

**TRUST BOARD**

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| <b>Date of Meeting:</b> 05/04/2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                               | <b>Enclosure:</b> 7                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                               | <b>Agenda Item No:</b> 7.3                                                               |
| <b>Title of Report:</b> New West Cumberland Hospital Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                               |                                                                                          |
| <b>Aims:</b> This paper provides an update for the Trust Board on the progress of the new West Cumberland Hospital development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                               |                                                                                          |
| <b>Summary:</b><br><br>The report covers matters relating to: <ul style="list-style-type: none"> <li>• Progress with the Full Business Case (FBC)</li> <li>• Progress with enabling schemes</li> <li>• Updates on programme and budget</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                               |                                                                                          |
| <b>Specific implications for consideration (Financial/Workforce/Risk/Legal/Race Equality etc):</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                               |                                                                                          |
| <b>Financial</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | To ensure that the scheme is delivered within the available capital envelope. |                                                                                          |
| <b>Workforce</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | To ensure full involvement of staff and patients in the project.              |                                                                                          |
| <b>Other</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | To provide the best healthcare facility possible.                             |                                                                                          |
| <b>Recommendations:</b><br><br>The Trust Board is asked to: <ul style="list-style-type: none"> <li>• Note the work underway to revise the Full Business Case (FBC) in line with the recently published clinical strategy.</li> <li>• Note the work that continues with clinical users to develop and agree a revised scheme within the available £90 million capital funding for inclusion in the Full Business Case (FBC).</li> <li>• Note progress with the design and the ongoing programme of decanting to enable the successful and timely relocation of mental health services from Yewdale Ward to Block J.</li> <li>• Note the revised project programme and the budget update.</li> </ul> |                                                                               |                                                                                          |
| <b>Document previously approved by:</b><br>Not applicable. Report directly to the Trust Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                               |                                                                                          |
| <b>Prepared by:</b><br>David Hounslea<br>Project Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                               | <b>Presented by:</b><br>Kevin Clarkson<br>Chief Operating Officer/Deputy Chief Executive |

**TRUST BOARD  
NEW WEST CUMBERLAND  
HOSPITAL DEVELOPMENT  
APRIL 2011**

**1. INTRODUCTION**

This paper provides an update for the Trust Board on the progress of the new West Cumberland Hospital development. It covers:

- Progress with the Full Business Case (FBC)
- Progress with enabling schemes
- Updates on programme and budget

**2. FULL BUSINESS CASE (FBC)**

The clinical strategy setting out the future of health services in north Cumbria was published on 21 March 2011. Senior clinicians from the Trust have been working closely with GP commissioners over the last six months to develop the strategy, which will now be independently assessed to make sure it is affordable and financially sustainable.

The clinical strategy re-affirms the commitment of local GP commissioners to consultant-led maternity and accident & emergency services at West Cumberland Hospital, in line with the assumptions which underpin the work already undertaken to date to plan and design the new hospital. The agreed strategy is now being incorporated within the revised FBC which is currently being prepared by the Project Team.

The Project Team and designers also continue to work with clinical users to amend the plans for the new hospital to ensure that the facilities required to deliver the clinical strategy can be provided within the available capital budget of £90 million. Revised plans have been prepared and discussed at clinical user meetings during February and March 2011. It is expected that revised plans at 1:200 scale will be finally agreed with users in early April 2011. These will then form the basis of the revised scheme which will be included within the updated FBC.

This therefore means that the timeline for Trust Board approval of the FBC has been amended to May 2011. The impact on the overall programme is shown in section four of this report.

**3. PROGRESS WITH ENABLING SCHEMES**

Work continues on the programme of decanting and refurbishment to allow the on-site relocation of Yewdale Ward, which is the one remaining area of the

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current site to be demolished to allow the new build to take place. The overall design of the new mental health facility, to be located within Block J at WCH, has been signed off by the Cumbria Partnership NHS Foundation Trust and the detailed design stage is now well underway.

A complex programme of decanting within the hospital is necessary to vacate existing services from J Block in order to allow the refurbishment works to commence. The main elements of the decanting programme are as follows:

- Stroke beds move from Ullswater to Gable Ward
- Overwater Ward moves to Kirkstone Ward
- Copeland Unit (Melbreak Ward) moves to Overwater Ward
- Palliative Care beds move to Overwater Ward (with the Copeland Unit)
- Kirkstone Ward moves to Skiddaw Ward
- Skiddaw Ward moves to Melbreak Ward

This decanting process is planned for completion by May 2011 thus allowing Block J to be vacated and works to commence to convert the vacated areas for mental health use. Staff and service users will continue to be kept fully involved and informed regarding the moves in order to minimise any disruption to services.

The capital works to re-provide Yewdale Ward within Block J will need to commence in advance of FBC approval in order to not delay the overall programme. A formal request has therefore been made to the Cumbria Partnership NHS Foundation Trust to provide interim capital funding to allow these works to commence immediately upon vacation of Block J.

#### **4. PROGRAMME**

Given the need to support the completion of the clinical strategy and to carry out re-design of the scheme in line with the reduced capital budget, the programme has been amended as follows:

| <b>Task</b>                                   | <b>Planned Completion</b> |
|-----------------------------------------------|---------------------------|
| Completion of Clinical Strategy               | Mar 2011                  |
| Revisions to FBC                              | Apr 2011                  |
| FBC approved by Trust Board                   | May 2011                  |
| FBC supported by NHS Cumbria/GP Commissioners | Jun 2011                  |
| FBC approved by NHS North West                | Jul 2011                  |
| FBC approved by Department of Health          | Sep 2011                  |
| Start of new build works on site              | Oct 2011                  |

There are changes to the new build and the refurbishment and demolition elements of the scheme resulting from the re-design process. Therefore the date for completion and commissioning of the new facilities is currently being reviewed in detail and this will be confirmed at a future Trust Board meeting.

Achieving the milestones set out above still remains subject to the revised FBC being approved by NHS North West and the Department of Health.

## **5. PROJECT BUDGET**

The position at the end of February 2011 is as follows:

### **Authorised Funding**

The total authorised funding for the project comprises £12.5m capital and £0.9m revenue, covering the core project costs.

The final phasing of the Department of Health capital funding contribution will be confirmed upon approval of the Full Business Case.

### **Expenditure**

Capital - the total capital expenditure as at 28 February 2011 was £8.8m against authorised funding of £12.5m. This covers the Laing O'Rourke Phase 3 contract for design, enabling and decanting works. The year end forecast expenditure is estimated at £9.2m leaving £3.3m underspent at 31 March 2011. The remaining funds will enable the project to continue until September 2011, when FBC approval is planned to be secured.

Revenue - the total in year expenditure as at 28 February 2011 was £383k against a budget of £440k. The full year forecast expenditure is estimated at £450k against a full year budget of £480k. The cumulative project expenditure is £683k against authorised funding of £900k.

## **6. RECOMMENDATIONS**

The Trust Board is asked to:

- Note the work underway to revise the Full Business Case (FBC) in line with the recently published clinical strategy.
- Note the work that continues with clinical users to develop and agree a revised scheme within the available £90 million capital funding for inclusion in the Full Business Case (FBC).
- Note progress with the design and the ongoing programme of decanting to enable the successful and timely relocation of mental health services from Yewdale Ward to Block J.
- Note the revised project programme and the budget update.

**Kevin Clarkson**  
**CHIEF OPERATING OFFICER/DEPUTY CHIEF EXECUTIVE**

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