



**REPORT TO:** East Lothian Integration Joint Board

**MEETING DATE:** 25 October 2018

**BY:** Interim Chief Officer

**SUBJECT:** Royal Edinburgh Hospital Campus Development:  
Phase 2

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## **1 PURPOSE**

- 1.1 The purpose of this report is to seek the support of East Lothian Integration Board (IJB) for the revised inpatient capacity and financial assumptions for Phase 2 of the Royal Edinburgh Hospital (REH) reprovision thereby allowing the Outline Business Case (OBC) to progress.
- 1.2 A paper covering these issues was first brought to the IJB in April 2018. This paper presents the proposed requirements and costs following further clinical consideration and review of all of the information available.

## **2 RECOMMENDATIONS**

- 2.1 The IJB is asked to:
  - (i) confirm the proposed East Lothian mental health in-patient requirements in Phase 2 of the REH campus development
  - (ii) Agree in principle to a bed risk share model with other IJBs in order to progress the business case and ensure Midlothian patients have continued access to specialist services
  - (iii) Agree that the financial model, first presented to the IJB in April 2018, will be revisited as part of the work towards the new IJB NRAC financial allocation model and that the final financial model for the OBC should be presented to the IJB.

## **3 BACKGROUND**

- 3.1 Phase 2 of the REH reprovision programme will provide inpatient facilities for patients with Learning Disabilities, patients who require low

secure mental health care and those requiring longer term psychiatric rehabilitation.

- 3.2 Phase 2 is also to include the reprovision of the Ritson Clinic which provides inpatient detoxification for patients with substance misuse and the new Facilities Management building for the REH campus.
- 3.3 A proposal for the final stage, Phase 3, which will enable the reprovision of integrated rehabilitation services including those currently delivered from the Astley Ainslie site, is indicated for November 2018.

### **Learning Disability Services**

- 3.4 The Lothian wide Learning Disabilities (LD) Collaborative, commissioned by the then IJB Chief Officers in 2013, developed a comprehensive programme of redesign which included the consolidation of assessment and treatment inpatient beds on the REH site, now included in Phase 2 of the overall campus redevelopment. This required a closure programme of healthcare houses and the transfer of resources for Health and Social Care Partnerships (HSCPs) to provide community alternatives to inpatient care. This has been underway with transfer of resources building from since 2015/16.
- 3.5 The overall bed reduction if agreed and when complete will be from a total local capacity of 78 patients, reducing to 29.
- 3.6 A design and implementation of a test of change of the clinical environment was delivered in the Islay Centre, which became operational late 2016. This enabled NHS Lothian central LD services to demonstrate an ability to successfully support patients for whom historically, out of Lothian healthcare placements had been sought. The test of change also evidenced a significant improvement in outcomes for patients, improved patient and staff safety and demonstrated the impact of getting the physical environment right, and as such, has informed HSCPs and NHSL of the physical design of accommodation that can be commissioned in the community and in the proposed Phase 2 developments.
- 3.7 East Lothian currently has 4 patients with Learning Disability in hospital, 3 within the specialist LD services and 1 within general adult psychiatry. There are currently no current LD delays for EL H&SCP.
- 3.8 The Royal Edinburgh Campus (REC) Working Group, a sub group of the REC Programme Board with membership from IJB planning and finance officers has confirmed the bed numbers and overall programme.
- 3.9 East Lothian has advised a requirement for capacity for three patients within the specialist LD facility.
- 3.10 In summary, in line with national policy for people with Learning Disability the proposal is that all people with Learning Disability will be supported in a community setting, accessing assessment and

treatment within hospital as required. The exceptions to this will be the very small number of patients who require low or medium secure facilities provided by NHS Fife and NHS Greater Glasgow and Clyde on a regional and national basis respectively. These services are both funded on a risk sharing basis, managed by South East and Tayside (SEAT) and NSD, again respectively.

### **Mental Health (MH) Services**

- 3.11 The MH part of Phase 2 comprises the facilities for patients who require low secure settings (forensic and non forensic), and those who require longer term rehabilitation. There is consideration underway of potential for a community based model of therapeutic community for women with complex psychiatric presentations, however this is still in development.
- 3.12 Currently there is no appropriate local provision within NHS Lothian for any of the above groups.

### **Low Secure**

- 3.13 Male and female patients who require low secure facilities include those forensic mental health patients who no longer require medium security and mental health patients who require a higher level of security than can be safely provided in acute MH ward, an IPCU or a rehabilitation ward.
- 3.14 East Lothian currently has 2 individuals in out of area low secure healthcare placements. One individual is currently preparing for discharge back to the community. This level of service requirement has remained unchanged for the past 5 years.
- 3.15 The requirement for low secure provision has therefore been agreed as one for East Lothian.

### **Longer Term Complex Rehabilitation**

- 3.16 The number and configuration of MH rehabilitation (rehab) beds across Lothian has been subject to many programmes since the 1990's which saw institutions like Craighouse Hospital close. In East Lothian, Cameron Cottage, which provides supported accommodation for up to 8 individuals, was developed to assist the complete closure of rehab beds. Ward closures at the REH saw more rehab beds close in 2012 and most recently the opening of Phase 1 at the Royal Edinburgh Building saw the creation of the Braids intensive rehab ward by reducing 15 acute admission beds for this purpose. Access to this ward is open to patients from all 4 HSCPs.
- 3.17 East Lothian currently has 4 patients receiving psychiatric rehabilitation. Again, this is a service demand which has been relatively unchanged over recent years.
- 3.18 Considering the access to Braids ward, as noted above, East Lothian has indicated a requirement for two longer term further rehab beds.

- 3.19 There is no upper age limit on the MH or LD services to be provided in Phase 2.

### **Substance Misuse Services: The Ritson Clinic**

- 3.20 The 3 Lothian ADPs and the Lothian Substance Misuse Collaborative have agreed that the requirement for inpatient substance misuse detoxification should continue as part of the options available for alcohol and drug users who wish to safely reduce their substance use, often in preparation for access to the abstinence programme (LEAP). The facility is required to be provided on a hospital site for clinical reasons with risks associated with withdrawal and medication. The Ritson Clinic has recently reduced from 12 to 8 inpatient beds with 2 day beds (for Edinburgh ADP) as part of these agreements and following reviews of available funding.
- 3.21 The Ritson Clinic is located on the first floor of the Andrew Duncan Clinic which will be demolished after Phase 2 is completed. It is both possible and affordable to include the Ritson Clinic in the footprint of the Phase 2 MH and LD building and in doing so will solve an outstanding strategic issue. The costs are revenue neutral.

### **Clinical Brief and Design**

- 3.22 Following the agreement of the above recommendations by each IJB and NHSL F&R Committee, the programme of clinical brief and design will conclude during the summer allowing the OBC to be finalised.
- 3.23 Visits have taken place and will continue to take place to providers across the UK who have similar facilities to incorporate good practice and ideas and take on board lessons learned.
- 3.24 As above, where opportunity permits, services will be provided locally and patients repatriated or prevented from having to go out of area and community resources will be utilised as they become available so the programme is not awaiting new buildings to create improvement.
- 3.25 Staff will be recruited to provide such services locally and develop skills that will enhance delivery of the new unit.

### **Facilities Management Building and Infrastructure Improvements**

- 3.26 The FM building will provide a logistics hub for the site encompassing stores facilities and catering. The new facility will align with the NHS Lothian catering policy providing meals across the campus. The positioning of the building on the edge of the site will play a significant part in the health and safety management of the campus by providing separation of heavy goods movements away from patient areas.

### **Summary of Benefits**

- 3.27 Provision of services locally without the need for patients, relatives or staff to travel to other parts of the UK for many years.

- 3.28 Provision of inpatient services that are fit for purpose in modern facilities in Morningside, a community with many assets.
- 3.29 An expansion of provision in the community.
- 3.30 Significantly better use of available resources.
- 3.31 Provision of facilities management and infrastructure improvements that both futures proof the site for utilities and enable Phase 3 to proceed without disruption to clinical services.

#### **4 POLICY IMPLICATIONS**

- 4.1 The REH development supports the overall policy drive of Integration Authorities to shift the balance of care from institutional settings to community settings. East Lothian is making good progress and has a range of work streams underway to inform and improve local service provision to support people closer to home.

#### **5 INTEGRATED IMPACT ASSESSMENT**

- 5.1 The recommendations of this report and subsequent new facilities will reduce inequalities through more local provision and provision of greater gender specific services.
- 5.2 The integrated impact assessment will be undertaken and included within the forthcoming OBC.

#### **6 RESOURCE IMPLICATIONS**

- 6.1 The estimated capital construction cost of the redevelopment is £35m excluding VAT. In light of the constrained national capital position, the Scottish Government have agreed to a revenue funded 'Design, Build, Finance, Maintain (DBFM)' contract through Hub. The costs for the estimated Annual Service Payment have been included in the current financial model, offset by a reduction in direct NHS Lothian property costs, and will be confirmed through the Hub design process. All other delegated service costs remain unaffected by the change in funding model.
- 6.2 The estimated annual running costs are £24m for these future service configurations with funding available of £24.3m, this includes the £6m UNPACS budgets. Table 4 below highlights overall the finance model for this development is revenue affordable. There will be ongoing review of this in line with the progression of the business case.

**Overall Mental Health & Learning Disabilities**  
*Draft model as at April 2018*

			<b>Total £k</b>
<b>Learning Disabilities</b>			
<b>Estimated Costs</b>	Total Inpatient Costs		7,655
	Total Community & Specialist Teams Costs		5,416
	Total Community Places		4,230
<b>Total Annual Revenue Costs</b>			<b>17,301</b>
<b>Estimated Funding</b>	Total LD Service Budgets		12,657
	Edinburgh Partnership Funding		585
	Depreciation, Facilities Budgets & Borders income		995
	<b>Total Available Funding</b>		
<b>Funding Benefit / (Gap)</b>			<b>-3,064</b>
<b>Mental Health</b>			
<b>Estimated Costs</b>	Total Inpatient Costs		5,299
	Total Supplies Costs		1,402
	<b>Total Annual Revenue Costs</b>		
<b>Estimated Funding</b>	Depreciation		344
	Total Rehab Service Budget Release		3,454
	Facilities Budgets		185
	<b>Total Available Funding</b>		
<b>Funding Benefit / (Gap)</b>			<b>-2,718</b>
<b>OVERALL</b>	<b>Estimated Costs</b>	Total Annual Revenue Costs	24,002
	<b>Estimated Funding</b>	Total Available Funding	18,220
		UNPACs Release	6,162
		<b>Funding Benefit / (Gap)</b>	

6.3 The costs have been calculated based on a bottom up approach following discussion with clinical colleagues and will continue to be refined as the further certainty around the design of the building and the clinical models of care.

6.4 We will also continue to move toward the arrangement of operational risk share and the new IJB NRAC allocation methodology being developed.

6.5 The East Lothian specific costs for the beds requested within this model remain within the budget available.

## 7 BACKGROUND PAPERS

7.1 Minute of the meeting of the East Lothian Integrated Joint Board  
26 April 2018.

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