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| Board Meeting: | 20 June 2019 | dual branding.jpg |
| Subject: | Central Sterile Processing Department (CSPD) Business Case  |
| Recommendation:  | Board members are asked to:

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| --- | --- |
| Discuss and Note |  |
| Discuss and Approve | X |
| Note for Information only |  |

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## Background

The purpose of this paper is to seek approval for the Central Sterile Processing Department (CSPD) Business Case, giving assurance that the case for re providing this service has fully considered a range of options for service delivery prior to finalising design plans for Phase 2.

In preparation for the forthcoming expansions, a full review has been undertaken of our current Sterile Services facility and changes identified to create a sustainable CSPD service for the future.

The Business Case takes account of the information presented in the Strategy approved at SMT in November 2018, which concluded that the existing footprint and resource would not meet the future decontamination activity requirements up to 2035 and that operational service challenges are anticipated before 2023.

There is evidence that the current service is constrained, the equipment is more than 12 years old, and the current estate has notable operational capacity challenges in both decontamination and packing.

## Proposal

In response to the impact the projected increase in activity will have on CSPD, the Business Case focuses on the following needs for change to build a robust and sustainable long term facility:

1. **Estates** **footprint** – enhancing existing working environment to enable appropriate capacity, improved ergonomics, workflow and staff morale
2. **Equipment** – a clear replacement programme capable of delivering efficient working
3. **Effective Workforce model** – staffing structures, shift patterns and training programmes, including development opportunities

The proposal is to develop a production area fit for future purpose in line with Scottish Health Protection Network (SHPN) 13 guidance as part of the Phase 2 Expansion Programme.

An equipment replacement programme with a range of options identified and associated cost is presented in section 2.6 and recommendation is to procure in 2021: four double chamber washers, four sterilisers, two low temperature hydrogen peroxide sterilisers (for robotics), two cart washers, three ultrasonic washers and plant maintenance equipment.

The workforce model developed assumes space allocation of 1,291 square metres with a separate area for Endoscopy decontamination. The estates footprint and equipment replacement programme will influence the final workforce proposal and associated shift patterns required in line with the activity demand.

## Option appraisal/risk assessment

The Options Framework explored during the development of the strategy looked at a wide range of options with the conclusion that funding should either be secured to refurbish the existing facilities or relocate to a different area, preferably on-site.

The option to relocate off site was discounted due to the many unknown factors and potential cost, and is not in keeping with the current approach to the delivery of core NHS services.

The business case explored short listed three options as follows:

**Option 1**: **Status Quo – do minimum**

All the equipment is more than 12 years old and reliability of the equipment/machines is expected to decrease and failure rates increase in line with well established equipment management principles. This has been financially modelled through the economic analysis. The planned equipment replacement programme exists to address this issue before it becomes an operational risk.

**Option 2**: **Refurbish Existing Facility**

This option to extend or refurbish the existing facilities includes areas currently occupied by Stores on Level 1. The footprint would be insufficient to meet the Scottish Health Protection Network (SHPN) 13 guidance and Health Building Note.

**Option 3: New build as part of Expansion Programme**

This option would re provide the department in the phase 2 new build to meet additional demands of the expansions. In addition this option enables CSPD to meet all the guidance requirements and continue to deliver existing decontamination services and move into new build once complete.

Option 3 demonstrated the lowest risk on the basis that it addressed risks to the Board’s reputation in meeting demands of the Expansion Programme, had a low risk of equipment obsolescence within a ten year period, low risk of equipment failure with replacement of new automated equipment and less risk of service or infrastructure failure resulting from a new build.

Both Option 2 and 3 scored similarly presenting higher financial risks if funding was not made available and 2 scored highest risk of project overspend in refurbishing existing facilities and impact on services. However risk of service and infrastructure failure scored higher if refurbishing existing facilities.

Option 1 was the most risky option in terms of meeting regulatory requirements and ability to meet future patient activity as a result of the expansion and ability to provide high quality and efficient Decontamination services.

Option 1 is suboptimal presenting high risk due to limited space availability, provision of equipment and sustainability of workforce and will therefore not future proof the decontamination service. Option 1 could be a single point of failure for the entire Phase 1 and 2 Expansions and likely impact on Board’s reputation.

The Business Case recommends Option 3 to create a new department within

Phase 2 building foot print to meet the additional activity demands project till 2035 and beyond. This option ensures a future sustainable, flexible and responsive provision of Sterile Services at the Golden Jubilee National Hospital delivered through the following:

* New build CSPD department which meets the Scottish Health Protection Network (SHPN) 13 guidance and Health Building Note.
* Procurement replacement washers, sterilisers, cart washer and ultra sonic devices in line with the activity production cycle requirements as determined in appendix 4.
* Deliver a skilled workforce in line with production predictions with opportunity to achieve Health Care Science (HCS) status supported through a training academy framework.

## Consultation

The consultation process was continuous throughout the development of the strategy.

There was both internal and external stakeholder engagement throughout the process and the range of forums and benchmarking is listed below:

* Options Framework Workshop (June 2018)
* Benchmarking with other Scottish Decontamination Units
* Establishment of a Steering Group to support the development of the CSPD Strategy leading to development of the Full Business Case
* Visit to comparable new build unit in NHS Ayrshire & Arran to view their double ended steriliser installation to assess if the design could be considered as part of a future layout of GJF CSPD
* Explored with other sites the cost for a potential decant which would be essential in option 2
* Involving Health Facilities Scotland to provide advice on space requirements and machines and
* A Risks & Benefits workshop (6 February 2019).

## The Financial Case

Although the financial assessment favours Option 1 as the most affordable, Option 3 presents the most added value in terms of efficiency and ability to deliver a quality decontamination service that meets the needs of the Expansion Programme.

In summary table 1 outlines indicative costs including VAT:

Table 1

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Option** | **Estates****£000s** | **Equipment Direct Replacement Per Capital Plan****£000s** | **Equipment – Additional for Expansion****£000s** | **Equipment – Service Development****£000s** | **Provision of Services/ Plant****£000s** | **VAT – Equipment & Service Provision****£000s** | **Total (inc****VAT)****£000s** |
| 1 | 0 | 900 | 160 | 420 | 0 |  296 |  1,776 |
| 2 | 6,945 | 900 | 160 | 420 | 884 | 1,862 | 11,171 |
| 3 | 4,689 | 900 | 160 | 420 | 884 | 1,411 |  8,464 |

The Capital Plan for equipment includes the above figures based on the initial calculated estimates.

However, the updated review as part of the detailed business case process now indicates that this figure is likely to reduce by circa £300k due to more robust costing as detailed within the Capital Costs.

The funding for the capital elements for the project has been identified as coming from three different funding sources with these being:

* Building costs – included in phase two costs.
* Equipment costs associated with additional activity – included in phase two costs (1 steriliser and 1 cart wash).
* Direct Replacement of equipment for current equipment – included in the Board’s formula capital (3 sterilisers, 4 washers, 1 cart wash and 3 ultrasonic devices.
* Equipment that is not currently owned by the Board – would be treated as a service development, this is identified as equipment associated with Thoracic robotic equipment (2 low plasma sterilisers).

## Recommendation

# The Board is asked to discuss and approve the CSPD Business Case which outlines the requirement to develop an Estate fit for purpose which takes account of the pending expansion and provides adequate future capacity in term of estate, equipment and workforce.

**June Rogers**

**Director of Operations**

**6 June 2019**

**(Lynn Graham, Associate Director of Operations – Surgical Specialties)**