



## Healthier Together Sponsoring Board meeting paper

### Agenda Item: 5

<b>Title</b>	<b>Wave 4 STP Capital bids</b>
<b>Date of meeting:</b>	02 August 2018
<b>Author:</b>	Jon Lund
<b>Sponsor / Director:</b>	James Rimmer
<b>Presenter:</b>	James Rimmer
<b>Purpose:</b>	For information
<b>Previously discussed / endorsed at:</b>	Executive Group meeting 27 June 2018

### **Purpose:**

On 16 July Healthier Together submitted 16 bids (including 3 Frailty hubs all scored with equal weighting) to NHSE/NHSI against the Wave 4 STP Capital fund. Alongside this was an Estates Workbook, which serves as the STP Estates strategy and summarised the prioritisation process for Wave 4 STP Capital.

Draft documentation were submitted the NHSE and NHSI regional office on 29 June, detailed feedback was only received on the Estates Workbook and the Top 5 priority bids, due to the volume of bids received by the regional office. Following feedback a number of bids were edited, although none changed materially. The main themes was emphasising the 'transformational' impact of the schemes.

The Executive summary, key next steps for Estates strategy, explanation of the prioritisation process are set out below for information.

A summary of submitted bids is provided in Appendix 1.

Decisions from NHSE/NHSI and DHSC are expected in the Autumn.

**Issue / summary:**

Major Estates Transformation over last decade, in particular Acute Estate, consequently:

- No large scale projects identified at this stage
  - Weston site is in good condition so focus is to maximise usage
  - Women's and Children's Quarter at NBT is highest risk backlog
- All major land disposal opportunities have been exploited already:
  - £60m of disposals in last 5 years, including high value inner city sites such as Old Building and Frenchay so highly unlikely to be repeatable
  - Land disposal opportunities in next wave have been committed to Rehabilitation and Care Homes, with agreement of Local Authorities and Commissioners.
- Current running costs per GIA, Underutilised / Void space and Non-Clinical Space are all better than benchmark. The Estates Strategy will focus on maximising the sharing and utilisation of assets, building on successes such as One Pubic Estates and ETTF project in Lawrence Weston, and 6 facet surveys of CHP core estate
- Internally generated Capital is being prioritised for major medical equipment replacement, continual IM&T investment and reduction in backlog maintenance. A net deficit in provider organisations within the STP is leading to a shortfall of cash and a process of revenue support loans, therefore there is limited scope for investment from internally generated sources.
- The next wave of priorities for STP Capital investment are therefore a combination of:
  - tactical initiatives that demonstrate assured and deliverable financial return and improvement in STP-wide financial position and constitutional performance standards, in the short to medium terms
  - transformative schemes, which demonstrate affordability; and contribute towards STP vision eg:
    - sustainable primary care and integration with other community services in North Somerset and Thornbury
    - digital integration, such as combined IT between two acute Trusts in the STP
    - Frailty and Children's Hubs

The STP will be identifying requirements to future meet its STP objectives for future STP funding waves and this will include the major project to redevelop Women's and Children's services to address backlog maintenance issues

**Key next steps:**

- Secure Funding decisions for Wave 4 Capital bids - by Autumn 2018

- Develop Estates Workbook and Capital Investment Pipeline into a fully formed STP Estates & Capital Strategy; including programme for improving utilisation of existing Estate - by October 2018
- Finalise and gain approval for FBC's for Strategic Capitals schemes already secured - by lead Partner organisations
- Undertake Options appraisals to make FBC decisions of sites deemed surplus to current requirements
- Progress and identify future opportunities to integrate the estate between STP partners. For example, One Public Estate opportunities (including but not limited to: Southmead, Yate, Filton, Weston Town Centre and Clevedon)
- Develop a solution to reduce excessive backlog maintenance costs to Women's and Children's services

### Prioritisation Process

The process for prioritisation and approval for STP Executive Group is set out below.

A proposed process for Wave 4 STP Capital was considered by the STP Executive Group on 25 April 2018. Following this some amendments were made:

- A more simplified template was designed for Expressions of Interest
- The deadline for submissions was extended to 18 May 2018
- James Rimmer was supported as Chair of the Prioritisation Panel
- The Executive Group expressed a desire to submit a short set of high quality bids, and bid for cash proportionate to a 'fair share' of Capital pro-rata to the NHS budget.

### Prioritisation Panel

Expressions of Interest were invited by 18 May 2018; 35 schemes were submitted. A Prioritisation Panel was convened on 25 May which considered a range of criteria and recommends 14 schemes are worked up for submission to NHSE/I by 29 June 2018.

Full bid documentation was requested by Friday 22 June

The Prioritisation Panel re-convened on Monday 25 June to review the bids.

The Panel was:

- James Rimmer, Chair
- Sarah Truelove, Deputy Chief Executive and Chief Financial Officer, BNSSG CCG
- Paul Mapson, Director of Finance & Information, UH Bristol
- Nicky Mowatt, Director of Operational Finance, NBT, on behalf of Catherine Phillips
- Jeremy Spearing, Director of Finance, Weston
- Jonathan Lund, STP Financial Lead
- Alan Steele, Chief Information Officer, Bristol Community Health

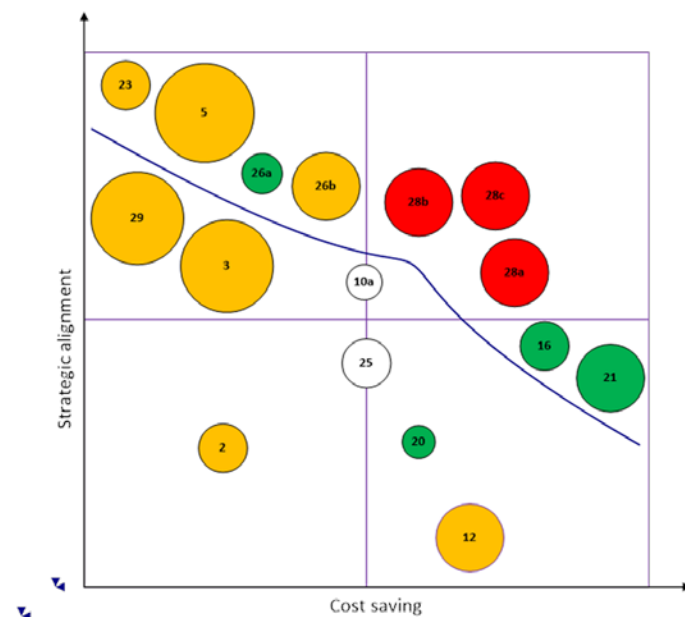
The panel considered:

- the maturity of the bid
- the strategic fit of the scheme with the vision of Heathier Together
- the financial viability of the scheme

The bid documentation has a complex mix of:

- economic value for money as defined by Treasury
- financial impact on NHS organisations and whole system
- impact on Transformation, Service Need, Consistency with STP Plans, Patient Benefit & Demand
- Schemes under the different financial regimes of NHS Foundation Trusts & Trusts, NHS England (replacement for ETTF), Primary Care and Community Interest Companies

This has understandably led to some different presentation of both financial and non-financial benefits. The panel therefore felt that a range of schemes should be recommended, representing both an assured financial return and a strategic fit, although in practice these two objectives don't always go hand in hand. The graph below shows how each bid scored in terms of strategic alignment and cost saving.



South West Ambulance Service FT did not submit any bids for prioritization within BNSSG STP, however the STP via BNSSG has also sponsored successful South West Ambulance Service FT bid for £6.7m Additional vehicles to support progress towards the 'right mix' of vehicles and 'right size' of fleet across South West.

**Recommendations:**

The Sponsoring Board are asked to note the attached paper for information.