

	Colposcopy +/- biopsy LLETZ
Gynaecology Assessment Unit	Patients on a suspected cancer pathway can access outpatient diagnostics within this unit. Procedures provided: Hysteroscopy +/- biopsy Endometrial biopsy +/- ablation Other biopsies IUD insertion/removal where clinically indicated
Early Pregnancy Assessment Unit	The service provides care for patients in the early stages of pregnancy (up to 12 weeks gestation) The clinic provides services daily to urgent patients referred by the general practitioner and walk in patients for the assessment of miscarriage Service provision includes ultrasound scanning, consultation, medical management of miscarriage, MVA outpatient procedures, and admission for surgical management of miscarriage where required

Specific exclusions

Gynaecology theatres and inpatient wards are excluded from the scope of this development, these services will be provided in the main hospital.

Functional content

Further detail of the SOA is contained within the Estates Annex a summary of which is provided below:

GYNAECOLOGY	Nett	Functional Unit
Women's: Outpatients (Excluding Obstetrics)	576.50	Staff Base & Sub Waiting Clinic Suite: 6 Consultation / Examination Rooms 1 Physio C/E 1 Ultrasound Rooms. 2 Vitals Bays [Measurement] Procedures Suite: 2 Procedures Rooms with WC [Urogynaecology] 1 C / E Room [Urogynaecology] 2 Procedures Rooms with WC / Change.[Colposcopy] 1 C / E Room [Colposcopy]. EPAU / GAU: 1 Interview / Counselling Room. 1 Consulting Room. 1 Ultrasound Room. 2 Procedures Rooms. Shared: 4 Recovery Bays. 2 Procedures Rooms. [Privacy] Distressed Relatives Suite.

Service parameters

Activity - Inpatients

Inpatient activity out of scope of build as delivered out of main & day case theatres not W&C build

Activity - Outpatients

Activity	Baseline activity (2019 calendar year) (year -2)	Forecast activity 2031 (Year 10)
Outpatients - New	4938	5904
Outpatients – FUP	6164	6843
Outpatients – Non F2F	990	1711
Outpatients – OP Proc	5821	6960

- Increase of activity of 1% per year +/- demographic growth based clinical input, Cancer and current waitlist position.
- Modelled at 75% clinic occupancy – lower than standard 85% due to ringfenced capacity of clinic.
- 250 working days per year

- Excludes activity undertaken offsite/main hospital e.g., preassessment
- Assumes switch of 25% of follow-up activity to non-face to face
- Includes non-Paediatric under 16 activity undertaken in Paediatric settings
- Excludes Ward Attenders
- Includes separate modelling of areas due to patient pathway and patient dignity requirements. (Early Pregnancy, Acute Gyane Assessment, Urogynae & Colposcopy)

Operational Parameters

Gynaecology outpatient and emergency services will operate Monday – Friday during daytime hours only. Urgent patients who require access to emergency gynaecology services out of hours will attend the emergency department.

Workforce

Department	Monday - Friday		Saturday - Sunday	
	Day	Night	Day	Night
COLP	2	0	0	0
Gynae OPD	2	0	0	0
Urogynae	2	0	0	0
Administrative / FM Staff	4	0	0	0
Total:	10	0	0	0

Functional Relationships and Adjacencies

The gynaecology outpatient department will offer outpatient consultation and procedure services to patients Monday – Friday in working hours. Patients will access the department via the Women and Children’s Hospital main entrance or will be referred from the emergency department to access emergency gynaecology services. The outpatient procedure suites will be co-located with the specialist consulting services to support patient wayfinding and experience. Patients may attend for consultation followed by an outpatient procedure; they may also attend procedure suites directly.

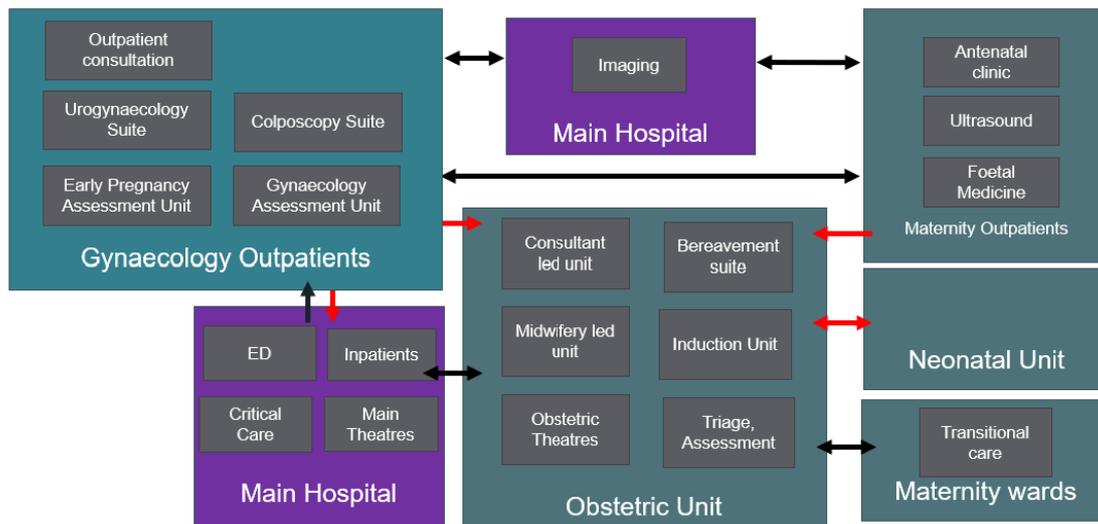
Interdepartmental Relationships

All areas within the gynaecology department will require access to:

- The Women and Children’s Hospital entrance
- Emergency care and theatres
- Imaging services
- Maternity services
- Supplies, distribution, the mortuary, catering, pathology and pharmacy and disposal via dedicated FM routes

The key relationships between departments and the main hospital are set out in the diagram below:

Interdepartmental relationships – Gynaecology



Departmental Flows and Processes

Patients

Privacy and dignity of patients is to be always maintained when moving around clinical facilities or being transferred to other facilities.

Outpatients

Patients will arrive via public or private transportation, including ambulance transfer from community care. There must be a patient drop off area near the main entrance to support patients with mobility issues. Volunteers may be present to aid patients entering from the patient drop off zone and direct them to the appropriate clinical area. On arrival to the gynaecology outpatient department, patients will register for their appointment using the check-in kiosks in the reception area. Volunteers may be present to assist those who may be unfamiliar with the check-in process along with a staffed reception desk to support patients who elect not to use kiosks. Electronic call forward systems will be utilised to support and manage the patient journey and provide real time information to patients regarding waiting times for clinic appointments.

The referring clinician may have referred patients for imaging and/or outpatient procedures prior to consultation. These patients will attend imaging and outpatient procedure appointments prior to consultation, ideally on the same day where appropriate to do so.

The consulting clinician may refer patients for imaging and/or outpatient procedures following their consultation. Where possible patients will be offered an appointment for their procedure on the same day. Patients will be directed to the relevant outpatient procedure suite that will be co-located to the specialist outpatient consultation area. If patients are not able to attend for their appointment on the same day, they will have the opportunity to book in for an appointment on a future date.

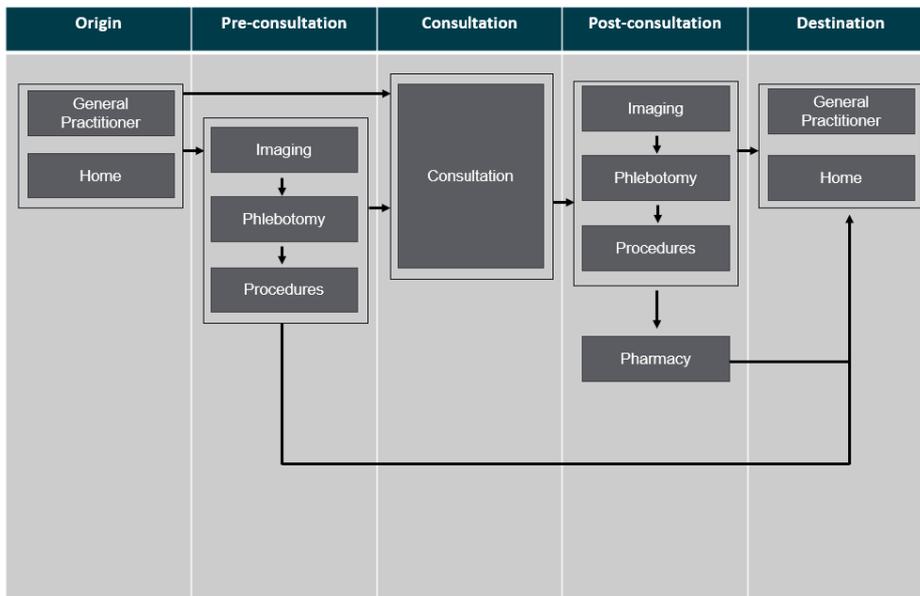
Emergency Gynaecology Service

Patients will be referred to the early pregnancy assessment unit by their general practitioner, in some cases patients will be walk-in to access care, or be referred to the service from the emergency department. Patients will be assessed in a dedicated unit that supports patient privacy and dignity as this cohort of patients may be distressed. Patients will be able to access

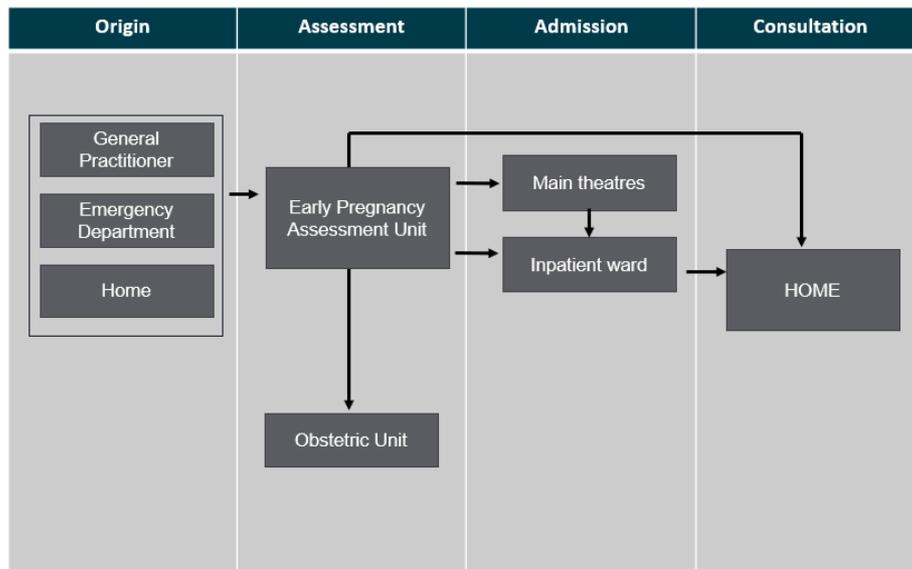
imaging within the early pregnancy assessment, those undergoing pregnancy loss will be able to access medical or outpatient management of miscarriage services within the unit. Patients may require urgent admission, these patients will be transferred to the gynaecology inpatient ward prior to surgical management of miscarriage. Patients may be referred to the obstetric unit for midwifery triage if attending the unit beyond 13 weeks gestation.

The following diagram shows the different patient pathways:

Patient Flow Gynaecology outpatients



Patient Flow Emergency Gynaecology



2.5.4 THE NEW CLINICAL MODEL FOR THE PAEDIATRIC SERVICE

The overall philosophy of this service is to ensure that children receive the right care in the most appropriate setting at the right time. Paediatric services will be provided through a hub and spoke model of care that supports community focussed patient management. Specialist and acute paediatric services are provided within the hospital setting; however, the team provides robust support to community clinicians to enable care to be provided to children closer to home. The model of care avoids hospital admissions, reduces emergency department attendances and unnecessary outpatient visits for children and their families. On-site services, where clinically required include specialist outpatient consultation services, paediatric phlebotomy, paediatric imaging (excluded from this redevelopment), acute inpatient and assessment services and paediatric surgery (excluded from this development).

Specialist outpatient, surgical and inpatient care will be provided at Countess of Chester Women and Children's Hospital, the paediatric adopt a community-based model of care to improve access, reduce unnecessary admissions and emergency department attendances. This in turn improves patient experience as children can access care quickly and closer to home.

Model of Care

This model of care is based on the NHS Long Term Plan which sets out the five major practical changes that support effective, safe, and efficient healthcare services.

The paediatric service ensures that:

- Services are provided in collaboration with neighbouring Trusts in the region, primary care physicians and community partners. Care is provided to children across these care boundaries safely and effectively with a focus on keeping children well and out of hospital.
- Care is provided by a multidisciplinary team including specialist nursing, consultants, and allied health professionals. Professionals work together across boundaries to ensure that patients receive the right care in the right setting rapidly and avoid unnecessary hospital admissions and appointments.
- Children's specialist outpatient appointments and phlebotomy services are provided within the hospital, wherever possible follow up appointments are delivered digitally as this reduces unnecessary travel to the hospital for patients and their family, improves patient experience and supports the effective use of hospital resources for those patients who need it most.
- There is an established digital advice and guidance service provided for general practitioners so that they can access consultant paediatrician expertise directly, rather than referring patients to the hospital.
- Children who require acute care will be clinically reviewed within the children's assessment centre where they will be triaged and admitted only if necessary. The team will provide this service onsite in a dedicated unit within the paediatric department and will also support neighbouring Trust's by providing an outreach assessment service, reducing the distance patient's need to travel to access services and reducing inpatient admissions.
- Children who require specialist and general paediatric elective surgery will be admitted to a dedicated day-case ward pre- and post-surgically within the paediatric inpatient ward, paediatric theatres remain within the main hospital currently.

Scope of Clinical Services

Paediatrics Outpatients	
Paediatric Outpatients	<p>Several specialist clinics are delivered in the children's outpatients department, including general paediatrics, diabetes, epilepsy, cystic fibrosis, rheumatology, gastroenterology, dermatology, allergy, infant feeding and neonatal follow up clinics. Community paediatric clinics for children with chronic conditions also take place in the department.</p> <p>A paediatric phlebotomy service that supports the sector is also provided from within the outpatient department.</p> <p>Working in collaboration with neighbouring specialist trusts and mental health services the department supports visiting consultants from Alder Hey Children's Hospital who provide specialist consultation services for paediatric: cardiology, orthopaedics, general surgery, urology, renal, rheumatology, neurology and a specialist outpatient team supporting children with a broad range of complex eating disorders.</p>
Paediatric Inpatient Ward	
Clinical Assessment Unit	<p>Acute paediatric patients are referred to the service from the emergency department, their GP or those who suffer from long term conditions and are known to the service are assessed, observed, and treated within the Children's Assessment Unit (CAU). Acutely unwell children can be admitted to the inpatient ward which is adjacent to the assessment unit.</p> <p>The clinical assessment unit provides triage services and minor procedures for patients.</p>
Inpatient Ward	<p>The inpatient ward includes:</p> <p>General inpatient beds to support acutely unwell children admitted from the emergency department or assessment unit</p> <p>A dedicated single room for patients suffering from mental health disorders, including complex eating disorders</p>
High Dependency Unit	<p>Dedicated high dependency beds for children requiring post-surgical or acute high dependency support with accompanying parent accommodation.</p>
Day Unit	<p>A dedicated area for children undergoing day-case surgery (in the main hospital) that is separate from the acute inpatient admissions, ideally requires its own entry point to support infection prevention control.</p>

Specific Exclusions

The services below are not included in this section of the brief:

Paediatric theatres and imaging are excluded from this brief as these services are provided in the main hospital building.

Functional content

Further detail of the SOA is contained within the Estates Annex a summary of which is provided below:

PAEDIATRICS	Gross	Functional Unit
Paediatric - Out patients including Assessment & Pre Operative Assessment	379.85	Staff Base & Sub-Waiting 7 Consultation /Examination Rooms. 1 Consultation Room. 1 Treatment Room. 1 Vitals Bay [Measurement]. 1 Vitals Bay [Phlebotomy] MDT / Meeting
Paediatric - In Patient services including Adolescents & Parent Accommodation	1,502.22	Entry Functions Large Interview / Counselling Room. CAU: Staff Base & Sub-Waiting 1 Procedures Room. 6 Assessment Bays [Glass Fronted]. Day Case: 2 Staff Base 6 Assessment Bays. Inpatients: Staff bases 2 High Dependency Single Bedrooms. 17 Single Bedrooms. 1 Special Needs (Larger) Bedroom. 1 Isolation Bedroom Suite. 1 CAMHS Single Bedroom. 1 Assisted Bathroom. 1 Adolescent Recreation Room. 1 Playroom. 1 Snoezelen. 1 Treatment Room. 2 Parent ONS, 2 Sitting Rooms MDT /Meeting

Service parameters

Activity - Inpatients

Activity	Baseline activity (2019 calendar year) (year -2)	Forecast activity 2031 (Year 10)
Activity – Paediatric Day case & Surgical Paediatric Day case	819	868
Activity – Elective Inpatients & Surgical Paediatric Elective	182	193

Activity – Non-Elective Inpatients & Paediatric Surgical Non-Elective (Excluding Children’s Assessment Unit)	2740	2904
Activity – Non-Elective Inpatients (Children’s Assessment Unit)	2350	2490
Bed days – Surgical Paediatric Day case	819	868
Bed days – Elective Inpatients	198	210
Bed days – Non-Elective Inpatients (Excluding Children’s Assessment Unit)	3962	4199
Bed days – Non-Elective Inpatients (Children’s Assessment Unit)	420	445

Key assumptions

- Increase in activity of 0.5% demographic growth per year based clinical input
- Modelled at 75% occupancy – lower than standard 85% Adult G&A due to ringfenced capacity of beds.
- Day case activity based on 250 working days per year
- CAU based on 365 working days, 14 hours per days (7am-9pm)
- Inpatient activity 365 working days

Activity - Outpatients

Activity	Baseline activity (2019 calendar year) (year -2)	Forecast activity 2031 (Year 10)
Outpatients - New	4140	4526
Outpatients – FUP	6031	5755
Outpatients – Non F2F	987	1918
Outpatients – OP Proc	1140	1255

Key assumptions

- Increase in activity of 1% demographic growth per year based clinical input and to reflect increase in Consultant workforce since baseline year
- Modelled at 75% clinic occupancy – lower than standard 85% due to ringfenced capacity of clinic.
- 250 working days per year
- Excludes activity undertaken offsite
- Assumes switch of 25% of follow-up activity to non-face to face
- Includes non-Paediatric under 16 activity undertaken in Paediatric settings
- Excludes Ward Attenders

Operational parameters

Paediatric outpatient services are provided during weekday daytime hours only.

The Children’s Assessment Unit is open from 08:30-20:30, after this time referrals are seen directly on the ward or in the emergency department.

The paediatric inpatient and high dependency ward are operational 24 hours a day and 7 days a week. There are twice daily consultant ward rounds at 09:00 and 17:00 with the consultant then resident until 7pm including weekends. There is a scheduled phone discussion between the on-call consultant and the night registrar at 10:30pm.

The Day Unit is operational during weekday daytime hours only.

Workforce

Department	Monday - Friday		Saturday - Sunday	
	Day	Night	Day	Night
Paediatric Ward	22	8	15	8
Paediatric OPD	6	0	0	0
Community Paediatrics Team	7	0	1	0
Care Package Team	5	0	0	0
Administrative / FM Staff	5	0	0	0
Total:	45	8	16	8

Functional relationships and adjacencies

The paediatric outpatient department will offer outpatient consultation and phlebotomy services to patients Monday – Friday in working hours, patients will access the department via the main entrance.

Acutely unwell patients will be referred from the emergency department or their GP to the children’s assessment unit or directly for admission to the inpatient ward or high dependency unit. The day unit will be accessed by patients attending for elective paediatric surgery via its own entrance.

Interdepartmental Relationships

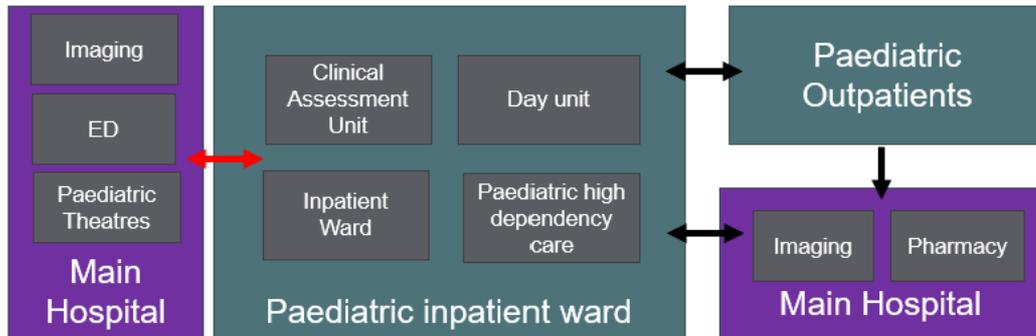
All areas within the paediatric department will require access to:

- The Women and Children’s Hospital main entrance
- Main hospital theatres and imaging via non-public routes

- Supplies, distribution, the mortuary, catering, pathology and pharmacy and disposal via dedicated FM routes

The key relationships between departments and the main hospital are set out in the diagram below:

Interdepartmental relationships – Paediatrics



Departmental Flows and Processes

Patients

Privacy and dignity of patients is to be always maintained when moving around clinical facilities or being transferred to other facilities.

Outpatients

Children and their parent's/carers will arrive via public or private transportation, including ambulance transfer from community care. There must be a patient drop off area near the main entrance to support patients with mobility issues. Volunteers may be present to aid parents entering from the drop off zone and direct them to the appropriate clinical area. On arrival to the paediatric outpatient department, children will be registered for their appointment using the check-in kiosks in the reception area. Volunteers may be present to assist those who may be unfamiliar with the check-in process along with a staffed reception desk to support those who elect not to use kiosks. Electronic call forward systems will be utilised to support and manage the patient journey and provide real time information to patients regarding waiting times for clinic appointments.

The referring clinician may have referred their patients for imaging and/or phlebotomy prior to consultation. These patients will attend these appointments prior to consultation, ideally on the same day where appropriate to do so.

The consulting clinician may refer patients for imaging and/or phlebotomy following their consultation. Where possible patients will be offered an appointment for these services on the same day. If patients are not able to attend for their appointment on the same day, they will have the opportunity to book in for an appointment on a future date.

Paediatric Inpatient Ward

Patients and parents must be able to access paediatric inpatient facilities 24 hours a day, 7 days a week.

Children's Assessment Unit will be staffed by an advanced nurse practitioner, patients will arrive at the unit from the emergency department or the main entrance. Patients may be discharged

home, or clinically assessed to require admission into the general inpatient ward which is adjacent to the assessment unit. Children may also be admitted to the inpatient ward directly from the emergency department. Children's receiving care on the inpatient ward may require diagnostic imaging or surgical treatment which will be provided in the main hospital.

There are two cubicles for providing high dependency care including high-flow ventilation, CPAP and BiPAP. Children who require intensive care will be stabilised in the inpatient ward or in the emergency department with support from the anaesthetic/intensive care team. Children who require ongoing intensive care will be retrieved by the North-West and North-Wales Paediatric Transport service and moved to a paediatric intensive care unit, usually Alder Hey Children's Hospital.

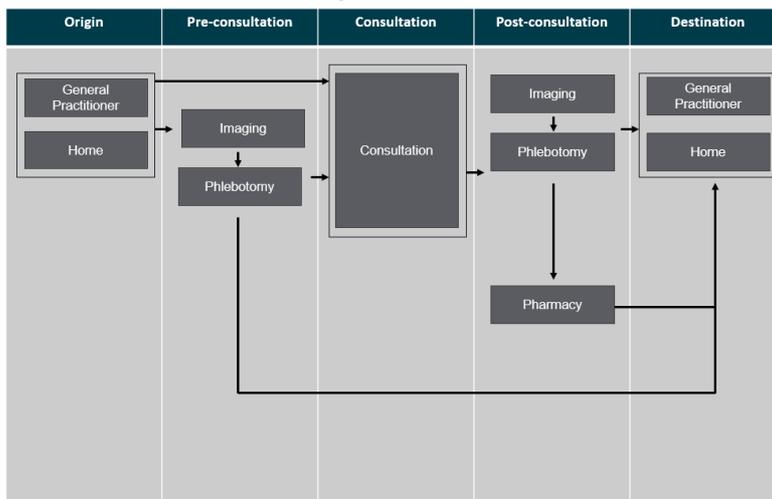
Children attending the hospital for elective day-case surgery will be admitted to the day unit pre-procedure and transported to the main hospital to undergo their surgery and/or imaging. Following treatment patients will return to the day unit or the high dependency area depending on their clinical needs.

Children admitted with diabetes, asthma, epilepsy, cystic fibrosis, chronic fatigue, cancer and other long term conditions are supported by a team of specialist nurses. The specialist nursing team support children who are being discharged home, provide ongoing community care to support children to stay well at home. In addition to this team a hospital at home team support acutely unwell children to receive care within their homes where clinically appropriate to do so.

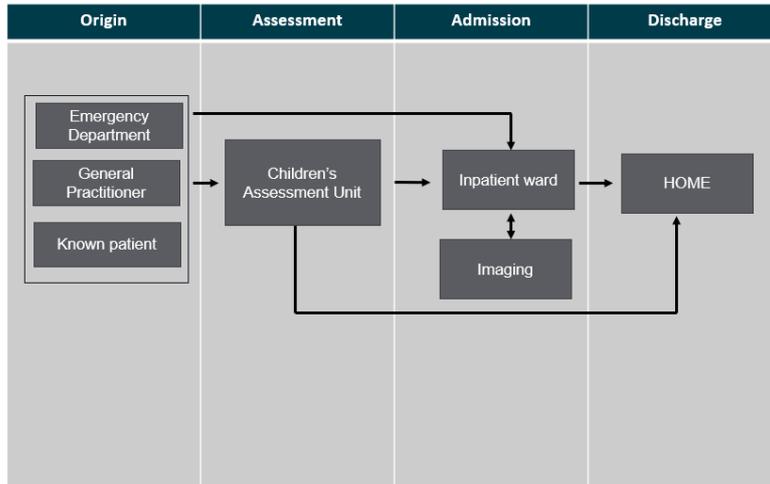
A complex care team is in place to provide care to children with complex needs including those who require long-term ventilation.

The following diagrams shows the different paediatric patient pathways:

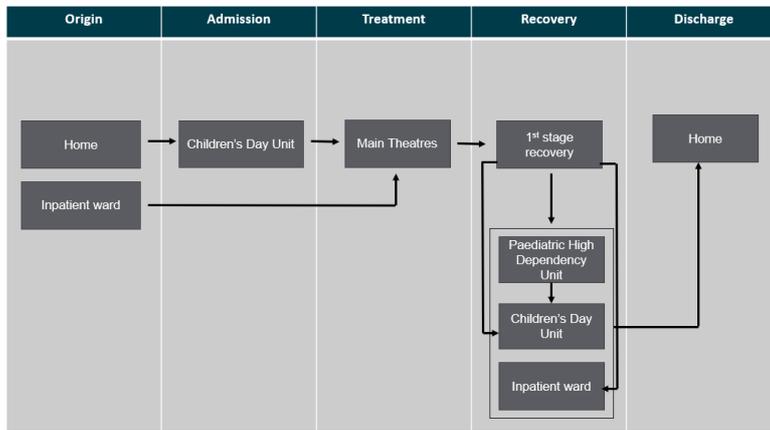
Patient Flow Paediatric outpatients



Patient Flow Paediatric Inpatients



Patient Flow Paediatric Surgery



Service Developments

- The team plans to provide an outreach clinical assessment service at Ellesmere Port Hospital that enables general practitioners to refer patients locally for assessment, short stay observation and treatment rather than directing them to the emergency department at the Countess of Chester Hospital. This service is in development jointly with commissioners and Ellesmere Port Hospital.
- The team hope to increase their capacity to provide day care surgical procedures for the sector
- The Trust participated in a hospital at home initiative within the sector previously that provided assessment for children by a specialist nurse at home, this reduced admissions and is a service provision the team are keen to support if the opportunity arises

2.5.5 THE NEW CLINICAL MODEL FOR THE NEONATAL SERVICE

The overall philosophy of this service is to provide high quality, safe care in the right place at the right time to ensure the best possible outcomes for neonates and their families. To ensure the most effective care is delivered the service will be provided in alignment with maternity and obstetric care.

The neonatal unit at Countess of Chester Hospital currently operates as a special care unit within the North West Neonatal Operational Delivery Network. Care is provided in partnership with specialist centres within the region and most importantly with parents to achieve high quality, safe services that puts babies and their family at the centre. An integrated approach is taken by the neonatal multidisciplinary team to ensure that babies and their family can stay together as much as possible whilst receiving care and can be supported within the special care unit, the postnatal ward or within rooming-in facilities prior to discharge home. The neonatal team are focussed on delivering family integrated care, they were the first to be recognised and accredited as a family integrated care provider within North-West England by FiCare, an international model of care developed and researched to deliver high quality and improved outcomes for patients and parents.

Model of Care

The model of care is based on the mission and values as outlined by the British Association of Perinatal Medicine and their approach to family integrated care (Nov 2021). The neonatal service was the first within North-West England to be recognised and accredited as a family integrated care provider by FiCare, the model of care is in alignment with this best practice.

The neonatal service will ensure that:

- Families will be involved in care provision and decision making which provides the best outcomes for babies.
- A collaborative approach is adopted and all health professionals work together to provide the safest and most effective service for babies and families.
- The highest standards of integrity and quality in delivering care to patients and families
- Families feel empowered through education, training, and support to care for their babies and advocate for their needs
- Family wellbeing and mental health support are key areas of focus
- Multidisciplinary team working promotes a collaborative culture and integrates families into the decision making around care for their baby.

Scope of clinical services

Neonatology	
Transitional care	Transitional Care is provided on the post-natal ward. The primary carer will be resident with their baby and providing care. Care above that needed normally is provided by the family with support from a midwife / healthcare professional trained in delivering elements of special care. Transitional care is provided for low-birth-weight babies, and babies requiring special care that can be administered outside of a neonatal unit environment, such as tube feeding, antibiotics, and phototherapy.
Special Care (Level 1)	Special Care is provided for babies born at 32 + 0 weeks gestation or above with a birth weight of over 1000g who require additional care delivered by the neonatal service but do not require either intensive or high dependency care. It includes babies receiving oxygen via low flow nasal cannula, feeding by nasogastric tube, jejunal tube, or gastrostomy, continuous physiological monitoring, care of stoma, presence of an intravenous (IV) cannula, receiving phototherapy or special observation or physiological variables at least 4 hourly.

High Dependency Care Unit (Level 2)	<p>High Dependency care is provided for babies born at 32 + 0 weeks gestational age or above. Where a baby does not fulfil the criteria for intensive care but receives non-invasive respiratory support (e.g. nasal, CPAP, SIPAP (infant flow system with multiple modalities), BIPAP, nasal High Flow, parenteral nutrition or continuous treatment of their condition as per BAPM categories of care.</p> <p>Infants below 32 weeks gestational age will be transferred in-utero to another centre prior to delivery. If this is not appropriate or possible, the infant will be stabilised and transferred to an appropriate centre by the North-West Retrieval Service.</p> <p>Currently this level of care is provided for a maximum of 48 hours, babies who require a longer duration of high dependency care will be transferred to a designated Local Neonatal Unit.</p>
Intensive Care (Level 3)	<p>An emergency intensive care space is available for the stabilisation of infants who require intensive care treatment such as ongoing mechanical ventilation, or inotropic support. After stabilisation infants who require ongoing intensive care will be transferred to a neonatal intensive care unit.</p>
Bereavement Unit	<p>Provision within the unit for parents experiencing baby loss.</p>

Specific Exclusions

All elements of neonatal services are considered within this brief.

Functional content

Further detail of the SOA is contained within the Estates Annex a summary of which is provided below:

NEONATAL UNIT	Gross	Functional Unit
Neonatal Unit	756.90	<p>Reception Interview / Counselling Room. 2 Single Cot Nurseries. Multi-Cot Nursery (6 Cots). Multi-Cot Nursery (8 Cots). Bereavement (Harmony) Suite. 1 "Hub" for relatives,. 2 Sitting Rooms 1 Relatives Studio Flat MDT / Meeting</p>

Service parameters

Activity - Neonatal

Activity	Baseline activity (2019 calendar year) (year -2)	Forecast activity 2031 (Year 10)
Admissions	415	422
Bed days	3310	3368

- Increase in activity based on demographic growth
- Modelled at 75% bed occupancy

Operational parameters

The neonatal service is provided 24 hours a day and 7 days a week.

Workforce

Department	Monday - Friday		Saturday - Sunday	
	Day	Night	Day	Night
Neonatal Unit	15	10	12	10
Administrative / FM Staff	2	0	0	0
Total:	17	10	12	10

Functional relationships and adjacencies

The neonatal unit must have immediate adjacency with the delivery unit and direct access from maternity inpatient wards. Parents must be able to access the unit 24 hours a day and 7 days a week. The unit will work closely with foetal medicine teams and paediatric teams, close location of these services is recommended.

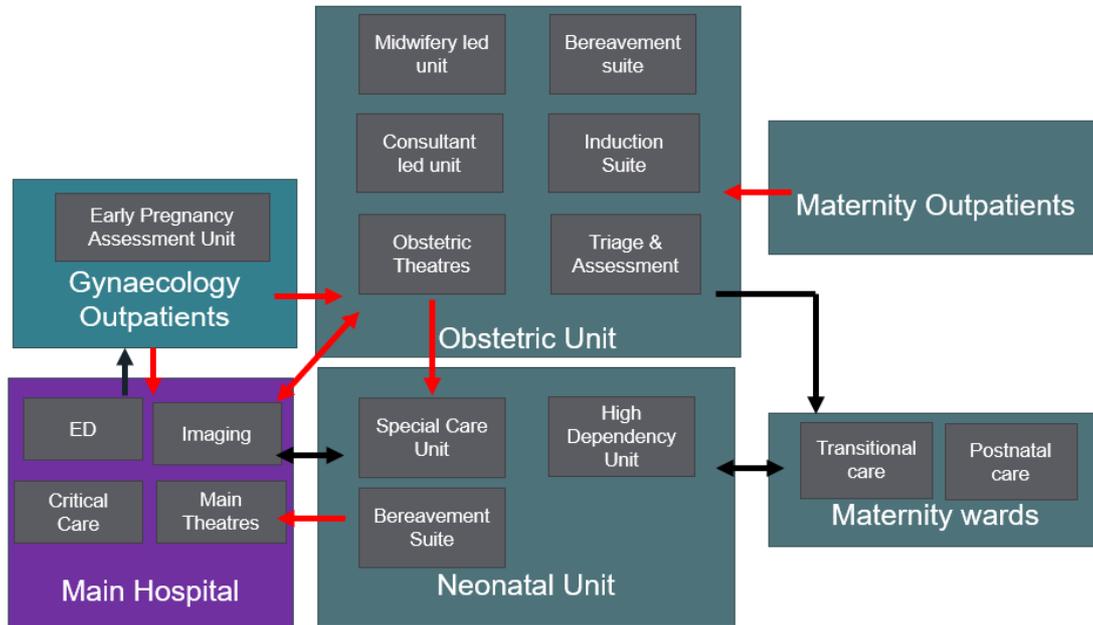
Interdepartmental Relationships

All areas within the neonatal department will require access to:

- The Women and Children's Hospital main entrance
- Obstetric unit including obstetric theatres and maternity inpatient accommodation
- Emergency care and imaging services via non-public routes
- Discreet access to the bereavement suite
- Supplies, distribution, the mortuary, catering, pathology and pharmacy and disposal via dedicated FM routes

The key relationships between departments and the main hospital are set out in the diagram below:

Interdepartmental relationships – Neonatology



Departmental Flows and Processes

Patients

Admission to the neonatology unit can be:

- Direct from the consultant led unit, midwifery led unit, or the postnatal ward
- Transfer from another hospital
- From the emergency department

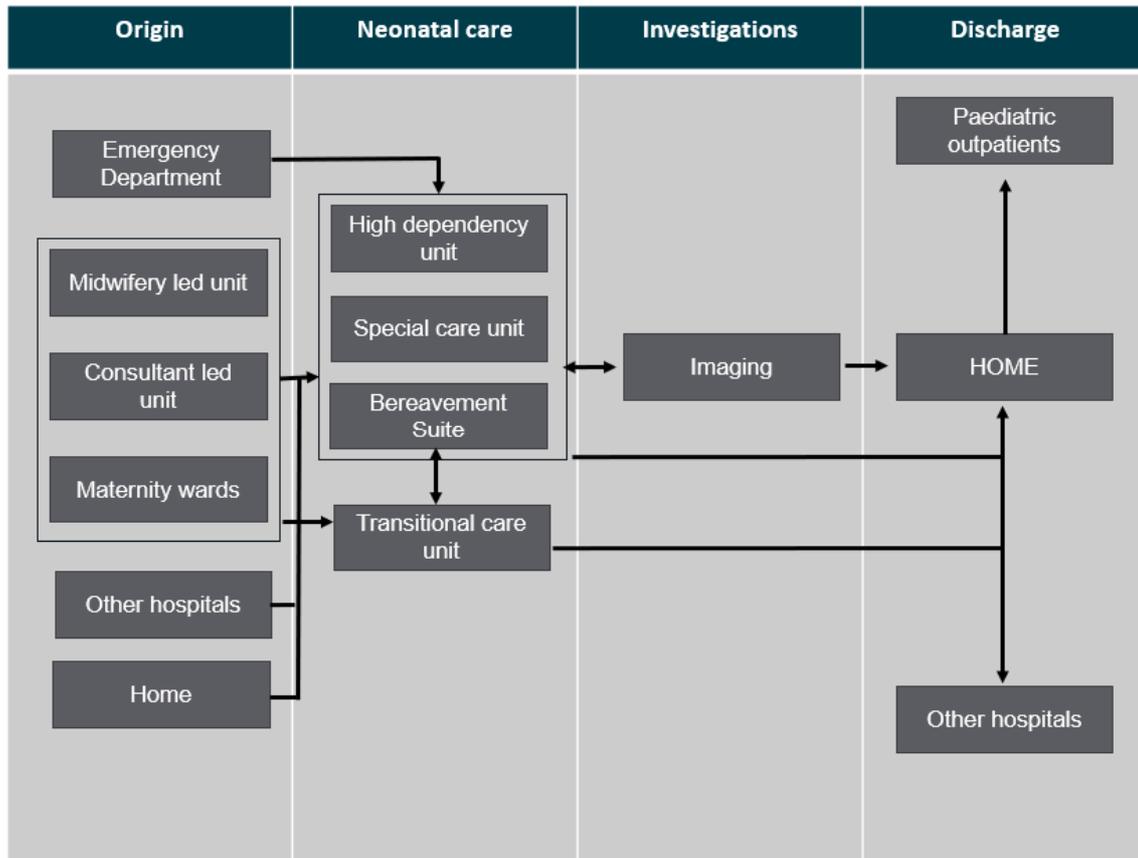
Neonates are admitted directly to a cot space. Once admitted, neonates will generally keep the same cot space until discharge. Some neonates may be moved within the unit as the acuity of their condition changes, and some in multi-cot bays may be moved to a single room should there be a clinical reason for doing so. Any neonate requiring emergency surgery will be transferred immediately to an alternative organisation within the operational delivery network.

Parents, Guardians and Carers

There will be controlled access to the Neonatology Units for all parents and visitors. On entry to the units, all visitors will wash hands and store coats/bags. There is a flexible visiting policy for parents who may visit their child whenever they wish. There will be times they will be asked to step outside (e.g., during handover, x-rays etc.). Parents are encouraged to be present throughout their neonate's stay and engage with their care. Visiting is generally limited to two relatives/friends at any one time (apart from exceptional circumstances such as during withdrawal of care). Dedicated parent accommodation is a key resource, providing quiet space, beverage facilities, adequate locker storage, and should be accessible to the unit without compromising clinical pathways and flows. The parents and other visitors will use the dedicated facilities for breaks and to make refreshments. Visitors will also have access to the family room where parents can socialise and entertain siblings, and an interview room which will be a quieter space that can be used when undertaking difficult conversations.

The following diagram shows the neonatal patient pathways

Patient Flow Neonatology



Service Developments

- The neonatal service aims to provide high dependency care to neonates and become a local neonatal unit for the region
- The team aim to increase their service provision to include community neonatal services

2.5.6 FACILITY REQUIREMENTS

The Women and Children’s Hospital will need access to the main hospital via a non-public routes to enable effective facilities management, including the transportation of supplies, equipment, waste and other items. The facility will require support to ensure that critical maintenance and repairs services are available to support clinical services. Large equipment items will need delivery directly to the Women and Children’s Hospital, a non-public entrance for this purpose is required.

To enable effective infection prevention control within the facility, it is best practice to ensure good separation of clean and dirty operational flows to and from the facility and within each clinical area to support good infection prevention control practices.

2.5.7 NON CLINICAL SUPPORT SERVICES

The following non-clinical support will be required:

Non-clinical service	Requirement
Centralised Sterile Services (CSS)	Used equipment will be stored within the dirty utility in each department and will be collected by CSS. Each department will ensure that used equipment is stored in the dirty utility ready for collection. There must be a non-public facilities management route to the main hospital for the transportation of used equipment from each department.
Materials Management	Supplies will be managed by the materials management service within the main hospital. Supplies will be delivered via a non-public facilities management route to each clinical area and stored within the clean utility in each department. Each department will ensure that supplies are appropriately stored.
Catering	Patient snacks and drinks will be stored in the pantry within each clinical area. Items will be delivered via a non-public facilities management route. Inpatient food will be prepared offsite and delivered to a central regeneration kitchen where it will be reheated and delivered to each department via a trolley service. There will be a dedicated food trolley bay in each inpatient area.
Linen, Housekeeping and Waste management	<p>Linen shall be provided to all clinical areas within the facility by the linen department within the main hospital. Clean linen must be stored within a dedicated area with easy access.</p> <p>There should be a dedicated cleaners' room within the facility where cleaning materials can be safely and securely stored to support day to day cleaning by support staff.</p> <p>Clinical areas will have segregated waste streams for domestic, clinical and sharps waste enabling the effective and safe disposal. Waste will be bagged and disposed of within the dirty utility in each department, there will be a secure area located near the entry/exit to each clinical area where waste can be stored to facilitate collection. Waste will be transported to a central location within the main hospital estate ready for disposal.</p> <p>Separate non-public routes for transportation of waste will be provided.</p>
Pharmacy	<p>Medication will be stored in a dedicated facility within each inpatient department. There will be a top-up system in place for regular drugs used within the department. Controlled drugs will be ordered by clinical staff when required. The pharmacy team will deliver medications to each department from the main hospital pharmacy.</p> <p>Outpatients who require pharmacy support will access this in the main hospital.</p>
Pathology	Blood and other samples will be taken in all clinical areas. There will be a pneumatic tube system accessible to all areas to allow the transfer of

	samples to pathology. Urgent samples will be transferred to the laboratory by a member of staff.
Equipment	Essential equipment will be stored within each clinical room where required. There must be sufficient storage facilities for mobile equipment within outpatients and assessment areas. The neonatology unit must have a dedicated area to clean incubators.
Security	Security monitoring is required, this is particularly important in the obstetric unit. Ward entrances must be secure and controlled from within the ward reception area. Ward pantries, medication areas and nursery areas must also be access controlled.
Portering	Porter support will be required for patient movement to and from the main hospital building.

2.6 GREENER NHS – THE GREEN PLAN

Countess of Chester Hospital NHS Foundation Trust accepts its responsibility towards the environmental impact it creates by reacting to climate change, and exploiting every opportunity to improve social, economic, and environmental sustainability. This is captured within their Green Plan, appendix 15.

In order to further enhance and evidence of their commitment to this duty, the Countess of Chester Hospitals' Green Plan, contained within the Estates Annex, details how the Trust will maintain compliance with the law, maintain and continually improve the Trusts financial and economic resilience, and ensure the Trust can adapt to social and environmental change. Achievement of the Green Plan will contribute to the Trust becoming a better provider of health care to patients, enhancing the workplace for staff, and increasing the health and well-being of the local population whilst reducing our carbon footprint and fulfilling our commitment to both the 'Delivering a Net Zero National Health Service' campaign and the 2020/2021 NHS Standards Contract.

The NHS Standards Contract (SC) mandates what is required of Countess of Chester Hospital over the next 5 years in order to fulfil its obligations towards the NHS Long Term Plan; whilst the 'Delivering a Net Zero National Health Service' campaign sets out practical, evidence based and quantified pathway. The Green Plan will have further concepts added to it as the Trust's commitment to the environment develops and expands.

This scheme will be developed during FBC and detailed design stage to finalise how it will contribute to the strategic aims set out in the Trust's Green Plan as follows:

1. To cut energy usage and carbon emissions and be climate change resilient.
2. To reduce the environmental impact from procurement.
3. To reduce environmental, social and economic impact from transport activities.
4. To protect and reduce the usage of water and natural resources.
5. To reduce and minimise waste production.
6. To reduce the environmental impact of our buildings.
7. To empower staff and put sustainability at the core of our corporate identity.
8. To embrace partnership and stakeholder working and engagement.

9. To ensure that our governance structure embraces corporate social responsibility and sustainability.
10. To maximise financial and partnership opportunities to embrace sustainability.

SECTION THREE - THE ECONOMIC CASE

3.1 INTRODUCTION

In accordance with the Capital Investment Manual and requirements of HM Treasury's Green Book A Guide to Investment Appraisal in the Public Sector, this section sets out the wide range of options that have been considered in response to the scope identified in the Strategic Case.

The purpose of the economic evaluation is to evaluate the quantifiable Net Present Values and Costs of the range of options potentially available. In addition, the issues of land availability, patient flows and safety, and other qualitative benefits will also be considered.

The economic case also appraises the social, environmental and economic costs, benefits and risks for the short-listed options and identifies the preferred option: the option most likely to offer the best social value for delivery of the project.

The process involves identifying a long list of options against critical success factors that are then evaluated to identify a short list. The short list is then assessed further using the Comprehensive Investment Appraisal (CIA) to identify the option that offers the lowest Net Present Cost (NPC). This together with a risk and qualitative assessment enables a balanced view of the short list and the preferred option.

The critical success factors used for the evaluation were developed by the Project stakeholders as detailed below:

Table 4 – Critical Success Factors

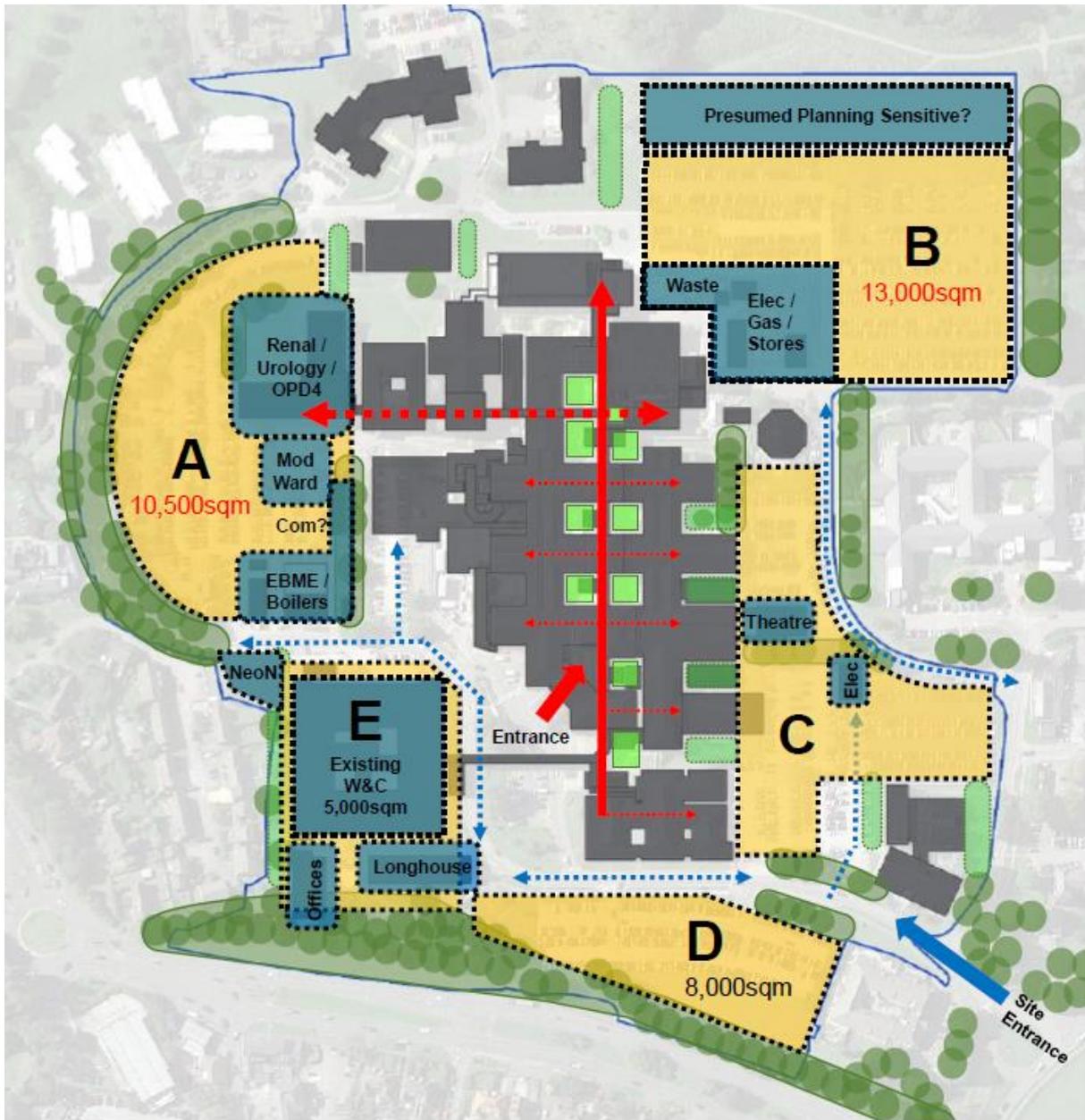
Key Critical Success Factors	Description
Strategic fit and business needs	<p>Vision: To develop a sustainable modern world class Women and Children's service at the Countess of Chester Hospital that is integrated with community and primary care services;</p> <p>Clinical: Co-locate all current Women and Children's Services with direct access to critical emergency services; Improved departmental adjacencies of inpatient wards;</p> <p>Staff: Improve staff facilities that support retention, recruitment, training and development of staff;</p> <p>Safety: Removes the current building structural risks associated with RAAC Planks; Provides critical link to main hospital critical services</p> <p>Quality: Enables provision of high quality, safe and innovation that improves the quality of care, patient experience and clinical outcomes;</p> <p>Flexibility: provides flexibility to incorporate future changes in clinical capacity across the Trust and aligns with future estates strategy development on the site</p>
Potential Value for Money	Optimises social value (social, economic and environmental) in terms of potential costs, benefits and risks
Supplier capacity and capability	Matches the ability of potential suppliers to deliver the required services, and is likely to be attractive to the supply side
Potential Affordability	<p>Funding: Can be funded from available sources of finance</p> <p>Efficiency: Enables clinical operational efficiencies including staffing; reducing waiting times and reduction in lengths of stay</p> <p>Efficiency: Provides operational estates and facilities efficiencies.</p>

Potential Achievability	<p>Deliverability: The development can be delivered within the overall programme and maintain operations of clinical and operational services such as car parking etc.</p> <p>Matches the levels of available skills required for successful delivery</p>
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3.2 THE LONG LIST OF OPTIONS

Five potential site development locations were identified for a new Women and Children’s building as illustrated on the map below. Following review and assessment with the clinicians and project team it was determined that the only real viable site development area is site A which was approved by the Programme Board, see Appendix 2 for the site location assessment.

Figure 11 – Site Options



3.2.1 SUMMARY OF LONG LIST OPTIONS

A “Long List” of possible options for achieving the business needs, potential scope and service requirements were considered in a workshop to assess how well each option met the spending objectives and critical success factors agreed for the programme.

A long list of options has been appraised which includes a wide range of possibilities within the constraints of the existing site. These are as follows:

Table 5 – Long List Options

Ref.	Options
1.	Do nothing - Business as Usual & Removal of the RAAC Planks
2.	Do minimum – Removal of RAAC Planks and extension to meet current standards
3.	Refurbishment – Refurbishment of Women and Children’s Unit to meet current standards
4.	New build Replacement in Location A – Re-provide all current services in the existing building in new compliant facilities on the site
5.	New build Women & Children’s Unit and New Build Ward accommodation in Location A1 – New build W&C’s facility ‘like for like’ facility and new build facility for displaced wards and ancillary accommodation; Works include maternity, obstetrics, gynaecology, paediatrics, enabling works, including displaced accommodation excluded from Women & Children’s Services, demolition of existing building
6.	New build Women & Children’s Unit and New Build Ward accommodation in Location A2 – New build W&C’s facility and new build facility for displaced wards and ancillary accommodation; Works include maternity, obstetrics, gynaecology, paediatrics, enabling works, including displaced accommodation excluded from Women & Children’s Services, demolition of existing building
7.	New build Women & Children’s Unit Off Site and New Build Ward accommodation in Location A or C – New build W&C’s facility off site away from main CoCH hospital and new build facility for displaced wards and ancillary accommodation on CoCH site; Works include new build maternity, obstetrics, gynaecology, paediatrics, enabling works, including separate new build ward for displaced accommodation excluded from Women & Children’s Services, demolition of existing building
8.	New build Women & Children’s Unit in Location A1 and Reconfigure existing estate for displaced services (relocation and reconfigure to bring ward space close to existing wards/theatres in hospital) – New build W&C’s facility and existing wards and other displaced services integrated into existing accommodation. Works include maternity, obstetrics, gynaecology, paediatrics, enabling works. Displaced accommodation excluded from Women & Children’s Services to be integrated into existing hospital, demolition of existing building
9.	New build Women & Children’s Unit in Location A2 (Linking Neo-natal) and Reconfigure existing estate for displaced services (relocation and reconfigure to bring ward space close to existing wards/theatres in hospital) – New build W&C’s facility and existing wards and other displaced services integrated into existing accommodation. Displaced accommodation excluded from Women & Children’s Services to be integrated into existing hospital, demolition of existing building. Retain Neo-natal in existing facility and provide link corridor to new build facility.

3.2.2 ANALYSIS OF LONG LIST OPTIONS

Following identification of the Long List options, a workshop was held to identify the strengths and weaknesses of each option in meeting the critical success factors and is summarised within the table below:

Table 6 – Key Critical Success Factors of Long List Options

Option		Key Critical Success Factors					Outcome
		Strategic fit and business needs	Potential value for money	Supplier capacity and capability	Potential affordability	Potential achievability	
1	Business As Usual (BAU)	Does not meet requirements	Delivers no benefits	Lower appeal to supply chain	Delivers no efficiencies	Very difficult and expensive to maintain clinical services	Carry Forward (C/F) as baseline
2	Do Minimum	Does not meet requirements	Delivers no benefits	Lower appeal to supply chain	Delivers no efficiencies	Very difficult and expensive to maintain clinical services	Carry Forward (C/F) as baseline
3	Refurbishment	Partially meets requirements	Delivers no benefits	Lower appeal to supply chain	Delivers no efficiencies	Very difficult and expensive to maintain clinical services	Discounted
4	New Build Replacement, like for like, in Location A	Partially meets requirements	Partially delivers benefits	Appeals to national supply chain	Lower capital cost option - potentially affordable	Achievable	Carry Forward (C/F)
5	New Build W&C's Unit and New Build Ward – Location A1	Partially meets requirements	Partially delivers benefits - fails to fully utilise available space within existing hospital	Appeals to national supply chain	Most Expensive option and likely to be unaffordable	Achievable	Discounted
6	New Build W&C's Unit and New Build Ward – Location A2	Partially meets requirements	Partially delivers benefits - fails to fully utilise available space within existing hospital	Appeals to national supply chain	Potentially affordable, additional ward space could render this option too expensive	Achievable	Discounted
7	New Build W&C's Unit Off site and New Build Ward Block – Location xx	Off site facilities not part of strategic plan	Partially delivers benefits	Appeals to national supply chain	Potentially affordable, additional ward space could render this option too expensive	No site available to build on away from the Countess Health Park	Discounted
8	New build Womens & Childrens Unit in Location A1 and Reconfigure existing estate for displaced services	Meets requirements	Meets requirements	Appeals to national supply chain	Potentially affordable	Achievable	Carry Forward (C/F)
9	New build Womens & Childrens Unit in Location A2, linked to Neonatal, and Reconfigure existing estate for displaced services	Meets requirements	Meets requirements	Appeals to national supply chain	Potentially affordable	Potentially achievable - possibility of extended programme due to multiple decants	Carry Forward (C/F)

3.2.3 SWOT ANALYSIS OF LONG LIST OPTIONS

The detailed analysis of all Long List options is shown below:

Detailed Analysis of Long List Options

Table 7 – Analysis of Long List Options

Option	Heading	Rationale
1	Description	Business as Usual (BAU) Removal of RAAC planks (requires taking the building back to frame and re-modelling)
	Main Advantages	<ul style="list-style-type: none"> Removes the backlog maintenance Resolves concerns regarding RAAC planks
	Disadvantages	<ul style="list-style-type: none"> Does not deliver any of the key objectives Inefficiencies and risk in elective/emergency caesarean due to lack of second maternity theatre remain unresolved Facilities do not align with current recommended standards Clinical spaces would need to be re-provided on site while work is undertaken, this would be disruptive and costly Does not provide capacity for increase in future demand for services Does not allow for consolidation of Women & Children's services
	Conclusions	Carried forward as a baseline
2	Description	Do Minimum – Removal of RAAC plank & extension to provide compliant facilities
	Main Advantages	<ul style="list-style-type: none"> Removes the backlog maintenance Resolves concerns regarding RAAC planks Improves the quality of existing facilities to compliant standards
	Disadvantages	<ul style="list-style-type: none"> Does not provide capacity for increase in future demand for services Does not provide operational estates and facilities efficiencies Clinical spaces would need to be re-provided on site while work is undertaken, this would be disruptive and costly The complexities associated with temporary re-provision of clinical spaces would elongate the programme significantly Does not allow for consolidation of Women & Children's services Potentially undeliverable within the given programme
	Conclusions	Carried forward
3	Description	Refurbishment – Refurbishment of Women and Children's Unit to meet current standards
	Main Advantages	<ul style="list-style-type: none"> Removes the backlog maintenance Slightly lower capital cost than a new build facility Resolves concerns regarding RAAC planks Improves the quality of existing facilities, meeting current standards where possible Provides for some operational estates and facilities efficiencies Provides for some clinical operational efficiencies including staffing and reducing waiting times
	Disadvantages	<ul style="list-style-type: none"> Does not provide capacity for increase in future demand of services Not as appealing to supply chain as new build, complex work for local contractors Clinical spaces would need to be re-provided on site while work is undertaken, this would be disruptive and costly The complexities associated with temporary re-provision of clinical spaces would elongate the programme significantly Limited value for money Does not allow for consolidation of Women & Children's services Potentially undeliverable within the given programme
	Conclusions	Discounted as does not match Critical Success Factors
4	Description	New build Replacement in Location A – Re-provide all current services in the existing W&C's building in new compliant facilities on the site on a like for like basis.
	Main Advantages	<ul style="list-style-type: none"> Partially meets the strategic and business requirements Good cost to benefit ratio Benefits will be realised earlier due to the quickest delivery programme Provides for improved operational estates and facilities efficiencies Provides for improved clinical operational efficiencies including staffing and reducing waiting times Removes the backlog maintenance Improves the quality of existing facilities and aligns to current standards Removes the ageing elements of the estate at the front of the Site Appealing to the supply chain Clinical services are not disrupted or displaced by construction works
	Disadvantages	<ul style="list-style-type: none"> Highest capital cost due to replacing all current services in new build accommodation Does not improve clinical adjacencies by retaining inpatient wards and HASU away from core services Does not provide capacity for increase in future demand of services Does not allow for consolidation of Women & Children's services Does not maximise clinical operational efficiencies including staffing and reducing waiting times. Does not maximise operational estates and facilities efficiencies.
	Conclusions	Carry Forward
5	Description	New build Women & Children's Unit and New Build Ward accommodation in Location A1 – New build W&C's facility and new build facility for displaced wards and ancillary accommodation;
	Main Advantages	<ul style="list-style-type: none"> Partially meets the strategic and business requirements Good cost to benefit ratio Provides for good general ground and first floor Critical and Emergency Care links to the existing hospital Provides for good general ground and first floor servicing links to the existing hospital Location provides for a variety of accommodation layouts Good views and outlook over countryside for improved patient experience Provides for operational estates and facilities efficiencies Provides for clinical operational efficiencies including staffing and reducing waiting times

		<ul style="list-style-type: none"> Removes the ageing elements of the estate, meets NHSi requirement for removal of RAAC, removes backlog maintenance Appealing to the supply chain Minimal disruption to clinical services in existing Women & Children's Building (BAU) Improved patient experience Creates potential expansion space Existing boiler house/energy centre can remain in situ Inclusion of space for additional ward could render option unaffordable High capital cost due to replacing all current services in new build accommodation Keeping ward space with Women & Children's would not achieve desired adjacencies for acute stroke unit Keeping ward space with Women & Children's would not utilise available space within the existing acute hospital Proposed location could create issues for fire escape/servicing at existing OPD3 Integration with existing OPD4 could cause disruption to clinical services EBME and temporary ward building requires relocation
	Disadvantages	
	Conclusions	Discounted as unaffordable
6		New build Women & Children's Unit and New Build Ward accommodation in Location A2 – New build W&C's facility and new build facility for displaced wards and ancillary accommodation
	Main Advantages	<ul style="list-style-type: none"> Partially meets the strategic and business requirements Good cost to benefit ratio Provides for first floor Critical and Emergency Care links to the existing hospital Provides for first floor servicing links to the existing hospital Provides for ground floor link to existing Neonatal Easy external access for patients and for servicing Provides for operational estates and facilities efficiencies Provides for clinical operational efficiencies including staffing and reducing waiting times Removes the ageing elements of the estate, meets NHSi requirement for removal of RAAC, removes backlog maintenance Appealing to the supply chain Minimal disruption to clinical services in existing Women & Children's Building (BAU) Improved patient experience Creates potential expansion space
	Disadvantages	<ul style="list-style-type: none"> Inclusion of space for additional ward could render option unaffordable High capital cost due to replacing all current services in new build accommodation Keeping ward space with Women & Children's would not achieve desired adjacencies for acute stroke unit Keeping ward space with Women & Children's would not utilise available space within the existing acute hospital Requires removal and relocation of energy centre Ground floor link to existing Neonatal building requires diversion of ring road Only linked at first floor to Critical and Emergency Care Only linked at first floor of existing hospital for servicing Integration with existing OPD4 could cause disruption to clinical services EBME requires relocation Significant enabling works to relocate energy centre could elongate programme and increase costs
	Conclusions	Discounted as unaffordable
7	Description	New build Women & Children's Unit Off Site and New Build Ward accommodation in Location A or C – New build W&C's facility off site away from main CoCH and new build facility for displaced wards and ancillary accommodation on site at CoCH
	Main Advantages	<ul style="list-style-type: none"> Provides for operational estates and facilities efficiencies Provides for clinical operational efficiencies including staffing and reducing waiting times Removes the ageing elements of the estate, meets NHSi requirement for removal of RAAC, removes backlog maintenance Appealing to the supply chain Minimal disruption to clinical services in existing Women & Children's Building (BAU) Improved patient experience Creates potential expansion space
	Disadvantages	<ul style="list-style-type: none"> Doesn't meet the strategic and business requirements Does not provide required links to existing hospital facilities No site identified for building an offsite facility No planned staffing for detached Women & Children's unit – resourcing based on shared site Purchase of additional site and cost of build like to exceed cost envelope Time taken to identify suitable site, conclude purchase and complete build likely to exceed reasonable timescales
	Conclusions	Discounted as no potential site identified therefore not viable within time frame
8	Description	New build Women & Children's Unit in Location A1 and Reconfigure existing estate for displaced services – New build W&C's facility and existing wards and other displaced services integrated into existing accommodation
	Main Advantages	<ul style="list-style-type: none"> Meets the strategic and business requirements Reconfiguration of existing space improves efficiency of wider hospital estate Good cost to benefit ratio Potentially affordable within the given cost parameters Provides for good general ground and first floor Critical and Emergency Care links to the existing hospital Provides for good general ground and first floor servicing links to the existing hospital Location provides for a variety of accommodation layouts Good views and outlook over countryside for improved patient experience Provides for operational estates and facilities efficiencies Provides for clinical operational efficiencies including staffing and reducing waiting times Removes the ageing elements of the estate, meets NHSi requirement for removal of RAAC, removes backlog maintenance Appealing to the supply chain Minimal disruption to clinical services in existing Women & Children's Building (BAU) Improved patient experience Creates potential expansion space
	Disadvantages	<ul style="list-style-type: none"> Re-purposes existing Neo-natal facility which could be unpopular with staff and charitable funders Integration with existing OPD4 could cause disruption to clinical services EBME building requires relocation Reconfiguration works to existing hospital may be disruptive to clinical services
	Conclusions	Preferred Way Forward
9	Description	New build Women & Children's Unit in Location A2 and Reconfigure existing estate for displaced services – New build W&C's facility and existing wards and other displaced services integrated into existing accommodation.
	Main Advantages	<ul style="list-style-type: none"> Meets the strategic and business requirements Reconfiguration of existing space improves efficiency of wider hospital estate Good cost to benefit ratio

Disadvantages	<ul style="list-style-type: none"> • Potentially affordable within the given cost parameters • Provides for first floor Critical and Emergency Care links to the existing hospital • Provides for first floor servicing links to the existing hospital • Provides for ground floor link to existing Neonatal • Easy external access for patients and for servicing • Provides for operational estates and facilities efficiencies • Provides for clinical operational efficiencies including staffing and reducing waiting times • Removes the ageing elements of the estate, meets NHSi requirement for removal of RAAC, removes backlog maintenance • Appealing to the supply chain • Minimal disruption to clinical services in existing Women & Children’s Building (BAU) • Improved patient experience • Creates potential expansion space • Retains existing Neo-natal unit in recently completed facility which used significant charitable funds • Ground floor link to existing Neonatal building requires diversion of ring road and temporary decant to retain • Only linked at first floor to Critical and Emergency Care • Only linked at first floor of existing hospital for servicing • Integration with existing OPD4 could cause disruption to clinical services • EBME building requires relocation • Reconfiguration works to existing hospital likely to be disruptive to clinical services • Requires temporary decant facility for Neo-natal which is costly and disruptive • Significant cost to relocate the ring road and associated services by providing ground floor link • Increases clinical travel distances between Neo-natal and maternity services – increased risk
Conclusions	Carried forward

3.3 PREFERRED WAY FORWARD

The qualitative evaluation concluded that Option 8, a new build in location A1 with reconfiguration of the existing estate to accommodate displaced services which are not aligned to Women and Children’s, is the preferred way forward with options 1 and 2 being carried forward as baselines and options 4, and 9 being carried forward due to the added value brought about by the efficiencies and additional capacity they deliver over the Do Minimum option.

Option 8 was selected as the preferred way forward at long list stage due to location A1 being identified as the most suitable location as it avoids the requirement to include a link to the existing Neonatal building. Although the existing Neonatal building is very new and would ideally be attached to the new build Women & Children’s unit, the complexities of creating this link, in terms of building services and the impact on the road network, have led to location A1 being favoured over location A2. Not linking to the Neonatal building offers more flexibility for links to the existing hospital buildings, more options for the phased upgrade of site wide building services and does not significantly impact the existing road network. The existing Neonatal facility building services are fed from the basement of the existing Women & Children’s building, reprovision of these services would add to the complexity of the project. Re-providing the Neonatal department in a new build lowers the risk of disruption to clinical service and safety to clinical operations.

Option 5 provides similar benefits to Option 8 but also includes new ward space to replace the wards which are currently located within the Women & Children’s building. The ward space provides care for the Elderly and Stroke patients, these wards are best placed within in the existing hospital, the Trust has advised that there is sufficient space to accommodate the wards within the existing hospital.

Using existing space is seen as a better use of funds and more cost effective, Option 5 has been discounted on the basis that provision of new ward space is inefficient, unaffordable and doesn’t provide the required key adjacencies.

3.4 SHORT LIST EVALUATION

3.4.1 SUMMARY OF SHORT LIST OPTIONS

Following analysis of the Long List, a “Short List” of options was reviewed and agreed by the Clinical Reference Group and then ratified by the Programme Board to be taken forward for more detailed analysis. The Short List is shown in the table below:

Table 8 – Short List Options

Option	Long List Ref.	Description	Rationale
0 (CIA 0)	1	Business as Usual (BAU) - Removal of RAAC plank issue	Carried forwards (C/F) as a baseline.
1 (CIA 1)	2	Do Minimum – Removal of RAAC planks and new build extension to provide compliant facilities	Carried forwards (C/F) as a baseline.
2 (CIA 2)	4	New build Replacement in Location A – Re-provide all current services in the existing building in new compliant facilities on the site.	Delivers the majority of the Investment Objectives by bringing facilities up to standard, removing RAAC planks and providing an additional maternity theatre but does not provide any further additional capacity over the Do Minimum option.
3 (CIA 3)	8	New build Women & Children’s Unit in Location A1 and Reconfigure existing estate for displaced services – New build W&C’s facility and existing wards not related to Women & Children’s, and other displaced services integrated into existing accommodation	Delivers the majority of the Investment Objectives. Provides additional capacity over the Do Minimum option. Location A1 preferred over A2 as this location minimises impact on the existing road network and on building services which feed the wider elements of the hospital estate. The complexities of the reconfiguration elements do increase the potential for an elongated project programme.
4 (CIA 4)	9	New build Women & Children’s Unit in Location A2 (Linking Existing Neo-natal) and Reconfigure existing estate for displaced services – New build W&C’s facility and existing wards not related to Women & Children’s, and other displaced services integrated into existing accommodation. Link corridor to retained Neo-natal unit.	Delivers the majority of the Investment Objectives. Provides additional capacity over the Do Minimum option. Location A2 brings challenges as the link to the existing Neonatal building requires road diversion and associated mains service diversion. The complexities of the road diversions, building services provisions and reconfiguration elements all increase the potential for an elongated project programme.

3.4.2 ANALYSIS OF SHORT LIST OPTIONS

An evaluation of the strengths, weaknesses, opportunities and threats of the Short List options was then carried out against the Investment Objectives and Critical Success Factors and is summarised in the table below:

Table 9 – Analysis of Short List Options

Assessment Criteria	0	1	2	3	4
	(CIA0)	(CIA1)	(CIA2)	(CIA3)	(CIA4)
Investment Objectives					
1. Remove structural building risks	Yellow	Yellow	Green	Green	Green
2. Meet statutory and compliant space standards	Red	Green	Green	Green	Green
3. Improve patient safety and experience	Red	Red	Yellow	Green	Green
4. Maximise acute capacity by relocation of non-acute services	Red	Red	Red	Green	Green
5. Cost efficiencies through improved adjacencies and streamlined pathways	Red	Red	Yellow	Green	Green
6. Increase sustainability by replacement of end-of-life estate elements	Red	Red	Green	Green	Green
7. Improved staff recruitment and retention	Red	Red	Green	Green	Green
Critical Success Factors					
Strategic fit and business needs	Red	Red	Yellow	Green	Green
Potential value for money	Red	Red	Yellow	Green	Green
Supplier capacity and capability	Yellow	Yellow	Green	Green	Green
Potential affordability	Red	Red	Yellow	Yellow	Yellow
Potential achievability	Red	Red	Green	Green	Yellow
Summary	Red	Red	Yellow	Green	Yellow

Options 0 and 1 do not meet the majority of the investment objectives and critical success factors.

Option 2 meets some of the investment objectives and critical success factors and partially meet others.

Option 4 meets the majority of the investment objectives and critical success factors. However, this option only partially meets the achievability critical success factor due to the extended programme beyond the 3 year timescale required to retain the existing Neo-natal facility due to associated decants and ring road diversion.

Overall, the qualitative evaluation concluded that option 3 is the preferred option as it meets all of the investment objectives and critical success factors, other than partially meeting the potential affordability associated with the funding constraint.

3.5 ECONOMIC EVALUATION

3.5.1 INTRODUCTION

This section includes the quantitative and qualitative analysis performed to assess the options selected. The Comprehensive Investment Appraisal Model (CIA) has been used to evaluate the options.

3.5.2 ESTIMATING BENEFITS

Benefits of the scheme were brainstormed by the project team and were ratified by the Programme Board. Ideas were captured and consolidated into a benefits realisation plan.

The benefits fall into the following categories, in each case the sources and underlying assumptions are explained.

The following table sets out the benefits Identified in different categories and the planned outcomes to be expected from each.

Table 10 – Benefits Identified

Benefit Classification	Description	Outcomes
Cash releasing (CRB)	<ol style="list-style-type: none"> 1. Reduced building running costs 2. Removal of backlog maintenance 3. Recruitment and retention of staff 4. Retail income from third party 	<ol style="list-style-type: none"> 1. Reduction in FM and lifecycle costs 2. Mitigates the future required capital 3. Reductions in agency staff usage 4. Increased revenue stream
Non-cash releasing (non-CRB)	<ol style="list-style-type: none"> 1. Patient safety / accreditation standards and best practice 2. Attractive teaching and learning 3. Spaces that are flexible for changing clinical practice 4. Patient safety reduced HCAs 	<ol style="list-style-type: none"> 1. Improved compliance with standards 2. Improved staff retention / recruitment 3. Future proof estate to changing needs 4. Potential reduction in litigation costs and CNST contributions
Societal	<ol style="list-style-type: none"> 1. Improved patient access and choice 2. Reduction in patient waiting times 3. Provision of Environmentally, Sustainable facilities 	<ol style="list-style-type: none"> 1. Improved local access to services 2. Faster access to treatment 3. Reduction in carbon emissions and improved air quality that supports the Trusts Carbon Zero long term plan.
Unmonetisable	<ol style="list-style-type: none"> 1. Improved patient experience and satisfaction 	<ol style="list-style-type: none"> 1. Enhanced facilities for patients and satisfaction scores

These benefits have been quantified where possible and financial impact assessed for the cash releasing, non-cash releasing and societal in the CIA model.

3.5.3 KEY COSTS INPUTS FOR THE COMPREHENSIVE INVESTMENT APPRAISAL

In conjunction with the Department of Health, Generic Economic Model Guide, this section details the key inputs used in the Model and the key results.

Table 11 – Key Cost inputs for CIA

Input Area	Assumption	
Appraisal Period	60 Years from Completion of Build	
Discount Rate Years 1-30; Years 31-60	3.5% and; 3.0%	
VAT	All costs exclude VAT	
Initial Capital	Based upon Independent Cost Advisor Estimates.	
Life Cycle Costs	Based upon recent modelling advised by the independent Cost Advisor for New Hospital Build profile of Expenditure.:	
	Profile	Cost/m2/Year
	Year 1 -10	19
	Year 11 - 20	92
	Year 21 - 30	105
	Year 31 -40	90
	Year 41 -50	127
	Year 51 -60	103
	Lifecycle for the Existing Estate is applied at varying values according to the age of the buildings.	

Revenue	For the purposes of the CIA, staffing costs have been included for each of the options.
Building Running Costs	The relevant costs of running the site covering Hard and Soft FM. The Retained Estate includes £90/m2 for Hard FM; £147/m2 for Soft FM based upon current costs. The new estate is estimated to achieve Hospital Model Targets at £80/m2 and £100m/m2 respectively.
Revenue Savings	Capital charges of buildings demolished are excluded. Building running cost reductions as a result of demolitions and Lifecycle costs avoided.

The initial capital costs for each option are shown below. Further detailed breakdown of the total capital costs for each option see Appendix 7.

Table 12 – Initial Capital Costs

CIA Ref.	0	1	2	3	4
Strip Back to Sub-structure & Frame, re-build	37.6	39.45	0	0	0
Decant Space	32.2	0	0	0	0
Enabling & External Works	11.55	11.5	10.14	10.14	11.63
New Build	0	35.7	57.49	45.16	45.3
Refurbishment	0	0	0.2	0.72	0.72
Fees, Non-Works & Equipment Costs	15.11	17.17	15.12	12.32	12.56
Sub-Total	96.46	103.84	82.95	68.34	70.21
Optimum Bias	21.12	26.16	15.98	12.56	12.90
Initial Capital Cost (CIA)	117.58	130.00	98.93	80.90	83.11
Contingency + OB	4.97	5.45	4.06	3.31	3.40
Inflation	15.7	17.36	10.61	8.68	8.92
VAT	25.54	28.38	20.93	17.1	17.56
Total (£M)	163.79	181.19	134.53	109.99	112.99

Option 0 - Business as Usual

Capital costs of £117.58M excluding Contingency, VAT and Inflation have been included in the CIA model.

The following costs have been included in the CIA model:

- Existing Women & Children's Building of 9480 m² retained
- Temporary accommodation required over 3 years during works.
- Lifecycle for estate costing £54.18M over 60-year period.
- Hard FM costs of £0.91M per year over the first 4 years until facility is operational.
- Hard FM costs of £0.82M per year from year 5 to year 60.
- Soft FM costs of £1.47M per year over the first 4 year period until facility is operational.
- Soft FM costs of £1.02M per year from year 5 to year 60.
- Revenue cost of clinical services for Paediatrics and Neonatal continuing at £10.08M per year throughout.

- Revenue cost of clinical services for Obstetrics and Gynaecology continuing at £10.77M per year throughout.
- Revenue costs of administrative services in support of the above clinical services continuing at £0.51M per year throughout.
- Net contribution for Private Fertility continuing at £0.04M per year throughout.

Option 1 - Do Minimum, and address RAAC issues and include Spatial compliance.

Capital costs of £130.00M excluding Contingency, VAT and Inflation have been included in the CIA model.

The following costs have been included in the CIA model:

- The frame and substructure of the existing Women & Children's Building of 9480m² is retained, as well as a new extension to meet spatial compliance of 5732m²
- Structural issues of RAAC planks and concrete creep to 1st floor are dealt with via a rebuild programme which resolves backlog maintenance over a 3-year period.
- Temporary accommodation required over 3 years during works.
- Lifecycle costs of £0.03M increasing to £0.32M after new-build at Year 4.
- Hard FM costs of £0.91M per year increasing to £1.28M from year 4 onwards.
- Soft FM costs of £1.47M per year increasing to £1.6M from year 4 onwards.
- Revenue cost of clinical services for Paediatrics and Neonatal continuing at £10.08M per year throughout.
- Revenue cost of clinical services for Obstetrics and Gynaecology continuing at £10.77M per year throughout.
- Revenue costs of administrative services in support of the above clinical services continuing at £0.51M per year throughout.
- Net contribution for Private Fertility continuing at £0.04M per year throughout.

Option 2 – New Build Replacement, like for like, in Location A.

Capital costs of £98.93M excluding Contingency, VAT and Inflation have been included in the CIA model.

The following costs have been included in the CIA model:

- Existing Neonatal Building retained permanently 540 m², not linked to new build
- Existing EMBE Building relocated to Haygarth after 3 years 150m²
- New build like for like Women & Children's Building 15310 m² including link/atrium which are abnormal costs
- Hard FM costs of £0.91M per year increasing to £1.26M per year from year 4 onwards for combined new build and retained estate.
- Soft FM costs of £1.47M per year increasing to £1.59M per year from year 4 onwards for combined new build and retained estate.
- Revenue cost of clinical services for Paediatrics and Neonatal continuing at £10.08M per year throughout.
- Revenue cost of clinical services for Obstetrics and Gynaecology continuing at £10.77M per year throughout.
- Revenue costs of administrative services in support of the above clinical services continuing at £0.51M per year throughout.
- Total retained estate lifecycle costs of £3.08M over 60 year period.

- Total new build estate lifecycle costs of £80.78M over 60-year period.

Option 3 - New Build Women & Children's Unit in Location A1 and reconfigure existing estate.

Capital costs of £80.90M excluding Contingency, VAT and Inflation have been included in the CIA model.

The following costs have been included in the CIA model:

- Existing Neonatal Building retained permanently 540 m², not linked to new build
- EBME, Stroke and Elderly wards relocated to reconfigured areas of existing estate, 1450m²
- New build 12,210 m² including link/atrium which are abnormal costs
- Hard FM costs of £0.91M per year increasing to £1.02M per year from year four onwards for combined new build and retained estate.
- Soft FM costs of £1.47M per year reducing to £1.27M per year from year four onwards for combined new build and retained estate.
- Revenue cost of clinical services for Paediatrics and Neonatal continuing at £10.08M per year throughout.
- Revenue cost of clinical services for Obstetrics and Gynaecology continuing at £10.77M per year throughout.
- Revenue costs of administrative services in support of the above clinical services continuing at £0.51M per year throughout.
- Total retained estate lifecycle costs of £3.08M over 60-year period.
- Total new build estate lifecycle costs of £64.42M over 60-year period.

Option 4 – New Build Women & Children's Unit in Location A2, linked to Neonatal, and reconfigure existing estate.

Capital costs of £83.11M excluding Contingency, VAT and Inflation have been included in the CIA model.

The following costs have been included in the CIA model:

- Existing Neonatal Building retained permanently 540 m², linked to new build, main hospital ring road realigned to allow for linkage
- EBME, Stroke and Elderly wards relocated to reconfigured areas of existing estate, 1450m²
- New build 12,455 m² including link/atrium which are abnormal costs
- Hard FM costs of £0.91M per year increasing to £1.03M per year from year four onwards for combined new build and retained estate.
- Soft FM costs of £1.47M per year reducing to £1.29M per year from year four onwards for combined new build and retained estate.
- Revenue cost of clinical services for Paediatrics and Neonatal continuing at £10.08M per year throughout.
- Revenue cost of clinical services for Obstetrics and Gynaecology continuing at £10.77M per year throughout.
- Revenue costs of administrative services in support of the above clinical services continuing at £0.51M per year throughout.
- Total retained estate lifecycle costs of £3.08M over 60-year period.
- Total new build estate lifecycle costs of £65.21M over 60-year period.

3.5.4 BASIS OF COSTS

Sunk costs, transfer payments, inflation, contingency, VAT, capital charges and depreciation have been excluded from the net present cost. VAT is excluded as this is a transfer payment within the public sector and does not generate additional costs.

3.5.5 CHANGES TO ESTATE FOOTPRINT

The impact on the size of the existing estate for the various options is shown below:

Table 13 – Changes to Estate Footprint

Description	Retained Estate Women & Children's m2	Retained Estate Neonatal m2	Retained EBME m2	New Build (Target) m2	Total
Option 0 – Business as Usual	9,480	540	150	0	10,170
Option 1 - Do Minimal	9,480	540	150	5,732	15,902
Option 2 - New Build Replacement, like for like, in Location A.	0	540	0	15,310	15,850
Option 3 - New Build Women & Children's Unit in Location A1 and reconfigure existing estate.	0	540	0	12,210	12,750
Option 4 - New Build Women & Children's Unit in Location A2, linked to Neonatal, and reconfigure existing estate.	0	540	0	12,360	12,900

3.5.6 EQUIPMENT REPLACEMENT

Key equipment replacement has been included in the capital costs for the options. The Trust normal equipment replacement programme will apply.

3.5.7 BUILDING RUNNING COSTS

Building running costs include electricity, gas, water, rates, council tax, engineering and building maintenance.

3.5.8 BENEFITS

The following benefits have been quantified and included in the CIA model for the shortlisted options below:

Cash Releasing Benefits

- Reduced building running costs – these benefits are included in the costs for each option over the 60 year appraisal;

- Removal of backlog maintenance - Business as Usual and 'do minimum' options remove the backlog maintenance as a cost and therefore any inclusion as a benefit for other options could potentially be double counting;
- Recruitment and retention of staff – the potential for reducing staffing costs by reducing the use of agency staff by circa 50% in the relevant specialties has been factored into the benefits for each new build option and @ 25% for the Do Minimum. The Business as Usual will not assist the Trust in recruiting and retaining staff;
- Retail to a third party – the award of a contract to run a retail facility has been factored into the revenue income for the new build options.

Non-Cash Releasing Benefits

- Reduction in Healthcare Acquire Infection Rates – New compliant facilities are proven to reduce HCAI's to patients which provides benefits of reduced number of bed days for patients and re-work. This benefit is applicable to the new build options and is a partial benefit to a refurbished existing estate in the Do minimum option; However, this has not been quantified but will be developed for the FBC.
- Attractive teaching & learning – improved retention of staff and recruitment have been factored in to the above cash releasing benefit;
- Spaces that are flexible for changing clinical practice – allows for future proofing of the estates changing needs. The inclusion of a 2nd theatre for maternity provides flexibility for the Trust to utilise the existing theatre for additional elective activity which could provide additional income to the Trust.

Societal Benefits

- Reduction in patient waiting times – The ability to re-purpose the existing operating theatre, used partially for maternity c-sections, provides opportunities to manage reduction of patient waiting times and dealing with future growth in service. This brings faster access to treatment for patients which increases their the enjoyment of life and enables those who are suffering and unable to work or only partially work to get back to full time employment quicker. This benefit has not been quantified at this stage as the use of the available capacity in the existing theatre has not been finalised at OBC stage.
- Environmental/Sustainability improvements – This scheme will deliver reduced CO2 emissions as a result of the Trusts Sustainability requirements. The benefits of reduced air pollution and embodied carbon reduction have not been quantified at this stage and will be developed for FBC.

Unmonetisable Benefits

- Improved patient experience and satisfaction – This benefit is relevant for the new build options where new facilities facilitate provision of an improved experience for patients which should result in improved satisfaction results.

Table 14 – Benefit Summary

Benefit /Undiscounted Total	Option 0	Option 1	Option 2	Option 3	Option 4
Cash Releasing	£m	£m	£m	£m	£m
Reduced building running costs					
Removal of backlog maintenance					
Recruitment and retention of staff		£3.45	£7.2	£7.2	£7.2
Retail income from third party			£2.4	£2.4	£2.4
Non-Cash Releasing					
Patient safety / accreditation standards and best practice					
Attractive teaching and learning					
Spaces that are flexible for changing clinical practice					
Patient safety reduced HCAIs					
Societal Benefits					
Improved patient access and choice					
Reduction in patient waiting times					
Improved patient satisfaction					
Provision of Environmentally, Sustainable facilities					
Unmonetisable Benefits					
Improved patient experience					
Total		£3.45	£9.6	£9.6	£9.6

The new build options which deliver increased activity, efficiency and improved quality/safety provide significant benefits as opposed to the Business as Usual which delivers no benefits. The quantifying of some of these societal/non cash releasing benefits will be developed at FBC stage.

The details and costed benefits are shown in the CIA model.

3.5.9 NET CONTRIBUTION/COST

The Benefit of providing additional capacity at the Countess of Chester is unquantified and excluded from the OBC. Similarly, capital charges are excluded from the model.

3.5.10 RISK AND OPTIMUM BIAS

Optimism Bias for all of the options has been calculated by the Trust Cost Advisor in consultation with the Project Team. For 'Business as Usual' option the Optimism Bias has been calculated at 21.9%, 'Do Minimum' option the Optimism Bias has been calculated at 25.2%. For the remaining three options the Optimism Bias ranges between 18.4% and 19.3%, as detailed in Appendix 10.

Key risks associated with delivery and operational benefits are summarised below and have been included in the CIA Model.

- Change in design requirements by the NHS Trust – which could lead to potential increase in capital costs and delay to the programme.
- Incorrect cost estimates associated with inflation – partially mitigated through optimism bias
- Incorrect costs of providing clinical services – this relates to the cost risk associated with increased activity on the maternity theatres requiring additional sessions on the existing surgical theatre for the BAU option only. Should this risk materialise the mitigation would be to undertake current other elective works at weekends which comes with a premium cost. Having a second maternity theatre in the other options removes this risk.
- Incorrect maintenance estimates - the existing cost of maintenance is taken from the ERIC returns across the site and is not building specific. There is a risk that the existing costs are understated for the BAU option.
- Unforeseen problems encountered when rebuilding around existing frame and structure – applicable to Options 0& 1, which could lead to potential increase in capital costs and delay to the programme.
- Maintaining clinical services due to loss of space and period of decant – increase revenue cost due to delayed procedures captured within revenue costs.

3.5.11 NET PRESENT COSTS

The detailed economic appraisals for each option are set out in the CIA model as shown in Appendix 10. A summary of the results is set out below:

Table 15 – Net Present Cost

NPV Summary £m (Excl VAT and Sunk Costs)	Option 0 - Business as Usual	Option 1 - Do Minimum	Option 2 - New Build Replacement, like for like, in Location A	Option 3 - New Build Women & Children's Unit in Location A1 and reconfigure existing estate	Option 4 - New Build Women & Children's Unit in Location A2, linked to Neonatal, and reconfigure existing estate
Initial Capital (Not Discounted)	117.6	130.0	98.9	80.9	83.1
Capital	-132.4	-156.8	-126.7	-103.0	-105.4
Revenue	-620.6	-644.2	-644.3	-631.0	-631.6
Externalities	0.0	0.0	0.0	0.0	0.0
Total costs	-753.1	-801.1	-770.9	-734.0	-737.1
Benefits	-1.2	0.2	3.7	3.7	3.7
Risk	-19.7	-16.9	-6.1	-4.1	-5.3
Discount factor	3.5%	3.5%	3.5%	3.5%	3.5%
Net present cost	-773.9	-817.7	-773.3	-734.5	-738.7
Rank	4	5	3	1	2

Option 3, a New Build Women and Children's Unit in Location A1 with reconfigured existing estate offers the best overall NPV.

3.5.12 COST-TO-BENEFIT RATIO

The cost benefit ratio takes the incremental costs and benefits over the Business as Usual Option for those values greater than Option 0 BAU and calculates the ratio (Incremental benefits/Incremental costs). As a minimum project are expected to show a ratio of 1:1 that means the amount of quantifiable benefits is at least equal to the amount being invested.

The risk adjusted Net Present Social Value (NPSV) is the sum of the quantified incremental costs and benefits.

The following table summarises the discounted values and cost/benefit ratios.

Table 16 – Cost to Benefit Ratios

Economic Summary (Discounted) - £m					
	Option 0 - Business as Usual	Option 1 - Do Minimum	Option 2 - New Build Replacement, like for like, in Location A	Option 3 - New Build Women & Children's Unit in Location A1 and reconfigure existing estate	Option 4 - New Build Women & Children's Unit in Location A2, linked to Neonatal, and reconfigure existing estate
Incremental costs - total	£0.00	-£47.98	-£24.65	-£11.39	-£12.03
Incremental benefits - total	£0.00	£4.19	£23.16	£48.76	£45.15
Risk-adjusted Net Present Social Value	£0.00	-£43.79	-£1.49	£37.37	£33.11
Benefit-cost ratio 1:	0.00	0.09	0.94	4.28	3.75

The table shows that Option 3 New Build Women and Children's Unit in Location A1 with reconfigured existing estate delivers the highest benefit to cost ratio and NPSV.

The main driver for investment relates to structural failures in the existing estate, building replacement is critical, service provision remains consistent across all options.

3.6 SENSITIVITY ANALYSIS

The method used is scenario planning/analysis ("what if") by altering the values of the costs and benefits to observe the effect on the overall ranking of options.

The potential increase or decrease between options 3 and 4 have been evaluated being the closest on the net present costs.

The table below shows the key changes required between the two options if they are to become equal which is quite small due to the similarity in the two options:

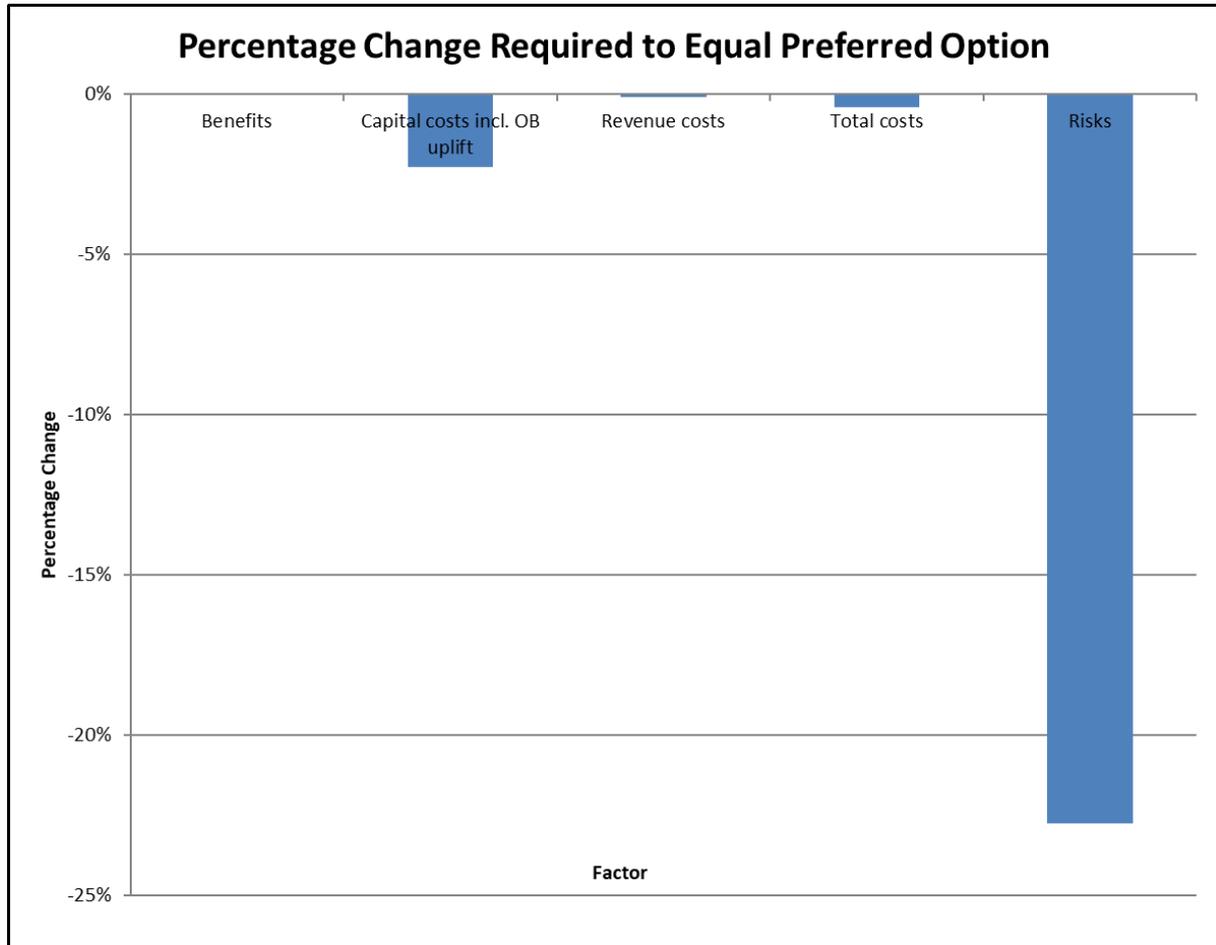
Table 17 - Option 3&4 Sensitivity Analysis

NPC SENSITIVITIES	OPTION 3	OPTION 4
BASELINE		(738.7)
Capital	(103)	-2%
Revenue	(631)	-0%
Total costs	(734)	-1%
Benefits	3.7	0%
Risk	(4.1)	-23%
Net present cost	(734.5)	-1%
New Rank	Baseline	Equal

This shows that for option 4 to become equal to option 3, capital costs would need to reduce by circa 1%, and the net present cost by less than 1%. Option 4 is a higher risk scheme which would require the risks to be reduced by circa 23% to equal option 3.

This is demonstrated in the graph below:

Figure 12 – Option Sensitivity Analysis Graph



3.7 PREFERRED OPTION

A detailed economic option appraisal process in line with HM Treasury and Department of Health guidance has been carried out to identify a preferred option for this project.

Whilst Options 2, 3 and 4 are broadly similar, Options 3 & 4 are preferred over Option 2 as they offer improved adjacencies and maximise space utilisation by relocating stroke and elderly wards from the current Women and Children’s Building into the existing main hospital.

Option 3 is the final preferred option due to its lower capital cost and significantly reduced risk when compared to Option 4. the main difference between the two options is the link to the existing Neonatal building. Both proposals retain the Neonatal building but Option 3 is favoured as the Neonatal service is incorporated into the new facility. To link the new build with the existing Neonatal service retained in the existing facility would require the existing hospital ring road to be diverted and

Neo-natal to be temporarily decanted during demolition which adds significant cost and complexity to the scheme.

The economic, benefits and risk appraisals confirms Option 3 (New Build Women and Children’s Unit in Location A1 with reconfigured existing estate) as the preferred option as demonstrated below:

Table 18– Economic, Benefits and Risk Appraisal

Evaluation Results	BAU	Option 1	Option 2	Option 3	Option 4
Economic appraisals	4	5	3	1	2
Benefits appraisal	5	4	1	1	1
Risk appraisal	5	4	3	1	2
Total	14	13	7	3	5
Overall Ranking	5	4	3	1	2

SECTION FOUR - THE COMMERCIAL CASE

4.1 INTRODUCTION

The purpose of the Commercial Case is to describe the Trust's strategy for procuring the scheme in order to deliver value for money including risk allocation and proposed contract structure.

The preferred procurement option is to use ProCure 23 as the delivery vehicle.

ProCure 23 is a Department of Health approved framework agreement established for the development and delivery of NHS and Social care capital schemes in England. It is consistent with the requirements of Government Policy including the Productivity and Efficiency agenda; the Government Construction Strategy; the Public Contracts Regulations 2015; the National Audit Office guidance on the use of centralised frameworks; and the Cabinet Office Common Minimum Standards for the procurement of the Built Environment in the Public Sector.

4.2 PROCUREMENT OBJECTIVES

The Trust objectives for selection of a procurement for this scheme include:

- Cost Certainty – The procurement route must provide certainty of final out-turn cost at or before finalising the contract which is within the overall budget
- Quality – The scheme must deliver a high-quality design and specification that is consistent with other Trust facilities
- Programme – The preferred option must be deliverable within the overall programme
- Value for money – Must ensure value for money at a competitive price within the overall budget
- Flexibility – ability to be able to deliver the programme of schemes for the Trust and be able to stand down resources if required during business case approval periods. Ability to make future changes easily
- Utilise Local Supply chain – ability to maximise the use of local supply chain and bring benefits to the local economy
- Collaboration – desire for a partner whose culture and ethos is reflected in their approach to partnering
- Risk Transfer – The ability to transfer risks to the party where they are best placed to manage them and deliver best value for the Trust
- Single Point responsibility – single point of interface in the management of design and construction to minimise Trust Scheme Team work load

4.3 PROCUREMENT OPTIONS

Funding for the scheme is confirmed using capital as private funding is not viable for the scale of this scheme. There are a number of procurement options available to the Trust which are being considered as part of an options appraisal at OBC stage. These include the following:

4.3.1 DESIGN AND BUILD FRAMEWORK AGREEMENTS

There are a number of National Framework agreements that could be utilised to procure the proposed scheme. These include Procure North West, SCAPE, North West Construction Hub, Pagabo and Procure 23. These frameworks all utilise Design & Build methods of procurement using the collaborative NEC 3 contract. Whilst other frameworks are available and used in healthcare schemes, the DOH preference is to utilise the Procure 22 framework agreement for delivery as it is bespoke to healthcare.

ProCure23 (P23) Framework commenced in June 2022 and is largely a continuation of the previous P21 and P21+ and P22 Frameworks which have proved successful in the delivery of healthcare facilities. The framework provides an OJEU-compliant procurement vehicle for the engagement of one of the pre-qualified P22 Contractors (PSCPs); with this avoiding any requirement to undertake additional OJEU processes.

Under the Framework, a contractor led scheme team (including a full design team) is engaged to design and construct the works. Currently ongoing maintenance of newly constructed facilities is excluded from the Framework.

The PSCP can be procured at any stage of the pre-construction life-cycle, from initial strategic / master planning stages, through to completion of the detailed design. Equally the Framework can be used to appoint a PSCP from Construction stage.

Whilst the PSCPs have a number of Primary Supply Chain Members (PSCMs) they are able to engage other PSCMs, even incumbent designers identified by a Trust.

4.3.2 SINGLE STAGE DESIGN AND BUILD

Prior to moving to selection of a contractor, the Trust develops a robust set of Employer's Requirements that will form the basis for inviting tenders (via OJEU and PQQ) to submit their contractor's proposals and lump sum tender. The successful contractor then enters into contract with the Trust to finalise the design and carry out the construction of the scheme.

The design and other documentation currently used by potential contractors may well be used as the basis for the Employer's Requirements.

The procurement will need to comply with public procurement requirements, and therefore, will need to be advertised through OJEU. This will increase the overall duration of the selection process.

4.3.3 TWO STAGE DESIGN AND BUILD

This procurement route is similar in many ways to Procure 22, with the most significant difference being no restriction on contractors who can bid for the scheme.

The first stage tender secures a competitive price for the contractors' overhead and profit margin as well as for the contractor's preliminaries and design fees.

This leaves the actual works themselves to be competitively tendered on a package by package basis, similar to the process used by P22 prior to completing the 2nd stage tender and agreeing the contract price.

The procurement will need to comply with public procurement requirements, and therefore, will need to be advertised through OJEU. This will increase the overall duration of the selection process.

4.3.4 TRADITIONAL (CONVENTIONAL PROCUREMENT)

This approach allows the Trust to contract with a professional design team including an architect and Structural/Mechanical & Electrical engineers to carry out the design. The Trust enters into a separate contract with a contractor who carries out the building works. This procurement option requires the design to be completed in full by the design team, except where selected and identified Contractor Designed Portions are introduced. The contractor then submits a price based on the complete design, often through the pricing of a Bills of Quantities prepared on behalf of the Trust.

This option certainly allows the greatest control of design and can sometimes deliver a lower construction price for a defined scope of works than design and build. However, the higher level of management and direct consultant costs incurred, the higher potential for post-contract variations during design development and the loss of opportunity for the contractor to provide market testing and value engineering input into the design before it is complete is likely to offset this lower price benefit. There is a high potential that the market may return an unaffordable tender price for the fully designed scheme.

The procurement will need to comply with public procurement requirements, and therefore, will need to be advertised through OJEU. This will increase the overall duration of the selection process. There is no ability to transfer design responsibility to the contractor, other than identified Contractor Designed portions so almost all design risk remains with the Trust and there is no opportunity or incentive for contractors to suggest more innovative or efficient design solutions.

4.4 PROCUREMENT OPTIONS EVALUATION

An evaluation of the procurement options has been undertaken by the Project Team against the objectives with the objectives weighted in order of importance to the Trust.

The evaluation is undertaken in the context of the characteristics of the projects, i.e. capital cost of circa £110 million and a 12 month programme to get to contract award.

4.4.1 SCORING REFERENCE

10	<i>Exceptional:</i> Ability to Exceed objective
9	<i>Excellent:</i> A positive match to achieve all elements of objective
8	<i>Very Good:</i> A positive match to achieve almost all the objective
7	<i>Substantially meets:</i> A positive match to deliver the majority of the objective
6	<i>Good:</i> A positive match to achieve more than half of objective
5	<i>Average:</i> A positive match to deliver a good part of the objective
4	<i>Below Average:</i> Delivers less than half of the elements of the objective
3	<i>Barely meets:</i> Partially delivers objective

- 2 *Poor*: Does not deliver objective on most counts
- 1 *Very Poor*: Does not deliver objective on almost all counts
- 0 *Unacceptable*: Does not deliver objective

4.4.2 EVALUATION SCORES

Table 19 - Evaluation Scores

Objective	Procure 23 or Alternative Framework	Single Stage D&B	Two Stage D&B	Traditional
Cost Certainty	8	9	8	5
Funding Availability	5	5	5	5
Quality Control	7	6	6	8
Programme delivery	8	7	7	6
Value for Money	8	7	7	9
Flexibility	8	6	8	5
Local Supply Chain Opportunities	6	8	8	8
Collaboration	9	5	8	3
Risk Transfer	7	7	7	3
Single Point Responsibility	8	8	8	3
Totals	74	68	72	55

4.4.3 WEIGHTED EVALUATION SCORES

Table 20 - Weighted Evaluation Scores

Objectives/Weighting	Procure 23 or Alternative Framework	Single Stage D&B	Two Stage D&B	Traditional
Cost Certainty (15%)	12.0	13.5	12.0	7.5
Funding Availability(5%)	2.5	2.5	2.5	2.5
Quality Control (15%)	10.5	9.0	9.0	12.0
Programme delivery (15%)	12.0	10.5	10.5	9.0
Value for Money (15%)	12.0	10.5	10.5	13.5
Flexibility (10%)	8.0	6.0	8.0	5.0
Local Supply Chain Opportunities (10%)	3.0	4.0	4.0	4.0
Collaboration (5%)	4.5	2.5	4.0	1.5
Risk Transfer (10%)	7.0	7.0	7.0	3.0
Single Point Responsibility (5%)	4.0	4.0	4.0	1.5
Totals	71.5	65.5	67.5	58.0
Rank	1	3	2	4

The evaluation shows that using ProCure 23 or an alternative Framework agreement provides the best outcome of achieving the procurement objectives.

A detailed procurement appraisal undertaken by the project team, contained in Appendix 17, and ratified at the Project Programme Board and to proceed with Procure 23 as the preferred procurement option. ProCure 23 is an NHS approved framework and the Trust has current experience and familiarity with the process of delivering capital projects using ProCure 22 which has now been replaced by ProCure 23.

4.5 FUNDING ROUTE APPRAISAL AND PREFERRED OPTION

In assessing the funding route options, consideration was given to funding the scheme using Public Dividend Capital (PDC) or alternative private funded options. Recent experience of comparing the two options across the NHS has established that funding via PDC is marginally better value for money than a privately funded scheme particularly for projects at this £110 million value.

Consequently, and as a result of private finance not being a current option available to the Trust, the preferred funding route is Public Dividend Capital (PDC).

4.6 PROCUREMENT PROCESS

The Trust is in the process of procuring a Contractor partner using the ProCure 23 process.

The ProCure23 Framework is a DOH framework agreement with Lot 3 > £70m having eight contractors that have been selected via an OJEU tender process. The Trust invited all eight Contractors to tender by the issuing of a Client Invitation to Tender Brief pack on 20th May 2022 following an initial mini open day on the 26th April 2022 which was attended by all bidders. Seven are planned to attend the formal Open day on the 16th April 2022. The bidders include Galliford Try, John Graham, Integrated Health Projects, Kier, Laing O'Rourke, Mace/Wilmott Dixon and Wates.

Bidder initial tenders will be evaluated following returns on the 22nd June 2022 by a selection panel consisting of the Clinical lead, Project Director, Procurement lead, Finance lead, Director of Estates, NEC Project Manager, Cost Advisor with oversight from the P23 Implementation Advisor. Moderation interviews are planned on the 30th June 2022.

The evaluation criteria consists of 35% Commercial and 65% Qualitative. The Commercial scores are in part predetermined by the P23 Framework submission. The qualitative assessment will be made on the following weighted criteria:

- Delivery confidence
- Strength of team and leader
- Cost management
- Social Value
- Care quality and productivity
- Design and standardisation

Following the evaluation and moderation interviews a Contractor partner will be appointed on the 1st July 2022. The Client Invitation to Tender Brief is contained in the Estates Annex Appendix N.

4.7 PROCURE 23 DESIGN AND CONSTRUCTION CONTRACT

The Department of Health ProCure23 Framework utilises the NEC 4 form of contracts based upon the following rationale:-

- Value for money – open book, transparency and commitment to deliver value for money on all projects in line with Government policy and guidance. ProCure23 partners have already been tendered by the Department of Health.
- A commitment to partnering, collaborative working and long-term, relationships which are based on fair reward and supported by structured performance management.
- Robust risk management processes.
- Utilises performance and quality management KPI's.
- Social value commitments
- Commitment to defect free buildings at completion.
- Best practice initiatives including Modern Methods of Construction deliverables, Net Zero Carbon commitments, bulk buying standardised components, standard room designs which increases efficiency and reduces cost.

The P23 contract comes from the NEC 4 suite of contracts with the Trust selecting an Option C Target Cost with activity schedule where the out-turn risks are shared between the client and contractor in an agreed proportion using a pain/gain share mechanism. This form of contract is commonly used across NHS projects which is suitable for large buildings with a high degree of complexity, providing transparency and open book accounting.

There are two key contract stages defined under P23 being Stage 3 (Provide substantial design development for preparation of the FBC) and Stage 4 (Completion of final construction details, construction, commissioning and handover)

The Trust are entering into a Stage 3 contract to develop the design from outline design stage and market test the works packages to provide a Guaranteed Maximum Price (GMP) for FBC stage which is compliant and affordable. The Trust has appointed an external Project Manager and Cost Advisor to

ensure that the contract is managed in accordance with the P23 NEC 3 form of contract and value for money is obtained in achieving a Target Cost within the affordability.

The key stakeholders have been involved throughout the outline design stage and have approved the developed design progressively. Building layouts, adjacencies and site plan proposals have been approved by the Programme Board. The outline design reflects the clinical brief which has been developed by the Trust.

The Trust will enter into a Stage 4 contract at completion of the FBC stage using the P23 NEC standard form contract to deliver the construction works in accordance with the Works information, the Target cost and contract programme. The Trust retains a project risk/contingence allowance to manage the key risks including change management which are instructed as compensation events by the Project Manager during the works following the Trusts governance process.

4.8 RISKS AND OPTIMISM BIAS

The general principle is that risks should be passed to ‘the party best able to manage them’, subject to value for money. The contract with a D&B Contractor will be entered into to deliver the design and construction of the new facility. The table below provides an assessment of how the associated risks are generally apportioned between the Trust and the D&B Contractor.

Table 21 - Assessment of Associated Risks

Risk Category	Capital Funded		
	Trust	D&B Contractor	Shared
1. Design risk		✓	
2. Construction risk		✓	
3. Performance/Delivery		✓	
4. Changes in Legislation	✓		
5. Latent Defects		✓	
6. Specialist Equipment Installation			✓
7. Transition and implementation risk	✓		
8. Availability and performance risk	✓		
9. Operating risk	✓		
10. Variability of revenue risks	✓		
11. Termination risks	✓		
12. Technology and obsolescence risks	✓		
13. Financing risks	✓		

In compliance with the Green Book, the business case has been reviewed to ensure that it allows for an appropriate level of optimism bias at SOC which then reduces during OBC stage and becomes a contingency at FBC stage when there is greater cost certainty and key risks are removed, reduced or mitigated.

Optimism Bias for all of the options has been calculated by the Trust Cost Advisor in consultation with the Project Team as detailed in Appendix 7.

4.9 CONTRACTUAL ARRANGEMENTS

The Trust will enter into a design and build construction contract using the standard form NEC 4 contract at FBC stage.

The Trust will continue to provide hard and soft FM services to the hospital site under this procurement proposal.

4.10 DESIGN DEROGATIONS

A small number of minor derogations have been identified following user group meetings that are detailed in the Estates Annex, Appendix C.

These mostly cover increases and decreases in room sizes, some of which reflect repeatable room designs.

Any derogation is considered by the clinical/estates teams and will be kept under constant review as the detailed design develops.

4.11 PLANNING PERMISSION

Outline Planning permission has been submitted by the Trust with formal approval anticipated in early September 2022.

4.12 MODERN METHODS OF CONSTRUCTION

The new facilities will be designed and built to applicable Health Building Notes and Health Technical Memorandum standards, relevant professional body accreditation standards and benchmarked with best practice in the UK.

The ethos of repeatability has been incorporated into all elements of the design for all rooms and room components which have repetition. The use of 'offsite' manufacture is to be considered upon appointment of the P23 Construction partner, with consideration given to the use of modular construction for the new build and off site components such as modular M&E services, pre-fabricated plantrooms, prefabricated cladding systems etc. to reduce the overall construction programme, improve quality and minimise the risk of the supply chain availability.

All relevant components will be selected from the P23 standard components catalogue to make use of the P23 national buying power.

An overall assessment of the opportunities to deliver MMC will be considered by the design and construction team using the P23 standard assessment tool. This shows that the project is on track to achieve the 75% target of MMC at this stage which is demonstrated in Appendix 14

4.13 PERSONNEL IMPLICATIONS

It is unlikely that there are any TUPE implications for staff. However, this will be considered during the FBC and if required will follow the codes of practice for change management that are already in place in the Trust.

4.14 ACCOUNTANCY TREATMENT

The capital scheme will be 'on' the Trust balance sheet.

SECTION FIVE - THE FINANCIAL CASE

5.1 INTRODUCTION

The financial case sets out the capital and revenue costs, funding arrangements, financial implications and affordability of the preferred option.

The financial baseline position of the Trust is presented and how the proposed investment impacts on the balance sheet, income and expenditure of the Trust.

The finance case projections have been developed by overlaying the preferred option (selected using the economic analysis) on the current financial plan for 2022/23 (at the time of writing this is subject to final approval at system level) and forecasting 10 years through to 2031/32 including 7 operational years in the new facility.

The forecast demonstrates that the preferred option is recurrently affordable on the assumption of system wide savings/additional income is achieved.

5.2 BASELINE FINANCIAL POSITION OF THE TRUST

The Trust reported a deficit of £7.9m for the 2020/21 financial year (£1.4m deficit after adjusting to the system level monitored position) and a draft a deficit of £4.1m for the 2021/22 financial year (£1k surplus after adjusting for impairments and donated assets).

The 2020/21 & 2021/22 financial years were complex, with different funding arrangements in place and significant distortion of both costs and income as a consequence of the COVID-19 pandemic.

Normal planning and contracting arrangements were not in place for any of 2020/21 and 2021/22.

Table 22– Trust I&E performance over the last three years

	19/20 Outturn £000	20/21 Outturn £000	21/22 Draft £000
Statement of comprehensive Income			
Operating Income from patient care activities	246,140	272,167	311,838
Other operating Income	25,760	40,860	22,324
Employee Expenses	(186,723)	(218,320)	(231,423)
Other operating expenses excluding employee expenses	(83,164)	(100,557)	(104,254)
Operating Surplus/(Deficit)	2,013	(5,850)	(1,515)
Finance Costs			
Finance Income	120	16	28
Finance Expense - Financial Liabilities	(754)	(464)	(377)
PDC dividends payable/refundable	(914)	(1,329)	(2,124)
Net Finance Costs	(1,548)	(1,777)	(2,473)
Other gains/(losses) including disposal of assets	(177)	(304)	(115)
Corporation tax expense	0	0	0
Surplus/(Deficit) for the period/year	288	(7,931)	(4,103)
Remove capital donations/grants I&E impact	31	(279)	389

Remove Impairment		6,837	3,715
Remove impact of prior year PSF post accounts reallocation	(277)		
Adjusted financial performance	42	(1,373)	1
Underlying (remove non delivery of non recurrent CIP)	(4,068)	(5,483)	(8,799)

The underlying position for 2019/20 was a £4.1m deficit due to the non-delivery of the recurrent efficiency requirements, £5.5m deficit in 2020/21 and £8.8m deficit in 2021/22.

The Trust has benefited from additional capital resource made available nationally and regionally for specific purposes e.g. non-elective and Covid related pressures.

The Countess of Chester Hospital has £12.7 million of 'normal course of business' capital loans outstanding at 31 March 2022, which will require principle repayments of £1.8 million in 2022/23. This will leave around £6.5 million of internal cash to fund the capital programme. The current approved ICS capital envelope is that requires internal cash funding is £5.0 million.

The ICS capital allocation process is still ongoing, and any additional capital envelope granted to the Trust that isn't funded from central PDC will be first call on the internal cash generated in year. Beyond that, there are brought forward revenue cash reserves of £40.9m which will be utilised.

5.3 CAPITAL COSTS

5.3.1 ESTIMATED CAPITAL COST OF PREFERRED OPTION

5.3.3 T The capital costs for the OBC have been prepared by the Trust's independent cost advisors, Rider Levitt Bucknall, as set out in the OB Forms in Appendix 7. The costs have been calculated using the Department of Health Departmental Cost Allowance Guide (DCAG), plus on-costs, fees, equipment, and contingencies.

A summary of the capital costs is shown below:

Table 23– Key components of the Capital Cost Forecast

Summary			Cost £000s
1	Departmental Costs (from Form OB2)		45,162
2	On Costs (24.05 of Departmental Costs)	24.05%	10,860
3	Works Cost Total (1+2) at BIS PUBSEC 265		56,022
4	Provisional location adjustment	0.00%	0
5	Sub Total (3+4)		56,022
6	Fees (11.75% of sub-total 5)	11.75%	7,433
7	Non-Works Costs	Land	0
		Other	150
8	Equipment Costs (10.50% of Departmental Cost)	10.50%	4,742
9	Planning Contingency	5.00%	2,801
10	TOTAL (for approval purposes) (5+6+7+8+9)		71,148
11	Optimism Bias	18.38%	13,073
12	Sub Total (10+11)		84,221

13	Inflation adjustments	10.31%	8,680
14	Forecast Outturn Business Case Total (excluding VAT)		92,901
15	VAT		17,094
16	Forecast Outturn Business Case Total (including VAT)		109,995

Optimism bias has been included in the capital costs. This is due to the requirement to make explicit, the upward adjustments to costs to counteract the known tendency for the costs of projects to be underestimated, particularly in the early stages of developing and costing projects e.g. SOC and OBC.

Optimism bias relates to the systematic tendency for project appraisers to be overly optimistic and to changes to the scope of projects as defined by the output specification, which increase costs between SOC, OBC and FBC.

There may also be a tendency for costs to increase as more detailed design work and consultation is undertaken, including consultation with staff and local planning authorities. This may include:

- the realisation of omissions or errors at OBC of desired services, or of certain facilities needed to deliver required services; and
- the inclusion of users' aspirations.

As the business case develops, the level of optimism bias remaining should diminish as there is less scope for the output specification to change. In addition, costings are finalised and individual risks can be quantified. By FBC stage, any remaining optimism bias should be very low and recognised contractually in the agreed contractual position with the preferred partner as risk quantification has been performed.

Optimism Bias for all of the options has been calculated by the Trust Cost Advisor in consultation with the Project Team. The preferred option Optimism Bias has been calculated at 18.4% as detailed in Appendix 7.

5.3.2 TREATMENT OF VAT

VAT has been calculated at the current rate of 20% and allows for recovery of VAT against professional fees only at this stage based upon the Trust Cost Advisor advice.

A further review of VAT recovery will take place using the Trust VAT advisor as the cost plan develops during the detailed design stage.

5.4 CAPITAL FUNDING

5.4.1 FUNDING OF THE PROJECT

The Trust is seeking £110m Public Dividend Capital (PDC) funding of the proposed development as set out in table below:

Table 24- Funding of the Project

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£000	£000	£000	£000	£000	£000
DHSC PDC	10,000	40,000	58,500	1,495		109,995
Total Capital requirement	10,000	40,000	58,500	1,495	-	109,995

5.5 REVENUE IMPACT AND AFFORDABILITY

5.5.1 REVENUE IMPACT OF PREFERRED OPTION

The key factors influencing the affordability model in relation to the preferred option are summarised below:

Table 25 – Key Factors

Heading	Financial Impact	Recurrent/Non-Recurrent	Description
Income			
Income from clinical activities	£2.6m Increase	Recurrent	Increase in income associated with additional elective activity following the release of main theatre session capacity from elective caesarean sessions and expected increase in Maternity activity through repatriation
Other operating income	£0.04m Increase	Recurrent	Increase in commercial revenue relating to retail income. No retail currently in old building
Operating expenditure			
Employee Expenses	£1.1m Increase	Recurrent	Increase associated with delivery of additional activity net of reduction in temporary staffing costs
Facilities management	£0.18m reduction	Recurrent	Reduction in Hard & Soft FM cost per square mtr of new build using current trust cost per sqm (ERIC returns) to Model hospital lower quartile
Other non pay	£0.53m Increase	Recurrent	Increase associated with delivery of additional elective and Maternity activity
Non-Operating Expenditure			
Depreciation	£1.6m pa Increase	Recurrent	From 2025/26 Net increase for depreciation on new build and equipment after saving on impairment of old building
PDC	£2.8m increase	Recurrent	3.5% of average net relevant assets (new build less reduction associated with old build)

PDC Relief	£4m	Non Recurrent	During construction period 2022/23-2024/25), confirmed via regional NHSE/I team made 16/05/22
Impairment	£41m	Non Recurrent	Immediate impairment on valuation of new build 39%.

5.5.2 REVENUE COSTS

The incremental revenue impact of the scheme is summarised below:

Table 26– Revenue Costs

	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32
	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan	Plan
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of comprehensive Income										
Operating Income from patient care activities	0	0	0	5,309	5,309	5,309	5,309	5,309	5,309	5,309
Other operating Income	0	0	0	40	40	40	40	40	40	40
Employee Expenses	0	0	0	(1,119)	(1,119)	(1,119)	(1,119)	(1,119)	(1,119)	(1,119)
Other operating expenses excluding employee expenses	0	0	0	(42,212)	(1,547)	(1,547)	(1,547)	(1,547)	(1,547)	(1,547)
Operating Surplus/(Deficit)	0	0	0	(37,982)	2,683	2,683	2,683	2,683	2,683	2,683
Finance Costs										
Finance Income	0	0	0	0	0	0	0	0	0	0
Finance Expense - Financial Liabilities	0	0	0	0	0	0	0	0	0	0
PDC dividends payable/refundable	0	0	0	(3,238)	(2,720)	(2,663)	(2,606)	(2,549)	(2,492)	(2,434)
Net Finance Costs	0	0	0	(3,238)	(2,720)	(2,663)	(2,606)	(2,549)	(2,492)	(2,434)
Other gains/(losses) including disposal of assets	0	0	0	0	0	0	0	0	0	0
Corporation tax expense	0	0	0	0	0	0	0	0	0	0
Surplus/(Deficit) for the period/year	0	0	0	(41,220)	(37)	20	77	134	191	248
Remove capital donations/grants I&E impact	0	0	0	0	0	0	0	0	0	0
Remove Impairment	0	0	0	40,665	0	0	0	0	0	0
Adjusted financial performance	0	0	0	(555)	(37)	20	77	134	191	248

5.5.3 BENEFITS

It is anticipated that the following financial benefits will be realised from all options other than “Do nothing” and “Do minimum”. The “Do nothing” or “Do minimum” scenario are unlikely to generate any material benefits.

Table 277 - Benefits

Benefit	Financial Impact	Recurrent/Non-Recurrent	Description
Reduction in building running costs	£182k	Recurrent	Reduction in Hard & Soft FM cost per square metre of new build using current trust cost per sqm (ERIC returns) to Model hospital lower quartile
Return of additional Elective Theatre capacity due to 2 nd Maternity Theatre	£351k	Recurrent	Margin made on 4 additional Elective theatre sessions per week currently utilised by Elective Caesarean lists, an additional 384 Elective procedures, demand from current waiting list position and forecast demographic growth
Reduction in bank and agency expenditure	£115k	Recurrent	New building will provide a better working environment for staff, increasing recruitment and retention rates. An estimate of a 25% reduction in 21/22 rates in women and children's services.
Increase in maternity activity	£488k	Recurrent	Additional income net of marginal costs from an expected increase in Maternity activity through repatriation
Retail income	£40k	Recurrent	Increase in commercial revenue relating to retail income. No retail currently in old building
Reduction in Capital charges relating to old building	£562k	Recurrent	
System wide savings/income to be identified	£2700k	Recurrent	It is expected that system wide savings or additional income from increased activity will be achievable (approx. 0.05 of C&M Budget required) from 2025/26
Total	£4,438k		

Financial benefits associated with removal of current backlog maintenance (as outlined in Appendix 4) are reflected in the CIA model and are factored into the 'Business as Usual and 'Do minimal' options.

5.6 CAPITAL CHARGES

The values relate to the preferred option. Capital investment amounts to £110m.

An estimate, based on recent new build impairments of the Trust, has been included for the immediate impairment of the building on completion at 39% equivalent (£41m). The Trust are engaged with valuers to ensure a project specific impairment value and supporting documentation is included at the FBC stage of the business case process.

Depreciation has been calculated in line with anticipated lifecycle costs as advised by Trust valuer (Building 54.9 years and equipment 10 years) the annual depreciation has been calculated at £1.7m commencing in 2025/26

PDC dividend has been calculated at 3.5% of average net relevant assets, it has been assumed that PDC relief will be available during the construction period (2022/23-2024/25). A request via regional

NHSE/I team has been made in relation to this in May 2022 but is normal practice for capital projects exceeding £50m.

5.7 INTERDEPENDENCIES ON OTHER PROJECTS

- Successful completion of the SDEC construction currently taking place on site;
- Relocation of EBME;
- Completion of Enabling works – e.g. carparking to facilitate the new build works

5.8 STATEMENT OF COMPREHENSIVE INCOME (SOC1)

The incremental impact on the SOC1 is detailed in Section 5.5.1 and the overall impact of the preferred option over the next 10 years is detailed below:

Table 28 – Statement of Comprehensive Income (SOC1)

	2022/23	2023/24	2024/24	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of comprehensive Income										
Operating Income from patient care activities	288,274	288,274	288,274	293,583	293,583	293,583	293,583	293,583	293,583	293,583
Other operating Income	19,392	19,392	19,392	19,432	19,432	19,432	19,432	19,432	19,432	19,432
Employee Expenses	(226,377)	(226,377)	(226,377)	(227,496)	(227,496)	(227,496)	(227,496)	(227,496)	(227,496)	(227,496)
Other operating expenses excluding employee expenses	(87,413)	(87,413)	(87,413)	(129,625)	(88,960)	(88,960)	(88,960)	(88,960)	(88,960)	(88,960)
Operating Surplus/(Deficit)	(6,124)	(6,124)	(6,124)	(44,106)	(3,441)	(3,441)	(3,441)	(3,441)	(3,441)	(3,441)
Finance Costs										
Finance Income	0	0	0	0	0	0	0	0	0	0
Finance Expense - Financial Liabilities	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)	(460)
PDC dividends payable/refundable	(3,600)	(3,600)	(3,600)	(6,838)	(6,320)	(6,263)	(6,206)	(6,149)	(6,092)	(6,034)
Net Finance Costs	(4,060)	(4,060)	(4,060)	(7,298)	(6,780)	(6,723)	(6,666)	(6,609)	(6,552)	(6,494)
Other gains/(losses) including disposal of assets	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)	(200)
Corporation tax expense	0	0	0	0	0	0	0	0	0	0
Surplus/(Deficit) for the period/year	(10,384)	(10,384)	(10,384)	(51,604)	(10,421)	(10,364)	(10,307)	(10,250)	(10,193)	(10,136)
Remove capital donations/grants I&E impact	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(59)	(59)
Remove Impairment	(2,341)	(2,341)	(2,341)	38,324	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)
Adjusted financial performance	(12,784)	(12,784)	(12,784)	(13,339)	(12,821)	(12,764)	(12,707)	(12,650)	(12,593)	(12,536)

5.9 STATEMENT OF FINANCIAL POSITION (SOFP)

5.9.1 BASELINE FINANCIAL POSITION OF THE TRUST AS AT 31ST MARCH 2022*

Table 29– Baseline Financial Position of the Trust as at 31 March 2022

	19/20 £000	20/21 £000	21/22* draft £000
Non-Current Assets			
Property, plant and equipment	100,492	105,704	118,679
Receivables	696	817	343
Total Non-Current Assets	101,188	106,521	119,022
Current Assets			
Inventories	1,813	1,972	1,933
Trade and other receivables	15,301	15,786	21,195
Other Investments	2,076	0	0
Cash and cash equivalents	12,173	32,711	40,914
Total Current Assets	31,363	50,469	64,042
Current Liabilities			
Trade and other payables	(24,035)	(36,037)	(39,100)
Borrowings	(28,665)	(3,892)	(1,903)
Provisions	(840)	(1,166)	(3,158)
Tax Payables	(3,540)	(4,166)	(4,750)
Other liabilities	(4,147)	(5,225)	(13,214)
Total Current Liabilities	(61,227)	(50,486)	(62,125)
Total Assets less Current Liabilities	71,324	106,504	120,939
Non-Current Liabilities			
Borrowings	(18,408)	(14,537)	(12,645)
Provisions	(1,465)	(2,119)	(1,102)
Other liabilities	(1,526)	(1,460)	(1,394)
Total Non-Current Liabilities	(21,399)	(18,116)	(15,141)
Total Assets Employed	49,925	88,388	105,798
Financed by			
Public dividend capital	68,501	115,141	136,611
Revaluation reserve	5,039	4,793	4,837
Income and expenditure reserve	(23,615)	(31,546)	(35,650)
Total Taxpayers' Equity	49,925	88,388	105,798

Impact of the scheme on the SOFP is set out in the table below:

Table 30– Impact of the Scheme on the SOFP

	Year 22/23	Year 23/24	Year 24/25	Year 25/26	Year 26/27	Year 27/28	Year 28/29	Year 29/30	Year 30/31	Year 31/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assets Employed										
Buildings and Equipment additions	10,000	50,000	108,500	108,362	66,065	64,432	62,799	61,166	59,534	57,901
Buildings and Equipment impairments	-	-	-	-40,665	-	-	-	-	-	-
Cash and cash equivalents	-	0	0	1,078	2,674	4,326	6,036	7,803	9,627	11,508
	10,000	50,000	108,500	68,776	68,738	68,758	68,835	68,969	69,160	69,409
Taxpayers Equity										
PDC	10,000	50,000	108,500	109,995	109,995	109,995	109,995	109,995	109,995	109,995
Revaluation Reserve										
I and E reserve	-	0	0	-41,219	-41,257	-41,237	-41,160	-41,026	-40,835	-40,586
Total Taxpayers Equity	10,000	50,000	108,500	68,776	68,738	68,758	68,835	68,969	69,160	69,409

5.10 INCREMENTAL IMPACT OF CASHFLOW

There is no impact on cashflow during the design and construction phase 2022/23 to 2024/25 due to the anticipated PDC offsetting the capital costs. From 2025/26 onwards the impact on cashflow is detailed below:

Table 31– Impact of the scheme on cashflow

	2022/23	2023/24	2024/24	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Costs	10,000	40,000	58,500	1,495	-	-	-	-	-	-
Revenue Costs	-	-	-	-	-	-	-	-	-	-
PDC (received)	-10,000	-40,000	-58,500	-1,495	-	-	-	-	-	-
PDC dividend (paid)/refunded	-	0	0	-3,238	-2,720	-2,663	-2,606	-2,549	-2,492	-2,434
Loans	-	-	-	-	-	-	-	-	-	-
Cash releasing benefits	-	-	-	4,439	4,439	4,439	4,439	4,439	4,439	4,439
Incremental Impact on cashflow	-	0	0	1,201	1,718	1,776	1,833	1,890	1,947	2,004
Cumulative Impact of cashflow	-	0	0	1,201	2,920	4,695	6,528	8,418	10,365	12,369

5.11 RISKS

5.11.1 RISKS

The following are key financial risks is associated with this business case:

- Insufficient capital available to deliver preferred option investment – the capital cost has been developed based upon a robust Stage 3 design and development of a detailed elemental cost plan which takes account of current market cost pressures. The cost plan includes a robust level of optimism bias and contingencies for an OBC and has increased to provide an appropriate inflation allowance based on current market intelligence and conditions.
- Failure of the current RAAC planks prior to construction (on going surveillance and remedial work programme in place)
- Availability of funding to deliver the £110m scheme which is mitigated by the commitment of the DoH for this scheme as part of the RAAC replacement programme.
- Revenue funding commitment from the Commissioners to support the additional income requirements quantified by the financial benefits.

5.11.2 OPPORTUNITIES

- Ward space integration into the existing estate
- Improved theatre capacity by having a dedicated second maternity theatre which allows additional elective recovery in the existing theatre block
- Neonatal building repurpose
- Maximise the use of Digital to deliver increased efficiencies and cost benefits
- Future proofing building to cope with changes in demand and expanding/additional services
- Clinical pathway improvements by developing the model of care

5.12 CONFIRMATION OF COMMISSIONER/STAKEHOLDER SUPPORT

Initial discussions with Cheshire & Merseyside Integrated Care Board have been positive and a letter of support is expected to be received and to be included in the formal submission of the outline business case to NHSE/I.

5.13 CONCLUSION

This Financial Case shows that

- The preferred option is within the identified capital PDC funding envelope of £110m;
- The revenue consequences of the build are affordable and can be mitigated by the identified benefits, subject to system wide savings/additional income;
- Cash balances are not reduced throughout the period modelled.

SECTION SIX - THE MANAGEMENT CASE

6.1 SCHEME MANAGEMENT ARRANGEMENTS

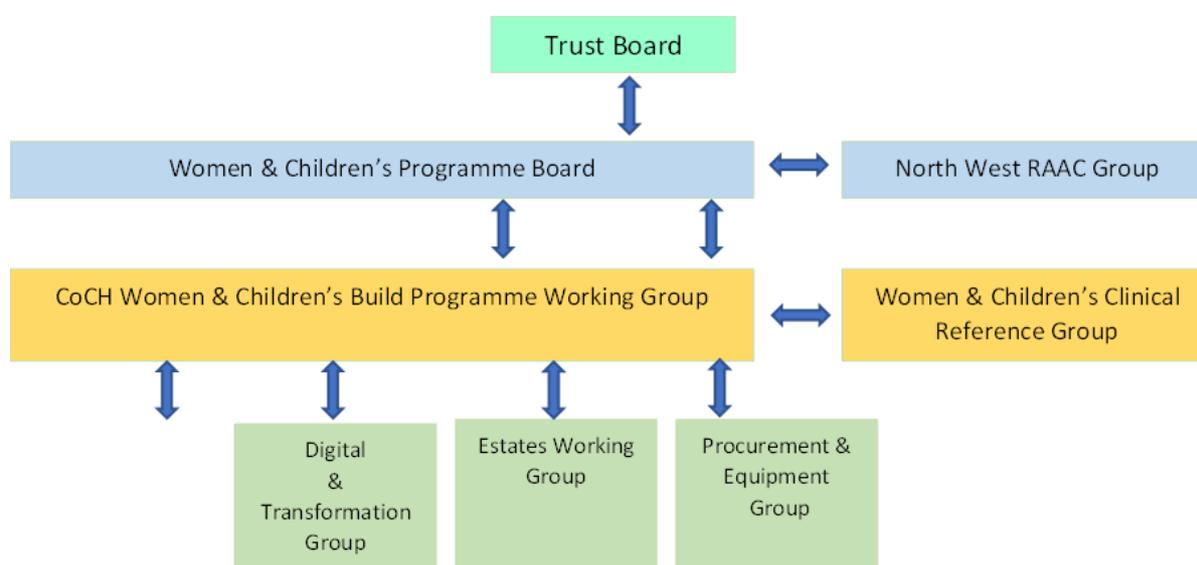
This section outlines the scheme governance arrangements and scheme management and reporting structure that has been put in place to deliver the scheme objectives and ensure that the following are achieved:

- Programme delivery on time, within budget and to the quality required
- Value for money
- Affordability parameters are maintained
- Effective risk management
- Trust requirements are met
- Business Case approvals are obtained
- Legal and commercial contracts are developed and executed

A project execution plan has been developed and is regularly updated to ensure that the scheme is organized and managed to deliver the objectives.

6.1.1 SCHEME MANAGEMENT STRUCTURE

Figure 13– Scheme Organisation Structure



The scheme sponsor, The Countess of Chester NHS Foundation Trust Board, is required to:

- Ensure that the scheme progresses to ensure delivery of commissioning intentions and the respective business plans
- Ensure support from partner agencies to deliver their aspects of the change required to realise the vision set out in the overall strategies
- Ensure commitment by all members of the appropriate Boards
- Maintain visible and sustained commitment to the Scheme

- Take the lead responsibility for risk relating to the Scheme and for the realisation of associated benefits – balancing the acceptable level of risk against objectives and business opportunities
- Hold the Core Scheme Team to account.

The Trust has appointed the following professional advisors to support in the delivery of the project:

- CCL Solutions as the Project Manager & business case author
- Rider Levett Bucknall (RLB) as the Trusts Cost Advisor
- Ridge as the BREEAM Assessor
- HKS as Clinical and Design champion
- AHR Architects Ltd, as the Architect to OBC stage
- Ramboll as M&E and C&S Engineers to OBC stage

The above have been appointed and costs for services included in the client professional fees and project team budget of £2.8m (circa 5% of the Works cost) included in the OB forms in Appendix 7.

6.2 SCHEME GOVERNANCE

The Project Management methodology for the scheme is using Prince 2.

The scheme governance arrangements include the following meeting structure:

Table 32– Governance Meeting structure

Group	Chair	Frequency
Countess of Chester Trust Board Meetings	Trust Chair	Monthly
Countess of Chester Women & Children’s Programme Board	Susan Gilby	Monthly
Countess of Chester Women & Children’s Programme Working Group	Project Director	Weekly
Women & Children’s Clinical Reference Group	Sara Brigham	As required
Estates Project groups	Estates Project Manager	As required
Finance Project groups	Simon Holden	As required
Digital & Transformation groups	Cara Williams	As required
Other task and finish groups	TBC	As required

Terms of reference for each of the groups currently established included in the project execution plan.

6.3 SCHEME ROLES AND RESPONSIBILITIES

The key roles with associated responsibilities for the Scheme are as follows:

6.3.1 SENIOR RESPONSIBLE OWNER (SRO) & EXECUTIVE SPONSOR – SUSAN GILBY

The SRO is ultimately responsible for the Scheme and its overall business assurance i.e. that it remains on target to deliver the outcomes that will achieve the anticipated business benefits and that the scheme will be delivered within agreed tolerances for budget and timescale.

The SRO is also responsible for securing investment and resources for the Scheme from the Trust Board, acting as a vocal and visible champion for the scheme within the organisation, legitimising the goals and objectives, and keeping abreast of major scheme activities.

The Scheme Sponsor is accountable for ensuring Scheme requirements have been clearly and completely defined and that the proposed development is fit for purpose and fully meets user needs. The Scheme sponsor also has primary responsibility for quality assurance and represents the interests of all those who will use, operate, and maintain the facilities.

6.3.2 CLINICAL LEAD – SARA BRIGHAM

Accountable for ensuring that the Clinical Requirements are clearly defined and completed for the proposed development and that the design solution meets the clinical need.

Ensures that there is adequate clinical representation in the briefing and design development process and that there is formal sign off at appropriate stages. Responsible for developing the operational policies and clinical efficiencies into the proposed design and ensuring that the benefits realisation is achieved.

Champion for innovation and integration of new technology into the proposed development

6.3.3 PROJECT DIRECTOR – JOAN CARTER

The Project Director will lead the overall scheme with assistance from the Design and Build (D&B) Scheme Manager to ensure that the Scheme is delivered in accordance with the governance structure and responds to the Trust's requirements including:

- Ensuring that the Scheme is successfully delivered to time, cost and quality parameters
- Monitoring and managing the progress of the Scheme
- Provide regular progress reports to the Board identifying cost, time and quality performance
- Maintain at all times an overview of the Scheme status in relation to the established objectives
- Acting as the point of contact for the partner organisations and external stakeholders and providing a direct link to the Scheme Board
- Set up the multi-disciplinary scheme team required to deliver the business case and take the Scheme to contract award

- Procure and manage resources on behalf of commissioners to complete the stages defined in the overall master programme to completion of the business case and financial close
- Co-ordinate the production of the Business Case in accordance with the Department of Health Business case guidance and the requirements of the Commissioning Bodies
- Manage liaison between the Commissioners as well as Trusts' and other stakeholders to ensure that necessary elements of the scheme are signed off in accordance with the current D of H business case guidance
- Maintain a master budget for directly incurred costs
- Providing a focal point for all Trust contact with the scheme delivery team, providing approvals and decisions as necessary
- Escalation of deviations outside of agreed parameters to the Programme Board

Relevant experience:

- Prince2 and MSP trained
- Experience of managing programmes and projects at a system, organisational and service level.
- Established governance arrangements to manage programmes to ensure robust reporting is in place to provide assurance of delivery and manage risks and issues.
- Worked in transformation, service improvement, programme management and performance management roles for over 20 years
- Represented organisations appropriately in formal settings both internally and externally
- Provided and received highly complex, sensitive and contentious information
- Presented information to a wide range of differing groups, including Executive and Non Executive senior level
- Established communication and maintained effective working relationships in a confident manner with colleagues and partners

6.3.4 PROJECT MANAGER NEC PROJECT MANAGER –CCL SOLUTIONS

The Trust has engaged an external specialist healthcare scheme management consultancy to undertake this role. Reporting to the Project Director and Head of Estates, CCL solutions will lead the Design and Construction of the scheme to ensure that the project is delivered to meet the Trust's requirements and objectives including:

- Establish a master programme and provide progress reviews against agreed programme
- Ensuring that the Scheme is successfully delivered to time, cost and quality parameters
- Monitoring and managing the progress of the design and construction elements of the scheme
- In conjunction with the Project Director provide regular progress reports to the Programme Board identifying cost, time and quality performance
- Procure and set up the design team, D&B Contractors and other professional services required to deliver the scheme
- Procure and manage resources to complete the stages defined in the overall master programme to completion of the business case and financial close
- Assist with the co-ordination and production of the Business Cases in accordance with the Department of Health Business Case Guidance and the requirements of NHSI
- Escalation of deviations outside of agreed parameters to the Project Director and Head of Estates

- Liaise with key stakeholders and wider stakeholders in the development of the design and construction stages
- Manage the professional services appointments and D&B contract
- Maintain a master budget for directly incurred costs
- Provide cash flow forecasts in line with Trust requirements
- Ensure that the quality procedures are being implemented by the design and construction contractor
- Assist the Trust in the equipment selection, procurement and installation
- Assist the Trust in the enabling works delivery and transition/decanting process

North West based CCL Solutions have a proven track record in the successful delivery of healthcare projects ranging from £5m to £150m using ProCure 22 and other forms of procurement as Project Manager. Recent relevant commissions include the NEC Project Manager on the £150m new build Clatterbridge Cancer Centre in Liverpool and the £40m West Cumberland Hospital redevelopment at Whitehaven using ProCure 22. CCL Solutions are currently undertaking the NEC Project Management on the Trusts £15m ProCure 22 SDEC project having successfully delivered a recent Emergency department extension and reconfiguration project for the Trust.

6.4 SCHEME CONTROLS

Scheme Controls are established to deliver an effective reporting system, risk management, financial management and change control during the course of the scheme. The following table outlines the key areas of scheme control:

Table 33– Key areas of scheme control

Key Areas of Scheme Control		
Control	Responsibility	Frequency
Maintain the risks and issues log	Project Director supported by Specialist Scheme Team Leads	On-going with regular reporting to Programme Programme Board and escalation to the Trust Board when necessary.
Track expenditure against budget	Project Manager and Finance	On-going with regular reporting to Programme Programme Board and escalation to the Trust Board where necessary.
Track progress against Scheme Plan	Project Manager	On-going with regular reporting to Programme Programme Board and escalation to the Trust Board where necessary.
Authority to approve change Pre-Contract Execution	Project Director if within affordability parameters.	On-going during SOC/OBC/FBC stages with regular reporting to Scheme Programme Board
Maintain on-line filing system for key scheme documentation	Project Director with support from Project Manager and Administrator.	On-going
Sign off deliverables	Programme Programme Board	When deliverable is ready

6.4.1 CHANGE CONTROL

The Trust is to engage a Contractor under the ProCure 23 Framework which provides a robust procedure for dealing with changes in both pre-construction and construction stages with levels of authority confirmed for the Project Manager.

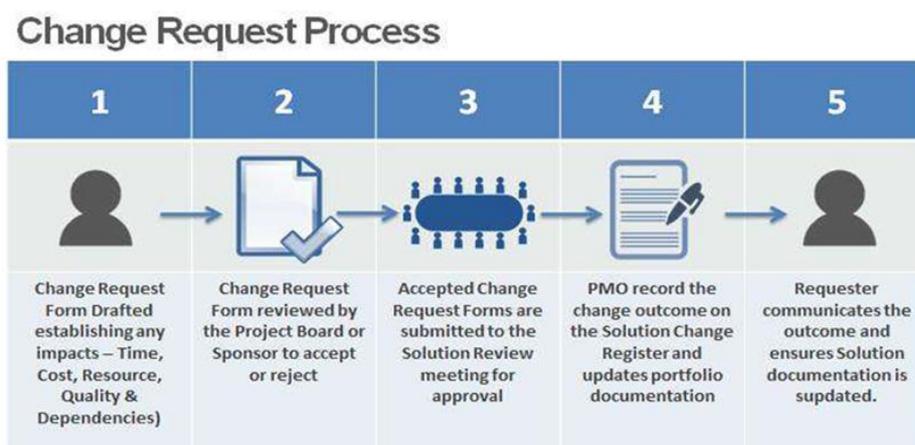
Contract management is undertaken by the Project Manager on behalf of the client with the NEC form of contract focusing on a collaborative approach. This ensures that any issues are brought forward via the use of Early Warnings, to ensure they are dealt with in a timely manner so that programme delays and additional costs are mitigated early.

Any change to the Works will be administered in accordance with the Scheme Contract. Changes to the scheme will not be deemed approved until they have been authorised by the Project Director/Project Manager following review at the Scheme working Group and subject to the value of the change being accommodated within the current affordability envelope. Any major changes will need to be approved by the Programme Programme Board.

All requests for change will be logged as an issue. The logging and resolution of issues and the procedures and authorisation levels for changes to the agreed plan/scope are detailed below: Minor non-strategic issues will be resolved by the appropriate Project Team members, with the support of the Project Manager. Any resulting changes to the project plan or deliverables will be reported by the Project Manager to the Project Board.

Major strategic issues will be reported by the Project Manager to the Programme Programme Board and Programme as soon as they become apparent. The Project Board will be responsible for resolving these issues and agreeing any changes to the project plan. Where this involves changes to the scope or budget of the project the Project Board must also give formal approval as per the process below.

Figure 14 - Change Request Process



6.5 MANAGEMENT OF THE PROGRAMME AND KEY DATES

The key milestones for the scheme are set out in table 31 below. The master programme is also shown in Appendix 11.

Table 34 – Key Milestones

Activity	Planned Delivery Date
Scheme Mobilisation	02/07/2021
Completion of Strategic Outline Case (SOC)	10/09/2021
Trust Board Approval of SOC	16/11/2021

NHSI Approval of SOC	05/01/2022
P23 Contractor Appointment	01/07/2022
Completion of Outline Business Case	25/05/2022
Trust Board Approval of OBC	31/05/2022
Issue OBC to NHSI	13/06/2022
Outline Planning Approval	24/08/2022
NHSI Approval of OBC	07/10/2022
Completion of FBC	13/12/2022
Trust Board Approval of FBC	20/12/2022
Issue FBC to NHSI	11/01/2023
NHSI Approval of FBC	09/05/2023
Contract Execution	23/05/2023
Commence Construction	24/05/2023
Construction Completion	19/12/2024
Commissioning Completion	30/01/2025
Building Operational	30/01/2025
Demolition and Car Park Completion	04/09/2025

6.6 ARRANGEMENTS FOR BENEFITS REALISATION

The following Benefits Realisation Plan Summary sets out the benefits to be realised, see Appendix 1 for a detailed plan including the measures to be used, the dates by when each of the benefits will be realised and the person responsible for ensuring the benefit is realised.

Table 35– Benefits Realisation Plan

BENEFITS REALISATION PLAN				
Strategic Objective	Benefits to be realized	Measure	Date	Responsible Officer
1. To develop a sustainable modern world class Women and Children's service at the Countess of Chester Hospital that is integrated with community and primary care services	1. Improved access to modern, high quality Women and Children's services using technology and equipment. 2. Deliver spaces that can be used flexibly to meet changing clinical needs. 3. Create employment locally.	(1) Patient safety / accreditation standards and best practice. Measured through CQC inspection. Qual. (2) Spaces that are flexible for changing clinical practice. Qual. (2) Better facilities for patients. Qual. (2) Improved aesthetics of the hospital site. Qual. (3) Additional employment in the local economy including local construction jobs. Quant. (3) Supports education and apprenticeships in local community during design and construction period. Quant.	6 months	SRO/PPE

		(3) Local materials/suppliers where possible. Quant.		
2. To remove the structural building risks of: <ul style="list-style-type: none"> • RAAC planks, • first floor deflection • poor ventilation 	4. Removal of collapse risk associated with RAAC planks – national requirement 5. Removal of floor deflection 6. Improved infection prevention and control by removing the risk associated with inadequate ventilation, priority due to COVID.	(4) Provision of replacement building which complies with current building standards (5) Provision of replacement building which complies with current building standards (6) Provision of replacement building which contains adequate ventilation	Completion	Director of Estates
3. To demolish current building as it at the end-of-life stage	7. Improve the efficiency of the facilities 8. Provide an estate that is fit for purpose and meets best practice quality and accreditation standards	(7) Reduction of hard and soft FM operational costs (8) Reduction in financial spend on ad hoc maintenance and backlog maintenance.	Completion	Director of Estates/Finance
4. To relocate services currently located within the existing Women and Children’s building which are inappropriately placed alongside a Women and Children’s service	9. Improve service with improved adjacencies for: <ul style="list-style-type: none"> • acute stroke patients • elderly ward • Urology • offices • medical photography 	(9) Increased capacity at acute hospital through relocation of stroke rehabilitation to Ellesmere Port.	Completion	Director of Estates
5. Bring together and consolidate all Women and Children’s services into one clinical area	Refer to benefits of Strategic Objective 1	Refer to measurements of Strategic Objective 1	Completion	SRO/PPE
6. Increase maternity theatre capacity	10. Dedicated elective maternity theatre to enable separate care pathways for planned and emergency cesarean. 11. Follow RCOG and ACSA guidelines and comply with CQC recommendations 12. Improved infection prevention and control	(10) Improved patient experience and efficiency in elective C-Sections. (11) Patient safety / accreditation standards and best practice. Measured through CQC inspection/improved CQC reports. (12) Reduction in infection rates	6 months	Clinical Lead/IPC

	as emergency procedures no longer completed outside of theatre environment			
7. To improve safety, quality and enable innovation in Women and Children's services.	13. Co locate all services into one place 14. Improved infection prevention and control and reduced post-operative infection rates	(13) Improved privacy and dignity through separation of services (13) Separation of emergency and elective cesarean pathways facilitating improved patient safety & experience feedback (14) Reduced LOS. Quant. (14) Reduction in infection rates. Quant.	6 months	Clinical Lead
8. To deliver increased productivity and efficiency in clinical pathways through co location of all services	15. Increased productivity and efficiency in clinical pathways and resource utilisation, translating through to reduced cost per case.	(15) Improved adjacencies facilitating integrated care from early pregnancy through to teenage years (15) Increased productivity and efficiency in clinical pathways and resource utilization	Quarterly	Clinical Lead
9. To improve access to Women and Children's services across Chester	16. Local access for Chester population 17. To meet the demands of an increasing population	(16) (17) Faster access to treatment: waiting time metrics for specialties using the services	Quarterly and six monthly	Clinical Lead
10. To improve the efficiency of the facilities and an estate that is fit for purpose, best practice and meets quality and accreditation standards	17. Spatial efficiency 18. Avoidance of contamination 19. Easy to maintain and a significant reduction in backlog maintenance expenditure 20. Reduced carbon footprint - Reduction in carbon emissions due to development of modern facilities, thereby contributing to the attainment of the standards laid out in the	(17) Improved use of estate Quant. (17) (21) Improved functional suitability of estate. Qual. (17) (21) Compliance with current legislation e.g. fire, H&S, DDA. Qual. (17) Achievement of top quartile performance in comparison with peer group of Trusts via ERIC data. Quant. (18) Estates – PLACE audit. Qual. (18) Reduction in estates risks logged on risk register. Qual.	Completion	Director of Estates

	<p>Delivering a 'Net Zero' NHS (2020). Reduction in Energy costs.</p> <p>21. Future proof estate</p>	<p>(19) Demonstrable reductions in maintenance expenditure per m2 in comparison with current situation. Financial. CRB.</p> <p>(19) Reduction in FM and lifecycle costs. Financial. CRB.</p> <p>(20) Energy efficiency improved. Quant.</p> <p>(20) Price of pollution (EU damage cost per tonne of CO2 pollution). Quant.</p> <p>(20) Design meets BREEAM "excellent" standard for new build accommodation. Qual.</p> <p>(21) Reduced percentage of floor area not meeting a minimum standard of NHS Condition B. Quant.</p>		
11. To improve patient experience	<p>22. Improved patient experience feedback</p> <p>23. Compliance with all current Health Building Note (HBN) space standards</p>	<p>(22) Improved patient perceptions of hospital. Quant. Qual.</p> <p>(22) Improved patient satisfaction. Qual.</p> <p>(22) Improved privacy and dignity. Qual.</p> <p>(22) Better environment – patient satisfaction score/service rating– hygiene, cleanliness, consistency in co-ordination in care, interaction with Drs, feeling involved with care, kindness & compassion, medication, noise at night, nurse interaction, pain management, experience of pathology, respect & dignity, compassionate care...)</p> <p>(23) Compliance with all current Health Building Note (HBN) space standards. Quant</p> <p>(23) Improve percentage of patient-occupied areas with natural light and ventilation. Quant.</p>	As scheduled	Clinical Chairs
12. To improve staff satisfaction and in turn improve	24. Improved staff satisfaction reflected in recruitment and	(24) Increased staff satisfaction measured through Staff opinion	Baseline and 6 months	SRO with Director of HR

recruitment and retention	<p>retention, an attractive place to work</p> <p>25. Reduction in staff turnover</p> <p>26. Greater opportunities for teaching and learning, in conjunction with the Countess of Chester strategy for providing an educationally well supported workforce</p> <p>27. Creation of opportunities for clinical research in line with corporate strategy goals</p>	<p>surveys – specific to this development. Generic Trust and NHS Staff Surveys, People Pulse. Quant. Qual.</p> <p>(25) Reduced sickness absence. Quan</p> <p>(26) (27) Reduced turnover rates amongst clinical staff, reducing service disruption. Quant.</p>	after opening	
13. To improve the financial position of the Trust	28. Significant reduction of backlog maintenance	(28) Reduced backlog maintenance liability. Financial. CRB.	CIA within OBC	Director of Finance.

Evaluation will be undertaken against this Benefits Realisation Plan, the evaluation is designed to ascertain if the benefits identified against the investment objectives in the OBC have been met as a result of the scheme. The Benefits Realisation Plan comprises a schedule of benefits that relate directly to the scheme objectives.

The plan details under each heading:

1. The benefit description;
2. Current baseline and target performance;
3. The measurement to be used to monitor and evaluate performance;
4. Who is responsible for ensuring that each benefit is realised;
5. The review frequency;
6. The date for benefit realization.

Any unexpected benefits that are achieved will be recorded and reported on.

Benefits owners – each benefit will be given an owner who will be responsible for ensuring that measures are appropriate, that mechanisms are in place to collect data on an ongoing basis and that the baseline data is collected.

Service Managers - will ensure that the necessary data collection mechanisms are embedded in their services and advise benefits owners how.

The Full Business Case (FBC) will further refine and r the delivery of specific benefits criteria, how and when they will be delivered and the required counter measures, as required.

6.7 ARRANGEMENTS FOR RISK MANAGEMENT

The Scheme Risk Register is owned and updated at regular intervals by the Project Director and Project Manager.

Regular risk workshops are undertaken during the scheme to remove, reduce and mitigate risks where possible. Reporting of significant risks is managed through the Scheme reporting structure and is an agenda item on all meeting forums.

The Project Director and Project Manager maintain a risks and issues schedule which will be reviewed by the Working Group at all meetings and shared with the Programme Programme Board members as part of the Scheme Managers report.

The key scheme risks identified for the scheme are:

Table 366– Key Scheme Risks

No	CURRENT RISK	Rating	MITIGATION AND CONTROL	Owner/ Leader
25	Unprecedented volatility in construction materials pricing and labour shortages lead to project becoming unaffordable within the overall cost envelope	16	Regular review of benchmark assumptions and updating of indices in cost plan. Upon OBC sanction determine what works can be procured by hedging.	S Holden
15	Delays to timescales for Business Case approval with NHSI	16	Agreed Timescales for submission and undertake early reviews of content changes with NHSI prior to formal submission. Issue and agree BC checklist early in the process to ensure expectations are aligned.	T Holliday
34	Affordability of Scheme does not materialise due to delays in the master programme and failure to achieve additional income	16	The Trust is currently seeking support to provide additional income, monitoring of the programme and benefits will be regularly undertaken to determine the status of the risk.	S Holden
27	Delays to approval of Enabling Business Case impact on the ability to spend the £10M funding for FY 22/23 which in turn would lead to an overall delay in the master programme	12	Where appropriate if there is a risk of delay, alternative works within the programme identified to ensure maximise spend of £10M within timeframe	T. Holliday
28	Award of PSCP results in change of original design team and in turn leads to additional period of familiarisation and loss of LFE	12	To be monitored and managed during period of tender	T Holliday
16	Changes in the clinical brief/scope leads to increased cost and delay	9	Ongoing engagement with Clinical Teams to ensure that needs remain the same	S Brigham

See Appendix 13 for the Risk Register for the scheme.

6.8 COMMUNICATION AND STAKEHOLDER INVOLVEMENT

6.8.1 ENGAGEMENT PROCESS

The scheme vision and objectives have been produced considering the feedback from these consultation and engagement processes. The Trust is not undertaking a formal consultation for this scheme as there is no significant change to service provision or location. The new Women & Children's building will contribute to the sustainability of the Countess of Chester Hospital; maintaining services on site to providing improved access to services for the local population.

To date there have been regular engagement sessions with clinicians that included representation from Executive leaders and Service Managers to inform the Outline Business Case.

A communication plan has been developed by the Trust's Communication Team to support the approval, build and operationalisation processes for new facility. The plan is designed to:

- Ensure timely stakeholder and public updates at key junctures in the programme's milestones.
- Facilitate service user engagement and input in the final design-phase of the new services with specific reference to the patient environment.
- Ensure all stakeholders of the project are kept informed of the latest developments for the scheme

Countess of Chester NHS Foundation Trust's Communication team will handle media enquiries. Key spokespeople include:

- Dr Susan Gilby, Chief Executive, Countess of Chester Hospital NHS Foundation Trust
- Hilda Gwilliams MBE, Director of Nursing and Quality, Countess of Chester Hospital NHS Foundation Trust

6.8.2 TARGET AUDIENCE

- Cheshire Clinical Commissioning Group
- Cheshire West and Chester Council
- Cheshire and Merseyside Health and Care Partnership
- ICS
- NHSE
- Local authority and parliamentary stakeholders
- MPs
- Other local Trusts
- Healthwatch
- Service users/patients
- Trust staff including volunteers
- Local community including members and governors
- Media
- Supply Chain
- CCGs
- GP surgeries

6.8.3 KEY MESSAGES

- Provide a Women and Children's Unit that is safe, provides effective clinical services and a high-quality patient and visitor experience. In line with the strategic direction of the ICS for Women's and Children's services for the wider system, the service will be delivered to modern clinical standards and user expectations fit for the 21st century.
- The Standing Committee on Structural Safety (SCOSS) issued a safety alert in May 2019, regarding the failure of reinforced autoclaved aerated concrete planks (RAAC) planks, in particular a serious failure of a section of a school roof in 2018. The RAAC panels form a large part of the roof of the Women and Children's Building, and must be removed by 2035.

- Optimise clinical adjacencies by relocating non Women and Children’s services currently using the existing facility i.e. Stroke Rehabilitation and Elderly inpatient wards into the existing estate.
- Provide an overall Site estates strategy and development plan that supports the evolving clinical strategy to ensure that future site developments are planned in an effective manner.

6.8.4 ACTIVITY SCHEDULE

Table 37 – Activity Schedule

Activity / comms channel	Audience	Owner	Status
OBC approval			
News release / stakeholder briefing (including 3D artistic impression)	Stakeholders and local community	Comms team	Pending approval of OBC
Blog page on Countess of Chester.nhs.uk to host updates on the project	Stakeholders and local community	Comms team	Pending approval of OBC
Staff Weekly News	Trust staff	Comms team	Pending approval of OBC
FBC approval			
News release / stakeholder briefing	Stakeholders and local community	Comms team	Pending approval of FBC
Blog page on Countess of Chester.nhs.uk to host updates on the project	Stakeholders and local community	Comms team	Pending approval of FBC
Staff Weekly News	Trust staff	Comms team	Pending approval of FBC
Promote patient environment surveys on: <ul style="list-style-type: none"> • Twitter • Staff Weekly Bulletin • Trust’s public website 	Patients / service users	Comms team	Pending approval of FBC
Create banners: <ul style="list-style-type: none"> • Intranet slider • Website banner • Twitter/Instagram 	Staff All target groups All target groups	Comms team	Pending approval of FBC

Progress will be reported to the Programme Board on a regular basis via the Communications and Engagement lead. The diagram below illustrates how the clinical leads will be engaged throughout the process.

Figure 15 - Improving the Patient Journey



6.8.5 PROGRESS TO DATE

To date there have been regular clinical engagement sessions with clinicians that included representation from Executive leaders and Service Managers to inform the Strategic Outline Case and OBC.

There will continue to be sessions arranged and conversations held to involve the key stakeholders and an extensive engagement plan will be developed so that all stakeholders are involved as appropriate in the development.

Figure 16 – How will we engage with you?

How Will We Engage With You?



6.9 ARRANGEMENTS FOR POST SCHEME EVALUATION

6.9.1 POST IMPLEMENTATION REVIEW (PIR) AND SCHEME EVALUATION REVIEWS (PERS)

The outline arrangements for post implementation review (PIR) and scheme evaluation reviews (PER) have been established in accordance with best practice and are as follows.

Evaluation is the process of assessing the impact of a scheme while it is in operation, or after it has come to an end. It is an essential aid to improving scheme performance, achieving value for money from public resources, improving decision-making and learning lessons.

Evaluation can help to:

- Improve the design, organisation, implementation and management of schemes.
- Ascertain whether the scheme is running smoothly so that corrective action can be taken if necessary.
- Promote organisational learning to improve current and future performance.
- Avoid repeating costly mistakes.
- Improve decision-making and resource allocation.
- Improve accountability by demonstrating to internal and external parties that resources have been used efficiently and effectively.
- Demonstrate acceptable outcomes.

Capital schemes in the NHS are required by the Department of Health, HM Treasury and the National Audit Office to evaluate and learn from their schemes. This is mandatory for schemes with a cost in excess of £1m.

Schemes are required to undertake evaluation activities at four main stages:

- Stage 1: plan and cost the scope of the Post-Scheme Evaluation work.
- Stage 2: monitor progress and evaluate the scheme outputs on completion of the facility.
- Stage 3: initial post-scheme evaluation of the service outcomes six to twelve months after the facility has been commissioned.
- Stage 4: follow-up post-scheme evaluation to assess longer-term service outcomes two years after the facility has been commissioned.

The guidance contained in the Department of Health publication “Learning lessons from Post-Scheme Evaluation – A Good Practice Guide” will be used in determining the strategy for post-scheme evaluation of the scheme.

Table 38 - Outline Evaluation Timetable

Activities	Timing
Stage 1 – Plan and Scope the PPE	After FBC approval
Stage 2 – Monitor Progress and Evaluate Outputs	During construction phases
Stage 3 – Initial post-scheme evaluation - six months	Six months after opening of each phase
Stage 4 – Follow-up post-scheme evaluation - two years	Two years after completion of full scheme

Tasks to be undertaken at Stage 1 will include:

- Identify members of multi-disciplinary Evaluation Group.
- Identify a Scheme Lead for PPE.
- Methods of evaluating the success of the scheme will include.
- Staff and patient surveys to obtain qualitative information on user satisfaction.
- Analysis of financial and activity information to determine achievement of financial / operating efficiency benefits.
- Comparison of performance metrics before and after the development.
- External benchmarking of performance against similar organisations.
- Finalise benefits realisation plan.
- Identify evaluation criteria / performance indicators.
- The benefits realisation plan contains the performance indicators against which performance will be measured.
- Evaluation Reports.

The evaluation reports at each stage will address the following issues:

- Were the scheme objectives achieved?
- Was the scheme completed on time, within budget, and according to specification?
- Are users, patients and other stakeholders satisfied with the scheme results?
- Was the business case forecasts (success criteria) achieved?
- Overall success of the scheme – taking into account all the success criteria and performance indicators, was the scheme a success?
- Organisation and implementation of scheme – did the Trust and wider team adopt the right processes? In retrospect, could the Trust and wider team have organised and implemented the scheme better?
- What lessons were learned about the way the scheme was developed and implemented?
- What went well? What did not proceed according to plan?

- Scheme team recommendations – record lessons and insights for posterity. These may include, for example, changes in procurement practice, delivery, or the continuation, modification or replacement of the scheme.

Post Occupancy Evaluation (POE) is used to inform evidence-based design to meet the requirements of the Five Case Model. The ProCure23 Framework has created a Government Soft Landings (GSL) compliant POE toolkit that measures both Pre and Post Occupancy Evaluation. The toolkit captures outcome measures across a range of areas, both quantitative and qualitative, which the built environment can influence and support. Post Occupancy evaluation will be undertaken at 12, 24 and 36-months post occupancy with the results fed back into the ProCure23 framework. The information collated through this process will support the post project evaluation process (PPE) described above.

The costs for PPE are included in the OB forms and these will be made explicit in the FBC.

6.10 RISK POTENTIAL ASSESSMENT

In preparing the SOC, the Trust completed a Risk Potential Assessment (RPA), appendix 12, proforma to assess the status of the scheme in relation to the Gateway Review process. The RPA process indicated that the Women & Children's scheme falls in the Low Risk category. As this is a low risk scheme, this suggests that a Gateway review would not be essential at OBC stage.

SECTION SEVEN - RECOMMENDATION

The OBC has been developed in partnership with a wide representation of NHS staff and clinical leaders through a Clinical Reference Group and stakeholder engagement model.

The Trust has worked with Regional Care Partners who agree that this scheme is urgently needed and a critical part of the overall development of the Countess of Chester Hospital site.

This OBC seeks approval and capital funding from NHSE/I for £110m Public Dividend Capital (PDC) to provide a new build Women and Children's unit at The Countess of Chester Hospital, Liverpool Road, Chester.

Meeting	31st May 2022	Board of Directors						
Report	Agenda item 17.	National Annual Staff Survey 2021						
Purpose of the Report	Decision		Ratification		Assurance	x	Information	x
Accountable Executive	Nicola Price				Director of People & OD			
Author(s)	Fleur Flanagan				Head of OD			
Board Assurance Framework	Q1	Staff Engagement						
Strategic Aims	People - attract and retain talented people with the right skills and attitude to create a positive environment with a shared sense of pride and ambition for everyone							
CQC Domains	Well Led							
Previous Considerations	Paper to Board on Staff Survey - May 2021							
Executive Summary	The purpose of this report is to update the Board on progress with the employee engagement agenda following the lifting of the embargo on our National Staff Survey report outcomes for 2021, and the proposals for improvement.							
Highlights	<ul style="list-style-type: none"> • Staff survey results are poor for 2021, making staff engagement an immediate priority • The Engage for Success model will support our approach to sustained change • Actions to improve will be led by the Executive and senior teams 							
Recommendation(s)	<p>It is recommended that the Board</p> <ul style="list-style-type: none"> • Continue to support the implementation of the objectives set out in the People Strategy; NSS-linked KPIs should be refreshed based on changes to the NSS measurables. • Support a range of systemic engagement approaches, as well as cultural development that underpins improved engagement/feedback with and from all staff • Receive regular updates on our employee engagement objectives 							
Corporate Impact Assessment								
Statutory Requirements	No							
Quality & Safety	Yes							
NHS Constitution	The NHS aspires to the highest standards of excellence and professionalism							



Patient Involvement	N/A
Risk	Yes
Financial impact	Yes
Equality & Diversity	Yes
Communication	Yes

Annual Staff Survey 2021

BACKGROUND

1. In the last year, the Annual NHS Staff Survey (NSS) has undergone its most significant changes in over a decade; strengthening its alignment to the NHS People Promise, increasing inclusivity, and using gold-standard methodology to ensure it is the most accurate measure of employee experience it can possibly be. Effective engagement is a key element of compassionate and inclusive leadership practice and employee voice is a key component of the NHS People Promise; it is particularly important as the NHS moves through the pandemic, transitions towards the establishment of the new health and care system, with the strategic drivers and priorities from the ICS People Function document, and the Future of Human Resources/Organisational Development report also supporting this. In recent years, the NSS has been the primary method of formally engaging with employees at the Trust.
2. Listening is a key practice of good engagement and national listening channels available to the Trust consist of the annual NHS Staff Survey, National Quarterly Pulse Survey, and the national monthly People Pulse survey. The Trust currently participates in the annual and quarterly surveys only. The Trust Board last received an update on staff engagement in May 2021, however since this time the Trust has implemented actions in response to the 2020 National Staff Survey (NSS) results, has run the 2021 survey and also commenced quarterly staff surveys called People Pulse (with three waves having run in July 2021, January 2022, and April 2022).
3. The National Staff Survey results are an important indicator for the Care Quality Commission as part of assessment for compliance with Well-Led KLOEs.

PURPOSE

4. The purpose of this paper is to highlight the most important messages from the NSS 2021 outcomes at the Trust, and highlight actions being taken in response, alongside future proposals.

KEY MESSAGES

5. **NSS response rate and engagement score at the Trust have declined in 2021**

The NSS response rate is deemed an important indicator for engagement. Trends in the Trusts response rate in recent years are shown in Table 1:

	COCH NSS Engagement Score¹	% COCH NSS Response Rate²	% National NSS Response Rate
2019	6.86	30	49
2020	6.95	42	47

¹ Calculated using the results from nine questions (these are listed in Appendix 3)

² IQVIA (Quality Health) data



2021	6.39	38	46
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Table 1

After an increased response rate in 2020, the 2021 response has reduced – although it is not as low as 2019’s response. Two questions in particular are clear indicators of staff engagement: recommendations of the Trust as a place to work and also the Trust as a place that staff would recommend for the standard of care it provides (see detailed response Table 2 below). In the northwest region, a league table³ of recommended workplaces according to NSS scores ranks the Trust 19th/20th.

21c. I would recommend my organisation as a place to work.	2020		2021		Comparator	
	n	%	n	%	n	%
Strongly disagree	75	4%	137	8%	11,505	5%
Disagree	140	8%	252	15%	22,224	10%
Neither agree nor disagree	378	22%	441	27%	54,243	25%
Agree	836	49%	642	39%	90,971	42%
Strongly agree	270	16%	163	10%	35,109	16%
Missing	17		7		1,971	
Positive Score	65%		49%		59%	
Negative Score	13%		24%		16%	
Base	1,699		1,635		214,052	

21d. If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation.	2020		2021		Comparator	
	n	%	n	%	n	%
Strongly disagree	30	2%	74	5%	6,537	3%
Disagree	90	5%	202	12%	15,869	7%
Neither agree nor disagree	328	19%	421	26%	46,484	22%
Agree	972	57%	758	47%	105,364	49%
Strongly agree	279	16%	175	11%	39,595	19%
Missing	17		12		2,174	
Positive Score	74%		57%		68%	
Negative Score	7%		17%		10%	
Base	1,699		1,630		213,849	

Table 2

6. 2021 NSS results – high level review highlights concern re: The People Promise

- 6.1 There were many new questions asked in the survey this year (see Appendix 1) and these focused around experiences in obtaining and managing a flexible working pattern, team culture and behaviours, personal treatment, managerial empathy, emotional exhaustion and burnout, perceptions of appraisal quality and how staff feel about opportunities to develop. These support the themes set out within the NHS People Promise, which was developed in 2020/21 and influenced by the pandemic as well as engagement and people management best practice.
- 6.2 All seven People Promise scores for the 2021 NHS Staff Survey for COCH are significantly lower than the sector scores for similar organisations⁴ surveyed by IQVIA (see Appendix 2). The themes of Morale and Staff Engagement remain key performance indicators for organisations. Both these overall themes and all but one of their sub-scores have significantly declined since last year and are also all significantly below the sector averages. The results indicate a difficult time for staff within the Trust. At question level, the majority of scores are in the lower 20% of similar organisations and are significantly below the sector average.

³ HSJ, 30 March 2022

⁴ Sample number for comparison is 68

6.3 Where comparable to 2020, most question-level scores have significantly declined across most areas of the survey. Of particular concern are:

- 42% - My organisation takes positive action on health and well-being (11a)
- 41% - I am satisfied with the recognition I get for good work (4a)

6.4 Positive feedback includes:

- 90% - I am trusted to do my job (3b)
- 86% - I feel that my role makes a difference to service users (6a)
- <1% - In the last 12 months I have personally experienced physical violence at work from colleagues/managers (13bc)

The Trust also scores significantly better than comparator organisations in terms of less experience of discrimination (i.e., from colleagues/manager, or due to ethnicity or religion).

6.5 Analysis of the data by divisional area (shown at Appendix 3) highlights the contrast in employee experience between clinical and non-clinical staff (the latter having a generally more positive work experience). Green areas highlight scores higher than the sector average, with red areas showing those scores lower than the average Trust score.

7. **People Pulse – an additional engagement opportunity**

The Quarterly Staff Survey runs alongside the annual NHS staff survey, providing a more regular insight into the working experience of the NHS at a high level. The People Pulse organisational survey is currently a free (for two years) tool which is facilitated externally, however for a small cost the Trust has opted to receive divisional breakdowns of the data commencing with the Wave January 2022 responses.

There is some surface correlation in the People Pulse response with the NSS response regarding morale (staff describing themselves as ‘demotivated’ and ‘stressed’) and some data regarding ‘Feedback for Leaders’ which gives insights corresponding to challenges regarding resource shortages and overwork.

Response rates for surveys to date have been low (c.300 staff, i.e., less than 10% response rate) which may be expected with a low engagement culture; however, the survey does present a significant opportunity to engage more continuously, and in turn receive more immediate feedback from our people.

8. **Action taken to date**

Our initial response to the survey has been informed by adopting the Engage for Success model i.e., growing employee engagement, by acknowledging it is a better way to work that benefits individual employees, teams and whole organisations, inspiring people, and workplaces to thrive. The four components of this approach include:



Strategic Narrative

Visible, empowering leadership providing a **strong strategic narrative** about the organisation, where it's come from and where it's going.



Engaging Managers

Engaging managers who focus their people and give them scope, treat their people as individuals and coach and stretch their people.



Employee Voice

Employee voice throughout the organisations, for reinforcing and challenging views, between functions and externally. Employees are seen not as the problem, rather as central to the solution, to be involved, listened to, and invited to contribute their experience, expertise and ideas.



Integrity

Organisational **integrity** – the values on the wall are reflected in day to day behaviours. There is no 'say –do' gap. Promises made and promises kept, or an explanation given as to why not.

We have also undertaken/committed to the following:

- Communication from the Chief Executive Officer in response to results outlining need for improved approach
- Board & Senior Leadership Group discussion re: results
- Survey outcome response led by Executive Team, commencing with Listening Week (*running week of 16th May*)
- Data breakdown distributed to managers with offer of facilitated sessions of support, more focus on lowest 'performing' areas of the Trust
- Trust action plan – publicly updated and communicated with feedback: *You Said, We Did – will be further informed by Listening Week*
- Engagement metrics and actions to be reviewed at divisional Quarterly Review Meetings

Further actions are also being explored, including:

- Giving Managers recognised time out of their working week to spend time checking in with team members
- Discussion of results with staff/network representatives
- Publication of results on the intranet
- Display results in appropriate locations in the organisation
- Chief Executive Officer to launch outcome of her 'Lean' leadership project and introduce a suite of activities to raise leadership visibility. To include:
 - Buddy system – Executives to align to wards/support services etc
 - Back to the floor
 - Comments /ideas boxes around trust, responded to quickly

RECOMMENDATIONS

It is recommended that the Trust Board

- Continue to support the implementation of the objectives set out in the People Strategy; NSS-linked KPIs should be refreshed based on changes to the NSS measurables.



- Support a range of systemic engagement approaches, as well as cultural development that underpins improved engagement/feedback with and from all staff
- Receive regular updates on our employee engagement objectives

Appendix 1 - New NSS questions for 2021 (no question-comparative data available)

Your Job

- 6b My organisation is committed to helping me balance my work and home life
- 6c I achieve a good balance between my work life and my home life
- 6d I can approach my immediate manager to talk openly about flexible working

Your Team

- 7d Team members understand each other's roles
- 7e I enjoy working with the colleagues in my team
- 7f My team has enough freedom in how to do its work
- 7g In my team disagreements are dealt with constructively
- 7h I feel valued by my team
- 7i I feel a strong personal attachment to my team

People in Your Organisation

- 8a Teams within this organisation work well together to achieve their objectives
- 8b The people I work with are understanding and kind to one another
- 8c The people I work with are polite and treat each other with respect
- 8d The people I work with show appreciation to one another

Your Managers

- 9f My immediate manager works together with me to come to an understanding of problems
- 9g My immediate manager is interested in listening to me when I describe challenges I face
- 9h My immediate manager cares about my concerns
- 9i My immediate manager takes effective action to help me with any problems I face

Health and Wellbeing

- 11a My organisation takes positive action on health and well-being.
- 12a How often, if at all, do you find your work emotionally exhausting?
- 12b How often, if at all, do you feel burnt out because of your work?
- 12c How often, if at all, does your work frustrate you?
- 12d How often, if at all, are you exhausted at the thought of another day/shift at work?
- 12e How often, if at all, do you feel worn out at the end of your working day/shift?
- 12f How often, if at all, do you feel that every working hour is tiring for you?
- 12g How often, if at all, do you not have enough energy for family and friends during leisure time?
- 18 I think that my organisation respects individual differences (e.g., cultures, working styles, backgrounds, ideas etc).

Your Personal Development

- 19a In the last 12 months, have you had an appraisal, annual review, development review, or Knowledge and Skills Framework (KSF) development review?
- 19b It helped me to improve how I do my job
- 19c It helped me agree clear objectives for my work
- 19d It left me feeling that my work is valued by my organisation
- 20a This organisation offers me challenging work
- 20b There are opportunities for me to develop my career in this organisation
- 20c I have opportunities to improve my knowledge and skills
- 20d I feel supported to develop my potential



20e I am able to access the right learning and development opportunities when I need to.

Your Organisation

21f If I spoke up about something that concerned me, I am confident my organisation would address my concern

Your Experience During the Covid Pandemic

24b Is your gender identity the same as the sex you were registered with at birth?

Background Information

30a How many years have you worked for this organization?

30b When you joined this organisation, were you recruited from outside of the UK?

The NSS questions are now categorised as follows:

- Your Job (Q1 – Q6)
- Your Team (Q7)
- People in Your Organisation (Q8)
- Your Managers (Q9)
- Your Health, Wellbeing and Safety at Work (Q10 – Q18)
- Your Personal Development (Q19 – Q20)
- Your Organisation (Q21 – Q22)
- Your Experience during the Covid-19 Pandemic (Q23)
- Background information (of respondents) (Q24 – Q31)
- Local Questions (L01 – L02)





Appendix 2 People Promise Scores

People Promise/Theme	Your Org.	Sector	Difference	
People Promise 1 We are compassionate and inclusive	6.92	7.17	-0.25	
People Promise 2 We are recognised and rewarded	5.34	5.81	-0.47	
People Promise 3 We each have a voice that counts	6.34	6.66	-0.33	
People Promise 4 We are safe and healthy	5.56	5.88	-0.32	
People Promise 5 We are always learning	4.60	5.23	-0.63	
People Promise 6 We work flexibly	5.44	5.95	-0.51	
People Promise 7 We are a team	6.31	6.56	-0.25	
Theme Staff engagement	6.39	6.81	-0.42	
Theme Morale	5.28	5.74	-0.46	



Appendix 3 Divisional Area scores by Engagement Questions

No.	Question	Sector	Trust	DIAGNOSTICS				PLANNED CARE					
				Diag & Pharmacy Mgt	Pathology	Pharmacy	Radiology	MSK Head & Neck	Planned Care Mgt	Surgical	Theatres, Anaes, Critical	Women & Children	
2a	I often/always look forward to going to work	Motivation	51	44	33	47	40	52	45	53	36	42	46
2b	I am often/always enthusiastic about my job	Motivation	66	61	46	61	61	67	63	74	52	53	63
2c	Time often/always passes quickly when I am working	Motivation	72	72	54	66	66	73	63	82	70	65	69
3c	There are frequent opportunities for me to show initiative in my role	Involvement	72	69	59	68	66	72	59	79	60	70	78
3d	I am able to make suggestions to improve the work of my team/department	Involvement	70	65	45	66	58	63	62	71	51	61	63
3f	I am able to make improvements happen in my area of work	Involvement	53	47	28	53	44	51	43	58	33	44	49
21a	Care of patients/service users is my organisation's top priority	Advocacy	75	67	53	74	78	68	63	53	55	66	76
21c	I would recommend my organisation as a place to work	Advocacy	59	49	35	49	45	48	51	39	43	49	47
21d	If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	Advocacy	68	57	45	54	65	65	61	47	51	55	64

No.	Question	Sector	Trust	URGENT CARE					CORPORATE SERVICES								
				Acute	Central	DERC	GRPO	Urgent Care Wards	ICP	Nurse Mgt	Corporate Non-Clinical	Estates	Facilities	Finance & Perf	HR	IM&T	
2a	I often/always look forward to going to work	Motivation	51	44	37	50	56	43	36	51	42	52	55	63	45	50	37
2b	I am often/always enthusiastic about my job	Motivation	66	61	49	59	64	52	55	81	53	74	80	70	55	66	52
2c	Time often/always passes quickly when I am working	Motivation	72	72	74	84	88	52	66	80	85	96	75	77	79	74	65
3c	There are frequent opportunities for me to show initiative in my role	Involvement	72	69	67	66	71	61	66	77	67	78	80	72	74	70	68
3d	I am able to make suggestions to improve the work of my team/department	Involvement	70	65	58	75	82	61	54	77	77	96	55	60	87	82	78
3f	I am able to make improvements happen in my area of work	Involvement	53	47	36	50	56	39	36	53	55	78	65	49	68	69	54
21a	Care of patients/service users is my organisation's top priority	Advocacy	75	67	63	72	58	74	61	73	63	96	95	52	84	72	71
21c	I would recommend my organisation as a place to work	Advocacy	59	49	45	47	56	70	43	54	52	61	70	54	71	52	60
21d	If a friend or relative needed treatment I would be happy with the standard of care provided by this organisation	Advocacy	68	57	51	69	61	74	52	53	42	74	90	55	74	56	64

Meeting	31st May 2022	Board of Directors					
Report	Agenda item 18.	People and Organisational Development Committee Chair's Report					
Purpose of the Report	Decision		Ratification		Assurance	x	Information
Author(s)	Pam Williams				Non-Executive Director		
Board Assurance Framework	Contained within the body of the report						
Strategic Aims	-						
CQC Domains	Well Led						
Previous Considerations	N/A						
Summary	<p>The purpose of this report is to:</p> <ul style="list-style-type: none"> • Inform Board members of the main priority matters considered and approved by the People and Organisational Development Committee at its meeting on 12th April 2022 • Link priorities to the Trust's risks and Board Assurance Framework • Provide assurance on priorities and escalation on any areas where the committee is not assured, including next steps 						
Recommendation(s)	<p>The Board is asked to:</p> <ul style="list-style-type: none"> • Note the contents of the report and consider the areas of escalation. 						
Corporate Impact Assessment							
Statutory requirements	The People and Organisational Development Committee is established as a Committee of the Board of Directors						
Quality & Safety							
NHS Constitution	-						
Patient Involvement	-						
Risk	The Committee oversees People and Organisational Development risks						
Financial impact	-						
Equality & Diversity	-Considered in relevant Committee reports						
Communication	-Considered in relevant Committee reports						

The People and Organisational Development Committee met on 12 April 2022 and considered the following main items:

	BAF ref	Priority items of business and assurance provided	Decision(s) and any next steps agreed
1.		This was the first meeting of the Committee. The establishment of the Committee reflected the importance the Trust places on this area and allows increased focus and attention.	.
2.	G1	Terms of Reference. Amendments to the ToR were requested to allow additional members to the Committee. In considering this, the Committee were mindful of the time commitments of people attending and the need to keep meetings efficient. It was noted that the current ToR allow for any member of the Board to attend any meeting with the prior agreement of the Chair.	As the ToR had been approved by Board, it was agreed to refer the proposals for changes to Board for consideration and to ensure a consistent approach across the Trust's governance structure.
3.	P1 P2 P3 P4	People Strategy and Priorities for 2022/23 These would be key documents for the Committee to exercise its assurance, oversight and scrutiny roles and monitor progress.	A report on progress against the People Strategy success measures for 2021/22 to come to the next meeting. This to inform a review of the Strategy to identify any learning and changes that may be required. Progress report on the 2022/23 Priorities and action plan to come to the next meeting and be regularly reported thereafter.
4.	P5	Strategic Workforce Group Chairs report. Contents of the report noted.	Agreed that for future meetings a 'Director of People and Organisational Development report' would be produced.
5.	P1	Integrated Performance Report. Discussion on performance for metrics relevant to the Committee. For future meetings, a report more tailored to	A more tailored performance report to be produced for the next

		the specific role of the POD was needed rather than the full IPR. The Committee would want to develop its own dashboard of performance metrics and programme of deep dives.	meeting and ongoing reporting thereafter
6.	P1 P2 P3 P4	<p>Staff Engagement.</p> <p>The Committee received a report on the results of the National Staff survey 2021 and the initial thinking on the organisational response.</p> <p>The Committee was very concerned at the outcomes of the Survey and agreed this would be taken very seriously. Full Board discussion and engagement was essential.</p> <p>More detailed analysis of the headline figures was needed to enable a robust action plan to be developed.</p> <p>Action plan and progress to be reported to the Committee.</p>	<p>Discussion on the Staff Survey and engagement to be escalated to Board.</p> <p>Improvement plan and monitoring report to each meeting of the Committee.</p>
7.	P1 P2 P3 P4	<p>GMC National Training survey.</p> <p>Committee noted the areas of good performance and areas where development was needed.</p>	Linkages to staff engagement improvement plans to be identified.
8.	G1	<p>Business Cycle Review.</p> <p>A draft cycle of business for the Committee was considered. It was recognised that this would be a dynamic document to be reviewed at each meeting</p>	Review of business cycle to be reported to each meeting of the Committee.

(b) Items for escalation to Board include:

Terms of Reference for the Committee

National Staff Survey 2021 and staff engagement

(c) Recommendation(s)

- The Board is asked to note the contents of this report.

Meeting	31st May 2022	Board of Directors						
Report	Agenda item 19.	Council of Governors Report						
Purpose of the Report	Decision		Ratification		Assurance		Information	X
Accountable Executive	Susan Gilby				Chief Executive Officer			
Author(s)	Paul Edwards				Director of Corporate Affairs			
Board Assurance Framework	G1	Governance Improvement						
Strategic Aims	-							
CQC Domains	Well Led							
Previous Considerations								
Summary and Key Points	<p>This report is intended to provide a summary update of recent activity related to the Council of Governors.</p> <p>The general duties of the Council of Governors are:</p> <ul style="list-style-type: none"> • to hold the non-executive directors individually and collectively to account for the performance of the Board of Directors, and • to represent the interests of the members of the Trust as a whole and the interests of the public. 							
Recommendation(s)	<p>The Board is asked to:</p> <ul style="list-style-type: none"> • Note the report 							
Corporate Impact Assessment								
Statutory Requirements	This report supports compliance with the duties related to Governors							
Quality & Safety								
NHS Constitution								
Patient Involvement								
Risk								
Financial impact								
Equality & Diversity								
Communication								

Council of Governors Report

1. PURPOSE

1.1 This report is intended to provide a summary update of recent activity related to the Council of Governors.

2. BACKGROUND

2.1 Council of Governors meetings are held on a quarterly basis. In between, a Governor Forum is held each month, which usually features guest speakers from Trust in to update on areas requested by Governors, as well as receiving other updates on current issues from the Chief Executive and other Directors, with the opportunity to discuss any matters.

3. CURRENT POSITON

3.1 Key items at the last Council of Governors held on the 17th March 2022 were:

- The minutes of the Board of Directors meeting held on the 18th January 2022 and agenda of 8th March 2022
- The December 2021 Integrated Performance Report
- The month 10 (January) 2022 Finance Report
- Terms of Reference for 'Finance and Performance Committee' and 'People and Organisational Development Committee'
- Report from the chair of Quality & Safety Committee – 22nd February 2022
- Report from the chair of Audit Committee – 15th February 2022
- Report from the chair of Finance & Performance Committee – 25th January 2022
- Feedback from governors in relation to Trust Members and ongoing activities

3.2 The next Council of Governors is scheduled for 9th June 2022

3.3 Key items from the last Governor Forum held on 21st April 2022

- Chief Executive Update
- Elective Recovery Update
- A presentation to update and give an overview from the Facilities Department

Governors also updated on:

- Governors attending Board and Committees
- Governors attending other Trust meetings/groups



3.4 The next Governor Forum is scheduled for 19th May 2022

3.5 The Trust has also re-introduced regular meetings between Non-Executive Directors and Governors

3.6 The Trust has facilitated site visits for Governors and Non-Executive Directors, that are conducted within the latest Infection Control guidance for visitors to the hospital site

3.7 Governors are invited to Public Board meetings and have an opportunity to ask questions at the end of the meeting on any matters on the agenda.

4. RECOMMENDATIONS

4.1 The Board is asked to:

- Note the report

Meeting	31st May 2022	Board of Directors					
Report	Agenda item 20.	Board of Directors' Fit and Proper Persons Checks					
Purpose of the Report	Decision		Ratification		Assurance	X	Information
Accountable Executive	Ian Haythornthwaite			Chairman			
Author(s)	Claire Raggett			Executive Office Manager			
Board Assurance Framework	G1	Good Governance					
Strategic Aims	To develop and improve Corporate Governance						
CQC Domains	Well Led						
Previous Considerations	Fit and Proper Persons Policy Approved at March 2022 Board						
Executive Summary	The purpose of this report is to provide assurance that an annual check has been undertaken for all Board of Director members to confirm their continuing compliance with the 'Fit and Proper Persons' requirements.						
Highlights	The results of these checks are shown in the attached table and the Board can be assured that no areas of concern have been identified.						
Recommendation(s)	The Board is requested to:- <ul style="list-style-type: none"> note the assurance provided within the report 						
Corporate Impact Assessment							
Statutory Requirements	Meets the Trust compliance with Foundation Trust provider license						
Quality & Safety							
NHS Constitution							
Patient Involvement							
Risk							
Financial impact							
Equality & Diversity	Meets Equality Act 2010 duties & PSED 2 aims and does not directly discriminate against protected characteristics						
Communication	Document to be published on website						



BACKGROUND

It is a requirement of the foundation trust's provider licence that no "unfit person" may be appointed as a director without the written approval of NHS Improvement. The foundation trust is also required to ensure that its directors' contracts contain a provision permitting summary termination in the event of them being or becoming an unfit person and to enforce that provision promptly upon discovering them to be an unfit person, except with the written approval of NHS Improvement. The board will wish to note that this is included in all directors' contracts.

Similarly, Regulation 5 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 requires the foundation trust not to appoint or have in place as a director someone who does not meet the requirements stated within the Regulation.

PURPOSE

The purpose of this paper is to provide assurance that all directors completed a "fit and proper person" declaration each year, to confirm their continuing compliance with the requirements. In addition, independent checks against information in the public domain are undertaken each year. Professional registration checks are undertaken for posts where such registration was included in the person specification as an essential requirement of the role. Fitness to practice checks are also undertaken for those with clinical registration.

CURRENT POSITION

A review of all Board of Directors' personnel files was undertaken to ensure that each member had completed a "fit and proper person" declaration. It is confirmed that all Board members had completed a declaration in year.

A review of each Board member was undertaken in the following areas in March 2022:

- Search of register of disqualified directors
- Search of bankruptcy and insolvency register
- Search of register of disqualified and removed charity trustees
- General search of public information via internet search engine
- Professional registration checks (where applicable)

It is confirmed that there are no areas of concern identified at the time the checks were completed.

RECOMMENDATIONS

5. The Board is asked to:

- Note the assurance provided within the report.



Board of Directors' Fit and Proper Person checks at 31st March 2021/22

Name	Role	Self - declaration received?	Search of register of disqualified directors	Search of bankruptcy and insolvency register	Search of register of disqualified and removed charity trustees	General search of public information via internet search engine	Professional registration checks
NON-EXECUTIVE DIRECTORS							
CAMPBELL, Andrea	Associate Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A
FALLON, Ros	Non-Executive Director (Senior Independent Director)	✓	No match	No match	No match	No adverse information identified	NMC registration confirmed and no fitness to practice issues
FLETCHER, Bridget	Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A
GILL, Ken	Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A
GUYMER, Michael	Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A
HAYTHORNTHWAIT, Ian	Chair	✓	No match	No match	No match	No adverse information identified	N/A
JONES, Paul	Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A



WILLIAMS, Pam	Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A
WILLIAMSON, David	Non-Executive Director	✓	No match	No match	No match	No adverse information identified	N/A

Name	Role	Self-declaration received?	Search of register of disqualified directors	Search of bankruptcy and insolvency register	Search of register of disqualified and removed charity trustees	General search of public information via internet search engine	Professional registration checks
EXECUTIVE DIRECTORS							
CHADWICK, Cathy	Chief Operating Officer	✓	No match	No match	No match	No adverse information identified	N/A
EDWARDS, Paul	Director of Corporate Affairs	✓	No match	No match	No match	No adverse information identified	N/A
GILBY, Susan	Chief Executive Officer	✓	No match	No match	No match	No adverse information identified	GMC registration confirmed and no fitness to practice issues identified.
GWILLIAMS, Hilda	Director of Nursing and Quality	✓	No match	No match	No match	No adverse information identified	NMC registration confirmed and no fitness to practice issues
HOLDEN, Simon	Director of Finance / Deputy Chief Executive	✓	No match	No match	No match	No adverse information identified	N/A
KILROY, Darren	Medical Director	✓	No match	No match	No match	No adverse information identified	GMC registration confirmed and no fitness to practice issues identified.
PRICE, Nicola	Director of People and Organisation Development	✓	No match	No match	No match	No adverse information identified	N/A
WILLIAMS, Cara	Chief Digital Information Officer	✓	No match	No match	No match	No adverse information identified	N/A



Meeting	31st May 2022	Board of Directors					
Report	Agenda item 21	Terms of Reference: People & Organisational Development Committee (revised), Audit Committee (revised) and Quality and Safety Committee (revised)					
Purpose of the Report	Decision		Ratification	x	Assurance		Information
Accountable Executive	Susan Gilby			Chief Executive Officer			
Author(s)	Paul Edwards			Director of Corporate Affairs			
Board Assurance Framework	G1	Governance improvement					
Strategic Aims	-						
CQC Domains	Well Led						
Previous Considerations	The Terms of Reference for the People and Organisational Committee, Quality and Safety Committee and Audit Committee have each been recently reviewed by members, with a number of amendments proposed to each.						
Summary	<p>After discussions at the relevant Committees, it was agreed for the Terms of Reference for the People & Organisational Development Committee, Quality and Safety Committee and Audit Committee to be revised and to seek further approval on the recommended changes from the Board.</p> <p>The agreed amendments for all the Terms of Reference are highlighted in red.</p> <p>There will be a review of membership of all Committees in 2022/23 across the Committees to ensure the appropriate balance and representation at each Committee.</p>						
Recommendation(s)	The Board of Directors is asked to review and approve the revised terms of reference for the People and Organisational Development Committee, Quality and Safety Committee and Audit Committee.						
Corporate Impact Assessment							
Statutory Requirements							
Quality & Safety							
NHS Constitution							
Patient Involvement							
Risk							
Financial impact							
Equality & Diversity							
Communication							



COUNTESS OF CHESTER HOSPITAL NHS FOUNDATION TRUST

PEOPLE AND ORGANISATIONAL DEVELOPMENT COMMITTEE

TERMS OF REFERENCE

1.00 CONSTITUTION AND PURPOSE

- 1.01 The People and Organisational Development Committee (“the Committee”) is established as a committee of the Foundation Trust’s Board of Directors (“the Board”). Its terms of reference are as set out below, subject to approval by the Board of Directors and which may be amended from time to time.
- 1.02 The main purpose of the Committee is to approve and oversee and scrutinise the implementation of the Trust’s People Strategy; provide assurance to the Board on all aspects of workforce and organisational development supporting the provision of safe, high quality, patient-centered care; assure the Board of compliance with key national and statutory workforce requirements; develop, as necessary, strategic workforce recommendations for approval by the Board.
- 1.03 Observe the concept of availability, capability and **enthusiasm** experience to ensure the trust fulfils its Key People aim to attract and retain talented people with the right skills and attitude to create a positive environment with a shared sense of pride and ambition for everyone.
- 1.04 The Committee shall also provide information to the Audit Committee, the Finance and Performance Committee and the Quality and Safety Committee as appropriate to assist those Committees in ensuring good structures, processes, and outcomes across all areas of governance in respect of the Trust’s workforce.

2.00 MEMBERSHIP AND ATTENDANCE AT MEETINGS

- 2.01 The membership of the Committee shall comprise:
- Chair: a nominated non-executive Director
 - Two further nominated non-executive Directors
 - Director of People and Organisational Development (Lead Executive Director for the Committee)
 - Executive Medical Director
 - Director of Nursing & Quality
 - Chief Operating Officer
 - **Chief Digital Information Officer**
- 2.02 The Trust Chair shall propose which non-executive Directors will be most suitable for nomination as Chair and members of the Committee. The Trust Board shall approve the appointment of the Committee Chair and members, based on the Chair’s recommendations.



2.03 Those normally in attendance at the Committee meetings shall be (as appropriate):

- Director of Corporate Affairs
- Deputy Company Secretary
- Deputy Director of Finance
- Head of Resourcing
- Head of Organisational Development
- Head of Medical Workforce
- Head of Learning, Education and Development
- **Chair of Staff-side**
- **Freedom to Speak Up Guardian**

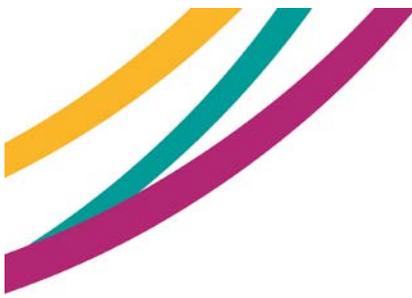
The Chief Executive Officer will receive an open invitation to the meetings of this Committee.

Any member of the Board of Directors shall have the right to be in attendance at any meeting of the Committee by prior agreement with the Chair. An agreed named Governor may attend the Committee.

- 2.04 The executive members of the Committee may exceptionally send a deputy to the meeting, with the prior agreement of the Chair, but the deputy will not have voting rights at the meeting. Those who are in attendance may exceptionally send a deputy to the meeting.
- 2.05 Other Trust managers and clinicians may be invited to attend for particular items on the Agenda that relate to areas of risk or operation for which they are responsible.
- 2.06 The Company Secretary or their nominee shall act as Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair and Committee members.

3.00 AUTHORITY

- 3.01 The Committee shall have the delegated authority to act on behalf of the Board of Directors in accordance with the Constitution, Standing Orders, Standing Financial Instructions, and Scheme of Delegation. The limit of such delegated authority is restricted to the areas outlined in the Duties of the Committee and subject to the rules on reporting, both as defined below.
- 3.02 The Committee is empowered to investigate any activity within its Terms of Reference, and to seek any information it requires from staff, who are required to co-operate with the Committee in the conduct of its enquiries.
- 3.03 The Committee is authorised by the Board of Directors to obtain independent legal and professional advice and to secure the attendance of external personnel with relevant experience and expertise, should it consider this necessary. All such advice should be arranged in consultation with the Company Secretary.



4.00 DUTIES

- 4.01 To approve and oversee and scrutinize the implementation of the Trust's People Strategy, sub strategies and Workforce Annual Plan.
- 4.02 Receive reports relating to the creation and delivery of workforce plans aligned to Trust strategies to provide assurance that the Trust has adequate staff with the necessary skills and competencies to meet the current and future needs of patients and service users, linking with education and training governance processes, including Chair reports from the Strategic Workforce Group and the Strategic Education, Learning and Development Group
- 4.03 To provide assurance on improvements and compliance with key statutory and NHS specific workforce, equality, diversity, and inclusion requirements.
- 4.04 Monitor internal workforce performance indicators, using the integrated performance report and reporting to the Board on an exception basis.
- 4.05 To provide assurance to the Board on workforce matters, taking account of local and national agendas and provide a focus on workforce activity in relation to organizational design, development and education, employee relations, recruitment and retention and employee engagement.
- 4.06 To monitor and provide assurance to the Board regarding specific workforce risks identified within the Board Assurance Framework.
- 4.07 To ratify new and existing People/Organisational Development policies and procedures, seeking approval of the Board as necessary, following development and review at appropriate sub-committees (e.g., Partnership Forum).
- 4.08 To receive assurance and monitor the implementation of Equality and Diversity Statutory delegations under the single Equality Duty (2011).
- 4.09 Monitor internal workforce performance indicators, using the integrated performance report and reporting to the Board on an exceptional basis.
- 4.10 Review the annual staff survey report including narrative comments and thoroughly considering what it tells us about the culture of the organization, monitor actions taken and advise the Board on developments arising as a consequence by exception.
- 4.11 Ensure that through the work of the Committee attention is paid at all times to the health, safety, and well-being of staff and that the Trust has in place appropriate plans for improving and monitoring the health, safety, and well-being of staff, including compliance with relevant health and safety and other employment legislation.
- 4.12 Receive periodic updates from the Guardian of Safe Working, and the Director of Medical Education in respect of the Medical Workforce.
- 4.13 Receive periodic updates from the Freedom to Speak Up Guardian.



5.00 REPORTING AND RELATIONSHIPS

- 5.01 The Committee shall be accountable to the Board of Directors concerning any issues that require decision or resolution by the Trust.
- 5.02 The Committee shall refer to the Board of Directors any matters requiring decision-making or resolution by the Board.
- 5.03 The Committee shall refer to the Board's other Committees any matters requiring review or decision-making in that forum.
- 5.04 The Committee chair will provide annually a report to the Board detailing how the Committee has discharged its Terms of Reference.
- 5.05 The Committee shall review its own performance and terms of reference at least every two years to ensure it is operating at maximum effectiveness. Any proposed changes to the terms of reference should be agreed by the Trust Board.
- 5.06 Reporting Subgroups – The Committee will be supported by a number of working groups. These will include:
- Strategic Workforce Group
 - Strategic Education, Learning and Development Group
 - Strategic Wellbeing Group
 - Strategic Equality, Diversity, and Inclusion Group

6.00 CONDUCT OF BUSINESS

- 6.01 The Committee shall conduct its business in accordance with the Standing Orders of the Trust.
- 6.02 The Committee shall be deemed quorate if there are at least two non-executive Director and two executive Directors present, one of whom should be the Director of People and Organisational Development (or their nominated deputy with the prior agreement of the Chair). A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the Committee.
- 6.03 The Committee shall meet not less than four times in each financial year.
- 6.04 At the discretion of the Chair of the Committee business may be transacted through a tele/videoconference provided all parties are able to hear all other parties and where an agenda has been issued in advance, or through the signing by every member of a written resolution sent in advance to members and recorded in the minutes of the next formal meeting.
- 6.05 Agendas and briefing papers should be prepared and circulated in sufficient time for Committee Members to give them due consideration.



6.06 Minutes of Committee meetings should be formally recorded and distributed to Committee Members within 10 working days of the meetings. Subject to the approval of the Chair, the Minutes will be submitted to the Trust Board at its next meeting and may be presented by the Committee Chair. The Committee Chair will draw to the attention of the Board any issues that require disclosure to the full Board or require executive action.

7.00 STATUS OF THESE TERMS OF REFERENCE

Approved by Trust Board: 8th March 2022

Reviewed by the Finance and Performance Committee: 25th January 2022

Revised and approved by Trust Board: 31 May 2022

Next Review: May 2023

Version number: Version 2

COUNTESS OF CHESTER HOSPITAL NHS FOUNDATION TRUST

AUDIT COMMITTEE TERMS OF REFERENCE

1.0 PURPOSE

- 1.01 The purpose of the Audit Committee is to support the Board of Directors to deliver the Trust's responsibilities for the conduct of public business and the stewardship of funds; to be responsible for providing assurance to the Board that appropriate systems of internal control and risk management are in place covering all corporate and clinical areas of the Trust; and to make recommendations to the Council of Governors on the appointment of external auditors.
- 1.02 The Committee shall seek to ensure that business is conducted in accordance with the law and proper standards; public money is safeguarded and properly accounted for; Financial Statements are prepared in a timely manner and give a true and fair view of the financial position of the Trust for the period in question; services are managed so as to secure economic, efficient and effective use of resources; and that reasonable steps are taken to prevent and detect fraud and other irregularities.

2.00 MEMBERSHIP AND ATTENDANCE AT MEETINGS

- 2.01 The membership of the Committee shall be:
- Chair of the Audit Committee: a nominated non-executive Director
 - Two further nominated non-executive Directors
- 2.02 The Trust Chair shall propose which non-executive Directors will be most suitable for nomination as Chair and members of the Committee. The Board shall approve the appointment of the Committee Chair and non-executive members, based on the Trust Chair's recommendations. (The Foundation Trust Code of Governance requires that the Committee should be composed of at least three independent non-executive Directors, at least one of whom has recent and relevant financial experience.)
- 2.03 Those normally in attendance at the Committee meetings shall be:
- The Director of Finance (in their capacity as the Lead Executive Officer for the Committee)
 - External Auditors
 - Internal Auditors
 - Local Counter Fraud Specialist (as appropriate)
 - Company Secretary

In addition, the Chairs of the following Committees: Quality & Safety, Finance and Performance and People and Organisational will attend annually to report on the work of their committees.

In line with the Audit Committee being a statutory independent Committee of the Board, attendance at the Audit Committee will be by invitation only and by agreement with the Chair of the Committee in advance.

- 2.04 Those who are normally in attendance may exceptionally send a deputy to the meeting, with prior consent of the Chair.
- 2.05 Other Employees of the Trust, including Executives, managers and clinicians may be required to

attend at the request of the Chair of the Audit Committee for particular items on the Agenda that relate to areas of risk or operation for which they are responsible.

- 2.06 The Chief Executive should be invited to attend at least annually to discuss with the Audit Committee the process for assurance that supports the Annual Governance Statement.
- 2.07 **The Chief Executive Officer will be invited as the Accounting Officer when considering the Annual Report and Accounts.**
- 2.08 **The Trust Chair shall not be a member of the Committee but will be invited to observe the Audit Committee at least once per year.**
- 2.09 At least once a year the Committee should meet privately with the External Auditors, Internal Auditors and Local Counter Fraud Service. The head of internal audit and representative of external audit have a right of direct access to the chair of the Committee.
- 2.10 The Company Secretary or their nominee shall act as Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair of the Committee and Committee members.

3.00 ROLE AND RESPONSIBILITIES

AUTHORITY

- 3.01 The Committee shall have the delegated authority to act on behalf of the Board of Directors in accordance with the Constitution, Standing Orders, Standing Financial Instructions, and Scheme of Delegation. The limit of such delegated authority is restricted to the areas outlined in the Duties of the Committee and subject to the rules on reporting, both as defined below.
- 3.02 The Committee is empowered to investigate any activity within its Terms of Reference, and to seek any information it requires from staff, who are required to co-operate with the Committee in the conduct of its enquiries.
- 3.03 The Committee is authorised by the Board of Directors to obtain independent legal and professional advice and to secure the attendance of external personnel with relevant experience and expertise, should it consider this necessary. All such advice should be arranged in consultation with the Company Secretary.

DUTIES

Governance, Risk Management and Internal Control

- 3.04 The Committee shall assure itself that the Trust has established and maintains an effective integrated system of governance, risk management and internal controls, across the whole of the Trust's activities (both clinical and non-clinical) that supports the achievement of the Trust's objectives.
- 3.05 In particular, the Committee shall assure itself either directly or through the work of other Committees: **Quality and Safety, Finance and Performance and People and Organisational Development** of the accuracy, adequacy and effectiveness of:
- All risk and control-related disclosure statements (in particular the Annual Governance Statement and relevant declarations of compliance with the requirements of NHS England and the Care Quality Commission), together with any accompanying statement from the Head of Internal Audit, any external audit opinion or other appropriate independent assurances, prior to endorsement by the Board.
 - The underlying assurance processes that indicate the degree of the achievement of corporate objectives and the effectiveness of the management of principal corporate and clinical risks. These will include but will not be limited to: the Board Assurance Framework;

the Risk Management Strategy; and the Risk Register along with realistic prioritised action plans and targets to eliminate or minimise risk.

- The policies and controls for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification.
- The policies and procedures for all work related to fraud and corruption as set out by **NHS Counter Fraud Authority (NHSCFA)**

3.06 In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit, Local Counter Fraud Service (LCFS), and other assurance functions, but will not be limited to these audit and assurance functions.

3.07 The Committee will seek assurance from the Quality and Safety Committee to the extent that this is reasonable and possible, that the quality and clinical risk elements of the Trust's Board Assurance Framework, Risk Register, Risk Management Strategy and underpinning risk management and clinical governance processes are in place, fully effective and in line with best practice. It will also seek reports and assurances from Directors and managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

The Committee will seek assurance from the Finance and Performance Committee in regard to the financial and operational performance objectives of the Trust, operational strategies, investments, and capital plans.

The Committee will seek assurance from the People and Organisational Committee in regard to good structures, processes, and outcomes across all areas of governance in respect of the Trust's workforce.

Internal Audit and Counter Fraud

3.08 The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory Public Sector Internal Audit Standards (2017 (PSIAS) and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board.

3.09 The Committee shall also satisfy itself that the organisation has adequate arrangements in place for countering fraud, bribery and corruption that meet NHSCFA's standards and shall review the outcomes of work in these areas.

3.10 This will be achieved by:

- Approval of the appointment of the Internal Auditor.
- Consideration of the provision of the Internal Audit service, the cost of the audit service and any questions of resignation and dismissal.
Reviews and approval of the Internal Audit Plan, and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the Assurance Framework and Risk management Strategy.
- Consideration of the major findings of internal audit work and the response of managers, ensuring that recommendations are followed-up in a timely manner and any lessons are learned within the Trust.
- Ensuring that the Internal Audit function is adequately resourced and managed and has appropriate standing within the organisation.
- Annual review of the effectiveness of internal audit and of co-ordination between the Internal and External Auditors to optimise audit resources.

- Regular review of resource allocation to the local counter-fraud service (LCFS), progress against the LCFS work plan and ongoing LCFS investigations, and the outcomes, learning and actions resulting from counter fraud work.

The committee will refer any suspicions of fraud, bribery and corruption to the NHSCFA.

External Audit

3.11 The Committee shall support the Council of Governors with their duty to appoint, re-appoint, or remove the external auditor. The Committee shall:

- agree the criteria for appointment or removal with the Council of Governors, and advise on the external audit terms and conditions including fees;
- report to the Council of Governors annually on the performance of the external auditor;
- and agree with the Council of Governors a policy on the engagement of the external auditor to provide non-audit services.

3.12 The Committee shall review the work and findings of the External Auditor and consider the implications and management's responses to their work. This will be achieved by:

- Consideration of the performance of the External Auditor, as far as the rules governing the appointment permit.
- Discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan, and ensure coordination, as appropriate, with other External Auditors in the local NHS.
- Discussion with the External Auditors of their local evaluation of audit risks and assessment of the Local Health Economy and associated impact on the audit fee.
- Reviewing all External Audit reports, ensuring appropriate management responses and monitoring the implementation of responses
- agreement of the annual audit letter before submission to the Board and any work carried outside the annual audit plan, together with the appropriateness of management responses.

Other Assurance Functions

3.13 The Audit Committee shall receive assurance from the Quality and Safety Committee of the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation. These will include, but will not be limited to, any reviews by NHS England or Regulators/Inspectors (e.g. Care Quality Commission, NHS Protect, NHS Resolution, NHS Counter Fraud Authority etc), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc).

3.14 The Committee shall review the work of other Committees within the organisation whose work can provide relevant assurances. This will particularly include the Quality and Safety Committee, the Finance and Performance Committee, **People and Organisational Committee** and any other risk management Committees that may be established. In reviewing the work of the Quality and Safety Committee and issues concerning clinical risk management, the Audit Committee will wish to satisfy itself on the assurance that can be gained from the clinical audit function.

3.15 The Committee shall review all decisions made by the Board to suspend Standing Orders or Standing Financial Instructions.

3.16 The Committee shall receive reports at least Quarterly on the work relating to Cyber Security.

Management

3.17 The Committee shall require and review reports and positive assurances from Directors and managers on the overall arrangements for governance, risk management and internal control.

3.18 The Committee may also require specific reports from individual functions within the organisation (e.g. clinical audit) as they may be appropriate to the overall arrangements.

Financial Reporting

- 3.19 The Audit Committee shall monitor the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance.
- 3.20 The Committee shall ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.
- 3.21 The Audit Committee shall review the Annual Report and Financial Statements before submission to the Board, focusing particularly on:
- the wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;
 - changes in, and compliance with, accounting standards/policies and practices;
 - unadjusted mis-statements in the financial statements;
 - significant judgements in the preparation of financial statements;
 - significant adjustments resulting from the audit;
 - letter of representation
 - qualitative aspects of financial reporting.

Freedom to speak Up and associated governance processes

- 3.22 The Audit Committee shall review the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns about possible improprieties in financial, clinical or safety matters including ensuring that any such concerns are investigated proportionately and independently.

REPORTING AND RELATIONSHIPS

- 3.23 The Committee shall be accountable to the Board of Directors of the Trust.
- 3.24 The Committee shall make an annual report to the Board of Directors to demonstrate the Committee's discharge of its duties and to confirm the fitness for purpose of the Trust's assurance framework, risk management, and governance processes.
- 3.25 The Committee shall make recommendations to the Board of Directors concerning any issues that require decision or resolution by the Board.
- 3.26 The Committee shall make an annual report to the Council of Governors identifying any matters where it recommends that action or improvement is necessary; and reporting on the performance of the external auditor.
- 3.27 **The Committee shall review the minutes and recommendations of the following committees: Quality and Safety, Finance and Performance and People and Organisational Committees as appropriate.**
- 3.28 The Committee shall review its own performance, constitution and terms of reference annually to ensure it is operating at maximum effectiveness. Any proposed changes to the terms of reference should be agreed by the Trust Board.

4.00 CONDUCT OF BUSINESS

- 4.01 The Committee shall conduct business in accordance with the Standing Orders of the Trust.
- 4.02 The Committee shall be deemed quorate if there are at least two non-executive Directors present. A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the Committee.
- 4.03 The Committee shall meet not less than five times in each financial year. The Chair of the Committee may request an extraordinary meeting if he/she considers one to be necessary. The External Auditor or Head of Internal Audit may request a meeting of the Committee if either or both consider that one is necessary.

- 4.04 At the discretion of the Chair of the Audit Committee, business may exceptionally be transacted either: through a teleconference or by video conferencing where an agenda has been issued in advance; or through the signing by two thirds of members of a written resolution sent in advance to members and recorded in the minutes of the next formal meeting.
- 4.05 Agendas and papers should be prepared and circulated five working days before each meeting.
- 4.06 Minutes of Committee meetings should be formally recorded and distributed to Committee Members, normally within 10 working days of the meetings. Subject to the approval of the Chair of the Committee, the Minutes will be submitted to the Trust Board at its next meeting and may be presented by the Chair. The Chair will draw to the attention of the Board any issues that require disclosure to the full Board or require executive action.

5.00 STATUS OF THESE TERMS OF REFERENCE

Agreed by Audit Committee: 26 April 2022

Approved by Trust Board: 31 May 2022

Next Review: May 2023

COUNTESS OF CHESTER HOSPITAL NHS FOUNDATION TRUST

QUALITY AND SAFETY COMMITTEE TERMS OF REFERENCE

1.00 PURPOSE

- 1.01 The purpose of the Quality and Safety Committee is to support the Board in ensuring that the Trust's management, and clinical and non-clinical processes and controls are effective in setting and monitoring good standards and continuously improving the quality of services provided by the Trust in line with the principles and values of the Patient First programme.
- 1.02 The Committee will also support the Board in ensuring that the Trust manages comments, compliments, concerns and complaints from patients and the public in a sensitive and effective manner and that a process of organisational learning is in place to ensure that identified improvements are embedded within the organisational framework.
- 1.03 The Committee shall also provide information to the Audit Committee, when requested, to assist that Committee in ensuring good structures, processes, and outcomes across all areas of governance.

2.00 MEMBERSHIP AND ATTENDANCE AT MEETINGS

2.01 The membership of the Committee shall be:

- Chair: a nominated Non-executive Director
- Two further nominated Non-executive Directors
- Medical Director (the joint Lead Officer for the Committee)
- Director of Nursing and Quality (the joint Lead Officer for the Committee)
- Chief Executive Officer
- Director of Finance
- Chief Operating Officer
- Director of People and Organisation Development
- Director of Pharmacy
- Divisional Medical Director, or equivalent from each Division
- Chief Digital Information Officer

2.02 Those normally in attendance at the Committee meetings shall be:

- Associate Director of Quality Governance
- Deputy Director of Nursing
- Head of Facilities
- Head of Estates
- Managing Director, Cheshire West ICP

2.03 The Trust Chair shall propose which Non-executive Directors will be most suitable for nomination as Chair and members of the Committee. The Trust

Board shall approve the appointment of the Committee Chair, based on the Chair's recommendations.

- 2.04 Any member of the Board of Directors shall have the right to be in attendance at any meeting of the Committee by prior agreement with the Chair. An agreed named Governor may attend the Committee.
- 2.05 The executive members of the Committee may exceptionally send a deputy to the meeting but the deputy will not have voting rights at the meeting.
- 2.06 Other Trust managers and clinicians, and patients, members of the public or governors, may be invited to attend for particular items on the agenda that relate to areas for which they are responsible or on which the Committee requires advice or information.
- 2.07 The Company Secretary or their nominee shall act as Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair and Committee members.

3.00 ROLE AND RESPONSIBILITIES

AUTHORITY

- 3.01 The Committee shall have the delegated authority to act on behalf of the Board of Directors in accordance with the Constitution, Standing Orders, Standing Financial Instructions, and Scheme of Delegation. The limit of such delegated authority is restricted to the areas outlined in the Duties of the Committee and subject to the rules on reporting, both as defined below.
- 3.02 The Committee is empowered to investigate any activity within its Terms of Reference, and to seek any information it requires from staff, who are required to co-operate with the Committee in the conduct of its enquiries.
- 3.03 The Committee should challenge and ensure the robustness of information provided.
- 3.04 The Committee is authorised by the Board of Directors to obtain independent legal and professional advice and to secure the attendance of external personnel with relevant experience and expertise, should it consider this necessary. All such advice should be arranged in consultation with the Company Secretary.

DUTIES

Clinical strategy, targets and outcomes

- 3.05 To review and recommend to the Board the **Clinical Strategy** of the Trust, and to monitor progress against the strategy and other improvement plans such as improvement programmes within Patient First that may impact on clinical quality.

- 3.06 To ensure there are robust systems for monitoring clinical quality performance indicators within Divisions and to receive reports on clinical quality performance measures.
- 3.07 Review and Monitor Quality Impact Assessments (QIA) relating to Efficiency and Transformation programmes to gain assurance that there will be no unforeseen detrimental impact on quality of care for patients.
- 3.08 In response to requests from the Board, or where appropriate as decided by the Committee, monitor the implementation of action/improvement plans in respect of quality of care, particularly in relation to incidents, survey outcomes (including Staff Survey) and similar issues.

Compliance and Regulation

- 3.09 To receive and consider the necessary action in response to external reports, reviews, investigations or audits (from DH, NHSI/NHSE, CQC, other NHS bodies) which impact on clinical quality or patient safety and experience.
- 3.10 To monitor the Trust's responses to all relevant external assessment reports and the progress of their implementation, including the reports of the Care Quality Commission.
- 3.11 To receive a commentary on the CQC's insight report in respect of the Trust and consider if the Trust's quality risk profile should be amended as a result.

Clinical governance and risk management

- 3.12 Through reports from the (executive) Quality Governance Group and by other means, monitor and obtain assurance as to the effectiveness of the processes, systems and structures for good clinical governance at the Trust, and to seek their continuous improvement.
- 3.13 To consider reports from Divisional Governance Reviews, to ensure that the reviews are effective and that actions arising from them are addressed in a timely and appropriate manner under the management oversight of the (executive) Quality Governance Group.
- 3.14 To review the themes, trends, management, and improvements relating to serious untoward and other incidents, (both staff and patient).
- 3.15 To gain assurance that appropriate feedback mechanisms are in place for those raising incidents and that a culture of openness and transparency in respect of incident reporting is encouraged supporting the Speak Up agenda and to receive reports from the Freedom to Speak up Guardian.
- 3.16 To review regularly the Board Assurance Framework (including through in-depth reviews of specific risks) and the High Level Operational Risks with a significant potential for impact on the Trust's quality risk appetite, and promote

continuous quality improvement with regard to the management of clinical and non-clinical risk and the control environment throughout the Trust.

- 3.17 To receive and consider the Trust's clinical governance and clinical and non-clinical risk management annual reports, and agree recommendations on actions for improvement.
- 3.18 To ensure there is a comprehensive clinical audit programme in place to support and apply evidence-based practice, implement clinical standards and guidelines, and drive quality improvement, including through approving and monitoring progress against the Clinical Audit Strategy.
- 3.19 To maintain oversight of research and innovation activity, ensuring that it is well governed and is focused on and delivers improvement in respect of the Trust's clinical quality priorities.
- 3.20 To consider reports from the Committee's reporting groups, including the Quality Governance Group. To consider these reports in the context of quality risks and assurances over the Trust's system of internal control as reflected within the BAF.
- 3.21 To consider reports from the Trust's Caldicott Guardian and Data Protection Officer where quality risks have been identified by them.
- 3.22 To consider reports from the Guardian of Safe Working in the context of the Trust's quality, safety and patient experience processes.
- 3.23 To consider reports from on Health and Safety and to gain assurance of compliance and completion of action plans arising from areas of concern.
- 3.24 To consider reports from on Safeguarding to gain assurance of legislative compliance and completion of action plans arising from concerns.
- 3.25 Where appropriate, to consider reports from other operational groups addressing improvement in patient care, and to monitor the completion of action plans arising from areas of concern.

Patient experience

- 3.26 To consider reports from the Patient Experience Team, the Patient Advice & Liaison Service and other sources of feedback (such as Healthwatch) on all formal and informal patient feedback, both positive and negative, and to consider action in respect of matters of concern.
- 3.27 To consider the results, the issues raised and the trends in all patient surveys (including real-time patient feedback systems), of in-patients and out-patients activities and estate surveys such as PLACE that may impact on clinical quality, and to gain assurance of the development of robust improvement plans and the subsequent completion of action taken to address issues raised.

Complaints and reviews

- 3.28 To review the themes, trends, the management of, and the learning and improvements made relating to complaints.
- 3.29 To consider national reports from the Ombudsman, to identify matters of relevance requiring action within the Trust, and to make recommendations to the Board.
- 3.30 To review the complaints procedure in conjunction with the periodic review of the complaints policy.

Development, education and training

- 3.31 To consider reports on national and local surveys including the staff survey and GMC survey as they relate to clinical quality, and to monitor the implementation of action taken to address issues raised.
- 3.32 To ensure that medical, nursing and other staff recruitment, retention, development, education and training strategies and plans are aligned with and support the Trust's clinical strategy.
- 3.33 To ensure that other education and training-related issues, themes and trends are addressed, to promote high standards of care quality.

Estates strategy

- 3.34 To review the estates strategy and recommend it to the Board, and to monitor progress against and risks associated with the strategy, and monitor other estates-related improvement plans.
- 3.35 Where appropriate, to make recommendations to the Board on necessary actions or approvals relating to the matters in this section.

REPORTING AND RELATIONSHIPS

- 3.36 The Committee shall be accountable to the Board of Directors of the Trust.
- 3.37 The Committee shall report to the Board after each of its meetings and make recommendations to the Board of Directors concerning any issues that require decision or resolution by the Board.
- 3.38 The Committee shall report as required to the other Trust Committees any matters that require the attention or decision of that Committee.
- 3.39 The Committee chair will provide annually a report to the Board detailing how the Committee has discharged its Terms of Reference. Any identified significant changes to the terms of reference must be subject to approval by the Trust Board.

4.00 CONDUCT OF BUSINESS

- 4.01 The Committee shall conduct its business in accordance with the Standing Orders of the Trust.
- 4.02 The Committee shall be deemed quorate if there are at least the Chair, one Non-executive Director, one Executive Director (which must be either the Executive Medical Director or Director of Nursing & Quality). A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the Committee.
- 4.03 The Committee shall meet bi-monthly (at least six times) in each financial year, or additionally if required. The Chair may request an extraordinary meeting if he/she considers one to be necessary.
- 4.04 At the discretion of the Chair of the Committee business may be transacted through other technologies provided all parties are able to hear all other parties and where an agenda has been issued in advance, or through the signing by every member of a written resolution sent in advance to members and recorded in the minutes of the next formal meeting.
- 4.05 Agendas and briefing papers should be prepared and circulated five working days before each meeting, to give sufficient time for Committee Members to give them due consideration.
- 4.06 Minutes of Committee meetings should be formally recorded and distributed to Committee Members within 10 working days of the meetings.

5.00 STATUS OF THESE TERMS OF REFERENCE

Agreed by the Quality & Safety Committee: 22 February 2022.

Approved by the Board: 31 May 2022

Next Review: May 2023

Version number: 1