Midlothian Integration Joint Board

Thursday 3 May 2018 at 2.00pm

Royal Edinburgh Hospital Campus Redevelopment (Phase 2) Mental Health, Learning Disability And Substance Misuse Services Confirmation of Bed Modelling, Community Investment And Revenue Affordability

Item number:	**5.1**

Executive summary

The purpose of this report is to seek the support of Midlothian Integration Joint Board (IJB) for the bed numbers and financial assumptions for Phase 2 of the Royal Edinburgh Hospital (REH) reprovision thereby allowing the Outline Business Case (OBC) to progress.

Board members are asked to:

- *Agree to the proposed Midlothian bed numbers in Phase 2.*
- *Agree in principle to a bed risk share model with other IJBs in order to progress the business case and ensure Midlothian patients have continued access to specialist services.*
- *Agree that the financial model will be revisited as part of the work towards the new IJB NRAC financial allocation model and that the final financial model for the OBC should be presented to the IJB.*

Report

Royal Edinburgh Hospital Campus Redevelopment (Phase 2)
Mental Health, Learning Disability and Substance Misuse Services
Confirmation of Bed Modelling, Community Investment and Revenue Affordability

1 Purpose

1.1 The purpose of this report is to seek the support of Midlothian Integration Joint Board (IJB) for the bed numbers and financial assumptions for Phase 2 of the Royal Edinburgh Hospital (REH) reprovision thereby allowing the Outline Business Case (OBC) to progress.

2 Recommendations

2.1 The Midlothian Integration Joint Board is invited to:

a. Agree to the proposed Midlothian bed numbers in Phase 2.

b. Agree in principle to a bed risk share model with other IJBs in order to progress the business case and ensure Midlothian patients have continued access to specialist services.

c. Agree that the financial model will be revisited as part of the work towards the new IJB NRAC financial allocation model and that the final financial model for the OBC should be presented to the IJB.

3 Background and main report

3.1 Phase 1 of the REH reprovision was completed and occupied in mid 2017. It included the provision of 165 single en suite bedrooms in 11 wards for all acute admissions for adult and older people's mental health services and an intensive rehabilitation ward. This phase also included 20 beds in the Robert Fergusson Unit providing rehabilitation for patients with acquired brain injury. Midlothian patients have access to the adult mental health services and brain injury services.

3.2 Phase 2 of the REH reprovision programme is to provide facilities for patients with Learning Disabilities and who require low secure mental health care and complex longer term psychiatric rehabilitation. At present many of these patients receive care in specialist hospitals in other parts of Scotland and the UK. Some of this is provided by the private sector. The out of area provision is funded from an unplanned activity budget termed UNPACS.

3.3 The annual costs of providing out of area care range from £180k to £380k per patient with the majority of patients staying for several years, some with no plans for discharge or to return to Lothian.

3.4 Phase 2 is also to include the reprovision of the Ritson Clinic which provides inpatient detoxification for patients with substance misuse and the new Facilities Management building for the REH campus.

3.5 Phase 3 is planned to include the reprovision of the integrated rehabilitation services in fit for purpose accommodation. These are currently provided at the Astley Ainslie Hospital and work is underway with the IJBs and HSCPs to review the pathways and models of care for the services involved. A proposal for Phase 3 is expected in November 2018.

Learning Disability Services

3.6 The Learning Disabilities (LD) Collaborative has developed a comprehensive programme of redesign of which the Phase 2 LD beds are a part. This included the closure programme of healthcare houses which is now underway and the transfer of resources for Health and Social Care Partnerships (HSCPs) to provide community alternatives to inpatient care. The programme also includes the consolidation of assessment and treatment inpatient beds on the REH site. The overall bed reduction if agreed and when complete will be from 75 to 29 (including NHS Borders) but also significantly includes the reprovision of inpatient services previously provided out of area largely by an NHS Trust in Northumbria funded from the unplanned activity (UNPACS) budget.

3.7 The redesign and refurbishment of the Islay Centre (the LD inpatient unit at the REH providing the new model of care) completed in 2017 has seen an improvement in both safety for staff and outcomes for patients and confirmation that NHS Lothian has the capability and capacity to provide services locally. It has also informed HSCPs and NHSL of the physical design of accommodation that can be commissioned in the community and in any future reprovision.

3.8 The LD programme includes investment in community accommodation and community services in each HSCP with actions aligned to individual patients who will be discharged as part of the programme.

3.9 The Royal Edinburgh Campus (REC) Working Group, a sub group of the REC Programme Board with membership from IJB planning and finance officers has confirmed the bed numbers and overall programme.

3.10 The bed numbers are at Table 1 and include 2 beds for NHS Borders and 1 for NHS Lothian's CAMHS LD.

Place Type	Edinburgh	East Lothian	Midlothian	West Lothian	NHS Borders/CAMHS	Total
Inpatient Places	15	3	2	6	3	29

Table 1 – LD Inpatient and Community Place Numbers

3.11 In summary, the LD proposal is that all patients who can appropriately be supported in a community setting will be and any patient who requires assessment and treatment within a hospital will receive this at the REH rather than in the north of England. The exceptions to this will be the very small number of patients who require low or medium secure facilities provided by NHS Fife and NHS Greater Glasgow and Clyde respectively and funded separately on a regional and national risk sharing basis, again respectively.

Mental Health (MH) Services

3.12 The MH part of Phase 2 comprises the facilities for patients who require low secure settings (forensic and non forensic), and those who require longer term complex rehabilitation together with alternatives for women with multiple and complex needs who presently require inpatient stays out of area.

Low Secure

3.13 Male and female patients who require low secure facilities include those forensic mental health patients who no longer require medium security and mental health patients who require a higher level of security than can be safely provided in acute MH ward, an IPCU or a rehabilitation ward. The UNPACS budget has been used to fund around 20 low secure places for Lothian patients in recent years. These have been mainly at private facilities in Ayr and Glasgow however several patients who have specialist needs due to brain injury or sensory impairment have been placed in private and NHS facilities in England.

3.14 The requirement for low secure provision has been agreed by the partners as 23. Table 2 shows the breakdown.

Patient Group	Total	Edinburgh	East Lothian	Midlothian	West Lothian
Low Secure	23	15	2	1	5

Table 2 – Low Secure Inpatient Places

Women with Complex and Multiple Needs

3.15 The UNPACS budget has been used to help support 12 – 24 month placements in a therapeutic community in York for women who often have experienced trauma and have significant self harming behaviour for which detention within an acute hospital environment is unhelpful and often reinforces and exacerbates risky behaviour rather than reducing and containing it. The annual cost of such placements is £220k

3.16 It has been agreed by the partners that with access to either low secure or longer term complex rehabilitation beds if required as part of this reprovision, a very specialist intensive community service for women will prevent the need for out of area hospital admissions in the future.

3.17 It is therefore proposed to utilise the current UNPACS budget to begin to develop such a specialist service in order to prevent future out of area placements so no women with such needs require repatriation by the time of the completion of Phase 2.

3.18 The cost of this initial development are included in the draft financial model at Table 4 below.

Longer Term Complex Rehabilitation

3.19 The number and configuration of MH rehabilitation (rehab) beds across Lothian has been subject to many programmes since the 1990's which saw institutions like Craighouse Hospital close and over 110 patients transfer to community settings provided by third sector partners in Edinburgh. In Midlothian and East Lothian, Park and Cameron Cottages were developed to assist the complete

closure of rehab beds and in West Lothian; Pentland Court was established on the St John's site as an inpatient rehab facility. Ward closures at the REH saw more rehab beds close in 2012 and most recently the opening of Phase 1 at the Royal Edinburgh Building saw the creation of the Braids intensive rehab ward by reducing 15 acute admission beds for this purpose.

3.20 The work of the REC Working Group has identified which partners use which beds and where further work is required. Table 3 also identifies the requirements of each HSCP based on historic use of the rehab beds at the REH.

Patient Group	Total	Edinburgh	East Lothian	Midlothian	West Lothian
Long Stay Complex Rehabilitation	20	18	0	2	0

Table 3 – Longer Term Complex Rehabilitation Inpatient Places

West Lothian HSCP have agreed to review their model of care and consider how the Pentland Court resource might be used differently and East Lothian and Midlothian HSCPs wish to review their models together initially considering resources such as Park and Cameron Cottages. Edinburgh HSCP are the main users of the current 45 rehab beds at the REH and in order to reduce their requirement to 18, investment in 16 Grade 4 and Grade 5 facilities in the community is required.

3.21 There is no upper age limit on the MH or LD services to be provided in Phase 2.

Substance Misuse Services: The Ritson Clinic

3.22 The 3 Lothian ADPs and the Lothian Substance Misuse Collaborative have agreed that the requirement for inpatient substance misuse detoxification should continue as part of the options available for alcohol and drug users who wish to safely reduce their substance use, often in preparation for access to the abstinence programme (LEAP). The facility is required to be provided on a hospital site for clinical reasons with risks associated with withdrawal and medication. The Ritson Clinic has recently reduced from 12 to 8 inpatient beds with 2 day beds (for Edinburgh ADP) as part of these agreements and following reviews of available funding.

3.23 The Ritson clinic is located on the first floor of the Andrew Duncan Clinic which will be demolished after Phase 2 is completed. It is both possible and affordable to include the Ritson Clinic in the footprint of the Phase 2 MH and LD building and in doing so will solve an outstanding strategic issue. The costs are revenue neutral.

Proportionality of Bed Numbers

3.24 It is clear that proposed bed numbers do not match the current financial distribution formula between IJBs (Edinburgh 57%, West Lothian 21%, East Lothian 12%, Midlothian 10%). There are a number of reasons for this including levels of service that each HSCP has in its area that provide similar functions and historical levels of implementation of care in the community. For this reason it is important that as the OBC progresses and as the allocation formula for hosted services is reviewed in 2018/19, that each IJB approves the final model in the OBC

Clinical Brief and Design

3.25 Following the agreement of the above recommendations by each IJB and NHSL F&R Committee, the programme of clinical brief and design will conclude during the summer allowing the OBC to be finalised. Visits have taken place and will continue to take place to providers across the UK who have similar facilities to incorporate good practice and ideas and take on board lessons learned.

3.26 As above, where opportunity permits, services will be provided locally and patients repatriated or prevented from having to go out of area and community resources will be utilised as they become available so the programme is not awaiting new buildings to create improvement. Staff will be recruited to provide such services locally and develop skills that will enhance delivery of the new unit.

Facilities Management Building and Infrastructure Improvements

3.27 The FM building will provide a logistics hub for the site encompassing stores, facilities and catering. The new facility will align with the NHS Lothian catering policy providing meals across the campus. The positioning of the building on the edge of the site will play a significant part in the health and safety management of the campus by providing separation of heavy goods movements away from patient areas.

Summary of Benefits

3.28 Provision of services locally without the need for patients, relatives or staff to travel to other parts of the UK for many years.

3.29 Provision of inpatient services that are fit for purpose in modern facilities in Morningside, a community with many assets.

3.30 An expansion of provision in the community.

3.31 Significantly better use of available resources.

3.32 Provision of facilities management and infrastructure improvements that both futures proof the site for utilities and enable Phase 3 to proceed without disruption to clinical services.

4 Policy Implications

4.1 The REH development supports the overall policy drive of Integration Authorities to shift the balance of care from institutional settings to community settings. There has already been good progress made in Midlothian and this work builds on these developments to support people closer to home.

5 Equalities Implications

5.1 The new facilities will reduce inequalities through more local provision and provision of greater gender specific services

6 Resource Implications

6.1 The estimated capital construction cost of the redevelopment is £35m excluding VAT. In light of the constrained national capital position, the Scottish Government have agreed to a revenue funded 'Design, Build, Finance, Maintain (DBFM)' contract through Hub. The costs for the estimated Annual Service Payment have been included in the current financial model, offset by a reduction in direct NHS Lothian property costs, and will be confirmed through the Hub design process. All other delegated service costs remain unaffected by the change in funding model.

6.1 The estimated annual running costs are £24m for these future service configurations with funding available of £24.3m, this includes the £6m UNPACS budgets. Table 4 below highlights overall the finance model for this development is revenue affordable. There will be ongoing review of this in line with the progression of the business case.

Overall Mental Health & Learning Disabilities ***Draft model as at April 2018***			
			Total £k
Learning Disabilities			
	Estimated Costs	Total Inpatient Costs	7,655
		Total Community & Specialist Teams Costs	5,416
		Total Community Places	4,230
		Total Annual Revenue Costs	**17,301**
	Estimated Funding	Total LD Service Budgets	12,657
		Edinburgh Partnership Funding	585
		Depreciation, Facilities Budgets & Borders income	995
		Total Available Funding	**14,237**
		Funding Benefit / (Gap)	**-3,064**
Mental Health			
	Estimated Costs	Total Inpatient Costs	5,299
		Total Supplies Costs	1,402
		Total Annual Revenue Costs	**6,701**
	Estimated Funding	Depreciation	344
		Total Rehab Service Budget Release	3,454
		Facilities Budgets	185
		Total Available Funding	**3,983**
		Funding Benefit / (Gap)	**-2,718**
OVERALL	**Estimated Costs**	Total Annual Revenue Costs	24,002
	Estimated Funding	Total Available Funding	18,220
		UNPACs Release	6,162
		Funding Benefit / (Gap)	**380**

Table 4 – Finance Summary

6.3 The costs have been calculated based on a bottom up approach following discussion with clinical colleagues and will continue to be refined as the further certainty around the design of the building and the clinical models of care.

6.4 We will also continue to move toward the arrangement of operational risk share and the new IJB NRAC allocation methodology being developed.

7 Risk

7.1 If the proposals are not agreed or delayed, patients continue to be cared for out of area and further referrals are made making repatriation more difficult and extended.

7.2 If the proposals are not agreed the costs of delivery are increased due to inflation.

7.3 If the assumptions are incorrect they may impact on the affordability of the revenue case. This is being tested with each inpatient service and each IJB prior to the OBC being submitted. The OBC will only progress if revenue affordability is confirmed.

7.4 This will be reviewed subject to agreement of the proposals by IJBs and NHSL.

8 Involving people

8.1 The redesign programmes for MH and LD have been inclusive.

9 Background Papers

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