



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Caerdydd a'r Fro
Cardiff and Vale
University Health Board

Executive Headquarters / Pencadlys Gweithredol

Woodland House
Maes-y-Coed Road
Cardiff
CF14 4HH

Ty Coedtir
Ffordd Maes-y-Coed
Caerdydd
CF14 4HH

Eich cyf/Your ref:
Ein cyf/Our ref: CJ-ce-04-10039
Welsh Health Telephone Network:
Direct Line/Llinell uniongychol: 029 2183 6003

Charles (Jan) Janczewski
Chair

6th April 2023

Mr Carl James
Interim Chief Executive Officer
Velindre University NHS Trust
Unit 2
Charnwood Court
Parc Nantgarw
Nantgarw
Cardiff
CF15 7QZ

SENT VIA EMAIL

Dear Carl

Re: New Velindre Cancer Centre Full Business Case

The Cardiff and Vale University Health Board considered the new Velindre Cancer Centre (nVCC) Full Business Case at its meeting held on 30 March 2023.

The Health Board:

- (1) Considered the additional revenue consequences of the nVCC.
- (2) Considered the patient benefits of the new cancer centre.
- (3) The Health Board recognise:
 - a. The qualitative benefits for patients and staff of a new cancer centre and that the current environment at the existing Velindre Cancer Centre is no longer suitable
 - b. The increased revenue costs associated with a larger building and the requirement to comply with Welsh Health Building Notes.
 - c. The Nuffield Report recommendation that while it is preferable for specialty hospitals to be co-located on acute sites, the timescales for the development of the Heath Park site and a replacement for the existing University Hospital of Wales means that this co-location would not be an option for some considerable time.

However, in its consideration of the revenue implications contained within the FBC, the Board considered the case to be unaffordable in the context of the Health Board's current and forecast financial position over a five-year time frame. The Board requires confirmation that the additional revenue costs can be funded through alternative means or mitigated entirely through a further specification review.

The Health Board is committed to work with Velindre NHS Trust and other partners to resolve the following issues that were considered by the Board in its scrutiny of the FBC:

- i. Confidence that Welsh Government's appraisal of the capital case fully tests overall value for money in the context of the current financial situation recognising that the Commercial Case is for consideration and approval of WG.
- ii. Agreement that all partners are committed to fully implementing all of the recommendations in the Nuffield Trust Report, and the recently published National Cancer Plan, to ensure that the improvements in cancer care along the patient pathway and in particular, the high-level acute needs of South East Wales population, are realised and recognition that there are financial requirements beyond the nVCC in order to be able to achieve this.
- iii. Progression of agreement for shared use of the facilities and delivery of CAVUHB services at nVCC to further research and innovation and improve patient pathways, considering ways of working, outcome monitoring and shared space and including the delivery of services such as outpatient appointments and day cases.
- iv. Confirmation of the alternative funding sources for the cost of carbon net zero and the digital transformation
- v. Clarification on the rationale for the inclusion of the contract management costs in the revenue case, rather than as an offset for the Annual Service Payment as part of the capital case.
- vi. Assurance from Welsh Government that Health and Social Services capital will be prioritised to cover the equipment costs.

Cardiff and Vale University Health Board highly values its partnership with Velindre NHS Trust and we look forward to continuing our close relationship to improve cancer services for the population of South East Wales.

Yours sincerely



Charles Janczewski
Chair

C.c Judith Paget
Suzanne Rankin