

Estates Strategy- Update

Trust Board Meeting	Item: 8.3
26 th November 2014	Enclosure: I
Purpose of the Report: To set out the refreshed estate strategy covering 2013-2018 for approval	
For: Information <input checked="" type="checkbox"/> Assurance <input type="checkbox"/> Discussion and input <input type="checkbox"/> Decision/approval <input type="checkbox"/>	
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Risk Implications – Link to Assurance Framework or Corporate Risk Register:	Corporate Risk Register risks: T_EST002, T_EST004, T_EST005
Link to Relevant Corporate Objective:	To address quality of care issues associated with the environment through implementation of year one of the Trust Estates Strategy
Document Previously Considered By:	Executive Management Team
Recommendation & Action required by the Trust Board :	
<p>The Trust Board are asked to note the progress made to deliver the Estates Strategy, particularly the following:</p> <ol style="list-style-type: none"> 1. That funding remains to be identified for certain schemes 2. That the outline programme has been re-phased to reflect the timing of the loan and operational issues identified by the clinical services as some of the schemes were developed. 3. That the schemes are on programme with the re-phased plan. 	

1. Introduction

1.1 This document sets out the progress that has been made since the approval of the Trust's estate strategy for 2013-2018 in November 2013.

- The Trust applied to the Independent Trust Finance Facility (ITFF) for the loan of £10m and this was approved
- This allows the Refurbishment of the Nurses Home, Renewal of Esher Windows and the Main Outpatients project to proceed.
- The Commercial Pharmacy is in progress.
- Good progress has been made with the infrastructure renewal programme.

1.2 The key drivers for change and the objectives within the Estate strategy are set out in **Appendix 1** of this paper.

2. Funding strategy

2.1 The strategy set out funding strategy to increase the capital programme by £15.6m over the next four years by borrowing £10m, using £2.6m of planned surpluses and £3m of charitable funding.

2.2 The Trust applied to the Independent Trust Finance Facility (ITFF) for the loan of £10m and this was approved and the Trust is able to drawdown the funding as the schemes are delivered.

2.3 Whilst the loan funding has been secure other elements of the funding are not yet available and the schemes which are currently unfunded are set out below.

Theatres/ICU	0.75	Charity - not fund raised as yet
Dementia	0.30	Charity - not fund raised as yet
Main Entrance Reconfiguration and Expansion	0.80	Other
Muti Deck Car Park Planning Issue	0.40	Other
Nurses Home Phase 2	1.60	Sale of Regent wing to fund nurses home phase 2
Total Funding not identified	3.85	
Total	16.90	

3. Five year plan

3.1 An indicative plan for the delivery of the estates strategy with phasing of key schemes 2013/14 – 2018/19 was shown at table 1 below.

Table 1: Indicative plan for delivery of estates strategy – phasing of key schemes

Scheme	13/14	14/15	15/16	16/17	17/18	18/19
<i>Within existing capital programme</i>						
Outpatient procedure room						
Re-provision at Surbiton (outreach)						
Business critical backlog maintenance						

Scheme	13/14	14/15	15/16	16/17	17/18	18/19
Additional to existing capital programme						
Refurbish nurses home phase 1						
Refurbish nurses home phase 2						
Esher windows replacement						
Empty command centre						
A&E expansion						
Outpatients refurbishment phase 1						
Outpatients refurbishment phase 2						
Outpatients refurbishment phase 3						
Sir William Rous expansion						
Reconfigure/expand main entrance						
Resolve Roehampton planning issues						
Theatres Do Minimum refurbishment						
ICU Do Minimum refurbishment						
Dementia friendly improvements						
Resolve car park planning issues						

- 3.2 This strategy also includes plans to improve environmental sustainability and improve car parking facilities including the introduction of a pay on exit scheme in 2014.
- 3.3 The strategy set out that the above plan was to be subject to the approval of individual business cases as appropriate, the availability of required loans and the outputs of more detailed operational planning to minimise disruption. This planning has been undertaken alongside the approval of Business Cases and the loan application which has led to revised plan shown in Table 2 below.

Table 2: Updated plan for delivery of estates strategy – phasing of key schemes

Scheme	13/14	14/15	15/16	16/17	17/18	18/19	Business Case Approved
Within existing capital programme							
Outpatient procedure room		Complete					
Re-provision at Surbiton (outreach)		Complete					
Business critical backlog maintenance							Yes
Additional to existing capital programme							
Refurbish nurses home phase 1							Yes
Refurbish nurses home phase 2				Subject to funding			
Esher windows replacement							Yes
Empty command centre							
A&E expansion							Yes
Outpatients refurbishment phase 1							Yes
Outpatients refurbishment phase 2							Yes
Outpatients refurbishment phase 3							Yes
Sir William Rous expansion							
Reconfigure/expand main entrance							
Resolve Roehampton planning issues							
Theatres Do Minimum refurbishment							Yes
ICU Do Minimum refurbishment					Subject to funding		
Dementia friendly improvements					Subject to funding		
Resolve car park planning issues							

4. Update on Progress

4.1 Patient experience

PLACE- A PLACE inspection (known as PEAT prior to 2013) for Kingston Hospital was carried out in June 2014. The assessment covered a wide range of patient and public areas including A&E, outpatients and wards. The results are shown at figure 1 below.

Figure 1: Results of PLACE inspection June 2014

The results for Kingston Hospital are in the table below.

PLACE Year	Cleanliness and Hand Hygiene	Privacy, Dignity and Wellbeing	Condition Appearance and Maintenance	Food
KHT 2013	91.27%	76.21%	83.50%	77.15%*
National Average 2013	95.75%	88.90%	88.78%	85.42%
National Average 2014	97.34%	86.20%	91.93%	90.00%
KHT 2014	96.26%	87.78%	90.03%	71.92%

Please note that the food scoring was altered between 2013 and 2014 so that these results are not directly comparable.

An action plan has been drawn up from the results of the PLACE assessment.

4.2 Patient surveys and complaints

CQC reports, annual patient surveys, the Friends and Family Test (FFT) and patient complaints have all highlighted issues with the estate from a patient experience perspective.

The CQC report in 2013 commented on the extremes of temperature in Esher Wing which can be too hot in the summer and is often very cold in winter. This is backed up by comments from the FFT and patient complaints. In advance of the windows being renewed dedicated additional electrical supplies were installed to ward areas to allow electric heaters to be deployed in very cold weather.

In terms of Cleanliness and Hand Hygiene, Privacy, Dignity and Wellbeing, and Condition Appearance and Maintenance, the Trust improved its score and has moved closer to the national average and on Privacy, Dignity and Wellbeing this is exceeded, which was tribute to the work that has been undertaken.

However, in terms of Food the Trust scored poorly and this view is also reflected in comments from the FFT about the Food and associated Food Service. A new menu will be launched in January 2014 which seeks to address the concerns raised.

4.3 Town planning issues

The Trust only has temporary planning permission for the following buildings and structures on site

- Roehampton wing which was originally erected as a temporary ward block but is currently required to meet clinical needs of patients
- The multi-storey car park which was originally established as a temporary structure

The Trust is in regular discussions with the Royal Borough of Kingston upon Thames with a view to resolving these issues. A Planning Application has been issued for the multi-storey car park.

5. Scheme Update

5.1 Safety

5.1.1 *Implementation of the Frankham Consultancy Group's recommendations*

Work to replace the hot and cold water distribution pipe work will continue, currently 75% of the pipework has been completed within Esher Wing and 80% of the site wide distribution Pipework. Works to renew distribution pipework in Main Outpatients will commence in February 2015. Refurbishment of the lifts in main Outpatients will commence in March 2015. Works to upgrade the electrical infrastructure to Esher Wing will commence in January 2015.

The programme of works for 2015/16 is being prepared based on the Frankham report and local risk assessments to determine priorities.

5.1.2 *A&E expansion (Do Minimum and organic growth)*

A Working Group with clinical and estates input is working up detailed plans to expand capacity to enable the unit to deliver the existing workload safely and accommodate demographic growth anticipated over the next five years. This will involve an expansion of resus, majors and the observation bays.

The scheme has been developed and approved by EMC and is now being scheduled for 2015/16.

5.1.3 *Theatres refurbishment (Do Minimum)*

The planned business critical maintenance works will address some of the essential issues in theatre including pipe work, electrical infrastructure and ventilation. However, further work is required as a minimum to address areas that are non-compliant with infection control standards as well some basic refurbishment. A Working Group with clinical and estates input has developed the scheme which will deliver modern compliant theatres. It is to be noted that these works will not address compliance with modern space standards for operating theatres as the constraints of the exist construction do not allow this to be achieved.

The working group have developed a programme of works to refurbish the 8 operating theatres, which requires closure of 2 theatres for a period of 14 weeks. A pair of theatres will be refurbished as part of a 4 year programme and this is planned to commence in 2015/6 and conclude in 2019/20.

5.1.4 ICU refurbishment (*Do Minimum*)

The planned business critical maintenance works will address some of the essential issues in ICU including pipe work, electrical infrastructure and ventilation. This work will commence in January 2015.

However, as with theatres further work is required as a minimum to address areas that are non-compliant with infection control standards as well some basic refurbishment. This scheme of work is now to be funded as part of the Hospital's Charity's programme of funding and will progress according to the funding availability.

5.2 Patient experience

5.2.1 *Refurbishment of main outpatients*

Detailed plans have been developed to refurbish main outpatients to improve the patient experience. The scheme comprises of three main phases as follows:

- Phase 1 - relocate phlebotomy/anticoagulation services and make road layout changes. Capital costs £0.3m
- Phase 2 - refurbishment of ground floor, IT check-in and tracking. Capital costs £1.2m
- Phase 3 - refurbishment of first floor and creation of covered walkway. Capital costs £0.9m.

The creation of commercial pharmacy has been achieved and this will open in early December 2014.

Phase 1 and 2 will commence in February 2015.

5.2.2 *Expansion of Sir William Rous unit*

The project is looking at three areas: i) what additional activity could be generated from Kingston Hospital, Royal Marsden Hospital and private patients activity, ii) is there merit in consolidating cancer activity currently undertaken elsewhere in the SWRU (thus freeing up other space) and iii) how could the current congestion in the SWRU be reduced. Any additional activity would clearly help generate an overall contribution for the Trust.

The business case is under way and the main options are to be presented to EMC to allow the commercial discussions to commence with the Royal Marsden.

5.2.3 *Improved main entrance and site navigation*

High level plans to refurbish the interior and exterior of Bernard Meade Wing have been developed which will enhance the feeling of light and space, create more amenities, improve navigation and create an improved experience for patients, staff, and visitors, thereby improving the perception of the hospital. These plans involve:

Whilst this scheme is at the end of the programme, the Director of Estates has appointed Wayfinding Consultants which will assist across many of the projects, particularly the refurbishment of main outpatients.

5.2.4 *Replacement of Esher wing windows*

Indicative costs of £3.7m have been obtained for the replacement of windows in Esher wing. These would be energy efficient, improving thermal performance and also maximising natural ventilation in summer.

The tenders are being sought and the works will be undertaken in 2015/16.

5.2.5 *Dementia friendly improvements*

A dementia strategy has been developed and approved by the Trust Board. This includes proposals to develop the environment to improve the experience for patients suffering with dementia and their carers.

This is now part of a charitable funding campaign.

5.3 Staff experience

5.3.1 *Vacate command centre*

There is a pressing need to vacate the command centre building which is not fit for purpose. Plans to relocate administrative staff to a refurbished facility in the old nurses' home (as discussed in more detail below) will go some way towards achieving this but in order to fully empty the building a new delivery point for stores and linen along with associated stores needs to be created.

This work is at outline feasibility stage and will be further developed following completion of phase 1 of the Nurses Home project.

5.4 Financial sustainability

5.4.1 *Refurbish old nurse's home for office accommodation*

Phase 1: The works are progressing which will allow the vacation of Argosy House and Hanover House by the end of 2014/15. This is in accordance with the break clauses for the leases of the two buildings.

Phase 2: This involves the refurbishment of two further floors enabling administrative staff to relocate from unacceptable accommodation in Regent wing. The Regent wing site will then be sold. This scheme is still being developed and will be subject to funding.

5.4.2 *Resolve Roehampton wing planning issues*

Roehampton wing only has short term planning permission which has expired. Capacity planning indicates that the Trust requires the clinical accommodation in this wing to deliver the level of clinical work commissioned at the Trust for the foreseeable future. Costs to re-provide this activity elsewhere on site are prohibitively expensive.

A scheme is therefore needed which enhances the structure of the building and allows the Trust to apply for a long term planning permission to secure the building for the delivery of healthcare. This work is at feasibility stage.

Initial discussions as to the Planning history and the way in which the issues can be resolved have taken place with Royal Borough of Kingston upon Thames.

5.5 Transport and car parking

5.5.1 Future Plans in relation to transport and car parking include:

2014/15

- Installation of a Pay on Exit system, in conjunction with extension of the payment methods to potentially include telephone, internet and card. Various systems have been investigated and quotations obtained. Changes have been implemented in November 2014, and appear to have been well received.
- Review of potential use of electric cars in place of existing courier fleet, this was undertaken but has not been progressed as the Trust's Couriers are transferring to South West London Pathology.
- Discussions with Transport for London regarding improving bus facilities on site and additional bus routes continue.
- On-going development of Workplace Transport Policy to address grey fleet usage and contractor vehicle usage on site continues.
- The Trust continue to pursue solutions with the Local Authority to address access issues at Norbiton station (from train to platform) to increase its usage by patients/staff
- Application for permanent planning permission for the multi-storey car park has been submitted.

6. Risks

6.1 Key risks to the implementation of this strategy and mitigations are summarised below:

- There is a risk that the Trust will find it difficult to find further savings or income to cover capital charges, particularly in 2015/16.
- There is a risk that the Trust will have difficulty in securing planning permission for Roehampton Wing as planners are keen to see the development of the street approach. Good communication has been re-established with the planners and dialogue will continue
- There is a risk that costs will be higher than indicated as high level estimates have been used at this point pending Board sign off and subsequent commitment of resources to develop more detailed plans. The plan will be kept under review as costs are firmed up
- There is a risk of disruption to core services when works take place. Works will be planned to minimise any disruption and ensure existing activity plans are maintained. However, there is a risk that mitigation plans may not be fully effective or could bring additional costs and this will need to be monitored closely.

7. Conclusion

The Trust Board are asked to note the progress made to deliver the Estates Strategy, particularly the following:

1. That funding remains to be identified for certain schemes
2. That the outline programme has been re-phased to reflect the timing of the loan and operational issues identified by the clinical services as some of the schemes were developed.
3. That the schemes are on programme with the re-phased plan.

Appendix 1

Drivers for Change

- There is a pressing requirement to invest in business critical backlog maintenance over the next 5 years, with an estimated cost of c£17m, to reduce the current level of risk associated with a failure of the business critical plant and equipment. In particular, this relates to steams mains, as well as the mechanical and electrical services in the older buildings on the estate such as Esher wing and outpatients
- At the core of the Trust's service strategy is the delivery of high quality acute services, requiring facilities which are fit for purpose for the delivery of A&E, maternity and intensive care facilities in particular. There are concerns regarding the Accident & Emergency department which is operating at well above the capacity of the original design and requires expansion to enable it to continue to operate safely. ICU and theatres also need refurbishment to improve compliance with infection control requirements and improve the patient and staff experience
- A significant proportion of medical acute admissions are patients with a diagnosis of dementia and the age profile of the local population means that this proportion is likely to increase in the future. The Trust's strategy therefore includes becoming a beacon for the delivery of dementia services which will require improvements to the existing estate
- The windows in Esher wing are coming to the end of their life and result in a cold and draughty environment for patients and staff during the winter and do not provide effective ventilation during the summer. They will need replacing in the near future
- There is a need to rationalise the estate and move out of off-site office accommodation which is poor quality and for which the renewal of leases would be costly due to maintenance requirements
- There are buildings on site which are in an unacceptable condition for use by staff as office accommodation or other support functions, including the old nurses home, Regent wing, and the command centre
- As the site has evolved over time it has become increasingly difficult to provide clear way-finding across the hospital.
- The environment of the out-patients department needs to be upgraded to provide a better patient experience and ensure that patients continue to choose the Trust in the future
- Financial constraints mean that the Trust will be unable to demolish Roehampton Wing in the near future to create the street through the centre of the site as described in the previous estates strategy. In view of this it will be necessary to confirm the long term need for Roehampton Wing and then seek to regularise the issues regarding the temporary planning permission
- The Trust needs to satisfy the Royal Borough of Kingston town planning requirements to make the multi-deck car park a permanent structure so that it can continue to meet current needs. There is also a need to improve upon current Pay and Display arrangements to improve the patient experience

Objectives

The objectives of this estates strategy are set out below:

- Safety - to address key safety concerns including the elimination of critical backlog maintenance to enable continued delivery of services and the elimination of buildings in category D condition
- Patient experience - to improve the user experience for example through improved access, enhanced privacy and dignity, improved internal navigation and creation of an environment which supports healing and is dementia friendly

- Strategy – to support delivery of the Trust’s service strategy, enable the Trust to maintain its competitiveness and meet future demand requirements
- Staff experience – to address key staff experience concerns and in particular to ensure that staff are not accommodated in unacceptable estate
- Financial sustainability – to improve financial performance through:
 - Increased space utilisation with no empty buildings and a 50% reduction in underutilised and overcrowded buildings
 - Reduced duplication of activities
 - Optimal colocation of services to improve clinical synergies and flow
 - Increased capacity to undertake treatments in the right location to fit tariff payments
 - Ensuring estates development plans are affordable in terms of both capital and revenue
- Environmental sustainability - to operate from an environmentally sustainable estate, using best practice to minimise energy and water consumption, carbon emissions and waste in the Trust’s operations, enabling the delivery of targets in the Trust’s Carbon Management Plan including:
 - 10% reduction in carbon emissions by 2014/15 (from 2006 levels)
 - 2% reduction in waste annually for the next five years.
 - 10% reduction in clinical waste (from 2006 levels) between 2010 – 2015
 - Increase in the recycling rate from 8.8% to 20% by 2015