



HSE Board Briefing Template

Subject: Development of a Cancer Centre at Galway 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 the options as set out in this proposal is currently estimated to be in the order of approx. [REDACTED] inclusive of VAT. 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 at EMT and ARC, it is recommended that HSE Board members consider the strategic context for the capital investment proposal as set out in this paper and [REDACTED] and endorse the case that is being made for a new Cancer Centre to replace the current inadequate facilities at University Hospital Galway (UHG). At this preliminary stage the initial cost estimate for the range of options to deliver the proposal is [REDACTED] inclusive of VAT. Formal approval of the SAR (Decision Gate 0) will be requested from the Department of Health 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 more detailed and considered options to deliver the proposal will be undertaken leading to identification of 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 a more detailed understanding of cost and timelines to 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 aims to support the implementation of government health policy in the West of Ireland by

providing fit for purpose replacement healthcare infrastructure to enable provision of cancer services in Galway into the future to serve the existing and growing needs of the population of the wider western region in accordance with the National Cancer Strategy 2017-2026.

The project is proposed to support and deliver the National Cancer Control Programme's objectives for cancer centres, which include:

- A focus on cancer clinical care, education and scientific endeavour.
- Breadth and depth of experienced high-quality staff across all disciplines.
- High volume multidisciplinary cancer services in diagnostics, surgery, radiation oncology, medical oncology and haematology.
- Dedicated resources within a designated building linked to an associated University Hospital.
- Dedicated modern clinical facilities, including outpatient, day care, inpatient and associated interdisciplinary shared resources.
- Clinical and other research facilities.
- Integration with scientific institutions to research, and develop clinical and public health intervention strategies for cancer care; and

The scope, content and capital investment required for the preferred development option, once identified, will be determined at Project Brief stage (between Decision Gate 1 'approval in principle' and Decision Gate 2 (pre-tender approval)). Initial capital cost estimates of the different options as set out in the SAR are in the range 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. The Board will require 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.

SAOLTA Hospital Group serves a population of approximately 800,000 people across the West / North West of Ireland and its environs. The group provides Model 4 hospital services at University Hospital Galway (UHG) with other hospitals (Model 3 and Model 2) located throughout the region in Letterkenny, Sligo, Mayo, Roscommon, Ballinasloe and at Merlin Park in Galway City. As the sole Model 4 tertiary referral hospital for the Saolta Group, UHG is a critical component of acute healthcare delivery in the West and North-West. The quality and capacity of the existing infrastructure available at the Model 4 hospital is critical for overall service delivery.

In 2019 the SAOLTA Hospital Group engaged KPMG to undertake an Options Appraisal in relation to a future Model 4 Hospital for the region in light of the poor conditions and capacity limitations of the existing UHG facilities. Since then the Covid-19 pandemic has further highlighted the serious infrastructure deficits on the UHG campus, including significant capacity issues. These are reflected in the sustained escalation status of the hospital in relation to Emergency Care and growing waiting lists in relation to scheduled care. In 2022 KPMG were engaged to reassess the outcome of the 2019 SAOLTA Options Appraisal which had considered a number of infrastructural options. The outcome of the reassessment was a recommendation by KMPG to proceed with the redevelopment of the acute model 4 hospital, predominately on the UHG campus. It was recommended by KMPG that the elective element be developed off-site (Merlin Park). Plans for elective hospitals are a separate piece of work and not related to this project proposal. This proposal is for new Cancer Centre facilities which are envisaged to be on the UHG campus subject to more detailed option appraisal at preliminary business case stage. The proposal is strategically aligned with future plans for regional acute healthcare delivery. It is one of a number of major capital projects planned for Galway and forms a very significant element of the overall redevelopment works envisaged at the UHG campus. The appraisal work led by KPMG identified new Cancer Centre infrastructure as a priority requirement for consideration and progression.

SAOLTA Hospital Group has created a Managed Clinical and Academic Network (MCAN) for Cancer which aims to improve cancer survival via a comprehensive regional programme of cancer care. With University

Hospital Galway being a designated supra regional centre for cancer, the proposed Cancer Centre is considered the priority capital development to support a cancer care network for the SAOLTA region although facilities in model 3 hospitals throughout the region may also separately need some investment.

In October 2021 the Government launched the latest version of the National Development Plan 2021 – 2030. The National Development Plan foresees €165 billion of public capital investment in infrastructure projects over 2021-2030 and sets out Departmental allocations for 2021-2025. In terms of the Sectoral Strategy for Health, the NDP 2021-2030 specifically refers to the National Cancer Strategy. It states that the National Cancer Strategy includes for the expansion and improvement of medical oncology units and day wards, improvement in diagnostic facilities and investment in aseptic compounding infrastructure. Specifically the NDP 2021-2030 states that “in accordance with balanced regional development, a cancer care network for the SAOLTA region with a Cancer Centre at Galway University Hospital with appropriate infrastructure will be delivered.”

This SAR for a Cancer Centre for Galway is being put forward for approval following extensive discussions with both Saolta Hospital Group and nationally with service colleagues. It is fully supported by the National Cancer Control Programme (NCCP).

The proposed Cancer Centre is intended as part of the overall Development Control Plan for Galway University Hospital Campus, and the project will take cognisance of the other developments which are currently underway or planned for the hospital campus.

Project Objective / Rationale

The project seeks to address various core infrastructural deficits at University Hospital Galway which currently impact on both the capacity and quality of cancer services.

The Cancer Centre development will:

- support cancer clinical care,
- enhance education and scientific endeavor
- enable the delivery of high volume multidisciplinary cancer services in diagnostics, surgery, radiation oncology, medical oncology and hematology.

Key features of a cancer centre include dedicated modern clinical facilities such as outpatient, day care, inpatient and research facilities. A new Radiation Oncology facility has recently been completed on site at UHG and is currently being equipped. However, a range of other facilities are also required to provide the required level of cancer services.

The full range of facilities required based on a demand and capacity analysis includes theatre capacity (10 No.), inpatient bed capacity (200 inpatient beds) and new ambulatory care facilities including a hematology day ward (39 spaces), Outpatient Facilities, space for clinical trials and an acute assessment area. The demand for cancer services together with the associated capacity requirements in Galway will be subject to detailed validation as part of the Preliminary Business Case process.

Also proposed to be included is accommodation for Rapid Access Clinics with appropriate diagnostics and an integrated research space enabling bench to bed innovation developments. The Rapid Access suite will enable rapid access to the Prostate/Urology, Lung, Breast, Pigmented lesion, GI/Gynaecology & Head & Neck cancer programmes. This will be complemented by a clinical trials and research space to encourage world class training and innovation. The Cancer Centre will also be supported by and dependent on the delivery of the Replacement Laboratory Facilities which is being progressed as a separate capital project to support cancer services delivery.

The Cancer Centre will help address poor patient outcomes in the region where there are the lowest survival rates in Ireland for common cancers including breast and lung cancer. The new Cancer Centre is intended to support integration with scientific institutions to research and develop clinical and public health intervention

strategies for cancer care. The full scope and extent of the proposed works including the schedule of accommodation requirements will be subject to more detailed review and better definition at Preliminary Business Case Stage (PBC), for consideration and agreement in the context of the detailed Multicriteria Analysis options appraisal process, and for endorsement at that time in the context of National plans and programmes for cancer care.

The SAR demonstrates the feasibility of the proposed development and how it will be consistent with existing health policy in terms of the National Cancer Strategy 2017-2026, Health Service Capacity Review 2018, Sláintecare, and other relevant policies and strategies adopted by Government in respect of health service delivery in Galway and its broader catchment area.

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 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 Report (SAR)
- **Budget**
This is a large, complex project. The SAR recommends a number of options to deliver the project with preliminary capital costs ranging from [REDACTED]. A multi-criteria analysis of relevant options will be undertaken as part of the development of the Preliminary Business Case leading to identification of a preferred option at the next stage of the Public Spending Code process. 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 to be included in the HSE Capital Plan, with appropriate allocations to initiate them. 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. There are a number of major projects intended for the campus and overall

consideration of the collective delivery of these works on site will be required.

- **Resources**

Existing WTE staffing will be available to open the new facilities, as it is a replacement project. The need for additional WTE staffing will be considered in developing the Preliminary Business Case (PBC).

- **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, the National Cancer Strategy and the NDP 2021-2030.

- **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 Cancer Centre will be designed to fully support Government and HSE climate action and decarbonisation ambitions and commitments.

Conclusion

[REDACTED]

Recommendation

[REDACTED]

As noted earlier, the demand for cancer services together with the associated capacity requirements in Galway will be subject to detailed validation as part of the Preliminary Business Case Process.