

WHHT Capital Programme Allocations Update (July 2012)

This paper recommends the allocation of the remaining capital funds and indicates priorities against the current resource available. If further support became available, the list could be extended.

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1.0 Introduction

This paper recommends the order of priority for the remaining allocation of the capital funds. This is on the basis of information shared at clinical fora and with executive colleagues about the priorities and warrants final debate and agreement at the Board. The schemes in Table 1 are all high priority, and emphasis has been given to support operational capacity and responding to the challenge of working differently. It is implicit that all schemes are addressing risk and patient service quality.

The allocation is based on the scenario of receiving £1.4m from the PCT to support the necessary bed capacity increases, catering for the stepped change in emergency activity described at the last Board meeting.. Whilst this allocation is significant and appreciated, it is noted there are still discussions underway to highlight the pressure this has placed on the reallocation of our capital. .

2.0 Capital Commitments

As at March 2012 the Capital Programme for WHHT totalled £10.7m. The Trust actively delayed allocation of capital to schemes whilst both the analysis and a solution to the capacity challenge was discussed and agreed. Irrevocable allocations were made in March & May totalling £8.9m (for Endoscopy at Watford, Backlog maintenance and infrastructure risks and sterile services (TSSU) compliance). This leaves £1.8m remaining. The Board have agreed an over-programme of £0.8m giving a total of £2.6m remaining, which is in anticipation of potential slippage although effectively starts to allocate from the next financial year.

An addition of £0.5m has been transferred to facilitate the Cost Improvement Programme (CIP) schemes which require capital funding to deliver change (Getting Better). If the CIPs allocation is added to this, there would be a total of £12m. However, the CIPs £0.5m is only here on the basis of generating savings to cover the input, so this is not a 'free' good.

A list of items in a recommended priority order is suggested below for agreement. The shading in the Table indicates the schemes that would be funded if only £1.4m is received from PCT and if we are able to use CIPs money for other schemes that are considered to deliver efficiencies – ie the working differently schemes. .

In summary: total capital available: £10.7m; then adding in CIPS (0.5), plus over programme (0.8) is £12.0. Of which £8.9m is already committed = £3.1m remaining. Table 1 shows the schemes that are recommended for immediate funding to ensure the schemes can be implemented to best effect and timelines for delivery achieved. The shaded items are not funded, and the last three rows include an estates priority which will be deferred to next year as a top priority; and two schemes for equipment replacement which are actively being considered for leasing.

3.0 Recommendation

It is recommended that the Board discuss and agree a prioritised allocation as outlined in this paper; and should additional support become available, more schemes can be actioned.

Table 1

Top Priorities 12/13	£m	Scheme Description
Funding required in addition to PCT allocation for bed capacity (36 bed ward). Worst case ie to £3.3m (best case is £2.8)	(Assume 3.3m total cost less £1.4m) 1.9m	Essential to manage stepped change in capacity required. Scale and speed of project require figures to be based on worst case scenario of funding, given experience of similar project last year. £390k is allocated to re-provide the 70 patient car park spaces lost which requires demolition of Oak/Cedar. No other options available to recreate these spaces with the restrictions at Cardiff Road. Timing of loss of spaces aligns with patient experience surveys.
Working differently transforming facilities to change operational practice. Ambulatory facilities & Elizabeth Ward beds	0.150 0.120	Key to changing working practice on the ground with physical changes to enable ring fencing of beds for assessments and relieve space in other settings by accommodating the activity in a change of setting. Elizabeth ward admin area gets converted to house 4 beds to bring the capacity required in addition to new ward.
Items of IT infrastructure for transformation & compliance	0.2	Fundamental IT improvements linked to the IT strategy – basic infrastructure – eg discharges? ;
Decontamination Storage for TSSU / IV Fluids & viability of vascular bid.	0.6	Essential to enable the vascular activity to proceed alongside the compliance changes with the TSSU decontamination contract. Other opportunities for storage exhausted with changes last year for capacity. Vascular bid at risk without this investment.
sub total	£2.97m	£0.130m remaining (part fund more IT / CIPS)
IT Schemes - Suggest projects are broken down into smaller expenditure parcels	0.5	other IT schemes - clinical portal; clinical handover; A&E whiteboard; AAU mobility; Cancer; order comms; remote access.
Working differently scheme; conversion of day unit area to change operational practice (0.3m)	0.3	Key to changing working practice to embed a different operational model to decrease reliance on beds.
Cost Improvement Programme Capital Schemes	0.5m	This is revenue being invested to pump prime schemes that require capital to release the revenue savings. Egs building management system, 'Switch Off' energy saving schemes.
Medical Equipment replacement : ITU Ventilators WGH (0.25m) / minimal clinical equipment replacement (0.5m)	0.75m	Essential –options for leasing will be considered. Some items will not be possible for lease.
CT scanner (risk rating 20) HH	0.6m	Essential – as now 'waiting for failure' rather than proactive management. Lease option under review.
Backlog priorities - Roof at Maternity WGH/ Moynihah, SA	0.7m	Given overall spend on estates, scheme will be priorities 2013/14