

TRUST BOARD

Date of Meeting: 08/03/2011		Enclosure: 5
		Agenda Item No: 8.1
Title of Report: New West Cumberland Hospital Development		
Aims: This paper provides an update for the Trust Board on the progress of the new West Cumberland Hospital development.		
Summary: The report covers matters relating to: <ul style="list-style-type: none"> • Progress with the Full Business Case (FBC) • Progress with enabling schemes • Updates on programme and budget 		
Specific implications for consideration (Financial/Workforce/Risk/Legal/Race Equality etc):		
Financial	To ensure that the scheme is delivered within the available capital envelope.	
Workforce	To ensure full involvement of staff and patients in the project.	
Other	To provide the best healthcare facility possible.	
Recommendations: The Trust Board is asked to: <ul style="list-style-type: none"> • Note the work that continues with clinical users to develop a revised scheme within the available £90 million capital funding for inclusion in the Full Business Case (FBC). • Note the intention to bring a revised FBC to the Trust Board for approval on completion of the clinical strategy and finalisation of a revised design. • 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 J Block. • Note the update regarding the project programme and budget. 		
Document previously approved by: Not applicable. Report directly to the Trust Board.		
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**TRUST BOARD
NEW WEST CUMBERLAND
HOSPITAL DEVELOPMENT
MARCH 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)

As Trust Board members will be aware, work is continuing with NHS Cumbria and GP commissioning localities to finalise the Clinical Strategy. This work is expected to be concluded in the near future, at which point the strategy will need to be fully costed to demonstrate affordability and financial sustainability.

The Project Team and designers also continue to work with clinical users to amend the plans for the new hospital to ensure that the required facilities can be delivered within the available capital budget of £90 million.

The FBC will then be finalised and brought to the Trust Board as soon as possible for approval, taking into account:

- The revised clinical strategy which will need to demonstrate the financially-viable and sustainable clinical models that can be delivered through the new hospital build.
- The revised designs, which meet clinical requirements and are affordable within the £90 million capital budget.
- Any implications for the project stemming from the Trust's recent announcement regarding NHS Foundation Trust status.

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 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 now been signed off by the Cumbria Partnership NHS Foundation Trust and therefore 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. This decanting process is expected to be completed during May 2011, allowing J Block 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.

4. **PROGRAMME**

The overall programme as previously advised to the Trust Board currently remains broadly as follows:

Task	Planned Completion
Completion of Clinical Strategy	January 2011
Revisions to FBC	February 2011
FBC approved by Trust Board	March 2011
FBC supported by NHS Cumbria / GP Commissioners	April 2011
FBC approved by NHS North West	May 2011
FBC approved by Department of Health	June 2011
Start of new build works on site	July 2011
Yewdale Ward relocated to J Block	Dec 2011
Completion of new build works	Dec 2013

Clearly the achievement of this programme is very challenging and the clinical strategy was not completed as anticipated in January 2011. Achieving the future milestones remains subject to a number of factors including the further detailed planning of the new build and refurbishment works when the revised clinical strategy and revised designs are completed and the approval of the revised FBC by NHS North West and the Department of Health.

5. **PROJECT BUDGET**

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

Authorised Funding

The total authorised funding for the project comprises £11.5m capital and £0.9m revenue, covering the core project costs. The capital includes the £7.3m as at 31st March 2010 plus an allocation from the Trust of £1.0m for 2010/11 and £3.2m from the SHA.

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 31st January 2011 was £8.6m against authorised funding of £11.5m. This covers the Laing O'Rourke Phase 3 contract for design, enabling and decanting works.

Revenue - the total in year expenditure as at 31st January 2011 was £351k against a budget of £400k. The full year forecast expenditure will be in line with the planned budget of £480k. The cumulative project expenditure is £651k against authorised funding of £900k.

6. RECOMMENDATIONS

The Trust Board is asked to:

- Note the work that continues with clinical users to develop a revised scheme within the available £90 million capital funding for inclusion in the Full Business Case (FBC).
- Note the intention to bring a revised FBC to the Trust Board for approval on completion of the clinical strategy and finalisation of a revised design.
- 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 J Block.
- Note the update regarding the project programme and budget.

Kevin Clarkson

CHIEF OPERATING OFFICER/DEPUTY CHIEF EXECUTIVE
