

Trust Board

Thursday, 25 May 2023

Building the Leeds Way (BtLW) Programme

Programme Summary Progress Report

Presented for:	Information
Presented by:	Simon Worthington (Director of Finance and BtLW Programme SRO)
Author:	Mike Bacon (Programme Director)
Previous Committees:	Building Development Committee

Our Annual Commitments for 2023/24 are:	
Effectively develop and deploy new assets (buildings, equipment, IT)	✓
Reduce healthcare associated infections	✓
Improve staff retention	✓
Deliver the financial plan	✓
Reduce average length of stay by 0.5 days per patient	N/A
Achieve the Access Targets for Patients	N/A
Support a culture of research	✓

Risk Appetite Framework				
Level 1 Risk	(✓)	Level 2 Risks	(Risk Appetite Scale)	Impact
Workforce Risk	✓	Workforce Supply Risk - We will deliver safe and effective patient care through having adequate systems and processes in place to ensure the Trust has access to appropriate levels of workforce supply.	Cautious	Moving Towards
	✓	Workforce Deployment Risk - We will deliver safe and effective patient care through the deployment of resources with the right mix of skills and capacity to do what is required.	Cautious	Moving Towards
Operational Risk	✓	Physical Assets Risk - We will optimise patient and workforce experience through the effective management of our buildings and estates.	Cautious	Moving Towards

Risk Appetite Framework				
Level 1 Risk	(✓)	Level 2 Risks	(Risk Appetite Scale)	Impact
Clinical Risk	✓	Capacity Planning Risk - We will ensure that capacity is planned to meet the demand for elective and non-elective (acute) admissions to our hospitals, managing this risk to provide safe treatment and care to our patients.	Cautious	Moving Towards
	✓	Patient Safety & Outcomes Risk - We will provide high quality services to patients and manage risks that could limit the ability to achieve safe and effective care for our patients.	Minimal	Moving Towards
Financial Risk	✓	Financial Management & WRP - We will deliver sound financial management and reporting for the Trust, aiming to at least break even, with no material variances to forecast.	Cautious	Moving Towards
	✓	Change Risk - We will deliver change aligned to the Trust's strategy on time and to budget with benefits achieved and no significant adverse impacts, focussing on the delivery of large-scale capital developments and waste reduction programmes.	Cautious	Moving Towards
	✓	Supply Chain Risk - We will manage suppliers in a manner that protects the Trust's interests and service to our patients.	Cautious	Moving Towards
External Risk	✓	Partnership Working Risk - We will maintain well-established stakeholder partnerships which will mitigate the threats to the achievement of the organisation's strategic goals.	Open	Moving Towards
	✓	Strategic Planning Risk - We will deliver Our Vision "to be the best for specialist and integrated care" though the delivery of a set of Strategic Goals and operating in line with Our Values.	Cautious	Moving Towards

Key points	
<ol style="list-style-type: none"> Members of the Trust Board are requested to note this BtLW Programme Summary Progress Report. This report highlights that whilst there continues to be good progress made to deliver the Pathology Projects, the Trust's Hospitals of the Future Project continues to be subject to on-going delays and there remains a high risk that the forecast date for the opening of the new hospitals will be further delayed. The Trust continues to await further information from the NHP to progress the Hospitals of the Future Project including details of technical standards to be met, funding allocations, and onward delivery and contracting routes. 	Information

1.0 Summary

- 1.1 This Building the Leeds Way (“BtLW”) Programme Report presents an up-date to the Trust Board regarding delivery of the Trust’s investment plans and specifically progress to deliver the programme plan.

2.0 Background

- 2.1 The Trust’s BtLW Investment Programme defines a robust set of plans that will support the implementation of service transformation and enhance its ability to deliver safe, high quality services and ultimately long-term financial sustainability. The Programme comprises three strategic investment Projects including:

- the Trust’s **Hospitals of the Future Project** which reflects ambitious plans to invest in new healthcare facilities at the Leeds General Infirmary (“LGI”) site through a vision of building a new state-of-the art digital and net zero hospital that will expand the Trust’s world-class adult healthcare services and provide a fantastic new home for the Leeds Children’s Hospital, whilst also delivering a new Education and Training facility commensurate with a major teaching hospital alongside a new Multi-Storey Car Park to improve accessibility;
- a new centralised **Pathology Facility** to be constructed at the St James’s University Hospital (“SJUH”) site that will centralise specialist services and be established as one of the new hubs for the West Yorkshire & Harrogate (“WY&H”) Pathology network; and
- the **LGI Development Site Project (LDS)** will regenerate 5ha of land at the Leeds General Infirmary site focussed upon creating a world-class hub for innovation in sectors including health research, medical technologies and digital health.

- 2.2 In accordance with the programme governance arrangements, the BtLW Programme Board has oversight management responsibility for all Projects within the Programme, however, Trust Board Committee assurance responsibilities are as follows:

- Building Development Committee - Hospitals of the Future Project & Pathology Project
- Innovation District Committee – LGI Development Site Project

- 2.3 This report presents an update of progress to deliver the Hospitals of the Future Project and the Pathology Project.

3.0 Summary of Project Progress

3.1 *Hospitals of the Future Project*

- 3.1.1 The Trust continues to await further clarification from the New Hospitals Programme (NHP) team surrounding details of the onward process, delivery timescales, minimum technical design requirements and funding allocations. The Trust has received no further engagement since the Major Projects Review Group (MPRG) NHP Programme Business Case approval of 6 December 2022 and it is not expected that any clarity surrounding the delivery conditions, route forwards and timetable will be known before the end of May 2023 at the earliest.

3.2 *Pathology Project*

- 3.2.1 Good progress is continuing to be made to deliver the Pathology suite of Projects. Works to complete the new Pathology Laboratory building, being constructed at the St James University Hospital (SJUH) site remain on plan with a forecast works completion date being

Summer 2023. Works to deliver the Acute Hospital Lab (to be established at the LGI site) continue at pace with the main refurbishment works commencing in early January 2023 that will see a fully refurbished new blood bank space co-located with the new Acute Hospital Lab. The Acute Hospital Lab works are planned to be complete in Summer 2023.

4.0 Key Delivery Risks & Issues

- 4.1 The BtLW Programme Team are continuing to support NHSE/I and the NHP with reference to the development of standard delivery processes and technical standards/ requirements. The BtLW Programme Team are continuing to retain under review its baseline delivery programme noting that this will need to be revised and re-aligned with the NHP plans once future delivery processes, technical requirements and funding allocations are confirmed by the NHP alongside a delivery route for the construction of the Trust's new hospitals. As a result of the on-going delays, there remains a high risk that the Trust's forecast programme is further delayed, the planned date for the completion and operation of the new hospitals is further delayed and forecast costs significantly increase.
- 4.2 Inflation and (delay related inflation) continues to be a significant risk and issue for the Programme. Mitigation and management controls implemented to support the Pathology Projects are currently proving to be effective, although there is a risk that matters continue to escalate and become unmanageable within existing project budgets. There continues to be an inflationary impact upon baseline construction costs driven by market factors and on-going programme delays that restrict the Trust to progress the delivery of the Trust's Hospitals of the Future Project.
- 4.3 The Project Risk Registers and delivery controls continue to be reviewed by the established Project Boards on a monthly basis and a Programme Risk Report continues to be presented to the BtLW Programme Board and Building Development Committee on a monthly basis. The Corporate Risk Register entries for the two core projects within the Programme were reviewed, updated and approved by the Corporate Risk Management Committee at its meeting held in May 2023.

5.0 Financial Implications

- 5.1 The key financial implications of this report relate to the risks and issues associated with the on-going management and delivery of the capital investment described in the BtLW Programme Plan and increases to costs as a result of on-going delays and rising inflation.

6.0 Equality Analysis

- 6.1 Equality assessments are being considered within each project relevant to their business case planning and delivery stage.

7.0 Recommendations

- 7.1 Members of the Trust Board are requested to note this BtLW Programme Progress Report.