

Board Official

NHS Greater Glasgow & Clyde

NHS BOARD MEETING

**Chief Officer,
Inverclyde HSCP &
Chief Officer,
West Dunbartonshire HSCP**

15th August 2017



Paper No: 17/36

Title of Paper: Outline Business Cases for Greenock Health and Care Centre & Clydebank Health and Care Centre

Recommendations:

The NHS Board is asked to:-

- Approve the Outline Business Cases for the Greenock and the Clydebank schemes (which are bundled with the Mental Health 2-ward DBFM project) for submission to the Scottish Government Capital Investment Group.
- Note that the preferred option for each is a new build integrated health and care facility.
- Note that both these schemes have been assessed as value for money, affordable and achievable.
- Note that the Mental Health 2-Ward Outline Business Case was approved separately by the NHS Board at its meeting on 27th June 2017 for procurement through the Hub West Design, Build, Finance and Maintain route.

Purpose of Paper:

This paper is seeking Board approval for submission of the Outline Business Cases for each of these schemes to the Scottish Government Capital Investment Group.

Key issues to be considered

The Board previously approved the Initial Agreements for delivering improvements in integrated health and social care services in both Greenock and Clydebank at its 16th February 2016 meeting. Those Initial Agreements were subsequently submitted to and considered by the Scottish Government's Health Directorate's Capital Investment Group (CIG) at its meeting of 15 March 2016, at which CIG decided to recommend approval of both. Thereafter the Director-General Health & Social Care and Chief Executive NHS Scotland wrote to the Board's Chief Executive on the 7th April 2016 confirming that he had accepted the recommendation, and was inviting the Board to submit an Outline Business Case (OBC) for each scheme.

These OBCs have now been completed and approved by both their respective Project Boards (each of which is chaired by the Chief Officer for that scheme's HSCP as Senior Responsible Officer); and considered at the Board's Capital Planning Group (at its meeting of 31st July 2017), with a recommendation to submit to the NHS Board for approval.

These Outline Business Cases constitute the next key milestones in the development of these new facilities and the integrated services that will be based within them. They have been prepared in accordance with the recently revised Scottish Capital Investment Manual (SCIM) guidance.

They reflect the expectations of the *National Clinical Services Strategy* (2016) and the *National Health & Social Care Delivery Plan* (2016), particularly the need for effective integrated working between primary and community care; and across health and social care.

They also have been informed by and support the *NHSGGC Transforming Delivery of Acute Services Programme* (2017), which itself expressed the Board's:

- Commitment that more support will be developed in the community to enable people to stay locally and out of acute hospitals unless necessary.
- Expectation that new approaches to the effective delivery of care and support for people with multiple health conditions will result from better integration and investment.

The Integration Joint Boards (IJBs) for each area have been kept apprised of and are supportive of the relevant scheme, recognising the significant contribution that each would make to the delivery of integration objectives for Greenock and Clydebank.

Executive summaries of both OBCs are included within the accompanying combined project bundling paper (Appendix 1). The full OBCs are available upon request.

Any Patient Safety/Patient Experience Issues:-

These new health and care centres will improve significantly the quality of environment for patients and service users and facilitate more integrated and effective working across services.

Financial Implications from this Paper:-

The overall costs of both projects are within each of their affordability caps. The Greenock and Clydebank schemes – along with the Mental Health Ward 2 scheme – have been bundled to maximize the opportunity for efficiency and the detailed rationale and costings associated with this are set out in the accompanying project bundling paper (Appendix 1).

Staffing Implications from this Paper:-

Both of the new facilities planned will accommodate staff from existing health centres and staff transferring from other locations. The new facilities are being designed to accommodate agile staff working to promote effective working practices and maximise the efficient use of space. Staff partnership engagement within both HSCPs will be undertaken to address any impact upon staff.

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Any Equality Implications from this Paper:-

Both of these new developments will create opportunities to further improve access to services, in accordance with the equalities mainstreaming commitments of both the Board and also each IJBs for their respective areas.

Health Inequalities Implications from this Paper:

Both of these new developments will contribute to social and economic regeneration so as to increase the life opportunities and health outcomes of those most vulnerable to experiencing inequalities, integrating the wider and common Community Planning Partnership aspirations of improved outcomes for each area.

Has a Risk Assessment been carried out for this issue?

The arrangements for managing risk and the risk registers for each scheme are detailed in full within each scheme's full OBC.

Highlight the Corporate Objective to which the paper relates:

The proposals for both of these new health and care facilities – and the integrated services that will work from them - are consistent with the strategic priorities of NHSGGC's; and the priorities set out within the Strategic Plans for each of their HSCP's respective IJBs.

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Date: 8th August 2017



West Dunbartonshire
Health & Social Care Partnership



**Improving Health & Social Care
In
Greenock and Clydebank
And
Mental Health 2-Ward DBFM Scheme**

OBC Summary & Bundling Paper

July 2017

1.0 Introduction

This paper is presented to set out a summary of the proposals to deliver improvements to health and social care services in Greenock and Clydebank and Mental Health in North East Glasgow. An Outline Business Case (OBC) has been prepared for the investment proposals in each of the three areas and a short Executive Summary of each is appended to this document.

The OBC's describe the background, the status quo, the proposals for improvement, the service changes required to deliver these and the benefits that will be realised in doing so.

The proposals for the health & care centres focus on service provision in towns and areas which are recovering from significant post-industrial change. Both seek to find ways to improve services to meet current and future demands. Both seek to support regeneration of the physical and economic environment to help bring about significant health improvements. Whilst each has its own specific circumstances and objectives, which are outlined in the appended Executive Summaries, there is significant overlap on the investment objectives of each. These can be summarised as:

- Making services more accessible to the patient population
- Increase capacity to meet future projections
- Improving service integration
- Delivering services from accommodation that is safe, welcoming, efficient and fit for purpose
- Contribute to physical and economic regeneration

The proposals for improving mental health services in North East Glasgow is a component part of the Board's approved mental health strategy. This part will improve services for patients, carers and staff in the following ways:

- Reduce isolation of services and staff
- Address the issues arising from increasing co-morbidity
- Improve flexibility for long-term operational use of facilities
- Deliver services from accommodation that is safe, welcoming, efficient and fit for purpose
- Reduce reliance on private sector provision of services

Each individual OBC examines how the benefits can be delivered and each concludes that the delivery of new facility offers the best opportunity to do so. The health & care centres require circa £19.3 and £21.2m of investment to deliver and £10.6m is required for the inpatient mental health facility. This document highlights the benefits of procuring these three proposals as a single project, and provides a summary of the financial benefits of doing so.

It is proposed that these projects are bundled into one contract to be provided by hub West Scotland as part of Scottish Governments approach to the delivery of new community infrastructure.

2.0 Proposals

Improving Lives in Greenock

Greenock is the largest town within Inverclyde, and like much of the West of Scotland, is characterised by persistent socio-economic deprivation and poor health outcomes. The development of the Inverclyde Health and Social Care Partnership (HSCP) builds on established joint working that was fostered under the previous CHCP arrangements, but the new HSCP also affords an opportunity for us to take stock of progress to date and our priorities for the future. The OBC details our thinking in terms of the most important issues that shape our strategic priorities. Health inequalities are central, and some of the most notable negative consequences of these are highlighted. We know that many of the people who need health or social care support are often disinclined to approach or engage with our services, and only accept support when their condition(s) are quite advanced. This means that opportunities for supported self-management or health improvement at an earlier stage of disease progression can often be missed.

There has already been significant rationalisation of public sector buildings in Inverclyde to modernise delivery options and streamline the citizen's journey. The next logical step is to modernise health and social care premises and create opportunities to further improve access to services, integrating the wider Community Planning Partnership aspirations of improved outcomes, won through social and economic regeneration that increases the life opportunities and health outcomes of those most vulnerable to experiencing inequalities.

The OBC sets out a proposal and outline costs for the development of a health and social care facility for Greenock and the wider community of Inverclyde. The development will be led by Health and Social Care Partnership, which is responsible for the provision of all community health and social care services in Inverclyde.

Greenock Health & Social Care Centre Executive Summary is provided in Appendix 1

Transforming Care in Clydebank

West Dunbartonshire as a whole faces the considerable challenges of restructuring its economy following the decline of heavy industry, dealing with the impacts of the recession and managing a declining and ageing population. Overall, West Dunbartonshire has a worse general level of health than the Scottish average – this is also the picture within Clydebank. The indicator that shows this most explicitly is average life expectancy which is 3 years below the national average for men and 1.8 for women. Much of this is due to the significantly higher levels of death from Cancer, Coronary Heart Disease and Cerebrovascular Disease. There are statistically significant higher level of deaths attributable to smoking and alcohol and a greater prevalence of smoking and women smoking while pregnant. Clydebank has high levels of poverty and an increasing elderly population high numbers with long term conditions. This results in a growing demand for health and social care services alongside an increasing imperative to co-locate teams, integrate services and deliver seamless care.

In accordance with the Public Bodies (Joint Working) Act 2014, Greater Glasgow & Clyde Health Board and West Dunbartonshire Council established the local integration joint board – known as West Dunbartonshire Health & Social Care Partnership (WD HSCP) Board – in July 2015. The new WD HSCP arrangement has been built on the successes and experience of the predecessor community health & care partnership (CHCP) that has been operating effectively since October 2010. The approved HSCP Strategic Plan sets out the key priorities and commitments for health and social care for the area –

and includes support for a replacement health & care centre to deliver improved outcomes for the communities of Clydebank.

In keeping with the priorities expressed within both the NHSGGC Clinical Services Strategy (2015) and the aforementioned WD HSCP Strategic Plan, a replacement health & care centre build would enable the co-location of multi-disciplinary services - including integrated health and social care teams - within a new facility giving one stop access and improved accessibility for patients to an increased range and improved quality of services; a considerably improved working environment for staff; space for community and third sector partners and carer's organisations involved in the co-production of supported self care; meeting and training space for all our staff (supported by a commitment to shared and agile technology for staff) and local community groups. Moreover, the development of a new and enhanced Health & Care Centre within Clydebank has already been identified as a key contribution that NHSGGC could make to the wider regeneration plans for Clydebank.

The OBC sets out an initial proposal and outline costs for the development of a new integrated health and care centre for Clydebank and the wider community of West Dunbartonshire. The development will be led by West Dunbartonshire Health and Social Care Partnership, which is responsible for the provision of all community health and social care services in West Dunbartonshire.

Clydebank Health & Social Care Centre Executive Summary is provided in Appendix 2

Mental Health 2-Ward DBFM Scheme

The NHSGGC Clinical Services Review confirmed a continuation of the community based model of care of comprehensive community services and 24/7 access to community crisis support, underpinned by access to in-patient support. The Glasgow City HSCP Strategic Plan 2016 – 2019 included as a priority the development of new adult mental health wards on the Stobhill Hospital site and contributing to the re-design of Older People's Mental Health Services. The Mental Health 2 Ward DBFM proposals are to address and resolve issues around the provision of Adult Acute Mental Health services provided from Stobhill Hospital and Elderly Mental Health services at Birdston.

Stobhill Hospital ward provides acute adult mental health services. Hospital based complex care for older people with mental health problems is provided from the ward housed at Birdston Care Home. Although patients using these services have different needs the synergies between the services and economies of scale indicate a single preferred solution for both. The inpatient services are committed to:

- Offering care and treatment that respects individual rights and allows treatment to occur in the least restrictive manner possible
- Providing a service which is flexible and responsive and does not discriminate between individuals
- Providing a high standard of treatment and care, respecting rights for privacy and dignity, in a safe and therapeutic environment for service users in the most acute and vulnerable stage of their illness
- Ensuring all individuals needs are assessed and that an appropriate care plan is agreed, which includes the views of the service user and relevant carers and discharge planning arrangements

Adult Acute Mental Health services at Stobhill Hospital

As part of recent Health Board Modernising Mental Health Services Strategy there has been a drive to reduce both the dispersed nature of mental health in-patient ward sites and inpatient beds. This has led to moderated inpatient accommodation options on the Stobhill Hospital site where there are clinical concerns around the ability to deliver modern clinical models of care and the relative isolation

and quality of accommodation of the adult acute patient inpatient ward. Critically the accommodation concerned at Stobhill Hospital is in poor condition and not fit for purpose.

Birdston Care Home – Complex Elderly Mental Health Services

Elderly Mental Health services are provided from the Birdston Care Home. This is a privately owned facility with single bedrooms which is contracted by Greater Glasgow and Clyde Health Board. The facility is isolated from other mental health and acute diagnostic services therefore providing challenges in management of co-morbidities. An additional challenge is the increasing co-morbidity and incidence of dementia amongst the client group which is staff intensive, particularly on an isolated site such as the Birdston Care Home, requiring self-sufficiency in staffing levels to deal with any medical emergencies. Finally the service is also reliant on a high cost private contract which expires in June 2018. Informal discussions with the landlord have indicated that a significant rise in contract costs should be anticipated.

The Mental Health 2-Ward DBFM Scheme Executive Summary is provided in Appendix 3.

3.0 The Project Bundle

There are clear financial benefits to bringing all three projects together in a single procurement bundle.

3.1 Revenue Efficiencies through Bundling

A series of savings were identified in the previous Glasgow bundles of Maryhill/Eastwood and Gorbals/Woodside. Based on the delivered savings achieved in the former, it is expected that savings can be achieved through a reduction in agency fees, due diligence costs, financial modelling and DBFMco management fees. These are shown below as estimates for one-off costs and project lifetime totals. The total saving is anticipated as **£1.385m**.

Financial Efficiencies	2020/21	Project Lifetime
	£'000	£'000
Agency Fees	25	265
Due Diligence Costs	65	65
Financial Modelling	30	30
DBFMco Management Fees	41	1,025
Input Costs	Not Known	Not Known
TOTAL SAVINGS	161	1,385

The savings are analysed in more detail below:

- Agency fees – savings of £10,000 per annum (£250,000 project lifetime) and £15,000 of fees saved during construction

- Due Diligence costs – legal, technical, financial, insurances
- Financial modelling – savings in operational model fees of £30,000 will be achieved as a result of the bundling of the three projects.
- DBFMco management fees – the bundling of project will lead to financial efficiencies as costs, especially labour costs, can be spread across the projects. At this stage the estimated annual saving would be £41,000 equating to £1,025,000 over the project lifetime.
- Input Costs - hubco has identified that there will be efficiencies and cost benefits on construction costs as a result of bundling which will be identified during market testing and will be included with the FBC bundling paper.

The Due Diligence and DBFMco fees will be reviewed with Hub during Stage 2 to produce further efficiency savings.

4 Joint Financial Case – Greenock, Clydebank and Mental Health 2 Ward DBFM Scheme

The following sections summarises the bundled financial case for Greenock, Clydebank Health and Care Centre projects and Mental Health 2 Ward DBFM Scheme.

4.1 Capital Costs and Associated Funding for the Project.

In addition to the revenue funding required for the Greenock, Clydebank Health and Care Centre projects and Mental Health 2 Ward DBFM Scheme, capital investment will also be required for land purchase £250k - £3,400k, equipment £1,900k and sub debt investment £380k. Estimated details of the capital elements of the project are presented in the table below;

Capital Funding Table

Capital Costs	£'000
Land Purchase& Fees	0.0
Group 2-5 equipment Including VAT	3,038.1
Sub debt Investment	423.7
Total Capital cost	3,461.8
Sources of Funding	
NHSGG&C Formula Capital	3,461.8

Land purchase for Greenock HC and for Clydebank HC will be given to NHSGG&C by Inverclyde Council and West Dunbartonshire Council at no cost. Stobhill is owned by the Board. This will be worked through during the FBC process.

4.2 Costs with regard to Services provided

Staffing and non-pay costs associated with the running of the health centre and inpatient unit are not expected to increase with regard to the transfer of services to the new facility.

4.3 Sources of NHSGG&C recurring revenue funding

The table below details the various streams of income and reinvestment of existing resource assumed for the project.

NHSGG&C Income & Reinvestment		£'000
Existing Revenue Funding – HL&P, Rates, Depreciation & Soft FM		2,825.6
Additional Revenue Funding HSCP		0
IFRS – Depreciation		2,025.4
Additional Revenue Funding via GPs, Dentists and Pharmacists		102.7
Council Revenue Funding		111.6
Total Recurring Revenue Funding		5,065.3

Summary of Revenue position:

Summary of Revenue position		£'000
SGHSCD Unitary Charge support		3,458.2
NHSGG&C recurring funding per above		5,065.3
Total Recurring Revenue Funding		8,523.5

Recurring Revenue Costs		£'000
Total Unitary charge(service payments)		4,689.0
Depreciation on Equipment		303.8
Facility running costs		1,505.3
IFRS - Depreciation		2,025.4
Total Recurring Revenue Costs		8,523.5

The above table notes the position to be cost neutral over the three projects. The above costs will be further refined during the FBC process.

4.4 Financial Risks

The general risks for Greenock, Clydebank Health and Care Centre projects and Mental Health 2 Ward DBFM Scheme are set out in Risk Registers in the OBCs.

A key financial risk is that the unitary charge payment will not be confirmed until financial close. This is mitigated by the funding mechanism for the Scottish Government revenue funding whereby Scottish Government's funding will vary depending on the funding package achieved at financial close and Glasgow City HSCP's commitment to fund any shortfall in the Mental Health 2-Ward DBFM Scheme.

The affordability analysis includes funding from the relevant GP Practices relocating to the Centres. This remains to be finalised in the FBC. The financial risk will remain with the HSCPs over the contract's life for those elements which the HSCPs have responsibility (100% hard FM, 50% lifecycle). The HSCPs will address this risk through their committed funds allocated to the project.

The project team will continue to monitor these risks and assess their potential impact throughout the period through FBC and financial close.

5.0 Bundled Programme

As a single procurement project the programme for the projects is currently anticipated as follows:

CIG Meeting for OBC	Sept 2017
Financial Close	Sept 2018
Start on site	October 2018
Completion date	Clydebank – April 2020 Greenock – June 2020 Mental Health – Nov 2019
Services Commencement	Clydebank – June 2020 Greenock – Aug 2020 Mental Health – Jan 2020

The above dates are subject to the final programme for bundling.

6.0 Conclusion

NHS GGC, Inverclyde HSCP, West Dunbartonshire HSCP and Glasgow HSCP are committed to improving health and care services in Greenock and Clydebank and Mental Health services in Glasgow. Detailed Outline Business Case documents and the appended Executive Summaries highlight the benefits that will be delivered when the projects are completed.

The appended Executive Summaries and related OBCs outline the proposals in more detail and demonstrate the case for change across each proposal. By bundling the three projects together these benefits can be delivered whilst making savings of circa £1.385m.

APPENDIX 1

Inverclyde Health and Social Care Partnership

Improving Lives in Greenock

Executive Summary

July 2017

Improving Lives in Greenock

Executive Summary of the OBC

1. Background

- 1.1 Greenock is the largest town within Inverclyde, and like much of the West of Scotland, is characterised by persistent socio-economic deprivation and poor health outcomes. The development of the Inverclyde Health and Social Care Partnership (HSCP) builds on established joint working that was fostered under the previous CHCP arrangements, but the new HSCP also affords an opportunity for us to take stock of progress to date and our priorities for the future.
- 1.2 Over the past four years work has been on-going to take stock of health and social care services with a view to improving outcomes and mitigating the health inequalities that stubbornly exist, through service reconfiguration.
- 1.3 An Outline Business Case has been developed, and this document details our thinking in terms of the most important issues that shape our strategic priorities. Health inequalities are central, and some of the most notable negative consequences of these are highlighted. We know that many of the people who need health or social care support are often disinclined to approach or engage with our services, and only accept support when their condition(s) are quite advanced. This means that opportunities for supported self-management or health improvement at an earlier stage of disease progression can often be missed.

2. Current Facilities

- 2.1 The current facilities at Greenock Health and Care Centre are of poor quality and are seen as unwelcoming. Staff tell us that the current building is not able to accommodate the new ways of working afforded by multidisciplinary team approaches, in terms of layout, spatial relationships and general fabric. We also know that patients attending Greenock Health and Care Centre will often be expected to attend other locations to access services that are part of their overall care package or approach. If patients choose not to attend another location, then their treatment plan is at risk of being compromised. If we are to make a real difference to improving lives in Greenock and Inverclyde, we need to radically re-think our approach to how we organise and deliver health and social care services in a way that maximises our impact, nurtures and supports self-management, makes the patient journey as straightforward as possible, and recognises carers and third sector contributors as equal partners. We also need to ensure that we refine our relationship with Acute Sector services in ways that optimise effectiveness and efficiency, and support care and treatment being delivered from primary care settings whenever appropriate. This is in the best interests of patients and staff alike.
- 2.2 We have considered the negative points of the current building alongside the positive joint working that has steadily grown over the years within the Greenock Health and Care Centre. There is much to celebrate and any future change should aim to preserve the positives as well as address the negatives. Recognising this, we have considered various options including refurbishing, upgrading or expanding the existing facilities. For various reasons that are noted, once all of our options had been reviewed, we concluded that the best option for Greenock is a new-build Health Centre that enables bringing together the key supports from a

range of professions to tackle health inequalities, improve health and contribute to social regeneration.

- 2.3** There has already been significant rationalisation of public sector buildings in Inverclyde to modernise delivery options and streamline the citizen's journey. The next logical step is to modernise health and social care premises and create opportunities to further improve access to services, integrating the wider Community Planning Partnership aspirations of improved outcomes, won through social and economic regeneration that increases the life opportunities and health outcomes of those most vulnerable to experiencing inequalities of all kinds.
- 2.4** This paper sets out a proposal and outline costs for the development of a health and social care facility for Greenock and the wider community of Inverclyde. The development will be led by the Health and Social Care Partnership, which is responsible for the provision of all health and social care services in Inverclyde.
- 2.5** The current Greenock Health and Care Centre is the base for four GP practices serving a population of 29,000 as well as providing a range of other services, and was designed almost 40 years ago. The population and expectations have changed significantly since it was built, and the centre is no longer fit for purpose. It is of poor fabric, is functionally unsuitable and does not have the space to deliver services that can and should be expected from a modernised National Health Service.

3. Strategic Case

- 3.1** NHS Greater Glasgow & Clyde (NHSGGC) is the largest NHS Board in Scotland and covers a population of 1.2 million people. The Board's annual budget is £2.8 billion and it employs over 40,000 staff. Services are planned and provided through the Acute Division and six Health and Social Care Partnerships, working with six partner Local Authorities.
- 3.2** NHSGGC provides strategic leadership and direction for all NHS services in the Inverclyde area and works with partners to improve the health of local people and the services they receive. This approach recognises that good health outcomes are achieved through much more than just clinical services, important thought these are.
- 3.3** NHSGGC's purpose, as set out in the Board's Corporate Plan 2013 – 16 (which was relevant at the time of the development of this proposal) was to *“Deliver effective and high quality health services, to act to improve the health of our population and to do everything we can to address the wider social determinants of health which cause health inequalities.”* This is entirely in line with NHS Scotland's strategic priorities, particularly in relation to the 2020 Vision and the Quality Strategy. From the HSCP perspective, our planning is underpinned by the five strategic themes.
- Early intervention and preventing ill-health
 - Shifting the balance of care
 - Reshaping care for older people
 - Improving quality, efficiency and effectiveness
 - Tackling inequalities.
- 3.4** Inverclyde HSCP is responsible for the planning and delivery of all community health and social care services within the local authority area based on these five themes. The scope of

HSCP services includes the delivery of services to children, adult community care groups, mental health, addictions, criminal justice, homelessness and health improvement activity. Having responsibility for this full range of provision presents real opportunities to address the issues relating to the five strategic themes.

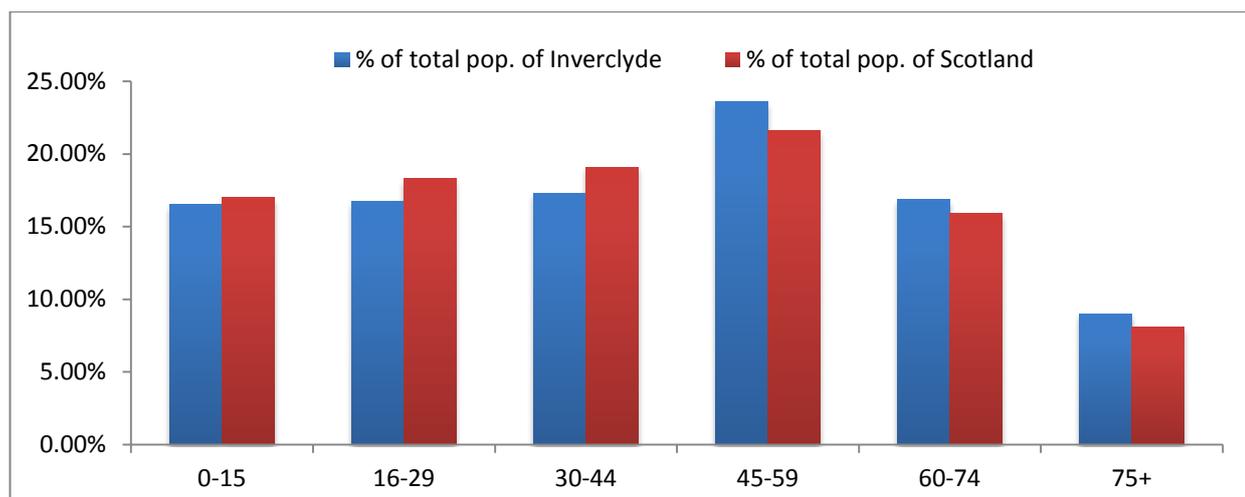
4. Demographic Profile

The 2014 population for Inverclyde is 79,860, accounting for 1.5 per cent of the total population of Scotland. **52%** are Female and **48%** are Male.

4.1 In Inverclyde, 16.5% of the population are aged 0-15 years, and 16.7% are aged 16 to 29 years (which is smaller than Scotland where 18.3% are aged 16 to 29 years). People aged 60 and over make up 26% of the Inverclyde population compared to the Scotland figure of 24%. Table 1 below shows that Inverclyde’s population overall is skewed more towards older age groups than the Scottish averages. This means a potentially smaller proportion of working aged people against a higher proportion of older people who are likely to have greater health and social care needs given the health inequalities experienced in Inverclyde.

4.2 Greenock Health and Care Centre currently serves 29,000 patients, which is just over 36% of the Inverclyde population.

Table 1: Estimated Population of Inverclyde and Scotland, by age group, 2014



Source: Mid-Year Population Estimates, NRS Scotland, 2014

4.3 Current Arrangements

The current Health Centre building is no longer fit for purpose and cannot serve the population to best effect due to constraints of space, poor condition of the estate and lack of flexibility in how the existing building is able to be used. In assessing our options we have considered refurbishment and expansion, but the location, design and land footprint mean that this is not a feasible option. In considering improved ways of working to deliver better outcomes, the premises from which we operate are an important factor. The current arrangements do not support the changes we aim to make, and the most economical and sustainable option to emerge from the assessment is for a new-build facility. This document therefore goes on to articulate the investment and design quality objectives; the risk management strategy and the benefits realisation plan.

5. Economic Case

In scoping the options, the Project Board has considered that the future model of service provision needs to be delivered from premises that are fit for purpose. The premises need to support the level of integrated working required to make a more positive impact on reducing unequal health outcomes and supporting self-management, particularly in regard to multi-morbidities. The current facilities have been assessed as not meeting the basic needs, so the “Do Nothing” option is not viable. The poor repair and on-going maintenance of the building mean that from a repairs perspective it is expensive to maintain. There is a current maintenance backlog of £888k which will only grow in the future. The asbestos that is integral to the building’s structure means that even relatively simple repairs become extremely costly as measures need to be put in place to protect staff and the public from the dangers of displaced asbestos fibres or dust. The preferred solution is therefore a new-build facility, to be delivered within an overall funding envelope of £21.2M.

5.1 Commercial, Financial & Management Cases

In discussions with the Scottish Government and Scottish Futures Trust this Project will be developed based on the hub revenue financed model.

A high level time line has been produced, see below:

OBC Consideration\Approval	Sept 2017
FBC Consideration\Approval	Sept 2018
Financial Close	Sept 2018
Completion date	June 2020
Services Commencement	August 2020

The Governance and Project Management arrangements are based on previous Hub approved schemes, and experience from the developments such as Eastwood and Maryhill will help us improve these areas.

Financial Case

Output	Option 4 – New Build Wellington Street
Capital Expenditure (capex & development costs)	£21,196,240
Annual Service Payment	£1,983,165

The overall cost position has increased from £18,998,742 at IA stage to £ 21,196,241. There has been a minimal increase in the building area of 15m² since IA. A number of changes have increased costs. These include technical matters, site issues and design development. The most significant items include a compliance requirement for cold water systems to be chilled, a requirement for an additional adjacent site to deliver car parking numbers, confirmation of contamination of existing ground, additional retaining and cut/fill due to level changes, confirmation of presence of shallow rock and obstructions. Some of this has been addressed by utilising risk allowances included at IA stage, an element of value engineering and a reduction in inflation allowances based on published

BCIS indexes. The overall costs have been examined by the Board's technical advisers who have confirmed that the costs represent value for money.

Discussions took place with Scottish Government in September 2016, when the requirement for additional site was identified and then in March 2017 when the further increases became apparent. Following upon this, confirmation was provided by Scottish Government that the Board should proceed with the submission of an OBC on this basis.

5.2 Summary of Objectives

The proposal for a new Greenock Health and Care Centre is therefore vitally important in terms of tackling health inequalities, promoting supported self-management, fostering the principles of multi-disciplinary anticipatory approaches and maximising effectiveness in how we work with colleagues in the Acute Sector. It will also contribute to local economic generation and the wider Council and Community Planning Partnership objectives of improving population health and valuing citizens by providing modern, well-equipped public spaces and buildings.

Workshops undertaken with staff and patients over the past two years have helped us to define some specific objectives that we would like to achieve by changing how and where we work if we are to meaningfully tackle the health inequalities that have characterised Inverclyde for so long. Five key themes came up time and again.

- Interagency and interdisciplinary working is central, and we have already shown with some of our social care premises that this is supported through co-location. The current health centre is not big enough to support the extent of our ambition; therefore our first investment objective is to **increase accommodation capacity**.
- In Inverclyde, related services are sometimes delivered out of different buildings meaning bus, car or taxi journeys for patients between these services. This can be costly and time-consuming, therefore our second investment objective is to **improve access for public and service users**.
- Our local partnership working has highlighted that improved patient outcomes can be achieved through welcoming non-traditional health service partners onto the care pathway. Supporting the full integration of Third Sector and Community Planning Partners will help improve holistic care, preventative approaches and more appropriate referrals. Our third objective is therefore to **enable speedy access to modernised services**.
- Although co-location is helpful in supporting joint working, we recognise that this needs to be about more than just being in the same building. We also need to support continuous learning and development of clinical and non-clinical staff if we are to recruit high-quality expertise into Inverclyde in the future, so replacement premises must have physical capacity for this, but in a way whereby the spatial arrangement of development space is logical in terms of the teams and relationships that need to be supported. Our fourth objective is to have **better integrated teams and additional services**.
- As we look to the future, we are keen to reduce our carbon footprint in line with the Government's 2020 target. We also see the cost benefits of reducing energy bills, thereby freeing up resources towards clinical or support services. Our fifth objective is to **improve the safety and effectiveness of our accommodation**.

6. Strategic Background

6.1 In considering new ways of working we have considered who is affected by our proposal and worked to engage their views at an early stage. We have also considered how our objectives

align with and help to deliver the wider strategic NHS priorities, both at national and NHSGGC levels. Finally, we have taken account of the key external factors that influence or are influenced by our proposal.

- 6.2** We are confident that the anticipated benefits described above and throughout the Outline Business Case will be realised, and that this will deliver genuinely improved outcomes for the people of Greenock and Inverclyde.

APPENDIX 2

West Dunbartonshire Health and Social Care Partnership

Transforming Care in Clydebank

Executive Summary

July 2017

TRANSFORMING CARE IN CLYDEBANK

Outline Business Case – Executive Summary (24th July 2017)

- 1.1** West Dunbartonshire as a whole faces the considerable challenges of restructuring its economy following the decline of heavy industry, dealing with the impacts of the recession and managing a declining and ageing population. Overall, West Dunbartonshire has a worse general level of health than the Scottish average – this is also the picture within Clydebank. Clydebank has high levels of poverty and an increasing elderly population, with many burdened with long term conditions. This is driving growing demand for health and social care services alongside an increasing imperative to co-locate teams, integrate services and deliver seamless care.
- With changing demographics and increasing levels of need, over the next ten years the health and social care landscape will change significantly. Those changing demographics, an increase in demand for services, and the likelihood of more people with complex multi-morbidities – alongside reduced public sector resources – means that the public sector has to work together to deliver services in different ways and make the most of all of the investment available.
- 1.2** In accordance with the Public Bodies (Joint Working) Act 2014, Greater Glasgow & Clyde Health Board (NHSGGC) and West Dunbartonshire Council established their local integration joint board – known as West Dunbartonshire Health & Social Care Partnership (WD HSCP) Board – in July 2015. The WD HSCP arrangement has been built on the successes and experience of its predecessor Community Health & Care Partnership (CHCP) that had been operating effectively since October 2010. The approved HSCP Strategic Plan sets out the key priorities and commitments for health and social care for the area – and includes support for a replacement health and care centre to deliver improved outcomes for the communities of Clydebank.
- 1.3** Community health services in Clydebank serve 50,000 people. Whilst all of these services are being developed as increasingly integrated health and care arrangements, the dispersed locations from which staff are based inhibits their ability to develop synergies in terms of new ways of joint working and support. Moreover the significant constraints of three facilities in particular – namely Clydebank Health Centre, Hardgate Clinic, and the West Dunbartonshire Council owned premises at Kilbowie Road – significantly limit their scope to realise the benefits of integration for their patients and local people more broadly. This is especially true

of the main Clydebank Health Centre, where the poor state and ongoing maintenance of the building mean that from a repairs perspective it is expensive to maintain. The asbestos that is integral to the building's structure means that even relatively simple repairs are extremely costly; and that extension of that building is cost-prohibitive. Despite the commitment of staff the current facilities are unable to provide the standard of patient experience set out in the national quality strategy or of a standard acceptable to either the NHSGGC or the WD HSCP Board.

- 1.4** This transformational project is being led by WD HSCP, which is responsible for the provision of all community health and social care services in West Dunbartonshire. An Initial Agreement for the project was endorsed by the WD HSCP Board Audit Committee in January 2016; and approved by the NHSGGC Health Board in February 2016, prior to then being formally submitted to the Scottish Government Health Directorate's Capital Investment Group (CIG). Following consideration at its meeting of 15th March 2016, CIG recommended approval of the Initial Agreement to the Director-General Health & Social Care and Chief Executive NHS Scotland, who subsequently wrote to the NHSGGC Chief Executive on the 7th April 2017 to confirm that they had accepted that recommendation and so invited the submission of an Outline Business Case (OBC).
- 1.5** The purpose of this OBC then is to identify the preferred option for implementing the strategic / service solution confirmed at Initial Agreement stage. It will demonstrate that the preferred option optimises value for money and is affordable. It will also set out the supporting commercial and management arrangements to be put in place to successfully implement that option.
- 1.6** As indicated within the approved Initial Agreement and is now further corroborated within this OBC, the preferred solution option is a single and new-build facility.

Output	Option – New Build Queens Quay
Capital Expenditure (Capex & development costs)	£19,250,246
Annual Service Payment	£1,777,703

- 1.7** The overall cost position has increased from £18,997,810 at the previous Initial Agreement stage to £19,250,246. There has been no increase in the building area of 5,722m² since the Initial Agreement though. A number of changes have increased costs, including technical matters, site issues and design development. The most significant items include a compliance

requirement for cold water systems to be chilled; requirements for additional mechanical ventilation; and an element of ground remediation to deal with specific site conditions. Some of this has been addressed by utilising risk allowances included at the Initial Agreement stage; an element of value engineering; and a reduction in inflation allowances based on published Building Cost Information Service (BCIS) indexes. The overall costs have been examined by the NHSGGC's technical advisers, who have confirmed that the costs represent value for money. Discussions took place with Scottish Government in March 2017 when these increases became apparent. Following upon this, confirmation was provided by Scottish Government that NHSGGC should proceed with the submission of an OBC on this basis.

- 1.8** A new integrated facility for Clydebank already has widespread stakeholder support, including from local politicians and the local Community Planning Partnership. Such a replacement health and care centre build would enable the co-location of multi-disciplinary services - including integrated health and social care teams - within a new facility giving one stop access and improved accessibility for patients to an increased range and improved quality of services (including additional acute outreach clinics); a considerably improved working environment for staff; space for community and third sector partners and carer's organisations involved in the co-production of supported self care; meeting and training space for all our staff (supported by a commitment to shared and agile technology for staff) and local community groups. Moreover, the development of a new and enhanced health and care centre within Clydebank has already been identified as and would be a key contribution that NHSGGC could make to the wider regeneration plans for Clydebank.

APPENDIX 3

Glasgow City Health and Social Care Partnership

Mental Health 2-Ward DBFM Scheme

Executive Summary

July 2017

Mental Health 2-Ward DBFM Scheme

Background

This Outline Business Case (OBC) identifies preferred option for the reconfiguration of mental health services in the North of Glasgow and assesses potential value for money (VFM), affordability and achievability.

Specifically this includes the Stobhill Hospital located ward that provides acute adult mental health services and the hospital based complex care ward for older people with mental health problems housed at Birdston Care Home. Although patients using these services have different needs the synergies between the services and economies of scale indicate a single preferred solution for both.

1.1.2 Executive summary - Strategic case

This document presents the proposals and preferred option to resolve issues around the provision of Adult Acute Mental Health services provided from Stobhill Hospital and Elderly Mental Health services at Birdston. In brief the issues are as follows:

The inpatient services are committed to:

- Offering care and treatment that respects individual rights and allows treatment to occur in the least restrictive manner possible
 - Providing a service which is flexible and responsive and does not discriminate between individuals
 - Providing a high standard of treatment and care, respecting rights for privacy and dignity, in a safe and therapeutic environment for service users in the most acute and vulnerable stage of their illness
 - Ensuring all individuals needs are assessed and that an appropriate care plan is agreed, which includes the views of the service user and relevant carers and discharge planning arrangements
-
- Adult Acute Mental Health services at Stobhill Hospital

As part of the 2001 Health Board Modernising Mental Health Services Strategy there has been a drive to reduce both the dispersed nature of mental health in-patient ward sites and inpatient beds. This has led to moderated inpatient accommodation options on the Stobhill Hospital site where there are clinical concerns around the ability to deliver modern clinical models of care, the quality of accommodation of the adult acute patient inpatient ward and to a lesser extent its comparative separation. There are challenges both with the retention of staff and ensuring sufficient staff are available to cover any clinical incident which may arise. Critically the accommodation concerned at Stobhill Hospital is in poor condition and not fit for purpose.

- Birdston Care Home – Complex Elderly Mental Health Services

Elderly Mental Health services are provided from the Birdston Care Home. This is a privately owned facility with single bedrooms which is contracted by Greater Glasgow and Clyde Health Board. The facility is isolated from other mental health and acute diagnostic services therefore providing challenges in management of co-morbidities. An additional challenge is the increasing co-morbidity and incidence of dementia amongst the client group which is staff intensive, particularly on an

isolated site such as the Birdston Care Home, requiring self-sufficiency in staffing levels to deal with any medical emergencies.

Additionally the service is also reliant on a high cost private contract which expires in June 2018. Discussions with the landlord have extended the existing contract short-term. A significant rise in contract costs is anticipated if a longer term extension is required.

There is therefore a compelling case for change.

1.1.3 Executive Summary - Economic Case

In scoping the options, the Project Board has considered that the future model of service provision needs to be delivered from premises that are fit for purpose. The premises need to support the level of integrated working required to make a more positive impact to provide a safe environment for assessment, treatment and therapeutic work for a full spectrum of mental health conditions. These services form part of a planned and integrated whole system approach to care which is delivered in conjunction with the community services and is designed to promote recovery. Within the ward all aspects of physical health, social care needs and risks are jointly managed by a multi-disciplinary team.

The current facility at Stobhill has been assessed as not meeting the basic needs, so the “Do Nothing” option is not viable. The on-going maintenance and repair of the building mean that from a repairs perspective it is expensive to maintain. The accommodation at Birdston is an expensive contract which now does not meet the required specification for hospital based complex care. The preferred solution is therefore two new-build wards, to be delivered within an overall funding envelope of £10.6M.

The proposal optimises value for money.

1.1.4 Executive Summary - Commercial, Financial and Management Cases.

In discussions including with the Scottish Government and Scottish Futures Trust this Project will be developed based on the hub revenue financed model.

A summary of the key updated project dates is provided in the table below.

Table1 Summary Project Programme

Submission of Initial Agreement	October 2016
Submit Outline Business Case	June 2017
Submit Final Business Case	April 2018
Financial Close	May 2018
Construction	May 2018 – November 2019

Costs have been identified for each proposed solution to provide an indication if they are likely to present value for money, against the “Do Nothing Option” (see Economic Case).

The Governance and Project Management arrangements are based on previous Hub approved schemes, and experience from the developments such as Inverclyde (Greenock) and Maryhill will help us improve these areas (see Management Case).

The proposal is viable commercially, financially affordable and both achievable and deliverable.

1.1.5 Executive Summary - Summary of objectives

The proposal is therefore vitally important in terms of:

- Offering care and treatment that respects individual rights and allows treatment to occur in the least restrictive manner possible
- Providing a service which is flexible and responsive and does not discriminate between individuals.
- Providing a high standard of treatment and care, respecting rights for privacy and dignity, in a safe and therapeutic environment for service users in the most acute and vulnerable stage of their illness.
- Ensuring all individuals needs are assessed and that an appropriate care plan is agreed, which includes the views of the service user and relevant carers and discharge planning arrangements.
- Tackling health inequalities, promoting supported recovery and self-management and fostering the principles of multi-disciplinary anticipatory approaches. This is to maximise the effectiveness in how we work with colleagues in the HSCP, across the mental health network and diagnostic and in-patient care in the physical acute sector.
- Also making a contribution to local economic generation and the wider Community Planning Partnership objectives of improving population health and valuing people by providing modern, well-equipped public spaces and buildings.

In developing specific objectives, that we would like to achieve by changing how and where we work if we are to meaningfully tackle the health inequalities that have characterised Glasgow for so long, five key themes emerged.

- i) Interagency and interdisciplinary working is central. The current wards do not support the extent of our ambition; therefore the first investment objective is to improve accommodation to allow users and carers to be better supported by interdisciplinary working in fit for purpose accommodation.
- ii) Related services are sometimes delivered out of different locations and awkward to get to locations and buildings meaning hospital transport and escorts for extended periods. Additionally there are bus, car or taxi journeys for service users and carers. This can be costly and time-consuming, therefore our second investment objective is to improve access for public and service users.
- iii) Our Clinical Services Review for Mental Health Services highlighted that improved service outcomes are sometimes achieved through visibly welcoming health service users and others clearly onto the care pathway. Supporting service users along with third sector and community planning partners will help improve care, preventative approaches and more appropriate referrals. Our third objective is therefore to enable speedier access to modernised mental health services.
- iv) There is a need to provide services that are patient accessible; that can easily be re-accessed after a period of discharge, if required, with interventions designed to meet patient needs. This includes for patients with multiple morbidities receiving coordinated rather than fragmented care and care planning supporting personal outcome based progress towards recovery/living well with the condition. We also need to support continuous learning and

development of clinical and non-clinical staff if we are to recruit and retain high-quality expertise into mental health services in the future. Replacement premises must have physical capacity for this, but in a way whereby the spatial arrangement of development space is logical in terms of the teams and relationships that need to be supported. Our fourth objective is to have better integrated services for modernised therapeutic care and co-morbidities in keeping with the Mental Health Strategy 2017-2027 vision.

- v) As we look to the future, we are keen to reduce our carbon footprint in line with the Government's 2020 target. We also see the cost benefits of reducing energy bills, thereby freeing up resources towards clinical or support services. Our fifth objective is to improve the safety and effectiveness of our accommodation.

1.1.6 Strategic Background

In considering new ways of working we have considered who is affected by our proposal and worked to engage their views at an early stage of the Clinical Services Review, throughout the process to date and in the more recent specific design work and option appraisal exercise. We have also considered how our objectives align with and help to deliver the wider strategic NHS priorities, both at national and NHSGGC levels. Finally, we have taken account of the key external factors that influence or are influenced by our proposal.

We are confident that the anticipated benefits described above and throughout the Initial Agreement will be realised, and that this will deliver genuinely improved outcomes for the service users of the two wards.