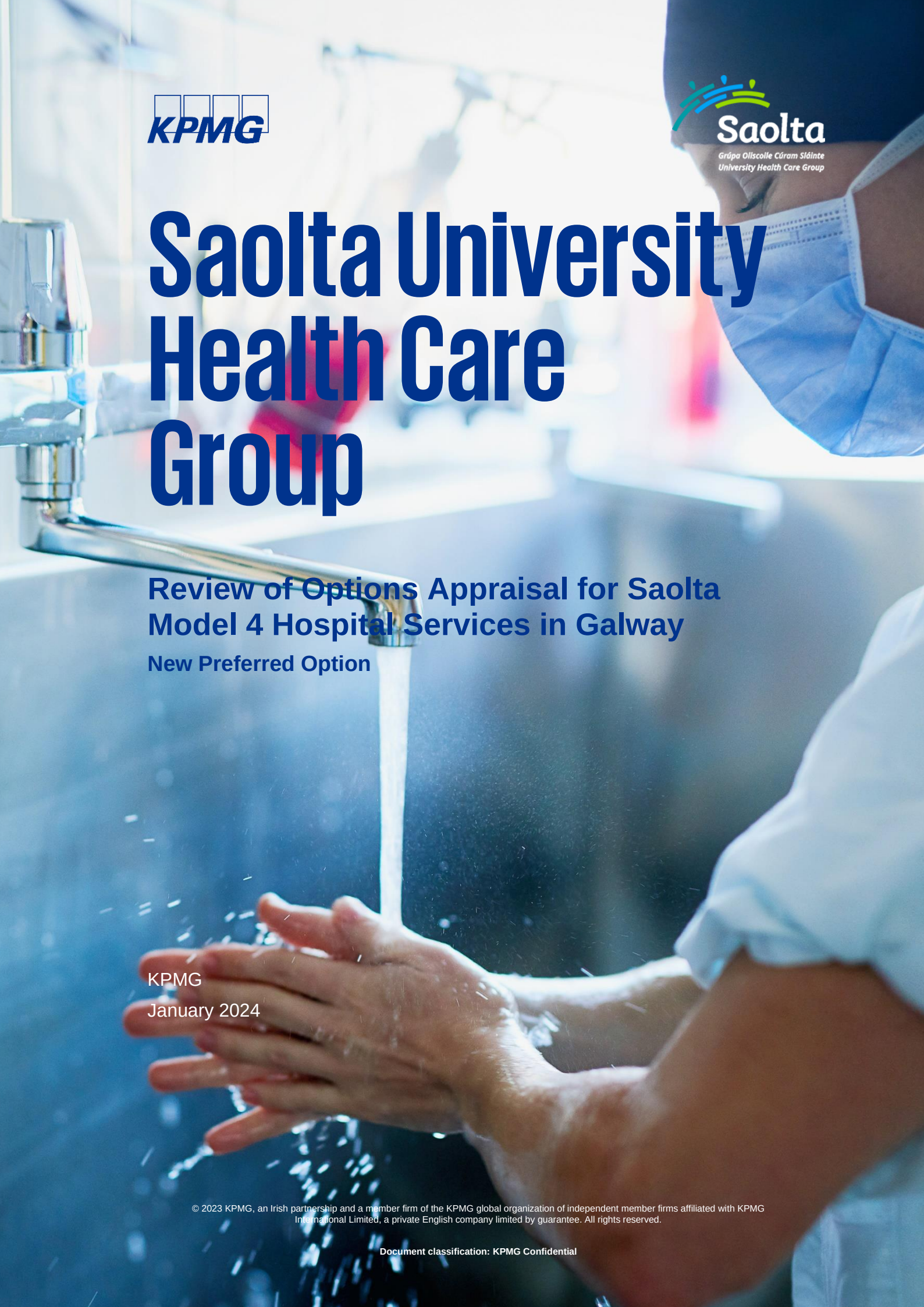

Saolta University Health Care Group

Review of Options Appraisal for Saolta Model 4 Hospital Services in Galway

New Preferred Option

KPMG

January 2024

Glossary

BCR	Benefit-Cost Ratio
CBA	Cost Benefit Analysis
DCP	Development Control Plan
ED	Emergency Department
GUH	Galway University Hospitals (UHG & MPUH)
MPUH	Merlin Park University Hospital
NDP	National Development Plan
NPV	Net Present Value
PSC	Public Spending Code
RAG	Red/Amber/Green
UHG	University Hospital Galway

Definitions

Elective Hospital	Hospital which focuses on the provision of planned care.
Model 4 Hospital	Hospitals which provide 24/7 acute surgery, acute medicine, critical care, tertiary care and, in certain locations, supra-regional care.
Saolta Group	Saolta University Health Care Group

Contents

1 Background

1.1 Purpose of this Report

In 2019 an Options Appraisal Report was prepared to develop an overall plan of the high-level infrastructure requirements for a new Saolta model 4 hospital in Galway. This new hospital will have the capacity to provide high quality, timely, patient focused care for the dual roles of secondary and tertiary care services.

Following the impact of COVID-19 on the healthcare system in Ireland, the Saolta Group was looking to further ratify the conclusions and preferred option presented within the 2019 Options Appraisal Report (the "2019 Report" or "2019 Options Appraisal Report") for the future of healthcare infrastructure in Galway. As such, KPMG were appointed (supported by AECOM) to develop a report which considered the options included within the 2019 Report in the context of the COVID 19 impact and the current position of the Saolta Group and healthcare in Galway. As part of this appointment the conclusions of our updated analysis were presented to the Saolta Group in early 2022. This report was a high-level presentation targeted for internal use and decision making.

KPMG have now been appointed to present the results of that analysis in a format suitable for parties external to Saolta. The content of this report, written in January 2024, mirrors that of the 2022 presentation. It has not been updated (unless otherwise stated) to account for developments that have since taken place. For clarity this report has been written in the present tense, even though the analysis was undertaken in 2022, and all references to "the/this report" refer interchangeably to both this report and the high-level 2022 presentation.

The objective of this report is to secure approval from government to proceed with the Comprehensive Cancer Center and allow the phasing of the model 4 hospital (including the elective hospital, emergency department (ED), Women's and Children's, and laboratories projects which are ongoing) to proceed to the detailed design phase of the Public Spending Code.

1.2 Scope and Structure of this Report

This report firstly provides the case for change in the Galway healthcare system, highlighting key issues and pressures driven by deficiencies in current infrastructure on the University Hospital Galway (UHG) site and why action is both necessary and urgent in order to be able to deliver high quality healthcare to patients. Secondly, an overview of the key findings and conclusions within the 2019 Options Appraisal Report is outlined.

The report then focuses on four potential delivery options for the model 4 hospital, based on both the UHG and Merlin Park University Hospital (MPUH) sites. It also looks at how these might work in practice, including provision of high level timelines for delivery and high level cost estimates for each option.

The report then provides a high level scoring of each option in the form of red/amber/green (RAG) ratings against key criteria which will contribute to the success of the programme, and ultimately identifying a preferred way forward which is proposed to be developed further as part of the detailed design phase.

2 Case for Change

2.1 Key Challenges faced by GUH

Saolta is responsible for the care of over 800,000 people across the West/North-West of Ireland. It is currently unable to meet demand. As set out in the 2019 Report, Saolta require a transformation strategy which - at a minimum - aims to:

- Service the 14,000 patients within the Saolta region treated in Dublin annually;
- Eliminate the 46,000 person waiting list at GUH and greatly reduce, if not eliminate, the 102,000 person waiting list across Saolta; and
- Abolish 8,000 emergency patients on the trolleys at UHG annually.

The 2019 Report identified that that 64% and 95% of the existing infrastructure in UHG and MPUH (respectively) is 'not satisfactory/unacceptable' for its current function. Although reconfiguring low risk care in lower standard areas of the estate has maintained the hospitals operationally while minimising risk, it is evident that existing facilities are not sufficient to provide long-term sustainability to GUH. Saolta continues to make substantial progress in improving their operational efficiency, however, such measures are unlikely to fully bridge the current demand capacity gap now or in the near future. By 2031:

Saolta will face increases of 45% to 71% in the 65-84 and over 85 years old age ranges. Even with the full implementation of Sláintecare efficiency and substitution measures, the demand capacity gap will grow to a shortfall of 276 beds at GUH alone.

Without substantial capital investment in the near future, Saolta will face significant service delivery challenges at GUH – its largest hospital and one of the busiest in Ireland.

The case for change is, therefore, self-evident. Do nothing is not an option.

2.2 Key Issues with Existing Infrastructure

The 2019 Options Appraisal Report included a review of the existing buildings and infrastructure as well as planned developments for both hospitals sites of GUH. The review identified that 64% of the existing buildings at UHG are not fit for purpose (see buildings shaded yellow in Figure 1 below). These buildings were categorised as either

4[1] or 5[2] in the Building Condition Review, and/or were categorised as D[3] in the Functional Suitability Review.

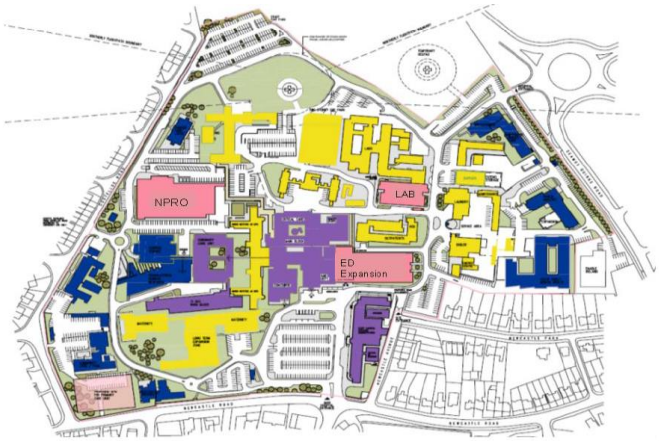

Figure 1: Not-fit-for-purpose buildings on UHG site (shaded yellow)

The key deficient areas identified in the review of the UHG site are set out below:

- Maternity
- Oncology
- Labs
- Ward blocks
- Paediatrics
- Outpatients
- Radiology
- Emergency Department
- Operating Theatres
- Surgical Day Ward
- Diagnostics
- Intensive Care Unit
- Radiotherapy
- Mortuary
- Neurology
- Respiratory
- Endocrinology
- Diabetes & Metabolism
- Psychiatric
- Ambulance Service HQ
- Laundry
- Stores
- Administration
- Maintenance and engineering facilities

These areas all require urgent attention in order to ensure high quality of care is delivered and patient safety is maintained. This is key factor in why the 2019 Options Appraisal Report is being reviewed in this report.

[1] Building Condition 4 Definition: Built over 25 years ago with full refurbishment & some structural upgrade required.
[2] Building Condition 5 Definition: Not economically feasible to refurbish / upgrade.
[3] Functional Suitability D Definition: Unacceptable in its present condition, total rebuild or relocation needed.

3 Overview of the 2019 Preferred Option

The 2019 Options Appraisal Report assessed a number of options for the new model 4 hospital, with a phased approach emerging as the Preferred Option. This involved three stages:

- **Phase 1A: National Development Plan (NDP) elective hospital implementation:** Implementation of the Government's commitment to develop a new elective hospital at MPUH under the NDP. The hospital would cater not just for elective care, but it would also be an important ambulatory, non surgical and primary care facility.

- **Phase 1B: Interim Priority Developments**: Urgent progression of interim priority developments on the UHG site (while MPUH is being developed) in key areas, including the Comprehensive Cancer Centre, the ED and Women's & Children's Block, and a new Medical Laboratory Building, in the near term.

- **Phase 2: Fully Integrated Care**: Improvement of acute care facilities, with the end state of moving all services to MPUH, to realise a fully integrated service transformation for Saolta.

The decision for Phase 1A (elective hospital on MPUH site) was determined by a separate report to the 2019 Options Appraisal Report discussed here. This report looks to reassess the Preferred Option in terms of the phasing and location of the Elective Hospital, Interim Priority Developments, and the overarching strategy for Fully Integrated Care.

3.1 Overview of Elective Hospital Implementation (Phase 1A)

Under the NDP, the Government has committed to the delivery of new dedicated elective-only hospitals in Galway, Cork and Dublin with the aim of increasing capacity in the hospital system by separating scheduled and unscheduled care.

The NDP describes these elective hospitals as providing high volume, low complexity procedures on a day and outpatient basis. It indicates that a key principle underpinning these initiatives is the need to achieve greater separation between scheduled and unscheduled care, so that the system can respond better to emergency needs without adding to waiting lists for elective procedures.

Consistent with the objectives outlined in the NDP, an elective hospital located on the MPUH site has the potential to transform the capacity of not just elective care at GUH, but also the regional capacity of Saolta Group as a whole, including acute / specialist care delivery.

Given the long timeframe required to deliver the end-state of the Preferred Option of providing all services at MPUH, it is important to consider ways in which this could be phased so as to release some of the benefits early while also reducing any risk to the

provision of healthcare services in the West and North-West of Ireland. Development of the Elective Hospital as the first phase at the MPUH site is the proposed approach.

3.2 Overview of Interim Priority Developments (Phase 1B)

Even with a long term plan to invest in new elective and acute facilities at MPUH, there are a number of deficient facilities at UHG that require urgent upgrading to ensure continuity of the delivery of existing services. For example, the existing medical oncology and haematology day ward, outpatient suites and rapid access clinics are in urgent need of replacement. These Interim Priority Developments identified in Table 1 are required to alleviate some of the deficient areas and also give Saolta some flexibility in decanting the existing site.

Table 1: Interim Priority Developments at UHG

Development	Overview
Comprehensive Cancer Centre	Immediate short-term requirement to provide new facilities (as approved in the National Development Plan) including (a net) new c. 80 inpatient Beds on the UHG site, to ensure Oncology services can be provided effectively throughout the region.
ED and Women's & Children's Block	Aims to address current suboptimal accommodation and associated risk issues by providing ED accommodation and providing modern and fit for facilities for the Women's & Children's department, including (a net) new 30 inpatient beds.
Temporary ED	This building will facilitate the clearing of the site for the larger development listed above.
New Medical Laboratory Building	New consolidated laboratory to address key infrastructural deficiencies, drive efficiencies and optimise laboratory layout, allowing for modern models of Laboratory Medicine service delivery.
Radiation Oncology Unit[4]	Development of Radiation Oncology centre to increase capacity.
Cardiothoracic Ward[5]	Building works have commenced on the cardiothoracic ward in UHG, providing 12 cardiothoracic beds.
Enabling Project: Clinical Support Accommodation	Provide a centralised location for administration and corporate services which will in turn increase clinical capacity.
Other	Critical upgrades required for water and electricity infrastructure.

[4] The Radiation Oncology Unit has since been completed. It was opened in 2023
[5] The Cardiothoracic Ward has since been completed. It was opened in 2022

It should be noted that the Interim Priority Developments outlined above in no way address all of the current infrastructure deficiencies across the GUH sites. Rather, they address some of the most urgent ones. There are other areas which are significantly below standard for which no interim works are proposed. This is predicated on a new development proceeding within a reasonable timeframe and would need to be revisited if that assumption changed.

3.3 Overview of Fully Integrated Care (Phase 2)

Based on the options appraisal undertaken in accordance with the Public Spending Code, it is recommended that Saolta should develop a fit-for-purpose 1,150 bed, model 4 hospital on the MPUH site.

The assessment found that a single MPUH solution was the best from the many options considered, receiving the highest qualitative score in terms of quality & patient safety, access & location, ease of implementation and staff benefits, as well as the best solution on a quantitative analysis. The only caveat on this assessment is that whilst the MPUH site offers much more space capable of development in comparison to UHG, detailed planning approval advice is required to confirm the extent to which planning is likely to be granted at MPUH.

The assessment also found the sooner existing ageing acute facilities at UHG are retired and relocated to new facilities at MPUH, the higher net benefits. Delaying completion of this investment from 2031 to 2039, for example would lead to a significant reduction in benefits relative to costs of the investment.

3.4 Options Appraisal - 2022 update

The 2019 Report clearly set out the constraints at the current UHG site that were leading to significant capacity issues and needed to be addressed in order to future-proof healthcare across the Saolta Group, not just at UHG. Since then, the issues have become even more challenging and very little progress has been made on any of the phases from the Preferred Option since the 2019 Report was finalised.

The shock to the system resulting from COVID 19 was compounded by the existing infrastructural deficiencies and has highlighted the critical need to respond urgently and decisively to the immediate threat posed to Saolta's patients.

The constraints at the current UHG site have led to significant capacity issues, with 69,000 patients on the waiting list at GUH as of February 2022 (up from 46,000 in 2018), which is compounded by the lack of facilities and inability to separate elective and acute services. Taking cancer care as an example, the impact of COVID 19 is evidenced by the decline in KPI performance since 2019, as shown in Table 2 below.

Table 2: Cancer care KPIs 2019-2021

Year	Symptomatic Breast Programme		Rapid Access Prostate Programme	UHG Systemic Anti-Cancer Treatment
	Urgent KPI Compliance	Non-urgent KPI Compliance	KPI Performance	KPI Performance
2019	67% (2,658)	75% (2,620)	63% (844)	87% (459)
2020	75% (2,773)	52% (1,930)	17% (575)	76% (395)
2021	29% (3,801)	10% (1,050)	28% (729)	66% (435)

Another key infrastructure deficiency emerging from the recent COVID-19 pandemic has been the lack of isolation facilities, which has created challenges in reducing the risk of spread of infection. The replacement of nightingale wards is now a key priority due to the additional risk posed by these facilities.

The urgency for action to address the infrastructural deficits at UHG is now critical. The Interim Priority Developments need to be progressed as a matter of priority, however, the associated investment in these interim developments is now approaching €1bn. This level of investment on the UHG site combined with the patient safety risks associated with the delayed relocation to MPUH, mean the original 2019 Options Appraisal must be revisited.

4 Review of Shortlisted Options

4.1 Option 1: Build new elective and acute hospital on MPUH site

(Preferred Option from 2019 Options Appraisal Report)

This option involves building a new elective and acute hospital on the MPUH site and the relocation of services currently provided on the GUH sites to the MPUH site. Locating all of the services on one site reduces duplications in terms of administrative services, creates economies of scale and also allows the hospital to work more cohesively. It is also possible to achieve this option on a phased basis due to the space available at MPUH.

The key implications for the UHG and MPUH sites under Option 1 are set out in the table below.

UHG site	MPUH site
• There would be no long term developments or construction activity, except for essential interim developments • All services would transition to MPUH • There would be limited support or investment required to maintain activities during transition period	• Hosting all departments • Establishing the new Comprehensive Cancer Centre, maternity and children's unit, the ED and pathology department • Establishing elective facilities & outpatient clinics

Benefits:

- The hospital will be designed specifically to meet the future needs of the acute and elective services and deliver improved facilitates for the long term;
- Lack of restrictions on design at MPUH meaning new hospital can be optimised for patient flow and synergies between departments and ensure in built flexibility for the future;
- The capacity and safety issues associated with the current hospital would be resolved in the long-term;
- Very low risk to disruption in continuity of services as MPUH site is currently underutilised and there is sufficient space to build;
- Impact on other Saolta hospitals through ability to refer specialty patients;
- Improved accessibility at MPUH;
- Benefits of workforce re-profiling can be maximised through co-location;

- The UHG site would be freed up for alternative purposes.

Issues:

- Due to the phased delivery, clinical adjacencies may be adversely affected in the short-term;
- MPUH site accommodates a number of community buildings which may need relocating during construction;
- There are planning challenges due to the protected forest at MPUH;
- Short term solutions may be needed in the interim which will require investment with no long-term return;
- Significant time before completion, restricting improvements which are needed urgently, in particular, ED, Lab, Comprehensive Cancer Centre and Inpatient Capacity all of which are posing significant risk to patient care.

4.2 Option 2: Renovation of UHG and new elective at MPUH

This option involves splitting acute and elective care by building a new elective hospital on the MPUH site and renovating the existing UHG site to provide acute hospital care. The elective hospital at MPUH would cover Low-Acuity, Elective, Day Surgery & Ambulatory Care and would be closed at the weekends. The acute hospital at UHG would cover complex acute and oncology care, including ED, ICU and Maternity.

The key implications for the UHG and MPUH sites under Option 2 are set out in the table below.

UHG site	MPUH site
• Gradual renovation of UHG • All services remain in the UHG except the elective services • Establishing the Comprehensive Cancer Centre at UHG • Establishing the maternity and children's unit at UHG	• Construction of elective facilities • MPUH becomes the electives hospital with non-complex care

Benefits:

- Elective hospital at MPUH would be designed specifically to meet the future needs of the elective services and deliver improved facilitates in the long term;

- The capacity and safety issues associated with the current hospital would be resolved over the longer term;
- Ability to deliver a phased renovation at UHG, meaning urgent deficiencies can be prioritised;
- Interim Investments at UHG can be for long-term benefit;
- Improved accessibility;
- Impact on other Saolta hospitals through ability to refer specialty patients;
- Separation of acute and elective care can help to limit the number of elective treatment cancellations as a result of prioritisation of emergency procedures.

Issues:

- Restrictions on UHG site could limit the level of efficiencies and optimisation achieved for renovation projects;
- Higher risk of disruption with significant development on an already busy UHG site;
- Due to the phased delivery, clinical adjacencies may be adversely affected in the short-term;
- Dual-location restricts the potential benefits of workforce re-profiling;
- Some access issues will continue to exist due to the UHG site being located within the city centre;
- Dual-location will require robust patient screening & transfer procedures to be implemented to reduce and manage the risk of elective patients becoming emergency situations;
- Short term solutions may be needed in the interim which may require some investment;
- Inefficiencies and duplication of services and costs likely to occur due to the hospital being located across both sites, however as both hospitals will be new builds/ upgrades these can be mitigated to some degree;
- Neither the UHG nor MPUH sites would be freed up.

4.3 Option 3: Elective at UHG and new model 4 hospital at MPUH

This option involves splitting acute and elective care by renovating the existing UHG site to provide an elective hospital, and building a new acute hospital on the MPUH

site. The elective hospital at UHG would cover Low-Acuity, Elective, Day Surgery, Ambulatory Care and basic ED and would be closed at the weekends. The acute hospital at MPUH would cover complex acute and oncology care, including ED, ICU and Maternity.

The key implications for the UHG and MPUH sites under Option 3 are set out in the table below.

UHG site	MPUH site
• Partial renovation of UHG • Elective stays at UHG • Basic ED for non-complex first response	• Hosting all departments except elective • Establishing the Comprehensive Cancer Centre • Establishing the maternity and children's unit • Establishing the new ED

Benefits:

- New model 4 hospital at MPUH would be designed specifically to meet the future needs of acute services and deliver improved facilitates in the long term;
- Many capacity and safety issues associated with the current hospital would be resolved;
- Lack of restrictions on design at MPUH meaning new model 4 hospital can be optimised for patient flow and synergies between departments and ensure in built flexibility for the future;
- Very low risk to disruption in continuity of services;
- Separation of acute and elective care can help to limit the number of elective treatment cancellations as a result of prioritisation of emergency procedures;
- Improved accessibility;
- Impact on other Saolta hospitals through ability to refer specialty patients;
- Design changes would improve adjacencies and workflow and address current limitations.

Issues:

- Restrictions on UHG site could result in delayed delivery of new elective facility;
- Higher risk of disruption with significant development on an already busy site;

- Significant time before completion, restricting improvements which are needed urgently;
- There are planning challenges due to the protected forest at MPUH;
- Dual-location will require robust patient screening & transfer procedures to be implemented to reduce and manage the risk of elective patients becoming emergency situations
- Inefficiencies and duplication of services and costs likely to occur due to the hospital being located across both sites, however as both hospitals will be new builds these can be mitigated to some degree;
- Due to the phased completion of the project, some clinical adjacencies could be made worse in the short-term;
- Short term solutions may be needed in the interim which may require some investment;
- Limited opportunity to re-profile workforce as a critical mass of services through co-location, as this would not be achieved;
- Some access issues will continue to exist due to the UHG site being located within the city centre;
- Neither the UHG nor MPUH sites would be freed up.

4.4 Option 4: Renovation of UHG and new elective also at UHG

This option involves the redevelopment of the existing UHG site over the longer term and the relocation of services currently provided at MPUH to UHG. In order to facilitate this, some buildings would be re-developed while others would be demolished and re-constructed.

The key implications for the UHG and MPUH sites under Option 4 are set out in the table below.

UHG site	MPUH site
• Renovate existing UHG facilities to host all departments • Establishing the new Comprehensive Cancer Centre, maternity and children's unit, the ED and pathology department • Establishing elective facilities & outpatient clinics	• Free for alternative uses

Benefits:

- Hospital will be designed specifically to meet the future needs of the acute and elective services and deliver improved facilitates for the long term;
- Some capacity and safety issues associated with the current hospital would be resolved;
- Benefits of workforce re-profiling can be maximised through co-location;
- There would be a significant contribution to the quality and functional suitability of the site;
- Design changes could improve adjacencies, patient pathways, clinical workflow and address current limitations created by the dispersed nature of services on the site;
- The MPUH site would be freed up for alternative purposes;
- Improved accessibility;
- Impact on other Saolta hospitals given ability to refer specialty patients;
- The capacity and safety issues associated with the current hospital would be resolved;
- Design changes would improve adjacencies, patient pathways, clinical workflow and address current limitations created by the dispersed nature of services on the site.

Issues:

- Constraints to optimal design to support pathways of care due to the need to integrate old and new buildings on a congested site;
- Significant disruption to existing services likely to occur due to congested nature of the site and the extent of services currently being undertaken on the site;
- Limited opportunity for future expansion due to size and location of the site;
- Some access issues will continue to exist due to the site being located within the city centre;
- Short term solutions may be needed in the interim which may require some investment.

4.5 Capital Costs Summary

The indicative capital costs[6] of each option have been revisited in late 2021 in preparing this report and are set out in Table 3 below. The capital costs are an Order of Magnitude Costs, which should be used for comparative purposes of the proposed options only. There is currently no brief or design information upon which to base an accurate capital cost estimate. The Schedule of Accommodation used to prepare the estimate is preliminary only and needs to be fully developed and agreed with Saolta. It is recommended that an updated Development Control Plan is prepared for to define the Scope of the Project and associated Development Costs.

Table 3: Indicative capital costs

Costs	Option 1 *All to MPUH*	Option 2 *Renovate UHG Elective MPUH*	Option 3 *Acute MPUH Elective UHG*	Option 4 *All at UHG*
Construction Costs	€ 1,382m	€ 1,499m	€ 1,460m	€ 1,289m
Client Direct Costs & Fees	€ 270m	€ 283m	€ 285m	€ 251m
Equipment Costs	€ 488m	€ 481m	€ 505m	€ 469m
Ancillary Project Costs	€ 1,248m	€ 1,237m	€ 1,377m	€ 1,080m
Total	**€ 3,390m**	**€ 3,451m**	**€ 3,627m**	**€ 3,089m**

Source: AECOM, prepared in Q4 2021
Note: Excludes costs to address urgent deficiencies

4.6 Timelines Summary

The estimated completion dates for each option (as prepared in 2021) are set out in Table 4 below. The programme has been based on potential phasing of the transition to the potential new healthcare models which limit any deterioration of the quality of healthcare provision and safety to patients. The earliest completion dates for each project are highlighted in green. These dates are high level estimates for comparison of options and should not be used to fix timelines.

[6] These costs were prepared in Q4 2021 and they included assumptions for inflation which were valid at that time. However, given the actual levels of inflation in the construction sector in 2022 and 2023, these cost estimates will need to be revisited.

Table 4: Estimated completion dates

Project	Option 1 *All to MPUH*	Option 2 *Renovate UHG Elective MPUH*	Option 3 *Acute MPUH Elective UHG*	Option 4 *All at UHG*
Cancer Care Centre	2034	2031	2034	2031
Elective Hospital	2034	2034	2041	2035
Acute Hospital	2041	2039	2040	2041

Source: AECOM, prepared in Q4 2021

5 High Level Assessment

In completing the options appraisal review a qualitative assessment of the four options was completed. This involved a high level scoring of each option in the form of RAG ratings against key criteria which will contribute to the success of the programme.

5.1 Criteria Definitions

The qualitative criteria used to evaluate each option are summarised and defined in Table 5 below.

Table 5: Qualitative criteria definitions

Criteria	Definition
Quality of Care	Ability to deliver quality healthcare services through modern facilities, with a design which delivers efficiencies which enable an improved level of care (disruption during implementation is dealt with separately below).
Patient Safety	Ability to maintain the highest standards of patient safety at the end-state (disruption during implementation is dealt with separately below).
Addresses Capacity Constraints	Ability to address the key capacity constraints currently faced at UHG and the wider Saolta Group.
Accessibility & Location	Level to which the solution relieves accessibility issues for patients, given current experiences at UHG.
Complexity	The complexity of the solution in terms of the level of risk for design and implementation which could lead to delays (disruption dealt with separately below).
Workforce	The impact of the solution on workforce profiling, productivity and efficiencies.
Addresses Urgent Deficiencies	Ability of the solution to address the infrastructure deficiencies which require urgent attendance at UHG.
Disruption Risk	The level to which the solution is susceptible to disruption in delivery of healthcare services, quality of care and patient safety.
Site Risk	The level of risk the identified site for the solution poses to delays in delivery, through infrastructure, planning, etc.
Cost	The cost of the proposed solution and the propensity for sunk costs as a result of more immediate requirements.

Criteria	Definition
Timeline to Achieve Benefits	The duration required for benefits to be achieved.

5.2 Options Evaluation

Each of the options were evaluated against the qualitative criteria in order to determine which was most likely to achieve all or most of the desired outcomes. Table 6 below shows the RAG status that was awarded to each option against each criteria. Green was awarded for options that were highly likely to achieve all of most of the desired outcomes, while red was awarded to options that were highly unlikely to achieve all or most of the desired outcomes.

Table 6: Options Assessment RAG Status

Criteria	Options 1	2	3	4	Rationale
Quality of Care					All options will help to maintain and improve the quality of care delivered by GUH.
Patient Safety					All options will help to maintain and improve patient safety by enabling high level care and improved patient journeys and adjacencies between departments.
Addresses Capacity Constraints					All options help to address current constraints at UHG in the long term by providing additional capacity.
Accessibility & Location					Only Option 1 relieves the accessibility pressures from UHG as it exits the site completely. Option 4 is likely to compound the issue by building further on the site.
Complexity					Options 2 and 3 have greater complexity than Option 1 given redevelopment of UHG. This complexity is compounded for Option 4 where all facilities will be built there.
Workforce					All options will have limitations on the efficiencies available from workforces.
Addresses Urgent Deficiencies					Options 2 and 4 are the only options which enable sustainable investments at UHG for immediate requirements. Under 1 and 3, only temporary investments are feasible.

Criteria	Options 1	2	3	4	Rationale
Disruption Risk					Renovation and development at UHG (Option 2, 3 and 4) run a higher risk to disruption due to the site already having a major hospital there. This risk is greatest for Option 4.
Site Risk					Option 2 has the lowest planning risk as only some facilities will be moved to MPUH where planning may be difficult. Relocating the elective reduces the risk to UHG.
Cost/ Affordability					Options 1 and 3 are the most significant in terms of cost as urgent investments will provide little/no long-term benefit.
Timeline to Achieve Benefits					Achieving the benefits for Option 2 will be shortest due to progressive phasing of interim developments. Options 3 and 4 are longer due to decanting requirements.
Alignment to National Policy					All options align with national policies and strategies.
Sustainability					Option 2 provides the greatest long-term sustainability as interim developments can be provided sooner and in a manner which deliver long term benefits.

5.3 Assessment Summary

The results of the options assessment are shown in Table 7 below, where the number of criteria awarded green/amber/red are totalled for each option. Option 2 was awarded the highest number (nine) of green criteria and the lowest number (zero) of red criteria.

Table 7: RAG Status Scoring

RAG Status	Option 1 *All to MPUH*	Option 2 *Renovate UHG Elective MPUH*	Option 3 *Elective UHG Acute MPUH*	Option 4 *All at UHG*
Green	7	9	4	5
Amber	5	4	7	4
Red	1	-	2	4

5.4 Key Differentiators

There are a number of key differentiators between the options which were highlighted as part of the assessment and are summarised below:

- Options 1 and 3 enable the opportunity for optimal design of the new acute facility (and also elective in the case of Option 1) as MPUH is a greenfield site.
- Options 1 and 3 will also render (most) interim developments on the UHG site redundant resulting in significant investment only delivering short-to-medium term benefits.
- Options 2 and 4 enable interim developments on the UHG site to provide longer term benefits, however, the design and implementation are much more complex as the site is already at capacity, carrying a greater risk of delays and disruption.
- Option 1 provides additional benefits by fully exiting UHG, freeing it for alternative uses which could generate commercial and operational benefits to GUH.

5.5 Comparison with Options Appraisal Report 2019

As part of the appraisal exercise carried out in 2019, each option was subject to a qualitative appraisal and a quantitative appraisal of both the economic benefits and financial costs. Table 8 below shows the results of the evaluation for these options within the 2019 Report *(note the option numbers here align to this report and not the 2019 Options Appraisal Report)*.

Table 8: 2019 Options Appraisal Results

Score	**Option 1** *All to MPUH*	**Option 2** *Renovate UHG Elective MPUH*	**Option 3** *Acute MPUH Elective UHG*	**Option 4** *All at UHG*
Qualitative Appraisal	92.5%	82%	79%	85%
NPV of Benefits	€10,715m	€10,715m	€10,715m	€10,715m
NPV of Costs*	(€4,399m)	(€4,345m)	(€4,511m)	(€4,199m)
Total NPV	€6,316m	€6,370m	€6,164m	€6,516m
Cost Benefit Ratio	2.44	2.47	2.35	2.55

*Includes both Capital and Operating Costs

The 2019 Options Appraisal Report identified Option 1 (both acute and elective hospitals to MPUH) as the preferred option based mainly on its significantly higher qualitative evaluation score, albeit it resulted in a marginally lower Cost Benefit Ratio when compared to some of the other options considered.

Given the update to the scoring exercise carried out within this report, and the shift in priorities within GUH, the original conclusions and preferred option have been revisited.

6 Conclusion and the New Preferred Way Forward

6.1 Conclusion

As previously discussed in this report, the Covid 19 pandemic and associated pressures it has put on infrastructure at UHG has created an additional urgency for investment. As such, speed of delivery in being able to achieve the benefits and relieve the pressures on the existing site is of paramount importance. The New Medical Laboratory Building and ED/Women's & Children's block are well progressed on the UHG site and further investment in the Cancer infrastructure is required immediately. Therefore it is no longer feasible to progress with a relocation of the model 4 hospital given the risk of resulting delay to these critical pieces of infrastructure. Consequently, Option 2 (model 4 hospital on the UHG site and elective hospital on the MPUH site) has been identified as the New Preferred Way Forward.

6.2 The New Preferred Way Forward

In summary, Option 2 has been identified as the New Preferred Way Forward for the following reasons:

- It provides the ability to relieve the existing infrastructure pressures at UHG whilst also allowing intermediate investments to be sustainable in the long-term as these interim developments will be integrated into the new acute hospital.
- Developing the Elective Hospital at MPUH will relieve some of the existing capacity and accessibility constraints on UHG in the short to medium term.
- An inpatient Elective Hospital will separate elective care from acute services which will reduce waiting lists for non-emergency procedures, in line with the National Development Plan.
- Option 2 returned a higher Cost Benefit Ratio in the 2019 Options Appraisal Report when compared to the relocation to MPUH, however MPUH was selected as the preferred option as the clinical adjacencies and patient flow would be optimised, which would have led to better quality care. Priorities have now changed.

6.3 Proposed Next Steps

The proposed next steps for Saolta in progressing the New Preferred Way Forward are as follows:

1 Present the New Preferred Way Forward to government to obtain approval and buy-in to progress as follows.

2 Progress to detailed design for the new elective hospital at MPUH, in accordance with the Elective Hospital Report developed in 2019. Beds are urgently required to alleviate some of the pressure on the UHG site.

3 Progress in developing a Development Control Plan (DCP) to address all the deficiencies on the UHG site, with the interim developments designed in the context of the broader vision for the future of the site. *Note: this step this extremely important to ensure the clinical adjacencies are optimised as UHG is redeveloped in the years ahead. The DCP will also establish if the site can accommodate a building at the scale required to meet future demand.*

4 Progress the SAR and PBC for the Comprehensive Cancer Centre, ED/Women's and Children's, laboratories and other urgent interim developments, in conjunction with the DCP.

5 Develop a detailed Programme Plan outlining the resources, capabilities and professional advice required to progress the New Preferred Option and DCP, including roles of various stakeholders and proposed phasing of the various required SARs and PBCs.

6 Progress the relevant SAR and PBC for each project which materialises from the DCP to ensure the model 4 hospital on the UHG site is fit for purpose[7].

[7] This assumes redeveloping on UHG will not be implemented under a programme business case

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Limitations

This report is being prepared in 2024 based on analysis, timelines and costings originally presented in 2021/22. It has not been updated for changes in the intervening period.

The responsibility for determining the adequacy or otherwise of our terms of reference is that of the Saolta Group.

Our terms of reference comprise an advisory engagement which is not subject to Irish, or any other, auditing or assurance standards and consequently no conclusions intended to convey assurance are expressed.

Further, as our terms of reference do not constitute an audit or review in accordance with Irish auditing standards, they will not necessarily disclose all matters that may be of interest to the Saolta Group or reveal errors and irregularities, if any, in the underlying information.

In preparing this report, we have had access to information provided by the Saolta Group and publicly available information. The findings and recommendations in this report are given in good faith but, in the preparation of this report, we have relied upon and assumed, without independent verification, the accuracy, reliability and completeness of the information made available to us in the course of our work, and have not sought to establish the reliability of the information by reference to other evidence.

Any findings or recommendations contained within this report are based upon our reasonable professional judgement based on the information that is available from the sources indicated. Should the project elements, external factors and assumptions change then the findings and recommendations contained in this report may no longer be appropriate. Accordingly, we do not confirm, underwrite or guarantee that the outcomes referred to in this report will be achieved.

We have not compiled, examined or applied other procedures to any prospective financial information in accordance with Irish, or any other, auditing or assurance standards. Accordingly, this report does not constitute an expression of opinion as to whether any forecast or projection of the project will be achieved, or whether assumptions underlying any forecast or projections of the project are reasonable. We do not warrant or guarantee any statement in this report as to the future prospects of the project.

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