

<b>Meeting:</b>	<b>NHS Grampian Board Meeting</b>
<b>Meeting date:</b>	<b>3 August 2023</b>
<b>Item Number:</b>	<b>9</b>
<b>Title:</b>	<b>Baird Family Hospital and ANCHOR Centre Project Update</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Dr June Brown – Executive Nurse Director and Interim Senior Responsible Officer (SRO)</b>
<b>Report Author:</b>	<b>Garry Kidd - Project Director</b>

## 1 Purpose

### **This is presented to the Board:**

To note progress with The Baird Family Hospital and ANCHOR Centre project including:

- Actions to close out the ANCHOR Construction Key Stage Assurance Review (KSAR) action plan,
- Actions to progress agreement on key Healthcare Associated Infection (HAI) related matters, and
- The update on cost and programme.

### **This aligns to the following NHS Scotland quality ambitions:**

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

The Board received a comprehensive update on progress at the meeting on 6th April 2023. This included the following:

- Confirmation from the Scottish Government that no project is now allowed to proceed to 'bring into service' without a 'supported' Key Stage Assurance

Review (KSAR) status or completed action plan to achieve 'supported' status, as confirmed in DL (2023) 03.

- Enhancements to the project resources agreed by the Project Board to support the KSAR process, including dedicated Infection Prevention and Control Team (IPCT) resource.
- Progress with the key actions necessary to close out the key findings and recommendations from the ANCHOR Construction KSAR and to address the key Healthcare Acquired Infection (HAI) issues affecting the project.
- Confirmation from the Scottish Government of additional funding to cover the increase in project budget to **£261.1m** in order to cover the projected increase in cost due to the mainly market forces and programming issues affecting the project.
- Potential impact on programme and cost arising from the requirement to revisit elements of the design for both buildings to ensure that up to date learning on HAI is incorporated and that both buildings will be operated to the highest standards of quality and safety. Key areas of focus include the design of water systems and ventilation.

## 2.2 Background

### 2.2.1 Engagement with NHSS Assure including KSAR

We continue to work closely with NHS Scotland (NHSS) Assure who are supporting us as we close out the issues highlighted in the recent ANCHOR Construction KSAR Report. They are also helping us with advice and guidance as we review elements of the design for both buildings to ensure that up to date learning on healthcare Acquired Infection (HAI) is incorporated and that both buildings will be operated to the highest standards of quality and safety. Key areas of focus including the design of water systems and ventilation are covered in more detail in section 2.2.2 below.

We have now submitted most of the outstanding pieces of information, required in support of the ANCHOR Construction KSAR, for review by the NHSS Assure team who will shortly confirm a timescale for their response and feedback. The aim remains to reach a position whereby the NHSS Assure team can consider moving to a supported status for The ANCHOR Centre.

Progress against each of the key findings and recommendations is summarised in Table 1 below.

Fortnightly "principals" discussions involving the NHSS Assure team and Senior members of the project team are now in place to ensure ongoing engagement and dialogue regarding planning for the next KSAR reviews (the ANCHOR Commissioning KSAR, the ANCHOR Handover KSAR and the Baird Construction KSAR) although we are unable to finalise dates due to the uncertainty over programme.

**Table 1 – ANCHOR Construction KSAR - Key Actions**

<b>KSAR Action</b>	<b>Progress Update</b>
<p><b>Review the mechanical, electrical and plumbing strategies</b> with the Infection Prevention Control Team, including ventilation strategies and have documented approvals in place from all stakeholders</p>	<p>Regular weekly meetings involving key IPC and Maintenance experts continue to address outstanding issues with specific work streams in place targeting the most significant areas. Risk assessment workshops are planned during July and early August to progress agreement on key outstanding design matters including the recirculating water system in both buildings, ventilation in The ANCHOR Centre Open Plan Treatment area and ventilation in the Baird Neo Natal Unit. Required changes to the number of thermostatic mixing valves and sensor taps in The ANCHOR Centre are now finalised and the work instructed. All meetings and workshops continue to have formal notes of meetings produced and actions allocated with key dates for resolution.</p>
<p><b>Review the status of electrical schedules</b> noted as preliminary to ensure they have been approved for use in the construction stage</p>	<p>The review of electrical schedules is ongoing and when finalised by the contractor in line with the construction programme, the Board’s technical team ensure information previously identified as preliminary can be moved to construction status and utilised on site by the relevant installation engineers.</p>
<p><b>Ensure the derogation schedule is fully updated with appropriate stakeholder review and approval</b> and that technical and stakeholder review of derogations is documented, with accepted derogations providing an equivalent (or better) level of safety/performance to that specified in the guidance</p>	<p>The agreed process, to be applied retrospectively for all outstanding derogations, involves a pro-forma approach, which sets out the process for review and sign off of each derogation and identifies all stakeholders who take part in the review and approval process. Meetings are being scheduled with key stakeholders to review and agree all outstanding mechanical, electrical, plumbing and building fabric derogations.</p>

<p><b>Ensure testing and commissioning programmes are reviewed</b> by the PSCP and their subcontractors</p>	<p>Fortnightly formal meetings for review of testing and commissioning information involving technical project team, Maintenance and IPC experts in order to ensure commissioning is in line with recommended industry standards. Commissioning of key systems is overseen by NHSG technical managers with fully documented evidence provided of test results.</p>
<p><b>Ensure access and maintenance strategies have been developed</b> for the contractor design elements and that they are reviewed by NHS Grampian stakeholders</p>	<p>Access and Maintenance information for The ANCHOR Centre is still under review by the project technical experts and the maintenance team, with further information having been requested from the contractor. The full set of information has yet to be produced for The Baird Family Hospital. Work to develop the contents of the Health &amp; Safety File, Operation and Maintenance manuals and a Building User Guide for the project is ongoing with regular exchange of information for review and comment.</p>
<p><b>Review the impact on the wider Foresterhill site to facilitate the connection from the existing electrical infrastructure</b> to the ANCHOR facility, including determining if there will be any break in supply affecting other areas of the site, and ensure that there is recorded evidence of the infrastructure connection action plan, which will be signed off by NHS Grampian prior to any works commencing</p>	<p>The ANCHOR Centre Ring Main Unit is enlivened and the lighting and power distribution boards within ANCHOR all have live connections available for use. Work involved close liaison between NHS Grampian Authorised and Competent Persons from the project and Maintenance teams and also the contractor and their electrical sub-contractor. All work was carried out in compliance with the relevant guidance with fully documented switching plans, demarcation lines and allocated responsibilities for individual elements of work, signed off by relevant parties with critical roles under a permit to work arrangement all in compliance with SHTM and Regulatory requirements. The same processes will be applied to remaining connections for The Baird Family Hospital and it remains the intention to make the connection to the existing high voltage network in September 2023.</p>
<p><b>Ensure the recommendations of the Full Business Case Independent Review Service (IRS) independent design assurance review report have been reviewed and addressed</b> with supporting evidence recorded</p>	<p>There are a series of regular meetings involving the project technical experts, the contractor and the appointed project managers Currie &amp; Brown to review progress against the Action Plan items. Currently 85% of the items have been responded to. The remaining items relate to staged building warrant approvals and Contractor Design Portion (CDP) elements of work, which will be closed out as the CDP information is presented to, and approved by the project technical team. An update on progress in closing out the identified issues arising from the IRS report has been provided to NHSS Assure and a response is awaited. The Action Tracker continues to be reviewed to maintain progress towards closing out all items.</p>

<p>Develop and <b>implement a consolidated action plan</b>, including residual items from the IRS report and the ANCHOR Construction KSAR</p>	<p>The IRS report items are referenced above. Between May and June 2023 NHSG submitted evidence from the contractor and the project team against the majority of the items from the previously created Action Plan raised as part of the Construction Stage KSAR for The ANCHOR Centre. There remains a balance of items regarding elements of project governance and infection prevention and control information, which is being worked on presently. There has been no feedback as yet from the NHSS Assure team on the information provided. The aim remains to reach a position whereby the NHSS Assure team can consider moving to a supported status for The ANCHOR Centre.</p>
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## 2.2.2 Healthcare Acquired Infection (HAI) Matters

The project is now benefitting from additional dedicated Infection Prevention and Control (IPC) Doctor and Nursing time. Elements of the design for both buildings are currently being reviewed to provide assurance that up to date learning on HAI is incorporated and that both buildings will be operated to the highest standards of quality and safety.

Recent emphasis on HAI risks has highlighted that technical guidance supporting the design in particular areas is sometimes not specific enough for the circumstances and can often lag behind current thinking with regard to HAI, informed by the results of recent investigations and research. Accordingly, the project team including IPC, technical experts and relevant clinicians responsible for the affected services jointly work through each of the issues to confirm the existing design or where appropriate consider a change to the design.

Where the potential re-engineering of an established design is required, a collaborative escalation process is in place to ensure effective change control:

Level 1 - Joint workshops are held to discuss each issue, progress a risk assessment and to reach a mutual understanding of the issue, review guidance and reach an agreement regarding any change required.

Level 2 - Where the issues are complex, and agreement on any action cannot be reached, key stakeholders are asked to share their perspectives in writing. These documents are then circulated to the other stakeholders alongside the available risk assessment and a joint meeting, with advisory input from NHSS Assure is convened to consider the position and reach a consensus view on the best way forward.

Level 3 - If consensus cannot be reached at these joint meetings, and the issue is a localised departmental matter with no wider implications, this will be escalated in the first instance to the relevant service Senior Management Team (SMT). Where the matter is of wider significance or the local SMT cannot reach a decision, then the matter will be referred to an Executive Review panel, comprising the Director of Infrastructure & Sustainability, the Medical Director, the Executive Nurse Director, the Director of Finance and the relevant Portfolio Executive Lead for the facility where the issue is located. This Panel will hear presentations from key stakeholders, consider the paperwork provided from the previous stage including available risk assessment information, seek clarification and or additional information and will make a risk-based recommendation on how to proceed to the Chief Executive Team, who will make the final decision.

The post project evaluation process will consider the effectiveness of this process and the outcome will be shared with the Audit & Risk Committee.

Progress against each of the key HAI related areas of concern is summarised in Table 2 below.

**Table 2 – Main HAI Issues**

Main Issues Raised	Progress Update
Ventilation – ANCHOR Treatment area and Baird Neonatal Unit	<p>A meeting supported by NHSS Assure and involving all stakeholders was held on 22<sup>nd</sup> June 2023 to consider The ANCHOR Centre Open Plan Treatment Chair space. It was agreed that a ventilation standard of 10 air changes per hour would be appropriate for the open plan space and that further work should be progressed to finalise a risk assessment, including clinical, maintenance, HAI and patient centred considerations. The risk assessment will inform further dialogue with all stakeholders to ensure that all issues affecting the open plan area are built in to an agreed scope of works. A similar approach, supported by advice from NHSS Assure and using a standardised form of risk assessment to inform the need for change, and if required development of a scope of works, will be used to finalise the requirements for ventilation in the Special Care Baby Unit and the Intensive Care Unit in The Baird Family Hospital Neo Natal Unit.</p> <p>The target is to have an agreed risk assessment and associated scope of works agreed for the ANCHOR Centre open plan treatment area by the end of July. This will then be shared with the contractor to determine design feasibility.</p>
Water systems – both ANCHOR and Baird, domestic water systems incl: sinks and taps etc.	<p>NHSS Assure have agreed to support the Board through a process of focused risk assessment of the recirculating water system design with an emphasis on HAI related risks and how they may be mitigated. A risk workshop is scheduled for 8<sup>th</sup> August involving the Board’s technical, maintenance and IPC experts and also involving engineering and IPC, including microbiological, support from NHSS Assure. This risk assessment will inform the need for change, and if required development of a scope of works. The target is to have an agreed risk assessment and associated scope of works agreed by the end of August. This will then be shared with the contractor to determine design feasibility.</p>
Access for maintenance and cleaning, particularly at height	Refer to update in Table 1
Derogation sign off by stakeholders	Refer to update in Table 1

### **2.2.3 Project Cost**

The capital investment requirement for the Baird and ANCHOR project is funded by an additional capital allocation agreed by the Scottish Government. The most recent budget forecast of **£261.1m** remains consistent with that previously agreed by the Board and includes a risk provision of £20.7m as an assessment of challenges in relation to market forces i.e. material shortages, price increases and labour shortages as well as anticipated costs associated with known design changes such as the environmental matrix.

So far, the cost of instructed changes to the contract in order to meet such pressures have been contained within this risk contingency.

Contract payments to the contractor (Principal Supply Chain Partner or PSCP) are based on actual costs incurred, the contract includes a clause which incentivises (gain share) for delivery below the contract value.

As explained in sections 2.2 and 2.3 above, elements of the designs for both buildings are currently being revisited to ensure that up to date learning on HAI is incorporated and the findings of the ANCHOR Construction KSAR report. This process may require further significant investment should change be required, for example in ventilation and water systems. In addition, a number of areas of cost pressure remain under negotiation with the contractor.

The estimated recurring revenue costs in the first full year of operation (£9.7million) were approved in the Full Business Case and are provided for in the Board's financial plans from 2024/25. These costs remain under review in light of programme elongation and inflationary pressures.

### **2.2.4 Programme**

Pending agreement on any further changes that may be identified from the design review mentioned above, and which we hope will conclude in the near future, we are not yet in a position to give firm opening dates. The project team are committed to ensuring that the design review process concludes as soon as possible, future proofing both buildings to ensure they are fit of purpose at point of opening and providing contemporary healthcare services for many years to come.

## **2.3 Assessment**

Work to progress the actions outlined in the recent ANCHOR Construction KSAR Report are well progressed and a progress update is included in this report. A detailed information package has been sent to NHSS Assure and feedback from NHSS Assure is awaited. The aim is to demonstrate to the NHSS Assure team, through production of further supporting information, that items raised in the Construction Stage KSAR report have been suitably dealt with to allow the unsupported status to be revisited.

In relation to the review of design to provide assurance on HAI, work to confirm whether change is required is ongoing. We hope to be in a position to confirm any changes required, for ANCHOR in the first instance, over the next 1 – 2 months. Work to undertake a similar exercise for Baird is also underway, but at an earlier stage.

## **4.0 Risk Assessment and management**

Risk management procedures are an integral feature of the project with a comprehensive risk register maintained monthly by all parties, weekly risk reduction meetings and regular reporting of key risks to the Project Board.

Key high risks include:

- Mechanical Electrical and Plumbing (MEP) design co-ordination – regular minuted workshops, final MEP review and sign off.
- Changes as a result of IPC review/KSAR – schedule of HAI focused workshops and development of an agreed action plan underway.
- Finalisation of the water management plan – with maintenance team for final review.
- Agreement on a solution for Liquid Nitrogen provision – technical team reviewing available options with end users and suppliers.
- The ANCHOR Centre Aseptic Air Handling Unit condition – replacement underway.
- Environmental matrix – design complete and commercial discussions with PSCP ongoing.
- Impact of market forces and inflation – regular commercial meetings with PSCP.
- Project team resources – additional IPCT and project support resource agreed. Replacement for Project Director in post.

## **5.0 Equality and Diversity, including health inequalities**

The project undertook a Health Inequalities Impact Checklist in February 2018 as part of the Outline Business Case. This piece of work was commended by the Public Health Team.

This work demonstrated that these new facilities will provide opportunities to engage more with vulnerable or disadvantaged groups than is the case in existing facilities e.g. single room accommodation; increased space for families to be together; Transitional Care in the Baird which will help support vulnerable families, teenager and young adult provision in The ANCHOR Centre etc.

## **6.0 Other impacts**

No other relevant impacts to note at this stage

## **7.0 Communication, involvement, engagement and consultation**

The project has a very active communication work stream, which has been in place since 2015 when engagement with patients and staff commenced. The project team has a dedicated resource from the public engagement team. This is in addition to communication being a significant feature in the work undertaken by senior project team personnel.

The project team continues to communicate actively with stakeholders. Some of the learning during the Covid period has resulted in a mixed model of face to face, written and visual engagement. Face to face engagement and time spent in clinical departments updating colleagues, patients and visitors and engaging them in the preparation for functional commissioning and bring into operation continues to be a key feature of engagement.

Continued communication with and participation from charity and third sector partners continues to be an important focus for the team. Patient input from the start of the project has influenced and strengthened the design of the facilities; more detailed work is progressing to engage with patients and service users about features such as art, interior design, furniture selection etc.

Keeping our North of Scotland regional partners updated is also important with visits held during 2022 to both Orkney and Shetland and more being planned for during 2023 and 2024.

## **8.0 Route to the Meeting**

Project performance is reported regularly at the monthly Project Board and Asset Management Group meetings. A report from the Project Director and Senior Responsible Officer is provided at each meeting of the Performance Assurance, Finance and Infrastructure Committee (PAFIC).

## **9.0 Recommendation**

The Board is asked to:

Note progress with The Baird Family Hospital and ANCHOR Centre project including:

- Actions to close out the ANCHOR Construction Key Stage Assurance Review (KSAR) action plan,
- Actions to progress agreement on key HAI related matters, and
- The update on cost and programme.