

TARIFF INVESTMENT - MILTON KEYNES UNIVERSITY HOSPITAL CANCER THERAPY CENTRE

Responsible Cabinet Member: Councillor Middleton (Cabinet member for Resources and Innovation)

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Executive Summary:

Milton Keynes University Hospital Foundation Trust is seeking to address capacity and quality issues through the re-provision of oncology, clinical haematology and cancer related chemotherapy (Cancer Services) within a dedicated Cancer Therapy Centre to be developed on the current Hospital site at Eaglestone West.

The project proposes the provision of an appropriately designed and equipped Cancer Therapy Centre with the capacity to bring the entire patient Cancer Services at the Hospital under one roof. The Trust believes this will enhance the work and patient environment and enable growth linked to the increasing population and improved survival rates. The increase in capacity and workforce efficiency will reduce waiting times for patients and provide a more streamlined process, with more services available to Milton Keynes patients without the need to travel outside the Borough.

The Milton Keynes Tariff raises funding from development within the Eastern and Western Expansion Areas, the Strategic Land Area and development at Tattenhoe Park and Kingsmead South. In total it aims to raise £311m which is allocated across 18 different spending portfolios, including Acute Healthcare which is allocated £16.23m of which £5.73m has already been invested in the Hospital site. The Trust is seeking financial support from the Tariff for the Cancer Therapy Centre development.

1. Recommendation(s)

- 1.1 That the Council enter into a Funding Agreement with Milton Keynes University Hospital
- 1.2 That the Council agrees within the Funding Agreement to provide £10m from the Tariff, towards the cost of development of the Cancer Therapy Centre provided that the Milton Keynes University Hospital Board approves the Final Business Case which demonstrates to the Council's satisfaction that the balance of funding required to complete the Cancer Therapy Centre, as proposed, is available and the project can be delivered.

2. **Issues**

- 2.1 For many years Milton Keynes cancer patients have only been able to access limited services on site at the Milton Keynes University Hospital leading to them having to travel to larger cancer centres to access many surgical procedures, as well as chemotherapy and radiotherapy.
- 2.2 Milton Keynes University Hospital has been working with the cancer support charity Macmillan since 2004 to improve the quality of the experience of cancer patients at their local hospital and there is a dedicated Macmillan unit on the Eaglestone site.
- 2.3 Since April 2014, Northampton General Hospital has been unable to provide oncology support to Milton Keynes patients, and this change resulted in increased volumes of chemotherapy production and delivery being required from the Milton Keynes University Hospital site. In anticipation of this the Trust Board agreed a package of temporary solutions, with areas designated for patient therapy and counselling being utilised for clinical and outpatient activity, to increase service capacity and ensure stability.
- 2.4 Despite the temporary improvements the unit has reached capacity which has had a detrimental impact on the quality of the environment in which patients are treated. This has been acknowledged by the patient partnership group who have been working alongside the clinical to support and advocate for the development of the service.
- 2.5 As a result of the pressure on the current unit at the Hospital and the deficiencies of the current system, which still requires patients to travel to other centres for many treatments, the local unit has lost its Macmillan Quality Environment Mark (MQEM) award.
- 2.6 The current inpatient facility for Cancer Services accommodates haematology and medical beds. However, when the ward is full some oncology patients are accommodated within medical wards elsewhere in the hospital increasing the risk of treatment delay and an increased length of stay.
- 2.7 The main inpatient facility is approximately a 15 minute walk from the Macmillan unit, this separation provides significant issues surrounding access to clinical and nursing expertise and increases the level of workforce needed to provide safe care.
- 2.8 The lack of co-location between the in-patient ward and the Macmillan unit prevents establishment of clinical pathways that allow cancer patients to be admitted directly from the unit rather than through accident and emergency. The lack of access to ward facilities precludes patients who are undergoing lengthy chemotherapy that extends beyond the working hours of the unit being cared for without having to be admitted overnight.
- 2.9 The proposed Cancer Therapy Centre will address the issues identified above and enable all oncology patients to be on the same ward, with ideal adjacency to the Outpatients and Day Care unit. In addition to the various clinical facilities to be provided will be a new Macmillan information centre and holistic support services. Through this the Trust hopes to regain its MQEM accreditation.

- 2.10 The Tariff has to date provided £5.73m to Milton Keynes University Hospital to support a variety of projects providing underlying infrastructure which will enable the future development of clinical services on the site. These include expanding the roadway connection through the site, new backup generating capacity and increasing the electrical supply.
- 2.11 The balance of the Acute Healthcare Tariff funding was allocated in the 2015 Local Investment Plan towards similar infrastructure provision and the 'Common Front Door' project with only £1.5m allocated to the Cancer Therapy Centre project.
- 2.12 The Hospital Board however, in approving the Outline Business Case for the Cancer Therapy Centre on 6 January 2017, has requested that the Council reprioritise the remaining Tariff funding to support the delivery of this facility which will allow the Hospital to provide day-care, outpatient, and inpatient Cancer Services, in one fit for purpose environment for the first time.

3. Options

- 3.1 In developing the Outline Business Case for the Cancer therapy Centre the Hospital Board considered a number of options before deciding on its preferred option for a 24 bed ambulatory unit including inpatients with provision for the future addition of an aseptic suite. For the Council though the options are simpler:
- (a) Do nothing. In this instance the do nothing option would be to maintain the currently proposed allocation of Acute Healthcare funding as last set out in the 2015 Local Investment Plan. This would allow the Council to maintain lower level funding support for development of the hospital site over the medium term, but would potentially mean that the current opportunity was missed.
 - (b) Invest now in the Cancer Therapy Centre project at a significant level which would greatly enhance the chances of the project being fully funded and delivered in the short term. This is the Preferred Option for the following reasons.
 - (i) The project as currently specified would address the issues set out above and would represent a step change in the provision of Cancer Services locally for Milton Keynes residents. It would represent a considerable expansion of clinical provision on the hospital site and following on from the development of the Academic Centre and the new hospital entrance (both now underway) would demonstrate clear progress in delivering the Hospital's Estates Strategy.
 - (ii) The cost of delivering the Hospital's preferred option is estimated at around £15m. The investment of £10m from the Tariff added to the £2m committed to the project from a leading cancer charity would mean that 80% of the funding for the project would be secured at this stage. The Hospital would then be in a position to commit the balance of the funding from Trust capital funds on completion of the Final Business case in July.

4. Implications

4.1 Policy

Promoting 'A Healthy City' is one of the three Key Aims of the 2016-20 Council Plan. In meeting this aim the Council has undertaken to 'invest in services that promote prevention, choice and empowerment'. The development of the Cancer Therapy Centre would greatly improve the chances of local people requiring Cancer Services being able to access care locally.

The Council Plan also calls upon the Council to provide 'City Leadership' and specifically commits it to 'working in partnership with health and other public services to innovate, reform and improve outcomes'. The development of the 'fit for purpose' Cancer Therapy Centre is supported by a strong clinical quality case and is expected to lead to the return of the Hospital's MQEM award signify a greatly improved patient experience.

4.2 Resources and Risk

As explained earlier the Council has a commitment to providing a total of £16.23m from the Tariff to Acute Healthcare over the lifetime of the Programme. Of this amount £5.73m has already been paid over and the balance of the funding was expected to be committed gradually over the next 6 to 7 years in line with the cash-flow set out in the 2015 Local Investment Plan.

To bring this funding forward into the 2018/19 and 2019/20 financial years to support the delivery of the Cancer Therapy Centre has a cost to the Council of around £308k in investment receipt foregone or additional borrowing cost. The Council however will seek to mitigate this cost by managing other Tariff outgoings to control the balance between receipts and expenditure and reduce the net cash outflow.

x	Capital	x	Revenue		Accommodation
	IT	x	Medium Term Plan		Asset Management

4.3 Carbon and Energy Management

Although not directly impacting on the Council's Carbon and Energy Management Policy, the preferred option design solution will enhance and improve on overall energy efficiencies on the Hospital's estate, contributing to the NHS sustainability targets. The design criteria are to achieve a BREEAM very good rating.

4.4 Legal

- (a) The Council does not have a duty to provide health facilities. However under section 1 of the Localism Act 2011 it can do anything that individuals generally may do, including things for a commercial purpose and for the benefit of the authority, its areas or persons resident in the area.

- (b) The continued expansion of Milton Keynes requires major investment in infrastructure. Milton Keynes Tariff enables contributions raised from developments to be used for the provision of required facilities and infrastructure to support the population of Milton Keynes.
- (c) Commitment of Tariff requires an element of 'match funding'. If approved, the Council will provide funding of £10m against the estimated cost of £15m. The Hospital's has to obtain other funding as indicated above to complete the project.
- (d) Tariff funding is being provided as capital investment only and as such, the Council will not be responsible for the costs of running and maintaining the Centre once built. The proposed funding agreement will reflect this and will also include clawback provisions.

4.5 Other Implications

There have been extensive discussions with Oxford University Hospital Trust regarding the possibility of a joint venture to accommodate radiotherapy unit on the Milton Keynes Hospital's site. These conversations are still progressing and the proposed design has included the approximate space requirements for the Radiotherapy project within the footprint of the proposed site.

There is also a future option to consider the co-location of an Aseptic Suite within the Cancer Therapy Centre and this has been included in the design of the layout for the development but will be the subject of a separate business case at a later date.

The Hospital has shared its overall estate development plans with the Bedford, Luton and Milton Keynes Sustainable Transformation Plan (STP) team and has submitted its strategy and development plans for the site to them. At this stage detailed service level discussions are not well enough advanced across the STP to be at the level of planning buildings. The Hospital has been clear from the outset of the STP that the STP discussions must not lead to planning blight or stall progress of strategically sensible projects. There is an absolute recognition that Milton Keynes is growing and that the Hospital requires additional clinical space to cope with that, and in particular space to support the growing cancer population.

	Equalities/Diversity	x	Sustainability		Human Rights
	E-Government	x	Stakeholders		Crime and Disorder

Background Papers: Milton Keynes University Hospital NHS Foundation Trust
Estates Strategy 2015-2020 Local Investment Plan 2015