

COVERSHEET	
Meeting	Board of Directors' meeting PUBLIC
Paper Title	Allocation of Capital Funding - Urgent and Emergency Care Programme
Date of meeting	5 th November 2020
Date paper was written	13 th October 2020
Responsible Director	James Drury, Interim Director of Finance
Author	James Drury, Interim Director of Finance
Presenter	James Drury, Interim Director of Finance
EXECUTIVE SUMMARY	
<p>The Trust has been allocated £6,300,000 of Public Dividend Capital (PDC) by the Department of Health and Social Care for the Urgent and Emergency Care Programme.</p> <p>The funding will be used to provide Same Day Emergency Centre (SDEC) modular build and refurbish the existing Emergency Department at Royal Shrewsbury Hospital (RSH) (as per Business Case submitted 21st September, 2020).</p> <p>The scheme will address CQC areas of concern and alleviate longstanding issues around poor patient flow. The scheme will enable the relocation of the Fracture Clinic to enable ED expansion; provide a SDEC modular building; reconfigure space in ED to address recognised issues including safety, privacy and dignity and regulatory breaches. It will also enable pathway/estate reconfiguration in RSH Surgical Ambulatory Care Unit by relocating staff from prime clinical space in SAU to free up space for ambulatory/same day solution.</p> <p>In addition to addressing many of the CQC built environment recommendations, the schemes will deliver the following improvement benefits: an improved and safer environment for adult and paediatric patients; a senior front door assessment; suitable environment for patients with mental issues; address the serious privacy and dignity issues currently experienced at RSH; a reduction in some of the maintenance backlog estate issues in A&E; and improve clinical adjacencies.</p> <p>The Board of Directors are asked to, due to the timescale for submission (9th October 2020), retrospectively approve the signing of this MoU.</p>	
Previously considered by	Finance and Performance Assurance Committee 27.10.20 Recommended approval by the Board of Directors

THE BOARD OF DIRECTORS' (Committee) ARE ASKED TO:			
<input checked="" type="checkbox"/> Approve	<input type="checkbox"/> Receive	<input type="checkbox"/> Note	<input type="checkbox"/> Take Assurance
To formally receive and discuss a report and approve its recommendations or a particular course of action	To discuss, in depth, noting the implications for the Board or Trust without formally approving it	For the intelligence of the Board without in-depth discussion required	To assure the Board that effective systems of control are in place

Link to CQC domain:

<input checked="" type="checkbox"/> Safe	<input type="checkbox"/> Effective	<input type="checkbox"/> Caring	<input type="checkbox"/> Responsive	<input checked="" type="checkbox"/> Well-led
--	------------------------------------	---------------------------------	-------------------------------------	--

Link to strategic objective(s)	<p><i>Select the strategic objective which this paper supports</i></p> <p><input type="checkbox"/> PATIENT AND FAMILY Listening to and working with our patients and families to improve healthcare</p> <p><input type="checkbox"/> SAFEST AND KINDEST Our patients and staff will tell us they feel safe and received kind care</p> <p><input type="checkbox"/> HEALTHIEST HALF MILLION Working with our partners to promote 'Healthy Choices' for all our communities</p> <p><input type="checkbox"/> LEADERSHIP Innovative and Inspiration Leadership to deliver our ambitions</p> <p><input type="checkbox"/> OUR PEOPLE Creating a great place to work</p>
Link to Board Assurance Framework risk(s)	<p>BAF 561 IF we do not have system-wide effective processes in place THEN we will not achieve national performance standards for key planned activity.</p> <p>BAF 1584 IF we do not invest in our ageing estate nor replace old equipment THEN we cannot provide a safe environment.</p> <p>BAF 670 IF we do not deliver our control total and meet the trajectory to live within our financial means THEN we cannot meet our financial duties nor invest in service development and innovation.</p>

Equality Impact Assessment	<p><input checked="" type="radio"/> Stage 1 only (no negative impact identified)</p> <p><input type="radio"/> Stage 2 recommended (negative impact identified and equality impact assessment attached for Board approval)</p>
Freedom of Information Act (2000) status	<p><input type="radio"/> This document is for full publication</p> <p><input type="radio"/> This document includes FOIA exempt information</p> <p><input checked="" type="radio"/> This whole document is exempt under the FOIA</p>
Financial assessment	

MEMORANDUM OF UNDERSTANDING

DHSC Reference Number [to be completed by DHSC]:

Award of Public Dividend Capital (PDC) made on between:

- 1) The Secretary of State for Health & Social Care (The Authority), and
- 2) The Shrewsbury and Telford Hospital NHS Trust (The Recipient)

PURPOSE OF AWARD

Capital expenditure in respect of the Urgent and Emergency Care Programme, as per the funding agreement between NHS England, on behalf of the Authority, and the Recipient (The Funding Agreement).

This funding is for major refurbishment/new build of urgent and emergency care facilities to improve flow through emergency departments by increasing the capacity and capability of EDs, urgent treatment centres and same day emergency care facilities and improving non-elective flow (e.g. through a Priority Admissions Unit)

THE AWARD

It has been agreed to make available up to **£6,300,000** of Public Dividend Capital (PDC) on the terms established in the associated Funding Agreement to invest in the following Project for 2020/21:

Please briefly describe the overall project:

2) **Same Day Emergency Centre (SDEC) modular build and refurbish the existing Emergency Department at Royal Shrewsbury Hospital (RSH) (as per Business Case submitted 21st September, 2020).** Scheme will address CQC areas of concern and alleviate longstanding issues around poor patient flow. The scheme will enable the relocation of the Fracture Clinic to enable ED expansion; provide a SDEC modular building; reconfigure space in ED to address recognised issues including safety, privacy and dignity and regulatory breaches. It will also enable pathway/estate reconfiguration in RSH Surgical Ambulatory Care Unit by relocating staff from prime clinical space in SAU to free up space for ambulatory/same day solution.

3)

In addition to addressing many of the CQC built environment recommendations, the schemes will deliver the following improvement benefits: an improved and safer environment for adult and paediatric patients; a senior front door assessment; suitable environment for patients with mental issues; address the serious privacy and dignity issues currently experienced at RSH; a reduction in some of the maintenance backlog estate issues in A&E; and improve clinical adjacencies.

Describe the deliverables which will be in place by March 2021:

4)

	Programme Outputs	Delivered by 1st Jan 21	Delivered by 31st March 21
1	Current maximum capacity for waiters (with 2m social distancing)	14 in ED 3 in SDEC	
2	Proposed additional capacity for waiters (with 2m social distancing)	14 in ED 6 in SDEC	
3	Current majors cubicles	12	
4	Current resus cubicles	4	
5	Proposed additional majors cubicles	Nil	Nil
6	Proposed additional resus cubicles	Nil	Nil
7	Current SDEC cubicles/places	3	
8	Proposed SDEC additional cubicles/places	10	10
9	Does the project fund an inpatient cohorting area? (Yes/No & Number of beds)	No	No
10	Increase in economic useful life of A&E (Years)	25 years	
11	Amount spent on Modern Methods of Construction (£)	£2.4m	
12	Backlog of Maintenance Saving(£)	£550k	

This MoU covers funding for the 2020-21 financial year. Where contracts extend beyond this financial year, they must include the option of a break point at 31st March 2021 should this be needed. MoU's and funding for 2021-22 will be discussed with you as early as possible post the 2020 spending review. Timely draws must not happen ahead of need and must have occurred by 15th March 2021.

PAYMENT OF AWARD

PDC will be made available to The Recipient who will have ownership of the resulting capital assets. In addition to the PDC the Recipient will also receive, if appropriate, an increase to their Capital Resource Limit (CRL) and External Financing Limit (EFL).

Central capital funding is provided only for the financial year set out in The Funding Agreement and there is no provision for carry forward to future years. If slippage in the scheme does occur, this will be at the risk of the Recipient. Slippage must be identified as soon as possible and the Authority, NHS Improvement and NHS England informed to allow for this resource to be potentially allocated elsewhere to support other Trusts.

The issue of PDC is conditional on the advances being held in the Recipient's Government Banking Services account until payments are made. The Authority reserves the right to ask the Recipient to repay cash that has been drawn but not spent in the financial year that the cash draw occurred.

A cash limit will be set against the schedule of the Recipient's anticipated cash requirements. It is against this limit that requests for PDC will be assessed. A unique PDC reference number will be allocated, to be used in all correspondence between parties on this matter (See the head of this agreement).

PDC is issued by the Authority on a Monday (or the subsequent working day where the Monday is a Bank Holiday). All capital draw requests must now be submitted via the NHSI Capital & Cash Team in the first instance (NHSI.CapitalCashQueries@nhs.net). Where requests are submitted directly to the Authority, these will be referred to NHSI before any action is taken.

To enable the access of funds, The Authority must be in receipt of a fully completed copy of form 'Utilisation Request' and a capital cash flow statement to NHSEI, no later than Midday on the Wednesday preceding the draw date. The Utilisation Request is the official request to release the funds into the recipient's Government bank account. The form must be signed by two authorised signatories, in line with the declaration within the Utilisation Request. The capital cash statement details the planned spend for the initiative as well as confirming that the cash is not being drawn in advance of need. The Recipient will submit these forms in accordance with standard practice to the NHSI Capital & Cash Team.

The Authority shall be entitled to repayment of payments incorrectly claimed by the Recipient or issued by the Authority.

The amount of the Award shall not be increased in the event of any overspend by the Recipient in its delivery of the Project.

CONDITIONS OF AWARD

The capital funding will be made available as PDC. Funding can only be spent on items that score as capital expenditure in Trust accounts.

The Recipient shall use this award only for the delivery of the Project(s) specified above.

The Director of Finance must sign and return a copy of this letter with the completed Delivery Criteria for Schemes annex to their NHSEI regional team, who will send to the NHSEI national team to obtain Authority approval. Based on the schedules within the Funding Agreement, a cash limit will be set against which the requests for PDC will be assessed.

The Director of Finance will nominate a lead person who shall act as a point of contact between the Recipient and the Authority in all matters connected with the scheme(s).

The Recipient shall keep all invoices, receipts and accounts and any other relevant documents relating to the expenditure of the award for a period of at least six years following the receipt of any monies to which they relate. The Authority shall have the right to review accounts and records that relate to the award and shall have the right to take copies of these records.

The revenue costs of the scheme must be managed without it adversely affecting either your Board approved 21/22 Plan agreed with NHSE&I, or the system control total and plan. This agreement acts as confirmation that any associated revenue costs are affordable within existing budgets.

The recipient should use Modern Methods of Construction where appropriate and comply with latest HBN/HTM guidance subject to any derogations approved at Board level.

Refurbishment projects should achieve BREEAM very good and new build projects BREEAM excellent or demonstrate that the scheme will adopt energy efficiency measures working towards net zero carbon requirements.

MONITORING AND REPORTING

The Recipient shall closely monitor the delivery and success of the scheme(s) to ensure that the purpose of the award is being met. The Recipient shall report implementation progress to the NHSE&I regional team on a monthly basis. The Authority shall have the right to request The Recipient to provide detail of the delivery date, installation, when the facility is fully commissioned and total outturn spend including a full cost breakdown

The Recipient shall on request provide the Authority or NHSEI with such further information, explanations and documents as the Authority or NHSEI may reasonably require in order for it to establish that the Award has been used properly in accordance with this Agreement.

The Recipient shall permit any person authorised by the Authority such reasonable access to employees, records, premises or facilities for the purpose of validating the status and progress of the planned work.

The Recipient may be requested to take part in meetings with the Authority, again, for the purpose of validating the status of the development.

Signed on behalf of The Secretary of State (sign and date below)

Date:

Name:

Position:

Signed on behalf of [insert name of Trust] (sign and date below)

Date:

Name: James Drury

Position: Interim Director of Finance

E-mail address: jamesdrury@nhs.net

Lead Contact at the Trust for all matters connected with the scheme(s)

Name: Julia Clarke

Position: Director of Corporate Services

E-mail address: julia.clarke7@nhs.net

Telephone Number: Number: 01743 261467