TITLE: MATERNITY PROVISION IN SALFORD

RECOMMENDATIONS:

It is recommended that Cabinet approve the provision of £380,000 of funding to enable the current maternity provision within the Salford Royal hospital site to continue to be delivered until the end of September 2017.

That Cabinet note the progress being made to deliver a new maternity facility from 1st October 2017 at “Ingleside” that will be subject to a further report to Procurement Board/City Mayor on 6th April for the appointment of a contractor to deliver the required refurbishment works.

That Cabinet note the progress of the Clinical Commissioning Group (CCG) work to secure a provider for the new facility and the timing of that exercise.

EXECUTIVE SUMMARY:

Salford City Councillors have been keen to ensure babies continue to be born in Salford and initiated a campaign to “Keep Babies Born in Salford” in 2014. Previous motions in Council opposed the decommissioning of the unit (September 2014). Salford City Councillors and officers have met regularly with the Clinical Commissioning Group (CCG) to support plans for continuation of a Free Standing Midwifery Unit (FMU). This paper outlines the reasons for the proposed action to support the continued provision of births in Salford, the financial implications of those proposals and the associated risks.

BACKGROUND DOCUMENTS:

Deputy City Mayor and Joint Executive Lead Member briefing Adult Services and Health and wellbeing, Joint Executive Lead Member for Childrens Services and Joint Lead Member for Environment  10 AUGUST 2016 Salford Free Standing Midwife-led Unit (FMU)

Assistant Mayor’s briefing health and wellbeing and adult services and services for older people Wednesday 23 July 2014 Maternity Services Review
1.0 Introduction

1.1 Salford City Councillors have been keen to ensure babies continue to be born in Salford and initiated a campaign to “Keep Babies Born in Salford” in 2014. Salford City Councillors and officers have met regularly with the Clinical Commissioning Group (CCG) to support plans for the A Free Standing Midwifery Unit (FMU) and to make the case for the existing unit run by Central Manchester Foundation Trust and based at the Salford Royal Hospital site to remain in Salford.

1.2 Maternity services in Salford were significantly reconfigured through the Making it Better programme which was initiated in 2005. This resulted in obstetric care being transferred from Salford Royal Hospital leaving a midwife-led unit (FMU) on the Salford Royal site. The unit provides an option for delivery for women who are assessed as low risk and who choose to give birth in the unit under midwife-led care.

1.3 Provision of midwifery led services has been hosted in Salford Royal Foundation Trust and delivered by Central Manchester Foundation Trust Midwifery service since 2005. The cost of running the service exceeded the national tariff and Salford CCG attempted to re-procure the provision however, that was unsuccessful. Subsequent work to develop a bid to become a National Pioneer to test new ways of working has been successful in partnership with Bolton and Wigan CCGs. Therefore Salford CCG is committed to developing a Midwifery lead Unit in Salford.

1.4 Salford Royal Foundation Trust (SRFT) is a pioneer for a new development around stroke pathways for Greater Manchester and therefore need space to further develop their site requiring the FMU needs to be relocated. Salford CCG had agreed initially for the unit to close until further suitable provision could be sought.

1.5 Following the intervention of the City Mayor, Councillors and the CCG and in principle agreement has been reached with SRFT that they will maintain the existing facility on site at Salford Royal until the 1st October 2017 which will allow the City Council and CCG to make an alternative provision off site for the provision on ongoing maternity services in Salford. In order to secure this extension SRFT will seek the recovery of £180,000 of capital costs associated with the relocation of the existing provision within the Salford Royal site and the CCG will seek the recovery of £200,000 of revenue costs associated with the operation of the extended facility from 1st April to 1st October from the City Council as set out in paragraph 5 below.
2.0 **National Guidance**

2.1 The National Maternity Review was published on the 23rd February 2016 and sets out recommendations for the future shape of maternity services in England.

2.2 Salford was successful in partnership with Bolton and Wigan in a pioneer bid as part of the National Maternity Review and innovative plans have been developed to improve outcomes and provide holistic care to women and families.

2.3 National guidance supports the idea of local choice and the Councils aspirations to see the continuation of maternity services and births in Salford.

3.0 **New Facility**

3.1 A location from which to deliver the new maternity services has been identified at the Ingleside building in Oakwood park. This is Council owned and a former residential care home that has been closed for around 2 years. The building requires significant refurbishment work and specialist fit out to bring it up to the standard required to deliver maternity services.

3.2 The Council, Urban Vision and the CCG have been working closely together to produce a specification for the required work. Following approval to waive standing orders due to the urgent nature of the requirement, the specification has been put to three contractors who have been asked to submit prices and timescales for the delivery of the works. The closing date for the delivery of the submissions is 24th March.

3.3 Following receipt, analysis of the submissions, and any cost re-engineering requirements, a report will be taken to Procurement Board/City Mayor for consideration on the 6th April with recommendations in relation to contractor appointment and budget provision for the works.

3.4 Following approval, and contractor mobilisation, works are planned to start on site on the 5th May with a delivery programme that will allow works to be completed in time for the handover of the site to the provider to allow specialist fit-out works to be delivered by the provider prior to the facility becoming operational on the 1st October.

3.5 The Maternity unit will not use the whole of the building and some space will be available within the unit for complimentary services and potential community uses.

3.6 Planning consent will be required for change of use of the building and to facilitate the car parking needs of the new facility.
3.7 It will also be necessary to advertise the Council's intention to dispose of public open space (the lease of the building to the provider qualifies as a sale) and this will be run in conjunction with the Planning timescales.

3.8 It is important to note that work undertaken to date and any work undertaken following the appointment of a contractor will be at the Council's risk until planning consent is secured and a provider to operate the new facility is secured. In this regard the dates of the contractor submission evaluation and proposed appointment (24th March-6th April) are out of timing with the ITT service provider consideration and appointment dates (6th March-10th May). It is suggested therefore that this should be considered from a risk perspective in the lead up to the recommendations to Procurement Board on the 6th April, with the responses to the ITT on the 6th March being particularly relevant.

3.9 The background and timescales associated with the appointment of a new maternity services provider are detailed in paragraph 4 below.

4.0 Selection of a Provider for the new Maternity Provision

4.1 Significant work has been undertaken to explore options for the provision of a free standing maternity unit in Salford. A Free Standing Maternity Unit provides midwife led care in a supportive therapeutic environment which is not attached to a hospital obstetric lead unit.

4.2 Salford CCG is responsible for the commissioning of maternity services and as partners in the Pioneer Bid, Wigan and Bolton CCG are also partners.

4.3 The CCG’s and the City Council work jointly to ensure commissioned services across Salford are delivering effective care and interventions to our residents. The objectives that unify both organisations are to commission high quality services that improve health and well-being outcomes and reduce health inequalities, whilst operating within available resources.

4.4 Salford CCG has undertaken a series of market testing and PIN notifications, providers were invited to a session which elected members attended to explore their propositions for delivery of a Midwifery lead unit.

4.5 Two providers attended the event and a subsequent request for further information was received by one provider.

4.6 A procurement exercise is required following market testing and an Invitation to Tender (ITT) has been issued and concludes on 6th March 2017, evaluation will conclude and contract award will complete on 10th May 2017.

4.7 A number of clarification questions have been submitted, suggesting more than one bidder is interested in the development and we are confident that we will receive provider submissions on the 6th March.
4.8 However there is no guarantee that the bids will be successful or suitable for the provision, and the ultimate success and sustainability of the project will require the facility to deliver a level of births compatible with provider tariff payments. If the selected provider cannot make the facility work on a cost effective basis over the initial lease term, the Council is at risk of having to look at other options for the future use of the building beyond that point.

4.9 If the 1st October date is not achieved SFRT cannot accommodate an extension of the existing unit beyond that date.

5.0 Business Case

5.1 The purpose of the extension of the current maternity operation and funding required by SRFT and the CCG is to enable SRFT to relocate the current service within the hospital grounds and for the CCG to continue the provision. NHS Salford CCG had proposed to cease deliveries on the site until a new site had been established however after due consideration it was felt that continuity of provision would better serve the women of Salford until transition to a new provider and site could be secured the proposals for which are detailed within this report and which will be subject to further consideration by Procurement Board/ City Mayor on 6th April.

5.2 Supporting the existing maternity unit and Investing in the new Maternity Unit is a priority for Salford and a key cornerstone of NHS England’s Maternity Pioneer Programme. For Salford this will provide the opportunity for babies to continue to be born locally in Salford whilst providing the best start in life through a holistic approach to the delivery of, antenatal, postnatal and other associated services provision within the unit offering parents real choice and personalisation. It further enables a number of services to wrap support around families and help them to have a healthy pregnancy and early years support in accordance with the City Council’s well being policies and aspirations.

The CCG has made links with the University of Salford to support plans for using the Birth Centre as an academic unit with continuous in-built research to test new approaches and to act as a beacon site for best practice within Greater Manchester, the North West Region and Nationally. The CCG will work closely with North Manchester and Bolton NHS trust hospitals, GP’s and other health professionals to target the large number of pregnant women who fit the necessary criteria to use the facility to encourage them to commit to use the facility.

Evidence from other similar facilities indicates that there should be no reason why the selected provider should not make the operation a success and the CCG is committed support this aim given the Pioneering designation.

5.3 The Ingleside building has been empty for 2 years and the proposal is a good fit for the long term use of the building given its sensitive park setting. The lease of the building to a service provider will bring a semi redundant building back into use, will provide a rental stream and will provide the opportunity for complimentary community uses to be accommodated within the building.
6.0 Financial Details

6.1 To retain provision of the current Maternity Unit at the Salford Royal site for a period of six months from 1st April until 1st October 2017 SRFT will seek the recovery of £180,000 of capital costs associated with the relocation of the existing provision within the Salford Royal site and the CCG will seek the recovery of £200,000 of revenue costs associated with the operation of the extended facility from 1st April to 1st October from the City Council.

6.2 Legal advice has been taken on the proposed £380,000 expenditure and in order to cover these costs a section 76 agreement will be required to enable the transfer of monies to deliver NHS services on behalf of the Council.

6.3 As detailed within the report, the Council will be required to commit to significant additional costs associated with the refurbishment of the Ingleside building and whilst it is hoped that much of that funding can be externally secured that is not secured at the current time.

6.4 The risks associated with funding decisions around the wider project are set out within the report at paragraphs 3.8, 5.1, 5.2 and 5.3 and will require careful consideration in the lead in to proposed decisions at Procurement Board on the 6th April.

6.5 The Capital costs associated with the provision of the new Maternity Unit at Ingleside will be subject to consideration by Procurement Board/City Mayor on the 6th April. This report will also detail the proposed rental income that the City Council will receive from the lease of the building.

6.6 The report to Procurement Board/City Mayor on the 6th April will also set out details of potential funding sources and opportunities open to the City Council to assist in the financial delivery of the new facility.

7.0 Legal Considerations

7.1 Local authorities have a duty to have regard to the interests of those who have to finance their activities as well as those who may benefit from the services which they may provide as part of its decision making process. The City Council will need to consider here therefore whether the recommended action represents the best use of the Council's resources, both physical and financial, having regard to other potential demands on their resources, other potential uses of the premises to be renovated, and the benefits of a maternity unit (and any other use of the renovated premises) may provide.
8.0 Recommendations

8.1 It is recommended that Cabinet approve the provision of £380,000 of funding to enable the current maternity provision within the Salford Royal hospital site to continue to be delivered until the end of September 2017.

8.2 That Cabinet note the progress being made to deliver a new maternity facility from 1st October 2017 at “Ingleside” that will be subject to a further report to Procurement Board/City Mayor on 6th April for the appointment of a contractor to deliver the required refurbishment works.

8.3 That Cabinet note the progress of the Clinical Commissioning Group (CCG) work to secure a provider for the new facility and the timing of that exercise.

KEY COUNCIL POLICIES: Health & Wellbeing

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS: The retention of a maternity facility will provide choice for pregnant women in Salford and will provide the opportunity to locate complimentary services at the new Unit.

ASSESSMENT OF RISK: Medium- Legal advice has been taken on the proposed funding recommended within the report and the advice provided has been followed as detailed within the legal and financial sections of the report. Risk is considered to be medium due to the remaining issues associated with the Project around Provider selection, Contractor appointment, Costs of Refurbishment and Planning consent.

LEGAL IMPLICATIONS Supplied by: Mary Sutton
Section 76 of the National Health Services Act 2006 permits a local authority to make payments to a CCG towards expenditure to be incurred in connection with the performance of prescribed functions. Prescribed functions include the midwifery services described in this report. Before approving such expenditure the local authority must be satisfied that the payment is likely to secure a more effective use of public funds than the deployment of an equivalent amount on the provision of local authority services.
Separate legal advice will be provided in relation to any recommendations contained within the proposed Procurement Board report on the 6th April; however as in this case, the City Council must be satisfied that any proposed expenditure, in this case on its own building, is an effective and appropriate use of Public funds.

FINANCIAL IMPLICATIONS Supplied by: Joanne Hardman x3156
At this stage Cabinet are only being asked to agree to the recommendation to fund
the SRFT and CCG costs of £380,000 associated with the ongoing provision of
maternity services at Salford Royal between 1st April and 1st October 2017. Legal
advice has been taken on the ability of the Council to make such payments which it
can do by way of a Section 76 payment.
The proposal will further require the Council to commit to significant additional
funding to refurbish the Ingleside building. The requirement to make sure a decision
at Procurement Board on the 6th April is out of sync with the appointment of a service
provider for the new facility by the CCG and in advance of the consideration of the
required Planning application for Ingleside. This represents a risk to the Council in
terms of its commitment to this project that needs to be carefully considered in the
lead in to the decisions scheduled to be made at Procurement Board on the 6th April.
A number of risks are associated with the development and operation of the unit
which would need to be mitigated. These include:-

- Commitment to renovation costs before a provider is confirmed
- Tight timescale could increase capital costs in order to meet the requirement
  for continuation of service.
- The ability of the provider to successfully deliver the service on a long term
  basis
- Opportunity cost of utilising the building for this service rather than for another
  purpose or realising a capital receipt.
- On-going revenue implications of any residual running costs not covered by
  rental or service charge arrangements.
The level of risk associated with these issues should be assessed and mitigations
identified.

PROCUREMENT IMPLICATIONS Supplied by: Christine Flisk

The report outlines the programme for the continuation of the current provision and
the longer term solution to maintaining the service within Salford. The procurement
of the refurbishment of the premises is critical to minimise the gap in service
provision from 1st October 2017. The procurement team is working alongside Urban
Vision to procure the works as matter of urgency subject to approvals. An exception
to contractual orders has been obtained to approve the use of an accelerated
procedure to seek quotations from 3 suitably qualified contractors reflecting the
urgent nature of the works. Whilst an exception to CSO’s may be authorised by a
decision notice, there is a risk of challenge from aggrieved contractors if a compliant
procurement process has not been followed.
The report to Procurement Board/City Mayor on the 6th April will consider the
appointment of a contractor

HR IMPLICATIONS Supplied by: N/A

OTHER DIRECTORATES CONSULTED: Children’s and Adult services, Public Health
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Peter Openshaw x 3050

WARDS TO WHICH REPORT RELATES: All Wards