

<b>NHS 24 BOARD</b>	<p style="text-align: right;"><b>2 APRIL 2019 ITEM NO 9.2 FOR APPROVAL</b></p> <p style="text-align: center;"><b>ESTATE UPDATE AND REQUEST FOR DELEGATED AUTHORITY</b></p>
<b>Executive Sponsor:</b>	Director of Finance
<b>Lead Officer/Author:</b>	Deputy Director of Finance
<b>Action Required</b>	The report is presented to the Board
<b>Key Points</b>	<ul style="list-style-type: none"> <li>• Requesting the Board delegate authority to approve decisions to the Chair and Chief Executive</li> <li>• Scottish Government (SG) Health Finance have approved the release of capital funding on the basis of the Outline Business Case.</li> <li>• SG Property Division require further information before they can advise the Ministers to approve NHS 24 entering into a new lease agreement.</li> <li>• Potential requirement to re-phase entry dates due to impact of Covid-19 on availability of internal and external staff.</li> </ul>
<b>Date presented to EMT and relevant Committee</b>	This report is presented directly to the Board.
<b>Summary of key discussion points/actions arising from respective Committees</b>	The OBC was presented at the February Board and approved. This follows up by requesting due to the uncertainty caused by Covid-19 that decision making can be delegated to the Chair & Chief Executive.
<b>Strategic alignment and link to overarching NHS Scotland priorities and strategies</b>	<p>Estate strategy supports NHS 24 NHS 24 strategic priorities.</p> <p>Request to move a direct consequence of national priority to expand elective capacity in Scotland.</p>
<b>Key Risks</b>	This paper directly impacts risk RPND/ 035511 which focuses on the reactive nature of the situation and how that could negatively impact on opportunities to plan a longer term estates strategy.
<b>Financial Implications</b>	An additional capital allocation of £1.4m has been secured. Work is underway to refine and update this value.
<b>Equality and Diversity</b>	NHS 24 takes account of equality and diversity departmental requirements in relation to property and facilities issues.

## 1. RECOMMENDATION

- 1.1 The Board is asked to approve that decisions around the move from GJNH to Aurora House can be delegated to the Chair and Chief Executive. This is to ensure that decision can be taken outside of the usual Governance process.
- 1.2 The Board are asked to endorse that alternative timescales/phasing are drawn up to reflect that Covid-19 has the potential to delay our ability to move in fully by October 2020.

## **2. INTRODUCTION**

- 2.1 The Outline Business Case with the preferred option of re-locating NHS 24 staff from GJNH to Aurora House was approved at the previous Board meeting in February 2020. The normal process would be return with a Full Business Case for the Board to endorse before submitting to the Scottish Government (SG).
- 2.2 On receipt of the OBC, SG property division had requested that we submit an FBC prior to the next Board meeting to ensure there was sufficient time to conclude a Lease agreement by June 2020. Covid-19 has subsequently thrown uncertainty over normal process and timescales.
- 2.3 As a result it is requested that the Board delegate approval to make decisions relating to the move from GJNH to the Chair and Chief Executive. This is to ensure that NHS 24 can react to requests for information from SG or react to the impact of Covid-19.

## **3. BACKGROUND**

- 3.1 As a National Board, approval from Scottish Government (SG) is required prior to entering into a commercial lease agreement. Before a lease agreement can be concluded with a non NHS landlord, the Cabinet Secretary for Health and Sport plus Finance, Economy and Fair Work are both required to approve. This would be upon receipt of a FBC that details the commercial terms.
- 3.2 The FBC would also normally be used as the vehicle to confirm funding requirements with SG. However, in this case SG have committed to fund on the basis of the OBC
- 3.3 SG property division had requested that we submit an FBC prior to the next Board. We are waiting on a response from SG around what is the minimum level of information required so they can provide assurance to the Ministers that approval should be granted. This seems like the sensible thing to do given the current circumstances. SG Finance have already backed this approach and taken the unusual step to approve funding based on the OBC.

#### **4 UPDATE**

- 4.1 Capital funding of £1.4m has been approved in principal from SG Health Finance for 2020/21
- 4.2 An indicative design has been produced and is appended to this document. It contains a Board room, training rooms and flexible working space for admin staff on the 1<sup>st</sup> floor. Then a contact centre set up providing over 150 workstations over the 2<sup>nd</sup> and 3<sup>rd</sup> floors.
- 4.3 The design and site surveys have been used as the basis for the quantity surveyor costs. These are in line with the allowance made in the FBC
- 4.4 The IT implementation plan has been produced by BT and NHS 24 will have received it prior to this Board meeting.
- 4.5 Discussions are ongoing with WDC around the Heads of Terms and Lease agreement. CLO have been contacted to review both on behalf of NHS 24 and Avison Young are acting on our behalf during negotiations.

#### **5 Review of Timelines**

- 5.1 Covid-19 has the potential to disrupt plans in a number of ways. From the ability of key personnel (NHS 24, SG & WDC) to dedicate time from to basic contractor availability over the next few months.
- 5.2 One possible scenario is that we could look at re-phasing the move. Focus on ensuring the 1<sup>st</sup> floor and a Comms room on the 3<sup>rd</sup> floor are in place for the end of October. This would allow admin staff and a training room to be available, freeing up the contact centre at GJNH for frontline staff only. Work would then continue on the other floors to allow frontline staff be operational by March (or earlier if additional workstations were required). This protects frontline staff from decanting during the winter and ensures that they are in place in advance of Easter.
- 5.3 The scenario above and other scenarios will be considered and discussed internally and with stakeholders. The dual aim is to be realistic in what can be achieved while NHS 24 and society focusses on Covid-19, while ensuring that NHS 24 have the right facilities to provide essential services from.

#### **6 FINANCIAL CONSIDERATIONS**

- 6.1 Detailed costings are being drawn up but the information received to date has confirmed the allowances within the OBC should be sufficient.
- 6.2 £1.4 million of additional capital funding has been approved in principle by SG Health Finance for 2020/21. This should provide sufficient funding to ensure a smooth transition from one site to another.
- 6.3 Other revenue costs will be dependent upon the lease agreement, IT implementation plan and phasing. These costs will be funded from NHS 24 normal allocation and provision has been made in the AOP for this.

**7 Summary**

- 7.1 The Board are asked to allow certain decisions regarding the re-location of staff from GJNH to be delegated to the Chair and Chief Executive as a practical measure to ensure NHS 24 can make timely decision when required. This would include submission of an FBC to SG prior to Board approval if required.
- 7.2 The Board are asked to endorse that alternative timelines or phasing than recommended in the business case should be pursued. Either as a contingency or a change to the plan as priorities adapt to Covid-19.