

# NHS Lanarkshire

## Development of Chryston Community Health Clinic

### Standard Business Case



v2.3 07/12/21

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## Executive Summary

This document sets out the Standard Business Case for the replacement of the Muirhead Community Health Clinic serving patients within the Northern Corridor. It builds on the initial business case approved by the Capital Investment Group in April 2019, which set-out the case for the replacement of Muirhead Clinic.

From 1<sup>st</sup> April 2014, Health Board boundaries were realigned with those of the Local Authorities across Scotland, with the aim of reducing administrative barriers and ensuring full alignment with the integration of health and social care services set out in the Public Bodies (Joint Working)(Scotland) Act.

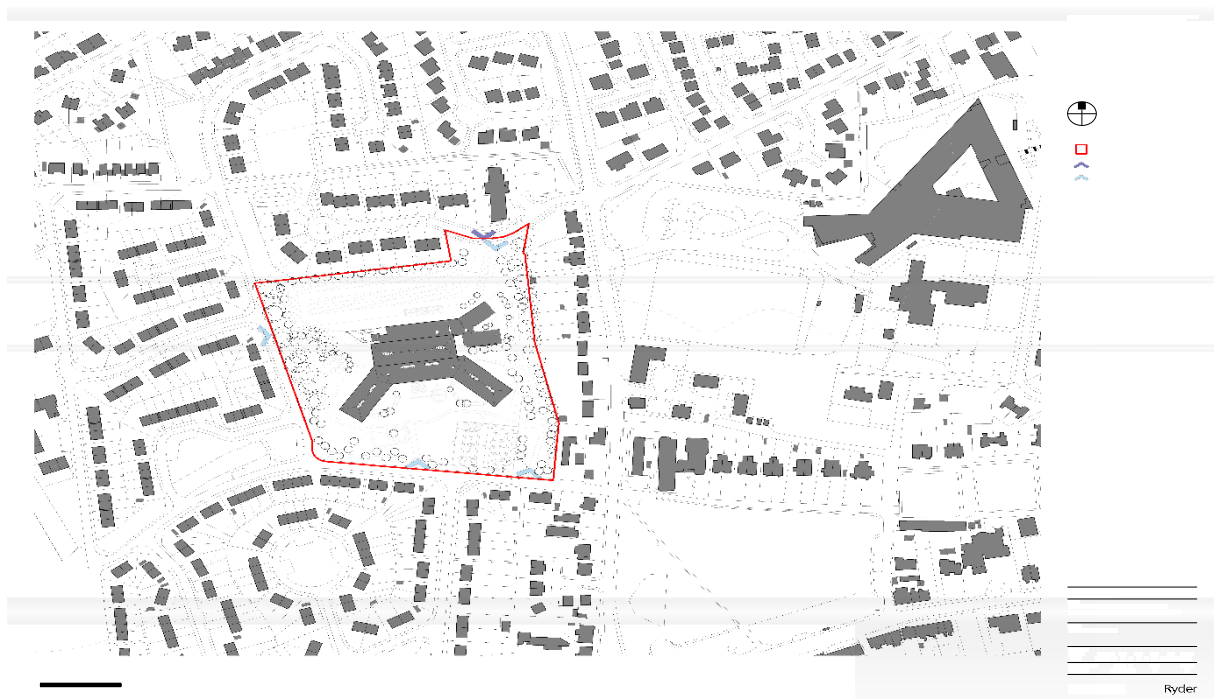
The Northern Corridor (covering the areas of Moodiesburn, Muirhead, Chryston, Stepps, Gartcosh and Auchinloch) transferred into NHS Lanarkshire, with a total population at transfer of 20,450. The area has one health facility, located within Muirhead, which is small, dilapidated and unfit for function. The facility transferred on 1<sup>st</sup> April 2014 with significant backlog maintenance issues, including extensive use of asbestos which has now been rectified.

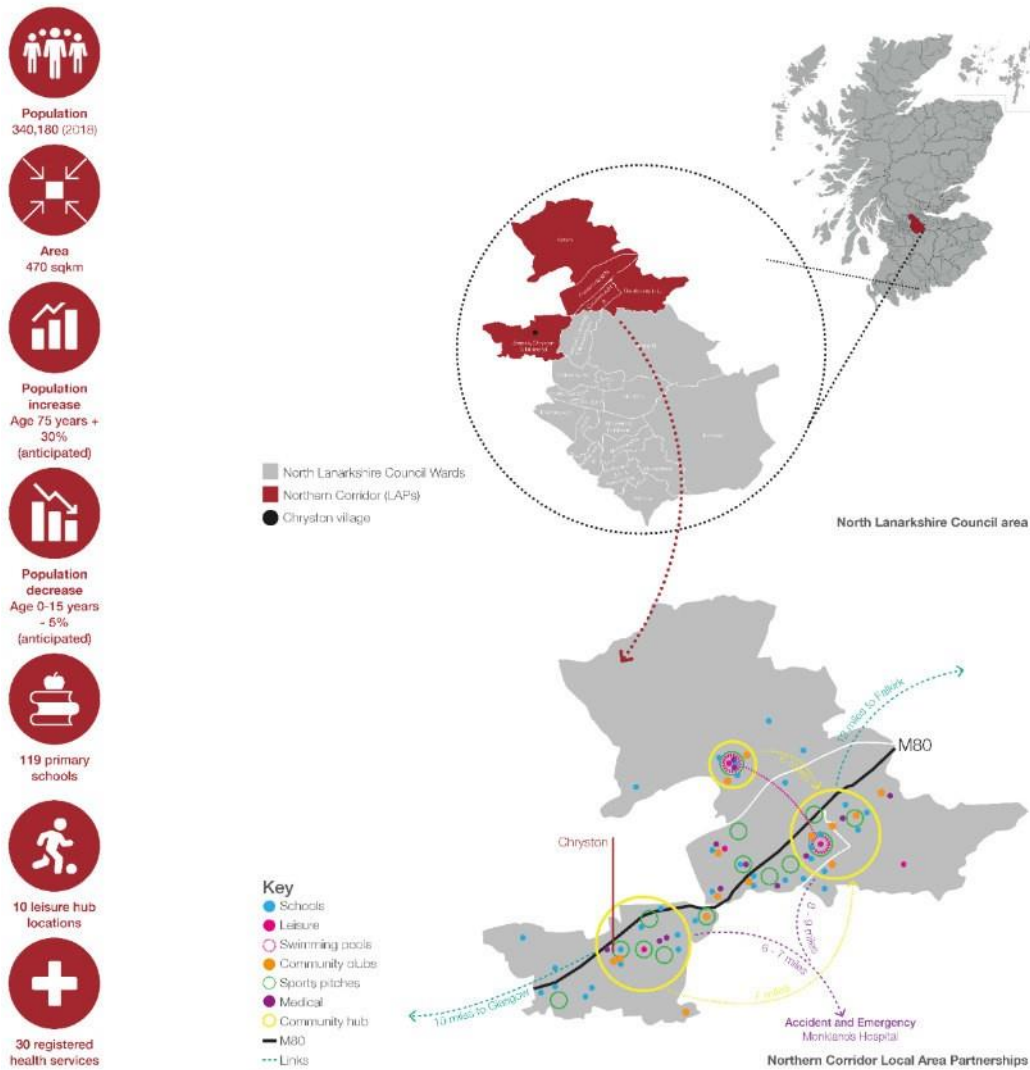
Despite a recent upgrade which improved compliance with healthcare environmental standards the facility does not support the provision of local services to the local population.

This business case sets out plans:

- for the replacement of the clinic with an appropriately sized and fit for purpose facility
- to repatriate a range of clinical services and provide these close to where patients live

On 14th May 2020 NHS Lanarkshire working in partnership with North Lanarkshire Council invited hub South West Scotland to deliver a single campus for the replacement of Muirhead Community Health Clinic and Chryston Primary School; additionally, deliver all the benefits that hub procurement can deliver. The site had been identified which is a clear land on Lanrig Park, located in the Chryston area of North Lanarkshire. Lanrig Park Site image below





The Hub tendering process resulted in the appointment of Ryder Architecture, Robertson construction, Rybka and Doig & Smith to deliver the project.

The extensive engagement to date with all stakeholders including the North Lanarkshire Council (NLC) and NHS Lanarkshire project teams has resulted in the optimum design being developed to the satisfaction of all the stakeholders. The agreed design has been through an extensive number of engagement sessions with the NHS Lanarkshire staff, Health & Social Care Partnership staff, teachers, support staff and pupils at Chryston Primary School together with representatives of the Parent Council, culminating in an online public consultation to inform residents of the design outcome. Through these engagement sessions hub SW has demonstrated their commitment to successfully delivering this essential project and, through that, achieve best value whilst delivering benefits through Key Performance Indicators (KPI) and community benefits to the wider area.

Through the Stage 2 development process hub SW confirms that the capital cost of the project is £3.65M which is inclusive of the “all-in” development costs, capturing inflation, preliminary cost, design fees, statutory fees, survey costs, HubCo fees, etc.

Revenue costs associated with the new facility are staffing costs and facility costs (soft/Hard FM). The total Net Revenue increase of £442,154 will be funded by North Health & Social Care Partnership.

The current revenue costs for Muirhead Clinic (£45,296) will be offset against the revenue costs for the new facility (£95,450) resulting in a net increase of £50,154.

Staffing costs will increase due to the additional workforce required for the new facility. The costs of the current Service Level Agreement (SLA) with NHS Greater Glasgow & Clyde (£848,000) will transfer to NHS Lanarkshire and be offset against the cost of staffing at £1,240,000 resulting in a net increase of £392,000.

The new facility will also support NHS Lanarkshire and its partners to implement and sustain actions required to meet the objectives of Achieving Excellence and new strategy 'our better health'. It will also support the implementation of the Board's Mental Health Strategy by supporting the development of community mental health services to reduce reliance on inpatient services.

Engagement and integration with Local Authority partners, voluntary agencies and carer organisations are also a key element to ensure that new models of health and social care are fully integrated to meet patient's needs and avoid gaps in service provision. Work with partner organisations is ongoing and will continue as this project develops. The successful provision of this facility will be key to achieving fully integrated and effective services.

The delivery of new the Primary Care project will be through the Scottish Future's Trust Hub SW leased model and this business case has been developed in accordance with Scottish Capital Investment Manual (SCIM) guidance.

The Standard Business Case is structured as follows:

- Strategic case and drivers for change within the local and national context
- Benefits realisation including learnings from the pilot implementation
- Risk and management overview, including a recommended approach to deployment
- Financial appraisal outlining the associated costs and funding model options

The Capital Investment Group has reviewed the content and given final approval to proceed.



## 1. Introduction

The overall purpose of the Business Case is to validate the original proposal for development of a new facility to replace Muirhead Community Health Clinic and to set out the detail of the proposed scheme.

The initial proposal to develop a new facility was based upon development of the existing site with a requirement to relocate services within the immediate locality whilst construction took place. This was always anticipated to be a complex process with challenges delivering the required parking capacity and when the opportunity emerged to participate in a joint development with North Lanarkshire Council on a project already well developed through South West Hub this was embraced.

The project will deliver a new campus at Chryston, a few hundred metres from our current facility, comprising of a new primary school and a new purpose designed community health clinic. The health clinic has been designed to meet our requirements and will be able to operate independently of the school.

North Lanarkshire Council will be the main participant in the development and will ultimately own the building when complete, NHS Lanarkshire will lease a percentage of the building for a period of 25 years in the first instance. This is a model we have successfully adopted in other developments with North Lanarkshire Council - Buchanan Centre in Coatbridge and Houldsworth Centre in Wishaw.

Hub South West has demonstrated their commitment to successfully delivering this important project and, through that, achieve best value whilst delivering a range of benefits through Key Performance Indicators (KPI) plus community benefits to the wider area.

Ryder Architecture were the successful design tenderer who have proved to have strong leadership and are passionate about collaborative project working in order to make positive impact on the delivering the best return on investment.

Tier 1 contractor Robertson's Construction Ltd were the successfully awarded the tender for the construction element of this project and they have significant experience in working in healthcare projects.

In addition to this, extensive numbers of engagement sessions with all major stakeholders have taken place including NLC and NHSL project teams, teachers, support staff and pupils at Chryston Primary School together with representatives of the Parent Council and NHSL staff, culminating in an online public consultation to inform residents of the design outcome. This has resulted in the optimum design being developed to the satisfaction of all the stakeholders. Images as shown below



This Business Case is the next step and sets out the strategic case for investment in this new build. To ensure the Board can build on the benefits already demonstrated in the outline business case, as a minimum, the clinic must be capable of providing not only current specialities but enhanced health services supporting the people of the northern corridor. It will also align with NHS Lanarkshire’s strategic objectives.



**Modern fit for purpose NHSL focussed on prevention and speed of treatment** – Delivering services that listen and respond to the needs of individuals, patients and carers to continuously improve experiences and outcomes

**Substantial & sustainable improvements in safety** – ensuring they are of the highest quality

**Excellence in employment, engaged and partnership working** – using the influence of NHS Lanarkshire’s organisational values and behaviours to support more effective partnership working with all our stakeholders and our ambitions as an employer of choice

**Greater integration of public services driven by partnerships and collaboration** – ensuring that Acute Services and North and South Lanarkshire H&SCPs give sufficient focus to health inequalities, prevention, self-care, home support and care to reduce reliance on hospitals and to support the desired shift in the balance of care

**Achieve best outcome and value for money** – ensuring that all resources are deployed to best effect, achieving transformational change in desired outcomes and value for money

The rest of this document is structured as follows:

- **Strategic Case & Drivers for Change** considers the strategic case for change at local and national level, providing an overview of the works carried out to date.
- **Benefits Realisation** presents the associated benefits taking into consideration findings
- **Risk Analysis & Management Overview:** presents the associated risks and sets out the proposed governance structure and implementation approach.
- **Financial Case:** outlines the cost model that will determine the affordability of construction a new Health Clinic within NHS Lanarkshire.

## 2 Strategic Case & Drivers for Change

This section provides the justification for investment in replacing the current Muirhead Clinic, specifically demonstrating how this will help the Board to meet its strategic priorities whilst also aligning with the wider national priorities.

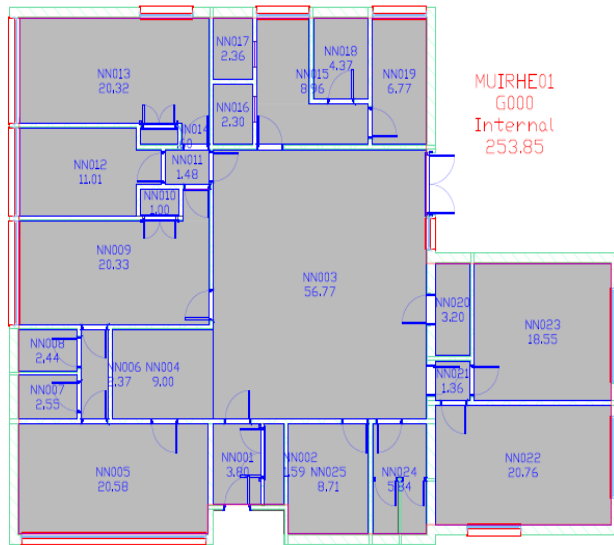
### 2.1 Overview

On 1<sup>st</sup> April 2014, Health Board boundaries were realigned with those of local authorities across Scotland, with the aim of reducing administrative barriers and ensuring full alignment with the integration of health and social care services set out in the public Bodies (joint working) (Scotland) Act.

The Northern Corridor (covering the areas of Moodiesburn, Muirhead, Chryston, Stepps, Gartcosh and Auchinlock) transferred into the NHS Lanarkshire Boundary area with a total population at transfer of 20,450.

The area has one health facility, Muirhead Clinic, which is a small single-story building with no dedicated car parking facilities. The current facilities at Muirhead Clinic allow a small range of outpatient clinical services to be provided locally – primarily treatment room, podiatry, Speech & Language and a limited number of district nurse led services. The accommodation available comprises of: -

- ❖ District Nursing staff Office
- ❖ SLT Office/interview room
- ❖ Podiatry Room
- ❖ Bookable Room
- ❖ Waiting area
- ❖ Staff Room



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Block Name & No	GH		
Block Building	GH01		
Rev	Page	Description	Disc
1	12/05/14	Transfer to A&E template	HC
<p>Do not alter the scale of the drawing. Contractors must refer to the latest specifications and drawings for all materials and finishes to the drawing and be provided in A&amp;E/IC format. The drawing is intended for use as a guide to the layout of the building and the drawing does not contain a copy of the construction drawings in a CAD format.</p>			
Facility	L41900 - Muirhead Clinic		
Drawing Name	Floor plan		
REV ADDRESS	15, Compton Road Muirhead G83 5 1P		
Block	GH		
Part	Ground Floor Plan		
Date this version	12/05/14	Drawn by	PC
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Drawing Number	L41900-GF		
PROPERTY & SERVICE SERVICES			

This situation leaves the residents of the Northern Corridor at a significant disadvantage since services cannot be fully integrated due to significant aspects of the services remaining in the neighbouring Health Board area as services cannot be fully repatriated due to the size of Muirhead Clinic resulting in patients having to travel to health facilities within NHS Greater Glasgow & Clyde to access these services – this is particularly unsatisfactory for patients who travel by public transport and can have an impact on the level of care provided. This lack of local accommodation has resulted in a position whereby a number of clinical services cannot be repatriated to the local area as part of the Boundary change project and continue to be provided in Glasgow via a Service Level Agreement.

## 2.2 Strategic Context

In line with the aspirations set out in our clinical strategy, Achieving Excellence, well developed plans are in place across North Lanarkshire to create fully integrated locality teams. Providing a more streamlined and simplified service focused on prevention, anticipation and supported self-management. This is currently not possible in the Northern Corridor area as the full range of services cannot be accommodated within the current facility.

The new clinic will host enhanced health services including: -

- ❖ Midwifery
- ❖ Health Visiting
- ❖ Psychological Therapies

- ❖ Anti – Coagulation
- ❖ Rehabilitation Team blue badge
- ❖ Health Visitor pathway assessment
- ❖ Treatment Room Services
- ❖ Phlebotomy
- ❖ Breastfeeding Group
- ❖ Health Visitor Baby Massage
- ❖ Speech & Language Therapy (more than words)
- ❖ Rehabilitation Team – Strength & Balance
- ❖ Mental Health Learning Disability
- ❖ Community Mental Health Team (Early onset dementia)
- ❖ Community Mental Health Team (OAP)

Creating this new Community Health Clinic will provide a mechanism to allow improved access to health care services by the local population. The arrangements will enable improved integration of clinical and local authority services which will reduce the number of visits for patients to access services that they currently require to undertake and allow services to be provided more efficiently. Improving access to services will greatly support community health and social care and reduce the demand for the current high dependency on inpatient facilities for health care. The provision of new community health facility will not only meet the Scottish Government’s vision but will meet the desire of patients to access local health care near to their home and prevent admission to hospital.

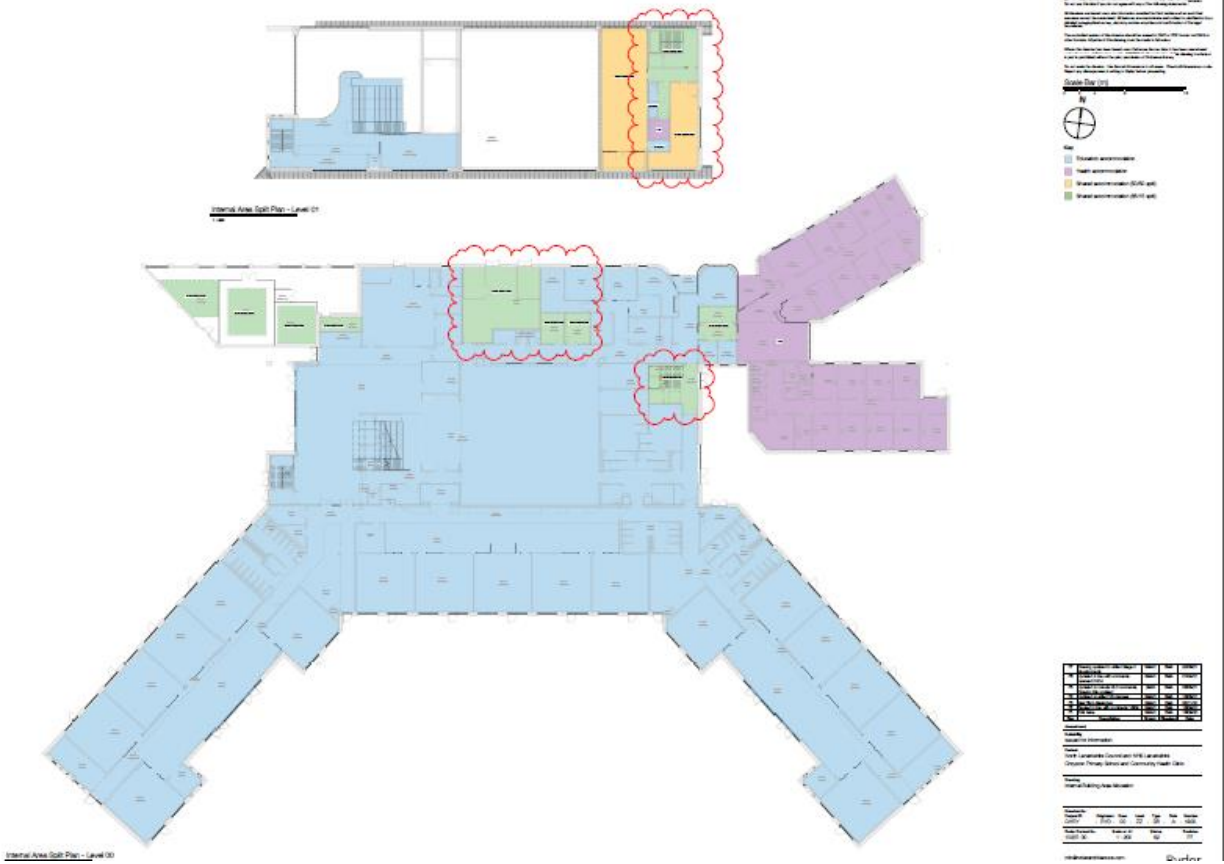
Like other NHS Boards NHS Lanarkshire is constantly reviewing how clinical services are provided to ensure they meet service objectives change and the development of new health and social care models is an ongoing feature of work to ensure that services meet the needs of patients, and are delivered in locations close to where patients live and provide the opportunity to offer integrated services.

Engagement and integration with Local Authority partners, voluntary agencies and carer organisations are also a key element to ensure that new model of health facility is fully integrated to meet patient’s needs and avoid gaps in service provision. Working with partner organisations is ongoing and will continue as this project develops. The successful provision of this new facility will be key to achieving fully integrated and effective services. This will support improved access to modernised and integrated Primary Care, Community Health and Social Care Services for patients and their relatives

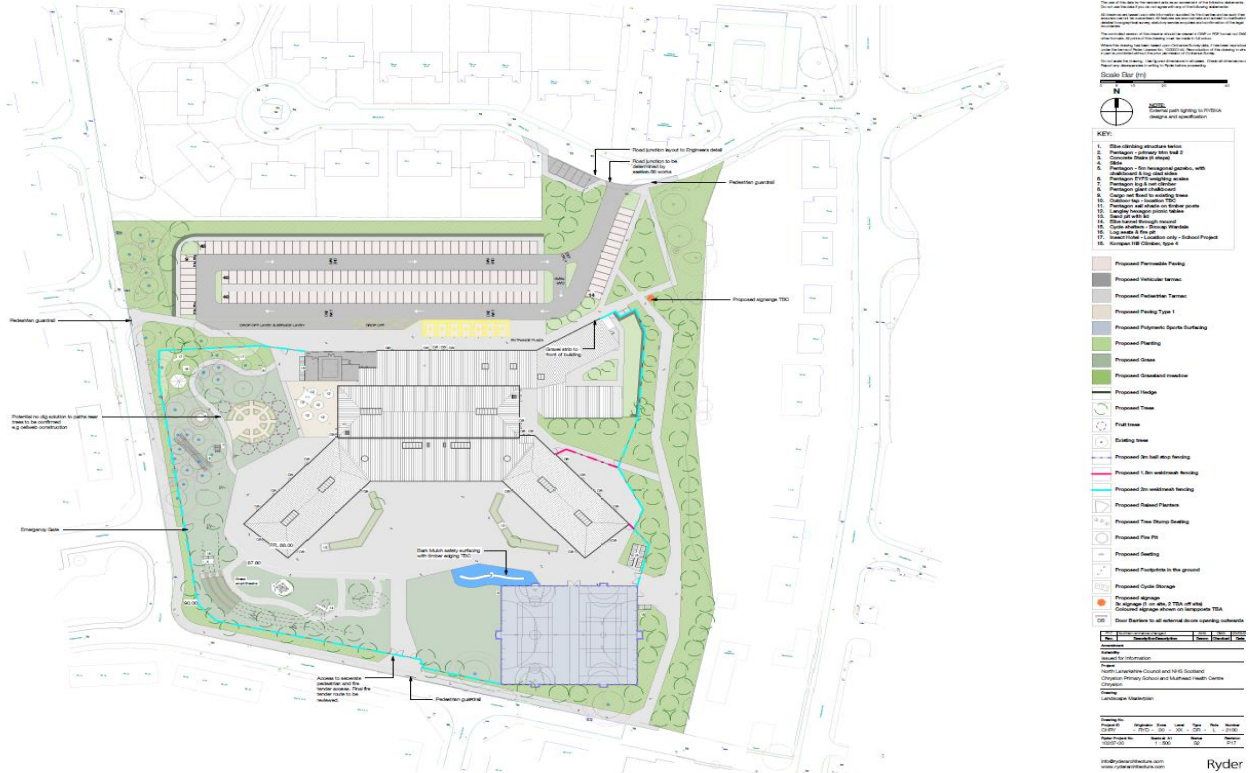
It will deliver NHS Lanarkshire planning goals by supporting strategies for service remodelling and redesign that have been the subject to public engagement and involvement.

The new health clinic internal site plan is shown below

Purple (NHSL), Orange & Green (Shared), Blue (NLC)



The new health clinic external site plan is shown below



## 2.3. Key Strategic Objectives

The key strategic objectives of this project are as follows: -

	Key Objectives
Design	<ul style="list-style-type: none"> <li>➤ Achieve a high design quality in accordance with NHS Scotland guidance.</li> <li>➤ Meet statutory requirements and obligations for public buildings e.g. with regards to DDA, HEI, HAI.</li> <li>➤ Achieve “Very Good” BREEAM rating and work towards BREEAM Healthcare rating of ‘Excellent’.</li> </ul>
Sustainability:	<ul style="list-style-type: none"> <li>➤ Promote sustainable primary care services and support a greater focus on anticipatory care.</li> <li>➤ Deliver more energy efficient premises within the NHSL estate, reducing CO2 emissions and contributing to a reduction in whole life costs.</li> <li>➤ Ensure ongoing financial sustainability in provision of services.</li> </ul>
Patient Experience	<ul style="list-style-type: none"> <li>➤ Access to a wide range of services in a single location and not previously available locally.</li> <li>➤ Integrated services; this will improve service co-ordination and ensure that service users receive the best possible care from the professional with the skills best suited to their needs.</li> <li>➤ A more integrated approach to service delivery by NHS Lanarkshire and local authorities.</li> <li>➤ Shorter waiting times and speedier referral pathways between professionals.</li> <li>➤ Improved physical environment.</li> <li>➤ Enhanced patient pathway from integration of services.</li> </ul>
Quality Strategy	<p>The investment objectives have been designed to ensure that the Scottish Government 2020 vision is taken forward effectively and that the three quality ambitions are achieved. The achievement of the three quality ambitions will ensure:</p> <p>Patient Centred</p> <ul style="list-style-type: none"> <li>➤ Implement service models which support the services’ strategic objectives by optimising the quality of care delivered for patients in Lanarkshire.</li> </ul>



	<ul style="list-style-type: none"> <li>➤ Ensure that care is structured around the needs of patients and delivered through an integrated (inpatient and community) pathway as agreed with the NHS Lanarkshire Strategic Programmes.</li> <li>➤ Increase community-based provision, reducing demand on inpatient beds and services.</li> <li>➤ Support and develop integrated health and social care services to provide cohesive services to patients.</li> </ul> <p>Safe</p> <ul style="list-style-type: none"> <li>➤ To provide a physical environment that complies with modern standards of healthcare and that promotes the safety, dignity, and privacy of all patients in purpose-built facilities that significantly improve the patient experience.</li> <li>➤ To create an environment which supports the improvement of HEI standards.</li> </ul> <p>Effective</p> <ul style="list-style-type: none"> <li>➤ To provide a therapeutic environment which allows the delivery of more appropriate care that benefits patients and provides staff with improved conditions to deliver clinical care.</li> <li>➤ To rationalise the existing estate and reduce costs with more efficient/sustainable facilities and infrastructure, support integrated Health &amp; Social Care delivery.</li> </ul>
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## 2.4 Investment Objectives

Specific investment objectives for this project are to provide:

- A clinical environment that supports clinical effectiveness
- An environment that promotes health and wellbeing
- Easily and safely accessible services
- Facilities that support the delivery of efficient services
- A project that minimises disruption to patients.
- Efficient, green and sustainable facilities for patients.

As outlined above, NHS Lanarkshire’s Primary Care Investment Programme aims to modernise the delivery of healthcare. It is generally accepted that well-designed health buildings are conducive to the maintenance of good physical and mental health and have a positive effect on staff performance and retention. Such facilities should also improve the efficiency of operational relationships and

provide better value for money in terms of whole-life costs. The objectives that follow are set within this context.

The investment objectives were derived with the involvement of stakeholders and are SMART – specific, measurable, achievable, relevant and time constrained.

Particular consideration has been given to ensuring that the investment objectives are both efficient (improving service delivery) and effective (improving quality). Please refer to the joint campus smart objectives in table below.

## 2.5 Primary and Secondary Strategic / Service Objectives

The table below provides a detailed breakdown of the primary and secondary strategic objectives. It should be noted that service users and clinical staff from the services have been involved in establishing and agreeing the baseline position from which objectives will be measured.

PRIMARY OBJECTIVE	SECONDARY OBJECTIVE
Improved access to services	<ul style="list-style-type: none"> <li>➤ Deliver enhanced services within the community setting e.g. consultant led clinics, psychological therapies, and clinical therapies including SLT, Physiotherapy and Podiatry.</li> <li>➤ Reduction in waiting times in service</li> <li>➤ Increase range of outreach clinics appropriate to local care e.g. diabetes child health mental health and addictions.</li> </ul>
Improved Efficiency	<ul style="list-style-type: none"> <li>➤ Improve efficient of utilisation of facilities – more generic rooms, more flexibility in use</li> <li>➤ Flexible shared working environment – encouraging peripatetic staff to access shared workspace rather than return to base.</li> <li>➤ Improve estates performance.</li> </ul>
Have a positive impact on equality & diversity	<ul style="list-style-type: none"> <li>➤ Statutory compliant.</li> <li>➤ DDA Compliant.</li> <li>➤ Consult with stakeholder groups – forums such as North Lanarkshire Disability Access Panel.</li> </ul>
Improved integration of services	<ul style="list-style-type: none"> <li>➤ Improved integration of services between primary care services, GP Services, Mental Health, CAMHS, Sexual Health, Addictions and Social care services.</li> <li>➤ Co-Locating services</li> </ul>

	<ul style="list-style-type: none"> <li>➤ Integrated working – with Local authority</li> <li>➤ Producing innovative ways of working</li> <li>➤ Better co-location of AHP services</li> </ul>
Improved patient experience	<ul style="list-style-type: none"> <li>➤ Improved access to local service</li> <li>➤ Increased number of services provided in local community</li> <li>➤ Repatriation of patients</li> <li>➤ Improved patient journeys</li> </ul>
Improved staff experience, recruitment and retention	<ul style="list-style-type: none"> <li>➤ Designed to meet clinical requirements</li> <li>➤ Staff involvement in design process</li> </ul>
Reduce Risk	<ul style="list-style-type: none"> <li>➤ Designed to enhance safety of staff and patients</li> <li>➤ Compliant with DDA</li> <li>➤ Meets   Statutory Compliance</li> <li>➤ Reduce Risk</li> <li>➤ Assessment for HAI</li> <li>➤ Improve Patient/Staff security</li> </ul>

The above strategic objectives link into the shared campus strategic objectives as seen below



## 2.6 Benefits Criteria

The benefits used to assess each of the options through the Benefits Options Appraisal methodology are detailed at 3.2 in the Economic Case. Beyond these benefits which were identified to be used as the basis for formal appraisal, the following longer list of benefits that will accrue from the scheme were identified by the project team.

Strategic			
Services designed around the needs of patients so that they work well and are convenient for them. Patients will be asked for their views on what is convenient, what works well and what could be improved. The pathway or route that a patient takes from start to finish will be continuously examined to see how it can be made easier and swifter. Unnecessary stages of care or service delivery will be removed, more tests and treatments will be done on a “one-stop” basis and patients will be able to access a wider range of services in fewer locations.	High	Immediate with ongoing benefit in the long term	Qualitative Direct/indirect Economic
Improved localisation of access to services through having all services on the same site will enable the delivery of services and single point of access for patients.	High	Immediate with ongoing benefit in the long term	Qualitative Direct/indirect Economic
Improved clinical effectiveness through removing the artificial boundaries between secondary, primary and community care and enabling further progress to be made in improving the scope and range of local health care delivery.	High	Some immediate benefit, with greater benefit in mid-term as new services develop	Qualitative Direct Economic
Integration of health and social services to provide best value to patients based on the “one-stop shop” principle. This states that as many services as possible should be provided at each visit especially for those with long term health needs, combined with recognition that each patient contact should be the only contact needed to access all the services needed.	High	Immediate with ongoing benefit in the long term	Qualitative Direct/indirect Economic

Better communication between Multi disciplines i.e. Community and Hospital Care, Midwifery, Community Nursing Teams and Social Care Services. Hence, from a patient perspective a seamless service.	High	Some immediate benefit, with greater benefit in mid-term as new ways of working bed in	Qualitative Direct/indirect Economic
Improved clinical quality will be achieved by service redesign allowing team working to develop, joint ownership and clear management responsibility of both services and budgets. The realisation that service development depends upon constant re-examination of current working practices to ensure that best value is always being obtained from available resources frees staff to “think the unthinkable” when considering priorities and the balance between what has always been done and what developments are desired from the patients, public and professional’s perspective. Examples of the expected improved clinical quality through teamwork are:  Primary, Secondary and Social Care Services will have the opportunity to better co-ordinate care to prevent admission and improve rehabilitation.	High  High	Immediate with ongoing benefit in the long term  Immediate, with ongoing benefits in the long term	Qualitative Direct/indirect Economic  Qualitative Direct/indirect Economic
Improved quality of physical environment through the development of building design solutions that get the best clinical performance from the diverse teams operating in the health and social services. It is intended that the Project Group will be extensively involved in the design stage of planning the new building, which will be much more than simply the same services in a new building.	High	Immediate	Qualitative Direct/ indirect Economic
<b>OPERATIONAL</b>			
Physical environment and patient pathway.	Medium	Immediate with ongoing benefit in long term	Qualitative Quantitative Direct Financial
Access to a wide range of services not previously available locally.	Medium	Some immediate benefit will increase mid-term once GR development also complete ongoing benefit in long term	Qualitative Quantitative Direct Financial
Access to integrated community teams; this will improve service co-ordination and ensure that service users receive the best possible care from the professional with the skills best suited to their needs.	Medium	Immediate with ongoing benefit long term	Qualitative Quantitative Direct Financial
A more co-ordinated approach to rehabilitation.	Medium	Immediate with ongoing long-term benefits	Qualitative Quantitative Direct Economic
Speedier referral pathways between professionals.	Medium	Some immediate benefit, increasing in mid-term as new ways of working bed in	Qualitative Quantitative Direct Economic
Energy efficient & Sustainable build.	High	Immediate	Qualitative Quantitative Direct Economic
Statutory compliant build.	High	Immediate	Qualitative Quantitative Direct

## 2.7 Risks

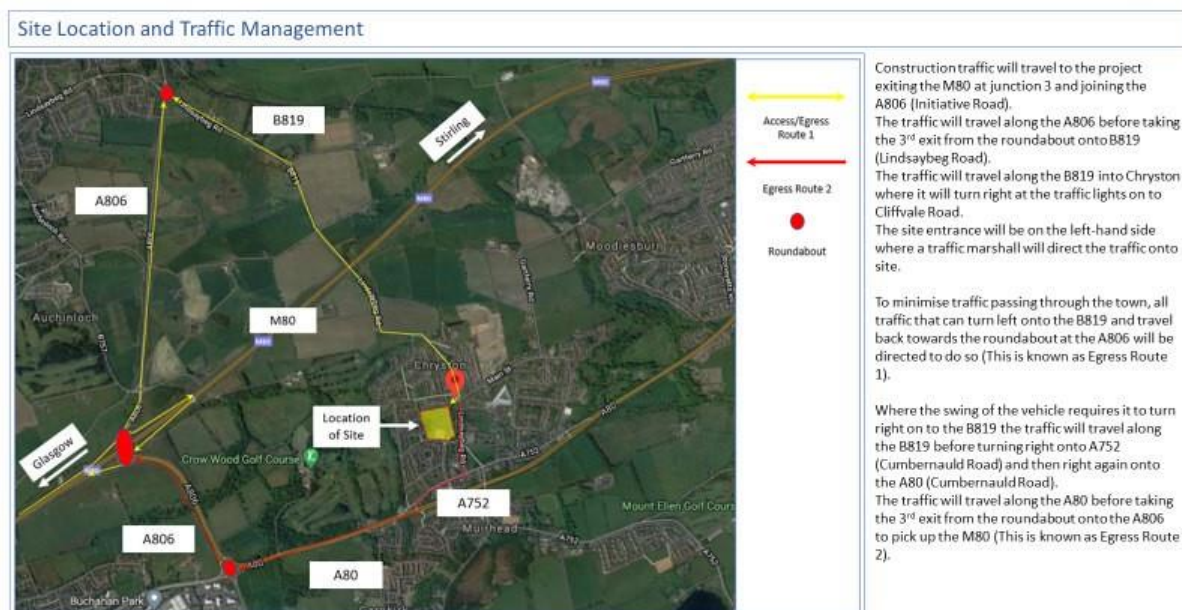
2.7.1 Due to this lack of local accommodation, a significant number of key clinical services cannot be provided locally, and therefore have not been repatriated to NHS Lanarkshire as part of the Boundary Change project and remain in NHS Greater Glasgow & Clyde via a Service Level Agreement (SLA). These services are:

- Community Addictions
- Community Diabetic Service
- Community Mental Health Team Psychological Treatment Team
- Community Mental Health Team Adult Services
- Community Mental Health Team Older People
- Dietetics
- Physiotherapy (musculoskeletal service)
- Sexual Health

2.7.2. There is however a risk that NHS Greater Glasgow & Clyde could elect to serve notice on these services through the Service Level Agreement process – there is experience of this occurring in similar circumstances as has happened with the Children & Young People Speech and Language Therapy service, which was repatriated to NHS Lanarkshire on 1<sup>st</sup> January 2018. It is important to recognise that there are no mitigating actions which could be undertaken by NHS Lanarkshire if such notice were to be given on any of the services currently provided by NHS Greater Glasgow & Clyde as it would not be possible to provide these locally within the Northern Corridor area.

2.7.3. A transport impact assessment previously carried out highlighted the difficulty in accessing existing NHS Lanarkshire sites via public transport from the Northern Corridor area with, for example, Steps having only two buses per day into Cumbernauld at 6.30 and 7.30 am. This continues to be the case. A traffic management exercise was carried out by Robertson Construction as noted below.

Chryston Primary School and Muirhead Health Clinic – Construction Methodology



2.74 It is important to recognise that as well as delivering significant benefits, there are a number of risks that this Business Case has identified associated with the new build for NHS Lanarkshire. These have been set out below with proposed mitigation strategies to support the Board in making an informed decision.

#### **Risk Assessment**

TYPE	RISK	MITIGATION
Finance	1. Affordability  2. Cost breach in Market Testing	1. Board to assess the benefits against affordability. 2. Board to consider sending prioritises and measure against strategic objectives  3. Contractor, Hub South West and Doig & Smith to continue to work together to ensure best value for money in this current climate as the market continues to recover from the past 2 years.
Activity	Is there a risk that patients will request to continue to be treated in NHS GG&C	1. Ensure patients are made aware of proposed enhanced services which will be available on site.  2. Develop a robust Communication plan to be shared with Muirhead/Chryston residents and surrounding areas prior to and throughout the new build process
Reputational	Risk during the new build that could delay project build 1. Material Availability 2. Labour Availability	1. Material availability – Contractor responsible for being proactive and take steps to detect and address issues that could affect delays. This can be done by managing risk capabilities, delivery management, 2. Labour availability – Contractor is responsible for being proactive and take steps to mitigate this issue through resource planning and allocating and managing supply chain.
Current Service	There is a risk that increasing expectations around workforce, performance and patient outcomes will not be achieved due to the current SLA with NHS GG&C configuration resulting in reduction in service to patients of Muirhead and surrounding areas.	1. Advance planning of the transfer of clinics from NHS GG&C to NHS Lanarkshire.  2. Advance planning of the recruitment of appropriate staffing for new service provision.
Water Voles	Trapping timeframe leading to disruption/delay to programme	Trapping programme has commenced and continued monitoring until site is clear to ensure site is ready for construction.
COVID-19	Risk of further lockdown and “ping-demic”	National Lockdown - Develop contingency plans for national/ and local lockdowns. Prioritise Health & Safety measures. Collaborative working with supply chain and continuous review of programme, delivery, and contingency plans. To mitigate pin-demic Consider daily lateral flow testing
Scottish Water	Water Capacity & Connection	Continued discussion with Scottish Water to obtain technical approval

## 2.8 Proposed Areas of Work

Delivery of the full range of community services to the Northern Corridor locality will only be achievable if Muirhead Clinic is completely replaced. This will enable the full range of services currently provided by NHS Greater Glasgow & Clyde, as set out above, to be provided locally by NHS Lanarkshire.

## 3 Economic Case

This section outlines the benefits associated with preferred solution

### 3.1 Stakeholder involvement

NHS Lanarkshire in partnership with North Lanarkshire Council through the Hubco Involved a broad range of stakeholders in respect of the redesign of primary and community health services for the Northern Corridor. Extensive engagement sessions with the NHS Lanarkshire staff (PSSD, IM&T/Telecoms/IPCT), Health & Social Care Partnership staff, teachers, support staff and pupils at Chryston Primary School together with representatives of the Parent Council, culminating in an online public consultation to inform residents of the design outcome have taken place. Engagement with North Lanarkshire Access Panel has taken place and has continued as the design progressed to ensure DDA compliance and to provide the opportunity for a significant level of engagement with patients with disability. Local MSP's and Local Councillors have also been given the opportunity to engage via a separate online engagement session.

A joint Stakeholder communication plan has been developed so that each group of stakeholders can receive correct information and engage in the development of the building at the relevant stage.

### 3.2 Option Appraisal

Four options were considered during this process and subject to a detailed option appraisal process consistent with SCIM requirements. This is set out in the table below with benefits criteria drawn from NHS Lanarkshire's project objectives set out in section 2 – Strategic Case.

Benefits Criteria	Weight	Option 1 Do Nothing		Option 2 New build on current site		Option 3 New Build on new site		Option 4 New Build on a new site (Hub)	
		Score	Weight x Score	Score	Weight x Score	Score	Weight x Score	Score	Weight x Score
Improved Accessibility to services	20	0	0	3	60	5	100	5	100
Improved integration of services	20	0	0	3	60	4	80	5	100
Improved flexibility for future change	10	0	0	1	10	4	40	5	50
Improved clinical effectiveness	20	0	0	3	60	5	100	5	100
Improved accommodation	10	0	0	4	40	4	40	5	50
Improved staff recruitment, training and development	5	0	0	3	15	5	25	5	25
Operational and environmental sustainability	15	0	0	1	10	5	75	5	75
<b>TOTAL</b>			<b>0</b>		<b>255</b>		<b>460</b>		<b>500</b>



The cost of each of the three new build options is expected to be similar at circa £3-3.5m and in option appraisal terms the value is therefore not a significant factor in the decision-making process. Additionally, the recurring revenue cost for each facility will also be similar as each is the same size and contains the same room configuration. Accordingly, options 3 and 4 score similarly and much higher than option 2. Option 2 scores relatively poorly as a result of the disruption due to relocating from the current facility during construction, the additional timescale for delivery due to relocation and the operational challenges due to limited car parking capacity.

Option 4 emerges as the clearly preferred option as it offers greater levels of opportunity for integration and partnership working and provides an integrated campus within the centre of the Muirhead and Chryston area.

The Northern Corridor is a higher than average user of acute services, potentially reflecting the current challenges in accessing primary care services. The provision of a new modern facility would not only reduce the travel difficulties faced by the population but would allow for significant service developments in the area. Option 4 delivers this best for the patient population.

A financial analysis undertaken using the SCIM modelling approach confirms this conclusion with costs per benefit point as shown below:

Option	Option 1	Option 2	Option 3	Option 4
NPC				
Benefit points	0	225	460	500
Cost per benefit point				

### 3.7 Critical Success Factors

Critical success factors for the delivery of the project were subject to discussion at early stages of this project. These critical success factors were revalidated during the preparation of this business case.

Critical Success Factors are listed in the table below.

Critical Success Factors	
1. Business Needs	Must meet NHS Lanarkshire's investment objectives related business needs and service requirements.
2. Strategic Fit	Must allow the delivery of all the relevant national and local strategies such as Achieving Excellence, Our Better Health and Scottish Government 2020 Vision. Must result in the provision of accommodation for patients, relatives and staff that is functionally suitable, safe, clinically effective and provides a therapeutic environment.
3. Value for money	Must deliver improved services, integration of services, co-location of services. Options must deliver value for money in terms of being clinical effective in supporting strategy.
4. Potential achievability	NHS lanarkshire must have the ability to support the new service models and to maintain service continuity. NHS lanarkshire project team must have the ability to manage associated risks and have the necessary capabilities to deliver the project
5. Potential Achievability	The Project must fit with the Scottish Government Hub funding model and must be deliverable through Hub South West.
6. Supply side capacity and capability	Must meet NHS Lanarkshire's ability to find the required level of Capital and revenue expenditure
7. Timescale	Construction must be completed in line with the strategic objectives with the Hub South West.

### 3.8 Design Quality Objectives

NHS Lanarkshire is committed to the integration of design quality in the procurement of the new health clinic.

A Design Statement has been prepared, in consultation with the key project stakeholders, and following a workshop facilitated by Ryder Architecture.

The design statement sets out in detail the specific objectives to be achieved and sets out a series of key, non-negotiable performance criteria related to patients, staff and visitors. It defines benchmarks for how the design will help to deliver these objectives. The design statement has the support of the Architecture and Design Scotland (A+DS)

The design statement is a key briefing document for the Technical Team and will be used to inform the more detailed briefing documents such as the schedules of accommodation, key adjacencies and room data sheets. The design statement is attached at [Appendix 1](#).

The Project is using the Achieving Excellent Design Evaluation Toolkit (AEDET) to assess design quality throughout the procurement process. An initial AEDET Assessment has been undertaken to review the Preferred Option and the conclusion is as noted below: *“The project is well received by its stakeholders and they are well informed of the project aspirations and principals of integration, access and patient focus. Through the stakeholder engagement process these considerations have been discussed, developed and integrated into the Stage 2 design”*.

*The design team has now progressed through RIBA Stage 4 and the following design items were considered and further developed areas such as;*

- *look and feel of the building’s external finishes*
- *Development of landscaping design*
- *The level of adaptability of the current Mechanical & Engineering design has been assessed and quantified*
- *Consideration of the integration with the North Lanarkshire Council shared areas*
- *Further consideration requires to be given to the operational management of the secure access systems*

As the design has developed these issues have been addressed and the assessments at later stages in the development will reflect this through improved scoring. Many of the issues simply reflect that current status of the design at this point of review and were addressed as the design development progressed. The detailed assessment document is available for review on request.

NHS Lanarkshire is committed to the Scottish Government’s purpose: ***“to create a more successful country where all of Scotland can flourish through increasing sustainable economic growth”***.

Sustainability is a key investment objective for Primary Care facilities and a BREEAM Assessor has already been appointed to the technical team. This appointment has been made at an early stage of the design process in order to maximise the potential to obtain a BREEAM Very Good and work towards Excellent rating, which is a requirement of the Scottish Government for New Build Projects. The BREEAM new construction objectives report is below.



### ***Route-map to Net Zero Operational Energy***

Whilst Scotland has committed to Net Zero Carbon by 2045, North Lanarkshire Council and NHS Lanarkshire have an aspiration of being a net zero carbon community by 2030. The building is designed in line with North Lanarkshire Council current energy policy which is to achieve a very low carbon footprint (with detailed energy efficiency targets agreed) – there is also a recognition that a further step in respect of net carbon zero will be required and the facility includes the infrastructure to install and support the operation of air source heat pump technology at a later date and in advance of the net carbon zero target of 2045.

Chryston Community Hub has been designed to deliver the operational energy targets defined in the Authority Construction Requirements, which also aims to drive down carbon emissions through the adoption of good design principals that embraces building physics with the goal of delivering the energy consumption and carbon emissions aspirations.

A combination of value for money passive design and the efficient development of the Engineering Services strategy are fundamental in achieving these aspirations. A collaborative approach to design solutions across the team from first principals has been embedded within early design stages. Comprehensive dynamic modelling, following CIBSE TM54 methodology, has been carried out to ascertain the strategies and solutions required to meet these targets. This detailed energy analysis has helped the design of Mechanical Electrical Plumbing (MEP) systems and allowed the carbon emissions to be reduced in line with the Authority Construction Requirements.

The BREEAM Assessor has taken a proactive approach by meeting with members of the team, individually, to offer clarity around the duties of each professional discipline together with the NHS Lanarkshire duties such as ensuring stakeholder participation.

The BREEAM Accreditation will be assessed against the following categories team, individually, to offer clarity around the duties of each professional discipline together with the NHS Lanarkshire duties such as ensuring stakeholder participation.

- Management
- Innovation
- Pollution
- Health & Wellbeing
- Energy
- Land Use & Ecology
- Transport
- Waste
- Materials
- Water

## 4 Commercial Case

The project will be delivered via South West Hub and will utilise the Hub model which is now a well developed and tested mechanism. The Hub contract will be between South West Hub and North Lanarkshire Council (as principal building occupiers) with NHS Lanarkshire entering into a separate formal contract with North Lanarkshire Council for the provision of the Chryston Community Health Clinic. This is a process adopted previously between NHS Lanarkshire and North Lanarkshire Council and one which both parties believe delivers a significant level of benefit whilst protecting both parties.

The commercial case sets out the key elements of the process being taken forward by South West Hub and their Design Team - Robertson's Construction, Ryder Architects, Goodson Associate and Rybka Engineers – and provides a detailed understanding of the comprehensive process which has been adopted.

### 4.1 Procurement Schedule

Robertson and the Design Team agreed a detailed Procurement Schedule to manage the release of Market Testing information. This schedule was then used by the project team to programme billing and market testing in five separate phases, and to support the process of work package cleansing and subcontractor recommendations. The Procurement Schedule can be viewed in [Appendix 2](#).

### 4.2 Procurement Strategy

As part of this process, a series of detail drawing review meetings were held with the participants to ensure all elements were clearly captured and fully scoped within the information prior to the market testing information being issued for tender, thus ensuring that the project requirements and aspirations were fully understood and included in the information release.

- **Design Integration:** As the design has developed in more detail in Stage 2, the core design team of Ryder Architecture, Goodson Associates and Rybka have worked with the specialist consultants (Atelier Ten Fire Engineering, Ryder Healthcare, Sandy Brown Acoustics and Rybka BREEAM) to make sure that the Stage 2 design meets the required performance and compliance standards.
- **Early Contractor Design – Supplier Input:** Robertson involved key suppliers from their supply chain to work with the design team as early as possible. For example, an SFS design was produced, as this is a key area where gaps can occur as this is the interface between the structure and the envelope, to improve the design coordination and market testing feedback. Supplier information was also received from the Roofing and Curtain Walling suppliers to make sure that the Stage 2 design meets the required performance and compliance standards.
- **Supply Chain:** From Stage 1 onwards, Robertson have engaged with their supply chain, to integrate their knowledge and experience into the project design. In hub Stage 2, Robertson have continued to seek input from key supply chain partners to make sure that the developing design has the right specification and detailing, while improving the buildability which

improves cost, productivity and quality. This also helped the tenderers to understand the design intent and allow them to price and programme correctly.

DP packages identified for Chryston Community Hub include: -

- Structural steel frame connections
- Roofing
- Wall cladding
- Curtain walling, windows and external glazed doors
- Rooflights
- Building Services - Mechanical, Electrical and Public Health
- Sprinklers
- Lifts
- Fixings, Fitting and Equipment (FF&E)
- Multi Use Games Area (MUGA)
- Kitchen

## 4.2 Procurement Timetable

Market returns from the key Contractor Design Portion contractors were reviewed with the design consultants, checking the specification for compliance within each package. Following initial market returns, Robertson identified a selection of envelope, structural and partition contractors to take part in workshops with the design team to allow outstanding tender queries to be addressed. These meetings also enabled a process of review of the programme, sequence and logistics, giving contractors the opportunity to offer their advice on buildability issues as well as clarifying any additional items they should be allowing for within their quotation.

The prospective Mechanical, Electrical, Plumbing contractors were also invited to a mid-tender workshop to allow them a one-to-one session with Rybka to fully understand the Mechanical, Electrical and Plumbing strategy and raise their own queries. These workshops helped to identify where additional information was necessary to fully cleanse and price individual aspects of the Mechanical, Electrical and Plumbing works. This has also provided assurance that the tender returns are robust and allow for direct comparison between each contractor. This will lead to a workable and compliant design solution that meets the aspirations of both NHS Lanarkshire and North Lanarkshire Council.

## 4.3 Formal Contract Mechanism

Hub South West comprises of a number of public sector organisations ('Participants' & The Scottish Futures Trust) and a consortium of private sector partners, collectively called Alliance Community Partnerships, this is comprised of three organisations:

1. Equitix Limited
2. Galliford Try Holdings Plc

### 3. Graham Group Ltd

The Participants are the South West Territory, comprising Ayrshire and Arran Health Board, Dumfries and Galloway Health Board, **Lanarkshire Health Board**, the State Hospitals Board for Scotland, the Common Services Agency (commonly known as National Services Scotland); East Ayrshire Council, North Ayrshire Council, South Ayrshire Council, North Lanarkshire Council, South Lanarkshire Council, Dumfries & Galloway Council; North Ayrshire Venture Trust; North Lanarkshire Properties LLP; Scottish Fire and Rescue service; Police Scotland; Dumfries & Galloway Police; Dumfries & Galloway Fire & Rescue; Loreburn Housing Association Limited; Wheatley Housing Group Limited and other Registered Social Landlords; Scottish Ambulance Service; the Scottish Courts Service and other urban regeneration bodies.

Hub South West can be utilised as a direct call off by NLC & NHSL, acting not as a framework but as a Development Partnership, a Partnership which North Lanarkshire Council & Lanarkshire Health Board They are compliant with the Scottish Procurement Regulations and are set up by Scottish Futures Trust as part of the hub Procurement.

As part of the Official Journal European Union, hub South West have been appointed primarily to provide and deliver (or manage the provision or delivery through its supply chain) new build and refurbished facilities (“Facilities”) from which Community Services will be delivered by one or more of the Participants to the public within the Territory, together with fit out and FM services in relation to such Facilities or fit out and FM services for other facilities used by one or more of the participants for the provision of such community services.

Community services include but are not limited to:-health (substantially primary care but may include acute); wellbeing; library services; education; children’s services; residential and social care; social housing; special needs housing; economic development and regeneration; employability services; welfare rights and money advice; sports and leisure; arts and culture and other community based services (including but not limited to those provided by the police, courts, fire and rescue, ambulance services and NHS National Services Scotland).

As part of the Scottish Futures Trust hub Programme, the contract that will be proposed if the Scottish Futures Trust ‘Design and Build Development Agreement’ (DBDA). This contract has been developed by Scottish Futures Trust and replicates the Design and Build, Finance Maintain (DBFM) form of contract without the lifecycle and maintenance contract included. The Design and Build Development Agreement has now been adapted to allow the inclusion of an Independent Tester and a Completion Criteria that was previously seen in the Design and Build Finance Maintain contracts. The Design and Build Development Agreement contract delivers a full risk transfer from the Authority to hub South West, which in turn is passed down to the Tier 1 Contractor. This has ensured that since the inception of hub South West 8 years ago there has been no legal claims or disputes. **This has been utilised on 30+ projects within hub South West over the last 8 years of operation, this is also the contract that was used for DLT Phase 1 projects with hub South West.**

We develop project specific tender documents typically evaluated on a 70:30 quality: cost basis (we can adjust the ratio to suit the needs of the client and hold examples of this with recent North Lanarkshire Council projects that we would happily provide under request). The Quality elements assessing experience of the business, the team they propose and project specific methodology. The cost element assesses the 'Non-prime elements' of their tender against hub South West caps including design team fees, Prelims, OH&P and Risk. We have a strong network of partners and actively undertake diligence on their financial standing and experience to ensure all proposed partners are suitable and able. The development process will be split into three stages with a set of deliverables noted against each:

Stage 1	Stage 2	Stage 3
Hub SW stage 1 report and cost report	HubSW Stage 2 report and Cost Report	DBDA gaps populated
Stakeholder consultation undertaken	RIBA Stage 4 design / BIM Level 2 – Design Freeze	Surety Package agreed Performance Bond, PCG, Warranty's
Utilities capacity studies	Planning submitted and consent attained	Designer Appointments Concluded
Meet the buyer events	Building Warrant submissions	Purification of any pre start conditions
RIBA stage 2 design	Project Market Tested on n open book basis to a minimum of 80% of the prime cost – supported by three sub-contractor quotes for each package	Financial Close–contract signing
Stage 1 cost plan agreed	Fixed Price achieved from Tier 1	
	Finalised delivery programme	
	Contractors Proposals Finalised	
	Authorities Requirements Finalised	
	Design Build Development Agreement (DBDA) issued	

Development Agreement between NHS Lanarkshire and North Lanarkshire Council is currently in draft format and is currently with Central Legal Office and North Lanarkshire Council legal advisors.

#### 4.4 Programme

The programme has been developed following the design freeze at the conclusion of Stage 1. The programme shows distinct zones within the building that tie in with the phasing plans and covers site activities from start to finish. The sequence of operations has been carefully considered and follows a traditional and well tested pattern. In addition, Robertson have liaised with their supply chain in order to gain comfort that the durations for elements of work are achievable and that the sequence is correct. The overall duration for the construction works stands at 77 weeks (plus 2 weeks shutdown for Christmas holiday). Please refer to [Appendix 4](#) for the Robertson Construction Programme.

#### 4.5 Testing & Commissioning Programme

An outline testing and commissioning programme has been prepared for the project, please refer to [Appendix 4](#). Within the programme there is an allowance for carrying out client demonstrations and training as necessary towards conclusion of the project prior to handover. It is anticipated these demonstrations can be videoed for future reference.

An Independent Tester is being appointed and they will review the written Mechanical and Electrical engineering services testing and commissioning procedure. They will also undertake selective witnessing of the Mechanical and Electrical services testing and commissioning and review all test results.

#### 4.6 Independent Tester

The Independent Tester (IT) will attend monthly site progress meetings and provide the Authority and Hub Co with a monthly report on the activities carried out by the Independent Tester. During the month's activities the Independent Tester will report on: - progress relative to the programme; compliance with the Authority's Construction Requirements and hubco's Proposals; alternative specifications; changes to the scheme; and liaise with the Authority's clerk of works for any quality matters raised by the Authority or Hub Co. The Independent Tester will undertake regular site inspections during the Works, as necessary, in accordance with the periods set out in the Completion Criteria, undertake regular site inspections during the Works, as necessary, in accordance with the Design and Build Development Agreement and Construction Contract. Report on the completion status of the Project, identifying any work that is not compliant with the Authority's Construction Requirements, hubco's Proposals, the Approved Reviewable Design Data (Approved RDD) and / or the Completion Criteria.

The Independent Tester will determine whether the Works are finished or complete in accordance with the Completion Criteria and certify the Actual Completion Date and issue a Certificate of Completion in accordance with the Design and Build Development Agreement. The Independent Tester will issue a snagging notice at practical completion specifying any snagging matters and monitor and review rectification of such snagging matters in accordance with the Design and Build Development Agreement.

#### 4.7 Agreed Implementation schedule

Approval Schedule	Key Milestone Dates	Outcome
New Project Request NHSL/NLC approval issued	14 <sup>th</sup> May 2020	Approved
Hub Stage 1 project proposal approval	21 <sup>st</sup> May 2021	Approved
Designer Appointment	15 <sup>th</sup> April 2020	Approved
Tier 1 Contractor Appointment	17 <sup>th</sup> June 2020	Approved
Planning Permission	19 <sup>th</sup> August 2021	Approved



NHSL Business Case Approval (CIG)	3 <sup>rd</sup> December 2021	
NHSL Business Case Approval (Board)	15 <sup>th</sup> December 2021	
NHS/NLC Development Agreement	TBC (CLO involvement)	
North Lanarkshire Council Project Board approval to proceed	27 <sup>th</sup> October 2021	Approved
North Lanarkshire Council Committee approval for delegated authority to sign DBDA	2 <sup>nd</sup> December 2021	
<b>NHSL/ North Lanarkshire Council/Hubco Stage 2 approval</b>	<b>3<sup>rd</sup> December 2021</b>	
Financial Close	10 <sup>th</sup> December 2021	
North Lanarkshire Council/Hubco DBDA Agreement approval	14 <sup>th</sup> December 2021	
Mobilisation	15 <sup>th</sup> December 2021– 23 <sup>rd</sup> January 2022	
Construction	24 <sup>th</sup> January 2022 – 7 <sup>th</sup> May 2023	
Commissioning	8 <sup>th</sup> May 2023 – 14 <sup>th</sup> July 2023	
Handover	28 <sup>th</sup> July 2023	

## 5. Financial Case

This section outlines the costs associated with the new Chryston Community Health Clinic. This includes outlining a number of assumptions underpinning the development of the cost model options.

### 5.1 Assumptions

The primary driver for cost is the Schedule of Accommodation which has been developed in conjunction with locality staff and meets our assessment of requirements to deliver the agreed clinical model in terms of delivering clinical services close to where patients live. The proposed new facility includes;

- 17 clinical/treatment rooms
- 1 Group Room
- Reception
- Waiting Area
- Shared Staff Room
- Shared Meeting Rooms

### 5.2 Capital and revenue costs

The capital cost of the project is £3.65m. No additional funding is required for equipping the facility, North Health & Social Care Partnership have successfully completed an inventory of necessary equipment and have this available through transfer and new purchase.

Breakdown of costs	£000
Total Work Costs including Fees	£3.533mil
Equipment	£50k
Rental/Service Fees	Tbc
Qualifiable Risk/Contingency/Risk Register	£67k (Covid/Water Impact Assessment)
VT Reclaim	£0.00
<b>TOTAL PROJECT COSTS</b>	<b>£3.65 mil</b>

	Costs
Current Operating Costs	£45,296
Reduction to GG&C SLA	£848,000
<b>Total funds Available</b>	<b>£893,296</b>
Additional Operating Costs – New facility	£50,154
Additional Workforce Costs	£392,000
<b>Net Increase in Costs</b>	<b>£442,154</b>

The costs have been based upon tendered bids submitted by the preferred sub-contractors, together with hyperinflation. The total project is £3.65mil which is £650k over budget due to the hyperinflation (see [Appendix 3](#))

[Appendix 5](#) outlines the final cost option for construction of the new community health clinic. These costing's have been derived from a market testing exercise via Robertson's Construction, Doig & Smith and Hub South West. Following evaluation by Robertson's and Doig & Smith the preferred bidders were identified and the current costings are the outcome of further clarification discussions with these suppliers. There has been an increase in projected costs since stage 1 from £3mil to £3.6mil mainly due to hyperinflation. Please refer to the following report provided by Hub South west below



NHS - Construction  
Inflation Paper 10.05

It is worth noting that various cost model options were considered during the development of this Business Case. A stage 1a feasibility study was carried out in 2018 to review the potential for replacing Muirhead Clinic with a modern clinical and administrative facility that is fit for purpose and more conducive to the provision of high-quality health and care services. Currie and Brown undertook an Order of Cost Estimate exercise for a new facility, based on the accommodation estimates developed for the area. The aim within the exercise was to utilise existing office space within North Locality, creating a clinic within the Northern Corridor with a range of clinical and interview rooms alongside a hot desk area for visiting staff.

The Order of Cost Estimate is included in [Appendix 5](#). The estimate includes two options of different sizes with option 2 of 699m<sup>2</sup> was predicted to be the correct size for the proposed facility, at a cost of £2.709m – these costs did not include purchase of land costs. During this review four options were considered which are detailed in section 3.2 of the Economic Case

Since this review was undertaken there has been two significant events

- UK has left the European Union (Brexit)
- A Global Pandemic

This has resulted in a dramatic change in the market and costs have increased significantly in the past 6 months (this is outlined in Hub South west report in [Appendix 3](#)).

### 5.3 Revenue costs

The primary revenue costs associated with the new facility are staffing costs and facilities costs (soft/hard FM) referenced in the table below.

The operating costs associated with the current facility will no longer be required and therefore will be offset against the operating costs of the new facility. This leaves a net increase of £50,154 for operating costs that North Health & Social Care Partnership will fund.

Staffing costs will increase in line with the reduction in costs of the current Service Level Agreement (SLA) with NHS Greater Glasgow & Clyde as the service responsibility transfers to NHS Lanarkshire. This agreement has been in place since 2014 and notice for those services transferring will be given in line with SLA requirements. The net increase in costs for the additional workforce amounts to £392,000 and North Health & Social Care Partnership (NHSCP) will meet this increase. They will follow the SLA process, 6 month minimum notice period, to start dialogue to ensure transfer of funding to allow recruitment or staff transfer to take place.

NHSCP will put suitable HR and recruitment processes in place to ensure that suitably qualified and competent staff are in post when the facility becomes operational in mid-2023.

There are no costs anticipated for contingency or enabling arrangements as the current facility will close as soon as the new facility is commissioned.

Aside from the main construction costs, other recurring costs are captured in the table below. These are made up mainly of maintenance, cleaning, and landlord costs. These are permanent resources in order to provide ongoing support to the clinic.

#### North Lanarkshire Council anticipated service chargeable items (revenue)

Service	Chargeable Items	Costs per year
Utility charges	Gas *	£8,964
	Electricity*	£8,964
	Water*	£10,940
Cleaning	Contract Cleaning of NHS area daily	£17,000 based on 21/22
	Contract Cleaning of common areas daily	Included above
	Window Cleaning (3 per year)	£400-£600
FM Services	Uplift General Waste (82/15% split)	£700-£900
	Nappy/Sanitary Uplift (85/15% split)	£100-£200
	Janitorial Services (Mon-Fri, 8am-6pm) Including Gritting/Clearing of snow of carparks and footpaths, etc	£21,500-£23,500 based on 21/22
	Landscaping (as per drawing/lease detail)	£1,000-£2,000
Other Property Costs	Pest and infection control (85/15% split)	£100-£200 plus £12 call out
	Yearly Maintenance checks i.e. Boiler servicing, lift servicing etc. (85/15% split)	£2,500-£3,500
	Property Repairs of NHS area	£1,500
	Property Repairs of common areas (85/15% slit)	£500
	Management costs in processing invoices	£100
	Rates*	£12,282
	Insurance	£5,000

	<b>INDICATIVE TOTAL YEARLY COSTS</b>	<b>£91,450 - £95,450</b>
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- Estimated cost based on m2 of the current Muirhead Community Health Clinic

## 6. Management Case

### 6.1 Governance

#### 6.1.1 Procurement strategy

An evaluation of sub-contractors and suppliers were carried out through the Tier 1 Contractor framework to inform the cost model of this Business Case. Should the Business Case be approved, the preferred sub-contractors will be awarded the contracts

#### 6.1.2 Project Management Arrangements

Project management will be delivered through Hub South West who have appointed Doig & Smith as project manager for this joint project on behalf of NHS Lanarkshire and North Lanarkshire Council.

#### 6.1.3 Post project evaluation

NHS Lanarkshire is aware that in order to assess the impact of the of the project, an evaluation of activities and performance must be carried out post completion. This is an essential aid to improving future project performances, achieve best value for money from public resources improving decision making and learning lesson for both Board and others.

NHS Lanarkshire will carry out this project specific project evaluation in partnership with North Lanarkshire Council and Hub South West.

### 6.2 Business Realisation

#### 6.2.1 North Lanarkshire Council

North Lanarkshire Council have committed to a Workforce for the future strategy. They have an ambition for inclusive growth and prosperity for all and this includes an integrated plan to build a Workforce for the Future focused on creating a better quality of life for those who live, learn and work here. Central to this ambition is the ability of our employees, our residents and our young people to access fair, high quality work which offers in work career progression, and the opportunity to gain new skills and qualifications. The full document can be viewed below.



Workforce for the Future Strategy v3.d

### 6.2.2 Tier 1 Contract

The Tier 1 contractor Robertson Construction are living wage accredited and will contribute to the long-term wellbeing and resilience of individuals, communities and society through the Themes Outcomes and Measures (TOM's) that have been agreed and uploaded to the Social Value Portal

Key benefit of a TOMs-based social value measurement system is that it comprises a series of objectively researched standalone measures that can be extended or reduced without compromising the integrity of the framework, provided a consistent methodological approach is taken. The three areas measured is

- **Themes:**      **The components of an organisation's "vision" for social value**
  
- **Outcomes:**    **The positive changes that the organisation wants to see. In effect what "good" looks like to that organisation.**
  
- **Measures:**     **What objective indicators will be used to measure whether these outcomes are being met.**

Robertson's KPI's and agreed TOM's can be viewed in the documents below



Chryston Community Benefits



Chryston Primary School - Scottish Fu

## Recommendation

Lanarkshire Health Board are asked to:

1. **NOTE** the contents of the business case.
2. Give final **APPROVAL** to the Business Case.

## 8. Appendices

### Appendix 1: Ryder Design Statement



CHRY-design statement-Stage 1\_F

### Appendix 2: Procurement Schedule

## Requested

### Appendix 3: Hub South West Report (Hyperinflation)



NHS - Construction  
Inflation Paper 10.0!

### Appendix 4: Construction Programme & Commissioning Programme



Chryston Ps -  
Contract Programme



Chryston  
Commissioning Proç

### Appendix 5: Financial Cost Option (Curry & Brown)



Currie and Brown  
Costs.docx