

Meeting:	NHS Grampian Board Meeting
Meeting date:	12th September 2024
Item Number:	12
Title:	Baird and ANCHOR Project Update
Responsible Executive/Non-Executive:	Dr Nick Fluck – Medical Director and Senior Responsible Officer (SRO)
Report Author:	Colin Adam, Project Director

1.0 Purpose

This is presented to the Board for:

Assurance

The Board is asked:

- To note progress with the Baird & ANCHOR project comprising an update on key quality matters including the recent Baird Family Hospital Construction Key Stage Assurance Review (KSAR), and update on the development of instructed Healthcare Associated Infection (HAI) mitigation feasibility studies.
- To note the current project cost, programme and risk management matters.

This aligns to the following NHS Scotland quality ambitions:

- Safe
- Effective
- Person Centred

2.0 Report summary

2.1 Situation

The construction programme for The Baird Family Hospital and The ANCHOR Centre commenced in January 2021. The project is at an important stage with construction works to the ANCHOR Centre nearing completion, and works to the Baird Family Hospital progressing in accordance with the updated construction programme.

Previous updates to the Board have highlighted significant areas of risk affecting delivery of the project:

- Following a design review process focused on Healthcare Acquired Infection (HAI), a series of instructions to the contractor, seeking technical impact assessments of the current designs. This will affect the Programme for the completion of construction and commencement of functional occupation of the buildings,
- Project costs continue to rise and continue to be affected by design changes resulting from the HAI review and the NHSS Assure Key Stage Assurance Review.

Progress since the last meeting is summarised below:

2.2 Background

2.2.1 Quality Matters

Key Stage Assurance Reviews

The NHS Grampian Board were previously provided with an update on the Baird Family Hospital and ANCHOR Construction Key Stage Assurance Reviews (KSAR) in June 2024.

In July 2024, in accordance with the action plan agreed with NHS Scotland Assure (NHSSA), the Project Team submitted the Detailed Review Finding (DRF) response to the ANCHOR Centre KSAR report. This submission now provides NHSSA with the information necessary to validate the construction phase is fully defined, and that national guidance and construction techniques are being employed in the development of the building. Following a further appraisal of the submission, it is expected that NHSSA will confirm that the ANCHOR Centre can proceed to the commissioning KSAR phase in the coming months.

As previously confirmed, during April 2024 the Baird Construction KSAR was carried out by NHSSA following a site visit and series of workshops with the Project Team and contractor. In July 2024, the Project Team received the draft Baird Family Hospital (BFH) Construction KSAR report from NHSSA. A factual accuracy check has been undertaken by the Project Team with the final report expected to be issued by September 2024. In conjunction with the draft report an Action Plan has been developed by NHSSA setting out a series of recommendations for the board to submit additional evidence.

The final BFH KSAR report and the Health Board's response and action plan will be submitted to the Scottish Government Health and Social Care Directorates Capital Investment Group (CIG) in September 2024 along with a recommendation from the NHSSA regarding the projects' progression to the next stage of the construction procurement journey. Like the ANCHOR Centre, the intention remains to reach a position whereby NHSSA will move to a supported status for the Baird Family Hospital and approve progression of the commissioning stage by the end of 2024, following submission of additional information.

Following recommendations from NHSS Assure, the Baird and ANCHOR Project Team has been strengthened with the appointment of a Lead Advisor, Shadow Design Team and Technical Advisors/ Commissioning Managers.

Healthcare Acquired Infection (HAI) Review – Feasibility Studies

As previously confirmed to the NHS Grampian Board, the project continues to benefit from additional dedicated IPC Doctor and Nursing time, who have contributed greatly to the review elements of the design for the new Baird Family Hospital and ANCHOR Centre.

Following the comprehensive HAI review in late 2023, the Project Board agreed to a series of actions including physical design changes and operational measures within the Baird and ANCHOR buildings. In May 2024, the Project Team instructed the contractor, to undertake technical assessments of the designs, to understand the impact and feasibility of physical changes to the existing internal configuration, and to the ventilation, space heating/ cooling and water systems necessary to mitigate patient risk.

Since the last update to the NHS Grampian Board, the contractor and their advisors have completed the assessments, confirming the viability of design changes to both buildings. The outcome of the feasibility study for the ANCHOR Centre has now been provided in a formal report confirming an agreed scope of remedial work, outline costs and programme.

This has been approved by the Project Board for implementation, subject to final agreement of a selected stakeholder group (including clinical, IPC, technical staff, and NHS Grampian's Authorising Engineers for Water, Ventilation and Electrical Safety). Instructions to the contractor to commence the proposed scope of works are anticipated to be issued by the Project Team in September 2024.

In conjunction with the technical studies, the ANCHOR Centre Construction Phase Water Management Plan has now been approved by the NHS Grampian's water safety group, permitting the commissioning of the cold water system. This work will be instructed in conjunction with the instructed remedial works in order to avoid risk of water contamination during construction.

The feasibility study and Construction Phase Water Management Plan for the Baird Family Hospital is under development and due to be concluded in September 2024.

The project team including Infection Prevention and Control and technical experts and relevant clinicians responsible for the affected services, continue to jointly work through any arising HAI issues to confirm the existing design or to instruct a changed design, where this is considered appropriate.

2.2.2 Cost

The capital investment requirement for the Baird and ANCHOR project is funded by an additional capital allocation agreed by the Scottish Government. The most recent budget forecast of £261.1m previously agreed by the Board remains under pressure as anticipated costs associated with known design changes are determined and instructed. As explained in section 2.2.1 above, the designs for both buildings are currently being revisited to address concerns highlighted by the project’s IPC experts and the findings of the Construction KSAR reports. This process will result in additional costs, however funding arrangements have been agreed in principle by the Scottish Government pending final agreement of the outstanding design matters.

In addition, a number of commercial matters are being addressed in line with contractual arrangements. The contractor, continues to highlight significant pressures on project costs associated with increasing material costs and supply chain availability. In the recent months, a commercial arrangement has been reached with the contractor which will support works continuing through to completion, in order to minimise disruption.

2.2.3 Programme

As reported to the NHS Grampian Board in June 2024, the provisional programme dates for commencement of functional occupation of the buildings have been set as winter 2024/25 for the ANCHOR Centre and summer 2025 for the Baird Family Hospital. Following the outcome of the feasibility studies and the KSAR report for ANCHOR, these dates will remain under continued review until the resulting scope of works has been determined. The master programme is updated regularly and current ‘functional occupation’ dates are set out in Table 1 below:

Table 1 – Programme Update

Functional Occupation (commencement)	Current estimate
The ANCHOR Centre	Winter 2024/25
The Baird Family Hospital	Summer 2025
Aberdeen Maternity Hospital demolition	Late Winter 2025

3.0 Risk Assessment and management

Risk management procedures are an integral feature of the project with a comprehensive risk register maintained monthly by all parties, and weekly risk reduction meetings and regular reporting of key risks to the Project Board and the Performance Assurance, Finance and Infrastructure Committee (PAFIC).

4.0 Equality and Diversity, including health inequalities

The project undertook a Health Inequalities Impact Checklist in February 2018 as part of the Outline Business Case. This piece of work was commended by the Public Health Team.

This work demonstrated that these new facilities will provide opportunities to engage more with vulnerable or disadvantaged groups than is the case in existing facilities e.g. single room accommodation; increased space for families to be together; Transitional Care in the Baird which will help support vulnerable families, teenager and young adult provision in The ANCHOR Centre etc.

5.0 Other impacts

No other relevant impacts to note at this stage.

6.0 Communication, involvement, engagement and consultation

The project continues to have an active communication and engagement strategy that is reviewed yearly to reflect the stage of the project. The team continue to have dedicated resource that leads on this work. Along with communication being a significant feature for senior and other project team members.

Following on from previous years and due to programme delays we have taken stock of our communications strategy and have had a more targeted approach while ensuring we communicate and continue to meet key stakeholders on a regular basis. The key features of our current strategy are:

Communication Tools

We continue to use as appropriate our well established communication channels - project website, social media channels and project newsletter to keep stakeholders up to date with the project.

Key Stakeholders

We continue to meet with key stakeholders on a regular basis. And the offer continues to be there to go and meet with any interested community group.

Staff continue to be a focus of our communication strategy with regular project meetings and drop in sessions being arranged with services that will move to Baird and ANCHOR.

Continued communication with and participation from charity and third sector partners continues to be an important focus for the team. Patient input from the start of the project has influenced and strengthened the design of the facilities and we continue to engage on areas that stakeholders can still influence.

Proactive Media Plan

We continue to promote the features of both facilities and the difference these buildings will make to patients, families and staff once open.

7.0 Route to the Meeting

Project performance is reported regularly at the monthly Project Board and Asset Management Group meetings. A report from the Project Director and Senior Responsible Officer is provided as appropriate to the Performance Assurance, Finance and Infrastructure Committee (PAFIC).

8.0 Recommendation

The NHS Grampian Board is asked:

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September 2024