

| | |
|---------------------|--|
| REGION | South West |
| ICB / SYSTEM | NHS Bath and North East Somerset, Swindon and Wiltshire Integrated Care Board (ICB) |

Introduction

Guidance:

Please provide some high level commentary about the joint capital plan which should be developed between the ICB and partner NHS Trust and foundation trusts – key strategic priorities, key schemes throughout the year, background to what happened last year, overview funding sources etc.

2023/24 Plan

The joint capital plan for BaNES, Swindon & Wiltshire (BSW) Integrated Care System (ICS) has been developed through collaborative working across the BSW Integrated Care Board (ICB) and partner Provider organisations. The plan covers the full financial year from 1 April 2023 to 31 March 2024. It is noted that whilst the ICB was only formally established from 1 July 2022, partners worked together under the pre-existing BSW Health and Care Partnership arrangements on the system capital plan.

Our ICS aim is to utilise our Capital allocation differently to maximise value and deliver cost effective sustainable solutions. As part of the ICS Capital Group, partner organisations in BSW have committed to deliver transformation as collaborative, system wide initiatives to maximise efficiency and effectiveness. The 23/24 provider “core” allocation values remain largely consistent with those reported in 22/23 as part of the roll out of the 3-year allocation programme.

The system operational capital resource is used for schemes within organisations which primarily support day-to-day operational investment in infrastructure, clinical equipment and information management and technology. The plans are developed by individual trusts based on their prioritised cycle of reinvestment/replacement of assets and assessment of backlog and safety works.

The system allocation is resourced through internally generated funding (cash and depreciation within organisations), and national programme schemes are resourced through the issue of public dividend capital (cash). There is no planned material disposal of assets within our plans at this stage.

Key Strategic Priorities and Schemes

The system aims to best deploy operational and national capital to support strategic priorities. It is however recognised that the level of capital resource available to BSW does not allow all strategic priorities to be delivered. As a system we will need to continue to work together to prioritise our available capital and ensure we maximise opportunities to align resources and investment across the system partners.

This plan builds on system successes in 2022/23, including how the funding will support delivery of operational and national capital to support strategic priorities and local system priorities (increasing capacity through elective recovery, new build, maintenance, digital and diagnostics).

Our NHS provider plans also include pre committed national programme funding streams subject to business case approval. These are linked to: -

- New Hospital Programme approved development of Cancer centre at Royal United Hospitals Bath
- National programme enabling schemes - Sulis Orthopaedic Centre, Salisbury NHS Trust additional Elective ward, redevelopment at Great Western Hospital to expand and reconfigure Urgent & emergency care.
- National programme funding of £40.5m secured to build two specialist therapeutic environments (One in the North and one in the South of the Region) to treat and care for people with Learning Disability or Autism that cannot be cared for in mental health units within reasonable adjustments. The business case is being developed to look at the overall pathway with the aims to treat people closer to home, reduce out of region admissions, improve treatment, care and experience whilst building expertise and capacity.
- Range of other national programmes, including Community Diagnostic Centre, Diagnostic equipment, schemes to support elective recovery, and digital schemes which support clinical care.

System Planning and National Funding - The system operational capital available is focused on delivering operational demands and is not sufficient to allow the progression of some of the key strategic developments that are considered priorities within BSW. We are reliant on securing funding through national funding sources and their related bidding processes which are generally over-committed and have challenging delivery timescales.

The ICB continues to work to support NHS provider trusts in BSW with their respective planning and profiling of nationally approved capital plans awaiting the next phase of national support or capital bids awaiting a national decision.

Pipeline Schemes BSW as a system has identified pipeline of priority schemes that we do not yet have identified funding for: -

- Additional bed capacity
- Day Surgery Unit
- Relocate Maternity
- Spinal unit Refurbishment
- Critical Infrastructure

Inflation - The current level of inflation is having a significant impact on the ability to manage project expenditure to original plans, particularly across multi-year projects.

Delivery - As a system we are continuing to manage the consequences of the worldwide economic conditions which has dramatically affected the procurement lead times of some items of equipment and makes capital planning less certain.

IFRS16 - The planning assumption made is that these will be funded in 2023/24, but this is not yet confirmed and is noted in the risks below. We are progressing on the basis that any additional capital cost impact related to the mandated implementation of IFRS16 are funded by NHS England, although this has not yet been formally confirmed.

Cash - As described above, operational capital is funded through a combination of depreciation and cash.

Funding Sources

The ICB has been notified by NHS England of its provider system operational capital resource which has been allocated to individual organisations based on the national methodology. The capital programme for 2023/24 will be funded from internally generated sources and approved national funding programmes but subject to the approval of business cases for the Sulis Orthopaedic Centre, Community Diagnostic centres, and frontline digitisation programmes.

Annex A demonstrates that the Integrated Care Board (ICB) total capital departmental expenditure limit (CDEL) allocation is £155m (including national funding, IFRS 16 & technical accounting adjustments). Provider Operational capital which is for improvements in estates backlog, digital and replacement diagnostic equipment amounts to £43m. Organisations have reviewed all leases to ensure the correct level of IFRS16 resource is in the plan.

Outturn 2022/23 - The BSW system worked together successfully to deliver an operational capital plan for 2022/23. The funding in 2022/23 was made up of Provider operational Capital, National Programme funding and funding for IFRS 16.

Assumed Sources of Funding for 2023/24

Guidance:

Please provide detailed of the overall funding envelopes to which the system will be working to.

Explain any assumptions (and related risks) associated with the assumed sources and quantum's of funding for the ICB and Partner Trusts

Draft table inserted which can be expanded upon.

The capital programme for 2023/24 will be funded from internally generated sources and approved national funding programmes for the Elective Hub, CDC, and frontline digitisation programmes.

Annex A (below) demonstrates that the ICB total operational Capital allocation is £155m (including national funding, IFRS 16 & technical accounting adjustments).

The total BSW capital plan for 2023/24 is £155m which is broken down as follows:

- Provider operational capital £43m - for improvements in Estate, maintenance, backlog, digital and replacement diagnostic equipment
- ICB operational capital £1.58m will be used on a combination of GPIT and primary care estate. These assets are held by NHS England, not the ICB.
- National Programme funded schemes £94m incl New Hospital programme
- IFRS 16 impact £13m - organisations have reviewed all leases to ensure an accurate level of IFRS16 resource is in the plan.
- Other Technical accounting £3m

Overview of Ongoing Scheme Progression

Guidance:

Please provide an overview of scheme progression. Probably should only be schemes above a certain level

There are several schemes that are ongoing across financial years, which are set out below, and all are funded from national funding routes.

Royal United Hospitals Bath Cancer centre – the RUH was successful in being included in an earlier wave of the New Hospital Programme redevelopment – New 7000 Sq Mtr Cancer Centre on RUH Coombe Park Hospital site that co-locates Cancer pathway into a single building (Diagnostics, Outpatients, Treatment, In-Patient, support services such as Macmillan Hub). Moves services into new accommodation from failing (high backlog) WW2 building stock.

Sulis Elective Orthopaedic Centre (SEOC) – Development of an elective orthopaedic surgical hub at Sulis Hospital as part of the BSW ICS and South West region's response to the national elective recovery programme. This will support additional surgical capacity for elective orthopaedics and addressing the backlog in patient waiting times.

GWH Integrated Front door - Way Forward Programme - Expand and reconfigure UEC front door, co-locate UEC services on ground floor, reduction in adult admissions as more treated on the day, 8 inpatient bed capacity growth on children's ward.

Community Diagnostic Centres (CDC) – provide earlier diagnostic tests closer to home for BSW population through easier, faster, and more direct access to the full range of diagnostic tests needed, a reduction in hospital visits and community diagnostic centres focus on tackling the backlog. BSW approach is it will be. Mobile unit providing a single endoscopy suite to fill in geographical gaps in provision.

Community Diagnostic Centres (CDC) – provide earlier diagnostic tests closer to home for BSW population through easier, faster, and more direct access to the full range of diagnostic tests needed, a reduction in hospital visits and community diagnostic centres focus on tackling the backlog. BSW approach is it will be delivered in a hub and spoke approach: A hub site to be located at Sulis Hospital with an additional endoscopy suite. Spoke site with two endoscopy suites at Saverlake hospital addressing the localities and populations with the greatest need. A mobile unit providing a single endoscopy suite to fill in geographical gaps in provision.

Electronic Patient Record (EPR) – The frontline digitisation programme will commence in 2024/25 as part of the levelling up initiative across the NHS. Investment will ensure a baseline level of digital capability in all system organisations, ensuring health and care staff have access to health-related information when and where it is needed. Enabling BSW's new Model of Care by providing a single EPR across the three acute Trusts supporting new care designs such as virtual wards (cross-Trust clinical teams managing patients at home with real-time access to medications prescribing, test requesting and clinical data viewing) and enhanced clinics (an outpatient clinic could extend to 7-days a week). This will support improved clinical outcomes and efficiencies within and across the system (e.g., standardising order sets for hip replacements resulting in more equitable outcomes for patients whichever Trust they attend; enabling work to move across Trusts

LDA - (joint working BSW, BNSSG and Gloucester integrated Care systems) Building a facility to cover North side of the Southwest. Treating people closer to home whilst reducing our reliance on inpatient beds. To improve care and experiences for people within the Southwest region with a learning disability and those with autism (or both). Deliver innovative solutions and improvements to environment and service models that deliver a positive impact to service users.

Risks and Contingencies

Guidance:

Insert any notable risks and/or contingencies associated with the capital plan. Consider RAG rating risks also.

The system has reviewed risks relating to the capital programme and has summarised them as outlined below.

System Planning and National Funding - The system operational capital available is focused on delivering operational demands and is not sufficient to allow the progression of some of the key strategic developments that are considered priorities within BSW. We are reliant on securing funding through national funding sources and their related bidding processes which are generally over-committed and have challenging delivery timescales.

The ICB continues to work to support NHS provider trusts in BSW with their respective planning and profiling of nationally approved capital plans awaiting the next phase of national support or capital bids awaiting a national decision.

Pipeline Schemes - BSW as a system has identified pipeline of priority schemes that we do not yet have identified funding for:-

- Additional bed capacity
- Day Surgery Unit
- Relocate Maternity
- Spinal unit Refurbishment
- Critical Infrastructure

Inflation - The current level of inflation is having a significant impact on the ability to manage project expenditure to original plans, particularly across multi-year projects.

Delivery - As a system we are continuing to manage the consequences of the worldwide economic conditions which has dramatically affected the procurement lead times of some items of equipment and makes capital planning less certain.

IFRS16 - The planning assumption made is that these will be funded in 2023/24, but this is not yet confirmed and is noted in the risks below. We are progressing on the basis that any additional capital cost impact related to the mandated implementation of IFRS16 are funded by NHS England, although this has not yet been formally confirmed.

Cash - As described above, operational capital is funded through a combination of depreciation and cash.

Business Cases in 2023/24

Guidance:

Please insert detail of some of the key business cases in the ICB that are likely to be submitted in 2023/24.

As outlined in the overview - business cases in progress which we are working towards the Full Business Case (FBC) approval:-

- Sulis Orthopaedic Centre – business case in final stages
- Community Diagnostic Centre business cases is in final stage.
- Electronic Patient Records – FBC being prepared for submission in 2023.
- LDA hub – working with Devon ICS and SW collaborative on business case for submission.

The ICB will continue to submit plans to NHS England for approval of spend on primary care estate and GPIT.

Cross System Working

Guidance:

If applicable, can you detail how your system capital plan is coordinated with other systems or providers located in other systems.

Our aims and objectives as a Integrated Care system (ICS) are to work together across all partners to maximise available capital resources into BSW by having a coherent, strategic plan for capital investment.

BSW will develop a capital prioritisation and governance framework for all capital programmes to support system and local priorities.

BSW aims to work with partners to co-develop opportunities where greater coordination, alignment and/or integration of resources can lead to better outcomes or greater efficiency.

BSW is working with BNSSG, Gloucester & Devon ICS to develop the Learning Disability and Autism facility business case so that we can co create innovative solutions and service models that deliver a positive impact to service users.

Capital Planning & Prioritisation

Guidance:

Please detail how your system is prioritising available resources for investments which contribute to the wider local strategic priorities of the ICS, and maximise efficiencies within an affordable envelopes as well as how this aligns with and supports the ICS' wider infrastructure strategy - in particular, priorities and plans for future use and development of its estate and assets.

The system recognises the need to develop our Capital Strategy, aligning this to the BSW Integrated Care Strategy to develop a comprehensive Capital Infrastructure Plan which identifies the medium-term requirements for NHS Capital.

BSW has set up a Strategic Capital Planning group including wider members from partner NHS Trusts. As a collaborative we are working through developing a framework for Capital investment and priorities to support the integrated Care strategy for the system. Estates and digital are seen as key enablers to our Integrated Care Strategy.

Our aim is to develop a focused Capital strategy development framework including clear principles guiding how we will collectively respond to national requests for funding. BSW to develop a plan working towards net zero carbon sustainability standards across the ICS system.

As national programme funds become available, the ICB ensures full adherence to well established collaborative arrangements to identify and prioritise investment, the most current examples being the multi-year community diagnostic allocation, Great Western Hospital urgent and emergency reconfiguration and working collaboratively with Devon ICS on the LDA facility.

We will be embarking on a programme to develop an ICS Infrastructure Strategy which will shape our Capital investment plans and will ensure continued alignment of our strategic estates objectives to system clinical strategies and will consider further opportunities for achieving efficiencies and disposals.

We are continuing to work with system partners to review our public sector estate which can then be used effectively by other partners, to make the best use of public sector assets.



Annex A – NHS Bath and North East Somerset, Swindon and Wiltshire Integrated Care Board (ICB) 2023/24 CAPITAL PLAN

| BSW | CDEL | ICB | GREAT WESTERN HOSPITALS NHS FOUNDATION TRUST | ROYAL UNITED HOSPITALS BATH NHS FOUNDATION TRUST | SALISBURY NHS FOUNDATION TRUST | Total Full Year Plan £'000 | Narrative on the main categories of expenditure |
|----------|--|-------|--|--|--------------------------------|-------------------------------|--|
| Provider | Operational Capital | 0 | 13,553 | 13,878 | 15,871 | 43,302 | This includes additional schemes to compensate for slippage as per guidance |
| ICB | Operational Capital | 1,585 | | | | | ICB (GPIT & Minor Improvement Grant schemes) |
| | Total Op Cap | 1,585 | 13,553 | 13,878 | 15,871 | 44,887 | |
| Provider | Impact of IFRS 16 | | | 7,555 | 5000 | 12,555 | IFRS 16 leases |
| ICB | Impact of IFRS 16 | 492 | | | | 492 | Office space leases |
| Provider | Upgrades & NHP Programmes | | 22,180 | 6,650 | | 28,830 | GWH Integrated Front Door and RUH Cancer centre |
| Provider | National Programmes (diagnostics, Front line digitisation, Mental Health, Elective recovery) | | 34,377 | 13,749 | 17,249 | 65,375 | Community Diagnostic Centres, Frontline Digitisation and Elective Recovery schemes |
| Provider | Other (technical accounting) | | 2,269 | | 509 | 2,778 | Private Finance Initiative residual Lease |
| | Total system CDEL | 2077 | 72,379 | 41,832 | 38,629 | 154,917 | |