

# ESTATES STRATEGY ANNUAL REVIEW 2011/12

## CONTENTS

SECTION	DESCRIPTION	PAGE NUMBER
1.0	Introduction	3
2.0	Existing Estate	4
3.0	Estate Performance	4
4.0	Risk Management and Governance	6
5.0	Environmental Performance	8
6.0	Estates Return Information Collection	12
7.0	Patient Perception and PEAT	13
8.0	Summary Disposal and Proceeds of Sale	15
9.0	Development Control Plans	15
10.0	Strategic Options for Estate Change	15
11.0	Position Statement in Relation to Estate Strategy Objectives	17
12.0	Conclusion	18
Appendix 1	NHS PAM Dashboard – Trust Self Assessment	19
Appendix 2	Development Control Plan – Sandwell Hospital	20
Appendix 3	Development Control Plan – City Hospital	21
Appendix 4	Development Control Plan – Rowley Regis Hospital	22

## LIST OF TABLES

TABLE	NAME	PAGE NUMBER
1	Total Value of Trust Building Assets as at 31.03.11	4
2	Cost to Achieve Condition "B"	5
3	Total Backlog Cost Per Occupied Floor Area (£/m <sup>2</sup> )	5
4	Total Risk Adjusted Backlog Cost Per Occupied Floor Area (£/m <sup>2</sup> )	5
5	Statutory Standards and Estates Related Budget Allocation	5
6	The Trust's Baseline Resource Usage and Carbon Footprint for 2008/9	9
7	Apportionment of Carbon Savings	9
8	Total Building and Engineering Maintenance Costs Per Occupied Floor Area (£/m <sup>2</sup> )	12
9	Total Cost to Eradicate Backlog (£)	12
10	Total Cost to Eradicate Backlog Per Occupied Floor Area (£/m <sup>2</sup> )	12
11	Total Electrical Energy Consumed by Occupied Floor Area Kwh/m <sup>2</sup>	13
12	High Temperature Waste Cost Per Tonne (£/Tonne)	13

# ESTATES STRATEGY ANNUAL REVIEW 2011/12

## 1.0 INTRODUCTION

The Estates Strategy for the period 2008/09 to 2017/18 was approved by the Trust Board at the meeting in October 2009. Subsequent annual reviews have been presented to, and approved by, the Board in 2009 & 2010. The structure of this review document is consistent with the Executive Summary of the main Estates Strategy document.

The objectives of the Estates Strategy were as follows:

- To analyse the estate condition and its performance
- To identify costs to achieve Estatecode condition B for key facets of Condition Survey
- To prioritise capital investment in estate statutory compliance issues
- To maintain/improve compliance with Care Quality Commission Registration requirements for Outcome 10 – Estates and Outcome 11 – Equipment (Updated previous objective -To maintain/improve compliance with Annual Health Check Core standards)
- To achieve year on year improvement in Environmental Performance
- To operate all estate and facilities services at a benchmark between the lower and upper quartiles of the Estates Return Information Collection (ERIC) returns of comparable Trusts and demonstrate value for money
- To achieve green status for all operational related performance indicators by March 2016.

This report provides an annual update of the Estates Strategy for the period 2011/12 to identify the current position in relation to the Estates Management Issues listed below.

- Existing Estate
- Estates Performance
- Risk Management and Governance
- Environmental Performance
- Estates Returns and Information Collection (ERIC) and Performance Indicators
- Patient Perceptions and Patient Environment Action Team (PEAT)
- Summary Disposal and Proceeds of Sale
- Development Control Plans
- Strategic Options for Estate change

## 2.0 EXISTING ESTATE

Sandwell and West Birmingham Hospitals (SWBH) estate property portfolio consists of a variety of buildings with a very diverse range of ages and conditions.

The total value of the Trust's building assets is shown in Table 1 below:

**Table 1 – Total Value of Trusts Building Assets at 31/03/11**

Sandwell	£77,959,499
City	£77,421,078
Rowley	£13,306,971
BTC	£18,950,274
<b>RCRH Grove Lane (New Hospital Site)</b>	<b>£2,254,454</b>
<b>Total Value of Building Assets</b>	<b>£189,892,276</b>

The valuation of the Estate has been updated in line with Department of Health guidance on 1<sup>st</sup> April 2010. There have been no material changes to the portfolio during this review period.

### **Estate Rationalisation & Cost Improvement Savings**

The Trust is facing significant financial challenges over the next few years and as a result the Estates Directorate is planning to achieve efficiency savings in line with Trust plans. As can be seen from benchmarking and Estates performance indicators (sections 3.0 & 6.0) the Trust is performing at an extremely high level of performance compared with similar estates functions and, therefore, further efficiencies must focus on rationalisation and reduction in the size of the estate. A reduction in the size of the estate will result in a reduction in the occupancy costs to include savings from capital charges, rates, energy, maintenance, cleaning and other costs associated with Estates and Facilities Management. In addition, there will also be a significant reduction in our carbon footprint helping us towards our carbon reduction targets in line with the carbon management plan. The key performance indicators produced from the ERIC and HIS (Health Information Systems) data support this approach as they highlight that the size of the Trust's current estate is too large for the income it generates when compared to similar Trusts across the country.

An occupancy review of all accommodation is currently being undertaken to assess the requirements, following which proposals will be developed to close certain buildings where possible. A separate Estates Rationalisation paper will be presented to the Trust Board in due course.

## 3.0 ESTATE PERFORMANCE

Detailed condition surveys of the two main sites were undertaken in 2002. A desktop update of these surveys was carried out in August 2007 to identify where condition had deteriorated due to age or improved as a result of capital investment in the estate. All high risk areas such as Fire, Legionella, Electrical Infrastructure, Asbestos Management, etc. are subject to at least an annual review and risk assessment in line with the Trust's risk assessment process (see Section 4.0 Risk Management and Governance for further details)

Backlog maintenance figures have been updated following Capital Investment in the estate during 2010/11 and outputs from revised risk assessments of key estates elements and an allowance for inflation.

Table 2 identifies costs to achieve Estate Code Condition 'B' as at 1<sup>st</sup> April 2011.

**Definition of Estatecode Condition 'B':**

**'B' Sound, operationally safe and exhibits only minor deterioration**

**Table 2 – Cost to Achieve Condition 'B'**

	£
High Risk	0
Significant Risk:	3,000,000
Moderate Risk:	86,511,225
Low Risk:	9,293,010
Total Backlog:	98,804,235
Risk Adjusted:	6,684,777

An investment commensurate with the significant risk elements of backlog of £3,000,000 has been approved by the Strategic Investment Review Group (SIRG) from 2011/12 Capital Programme.

The Trust's current backlog maintenance position when benchmarked against other large acute Trusts outside of London using Estates Return Information Collection (ERIC) data is as shown in Table 3.

**Table 3 – Total Backlog Cost per Occupied Floor Area (£/m<sup>2</sup>)**

LOWER QUARTILE	MEDIAN	UPPER QUARTILE	SWBH POSITION
53.62	128.16	288.15	611.93

Trust Total Backlog Cost per occupied floor area is well above upper quartile position. This is understandable due to the age of the estate and supports the long term strategy and reaffirms the need for significant investment in the new acute hospital and the retained estate.

**Table 4 – Total Risk Adjusted Backlog Cost per Occupied Floor Area (£/m<sup>2</sup>)**

LOWER QUARTILE	MEDIAN	SWBH POSITION	UPPER QUARTILE
£17.24	£38.28	£41.40	£93.70

The Trust's Risk Adjusted Backlog position falls just above the median position. This is an indication that whilst significant risks have been identified they are being addressed within 12 months and managed through the risk assessment process and governance structure.

The 2011/12 Capital programme includes £3 million allocated to statutory standards and estates related improvement schemes the breakdown of which is as shown in Table 5 below:

**Table 5 – Statutory Standards and Estates Related Budget Allocation**

Statutory Standards	£1,565,000
Estates Related	£1,435,000
<b>Sub Total</b>	<b>£3,000,000</b>

Notable schemes for Capital Investment during 2011/12 are as follows:

- Digital Mammography (final phase)
- Carbon Management Investment
- Ophthalmology & Plaster Room Improvements at Sandwell
- D11 and other Ward Improvements
- Pharmacy Robotic Dispensing
- Mortuary, City Hospital Body Stores Replacements
- Sandwell Paediatric Ward Improvements

Further investment in the existing estate will be required as the Trust moves towards the development of the new acute hospital. This level of investment will continue to be required in order to maintain compliance with statutory standards, impending standards and the need to achieve high levels of business continuity. When the OBC is approved it is planned to reduce the investment as the MMH progresses to completion. This investment will be identified in the Trust's 10 year Capital Plan Forecast.

#### **4.0 RISK MANAGEMENT AND GOVERNANCE**

The Estates Directorate continues to follow a robust well developed risk management and governance structure:

Divisional Governance meetings are held monthly with quarterly reports to Trusts Governance Board. Risk assessments across key elements of estates management are undertaken annually and continually monitored and reviewed by the Head of Estates and appropriate estates operational managers. All Red risks relating to the estate are incorporated into the Trust's risk register in order that an informed corporate view is adopted to the process of pro-active risk management.

The Estates Risk Register is a statutory requirement and an aid to determining the prioritisation of funding for capital investment using the principles as laid down in "Estates and Facilities Management Standard" A Risk Based Methodology For Establishing and Managing Backlog.

The Estates Division will implement from Quarter 3 2011/12 an audit and reporting structure to ensure that Trust policy and external reporting is adhered to or actions identified to improve compliance. The collection and recording of evidence will also be revised to provide centralised subject specific records to include all documentation such as policy, guidance notes, risk assessments and training records

#### **Premises Assurance Model (PAM)**

The NHS Premises Assurance Model (PAM) is a management tool, designed to provide a nationally consistent approach to evaluating NHS premises performance against a set of national indicators. It delivers a basis for:

1. Assurance on the premises in which NHS healthcare is delivered
2. Drive premises-related performance improvements throughout the system
3. Greater understanding of the vital role that NHS premises play in the delivery of improved clinical and social outcomes

The NHS PAM is a key enabler allowing NHS providers to deliver local requirements and priorities set within the context of their national commitments.

The model currently provides the ability to peer review against a range of similarly performing organisations and those providing best-in-class performance. It is anticipated that in future development phases, additional functionality will be provided to enable forecasting and scenario planning.

The NHS PAM gives NHS healthcare providers the opportunity to:

- Provide premises assurance to their management boards using a nationality consistent technique
- Identify how to improve efficiency by increasing the utilisation or reducing the cost of operating their premises
- Assure commissioners that healthcare is delivered from high quality, safe and fit-for-purpose premises consistent with pledges in the NHS Constitution
- Identify peer organisations, based on activity mix, and assess performance within their peer group and high performing organisations, supporting the spread of innovation and best practice
- Raise the profile of estates issues at board level, as key enabler of business strategy.

The Estates directorate has voluntarily completed the Premises Assurance Model (PAM), and will continue to use going forward as an opportunity to benchmark our service delivery. It has provided the opportunity to identify and assess our position against the five domains which follow the Darzis definitions of Quality, Finance and Value for Money, Safety, Effectiveness, Patient Experience and Board Governance.

PAM is structured in four levels; Red, Amber, Green and Blue. As an organisation we have achieved a Green rating across all domains but have identified areas of improvement in both Effectiveness and Board Governance. Effectiveness improvement focuses around work related to sustainability which can be achieved by completing the action plan identified as part of the NHS Carbon Management Programme. Board Governance improvement can be achieved by the updating of policy and strategy documentation related to Estates functions.

The Dashboard for the Trust Self Assessment is shown in Appendix 1.

### **National Health Service Litigation Authority (NHSLA)**

The directorate are working with Risk Management and Governance to provide necessary evidence when required for inspectorate and develop any requirements which assist in the achievement of NHSLA Level 2 for the Trust.

Key area of work for Estates with regards to NHSLA Level 2 is the Management for Medical Devices and Medical Device Training. The Trust has a well established Medical Devices Committee, chaired by the Director of Estates. The Medical Engineering Department assist in the delivery of user training for the safe use of medical equipment and the management and control of an inventory of medical equipment.

### **Care Quality Commission**

The Directorate has achieved compliance with the related core requirements for the following and have provided the required evidence through Trust Assurance process:

- Care Quality Commission Registration 2010 – Regulation 15 Outcome 10 Safety and suitability of premises and Regulation 16 Outcome 11 Safety, Availability and Suitability of Equipment

- National Health Service Litigation Authority (NHSLA) Standard 3 Level 2– Safe Environment
- Department of Health – Premises Assurance Model

Many issues require a programme of strategic capital investment. The current Risk Assessment process is based on the long term strategic objective to move to a new acute hospital within the timeframe identified in this strategy. Should the new acute hospital not come to fruition in the timescale identified in this strategy, Risk Assessments will need to be completely reassessed to determine the levels of investment required to minimise risk to organisation, staff, patients and visitors.

## **5.0 ENVIRONMENTAL PERFORMANCE**

### **Sustainability - Summary**

The Trust has an active Sustainability Working Group (SWG) with membership from key stakeholders such as Procurement, Estates, Pharmacy and Information Technology and chaired by The Director of Estates and New Hospital Project with lead responsibility for sustainability.

The SWG members have identified a range of actions to lead on following feedback from a LiA event held on the 22 October 2009. The SWG has developed a Sustainability Management Action Plan which has been approved by the Trust Board in November 2009.

Key successes to date are:

- Development of Sustainability Champion network, distribution of information and further staff training
- Completion of NHS Carbon Management Plan
- Sustainability event held in October 2011
- Sustainability and Environment Policy approved
- Carbon management software
- Good Corporate Citizen
- Carbon Reduction Commitment
- Display Energy Certificates
- Appointment of Sustainability Officer
- Introduction of bike shelters, bike scheme, paid cycle mileage and cycle training
- Trust Travel Plan
- Introduction of waste recycling streams for plastic bottles, cardboard and paper at City Hospital
- Procurement of IT power save management software which is being rolled out across the Trust
- Link to Health & Well Being (cycling, walking, etc)
- Link with Sandwell PCT and Carbon Trust
- Partnership and best practice collaboration with external organisations (Sandwell PCT, Himmerton University Hospital NHS Trust, University Hospital North Staffordshire NHS Trust, Wolverhampton University)



## Sustainability Champions

The number of Sustainability Champions has increased from 46 to around 70 since April 2011 through a drive in internal communications (including regular updates, sustainability staff questionnaire), presentation at divisional managers meetings, and the offering of training programmes.

The Trust offers Sustainability Champions the opportunity to undertake a Level 2 Certificate in Developing Environmental Management. Six of the Sustainability Champions have passed this course, with a further ten attending the training in August 2011. Two of the Sustainability Champions are currently undertaking a NEBOSH National Certificate in Environmental Management.

## Carbon Management Plan (CMP)

The Trust has been working to an approved project plan to complete the NHS Carbon Management Plan (CMP) (Phase 5) in conjunction with the Carbon Trust to identify a 5 year programme to deliver savings of approx 15% of the 2008/09 baseline (22,184 tonnes of carbon). Table 6 shows the Trust's baseline resource usage and carbon footprint in 2008/9 for electricity, fossil fuels, water, waste and transport.

**Table 6: The Trust's baseline resource usage and carbon footprint for 2008/9**

	Electricity	Fossil fuels	Water	Waste	Transport	Total
Amount	15.5 MW/hr	66,094 MW/hr	235,992 m <sup>3</sup>	2,894 tonnes	2.85M km	-
CO <sub>2</sub> emissions (tonnes)	8,430	12,133	95	824	718	<b>22,184</b>

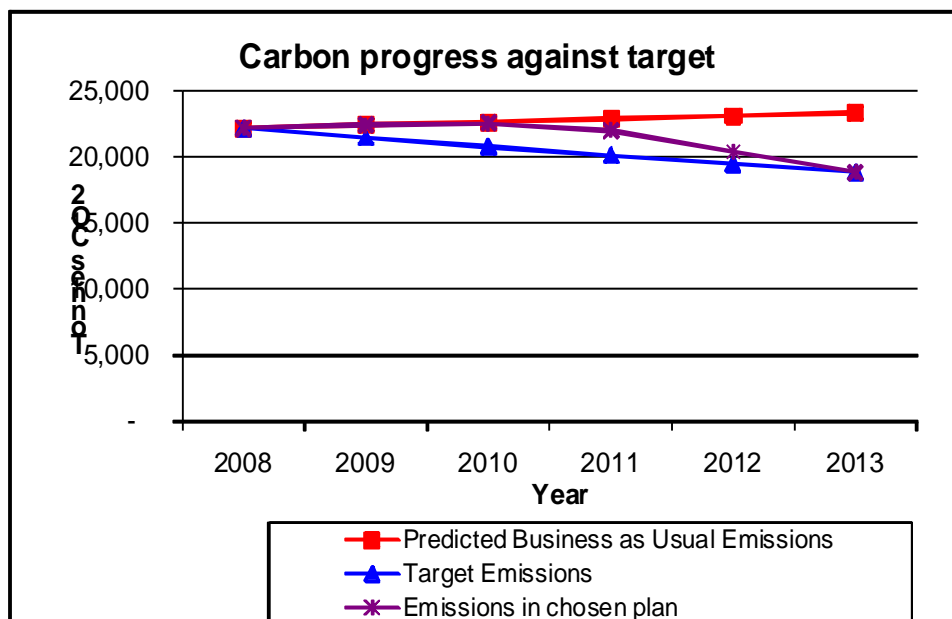
The carbon saving is apportioned across all elements to achieve our overall 15% saving, shown below in table 7.

**Table 7: Apportionment of carbon savings**

Source	Target saving percentages
Energy	16%
Water	10%
Transport	10%
Waste & other sources	10%
<b>Total measured emissions</b>	<b>15%</b>

In our reduction calculations, we have considered the impact of future growth following a business as usual approach.

Figure 1: Predicted business as usual emissions against project plan targets



The CMP provides a list of programmes that highlight a saving in carbon terms of approximately 4,000 tonnes (the target carbon emissions reduction required by 2013/14). The plan to achieve this has a range of measures including a number of invest to save projects, for example, site rationalisation and staff engagement.

The projects have now been assessed for actual or estimated savings and prioritised using tools provided by the Carbon Trust and funding required for year 1 has been approved by SIRG in March 2011 for £500k to support projects in 2011/12.

### Sustainability Event

The Estates department organised an event on 13th October 2011 to celebrate the launch of the Carbon Management Plan and all associated strategies. The aim of this event was to gain further support across the organisation and demonstrate the successes we have achieved to date. Links with external stakeholders were organised to provide information for attendees on energy, Cycle to work Scheme, other cycling activities and health/fitness.

### Sustainability and Environment Policy

A Sustainability and Environment Policy has been developed to co-ordinate all works being undertaken by SWBH in terms of Carbon Reduction, Carbon Management and Environmental Management. The aim is that this policy will further engage staff, emphasise the importance of sustainability and embed sustainable working practices across the organisation. The Policy was approved by Trust Board in July 2011 and has been linked to the Trust Carbon Management Programme and Carbon Reduction Commitment Strategy.

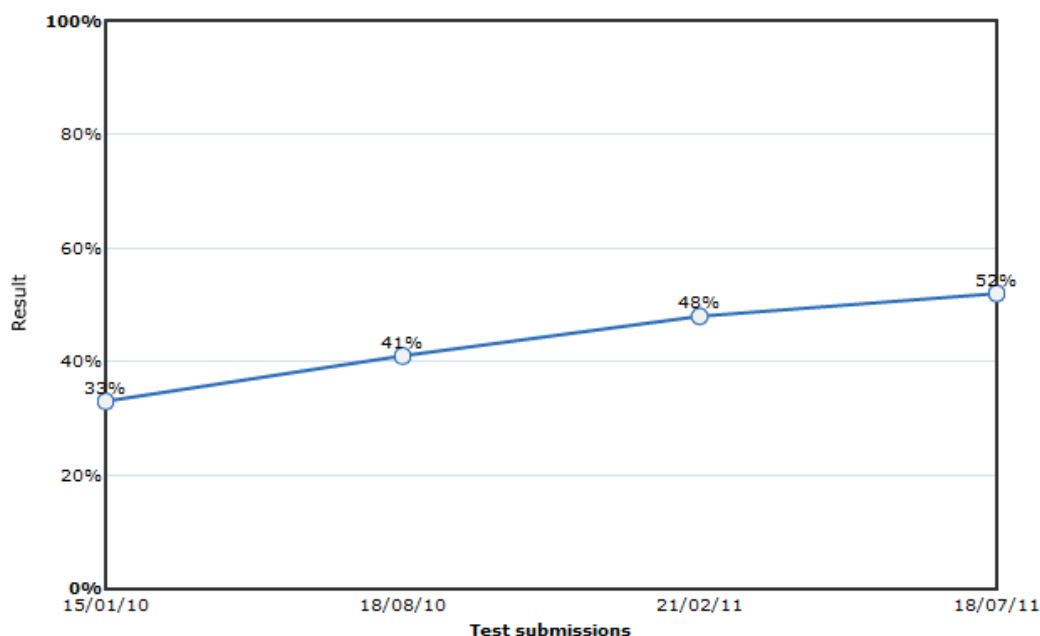
## Carbon Management Software

The Trust is currently implementing carbon management software (Enterprise Carbon Management, ECM). ECM will allow the Trust to store carbon-related data (e.g. data on energy, transport, water, waste) in a centralised software tool and then monitor progress against targets and manage/reduce our carbon emissions from key sources (energy, transport, waste, water, etc).

## Good Corporate Citizen

The Trust is undertaking six monthly updates of the Good Corporate Citizen self assessment. The organisation is currently on target against criteria and leads have been identifying actions to improve and these will be monitored through the SWG. Figure 2 shows the improvements each year in the Trust's Good Corporate Citizen model since January 2010 based on total average scores.

**Figure 2: Good Corporate Citizen progress since January 2010 based on total average scores**



## Carbon Reduction Commitment (CRC)

There is a statutory requirement for the Trust to comply with Carbon Reduction Commitment (CRC). The Trust completed the first (Phase 1) submission of 2010/11 data in July 2011 and work is underway to collect data and evidence for submission in July 2012 (2011/12 data).

## Display Energy Certificates

All Trust buildings over 1,000m<sup>2</sup>, where there is access to the public, are required to display their energy performance/efficiency rating on a scale of A to G by use of Display Energy Certificates (DEC's). The Trust has updated these for 2011/12 and they are on display at the main entrances to buildings included within the scheme.

There are seventeen buildings across the Trust which fall into the category of requiring a DEC. Due to the variety and different ages of the buildings the energy performance varies significantly. In summary most buildings fall with the mid range of C to F. DEC's are also accompanied by an

Energy Advisory Report which contain recommendations for improvement in energy performance. The recommendations are being considered as part of the Carbon Management Plan identified above.

As can be seen in more detail in Section 6.0 (Estates Return Information Collection), the Trust is generally operating environmental related performance indicators below the lower quartile for both the cost of energy and carbon emissions. The Trust is proactively monitoring its energy consumption and implementing measures to reduce consumption.

### **Building Research Establishment Environmental Assessment Method**

A 'Building Research Establishment Environmental Assessment Method' (BREEAM) Assessment has been undertaken on the New Acute Hospital Public Sector Comparator and an excellent rating achieved. An excellent rating is a requirement for Business Case Approval by the Department of Health.

## **6.0 ESTATES RETURN INFORMATION COLLECTION**

The Trust's ERIC data 2010/11 was submitted to the Department of Health on 30<sup>th</sup> June 2011, this is a mandatory requirement from the Department of Health.

An initial assessment of the Trust's Performance for a range of Estates/Facilities indicators for 2010/11 has been compared to other large acute Trusts outside of London. An objective of this strategy is to operate all Estates and Facilities services between the upper and lower quartiles, wherever possible. The initial assessment has identified performance indicators where the Trust is shown to be operating outside of the parameters. These performance indicators are shown in Tables 8 – 12.

### **Finance**

Table 8 – Total Building and Engineering Maintenance Cost per Occupied Floor Area (£/m<sup>2</sup>)

Trust Value	Lower Quartile	Median	Upper Quartile
17.01	19.18	25.70	32.04

Estates Maintenance Costs are operating below lower quartile indicating an efficient service and one where further cost savings would be extremely difficult to achieve without significantly affecting business continuity and increasing risk to the organisation.

### **Quality of Buildings**

Table 9 – Total Cost to Eradicate Backlog (£)

Lower Quartile	Median	Upper Quartile	Trust Value
9,180,000	17,967,969	33,412,314	98,804,235

Table 10 – Total Cost to Eradicate Backlog per Occupied Floor Area (£/m<sup>2</sup>)

Lower Quartile	Median	Upper Quartile	Trust Value
53.62	128.16	288.15	611.93

Detailed explanation given in Section 3.0 Estates Performance.

## Energy

Table 11 – Total Electrical Energy Consumed per Occupied Floor Area (Kwh/m<sup>2</sup>)

Trust Value	Lower Quartile	Median	Upper Quartile
122.69	140.00	165.84	185.49

As discussed in Section 5.0 (Environmental Performance) the Trust is performing well with regards to energy consumption.

## Waste

Table 12 – High Temperature Waste Cost per Tonne (£/Tonne)

Trust Value	Lower Quartile	Median	Upper Quartile
376.69	379.16	532.80	666.60

The waste indicator demonstrates that the Trust is procuring its waste disposal contracts in an economical way. However further work is being undertaken in conjunction with the Carbon Management Plan to reduce waste through minimisation initiatives. This will reduce the carbon footprint and further reduce the overall cost of waste disposal.

A detailed analysis of the Performance Indicators will be undertaken when the National Indicators are available from the Department of Health later this year, the outcome will be presented to the Executive Team within the Divisional Review Process.

## 7.0 PATIENT PERCEPTION AND PEAT

### PEAT 2011

#### ▪ Main PEAT Audits (External)

The external audits scores have been returned following verification, all areas inclusive of cleaning, environment, infection control and privacy and dignity rated 'good' and the overall food service rated 'excellent'.

Site Name	Environment Score	Privacy & Dignity	Food Score
Sandwell Hospital	Good	Good	Excellent
City Hospital	Good	Good	Excellent
Eye Hospital	Good	Good	Excellent
Rowley Hospital	Good	Good	Excellent

The rating for the food score received a rating of excellent compared with the 2010/11 score of good. The reason for the uplift was a number of factors, from the production of quality food with a range of choices and the improvement in nutritional information relating to patients being weighed on admission and patients being screened for nutritional care.

- **PEAT Internal Inspections**

Internal PEAT audits are continuing across all sites, the weekly audit times are now being alternated to ensure the patient lunchtime meal service is captured at City, Sandwell and Rowley.

The PEAT environmental programme is to continue throughout 2011/12. The planned improvements include upgrades to visitor waiting areas and the refurbishment of storage facilities and sluice rooms in the wards.

There is also a detailed programme of works that is initiated and agreed via the weekly PEAT audits. This is the part of the PEAT visits that are most beneficial to the ward/departmental matrons/managers as they have senior management input into problems and there are resources available to resolve their local issues within a relatively short period of time.

## **NATIONAL STANDARDS OF CLEANLINESS (NSOC)**

- **National Standards of Cleanliness Audits**

The Trust has maintained its performance for the first six months for 2011 in the cleanliness of the critical areas designated as 'high' for general wards and departments and 'very high' for theatres, MAU etc

	Jan-11		Feb-11		Mar-11	
	V High %	High	V High %	High	V High %	High
<b>City</b>	96	95	95	92	96	93
<b>Sandwell</b>	96	97	97	95	96	98
<b>Rowley</b>	N/A	98	N/A	99	N/A	99
<b>BTC</b>	97	97	97	96	98	97
<b>Target</b>	98	95	98	95	98	95
<b>Overall Average</b>	<b>96</b>	<b>97</b>	<b>96</b>	<b>96</b>	<b>97</b>	<b>97</b>

	April 11		May 11		June 11	
	V High %	High	V High %	High	V High %	High
<b>City</b>	96	95	96	96	96	95
<b>Sandwell</b>	96	97	97	96	97	93
<b>Rowley</b>	N/A	99	N/A	99	N/A	99
<b>BTC</b>	97	98	97	96	97	97
<b>Target</b>	98	95	98	95	98	95
<b>Overall Average</b>	<b>96</b>	<b>97</b>	<b>97</b>	<b>97</b>	<b>97</b>	<b>96</b>

- **National Standards of Cleanliness – C4C**

A hand-held data capture system Credits 4 Cleaning (C4C) is now operational, the current room data and cleaning schedules have been transferred onto the system. Training has now been undertaken and the first review of the audits has commenced.

## **8.0 SUMMARY DISPOSAL AND PROCEEDS OF SALE**

The situation in relation to disposal of surplus land remains the same. That being until such time as the New Acute Hospital is much more certain the Trust needs to retain as much of its existing estate as possible to ensure alternative options for the development of a New Acute Hospital on either City or Sandwell Hospital sites are still viable.

Work is currently underway to produce indicative site Development Control Plans associated with the redevelopment of the City and Sandwell sites post transfer of services to the new acute hospital in Grove Lane. Work has commenced in relation to utilisation of some retained estate on both City and Sandwell Hospital sites as part of the work associated with reducing the size of the new acute hospital in Grove Lane. Further details of the plans for the Retained Estate can be found in Section 10, (Strategic Options for Estate Change)

## **9.0 DEVELOPMENT CONTROL PLANS**

### **Sandwell and West Birmingham Hospitals NHS Trust**

The Development Control Plans (DCR) for 2011/12 have been agreed following discussion with the Director of Estates, Head of Estates, Head of Capital Projects and Chief Operating Officer and approved through the Strategic Investment Review Group (SIRG). DCPs for Sandwell and City sites can be seen in Appendix 2 and 3.

Notable areas for development during 2011/12 are listed in Section 3.0.

## **10.0 STRATEGIC OPTIONS FOR ESTATE CHANGE**

### **Sandwell Primary Care Trust Estate**

From the 1<sup>st</sup> April 2011, under the Transforming Community Services (TCS) project, the Trust undertook responsibility for Adult and Children's Service delivery across Sandwell Primary Care Trust. A due diligence exercise was undertaken on all Sandwell Primary Care Trust premises from which these services are delivered to assess if there were any major risks associated with this Estate. None were identified although much of the Estate is functionally unsuitable, ageing and in need of investment.

The Sandwell Primary Care Trust estate used by Sandwell and West Birmingham Hospitals NHS Trust to deliver its services is now included in the discussions going forward to develop a combined Estates Strategy which will maximise use of the Estate, improve its condition, minimise the risk and identify property for disposal where appropriate.

In August 2011, the Department of Health published "Future Ownership and Management of Estate in the ownership of Primary Care Trusts in England". In summary, what this document was saying is that where a property currently in the ownership of a Primary Care Trust, which is freehold, consideration should be given to transferring this property to Foundation Trusts or other NHS body if that organisation is the majority provider of clinical services from those premises. The premises must be deemed as "Service Critical Clinical Infrastructure"

A review of the Sandwell Primary Care Trust estate portfolio has been undertaken to identify any premises that fall into this category. The only property identified was Leasowes Intermediate Care Centre. This conclusion has started the process for transfer, which is underway in accordance with Department of Health guidance where the Strategic Health Authority and the Department of Health will ultimately sign off all transfers. The timetable for approvals is as follows:

Estates Strategy December 2011

14<sup>th</sup> September 2011 – Primary Care Trusts to have reviewed and agreed properties to transfer

20<sup>th</sup> October 2011 – Strategic Health Authority to approve transfer

15<sup>th</sup> December 2011 – Department of Health to approve transfer

Subject to the above approvals it is anticipated that Leasowes will transfer from Sandwell Primary Care Trust to Sandwell and West Birmingham Hospitals NHS Trust in early 2012 subject to Board approval. To support this a risk assessment is currently being undertaken by Sandwell and West Birmingham Hospitals NHS Trust and a paper will be presented to the Trust Board in due course.

### **New Acute Hospital-Midland Metropolitan Hospital (MMH)**

#### **Outline Business Case**

Progress with the MMH has been significantly delayed due to the lack of approval of the Outline Business Case (OBC) by the Department of Health. The project retains local support by emerging CCGs, members of the Right Care Right Here (RCRH) Partnership Board and the Strategic Health Authority (SHA). Part of the delay has been uncertainty over the use of the Deed of Safeguard on PFI schemes. It has now been confirmed that Deed of Safeguard is available.

The current version of the OBC was developed following a review of affordability of the scheme. The review resulted in a slightly smaller new acute hospital and a decision to retain certain buildings on City and Sandwell sites and Rowley Regis Hospital. Numerous questions and queries have been raised by the Department of Health/Private Finance Unit to which the MMH Project Team has responded promptly.

#### **Land Acquisition**

The Secretary of State approved the Compulsory Purchase Order (CPO) in January 2011 which gave the Trust the necessary approval to proceed with the land acquisition. The Board will recall approving a proposal to proceed with the making of a General Vesting Deed (GVD) on selected plots on the Grove Lane site. This decision was made having considered each plot and carrying out an assessment as to how difficult, complicated and potentially time consuming it would be for the businesses to find alternative premises and relocate. 11 plots were included in this GVD phase 1 which was made in July 2011, these properties will transfer to the Trust on 1<sup>st</sup> January 2012. All other plots will be included in a second phase GVD, which will not be made until the OBC is approved.

#### **MMH Project Documentation, Preparedness for OJEU Launch**

The MMH Core Team has continued to prepare all project documentation in readiness to go to market as soon as the OBC is approved. All documentation is in final draft form. Final documentation will be developed during the OJEU Pre Qualification Questionnaire (PQQ) period.

#### **RCRH Community Facilities/Retained Estate**

The RCRH solution now requires an extent of retained estate for SWBH community based facilities. Significant progress has been made in determining the services that are to be based in the retained estate. Operational policies and Planning Policies & Design Descriptions (PPDDs) have been developed by the Estates and Technical Team in conjunction with Service Redesign and user representatives. Schedules of accommodation have been established for all three sites; City, Sandwell & Rowley Regis. Detailed feasibility studies are in progress to determine the costs



of delivering the retained estates solutions. A report will be presented in due course to the MMH Project Board.

## **11.0 POSITION STATEMENT IN RELATION TO ESTATES STRATEGY OBJECTIVES**

<b>Objective</b>	<b>Position Statement</b>	<b>Current Status RAG Rating</b>
1. To analyse the estate condition and its performance	<ul style="list-style-type: none"> <li>Backlog maintenance figures updated on 31/3/11 in line with investment made during 2010/11 and revised risk assessments for 2011/12.</li> </ul>	
2. To identify costs to achieve Estatecode Condition B for key facets of Condition Survey	<ul style="list-style-type: none"> <li>Cost to achieve Condition 'B' updated for additional high and significant risks, capital expenditure during 2010/11 and inflation.</li> </ul>	
3. To prioritise capital investment in estate statutory compliance issues	<ul style="list-style-type: none"> <li>Capital Programme agreed by SIRG for 2011/12 and Statutory Standards expenditure approved commensurate with high and significant risks identified</li> </ul>	
4. To maintain/improve compliance with Care Quality Commission Registration requirements for Outcome 10 – Estates and Outcome 11 –Equipment (Updated previous objective-To maintain/improve compliance with Annual Health Check Core standards);	<ul style="list-style-type: none"> <li>The Directorate has achieved compliance with Care Quality Commission Registration requirements for Outcome 10 and Outcome 11</li> <li>NHSLA Level 2 compliance achieved and work being undertaken to improve training and management of medical devices</li> </ul>	
5. To achieve year on year improvement in Environmental Performance	<ul style="list-style-type: none"> <li>BREEAM assessment for New Acute Hospital – excellent rating achieved. For Public Sector Comparator.</li> <li>Display Energy Certificates (DEC's) updated and displayed for compliance.</li> <li>In relation to the Trust energy/utility performance, most metrics fall within the median or lower quartiles of the ERIC benchmarking data.</li> <li>Sustainability Development Management Plan approved at Trust Board</li> <li>Sustainability Policy approved by Trust Board</li> <li>Sustainability Working Group implemented and manages Trust Sustainability Action Plan</li> <li>Over seventy Sustainability Champions recruited</li> <li>Carbon Trust Approved Carbon Management Programme in 2011</li> <li>Good Corporate Citizen Self Assessment managed through Sustainability Working Group to work to achieve National Targets</li> <li>Carbon Reduction Commitment (CRC) Full compliance with the requirements for registration with this mandatory scheme achieved</li> </ul>	
6. To operate all estate and facilities services at a benchmark between the lower and upper quartiles of the Estates Return Information Collection (ERIC) returns of comparable Trusts	<ul style="list-style-type: none"> <li>Key Estates and Facilities Services are operated between the lower and upper quartiles of the ERIC benchmarking data. Where Services lie outside these parameters action will be taken to identify reasons and</li> </ul>	

and demonstrate value for money	develop plans for corrective action where appropriate.	
7. To achieve green status for all operational related performance indicators by March 2016	<ul style="list-style-type: none"> <li>Secretary of State approval to make Compulsory Purchase Order in relation to land acquisition for Grove Lane agreed, new acute hospital approval is 12 months behind OBC planning assumption.</li> </ul>	

## 12.0 CONCLUSION

As can be seen from the position statement in section 11.0, good progress is being made to ensure compliance with the objectives of this Estates Strategy. From an operational perspective the risk management and governance arrangements in place are robust and the estate is being effectively managed to maintain risk to an absolute minimum in a cost effective manner. Year on year capital investment to address the high and significant risks is essential to maintain this position. The Estates Directorate continues to provide the necessary support to the Trust to ensure appropriate standards are achieved across a range of performance standards, Care Quality Commission, NHSLA etc. Improvements are being made in relation to environmental issues and the push towards sustainability should see even greater benefits for the future.

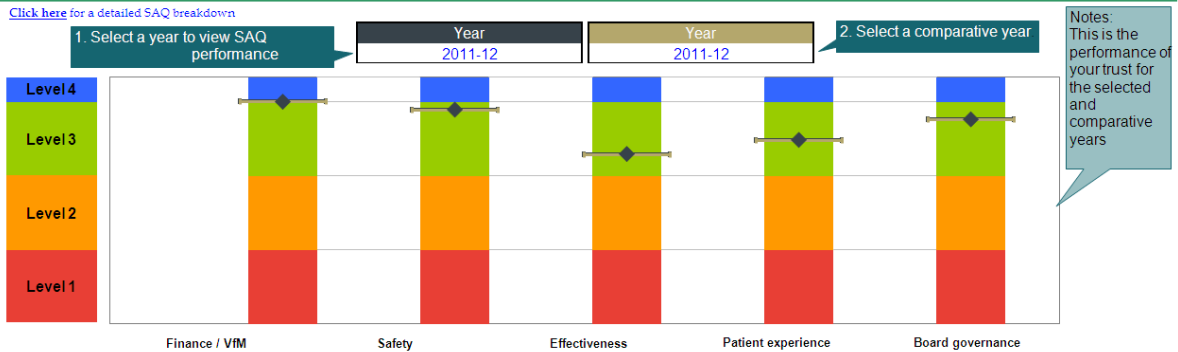
The long term strategic objective to move to a single acute hospital site on Grove Lane remains key to providing a suitable environment for patient care. Plans are being developed to include some retained Estate on the City and Sandwell sites in the overall Estates solution to deliver the strategic clinical objectives of the Right Care Right Here strategy.

ESTATES STRATEGY ANNUAL REVIEW 2010/11

**Appendix 1**

**NHS PAM Dashboard - Trust Self Assessment**

**Self assessment questions performance - for own trust only**



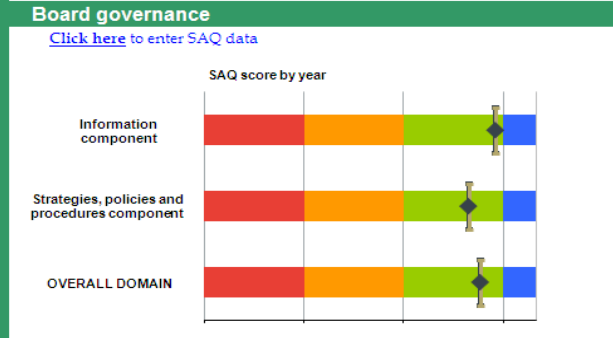
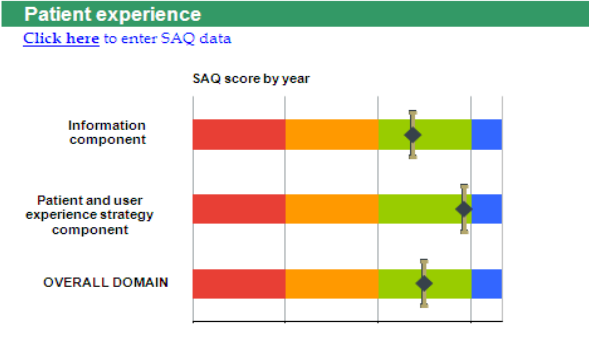
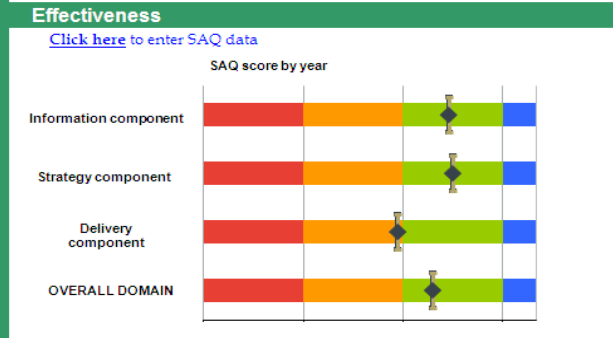
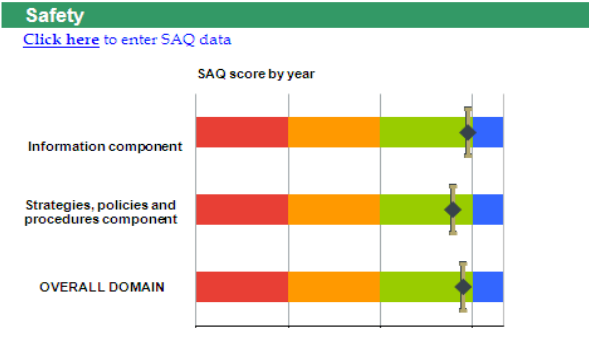
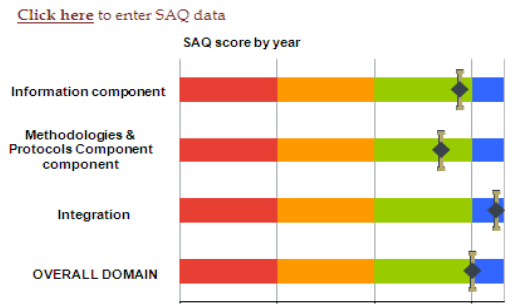
Year  
2011-12

Year  
2011-12

1. Select a year to view detailed SAQ performance

2. Select a comparative year

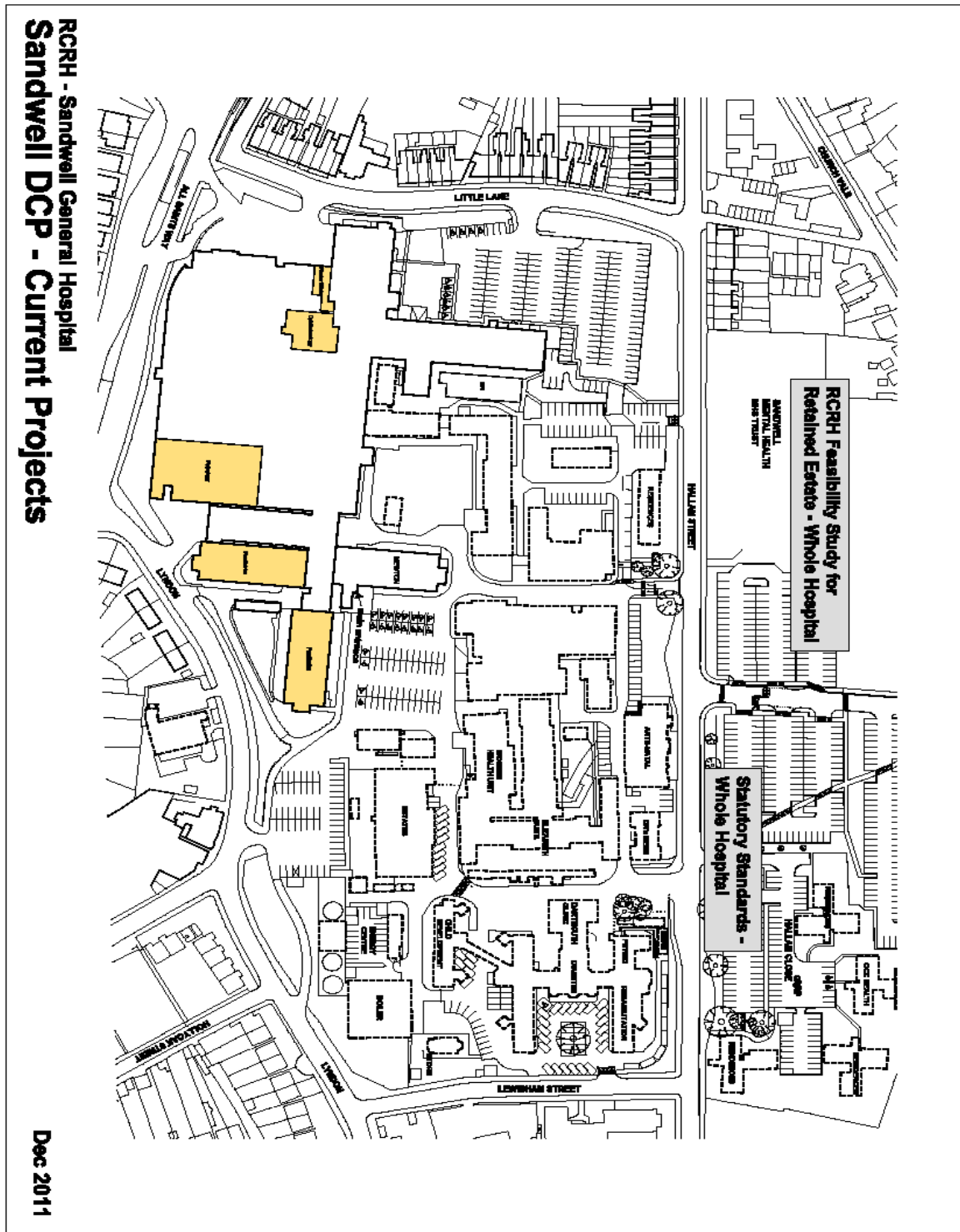
These years may be different to the general dashboard



ESTATES STRATEGY ANNUAL REVIEW 2010/11

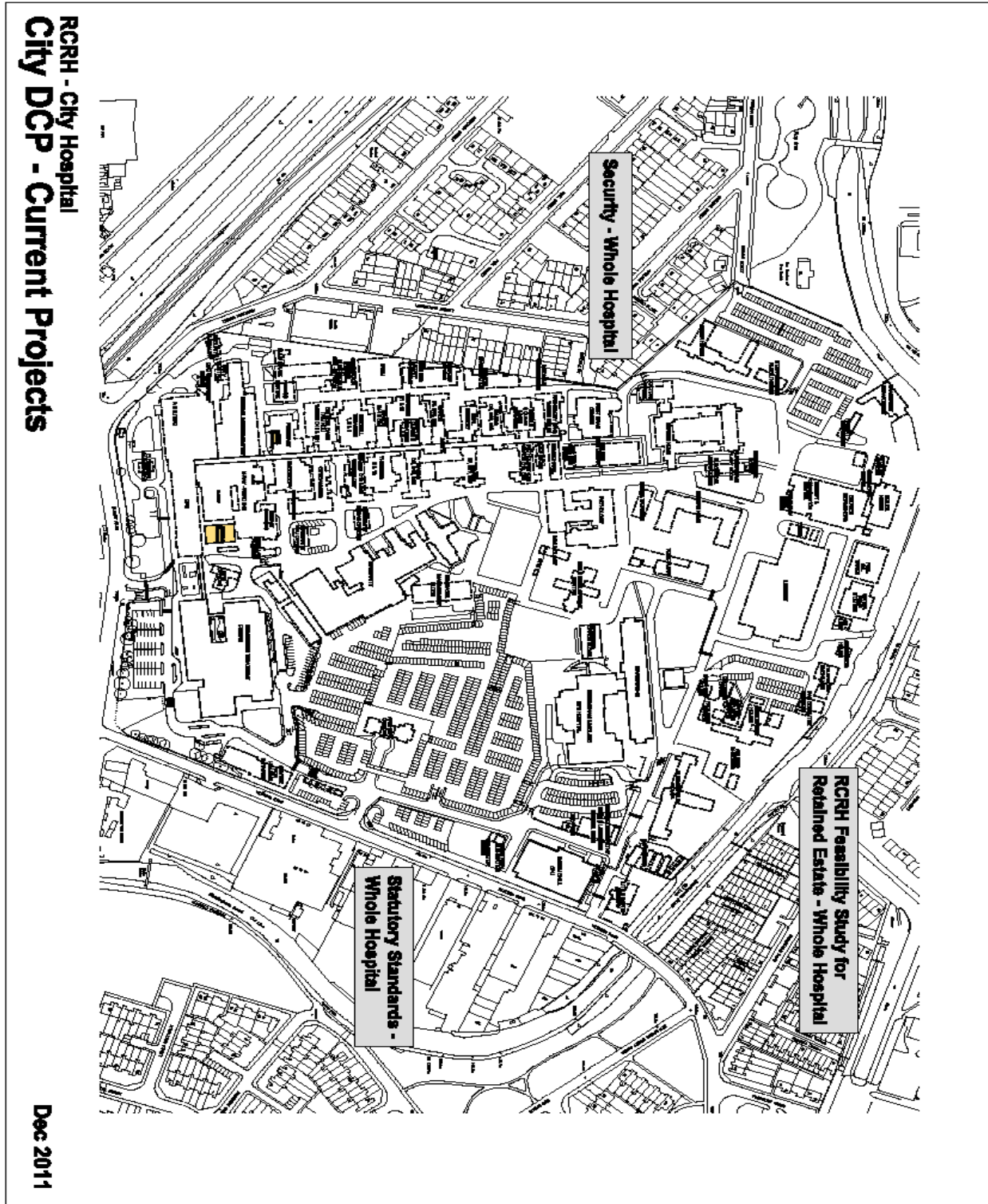
**Appendix 2**

Development Control Plan – Sandwell Hospital



**Appendix 3**

Development Control Plan – City Hospital



**Appendix 4**

Development Control Plan – Rowley Regis Hospital

