

2024/25 Capital Programme

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Approval/Scrutiny route:	Business Executive Team (15 May 2024)
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<p>Purpose</p> <p>This report provides the Board with an update on the planned capital expenditure for 2024/25, including a proposed plan for Public Health Wales' discretionary capital funding. As well as Public Health Wales' strategic capital replacement programme. Strategic schemes are those that are submitted directly to Welsh Government for funding, as items of this value cannot be accommodated from within the discretionary funding.</p> <p>The Board is asked to approve the proposed plan, and to delegate the management of the approved plan to the capital-monitoring group.</p>
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Recommendation:				
APPROVE <input checked="" type="checkbox"/>	CONSIDER <input checked="" type="checkbox"/>	RECOMMEN D <input type="checkbox"/>	ADOP T <input type="checkbox"/>	ASSURANC E <input type="checkbox"/>
<p>The Board is asked to:</p> <ul style="list-style-type: none"> Approve the proposed discretionary capital spending plans for 2024/25 Note the strategic allocation for 2024/25, proposed strategic capital replacement programmes, and business cases. 				
<p>Link to Public Health Wales Strategic Plan</p> <p>Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.</p>				

This report contributes to the following:	
Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
Strategic Priority/Well-being Objective	All Strategic Priorities/Well-being Objectives
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Summary impact analysis	
Equality and Health Impact Assessment	Not Applicable
Risk and Assurance	All financial risks are reflected in the paper
Health and Care Standards	This report supports and/or takes into account the Health and Care Standards for NHS Wales Quality Themes
	Governance, Leadership and Accountability
	Theme 7 - Staff and Resources
	Choose an item.
Financial implications	Financial information included in the paper
People implications	Not applicable

Introduction

This report provides the Board with an update on the planned capital expenditure for 2024/25 of Public Health Wales' discretionary capital funding. As well as Public Health Wales' strategic allocation for 2024/25 and proposed strategic capital replacement programmes and business cases.

The Board is asked to approve the proposed plan and recommendations and to delegate the management of the approved plan to the capital-monitoring group.

Discretionary Capital Funding 2024/25

Following a 24% reduction in discretionary capital in 2022/23, our allocation increased by 12% in 2023/24 and has further increased by 12% in 2024/25 to return our allocation to its original value of £1.580m.

Requests have been invited from across Public Health Wales to access the discretionary capital funding. Directorates submit requests through the completion of a Statement of Need. The requests are reviewed and allocated indicative funding by the Capital Planning Group. The Capital Planning Group then make a recommendation to Business Executive Team for approval.

The Capital Planning Group consists of Deputy Director of Finance, Head of Estates and Health & Safety, Head of Financial Planning, Head of Digital Experience and Services and Assistant Director of Operations for Health Protection and Screening Services. Agreed Capital spend will be managed through the Capital Monitoring Group, consisting of relevant service representation.

All capital requests require different levels of assurance based on the value of request submitted:

- £0-25k – Statement of Need and three quotes
- £25k-£100k – Detailed Statement of Need and three quotes
- £100k - £150k – Business case based on the five case business model. Capital Planning Group will assess whether these requests can be accommodated within the discretionary capital allocation or submitted to Welsh Government for Strategic funding.
- £150k+ (10% of Discretionary allocation) - Business case to Welsh Government based on the five case business model

Bids have been submitted by Directorates in line with the process outlined above along with indicative quotes and informed estimates. These bids have been scrutinised and reviewed by the Capital Planning Group during March 2024. Approved bids will be required to obtain further quotes to comply with our procurement requirements and to provide more accurate costings. **Table A** below summarises the capital schemes and their values recommended for approval by the Capital Planning Group:

Table A

Division	Capital Scheme	Total
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Digital Services	Phone System Security	18,000
	Endpoint Central Server Replacement & Resilience	20,000
	Replacement of Wi-Fi infrastructure	60,000
	Replacement PCs - Batch 1	142,000
	Server Room Works	35,000
	Development of Cloud Services	150,000
Digital Services Total		425,000
Estates	Fire Compliance Works (b/f from 23/24 EFAB) - APPROVED	53,409
	IT Equipment to support DESW Mid Wales Admin Office	5,118
	Relocation of Help Me Quit Hub/Enquiry Room	10,000
	Refurbish estate in North Wales - Llys Castan	22,000
	Purchase of Computer Aided Facilities Management System (CAFM)	70,000
	Desk Booking System	70,000
Estates Total		230,527
Health & Wellbeing	6 x New laptops to replace desktop PC	6,199
Health & Wellbeing Total		6,199
Infection Services	8 x Class II Safety Cabinets	89,978
	Quant Studio 5 thermal cycler	30,000
	Replacement of Flooring	20,000
	Refurbishment of Molecular Laboratory	57,852
	TDSI for CL3	7,254
	Anaerobic workstation - UKARU Cardiff	52,413
	Microscope with Camera	7,675
	Anaerobic workstation Glan Clwyd	50,000
	Security review and upgrade at UHW	28,193
	New Cold Room	35,723
Infection Services Total		379,088
Screening	Chronos decontamination cabinets x 6	115,200
	OptiMize Software Development work	104,940
	Development of Electronic Test Requesting (ETR)	42,000
	Development of new Cervical Screening Wales Audit of Cervical Cancers (CSWACC) database.	24,000
	Removal of canopy on all mobile units	23,592
	IT equipment for a hot desk arrangement	3,780
	Development for new online training solution for CSW sample takers	24,000
Screening Total		337,512
	Contingency - Yet to be allocated	201,675
Total Approved Discretionary Schemes – B/F EFAB Fire Compliance Works		53,409
Total Unapproved Discretionary Schemes		1,526,591
Overall Discretionary Total		1,580,000

A full list of capital bids submitted can be found in **Appendix A**.

Table A above consists of the top seven prioritised capital bids submitted by each division.

There remains an element of discretionary capital, which is yet to be allocated of £202k. This will be held for:-

- Urgent repairs and replacements, and
- Outcome of digital services cyber resilience bid to Welsh Government

Strategic Capital Funding 2024/25

Public Health Wales has received a strategic allocation of £1.194m for 2024/25 for DESW Camera Replacement. The procurement process commenced December 2023 and will complete in June 2024 with the delivery of the new cameras scheduled for August 2024. We are working closely with the service to monitor the scheme progress.

There may be potential to access slippage funding later in the financial year if strategic schemes across Wales slip. **Table B** summarises our strategic capital priorities, as set out in our IMTP, in 2024/25 and over the next three years and **Appendix B** provides further detail on the schemes.

Public Health Wales are working on a number of business cases, which will require All Wales Strategic Capital Funding. It is a requirement for all organisations to complete a prioritisation form for all business cases, which have not received ministerial approval. Each business case will therefore be supplemented with a prioritisation form. We have taken a risk-based approach to our capital prioritisation ensuring that this aligns to the organisation's risk register.

Table B

Strategic Scheme	FY24-25 £000s	FY25-26 £000s	FY26-27 £000s
DESW Camera Replacement	1,194		
Total Approved Strategic Schemes	1,194	0	0
Replacement Programmes			
Colposcopy Imaging			658
DESW Vans		1,500	
Equipment Replacement			3,299
WAAASP Ultrasound Machine Replacement		500	
Business cases			
Sexual Health Management System	750	90	
Improvement works to BTW Swansea	157		
Digital Services - Replacement of Network Switches	450		
Digital Services - Replacement of Back-up System	250		
SIMS future programmes		860	700
Tarian 2 development	50	2,390	800

Digital 10 Year Plan	1,421	1,355
Estates 10 Year Plan	495	9,370
Total Unapproved Strategic Schemes	1,657	7,256
Total Strategic Capital	2,851	16,182

The Minister for Health and Social Services asked Welsh Government to develop a 10-year infrastructure plan in respect of Estates and Digital requirements for 2022/23. We have now reviewed, updated and prioritised the requirements for 2024/25 and included updated values in **Table B** with a detailed schedule in **Appendix B**.

The estates plan contains laboratory modernisation of £9m in 2026/27. At this stage, costs are estimates and Public Health Wales will work with the Microbiology Division to develop a laboratory modernisation plan in 2024/25. The most critical item in 2024/25 is £700k for digital services infrastructure upgrades.

Recommendation

That the Board:

1. Approves the proposed discretionary capital spending plans for 2024/25
2. Note the strategic allocation for 2024/25, proposed strategic capital replacement programmes, and business cases.

Appendix A – Full list of Capital Bids 2024/25

Division	Capital Scheme	Total
Digital Services	Phone System Security	18,000
	Endpoint Central Server Replacement & Resilience	20,000

	Replacement of Wi-Fi infrastructure	60,000
	Replacement PCs - Batch 1	142,000
	Server Room Works	35,000
	Development of Cloud Services	150,000
	Replacement PCs - Batch 2	230,000
	iPad Refresh	30,000
Digital Services Total		685,000
Estates	Fire Compliance Works (b/f from 24/25 EFAB)	53,409
	IT Equipment to support DESW Mid Wales Admin Office	5,118
	Relocation of Help Me Quit Hub/Enquiry Room	10,000
	Refurbish estate in North Wales - Llys Castan	22,000
	Purchase of Computer Aided Facilities Management System (CAFM)	70,000
	Desk Booking System	70,000
	Redecoration of CQ2	10,000
Estates Total		240,527
Health & Wellbeing	Health Working Wales Digital Service Development	50,000
	Every Child - Replacement Website	40,000
	Digital Tool for Alcohol Brief Intervention	10,000
	6 x New laptops to replace desktop PC	6,199
Health & Wellbeing Total		106,199
Infection Services	8 x Class II Safety Cabinets	89,978
	Quant Studio 5 thermal cyclers	30,000
	Replacement of Flooring	20,000
	Refurbishment of Molecular Laboratory	57,852
	TDSI for CL3	7,254
	Anaerobic workstation - UKARU Cardiff	52,413
	Microscope with Camera	7,675
	Security review and upgrade at UHW	28,193
	Anaerobic workstation Glan Clwyd	50,000
	New Cold Room	35,723
	2 x Qiagen Rotor-Gene Q 5-plex HRM machines	96,124
	Maldi-Tof	100,000
	Spiral Platter - Eddy Jet	16,000
Infection Services Total		591,211
Screening	Chronos decontamination cabinets x 6	115,200
	OptiMize Software Development work	104,940
	Development of Electronic Test Requesting (ETR)	42,000
	Development of new Cervical Screening Wales Audit of Cervical Cancers (CSWACC) database.	24,000
	Removal of canopy on all mobile units	23,592
	IT equipment for a hot desk arrangement	3,780
	Development for new online training solution for CSW sample takers	24,000
	BREIS Table	5,856
	Upgrade ventilation Units in Mammo biopsy rooms	72,000
Screening Total		415,368
Total Discretionary Bids		2,038,305

Appendix B – Summary of Business Cases in Development and Digital & Estates 10 Year Infrastructure Plan

A. Summary of Business Cases in Development

Colposcopy Imaging

Cervical Screening Wales programme reports that regular screening can cut the risk of getting cancer by 70%. In 2014/15 Public Health Wales funded the installation of Colposcopy Imaging facilities within Health Boards to support the viewing of samples to detect abnormal areas more easily and quickly.

Upgrade of the Colposcopy Imaging hardware took place in 2022/23, as the old hardware could not be used with the new platform. Full replacement of Colposcopy Imaging will be needed in 2025/26.

DESW Van Replacement

The DESW van fleet supports the provision of the screening programme across all regions of Wales, enabling an equitable service delivery. Due to the age of our existing fleet, (a number of vans are 9+ years), vehicle replacement enables DESW to meet our legislative requirement for the health and safety of our workforce. The current cost for the vehicles to remain on the road is beginning to increase and a need for the programme to comply with future emission levels all mean that future fleet replacement will need to be completed in 2025/26.

Equipment Replacement

Various Screening and Microbiology equipment that falls due for replacement based on a review of our asset register, namely

- PreLud pre Analytical Analyser x 4
- Seegene CFX96 and nimbus package x 11 (Covid)
- NGS Robotic System x 1 (Covid)
- NextSeq 550 x 2 (Covid)
- Whitley A25 Anaerobic Workstation x 7

WAAASP Ultrasound Machine Replacement

WAAASP invites approximately 20,000 men across Wales annually to undertake an ultrasound scan to measure their aorta. The programme undertook a capital replacement exercise of the previous portable ultrasound machines in 2020 and the current machines will have been in use for 5 years by the 2025/26 financial year. It is anticipated that replacement of the current 19 ultrasound machines should take place in the 2025/26 financial year. Build quality of the machines have meant a higher number of structural faults than would be expected and longevity beyond 5 years is uncertain.

Business Cases

Sexual Health Management System

During 2023/24 Public Health Wales submitted a business case to Welsh Government for an All Wales Sexual Health Case Management and Surveillance and Reporting system. A multi-disciplinary and cross-community solution is required that offers an intuitive and instant electronic means of managing patient care. It needs to allow clinicians to build a complete demographic record of the patient and to provide for contact tracing and management reporting.

We anticipate an initial revenue allocation of c£200k to now be approved by Welsh Government for 2024/25 to further develop the requirements set out in the original business case. The outcome of this will then determine the next phase and funding requirements.

Improvement works to Breast Test Wales Swansea

These include replacement of the roof, developing increased storage facilities and improved staff facilities to support active travel.

Replacement of network switches

Due to the national scope of Public Health Wales, our digital infrastructure is diverse and distributed over many sites across Wales. We are continually renewing and replacing hardware to mitigate any issues with legacy systems and maintain a strong cyber posture. As part of this, we have planned a replacement programme for our networks switches. Switches connect different devices across networks (such as our computers) and enables them to communicate through the transfer of data packets. Public Health Wales has over 120 switches across 16 sites, many of which will not receive vulnerability or hardware cover with a support contract after October 2025.

Replacement of back-up system

PHW is currently hitting capacity limits on our day-to-day backup (this is separate from the cybervault system). Remediation when failures occur is onerous and time-consuming work for the technical team who are then taken away from other urgent work. Such failures can have a very serious impact on our business in the event that we need to restore data/systems. A reliable data backup is essential to PHW. We propose a significant investment in additional data backup capacity and replacement of key elements purchased in 2019/20 which is designed to cope with projected growth in data volumes over the next 5 years and which will provide prompt remediation for data capacity concerns.

SIMs future programmes

After delivering Cervical Screening System, we have confirmed how to progress this architecture towards delivery of the other systems in priority order of risk and need for service delivery improvement. This would involve developing the systems for breast and bowel cancer over the three years of the IMTP. Each of these would build on functionality from the NHS Wales App wherever possible. This is part of our strategic risk on cyber-security (SR7) where we need to move these to a more strategic platform, which is less reliant on legacy software and infrastructure. One of the early stages of the route-map is to create the joint plan with DHCW for exploiting the national infrastructure.

Tarian 2 development

For health protection, we need to develop a system, which would be able to scale and manage through a pandemic of whatever nature in the future and integrate with all our key partners in health boards in order to replace Tarian. This programme will also seek to maximise the opportunities from the National Data Resource for

undertaking surveillance. Without this development, we are unable to mitigate our Strategic Risk on ability to respond to future public health incident (SR5), as we would not have the digital systems that could scale to respond to a pandemic.

B. Summary of 10 Year Infrastructure Plan

Years 1-3 of the 10-year Infrastructure Plan Revised – Estates & Digital

Strategic Scheme	FY24-25 £000s	FY25-26 £000s	FY26-27 £000s
Digital 10 Year Plan			
<u>Discretionary Capital Requirements</u>			
Phone System Security	18		
Endpoint Central Server Replacement & Resilience	20	430	250
Replacement of Wi-Fi infrastructure	60		120
Replacement PCs	142	961	420
Server Room Works	35		
Development of Cloud Services	150		
iPad Refresh		30	30
Purchase of Computer Aided Facilities Management System (CAFM)	70		
Desk Booking System	70		
IT equipment/PSBA to support DESW Mid Wales Admin Office	67		
OptiMize Software Development work	105		
Development of Electronic Test Requesting (ETR)	42		
Development of new Cervical Screening Wales Audit of Cervical Cancers database.	24		
Development for new online training solution for CSW sample takers	24		
<u>Strategic Capital Requirements</u>			
Sexual Health Management System	750	90	
Digital Services - Replacement of Network Switches	450		
Digital Services - Replacement of Back-up System	250		
SIMS future programmes		860	700
Tarian 2 development	50	2,390	800
UPS replacement			35
Backup systems ink air-gapped BU			250
Windows server licenses			250
Total Digital 10 Year Plan	2,327	4,761	2,855
Estates 10 Year Plan			
<u>Discretionary Capital Requirements</u>			
Relocation of Help Me Quit Hub/Enquiry Room	10		
Refurbish estate is North Wales - Llys Castan	22		
Laboratory Refurbishments	113		
<u>Strategic Capital Requirements</u>			
Improvement works to BTW Swansea	157		
PHW Screening Hub - Carmarthen		175	
PHW Screening Hub - North Wales			250
Heat Pumps - Various screening sites		200	

Solar Panels - 6 properties- Various sites	120	120
Imperial Park 5 - Lab 1 Integration with Lab 2		
Carmarthen laboratory - New build likely required		8,000
Morrison Hot lab - Laboratory modernisation		500
Prince Charles Hot lab - Movement from current location		500
Total Estates 10 Year Plan	302	495
		9,370