

Borders NHS Board**NHS BORDERS CAPITAL PLAN 2014/15 & 2015/16****Aim**

To advise the Board of the proposed Capital Investment Plan for 2014/15 and outlining Plan for financial year 2015/16, and to seek approval to proceed.

Background

During the preparation of the Local Development Plan, the draft Capital budgets of £3.98M and £6.92M for 2014/15 and 2015/16 respectively was reviewed taking into account commitments from 2013/14. The following Funding sources were identified - the Formula allocation and the legally committed, Integrated Health Strategy, and legally committed funding for the Roxburgh Street, GP & P&CS, project, (2015/16).

In addition linked to the space utilisation the Board is continuing to generate additional capital funding through the disposal of excess properties. Capital projects dependant on proceeds will not progress until sales are confirmed .

The Capital Planning Group and the Capital Management Team have reviewed the highest priority projects, taking into account submissions from Clinical Boards and from Rolling programme leads. The selection criteria remains as in previous years, with each proposed project within the plan considered against the following:

Patient Safety ; Service Improvement ; Revenue Reduction ; Reduction in HAI/HEI ; Fit with Integrated Health and Clinical Strategies ; Reduction in Strategic and Operational Risks ; Estates Rationalisation ; Quality Improvement ; Relevance to HEAT Targets.

Presently the current year plan comprises of projects which will be seen through to completion within one financial year and further projects which will be developed during the current year leading to financial commitment on enabling works/procurement during 2015/16.

Summary**Capital Plan 2014/15**

Within the Appendix the proposed investment plan is summarised. Funding from Formula allocation, legally committed Integrated Health Strategy and Capital receipts.

The key issues to be noted are:

- Investments within the rolling programmes of Estates, IM&T and Medical Equipment have been reinstated following suspension during 2013/14, this to ensure financial

balance as a result of considerable investment within in patient and out patient reconfiguration projects within BGH and Huntlyburn House.

- Backlog maintenance for the current year is focussed on BGH Theatres ventilation system redesign, creating dedicated ventilation plant for each operating theatre. Related to this work is; through limited access to the theatre suite to maintain the internal fabric; a backlog of maintenance works, which must be addressed within a planned programme of works taking into account the need to minimise theatre down time. Other Backlog maintenance investments are taken from a prioritised list, categorised high – low and risk assessed with a focus on high risk.
- A commitment is made to additional car parking, road repairs and an extension to the main cycle shelter at BGH.
- To aid in all future projects which may require Planning Consent from the Local Authority, an updated Travel Plan is a requirement.
- Over and above the rolling programme of investment for medical equipment, the MEC have considered a high priority request for investment in two replacement ultrasound machines, this part of a long term strategy for imaging equipment which identifies investment to the year 2021.
- Property investments, taking forward previous agreed plans, comprise:
 - Roxburgh Street, GP & P&CS replacement premises, is dependent on the completion of the construction project presently underway within the BGH site, the new Scottish Ambulance Service Ambulance Station, scheduled for completion by end of 2014. The Capital allowance of £300K, will fund strategic planning works of site investigation, site contamination surveys, flood prevention review, planning application; plus the site establishment and early works on site during January – March 2015.
 - Completion of accommodation reconfiguration works within the Knoll, Duns, to house MH clinical consultation services within Berwickshire, this facilitating the closure and sale of Fenton Lodge, Duns.
 - Finalisation of the space utilisation works undertaken during the final quarter of 2013/14.
- Completion of the installation of biomass boilers, funded through the Central Energy Efficiency fund, the programme bridged both financial years.

The above listing committing in excess of £3m has been considered and approved by the Clinical Executive Strategy Group, The remainder of the current year plan relates to projects which will require further development before approval of resource will be finalised, and a number of other projects which are dependent on the sales proceeds being generated, this noted by the Clinical Executive Strategy Group :

- IM&T Nurse Bank Internet link - Investment to ensure capacity for effective operation, pilot operating during the summer of 2014.
- Primary & Community Services – investment aimed at improving space utilisation within a variety of sites, of which those requiring minor investment could progress

to completion. Other larger projects including planned expansion at Health Centres within Eyemouth, Melrose and Selkirk will be developed as feasibility studies for investment in future financial years.

- BGH Way Finding – A multidisciplinary group have devised a Hospital signage system, currently being presented to various operational groups, in advance of procurement and implementation.
- Estates rationalisation reviews will be undertaken on a number of sites, including:
 - Vacation of Newstead, occupied temporarily, pending further estates rationalisation
 - Option appraisal on future of Galavale
- Clinical Strategy, In conjunction with Clinical Boards, projects to be developed and prioritised, for investment during current and future years.
- BGH Theatre Transfer system, replacement of equipment which in the medium term is no longer fit for purpose.

Capital Plan 2015/16

The capital plan for 2015/16 being dependent on progress on several of the key issues noted above, is proposed as a provisional plan at this time. The basis of the capital plan is the LDP.

The Roxburgh Street, GP & P&CS replacement premises project, which will commence during the final quarter of 2014/15 will progress to completion, within a Hub project framework, during 2015. The Board are yet to approve the Business case for this project with agreed Affordability Cap.

To enable further rationalisation of the estate and following feasibility work scheduled in 2014/15 the business case developed for the Galavale Reprovision has been included for completion during 2015/16.

Rolling Programmes of investment will continue, risk assessed, incorporating imaging investment which is reported separately from the MEC allocation.

BGH Out Patient reconfiguration phases two and beyond is very much dependent on a review currently underway in assessing the benefits gained from the first phase completed during the summer of 2013, and the resolution of the issues surrounding the future format of the Hydrotherapy service.

Theatre ventilation enabling works will require a commitment within both financial years 2014/15 and 2015/16.

Radiology Imaging investment will continue within a rolling programme of replacement for items of equipment which reach the limits of useful life.

A contingency sum is included within the programme for commitment to agreed projects at a later date.

Recommendation

The Board is asked to **approve** the capital plan for 2014/15 and note the outline capital plan for 2015/16.

Policy/Strategy Implications	In line with LDP submission
Consultation	Capital Management Team, Capital Planning Group, and Clinical Executive Strategy Group
Consultation with Professional Committees	N/A
Risk Assessment	Included within project submissions and Rolling programmes
Compliance with Board Policy requirements on Equality and Diversity	As required
Resource/Staffing Implications	Included within the Capital resource

Approved by

Name	Designation	Name	Designation
Calum Campbell	Chief Executive		

Author(s)

Name	Designation	Name	Designation
David McLuckie	Director of Estates & Facilities	Susan Swan	Deputy Director of Finance

NHS Borders					
Year End Planning - Capital Resource Limit					
5 year period 2014/15 - 2018/19					
	14/15	15/16	16/17	17/18	18/19
	£000s	£000s	£000s	£000s	£000s
Board Capital Resources					
Formula Allocation	2407	2615	2615	2615	2615
Jedburgh Health Centre					
Health Centre Lauder					
Additional Allocation Outpatients					
Additional Allocation Huntlyburn					
Additional Allocation Equipment - Endoscopy					
CEEF Funding					
Surge Capacity Project					
Clinical Strategy	1000	2600			
Health Centre Roxburgh St		1700			
Primary Care Health Centre Requirements - Melrose & Selkirk			500	3500	1000
Capital Resource Limit Total	3407	6915	3115	6115	3615
Capital Receipts Applied					
Priorsford					
Dingleton Flats					
71 High Street					
Ayton					
Orchard Park	100				
Whiteford					
Fenton Lodge	170				
Crumhaugh					
Newstead	300				
West Grove			500		
Galavale				500	
Total Capital Receipts Applied	570	0	500	500	0
Charitable Funds Funding for Childrens and Young Persons Centre			3500	2000	
Total Board Capital Resource	3977	6915	7115	8615	3615
Prioritised Capital Schemes					
IM&T					
Programme IM&T	200	300	300	300	300
IM&T Strategy - Infrastructure		500			
Bank Nurse Internet Infrastructure	60				
Pharmacy System					
Public Health					
ESTATES & FACILITIES					
Programme Estates	200	200	200	200	200
Risk Assessed Backlog SoTE/Estates Strategy	350	500	350	350	350
HEI Ward Requirements	150				
Additional Spend SoTE 2013/14					
CEEF Expenditure Items	300				
Theatre Ventilation	600	400			
Car Park	300				
BGH Site Strategy					
Vehicle Replacement Phase 1 & 4x4 and Electric commitment					
MEDICAL EQUIPMENT					
Programme MEC	200	200	200	200	200
Advanced Spend MEC 2013/14					
Additional Endoscopy					
Theatre Monitoring					
Radiology Priority Replacement Gamma and Mammography	250	100	900	250	750
Efficiency Programme & Service Redesign					
Clinical Strategy	122		225	875	375
Estates Rationalisation Galavale Repronvision	50	2000			

	Newstead Relocation of Services	100				
	General	85				
	Shovel Ready - Feasibility Works			200	200	200
	HC Lauder	10				
	HC Roxburgh Street	300	1900			
	Fenton Lodge Replacement Safe Room in Knoll	36				
	Primary Care Health Centres	24	575	500	3500	1000
	UNCOMMITTED - Dependent on Sale Proceeds	400		500	500	
	Capital Grant - Hydrotherapy Pool					
	Project Management	240	240	240	240	240
	Children's and Young Persons Centre - Charitable Funds Project			3500	2000	
	Total Capital Expenditure	3977	6915	7115	8615	3615
	Balance	0	0	0	0	0
	Capital Sales Proceeds to Scottish Government *					
		0	0	0	0	0