

The Shrewsbury and Telford Hospital NHS Trust

Trust Board – June 2011

CANCER & HAEMATOLOGY CENTRE

FULL BUSINESS CASE

Executive Lead	Julia Clarke, Director of Corporate Affairs														
Corporate Objective	Enhancing patient experience, safety and effectiveness														
Executive Summary	<p>The Outline business Case was approved by the Board in October 2010. Since then clinical teams and user groups have been involved in drawing up detailed plans and specifications for the Build. These were completed in April 2011.</p> <p>The Trust's Procure21 Partner Interserve have tested the market to arrive at a Guaranteed Maximum price (GMP) which has been (and will continue to be tested by the Trust's Cost's Advisors).</p> <p>The new facility will provide a modern facility which meets the current national, regional and local policy imperatives with the highest standard accommodation to provide suitable privacy and dignity for patients, including individual consult/exam rooms for cancer, haematology and head & neck outpatients and open plan areas for day treatment patients with some individual rooms for more invasive treatments for patients. Head and Neck Cancer inpatients en-suite facilities will now be included in the Future Reconfiguration of Hospital Services Outline Business Case with recognition of Lingen Davies' contribution when they open.</p> <p>The scheme is 100% funded from charitable funds so there is no impact on the Trust's balance sheet. The current funds available (s1.9.1) are ;</p> <table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td align="right">£</td> </tr> <tr> <td>Lingen Davies Cancer Relief</td> <td align="right">3.2m</td> </tr> <tr> <td>SaTH Haematology Restricted funds</td> <td align="right">1.0m</td> </tr> <tr> <td>SaTH Head & Neck Restricted funds</td> <td align="right">250k</td> </tr> <tr> <td>Head & Neck Charity (Mid-Wales)</td> <td align="right">50k</td> </tr> <tr> <td>League of Friends RSH *</td> <td align="right">300k</td> </tr> <tr> <td>Total</td> <td align="right">4.8m</td> </tr> </table> <p>The Guaranteed Maximum Price (GMP) is £4,862,190.</p> <p>This includes VAT@ 20% - £634,199. The Trust has been advised that VAT reclaim will be possible on refurbishment elements of the scheme and 25% rebate is included against the VAT total.</p> <p>There is currently £132k reserved against risk register entries (£86k construction and £46k engineering). Also £30k of the enabling works is an Estates requirement rather than a building requirement – upgrading the existing pneumatic software and diverting services.</p> <p>Lingen Davies had also reserved up to £90k should there be any shortfall. The</p>		£	Lingen Davies Cancer Relief	3.2m	SaTH Haematology Restricted funds	1.0m	SaTH Head & Neck Restricted funds	250k	Head & Neck Charity (Mid-Wales)	50k	League of Friends RSH *	300k	Total	4.8m
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	<p>Shropshire Blood Trust is also continuing to raise funds throughout construction.</p> <p>Furniture & equipment have been excluded from the figures, which would normally attract an allowance of circa £400k, however it will be significantly lower in this scheme as much staff equipment will transfer. Lingen Davies are fund raising for this element.</p> <p>There are no staff revenue implications as the current activity is being transferred and provided in more suitable accommodation. There is an element of future proofing in the capital build for future growth or changes in service that Lingen Davies have agreed to support. Any staffing revenue implications would be supported by a Business Case in the normal way.</p> <p>The Project Plan (s1.10.1) will see enabling work begin in July, with a turf cutting ceremony organised by Lingen Davies On 20 July at 4pm. (The Shropshire Blood Trust Fund is holding a tea party to celebrate reaching £1m on 30 July at SECC from 4.30pm). Construction will begin in August 2011 and is planned to be completed by November 2012. Staff will be involved in the phasing of activity/treatment during this period. The Project Board will continue to meet during this period to ensure grip and pace are maintained and to oversee the Project Risk Register.</p> <p>Volumes 2,3 and 4 of the Full Business Case are available from the Director of Compliance & Risk Management</p>
<p>Recommendations</p>	<p>The Board is asked to</p> <ul style="list-style-type: none"> ● APPROVE the Full Business Case ● ACCEPT the Guaranteed Maximum Price of £4,862,190 ● NOTE the planned timetable ● THANK the charities, fundraisers and public of Shropshire and Mid-Wales for the continued support and generosity