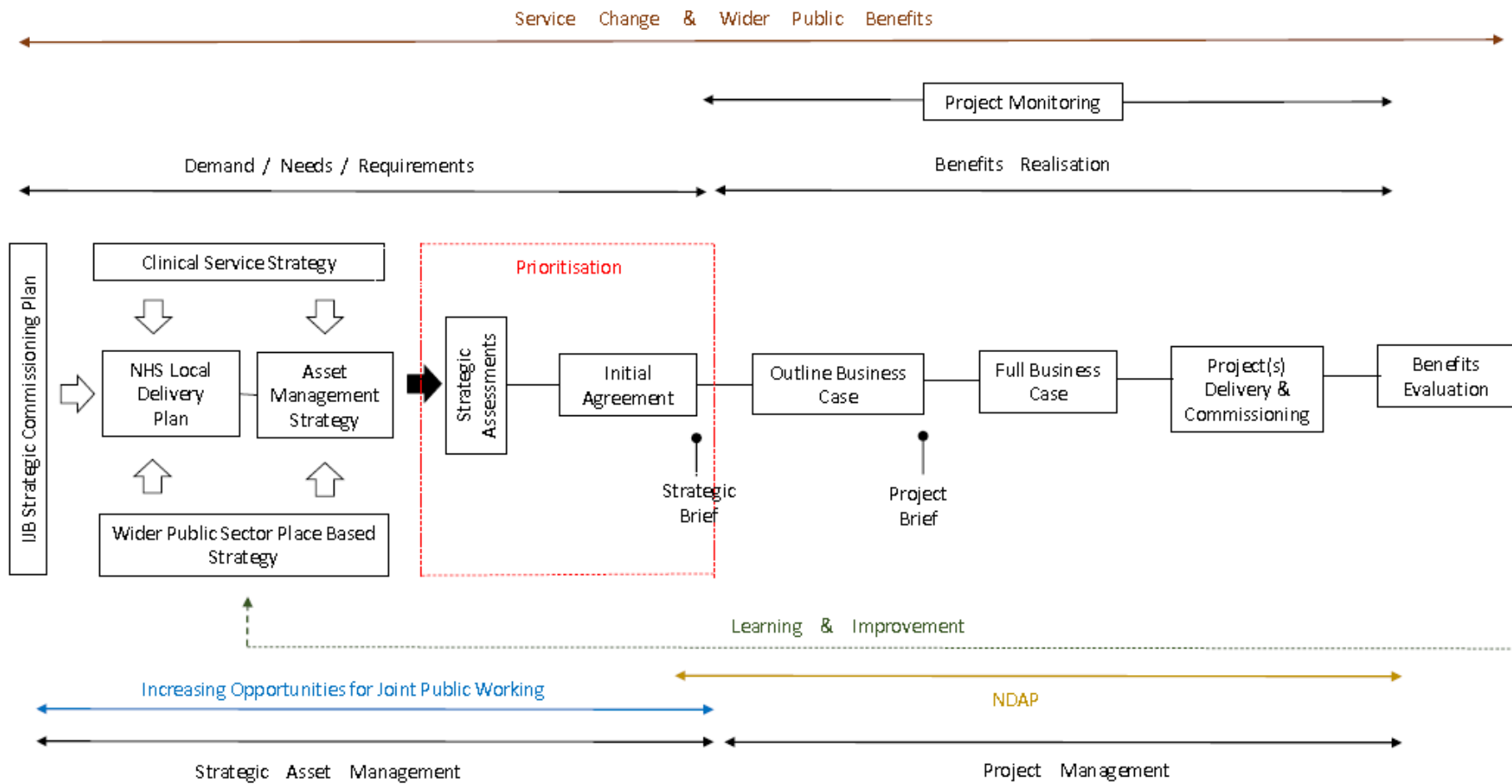
It provides guidance on the cyclical process of project development from inception at the service planning stage, to post project evaluation of service benefits realised once a new building is occupied. The guidance not only covers issues around investment appraisal, financial (capital and revenue) affordability and procurement, but also the project management and governance arrangements required to support the development of such programmes and projects.

The principles set out in SCIM are applicable to the development of all infrastructure and investment schemes regardless of their size or complexity; and shall be applied by all NHSScotland Bodies (including Integration Joint Boards, and similar, requiring NHS investment support). It will thus provide an audit trail and assurances that appropriate steps have been followed in the investment decision making process. These principles are also recommended as good practice for service planning purposes when investment may not be the intended outcome.

Overview of Stages

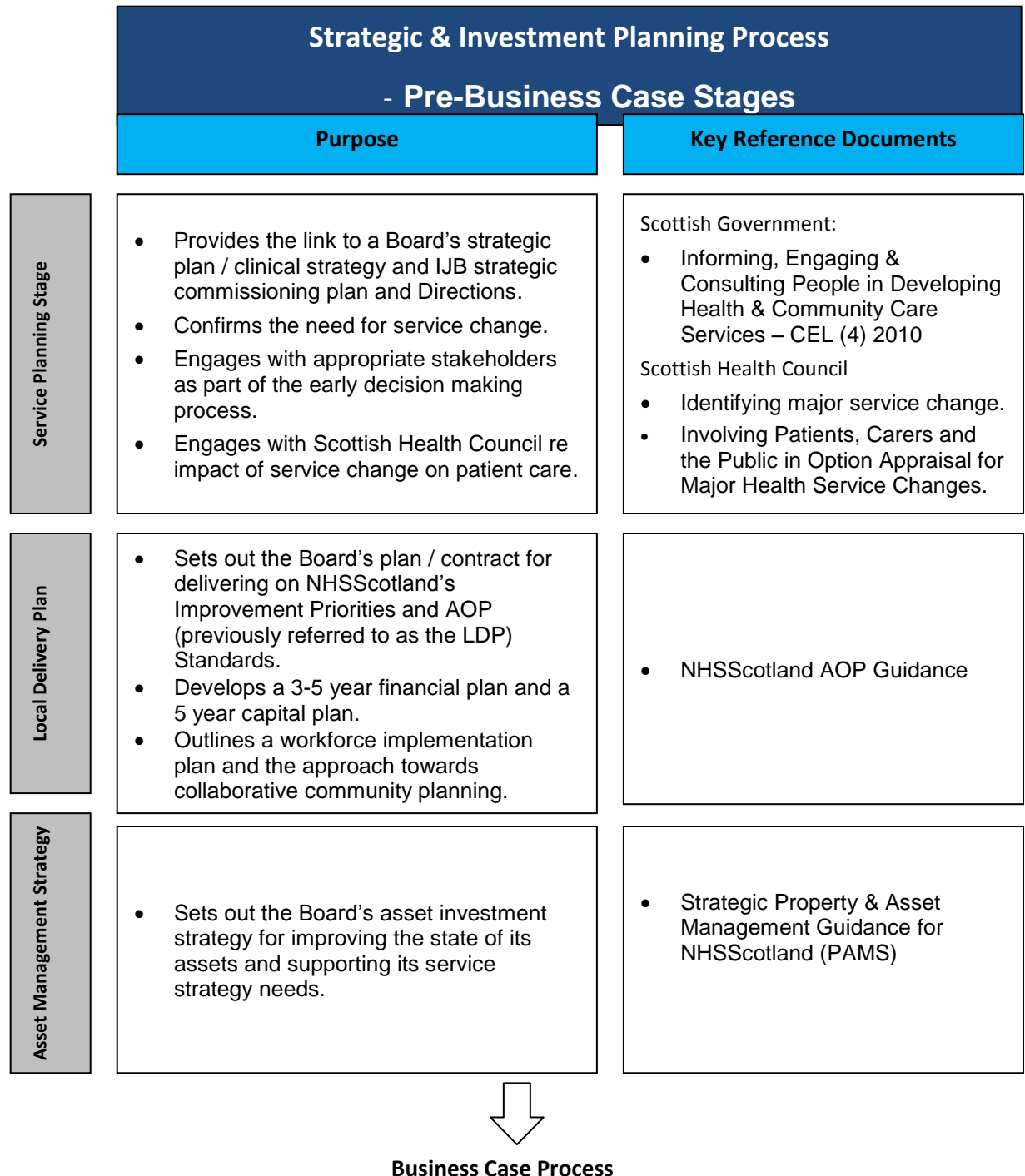
The following diagram gives an overview of project planning and implementation stages:

SCOTTISH HEALTH PROJECTS DEVELOPMENT



Links to the Strategic Planning Process

The business case process forms the link between formative service planning stages, and investment decision making towards implementation of a project. The strategic context and purpose of these pre-business case planning processes is described below:



Overview of the Business Case Process

A quality business case process brings together the necessary evidence in support of the need for investment and provides assurance, (to stakeholders, the public and Scottish Ministers), that the best value solution has been identified for delivering the project's objectives, benefits and declared outcomes. There are four main stages, the purpose of which is described in the following diagram:

Strategic & Investment Planning Process - Business Case Stages		
	Purpose	Key Reference Documents
Strategic Assessment	<ul style="list-style-type: none"> Describes the scope of a new proposal. Informs Scottish Government of the project. Gains consensus & support from stakeholders. Highlights service need & benefits. Demonstrates priority over competing projects. 	<ul style="list-style-type: none"> Strategic Assessment guide (ref. New SCIM website)
Initial Agreement	<ul style="list-style-type: none"> Sets out current arrangements from which change will take place. Provides the evidence base supporting the need for change & benefits to be realised. Sets out the initial benefits realisation plan Reviews alternative strategic / service solutions against investment objectives Identifies a preferred strategic / service solution(s). 	<ul style="list-style-type: none"> Initial Agreement guide (ref. New SCIM website)
Outline Business Case	<ul style="list-style-type: none"> Confirms status of the Strategic Case Economic appraisal of alternative options for implementing the preferred strategic / service solution(s) Identifies a preferred & affordable option. Sets out the arrangements for delivering the preferred option and realising benefits Confirms a readiness to proceed to procurement. 	<ul style="list-style-type: none"> Outline Business Case guide (ref. New SCIM website)
Full Business Case	<ul style="list-style-type: none"> Confirms that management, commercial, funding and financial arrangements are in place to deliver the project Sets out the contractual details of the project which the Board (and Partners) is being asked to sign-off 	<ul style="list-style-type: none"> Full Business Case guide (ref. New SCIM website)

The Business Case Stages

Further details of the main focus of the four business case stages are described below:

Strategic Assessment

The overarching purpose of the Strategic Assessment stage is to briefly outline the need for service change and describe early thoughts on the potential benefits to be gained from such an investment. It will become an integral component of a Board's Property & Asset Management Strategy (PAMS), used to identify its own priorities for investment. It will also present an outline of the proposal to Scottish Government who will consider it against other competing investment needs before giving its support for a project to proceed to Initial Agreement stage.

Initial Agreement

The Initial Agreement stage will provide the evidence behind the need for investment and demonstrate that the proposal is a good thing to do. It will identify the preferred strategic / service solution(s) for realising the project's investment objectives and expected benefits. It shall only be developed once a proposal's Strategic Assessment has been incorporated into the Board's PAMS and demonstrated to be an investment priority over other competing investment needs.

Outline Business Case

The Outline Business Case stage will identify the preferred option for implementing the strategic / service solution confirmed at Initial Agreement stage.

It will demonstrate that the preferred option will deliver the necessary service change, optimise value for money, and be affordable. It will also set out the supporting commercial and management arrangements to be put in place to successfully implement that option.

Full Business Case

The Full Business Case stage will set out the agreed commercial arrangements for the project whilst also confirming that it remains value for money, is affordable, and that the organisation is ready to proceed towards implementation of that option. It will be developed within the final procurement phase of the project and record the detailed assessment and/or negotiations with potential service providers / suppliers prior to the formal signing of contracts.