



**AGENDA ITEM**

2.5

**CTM BOARD**

**KEIR HARDIE HEALTH PARK DEMENTIA CARE SCHEME, JOINT ICF PROJECT WITH MERTHYR TYDFIL COUNTY BOROUGH COUNCIL**

<b>Date of meeting</b>	29/06/2020
<b>FOI Status</b>	Open/Public
<b>If closed please indicate reason</b>	Not Applicable - Public Report
<b>Prepared by</b>	Rosie Cavill, Head of Capital
<b>Presented by</b>	Steve Webster, Executive Director of Finance, Procurement, Capital & Estates
<b>Approving Executive Sponsor</b>	Executive Director of Finance & Procurement
<b>Report purpose</b>	FOR APPROVAL

**Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/group)**

<b>Committee/Group/Individuals</b>	<b>Date</b>	<b>Outcome</b>
Project Steering Group	June 20	ENDORSED FOR APPROVAL
Executive Capital Management Group	19/06/2020	APPROVED

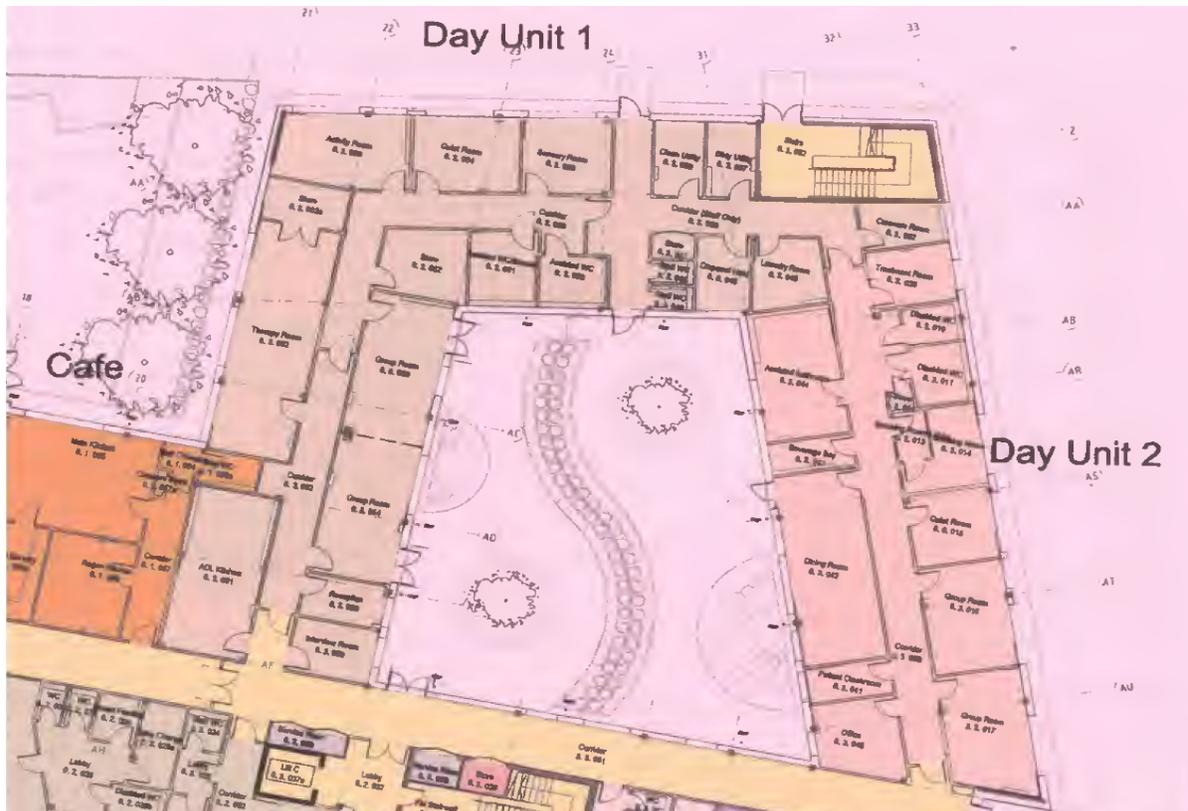
**ACRONYMS**

ICF	Integrated Care Fund
KHHP	Kier Hardie Health Park
WG	Welsh Government
MTCBC	Merthyr Tydfil County Borough Council

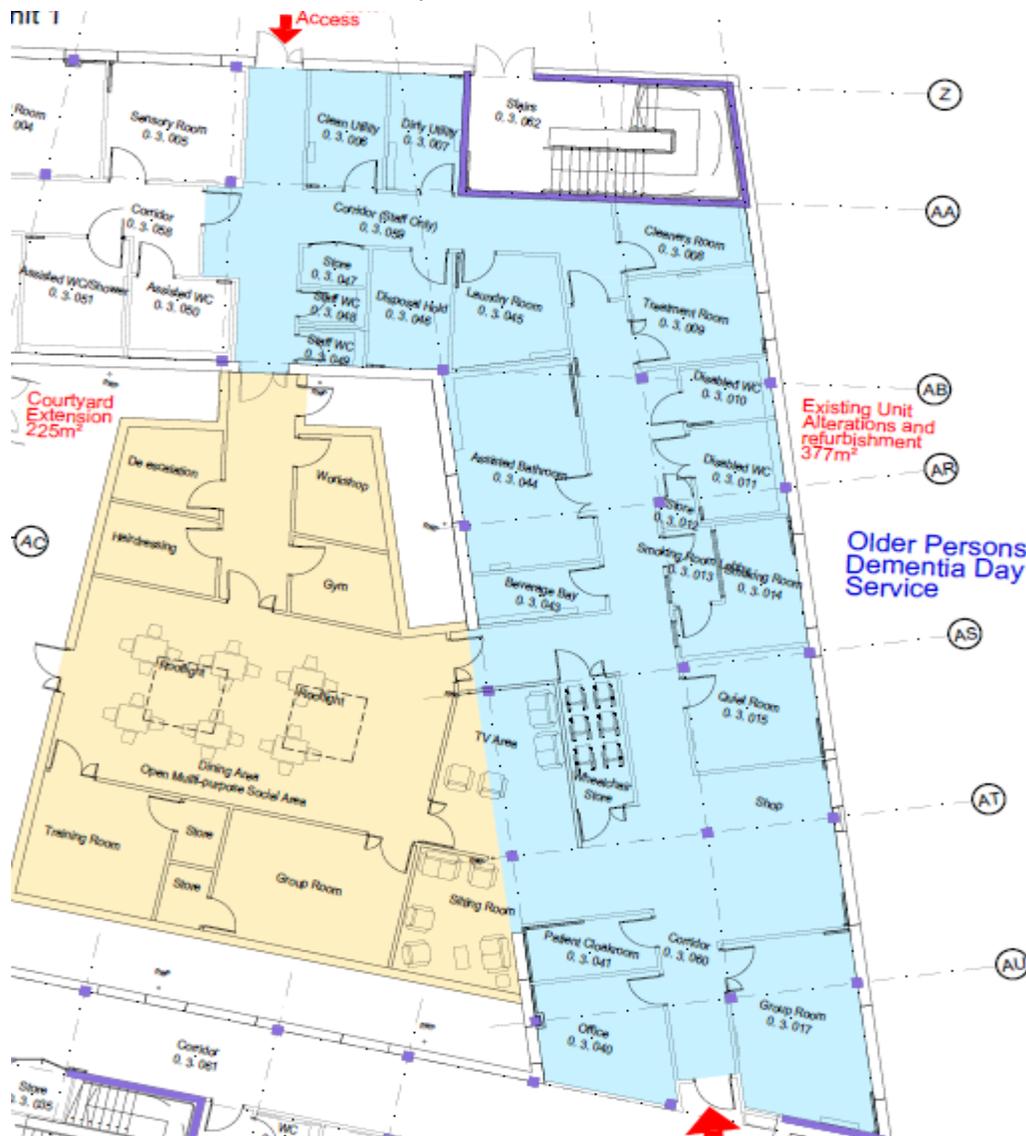
## 1. SITUATION/BACKGROUND

- 1.1 The purpose of this report is to introduce the final stage form for the development of a Dementia Care Hub at Kier Hardie Health Park for approval for onward submission to Welsh Government to secure ICF capital funding in 2020/21. The form requests funding of £1.4M to complete the scheme which has been developed in partnership with Merthyr Tydfil CBC. The change in the Scheme of Delegation post the cessation of the Capital Programme Board requires all business cases in excess of £1M to be approved by the Health Board.
- 1.2 In August 2019 the Executive Board for CTMUHB was presented with a paper giving an overview to the project. The paper presented the history on the scheme which explained that the original plans for the project had been to create a Dementia village on land owned by the Council on land adjacent to the KHHP. The project had been led by MTCBC.
- 1.3 ICF funding provided initial fees funding to the Council to investigate this option and it became clear that site topography could not support such a development. This led to the review of the plans and a decision to develop a Health and Wellbeing Centre adjacent to KHHP. However on scoping it became clear that a separate centre would overlap with the current provision in KHHP and that there could be a more effective way to provide the service within KHHP.
- 1.4 There is an existing older person's mental health day unit in KHHP and further studies concludes that if this area was extended and modernised it would create a more dementia friendly space that is larger, encourages safe movement and more space for therapeutic and social activities. The space currently only has one large activity room, one lounge and one dining room. See figure 1 below. The existing older person's day unit is day unit 2. Day unit 1 is for people with profound and multiple learning disabilities. Both are on the ground floor with easy access for ambulances as many people have none or limited mobility.

Figure 1. A ground level view of the west wing of KHHP showing existing day services



- 1.5 It was identified that there was space within the large rarely used courtyard in the middle of both of the day units both of which are jointly managed by health and MTCBC. Day Unit 1 supports adults with a Learning Disability and is managed by MTCBC. The options were further developed with the support of an architect appointed by Merthyr Tydfil CBC with support from ICF funding.
- 1.6 A preferred option was identified and presented to the May Executive Board. This option extends the current day unit into the courtyard to increase its capacity; (See Figure 2 below). It will increase places from 13 to 25 clients per day. The extra therapeutic spaces and refurbishment will bring the Day Unit up to standard and provide an opportunity to host the third sector in supporting clients in a non-clinical environment. The new centre will also act as an outreach hub to support clients and carers at home and support the current improvements in respite services.



- 1.7 The August Executive Board Briefing confirmed that the only revenue impact would be related workforce costs which already had a source of funding identified to cover this cost.
- 1.8 By the time of the August Executive Board Briefing, the Council had already made a first stage application for ICF funding and the project had full support from the Regional Partnership Board. The original application made by the Council is attached as Attachment 1 to this paper. A sum of £1.685M had been applied for with £0.6M awarded in 2019/2020 and the balance of funding in 2020/2021.



1.9 At this point it was agreed that as the proposed development would take place in a Health Board owned property that CTMUHB would lead on the project. At this stage although there had been high level designs created these had not been fully tendered and therefore all costs remained estimated.

## **2. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT) – Progress Since the Executive Board Briefing**

2.1 Since the last briefing there has been considerable progress made. The project was handed over to the Health Board. However due to contractual issues, the design team had to be tendered and re-appointed and final tender drawings developed. This took place over the Autumn and Winter period and led to the tenders being sent out in February 2020.

2.2 The funding was re-profiled and reduced to £58K in 2019/20 to cover the fees incurred. The Covid 19 pandemic led to a need to extend the tender submission period. Therefore final costs were not received until May. These costs have been analysed and a preferred contractor identified.

2.3 ICF funding applications are slightly different to the usual processes around Health Board capital applications. There is no need for a Business Justification Case or series of three business cases. Instead an initial application is made through to the Regional Partnership Board for support and approval of an indicative sum. This stage was carried out by MTCBC and requested an estimated sum of £1.685M. Once this phase is approved the project carries out procurement and contracting processes to secure a definite cost and programme which is then submitted to the Regional Partnership Board for endorsement prior to onward submission to the Welsh Government (WG) ICF Team.

2.4 This scheme is now at this stage. With cost certainty this second stage application form has been completed and is attached to this paper (Attachment 2). It can be seen that the form requests a further £1.383M in addition to the £0.06M spent in 2019/20 bringing the project comfortably within the previous £1.685M cost estimate. If ICF approval is given by return it is likely that the project could commence on site in late July and complete by January/February 2021 within the financial year.



### 3. KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 All the current cost and programme estimates do not include additional costs for the impact of COVID 19 (a contingency has been included in case of increased costs to meet social distancing requirements and in case of disruption in the supply chain).
- 3.2 If the Board approves onward submission then it is likely that this scheme could deliver full expenditure in 2020/21 however delays in the approval process may mean that the scheme will not complete until 2021/22.
- 3.3 Finally it has not been confirmed whether the recent Covid related funding issues in WG will have an impact on ICF funding. Currently it is assumed that this is not the case and that these cases should progress as planned. However there is a risk over whether this capital funding will still be available in 2020/21. If there is a delay it is likely that the contractor will be entitled to apply a cost uplift to the project.

### 4. IMPACT ASSESSMENT

<b>Quality/Safety/Patient Experience implications</b>	There are no specific quality and safety implications related to the activity outlined in this report.
<b>Related Health and Care standard(s)</b>	Governance, Leadership and Accountability Implementation of the Capital Programme links to a range of Standards for Health and Care Services.
<b>Equality impact assessment completed</b>	Not required
<b>Legal implications / impact</b>	There are no specific legal implications related to the activity outlined in this report.
<b>Resource (Capital/Revenue £/Workforce) implications /</b>	Yes (Include further detail below)



<b>Impact</b>	The paper discusses the use of capital resources to support the organisation's objectives.
<b>Link to Main Strategic Objective</b>	To Improve Quality, Safety & Patient Experience
<b>Link to Main WCFG Act Objective</b>	Service delivery will be innovative, reflect the principles of prudent health care and promote better value for users

## 5. RECOMMENDATION

5.1 The Health Board is asked to:

- **APPROVE** the proposal for onward submission to the Regional Partnership Board and onto Welsh Government for ICF funding.