



HSE Board Briefing Template

Subject: Development of New Acute Ward Block, Tallaght University Hospital; Strategic Assessment Report

Submitted for meeting on: 21 March (EMT), 24 March (ARC) 31 March 2023 (Board)

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Why is this information being brought to the Boards attention?

For consideration and approval to proceed. The total capital cost of this proposal is in excess of [REDACTED] Projects of such scale and value require specific approvals at various stages of the project lifecycle in accordance with the current Public Spending Code. The first stage of the process involves the preparation and approval of a Strategic Assessment Report (SAR) for the project.

Is there an action by the Board required, if so please provide detail?

This proposal was approved by EMT and ARC, it is recommended that the HSE Board consider the strategic context for the capital investment proposal as set out in this paper [REDACTED] and endorse the case that is being made for Development of New Acute Ward Block, Tallaght University Hospital). At this preliminary stage the initial cost estimate for the range of options to deliver the proposal is in excess of [REDACTED] Formal approval of the SAR (Decision Gate 0) is being requested in order to proceed to the next stage of the process namely, the preparation of a Preliminary Business Case.

In developing the Preliminary Business Case, a multi-criteria analysis of the options to deliver the proposal will be undertaken leading to a preferred option. Approval of the Preliminary Business Case (Decision Gate 1) will lead to the development of a Project Brief and this will provide greater visibility of cost and timelines for completion. Following approval of the Project Brief and Procurement Strategy (Decision Gate 2 pre-tender approval) tenders will issue and following final approval of the costs associated with the tenders (Decision Gate 3), the construction phase of the project will commence.

Please indicate which of the Board's objectives this relates to;

- The development and implementing of an effective Corporate Governance Framework, incorporating clinical governance and a performance management and accountability system;
- Developing a plan for building public trust and confidence in the HSE and the wider health service;
- Ensuring the HSE's full support for and implementation of the Government's programme of health reform as set out in the Sláintecare Implementation Strategy;
- Exercising effective budgetary management, including improving the value achieved with existing resources and securing target saving, with the objective of delivering the National Service Plan within Budget.

Brief summary of link to Board objectives.

This project will deliver:

- a modern in-patient ward block and improve bed occupancy rates, in line with the Health Service Capacity Review 2018.

- enhanced endoscopy and oncology capacity with required accommodation in accordance with current guidelines and best practice.
- in-patient accommodation that enables more effective management of patient flow.
- a modern compliant fit for purpose facility to enhance patient experience and support achievement of improved outcomes.
- Additional Acute Wards to help reduce pressures on the Emergency Department, by increasing capacity to transfer patients from the ED, acknowledging the link between waiting times and mortality in an ED context.
- Additional Acute Wards to meet the recommendations of the HSE's Infection Prevention and Control Building Guidelines.
- Additional Acute Wards which enables a high-quality service to residents and a safe environment for staff to work.
- Achieving the objectives of the HSE's Corporate Plan 2021-2024.

The capital investment required for the preferred proposal will be determined at Project Brief stage (between Decision Gate 1 'approval in principle' and Decision Gate 2 (pre-tender approval)) but cost estimates of the options set out in the SAR are in excess of [REDACTED]. The final capital investment required to deliver the proposal will be determined following return of tenders at Decision Gate 3.

The HSE as Sponsoring Agency will have primary responsibility for evaluating, planning and managing this public investment project within the parameters of the Public Spending Code. Project governance arrangements will provide assurance that processes underpinning these responsibilities are robust and that risks associated with large capital projects such as cost and completion time are mitigated.

Background - provide context in order to ensure that the Board fully understand the issue.

The proposed Acute Floor Expansion project comprises a new five-floor building. This proposal would add three floors of single room inpatient accommodation (72 beds in total) as well as supplementing endoscopy and oncology capacity in order to address deficits and long waiting times at the hospital, notably in the Emergency Department (ED).

A summary of the four main 'drivers' behind the proposal are listed below:

1. ED waiting times fail to meet national targets and are getting worse. In 2021 only 11% of admitted patients completed their journey from ED registration to bed transfer within six hours, compared to 20% in 2015. Over the same period, the percentage of admitted patients with a Patient Experience Times (PET) of less than nine hours fell from 36% to 22%. These compare with national targets of 95% within 6 hours and 100% within 9 hours.
2. TUH inpatient capacity is inadequate to meet current demand - the hospital operates with a weekday midnight census that exceeds available beds 48% of the time.
3. Endoscopy waiting lists are growing. As of January 2022 over 2,300 people are on the index endoscopy waiting list, with 1,600 waiting more than the 13-week national standard, despite significant recourse to NTPF-funded outsourcing. As of early February 2022, there are a further almost 5,000 patients on surveillance endoscopy waiting lists. Almost 2,050 of these were due their surveillance scope in February 2022 or earlier.
4. Due to pressures for emergency treatment and lack of inpatient capacity, the number of elective theatre procedures undertaken in TUH has fallen by almost 2,400 between 2015 and 2021. These falls in activity have had a direct impact on surgery waiting list growth, with significant proportions waiting more than 15 months.

The proposed Project will significantly address these four 'drivers'. At this preliminary stage the initial cost estimate to deliver the proposal is in the range of [REDACTED]

The key *project specific objective* is to address the inadequacies of existing endoscopy, oncology and elective procedure facilities at TUH, particularly in light of current and expected future demand. -The hospital operates at greater than 100% inpatient occupancy for large parts of the year, with a regular need to admit patients to 'escalation' areas such as ward trolleys and day ward beds.

Efforts to deal with increasing emergency demand have meant continued reductions in both inpatient and daycase elective surgery volumes. Approximately 1,140 fewer elective surgeries were conducted in 2019 compared to four years previously (elective surgery levels have fallen further due to the pandemic).

ED attendances are growing steadily, reaching 52,600 in 2021 – up 16% in the last six years. Attendances in 2021 likely under-represent typical activity levels due to Covid19 suppression efforts. There has been no increase in bed capacity over the same time period (18-day ward beds have been redesignated for inpatient usage).

Project Objective / Rationale

The project seeks to address several core infrastructural deficits at Tallaght University Hospital which currently impact the capacity and quality of services across the hospital.

The attached SAR demonstrably shows the need for the proposed development on a TUH Campus basis and, as stated previously, it also shows the development to be consistent with Sláintecare. The demand for the development of the acute ward block together with the associated capacity requirements in Tallaght will be subject to detailed validation as part of the Preliminary Business Case process.

The latest Public Spending Code sets out the current process for the delivery of such major public investment projects. It sets out the roles and responsibilities for both Sponsoring Agencies such as the HSE and Approving Authorities in that regard and provides detail on the requirements at each stage of the project lifecycle. There are now six stages and four Decision Gates in the project lifecycle, three ex ante and three ex post as follows;

1. Strategic Assessment Report (SAR)
 - Decision Gate 0 – Current Stage
2. Preliminary Business Case (PBC)
 - Decision Gate 1 – Approval in Principle
3. Final Business Case (FBC), including detailed design, procurement strategy and tendering
 - Decision Gate 2 – pre-tender Approval
 - Decision Gate 3 – Approval to Proceed (Contract Award)
4. Implementation
5. Review
6. Ex Post Evaluation

This paper relates to the Strategic Assessment Report (SAR) – Decision Gate 0 (item 1 above).

As the project progresses through the project lifecycle it will be referred to EMT, ARC and the Board again for endorsement at three further stages in addition to this paper, namely for endorsement of the Preliminary Business Case (Decision Gate 1) and for endorsement of the Final Business Case which comprises two approval gates (Decision Gate 2 and Decision Gate 3).

Highlight any implications that the Board should be made aware of in its consideration such as;

- **Current status**
Seeking HSE Board approval of the Strategic Assessment Reports (SAR)

- **Budget**

This is a large, complex project. The SAR recommends a number of options to deliver the project with preliminary capital costs [REDACTED]. A multi-criteria analysis of the options will be undertaken as part of the development of the Preliminary Business Case leading to a preferred option. Further cost certainty will be developed at the initial stages of the design and planning processes through the development of the Project Brief.

The proposed project will also involve additional operational revenue which will be further analysed at PBC stage.

- **Source of Funding**

The project is included in the HSE Capital Plan, with appropriate allocations to initiate it. Greater definition and allocations will be included in due course to reflect the developed understanding from the PBC stage work.

- **Programme**

Preliminary programmes and timelines will be reviewed as part of consideration of options during the PBC process. Early delivery of new facilities and enhanced capacity is recognised as a key clinical and operational priority.

- **Resources**

Additional WTE staffing will be required to open the new facilities. A detailed financial review of the projected incremental costs and revenue will be completed as part of the PBC, for each of the shortlisted options. TUH will participate in specialty costing programmes and any proposed revenue costs will be assessed against appropriate benchmarks and agreed staffing ratios.

- **Impact to delivery of services**

The proposed facility will provide compliant, appropriately located, key clinical capacity in the correct configuration to support key health service delivery. It will significantly assist in achieving improved outcomes.

- **Corporate Plan**

Aligned with HSE Corporate Plan & Service Plan

- **Sláintecare**

Aligned with Sláintecare on delivery of services.

- **Social factors** (e.g., impact on specific area such as the elderly, disabilities)

The provision of the new facility will significantly improve the quality of the environment in which care is delivered to patients, and enhance the experience of patients, family members, and staff.

- **Legal factors**

Legal arrangements in relation to the forms of contracts, grant arrangements etc. will be considered further as the project proposals advance.

Sustainability

The new Acute Ward Block at Tallaght University Hospital will be designed to fully support Government and HSE climate action and decarbonisation ambitions and commitments.

Conclusion

The Strategic Assessment Reports (SAR) for the Acute Ward Block at Tallaght University Hospital has been prepared by EY under the direction of Tallaght University Hospital in accordance with the current Public Spending Code requirements. It sets out the scope of the project and the potential options considered. It also examines the cost and benefits arising. It recommends that the Approving Authority grant formal approval to progress to the next stage of the project lifecycle process.

Recommendation

It is recommended that the HSE Board approve the attached Strategic Assessment Report, to facilitate progressing to the next stage of the project lifecycle. As noted earlier the demand for the development of the acute ward block together with the associated capacity requirements in Tallaght will be subject to detailed validation as part of the Preliminary Business Case process.