


Torbay and Southern Devon 
Health and Care
NHS Trust

Brixham Hospital Re-provision of St Kilda Business Case

Extracts for Torbay Council Health Scrutiny Board November 2012

In partnership with:



**Brixham Hospital League
of Friends**

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1. Executive Summary

i) Synopsis of the proposal

The proposals in this Full Business Case (FBC) are the culmination of a series of phases in the planned refurbishment and redevelopment of the Brixham Hospital site to provide a comprehensive range of local health and social care services consistent with local service redesign and fulfilment of the concept of creating a "Health and Care Village" for Brixham. Specifically this business case provides for the:

- Provision of new permanent facilities for the Brixham Community Health and Social Care Zone Team, within the proposed St Kilda new build.
- Provision of new facilities for St Lukes GP practices (who function in inadequate facilities); This proposal does not form a direct part of the St Kilda Business Case but is included on the assumption that this proposal will proceed at later date once approvals and funding is secured via the National Commissioning Board.
- Relocation of the existing 36 beds for the provision of nursing care, residential care/dementia and residential/intermediate care, currently provided in poor quality accommodation at the St Kilda Residential Care Home): This is the purpose of this Business Case.

The Primary focus of this report is respect to the re-provision of St Kilda, which is a long standing promise the Trust and the Council made to the local community in Brixham and was also stated as an objective in the original procurement in 2007 when Sandwell Community Caring Trust successfully became the operator of St Kilda.

The development will cost an estimated £3.5 million in capital terms and will be revenue cost neutral to the Trust and some additional revenue efficiencies can be delivered in due course.

The project will be delivered through the following partnership arrangement, which will include the raising of the necessary capital funds through borrowings by Sandwell Community Caring Trust or grant income.

- **Sandwell Community Caring Trust:** To borrow sufficient funds to provide the majority of the capital costs for the new St Kilda facility (approximately £3.5m) Borrowings will be serviced via Sandwell's revenue contract arrangements with Torbay and Southern Devon Health and Care NHS Trust (TSDHC) At the end of the loan terms the asset will revert to public ownership. Sandwell Community Caring Trust (SCCT) is a Social Enterprise, which means that any profits generated are re-invested locally into the services it provides. SCCT envisage they will also have access to grant funding towards the capital build.
- **Brixham Hospital League of Friends:** To provide up to £1m funding towards the costs of re-providing St Kilda and the retention of fractional ownership of the new St Kilda facility.
- **Torbay and Southern Devon Health and Care NHS Trust:** To contribute the NHS owned land at Brixham Hospital to the scheme and, in relation to the new St Kilda facilities, the retention of a controlling interest via a long-term lease to SCCT; This assumes a property transfer will occur as per national guidance from the Commissioners to the TSDHC Provider 31/3/2013. This process is in train and expected to be completed.
- **Torbay Council:** To contribute to the scheme later once the disposal of the existing St Kilda site has taken place. Value approximately £500,000. (Council "Decision" March 2011)

ii) Key changes to the proposal from 2007-2011

In 2007 a Business Case was presented to the Department of Health proposing the wider re-development of the Brixham Hospital site, including a request for funds to demolish most of the existing building and replace them with new health and community facilities including additional consulting space, GP practice and accommodation for the Health and Social Care Zone team. This bid was made by the Director of Primary Care at the time with support from the Head of Estates.

This bid/case was not successful and it was agreed subsequently that a new strategy would be put in place as an alternative method of delivering our goals on site. During the period 2007 to 2011 a full refurbishment took place of the existing building on site funded via public capital. The 20 bedded inpatient facility previously located in Nightingale Wards in the old building was relocated to the Briseham Unit. This was a successful move supported by the community (League of Friends contributed funding) and health professionals. The 20 beds are now located in a fit for purpose facility that meets modern nursing, privacy and dignity, patients safety and infection control requirements. 16 of the beds are in four bedded bays and 4 single rooms are provided along with a day care room and adjacent garden and a relatives room.

The old/original Hospital building was also refurbished in phases up until the beginning of 2011 to meet modern operating and compliance standards. This allowed for the sub-standard Clinic building at the bottom of the site to be demolished as that particular facility was no longer sustainable for both estates and health care perspectives. New consulting space has been provided for Sexual Health Services, Physiotherapists, Health Visitors, School Nurses, Audiologists, Orthopists and visiting consultant's session and public health activity. The minor injuries reception area has also been updated to enhance access for patients as well as being more welcoming. Likewise Minor operations and X-ray space has also been improved.

At the beginning of 2011 with the above work streams successfully delivered activity began in earnest to look at the possibility of relocating St Kilda to the Brixham Hospital site in the form of a new build and the St Luke's GP practice. A Project Initiation Document to this end was approved by the Trust's Management Team in February 2011. Feasibility work on this scheme proceeded during the remainder of 2011 and into 2012.

iii) Affordability

In **revenue** terms **Sandwell** Community Caring Trust (SCCT) will meet borrowing requirements from its revenue stream paid by the Trust to provide the 36 beds that we commissioning from SCCT. The new contract is 85% block and 15% spot purchase for the beds. This is also covered in the finance section of this Business Case. The new contract reflects better the demand for beds currently and anticipated for the future with the nursing care and dementia beds components.

In **Capital** terms the estimated pre-tender cost of the St Kilda build is £3.5 Million.

The **NHS** will contribute the land leased on a long-term basis and the ownership of the new St Kilda will revert to the NHS, when all borrowings to fund the build are paid.

The Brixham Hospital **League of Friends** will contribute up to £1 Million and hold a proportional ownership of the building

Torbay Council will contribute the value of the existing St Kilda site on sale, estimated value £500,000, although this contribution will require a bridging due to timing constraints.

Sandwell Community Caring Trust will borrow a balancing figure of up to £1.5 million to deliver the scheme and the capital build (Including build costs and fees) As a charitable organisation

SCCT will not be charged VAT, which will assist affordability of the overall scheme materially. Some of the above loan figure may be covered by income from grant applications available to Social Enterprise organisations.

The Zone team accommodation rental costs will be funded from the revenue allocation currently used to fund the Portakabin lease for this team. This budget has been ring-fenced for this purpose, however the District Valuer will need to assess the rental value in due course, but has informally suggested a cost per square feet rate is likely to be agreed that is affordable and in line with other Trust office space approved.

iv) Workforce implications

SCCT will relocate their existing workforce from the current St Kilda building into the new build. The Brixham Zone team will relocate from the Portakabin to their leased floor within the St Kilda new build. The funding to pay for the lease Portakabin accommodation will be hypothecated into the new permanent office space.

South Devon Healthcare Foundation Trust (SDHFT) provides Estates services for the Brixham site, currently as outlined via SLA arrangements. Sandwell as the operator will run the St Kilda new build in terms of in house hard and soft facilities management functions. SDHFT will continue to provide Estates services to the NHS owed estate on site.

v) Project management arrangements and milestones

Sandwell as the developer will lead the scheme and produce all the appropriate project management controls and documentation. An outline project milestone document has been incorporated towards the end of this report. This of course is currently provisional and is dependent upon the successful outcome of a Planning Application and accurate assumptions with respect to procurement and contract mobilisation time scales.

A project board will be established, assuming successful outcomes for the business case, planning process and community consultation, to oversee all activity during the build phase until completion. This will include SCCT, architects, build project manager and appropriate technical advisors, the main contractors and Steve Honeywill (Head of Community Redesign) for the Trust as client side advisors and link to the Executive Team and Board. Steve Honeywill also has an on-going dialogue with Liam Montgomery (Housing) at Torbay Council who is the lead link officer with respect to St Kilda and ensuring the Council interest in this scheme is monitored and reviewed.

VI) Recommendation

- That this business case recommends that the Executive Team and Trust Board supports the proposal to build the re-provided St Kilda (36 beds) on the Brixham Hospital sites to be outlined fully in this paper.
- That NHS owned land on site is made available for building the new St Kilda and leased for SCCT for a fixed term period. The ownership of the building return to public ownership once any outstanding loans are met in full. This is the key decision for the Board that will allow the St Kilda build to proceed.
- That the proposal to replace the Brixham Health and Social Care team temporary accommodation with permanent leased accommodation in the new St Kilda is approved.
- That the proposal to progress the feasibility of providing space for the St Luke's GP practice on site in the old Hospital building is approved.
- That further briefing comes to the Board when the outstanding site master plan and building design issues are settled for the Planning Application. As the project

hopefully proceeds the Board will receive progress reports with regard to finances, legal matters and the build process itself.

2. Introduction

2.1. Purpose of the Full Business Case

- This briefing describes the proposals for the final phase of the redevelopment of the Brixham Hospital site in order to secure approval to proceed with implementation of the scheme. It describes how the proposal has developed since the original proposals in 2007 and demonstrates that the proposal is: strategically appropriate and necessary, affordable, and deliverable.

2.2. Approval arrangements

2.2.1. Social Care Programme Board and Torbay Council will over need to be briefed with respect to the proposal The approving authorities for this business case is:

- The Trust Board of the Torbay and Southern Devon Health and Care NHS Trust (TSDHC) will make the decision to make the land available for the St Kilda build to proceed. The St Kilda contract and Zone Team will be funded from existing revenue budgets and contracts.
 - The Local Planning Authority of Torbay Council will need to approve our Planning Application for the scheme.
 - The National Commissioning Board would need to approve the GP scheme if they were to proceed at a later date.

2.3. History of this proposal

2.3.1. The origins of these proposals lie in an initial “visioning event” in 2006 (involving over 40 community advocates, clinicians and staff) which was aimed at exploring the long term role of the Hospital within the context of a much wider modernisation of the health and social care infrastructure (the ‘Integrated Care Network’) in Torbay and the local programme for Modernisation of Older People’s services. Specifically the aims were to:

- Provide better outcomes for service users;
- Ensure that all new care facilities were planned and built to be fit for purpose and planned around the best models of service provision;
- Ensure best possible use of the resources available;
- Further development of opportunities to work in partnership including the provision of more, locally-based, integrated services.

2.3.2. The original plan featured the development of the Brixham Hospital as a focal point for local changes and services. A three phase development was envisaged:

Phase		Components
1	Re-location and modernisation of inpatient facilities to be based on a nurse / therapist led model	<ul style="list-style-type: none">• Step down care following acute hospitalisation• Intermediate care• End of life care• Day care (e.g. transfusion)
2	Modernisation of MIU and Outpatient services	<ul style="list-style-type: none">• Nurse led Minor Injury Care• Local access to diagnostics• Local access to a wide range of consultant led, specialist, Outpatient care
3	Development of wider health and social care services	<ul style="list-style-type: none">• Primary Care ‘One Stop Shop’ (at that time featuring the relocation of St Lukes GP practice only)• Office and clinical space for the Brixham Integrated Team• Education space for service users and health and social care professionals• Services to promote health and well being• Potential for the improvement of the facilities provided St Kilda’s residential/intermediate care

Phase	Components
	centre by re-providing this facility on the Brixham Hospital site

2.3.3. The first 2 phases have now been substantially achieved. This report now focuses on the final shaping and delivery of the final phase of developments at Brixham Hospital. However it should be noted the financial climate has changed significantly since we embarked on our proposals for the Hospital site and that the final phase scheme being proposed in this paper is tailored to challenging financial times. It is more difficult to deliver a new build project and therefore the partnering arrangements by which the proposed scheme will be delivered (The NHS, Sandwell, the League of Friends and Torbay Council) is the only way such a project can now managed to a successful outcome. Throughout we have looked for efficiencies and ways to avoid duplications/costs in shaping the scheme. Innovation with regard to the project approach and funding/borrowing are key to progress for this project.

3. Proposal for the Brixham Hospital site

3.1. Introduction

3.1.1. This part of the business case provides the wider strategic context to the proposals and identifies the service developments required. It also provides the objectives for the proposed development together with service benefits sought and the potential risks.

3.2. Organisational overview

3.2.1. **Torbay and Southern Devon Health & Care NHS Trust (TSDHC) and Sandwell Community Caring Trust (SSCT) Partnership:** In our previous NHS organisational form(s), The Torbay Care Trust (established in 2005) was an integrated community health and adult social care organisation (incorporating social care teams from Torbay Council) and also provides the local Primary Care Trust functions for the Torbay area (including the commissioning of primary and secondary care services for the local population). The Trust also provides the following services in Torbay:

- Community healthcare services, including Brixham and Paignton Hospitals;
- Adult social care (previously provided by Torbay Council);

In 2011 following the Transforming Community Services process our organisation was enlarged to incorporate the Southern Devon area formerly managed by NHS Devon. In April 2012 we became an NHS Trust.

Within this particular project, the Trust will be the lead partner for the proposed developments. However, although it is the owner of the Brixham Hospital site (from April 2013), the Trust will not provide any of the services within the scope of the proposals. Sandwell Community Caring Trust will undertake the role of developer with respect to the new St Kilda build.

Sandwell Community Caring Trust (SCCT): The Trust is a registered charity and Social Enterprise, created in 1997 to provide services for older people and those with physical and learning disabilities. In 2008 SCCT won the contract to provide NHS and social services in Torbay including Residential Care, Day care services, Intermediate care, Short stay (interim) care, supported living and domiciliary/ home care. In particular, the Trust is the provider of the existing service at the St Kilda Residential Care Home and will provide a substantial proportion of the capital funds to support the proposed developments in this FBC. SCCT has to reinvest any profits/surplus from its activities locally into the services it provides.

Since the commencement of the SCCT contract in Torbay Sandwell have worked in partnership with the NHS to provide high quality services and to progress the redevelopment of St Kilda. Whilst a number of parties are making capital contribution to the scheme, there will be a shortfall and from the outset it was agreed that SCCT seek a loan for the remaining amount to ensure that the people in Brixham acquire a brand new facility adjacent to Brixham Hospital. Once the loan is repaid, the ownership of the new facility will revert back to the NHS for the continued benefit and use of the local community. It is important to note that SCCT will not make any capital gain as a result of undertaking the rebuilding of St Kilda.

In terms of the revenue, SCCT has a contract in place until April 2018, after which the NHS has to re-tender services provided at St Kilda under procurement regulations. If SCCT did not win this tender, any new provider would need to make provision for the remainder of the loan to be paid. Again the ownership would revert to the NHS. Detailed procurement and legal advice has been obtained with regard to this issue. This is covered in detail in the procurement section of this Business Case.

- 3.2.2. **Torbay Council:** Torbay Council is a unitary authority, established in 1998, and provides services to the populations of Brixham, Paignton and Torquay. It is the local authority partner to the Torbay Care Trust and current owner of the St Kilda's site. The Council will be gifting the ownership of the St Kilda's site to help fund the developments proposed in this FBC; and will have agreed continuing service (Sub-contracting Adult Social Care to the Trust) and financial interests (In terms of the value of the existing St Kilda site brought forward into the new build)
- 3.2.3. **Brixham Hospital League of Friends:** This charitable organisation is providing a significant capital sum towards the proposed developments as is a key partner to the Trust. The Friends will hold a stake in the new building.
- 3.2.4. **St. Lukes Medical Centre:** The medical centre serves a population of 6,240. The practice is one of two that are planning to relocate to new premises on the Brixham Hospital site. Previously Greenwood Surgery decided not to be part of any feasibility work.

3.3. Existing service provision

- 3.3.1. **Range of services within Brixham Hospital:** The hospital is a well established base for local health services for the Brixham population. It provides a local nurse inpatient facility (for direct GP admission and as 'step down' facility from Torbay Hospital including for rehabilitation and end of life care) together with an increasing range of outpatient and other treatment services. In summary the following services are offered:

- 20 bedded inpatient facility (with medical support provided by the three local GP practices);
- Minor Injuries Unit (MIU) and X Ray;
- A range of Outpatient clinics;
- Physiotherapy Department;
- Family Health Services, including family planning clinics.

A comprehensive programme of refurbishment and improvement work on the hospital site was completed in early 2011. This has enabled the provision of modernised facilities that are fit for purpose. The programme incorporated improvements to the ward accommodation, MIU, Outpatient Clinic Services, Physiotherapy, consulting and community space. Furthermore it has included the provision of community meeting space and the installation of telephony infrastructure.

- 3.3.2. **St Kilda Residential Care Home:** St Kilda provides 24-hour accommodation for persons who require nursing or personal care for up to 36 service users. The home offers respite, intermediate and long-term care. The home consists of single bedrooms only that are positioned over four floors, incorporated within this is a 10 bed Intermediate Care Unit, which is sited quite separate from the long term area. Each floor has its own communal lounge and separate dining area. The home is within walking distance of community amenities, including local shops.

The overall bed complement of 36 beds is currently as follows:

- Up to 10 beds for intermediate care clients
- Up to 10 short-term beds for crisis and respite care
- Up to 16 beds for long term residential care

There are also 90 places for traditional day care services each day, Monday to Friday.

The building is owned by Torbay Council and leased to TCT (currently holding a 10 year lease from December 2005). The current building layout is not conducive to the delivery of modern services and not consistent with the services required to support the older peoples care pathway. Furthermore condition surveys carried out in 2007 by the Council identified repairs

totalling. £240,000 and rising. Essentially, it is generally accepted that whilst the standard of care at St Kilda is valued by the local community, the facility would need to be re-provided in the medium term because its structure does not allow for a good return on investment if it were to be renovated.

In 2007 the Trust appointed Sandwell Community Caring Trust to run St Kilda following a competitive tender for the service. The contract included a requirement that Sandwell will improve the conditions for the clients using the facility and, if necessary, to work with the Trust to provide alternative facilities. Sandwell as a social enterprise have access to borrowings that enable to re-provide the St Kilda residential care home in partnership with the other project stakeholders.

3.3.3. **GP practices:** There are 3 Brixham based GP Practices served by 15 General Practitioners. These three GP practices and their list sizes are as follows:

Practice name	Practice population
Compass House Medical Centre	11429
St.Lukes Medical Centre	6240
The Greenwood Surgery	3916
Total Registered Patients:	21585

As owners of the buildings, the practices are required to fund insurance costs, facilities management and equipment. It will be a decision for the Cluster/National Commissioning Board to approved additional space for any new facility on the Brixham Hospital site.

St Luke's have a long standing aspiration to operate from new premises to address the constraints on their current accommodation. The Trust has been keen to explore if it would prove feasible to locate a local GP Surgery on the Brixham Hospital site, in addition to its prime objective of re-providing St Kilda. During 2011 a Site Options Appraisal was undertaken to find the right location on site for St Kilda and the GP building that was suitable and affordable. This produced the conclusion with St Kilda located at the top of the site (quiet for long stay residents, lower traffic flow better matched to poorer traffic access, planning support & size of footprint) and the GP/Zone building at the bottom of the site (high traffic flow better suited to Greenwood road access) It should also be noted that via the Options Appraisal process the position of the site drainage was clarified by Haldons and that this is a significant limiting factor that needed to be accounted for in developing the site plan.

However the Local Planning Authority concluded that the proposed GP's building was not acceptable as its mass was significant in the context of adjacent properties, also the parking provision on site was inadequate. The initial costing for the GP building indicated it was struggling with respect to capital and rental affordability, partially as the GP scheme had to consume high elements of grounds works and parking re-provision within its budget.

Following this abortive feasibility work The Trust and Commissioners agreed further time to ascertain if the St Luke's Primary Care space could be incorporated into under-utilised space within the old Brixham Hospital building, with a modest extension to the rear of the structure that could successfully accommodate St Lukes. This feasibility report established that this scheme would be viable technically and more affordable than the building cost if the initial proposal by approximately half the stand-alone GP scheme. This scheme is now being progressed by Commissioners and if approved would follow the St Kilda proposal on site at a future point yet to be determined.

3.3.4. **Integrated Health and Social Care Team:** This team is situated next door to the hospital in temporary 'portakabin' offices which are fit for purpose only in the short term. The aim of the team is to enable people to regain as much independence as possible, whether they have been in hospital, at home or in any other chosen place of safety. The team consists of

community nursing, physiotherapy, occupational therapy, social care, administrative support and managed by a Zone Manager. The team also provides therapy services to the hospital and to intermediate care services at St Kilda Residential Care Home and in community settings, including rapid response, following the client through the various stages to avoid 'handovers' wherever possible, thereby improving continuity.

3.4. Population served

3.4.1. **Catchment area:** The services featured in this Business Case, essentially, serve the town of Brixham which is located at the southern end of Torbay and is defined by the two electoral wards of Berry Head with Furzeham and St. Mary's with Summercombe. At the 2001 Census the resident population of the Brixham area was about 17,500, although this increases in the holiday season. However the resident population is the focus of the proposals in this Business Case. The revised population figure as at 2010 for Brixham is 21,000.

3.4.2. **Population age and growth forecasts:** In 2007 the over 65 population accounted for around 27% of the total population in Brixham compared to 23% in Torbay and just 16% for England. This is projected to increase to over 30% by 2014 & to over 35% by 2030. Within these projections the number of residents aged 75 and over is projected to almost double in the coming years.

3.5. Strategic context assessment

3.5.1. Overview of national and regional strategic themes

- Redesign and modernise services to be focused on the needs of the person being cared for; ensuring that (over and above receiving high quality, safe care at the right time and in the right place) the experience of care is of dignity, respect and responsiveness for everyone;
- Offer a dynamic system of community based care which reduces reliance on acute hospitals (secondary and tertiary care), avoiding needless delay for stays in Hospital and geared towards maintaining people in their own home;
- Promote integration of services (both within the NHS and between the NHS and partner agencies) through co-location and effective models of care including implementation of health and social care common assessment frameworks and joint case management;
- Locate services closer to the people who use them by providing an increasing percentage of health services in more accessible community settings;
- Give greater attention to the needs of people with complex needs (including those with long term conditions) and aim to relocate long term condition, outpatient, management into community settings;
- Prepare services to respond to the development of personal budgets which will allow greater integration between health and social care at the level of the individual and give people more choice and control over their care;
- Provide modern facilities which are designed to support and enable models of care that draw on new ways of working and use best practice, that are flexible enough to respond to changes in health care delivery;
- Secure better value for money to ensure that the NHS releases wasted resources to allow front-line teams to add more clinical value for service users including through opportunities for closer co-operation between health and social care provision, expansion of provision of less expensive local treatment and reduced lengths for stay for emergency admissions;
- Deliver further improvements in quality of services within a financially challenging future environment (Quality Innovation Productivity and Performance QIPP Agenda).

The front line nature of this will throughout require the active involvement of Torbay Council and full consideration of the local GP Commissioning Group to provide assurance that the proposals will be consistent with longer term service requirements and priorities.

It is also worth noting that SCCT as a Social Enterprise and Charity organisation are an innovative partner with a good national reputation. Working with such a partner is a good fit in terms of governmental directives and policies of working with a range of service providers in health and social care setting. Ultimately the ownership of the St Kilda would be retained by the local community given SCCT charitable status and Memorandum and Articles of Association.

3.5.2. **Brixham Health and Social Care strategy**

The Brixham Health & Social Care Strategy produced by the Adult Social Commissioning Team. The Document aims to:

“Improve the health and social wellbeing of the residents of Brixham. Reducing inequalities whilst maximising the resources within the locality, both tangible and community spirit”.

In fulfilling this aim the delivery of the Strategy is will make progress on the overall vision for Brixham which is to:-

“Ensure a community health and social care infrastructure that is fit for purpose in meeting the demands of the Brixham population, both for the community and their aspirations, informed by clear commissioning intents to achieve partnership working”.

The strategy highlights the challenges for the future provision of health and social care services within Brixham, identifies current unmet needs in service provision and development requirements for the future as a result of the increasingly ageing population. It is supported and enabled by a robust Commissioning Strategy which takes into account, and establishes, linkages with those activities already in development within Brixham Town and the wider Torbay area. The Local Dementia Statistics 2007 (Alzheimer’s Society national figures) highlights that the proportion of both males and females aged 65 and over with dementia in Torbay is the highest in England, at 6.57% and 11.0% respectively. Torbay Care Trust’s Dementia Strategy highlights Brixham as having an older average population age than the remainder of Torbay. It is therefore fair to assume that the prevalence of dementia within Brixham is higher than that within the remainder of Torbay. As a consequence of this current and developing demand Dementia beds will be incorporated in the proposed St Kilda build.

- **Carers Service Provision:** Brixham has a large number of carers, looking after people with a wide range of conditions and disabilities. Accordingly, local services are being developed to support carers in addition to the Bay wide services available to them. The Zone Team undertakes Carers Assessments as part of care management services and holds a quarterly Carers Forum. This is well attended and is used to consult on local strategy and to engage carers in development, as well as providing information about other available services. Brixham Carers Centre was established in June 2010 to improve access to support through local carers centres in each town in Torbay.

3.5.3. **Brixham Health and Social Care Commissioning Strategy:** In early 2012, John Bryant, Adult Social Care Commissioning Lead at the time, produced a report titled “Bed Requirements for Brixham new Build”, which explored how to utilised the proposed 36 beds in the new St Kilda. This paper supported the provision of quality driven services locally for the Brixham population, consistent with the local health and social care strategy to ensure access

is available to those services available within the wider Torbay area. Subsequently further analysis has been undertaken by the Trust's Operations Directorate to examine the care market in Brixham and Torbay to future proof of requirements. This work has proceeded hand in hand with negotiations with Sandwell CCCT to revise the existing revenue contract to reflect financial and market pressures to reach an agreement on the use of the 36 beds in the building.

The outcome of this work has resulted in a detailed report from Lesley Wade (Strategic Pathway Manager for Integrated Care) looking at Nursing, Residential and Dementia Care provision in Brixham.

Nursing care provision: A recent review of nursing home provision in Brixham revealed two nursing homes in Brixham with a high level of occupancy. Important factors to those selecting a nursing home can be proximity to their own home, including friends and family but also the potential for remaining registered with their own GP. Thus additional nursing care beds are required in Brixham.

Residential care provision: Within Brixham there are 8 residential homes (in addition to St Kilda) Occupancy at the time of review ranged from 75% to 100%. Two of these eight providers are also accredited to provide Intermediate Care.

Summary nursing care : It is evident that choice of nursing care providers is significantly more limited within Brixham; only 2 providers and 84 beds and the number of beds available to the over 75 population markedly lower than in the rest of the Bay. If the additional 12 beds being considered for the "new build" St Kilda are factored into the overall provision of nursing care in Brixham available beds rise to 33.8 beds/1000 population over 75; more in line with the rest of the Bay.

Dementia Care Provision: Providers of nursing and residential dementia care formerly had to be registered by CQC as providers of care within the dementia specialism. This is no longer the case; CQC require that providers declare within the statement of purpose that they are able to provide care for people with dementia. Provision of dementia care home beds has been reviewed *Bay wide* as where a specialist need is identified it could be viewed that those seeking a bed might be willing to look further afield for the appropriate care and setting of care. Additional capacity is required to meet future population and demographic forecasts.

Dementia summary of key issues:

- Nursing and Residential Homes now include in their statement of purpose their ability to provide dementia care, 34 providers Bay wide state an ability to provide dementia care; 30 residential and only 4 nursing, however,
- Providers can declare an ability to provide regular nursing & residential care and specialist dementia care; it is therefore difficult to isolate specialist providers Within Brixham all 10 providers are registered to provide dementia care are also registered to provide general care. In reviewing the numbers of placements that T&SDHCT make for patients with mental health/dementia needs the majority of placements are for residential level care. This evidence has informed our view on how to utilise the 36 beds in St Kilda. This is potentially because once people with dementia require nursing level care for their physical needs their needs can frequently be managed outside a specialist dementia/mental health setting. However for individuals with dementia requiring residential level care they can require a specialist setting because of the behaviours they exhibit directly linked with their dementia; e.g. wandering behaviour including nocturnal wandering.
- Therefore in providing specialist dementia provision (a need that is set to increase in future as our population ages) for patients that cannot be supported in their own home account must be made for higher staffing ratios and appropriate skills

The combination of the above evidence and the increasing prevalence of dementia in the population, and projected increases over time has resulted in our conclusion that a discreet number of dementia beds need to be provided within the new St Kilda. The focus has been towards residential care beds for dementia residents for the reasons outlined above.

Intermediate Care

The Trust currently has 27 residential and nursing providers accredited via an Any Willing Provider schemes to provide Intermediate care beds on a spot purchase basis. Utilisation of nursing homes is a tried & tested model but use of residential providers is new & will therefore require on-going work from Zone Intermediate Care staff to increase awareness of IC & train staff. There is no guarantee of volume for the provider within the contract; for Zone IC teams trying to prevent an admission this also means no guarantee of bed availability

- Recent experience has shown that teams have not always been able to secure a bed in an accredited residential home provider; this means the patient has gone into a spot nursing bed also spot beds are currently used predominantly for “step-up” provision; that is preventing an admission rather than “step-down” which is facilitating early discharge. Whilst this can and is changing they also have a target length of stay of 10 days or less

Intermediate Care beds summary:

The key benefits of having a single block provider for Residential Intermediate Care provision as proposed are:

- * Working in partnership to deliver focussed rehabilitation; T&SDHCT staff providing skilled assessments and rehabilitation planning with staff employed by the provider supporting the 24 hour/7 days-a-week delivery of rehabilitation
- * Easier to support the training & maintenance of the skills of the staff employed by the provider (likely to be a more static workforce)
- * Ability to develop strong links with the acute setting which means.
- * The ability to offer “step-down” Intermediate care as part of an overall pathway of care for older people within a specialist setting
- * The flexibility to offer slower stream Intermediate Care where appropriate to the individual

As a consequence of the above analysis Intermediate Care beds will be included in the new St Kilda build.

Long stay original St Kilda residents: It should be remembered that provision for the long- stay residents at St Kilda is included within the 36 beds allocation.

As a result of this detailed work and analysis the final configuration of agreed beds is:

12 beds	Nursing Care
12 beds	Residential and Intermediate Care
12 beds	Residential Care and Dementia Care

- Clinical Commissioning Group:** The CCG shadow board received a report with respect to the proposals for the Hospital site in September 2011. Discussion with the lead officers from the CCG and Cluster in January 2012 concluded that the St Kilda re-build was purely “provider business” and thus did not require any further formal approval, although briefings with respect to progress would continue as would the linkage to deliver the proposed GP scheme at a later date.

3.6. Service development requirements

3.6.1. Updated service development requirements:

- Brixham Health and Social Care Team office space – New Zone:** A permanent office base is required to maintain and expand upon the benefits of co-location of staff that has helped to make this team so successful at delivering improved outcomes for local people. Accommodation is required for the following, preferably located with other health and social care services; particularly local inpatient and outpatient based services:
 - General Manager
 - Health & Social Care Coordinator (Single Point of Access)
 - District Nurses
 - Social Workers

- Community Physiotherapists
- Occupational Therapists
- Community Matron
- Equipment Officer
- Intermediate Care Support Workers (currently based at St Kilda)
- Administrative support
- This space will also include staff re-located from the old Hospital building to provide space for the GP scheme, Midwives, Health Visitors and School Nurses.
- **Primary Care space:** Modern accommodation is required to provide suitable accommodation for the St Luke's Practice and to support their service development aspirations together with planned developments in other primary care based services. This proposal does not form part of this business case and will proceed at a later point assuming Commissioner approval and affordability are achieved.
- **St Kilda Re-provision:** The need to re-provide the St Kilda services offers an opportunity to reshape the care delivered within the facility and tailor the services to deliver the wider strategic goals for health and social care services in Brixham and meet the needs and wishes of local residents. The proposed new facility will provide up to date facilities that will allow people with complex needs to be cared for and includes those with mental health, dementia and nursing related issues.

The proposed complement of beds is as follows:

12 beds for nursing care

12 beds for residential and intermediate care

12 beds for residential and dementia care

In developing the proposals for the re-provision of the St Kilda's services the following have considerations have been taken into account:

- Optimal usage of the facility is only achievable if the service provision can be adapted to meet the varying needs of the community. To enable this it will be essential that there is designed in flexibility within the facilities;
- In accordance with the mayoral pledge, the current long term residents of St Kilda will benefit from the new provision and can be assured of their continued residency and care.
- The new St Kilda will include the potential to develop the capacity for mental health services to support the increasing need to care for people with dementia. This service will primarily cater for Brixham residents and would also support the existing arrangements within Torquay;
- Provision of intermediate care rehabilitation and assessment facilities locally, particularly the scope to increase the intermediate care capacity at St Kilda during the winter period, where service escalation is required.
- Provision of modernised, active, day rehabilitation to offer a day based service for clients to support their continued living in their chosen place of residence. This service would not seek to replace outpatient facilities provided by Brixham Community Hospital, but rather complement the range of services on offer. The day based services will include assessments and rehabilitation for those clients who require additional reablement or adaptations to their home. Specialised active day rehabilitation will also be provided for mental health clients, such as memory groups for clients with dementia.
- Access to the following services should be provided as standard for residents and day clients: Podiatry, Optometry, religious services, Hairdressing, Bathing and Dentistry.
- Sandwell the project partner are nationally recognised as an innovate Social Enterprise and Charity and is committed to provide a high quality facility for the people who live and work at St Kilda.

The Intermediate Care Service at the new St Kilda.

The Intermediate Care service at St Kilda will provide time limited, person centred and goal focussed interventions within a dedicated residential setting. All interventions will be provided as part of rehabilitation programme which will typically be up to four weeks in duration and should not exceed six weeks (except in exceptional circumstances). Rehabilitation programmes will be reviewed regularly and discharge planning will begin at the point of admission ensuring that all stakeholders are fully involved in the planning of on-going care needs.

The service will be provided by T&SDHCT and Sandwell Community Caring Trust working in partnership together. They will work with service users, their families and carers, and other stakeholders to help users of the Intermediate care service achieve their agreed treatment goals and maximise their independence to remain at home.

The Commissioner will ensure provision of adequate qualified occupational therapy, physiotherapy, assistant practitioner and nursing staff to provide skilled assessment, care planning and interventions to patients receiving Intermediate Care within St Kilda. The commissioner will also be responsible for ensuring social care input is provided to support discharge. This will generally be via a dedicated team of Intermediate Care staff but periods of planned and unplanned absence may be covered from Zone based services.

In addition the commissioner is responsible for provision of administrative support to the dedicated Intermediate Care Team. The provider will be responsible for ensuring that in addition to meeting all basic essential care needs of residents that all care provided will have an enabling focus and that programmes of therapy or interventions prescribed to individual service users by the Intermediate Care team e.g. basic exercise programmes, meal preparation, personal care programmes using equipment or specialist techniques will be undertaken by their skilled non-registered staff. These tasks will be delegated by the appropriate staff in accordance with the T&SDHCT Community Competency Skills Framework for Skilled Non-Registered (SNR) staff.

3.6.2. Service benefits: The principal benefits which are expected from the successful delivery of the proposals in this business case outlined below.

- An opportunity to improve the usage of existing NHS facilities and grounds;
- Re-provision of the St Kilda services into modern facilities which will be fit for purpose and will contribute to the increased and flexible usage of local hospital and residential care beds to provide additional internal step-down facility as required during periods of winter escalation;
- Provision of more day services for older people, aimed at enabling people to remain in their homes and avoiding inpatient care, particularly in crisis;
- Improve patient discharge from hospital, thus enhancing the patient journey and reducing unnecessary delays and expenditure.
- Enable multidisciplinary team working, thus enhancing the patient's outcomes.
- Avoid duplication of service, such as kitchen services, meeting rooms etc.
- Offer respite to carers, so that their good will and hard work is maintained and supported.
- Offering the latest equipment and facilities that will help promote the rehabilitation process and enable clients to return home and be independent for as long as possible.
- Help lower the rate of readmission to hospital. Through intensive assessment and rehabilitation.

3.6.3. **Service risks:** A summary of the key risks to the project is provided below.

Risk / Issue	Control
Securing capital funds to deliver this venture	TSDHC will not be required to contribute capital funds. Plans are in place for Sandwell Community Caring Trust to loan and contribute circa £1.49 million to the development. The League of Friends will also make a substantial contribution. The NHS will contribute the land for the development. TSDHC and the League of Friends will maintain the controlling interest. TSDHC with conjunction with Torbay Council will ensure the protection of the site for health and social care and the benefit of Brixham residents. The Trust will contribute capital to any changes in car parking.
Sandwell to develop workforce to accommodate the variation to service provision as appropriate	Re-build process will take 2 years and will therefore allow time for Sandwell to develop the appropriate workforce
Failure to increase therapy staff capacity may result in decreased efficiency and capacity at St Kilda or to manage clients within their chosen place of residence	Employ additional therapy staff and/or implement sharing of therapy staff from Brixham Hospital and community team. Sandwell are also investigating the possibility of employing their own therapy staff for St Kilda
Increased buildings, staff and visitors to site may result in reduced parking availability.	Brixham Hospital is located on a regular bus route. It is acknowledged that parking will be challenging. However, TSDHC will ensure it maximises parking for patients, within planning capabilities. The site will require a travel plan.

3.7. Implications of not proceeding with this plan

- 3.7.1. The re-provision of accommodation for the Health and Social Care team and St Kilda are all necessary both in service and estates terms: The life of the Portakabin which contains the Health and Social Care is reaching the end of its viable use. With each passing year the current St Kilda buildings become more inefficient and unsuitable both in patient care and building safety terms. Significant maintenance problems are emerging at St Kilda and making capital investments into the St Kilda is not virtuous from both economic and estates perspectives.
- 3.7.2. The use of an alternative site instead of proceeding with the development on the Brixham Hospital land would mean that we will not have access to the capital funds offered by the League of Friends and therefore the scheme would not be affordable.
- 3.7.3. The use of an alternative site would also undermine the local concept of developing the Brixham Hospital site into a local Health and Social Care campus. This will represent a lost opportunity to harmonise services and improve access to services for local people.

4. The Proposal for the Brixham Hospital site

4.1. Introduction

4.1.1. This section of the business case describes the overall proposal to meet the service requirements described in the Strategic Case, the underlying rationale, site option appraisal and design; and the public and staff involvement in the development of the final proposal.

4.2. Proposal

4.2.1. **Project scope and vision:** It is proposed that the Brixham Hospital is developed to create a health and social care facility for the residents of Brixham and the surrounding area, on one site. The proposed project will entail the following proposed developments on the Hospital site:

- New build re-provision of St Kilda's Residential Home, providing additional services for the locality;
- Brixham Community Health and Social Care Team accommodation,

The choice of the site is the product of an option appraisal and following consultation with the Local Community over a period of time.

4.2.2. **Proposed partnership approach:** There is scope for development on land located at the Brixham hospital site providing an opportunity for Torbay and Southern Devon Health and Care NHS Trust to work in partnership to create the required new buildings to deliver the service requirements. The following partnership arrangement is well established.

- **Sandwell Community Caring Trust:** To borrow sufficient funds to provide the majority of the capital costs for the new St Kilda.
- **Brixham Hospital League of Friends:** To provide £1m funding towards the costs of re-providing St Kilda and the retention of fractional ownership of the new St Kilda facility;
- **Torbay and Southern Devon Health and Care NHS Trust:** To contribute the NHS owned land at Brixham Hospital to the scheme and, in relation to the new St Kilda facilities, the retention of a controlling interest via a long-term lease to SCCT;
- **Torbay Council:** To contribute the value of existing St Kilda site towards the capital scheme.

A Memorandum of Understanding provides the legal framework that records the scope of the scheme including financial and ownership arrangements. This document has been developed over the last 12 months in consultation with all the project partners and our legal advisors.

4.3. Workforce implications

The sharing of catering resources to provide an single kitchen for the sites requirements (Hospital wards 20 beds, St Kilda 36 beds) may have work force implications.

4.4. Information Management and Technology (IM&T) implications

4.4.1. IM&T infrastructure currently used by the Health and Social care team staff in the Portakabin on site will need to be transferred and established in the new zone office space in St Kilda.

4.5. Public and staff involvement and engagement

4.5.1. Specific arrangements for consultation, patient and staff involvement and engagement have been an on-going part of the development of the project. Briefings and discussions have taken place with staff groups at St Kilda and Brixham Hospitals

4.5.2. Regular briefings and discussions have taken place with the League of Friends by both the Trust and Sandwell. The project lead attends bi monthly League of Friends committee meeting to brief with respect to the schemes progress and content. This has been an open and honest dialogue with the League of Friends having a strong voice in the projects development and shaping.

- 4.5.3. During 2011 Steve Honeywill and David Harborne from Sandwell attended a range of community forums to explain our aspirations for the St Kilda at the Brixham Hospital site. These sessions included presentations to the Brixham Ward Partnership, The Brixham Town Council and Torbay Council's Health Scrutiny Committee. All of these bodies supported our plan to re-provide the St Kilda facility at the Hospital site and the inclusion of Nursing and Dementia beds.
- 4.5.4. The Full Council meeting of the Local Authority (Torbay Council) also supported the scheme and made the "Decision" to support the scheme in the form of making the value of the existing site available for aid the scheme's affordability.
- 4.5.5. At the time of writing it is envisaged that by December 2012 we will be in a position to embark on a further period of consultation with the community to share our final proposals for St Kilda and the Brixham Hospital site. We intend to return to the Brixham Ward Partnership, Brixham Town Council, the League of Friends and the Torbay Council's Overview and Scrutiny Committee to seek further feedback. Over time the Health Scrutiny function of the Council has received on going briefings dating back from the initial proposal for the site in 2007-8 followed by reports on the various capital investments on site subsequently.
- 4.5.6. Ahead of the Planning Application we also intend hold and open event at the Hospital to share our plans. We will invite members of the public who live adjacent to the Hospital grounds who will naturally have a stake in the proposed building as well as the wider local community. Our intention would be to approve people in the local community to live near the hospital to share our proposals and address any concerns in a pro-active fashion.
- 4.5.7. Whilst we have been working on the scheme we have continue good informal links with Local Councillors and other stakeholders to explain of work on the project and to maintain support and consensus for the proposal.
- 4.5.8. We also plan to meet with Links/Healthwatch during this period to share the final proposals as part of having an inclusive approach towards the scheme.

4.5.9. **Site requirement, options and selection**

During our consultation and dialogue with stakeholders we have found strong support for the proposal to locate the new St Kilda build. This is both the Trust's preferred option in terms of integration with existing hospital functions and in terms of affordability (As the land in free an publicly owned this element is an "in kind" contribution to the scheme safeguarded by the lease agreement) SCCT as the developer also have concluded that Brixham Hospital offers the best fit and share the same perspective as the Trust regards to this matter.

This can be summarised as follows:

Option for St Kilda		Key features
A	Do Minimum/nothing	Refurbish/ re-provide on existing sites at St Kilda, not a viable option in practical or affordability terms, the existing building is not fit for purpose and cannot be fundamentally improved or refurbished.
B	Brixham Hospital	Re-provide and develop services on potentially available land. Seen as the best fit and most affordable way forward in the current and continuing financial climate
C	New site in Brixham	Create a new St Kilda elsewhere. Less affordable and does not deliver the benefits envisaged bringing health and social care services together on the existing Hospital site in Brixham. Also finding a suitable site proved challenging when land is a limited resource and expensive.

4.6. Procurement method and outline

In 2006 the Torbay Care Trust Board approved the proposal that a partner be identified to take over the running of St Kilda Community Support Centre who had a stated plan for investment and development of services in Brixham in conjunction with the Care Trust. Following a tendering exercise undertaken in accordance with the competitive dialogue procedure of the public sector procurement regulations Sandwell Community Caring Trust (SCCT) was awarded a contract for the provision of a range of community support services. The contract commenced on 7th April 2008 with an initial term of 7 years with an option to extend the agreement prior to the termination date of 6th April 2015 for a further three year period subject to the contract:- This was extended by mutual agreement to 2018 in the summer 2012 to allow time for the development and delivery of the St Kilda new build. This occurred because:

1. Continuing to fulfil the strategic objectives of the Trust;
2. SCCT having satisfactorily discharged its obligations under the Agreement; and
3. Provided that the Agreement can be demonstrated as continuing to provide good value for money in relation to available benchmarking information.

At the outset the tender objectives stated that the Trust was seeking a partner who would engage with the thinking and development of its health and social care strategic plan for developing services in the heart of the Brixham community stressing that the St Kilda service and its re-provision would be an integral part of this planning. It was clear that SCCT would build the proposed St Kilda and deal with all matters with regard to the procurement of the build contract and construction, as long as the Trust could satisfy itself that the arrangement made by SSCT were compliant.

4.7. Design

- 4.7.1. **Key design requirements:** With any project of this nature and scale a design brief will be a key feature to plan the build requirement. This will include schedules of accommodation worked up with end users with appropriate input from the parent organisation and advisors. SCCT have worked through a design brief process with its own staff to arrive at a good efficient and functional layout. However this work had previously been hampered pending a definitive view from the Local Planning Authority about concerning the building shape and form that would in turn impact upon the internal layout and adjacencies.
- 4.7.2. From the Trust's perspective we employed Haldons Construction Consultants to work on our own Client Brief to help inform Sandwell's work so they as the developer had a good strategic and operational sense of the baseline standards the Trust (as the end client) would like to see in the new build, of course balanced against affordability. The client specification document provided by the Trust to Sandwell was not a definitive document and produced to aid Sandwell's design work and to ensure the Trust had an input from the outset.
- 4.7.3. In 2011 Haldons carried out a Site Options Appraisal via which collectively we arrived at the best location on site for the St Kilda building and Zone team space.
- 4.7.4. Trust staff from clinical disciplines also contributed to the specification process and the outcome of this work was also made available to SCCT and its advisors. This including Infection Control, Nursing Care and Mental Health colleagues all contributing to the process in terms of things they would like to see in the new building and issues to be mindful in design the space for their own professional perspectives. Specifications for Intermediate Nursing and Dementia Care space have been passed onto SSCT to aid their design work,
- 4.7.5. The Trust will be working closely with SSCT and the Zone team to produce a similar approach for the office accommodation space.
- 4.7.6. The proposed development has been borne out of an evolving process and through a due diligence process that has identified facts of material relevance to optimising a workable, efficient and affordable sustainable development. Please see appendix for a sample of site

layouts and schematics. We have also given due consideration to the proposed buildings relationship with the existing building usages, neighbouring buildings and its contribution to the streetscape as a whole.

- 4.7.7. Design Philosophy: Placement of the scheme on site to create a feeling of occupied space and improve the overall security of the site. Respect for the layout and natural contours of the site to rule out concerns of over-development and massing in appearance. To ensure that adequate parking is maintained on the site without detriment to its visual impact. To provide a scheme that reflects both the functions of the building and the period of its construction. Finally to make sure that future-proofing and flexibility of the development is not compromised.
- 4.7.8. Other factors: Head Projects (scheme architects) have led work with regard to an optimum layout for the site, taking into account site conditions and affordability with the use of a “townscape analysis” as assistance in underpinning the appraisal process. The proposed location for St Kilda is the best position for the residents taking into account the importance of a quiet environment and quality factors. The changes to the GP scheme (assuming it proceeds at a later date) enabled sufficient land space for adequate parking to be accommodated on site. The possibility of re-location of the ambulance station off site to create more space was explored but this was not favoured as the position is ideal for reaching locations within Brixham in seven minutes. Overall site parking has increased from approximately 50 to 100 spaces, although this work is still under review. We aiming to make the site the master plan the optimal, with the new building for St Kilda stepping down the site utilising the land contours and slope.

5. Financial Case

5.1. Introduction

This part of the case sets out the financial implications of the proposal and demonstrates the extent to which it is affordable within the expected resources of Torbay and Southern Devon Health and Care Trust and its partners in the proposed developments. It also describes the financial impact of any conditions set by the support of the partners for the proposal. It should be noted that from the NHS perspective the capital scheme is Sandwell's domain and our main financial focus is the robustness of the revenue contractual arrangements with Sandwell and that these are virtuous, productive and efficient. The financial focus is thus about the existing Sandwell contract and the way forward with regard to that.

5.2. Current financial position of the Care Trust and principal partner organisation

- 5.2.1. **Torbay and Southern Devon Health and Care NHS Trust:** The Trust has a record of delivering balanced budgets over a number of years.
- 5.2.2. **Sandwell Community Caring Trust:** The Trust has a long standing contractual relationship with Sandwell and has undertaken financial checks at various points to confirm that the organisation's financial position is secure.

5.3. Commissioner affordability criteria for this case

As per previous discussions with the GP Commissioners, the St Kilda and Zone are provider business funded via with the Adult Social Care and commissioning arrangements the Trust has in partnership with Torbay Council.

5.4. Capital requirement

From the NHS perspective no material capital requirement is envisaged, the relevant land will be leased to SCCT on a long peppercorn lease. It is possible that some monies will be required for minor furniture and office equipment for the zone team space. Secondly any changes to and landscaping of the existing car parking space that falls outside the footprint of the St Kilda/Zone team build may need to be funded. This will only occur if required by the Local Planning Authority and we will work to mitigate this possibility. As a contingency it is proposed that £50,000 is allocated to this end from the Trust's Operational Capital funds.

5.5. Revenue requirement

The current residential care contract with SCCT is a block contract and includes inflationary uplifts based on the consumer price index. This arrangement has been renegotiated for the new build St Kilda, but is still cost neutral and affordable with the current contract envelope. The beds mix being commissioned better reflects current and future demands with regard to the nursing and dementia care requirements.

The new contract is 85% block and 15% spot purchase for the beds- the exact thresholds of this arrangement to be determined in due course. The payments to SCCT for the beds will mirror the fees rates established for care homes within the Torbay area in terms of the weekly costs and inflationary uplifts.

5.6. Partner commitment and conditions

- 5.6.1. **Sandwell Community Caring Trust:** As well as being the service provider SCCT will provide the remaining funding required in the form of a loan to deliver all the monies funding required to build the new St Kilda. When the loan balance is repaid the ownership of the building will return to the NHS and the League of Friends.

- 5.6.2. **Torbay Council:** The Council will contribute the value of the existing St Kilda site towards the capital build scheme and have its interest and contribution towards the new accommodation protected in the legal agreements.
- 5.6.3. **Brixham Hospital League of Friends:** Brixham Hospital League of Friends is a registered charity that has supported services at the Brixham Hospital site since the 1960's. In addition to providing equipment and other important items for the Hospital the Friends have partnered the Trust is developing and refurbishing building on site over the past five years. It has been agreed that the League will generously provide £1million towards the St Kilda build and will thus hold a proportionate ownership of the new accommodation. The percentage value of this ownership stake will be established in due course when the total build cost is settled and part of the legal agreement process.
- 5.6.4 **Torbay and Southern Devon Health and Care NHS Trust:** The NHS as well as commissioning the new facility will make the land available to SCCT to build St Kilda via a long-lease on a peppercorn basis.

6. Management Case

6.1. Introduction

6.1.1. This part of the Business Case collates all the managerial aspects of the proposed project to ensure that it is delivered successfully. It includes project management, arrangements for managing service change, the delivery of benefits and management of risks.

6.2. Project management arrangements

6.2.1. **Project structure/ framework:** As owners of the site, the leadership of the project will be vested in TSDHC. The lead (Steve Honeywill) will therefore be accountable to the Trust Executive Management Team and Board. However as Trust does not employ its own technical advisors internally or externally and the Capital Scheme is in the domain of SCCT as the developer, once this becomes a live scheme and contractors are appointed Sandwell must lead the Capital scheme with the Trust's lead on the project board, representing the NHS and reporting back to the Trust.

The project steering group will comprise the following

Name	Role/ representation
Steve Honeywill	Client side Project lead (Head of Community redesign)
Geoff Walker	Sandwell Community Caring Trust
David Harborne	Sandwell Community Caring Trust
Julie Foster	Zone Manager, Brixham (Zone team space only)

6.2.2. Special advisors:

Name	Role/ representation
Peter Day	League of Friends
QS/Build project management	Technical group of Sandwell
Steve Birch	Architects, Head Projects
Tony Birkett	Architects, Head Projects
Liam Montgomery	Torbay Council
Phillipa Ellis	Matron Brixham Hospital

6.3. Project programme (provisional and subject to change)

Activity	Deadline
Memorandum of Understanding (All Partners)	November 2012
Torbay Council Commissioning Sign-off	December 2012
League of Friends sign off	December 2012 Committee meeting
TSDHC, sign off on beds case and affordability	October 2012
Design Review Panel feedback	November 2012
Sandwell borrowing requirement established and secured	By end of 2012
Full Business Case TSDHC Board	Board 28 th November
Consultation on Business Case & settled site plans and follow up's	December 2012 and January 2013
Planning Application	December 2012/January 2013 to February 2013/March 2013

Activity	Deadline
Procurement / OJEU build contract	From March/April 2013
Lease agreement for land to Sandwell	“
Sandwell lease to Zone team offices	“
Appoint and Mobilise Contractors	Summer 2013
Construction Phase Commences	Late Summer 2013
Completion and move in	Early 2014

6.4. Local Authority Planning approvals

As outlined in section 4.7 (Design) above our proposals for the St Kilda building alongside with our master site development plan and approach were presented to the Local Planning Authorities Design Review Panel (DRP) on 9th November. DRP process is a method of improving the quality of new development by offering expert advice. These forums allow clients, developers and design teams to present schemes at the pre- planning stage to a panel from the built environment sector. At the time of writing we are awaiting written feedback from this session. Broadly the view of the DRP was that further improvement could be made to our proposals to improve the shape and form of the proposed St Kilda facility and with regard to parking arrangement on site. This briefing appendix contains a sample our layouts and schematics presented to the DRP and an additional site layout that takes into account the verbal feedback from the DRP (to be confirmed by writing by the LPA) The Trust and Sandwell will take into account the feedback from the DRP and revise our provisional site master plan to improve our proposals. When this work is completed we would aim to make a planning application in late 2012 or early 2013. The planning application will occur at the same time as a further round of public engagement activity

6.5. Contract management arrangements

The Trusts contract management staff will continue to work with Sandwell through this period of transition between the revenue contract arrangements serving the current building and the proposed new building.

6.6. Risk management arrangements

6.6.1. The Project arrangements will maintain a risk register and issues log in which recorded risks will be assigned a severity and appropriate remedial or mitigating action identified. The Risk Register and Issues Log will form part of the Project Directors regular report to the Steering Group and TCT Management Team. To ensure linkage with the TCT wider corporate risk arrangements, the Trusts project lead will ensure that any risks that are pertinent to the TCT corporate risk register are notified to the Company Secretary.

6.7. Contingency plans and key Risk

The key risks that could stop the scheme proceeding are:

6.7.1 Unsuccessful Planning Allocation. Mitigation: Detailed consultation and communication with the local community and stakeholders (including the Local Planning Authority) to ensure as far as possible this risk is managed.

6.7.2 Funding shortfalls: Either Sandwell cannot secure the requisite level of borrowing to complete the funding to deliver the scheme or that the build costs escalated. Mitigation: SSCT discussions with the lenders have been positive and it has been indicated by them the anticipated level of borrowing can be delivered. Secondly the build cost estimates thus far demonstrated the broad estimates are correct. Given the current condition of the economy we

should be able to deliver a very competitive tender price in 2013 from contractors given the current scarcity of work and little sign of material change in this regard.

6.7.3 If the St Kilda scheme did not progress this would create serious operational issues given the current sustainability and suitability of the current accommodation. A review would need to take place with respect to the viability of the current building given the challenges we face. This would also create significant difficulties in terms of relationship management and reputation with the local community as the delivery of the scheme is an outstanding promise that the Trust is expected to deliver on. Thus the St Kilda scheme and its state of play have been closely monitored by the community in Brixham.

7. Summary and Recommendations

7.1. Conclusions

With regard to the SHA Service readiness template, and the so called four “Nicholson”/”Lansley” tests.

- Is there support from GP commissioners? Yes, the position is outlined in this business case.
- Has there been strong public and patient engagement? Yes, the community is supportive of the proposal.
- Is there a clear clinical evidence base underpinning the proposals? Yes, see section of use of beds in St Kilda.

Do the proposals take into account the need to develop and support patient choice, Yes, the reconfigured St Kilda and adjacency on site with other NHS functions meets this objective.

7.2. Recommendations

7.3.1 That this business case recommends that the Executive Team and Trust Board supports the proposal to build the re-provided St Kilda (36 beds) on the Brixham Hospital sites to be outlined fully in this paper.

7.3.2 That NHS owned land on site is made available for build the new St Kilda and leased for SCCT for a fixed term period. The ownership of the building will return to the NHS once any outstanding loans are met in full. This is the key decision for the Board that will allow the St Kilda build to proceed.

7.3.3 That the proposal to replace the Brixham Health and Social Care team temporary accommodation with permanent leased accommodation in the new St Kilda is approved.

7.3.4 That the proposal to progress the feasibility of providing space for the St Luke’s GP practice on site in the old Hospital building is approved.

7.3.5 That further briefing comes to the Board when the outstanding site master plan and building design issues are settled for the Planning Application. As the project hopefully proceeds the board will receive progress reports with regard to finances, legal’s and the build process.