RECONFIGURATION TRUST BOARD

04 FEBRUARY 2021

UHL Reconfiguration Update

Author: Nicky Topham & Justin Hammond Sponsor: Darryn Kerr **Paper E1**

Purpose of report:

This paper is for:	Description	Select (X)
Decision	To formally receive a report and approve its recommendations OR a particular course of action	
Discussion	To discuss, in depth, a report noting its implications without formally approving a recommendation or action	X
Assurance	To assure the Board that systems and processes are in place, or to advise a gap along with treatment plan	
Noting	For noting without the need for discussion	

Previous consideration:

Meeting	Date	Please clarify the purpose of the paper to that meeting using the categories above
Reconfiguration Programme Cmte	22/01/2021	Discussed and supported
Executive Board - ESB	02/02/2021	Discussed and supported
Trust Board Committee		
Trust Board		

Context

This paper provides the Trust Board with an update of progress since the last meeting, as well as key decisions required / issues arising, including:

- Public Consultation
- New Hospital Programme (NHP) Regulator Engagement
- Progress with approvals of the submitted business cases
- Capital Update
- Programme Level Risk
- Programme Update
- Children's Hospital Phase I (EMCHC co-location) Update
- Governance and Reporting

Questions

1. What are the key issues that the Reconfiguration Programme is facing this month?

Conclusion

Public Consultation

1. As previously reported, the public consultation drew to a close on the 21st December having run for 3 months. The process was very successful and has resulted in over 5000 responses to the survey including specific community events run by voluntary and community organisations. The Commissioning Support Unit have nearly completed collating all 22,000 of the narrative

responses in to similar subjects (code frames) and themes, in order to begin producing the report of findings.

2. Over the next 2 months the Decision Making Business Case (DMBC) will be drafted, ready for discussion and hopeful approval at the Clinical Commissioning Group (CCG) public board on the 13th April. During the consultation we had specific feedback from 3 different clinical areas recommending a change in the location the service is delivered from the proposals in the PCBC, these relate to ophthalmology, Ear, Nose and Throat (ENT) and Brain Injury Unit / Neuro Rehabilitation Unit (BIU/NRU). This is a clinical recommendation, and whilst it will be described in detail in the DMBC, the consequence of the changes will need to be considered and reported though the Reconfiguration Programme Committee and Executive Strategy Board (ESB) for agreement.

New Hospital Programme (NHP) Regulator Engagement

Collaboration Agreement

3. UHL were asked to sign a draft collaboration agreement which sets out the proposal for how the New Hospitals Programme (NHP) will work with the trusts delivering the 40 new hospitals. We returned the signed document on the 23rd January. We were advised that this is not a legally binding document, or that it provides a basis for contractual enforcement. It is anticipated that it will provide the basis for an operating model where information is shared on concepts, guidance and project detail that will enable individual projects and the programme as a whole to be delivered successfully, with high levels of transparency and early sight of work outputs.

4. On the 14th January, Rebecca Brown, Darryn Kerr, John Jameson and Nicky Topham met with the Capacity Delivery Director (Craig McWilliam) NHSE/I and the National Estates Delivery Lead (Martin Rooney).

5. At the meeting we were advised that there are eight early projects who have been asked to sign the collaboration agreement (the term Hospital Improvement Programme (HIP) is no longer being used.) There will be two further review sessions of our programme (details given in paragraph 8 of the full report).

Progress with approvals of the submitted business cases

Programme Management Offices case

6. The Programme office case (£1.5m) was not approved by the Joint Sub Investment Committee on the 15th December.

7. We took the opportunity in the meeting on the 14th January with the Capacity Delivery Director to discuss this further. We responded to his concerns that it did not represent value for money, and that a lease option would not give us any payback on the capital. We agreed to send in some further clarifications.

Decontamination Case

8. The decontamination case (£8.9m) is due to be approved at the Joint Sub Investment Committee following receipt of full planning permission.

9. We have recently been advised that the Decontamination planning application has now been deferred to Tuesday 16th February following a delayed response from the Local Authorities Ecologist.

10. Whilst this is frustrating, particularly given that we're now past the original decision date (and consultation period), we will not challenge this on the basis of developing a strong relationship with the local planners to support our future cases.

11. Based on a nominal approval date of 3rd March, the scheme will be completed in February 2022.

Capital update

12. The approved financial envelope of the Reconfiguration Programme is £460m including Public Dividend Capital (PDC) of £450m, Donations of £3m and CDEL of £7m.

13. As at the end of the November 2020, year to date spend for the programme is £13.6m which is £23.1m underspent against the original budget allocated for the year. This is due to slippage in the Reconfiguration Programme where the plan assumed that the Outline Business Case (OBC) full design would start in August OBC; when in reality the consultation process was delayed to autumn so OBC has yet to start. This, together with an under spend within the EMCHC and Interim ICU schemes, represents an under spend. A full report has been appended to this paper (Appendix 1).

Programme Level Risk

14. A Programme level risk is on the agenda as a separate item and a risk report has been provided with the program level risks. The risk included in the report are those that we would specifically draw to the attention of the Trust Board and include risks which have a risk 'score' of over 16 before mitigation.

Programme Update

16. Recognising the uncertainty from NHSE/I as to how the NHP will be managed and what the impact of the collaboration agreement will be, and also in light of the second wave of the pandemic with limited clinical engagement, we are now reporting that we propose to start commencement of the OBC design process in March.

17. Since the Decision Making Business Case will be presented to the April CCG Board, in March we will propose to start design at a principle and block planning level, which is dependent on the drawdown of capital.

<u>Children's Hospital Project Phase I (EMCHC co-location) – Update</u>

18. The project to move the children's congenital heart service from the Glenfield to the LRI continues to progress. There has been a slight delay caused by supply chain issues arising from Covid-19, and the service is now planned to move in early May 2021. The Capital Projects team continue to ensure that Covid-19 regulations are adhered to on the construction site. Despite supply chain issues, all areas of construction are progressing well, and some of the enhancements that are being funding by Leicester Hospitals Charity are currently being installed within the new Cardiac Ward and Outpatient Department.

19. The project team are developing detailed plans for the weekend of the move – this will be a complex logistical task, involving careful planning of patient care in the lead up to the move, and the transfer of patients for the weekend of the move. Equipment schedules are being validated to ensure that everyone is clear which items are being transferred to the LRI, and which need to remain at the Glenfield Hospital to support the Adult Congenital Heart service. New items of furniture and equipment are being ordered, and any additional requirements are being subjected to a robust confirm and challenge process.

<u>Governance and Reporting</u>

20. The individual project highlight reports are available upon request. Any issues highlighted for escalation to Trust Board are either highlighted in this paper or a separate paper and agenda item.

Input Sought

The Trust Board is requested to**:**

1. **Note** the current position with the development of the National Hospital Programme, and the uncertainty on timings for defining the requirements for the priority areas.

2. **Note** the delay to the approval of both the PMO office business case and decontamination case.

3. **Note** that the Outline Business Case development is now planned to start in March '21.

For Reference:

This report relates to the following UHL quality and supporting priorities:

1. ***Quality priorities***

Safe, surgery and procedures	[Yes]
Improved Cancer pathways	[Yes]
Streamlined emergency care	[Yes]
Better care pathways	[Yes]
Ward accreditation	[Yes]

2. ***Supporting priorities:***

People strategy implementation	[Yes]
Investment in sustainable Estate and reconfiguration	[Yes]
e-Hospital	[Yes]
Embedded research, training and education	[Yes]
Embed innovation in recovery and renewal	[Yes]
Sustainable finances	[Yes]

3. **Assessment and Patient and Public Involvement considerations:**

- What was the outcome of your Equality Impact Assessment (EIA)? N/A
- Briefly describe the Patient and Public Involvement (PPI) activities undertaken in relation to this report, or confirm that none were required. Part of individual projects.
- How did the outcome of the EIA influence your Patient and Public Involvement? Part of individual projects.
- If an EIA was not carried out, what was the rationale for this decision? N/A at this stage

4. **Risk and Assurance**

Risk Reference:

Does this paper reference a risk event?	Select (X)	Risk Description:
Strategic: Does this link to a ***Principal Risk*** on the BAF?	X	PR 7 – Reconfiguration of estate
Organisational: Does this link to an ***Operational/Corporate Risk*** on Datix Register		
New Risk identified in paper: What ***type*** and ***description***?		
None		

5. Scheduled date for the **next paper** on this topic: [March 2021]
6. Executive Summaries should not exceed **5 sides** [My paper does not comply]

UHL Reconfiguration Programme – Full Report

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT TO: **TRUST BOARD**

DATE: **04 FEBRUARY 2021**

REPORT FROM: **Nicky Topham & Justin Hammond**

SUBJECT: **UHL Reconfiguration Programme Update**

This report provides a summary and overview of the current programme status, and is a reflection of recent discussions at the Programme and Project Committees and Executive Strategy Board (ESB) on the 5th January and Trust Board on the 7th January 2021.

Public Consultation

1. As previously reported, the public consultation drew to a close on the 21st December having run for 3 months. The process was very successful and has resulted in over 5000 responses to the survey including specific community events run by voluntary and community organisations. The Commissioning Support Unit have nearly completed collating all 22,000 of the narrative responses in to similar subjects (code frames) and themes, in order to begin producing the report of findings.

2. Over the next 2 months the Decision Making Business Case (DMBC) will be drafted. This document aligns the original proposals set out in the Pre-Consultation Business Case (PCBC) with the consultation responses and makes recommendations about how the plans should be taken forward. In essence it reflects the public's views of the proposals, and shows if any changes are required as a result of this feedback.

3. During the consultation process we had weekly progress meetings with the Clinical Commissioning Group (CCG) and the Commissioning Support Unit (CSU) so we could monitor the feedback coming from the consultation and get a feel for the areas that were being commented on. The feedback relating to travel, traffic and parking was fed through to Go Travel so it could be considered within the Travel Action Plan. This is covered in a separate paper. We also had specific feedback from 3 different clinical areas recommending a change in the location the service is delivered from the proposals in the PCBC, these relate to ophthalmology, Ear, Nose and Throat (ENT) and Brain Injury Unit / Neuro Rehabilitation Unit (BIU/NRU). This is a clinical recommendation, and whilst it will be described in detail in the DMBC, the consequence of the changes will need to be considered and reported though the Reconfiguration Programme Committee and Executive Strategy Board (ESB) for agreement.

4. The following timetable summarises the remaining assurance process:

Date	Milestone	Key people
26 March '21	Agree DMBC (Decision Making Business Case)	RPC (Reconfiguration Programme Committee)
1 April '21	Support DMBC	UHL TB (UHL Trust Board)
13 April '21	Approval of DMBC	CCG (Clinical Commissioning Group)

New Hospital Programme (NHP) Regulator Engagement

Collaboration Agreement

5. UHL were asked to sign a draft collaboration agreement which sets out the proposal for how the New Hospitals Programme (NHP) will work with the trusts delivering the 40 new hospitals. We returned the signed document on the 23rd December. We were advised that this is not a legally binding document, or that it provides a basis for contractual enforcement. It is anticipated that it will provide the basis for an operating model where information is shared on concepts, guidance and project detail that will enable individual projects and the programme as a whole to be delivered successfully, with high levels of transparency and early sight of work outputs.

6. By following a programme approach, the following targets have been set:

   a) 30% reduction in cost.
   b) 50% reduction in on-site construction periods.
   c) 50% lower emissions / net zero carbon

7. On the 14th January, Rebecca Brown, Darryn Kerr, John Jameson and Nicky Topham met with the Capacity Delivery Director (Craig McWilliam) NHSE/I and the National Estates Delivery Lead (Martin Rooney).

8. At the meeting we were advised that there are eight early projects who have been asked to sign the collaboration agreement (the term Hospital Improvement Programme (HIP) is no longer being used.) There will be two further review sessions of our programme:

   a) A round table meeting has been set up for the 29th January, with National and Regional colleagues, including the new 'New Hospital Programme' SRO – Natalie Forest. This is expected to be a high level discussion about the programme.

   b) In addition to this, the National Estates Delivery Lead has advised that they plan to work with each Trust team to review the extent of design work undertaken to date, and that we will shortly receive the draft 'Intelligent Hospitals delivered through Standardisation' suite of documents. Through this, the aim is to establish core standard departmental design layouts, from which a full suite of centrally developed material and tools will be developed for use by project teams across the entire Programme over the 10 years and beyond.

Progress with approvals of the submitted business cases

Programme Management Offices case

9. The Programme office case (£1.5m) was not approved by the Joint Sub Investment Committee on the 15th December.

10. We took the opportunity in the meeting on the 14th January with the Capacity Delivery Director to discuss this further. We responded to his concerns that it did not represent value for money, and that a lease option would not give us any payback on the capital. We agreed to send in some further clarifications which includes:

> *'This development is a long term solution to delivering both the need for a PMO base from which to manage the Reconfiguration Programme, and also the need to provide training and education capacity at the Glenfield Hospital to support the move of the clinical services. As a teaching hospital, we have an obligation to provide facilities for both doctors in training, and for post-graduate doctors. There is no alternative space for the Programme Management Offices; this is our only option. By repurposing a disused, uninhabited building for operational use, this scheme improves the required Lord Carter and Model Hospital metrics on underutilised estate, making best use of a Trust asset. The alternative option of leasing space does not represent good value for money, and shows no return on investment. Furthermore under accountancy instructions a long-term lease would have to be off-set against the Trusts capital allocation.'*

Decontamination Case

11. The decontamination case (£8.9m) is due to be approved at the Joint Sub Investment Committee following receipt of full planning permission.

12. We have recently been advised that the Decontamination planning application has now been deferred to Tuesday 16th February following a delayed response from the Local Authorities Ecologist.

13. Based on a nominal approval date of 3rd March, the scheme will be completed in February 2022.

Capital Update

14. The approved financial envelope of the Reconfiguration Programme is £460m including Public Dividend Capital (PDC) of £450m, Donations of £3m and CDEL (Trusts capital allocation) of £7m. The scope for the outline business case is being developed on this basis.

15. As at the end of the December 2020, year to date spend for the programme is £13.6m which is £23.1m underspent against the original budget allocated for the year. This is due to slippage in the Reconfiguration Programme where the plan assumed that the Outline Business Case full design would start in August OBC; when in reality the consultation process was delayed to autumn so OBC has yet to start. This, together with an under spend within the EMCHC and Interim ICU schemes, represents an under spend.

16. The forecast spend to the end of the year is £28.8m which is £25.7m less than Plan, with £25.1m driven by the re-phasing of the PDC drawdown to reflect the current Reconfiguration Programme, as described above. This requires £6m Public Dividend Capital (PDC) drawdown against the £450m, in the year; of which £3.6m is approved drawdown and a request of £2.4m for additional drawdown has been submitted. This is critical to ensure continued funding of existing costs of the programme e.g. UHL staff and professional advisers plus appointment to the design team. In the absence of approved funding, the Programme may need to consider requesting the Trust to fund until the drawdown is received. A full report has been appended to this paper (Appendix 1).

Programme Level Risk

17. A Programme level risk is on the agenda as a separate item and a risk report has been provided with the program level risks. The risk included in the report are those that we would specifically draw to the attention of the Trust Board and include risks which have a risk 'score' of over 16 before mitigation.

Programme Update

19. Recognising the uncertainty from NHSE/I as to how the NHP (New Hospital Programme) will be managed and what the impact of the collaboration agreement will be, and also in light of the second wave of the pandemic with limited clinical engagement, we are now reporting that we propose to start commencement of the OBC design process in March.

20. Since the Decision Making Business Case will be presented to the April CCG Board, in March we will propose to start design at a principle and block planning level, which is dependent on the drawdown of capital.

Children's Hospital Project Phase I (EMCHC co-location) – Update

21. The project to move the children's congenital heart service from the Glenfield to the LRI continues to progress. There has been a slight delay caused by supply chain issues arising from Covid-19, and the service is now planned to move in early May 2021. The Capital Projects team continue to ensure that Covid-19 regulations are adhered to on the construction site. Despite supply chain issues, all areas of construction are progressing well, and some of the enhancements that are being funding by Leicester Hospitals Charity are currently being installed within the new Cardiac Ward and Outpatient Department.

22. The project team are developing detailed plans for the weekend of the move – this will be a complex logistical task, involving careful planning of patient care in the lead up to the move, and the transfer of patients for the weekend of the move. Equipment schedules are being validated to ensure that everyone is clear which items are being transferred to the LRI, and which need to remain at the Glenfield Hospital to support the Adult Congenital Heart service. New items of furniture and equipment are being ordered, and any additional requirements are being subjected to a robust confirm and challenge process.

Governance and Reporting

23. The individual project highlight reports are available upon request. Any issues highlighted for escalation to Trust Board are either highlighted in this paper or a separate paper and agenda item.

Input Sought

The Trust Board is requested to**:**

1. **Note** the current position with the development of the National Hospital Programme

2. **Note** the delay to the approval of both the PMO office business case and decontamination case.

3. **Note** that the OBC development is now planned to start in March.

Reconfiguration Programme Expenditure

Authors: Nicky Topham and Darryn Kerr **Sponsor: Simon Lazarus** **Paper E1 Appendix 1**

Purpose of report:

This paper is for:	Description	Select (X)
Decision	To formally receive a report and approve its recommendations OR a particular course of action	x
Discussion	To discuss, in depth, a report noting its implications without formally approving a recommendation or action	
Assurance	To assure the Board that systems and processes are in place, or to advise a gap along with treatment plan	
Noting	For noting without the need for discussion	x

Previous consideration:

Meeting	Date	Please clarify the purpose of the paper to that meeting using the categories above
Reconfiguration Programme Cmte	22/01/2021	For discussion and noting
Executive Board - ESB	02/02/2021	For discussion and noting
Trust Board Committee		
Trust Board		

Executive Summary

Context

The report updates the Trust Board on the financial position in relation to the Reconfiguration Programme together with an update on 2020/21 Reconfiguration Capital Spend against the Trust's annual Capital Plan.

Questions

1. What is the financial envelope for the delivery of the Reconfiguration Programme?
2. What was the total reconfiguration programme year to date capital expenditure for 2020/21?
3. What is the total reconfiguration programme forecast capital expenditure for 2020/21?

Conclusion

1. The approved financial envelope of the Reconfiguration Programme is £460m including Public Dividend Capital (PDC) of £450m, Donations of £3m and CDEL of £7m.

2. As at the end of the December 2020, year to date spend is £13.6m which is £23.1m underspent due to slippage in the Reconfiguration Programme where the plan assumed an August OBC start together with an underspend within the EMCHC and Interim ICU schemes.

3. Forecast spend of £28.8m which is £25.7m less than Plan with £25.1m driven by the re-phasing of the PDC drawdown to reflect the current Reconfiguration Programme This requires £6m PDC drawdown in the year of which £3.6m is approved drawdown and a request of £2.4m for additional drawdown has been submitted. This is critical to ensure continued funding of existing costs of the programme e.g. UHL staff and professional advisers plus appointment to the design team. In the absence of approved funding, the Programme may need to consider requesting the Trust to fund until the drawdown is received.

Input Sought

The Trust Board is asked to **NOTE** the M9 spend for the 2020/21 Financial Year and **SUPPORT** the proposal to request interim funding from the Trust pending approval to drawdown additional fees.

For Reference:

This report relates to the following UHL quality and supporting priorities:

1. Quality priorities

Safe, surgery and procedures	[Yes]
Improved Cancer pathways	[Yes]
Streamlined emergency care	[Yes]
Better care pathways	[Yes]
Ward accreditation	[Yes]

2. Supporting priorities:

People strategy implementation	[Yes]
Investment in sustainable Estate and reconfiguration	[Yes]
e-Hospital	[Yes]
Embedded research, training and education	[Yes]
Embed innovation in recovery and renewal	[Yes]
Sustainable finances	[Yes]

3. Assessment and Patient and Public Involvement considerations:

- What was the outcome of your Equality Impact Assessment (EIA)? N/A

- Briefly describe the Patient and Public Involvement (PPI) activities undertaken in relation to this report, or confirm that none were required. Part of individual projects.

- How did the outcome of the EIA influence your Patient and Public Involvement? Part of individual projects.

- If an EIA was not carried out, what was the rationale for this decision? N/A at this stage

4. Risk and Assurance

Risk Reference:

Does this paper reference a risk event?	**Select (X)**	**Risk Description:**
Strategic: Does this link to a ***Principal Risk*** on the BAF?	X	PR 7 – Reconfiguration of estate
Organisational: Does this link to an ***Operational/Corporate Risk*** on Datix Register		
New Risk identified in paper: What ***type*** and ***description***?		
None		

5. Scheduled date for the **next paper** on this topic: [March 2021]
6. Executive Summaries should not exceed **5 sides** [My paper does comply]

UNIVERSITY HOSPITALS OF LEICESTER NHS TRUST

REPORT TO: **TRUST BOARD**

DATE: **04 FEBRUARY 2021**

REPORT FROM: **NICKY TOPHAM, RECONFIGURATION PROGRAMME DIRECTOR & DARRYN KERR, DIRECTOR OF ESTATE AND FACILITIES**

SUBJECT: **PROGRAMME EXPENDITURE**

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1. INTRODUCTION

1.1. This report updates the Trust Board on the financial position of the programme together with 2020/21 spend against the agreed capital plan.

2. RECONFIGURATION CAPITAL PROGRAMME: OVERALL UPDATE

2.1. Consultation concluded on December 21st. The next stage of the process is for the Commissioning Support Unit (CSU) to process all the feedback from the questionnaires, events and other sources and produce the detailed analysis. At this time we do not know how long it will take to process the data and write case, so a provisional date of April has been suggested for the approval.

2.2. The approved financial envelope of the Reconfiguration Programme is £460m PDC of £450m, Donations of £3m and CDEL of £7m. The scope for the outline business case is being developed on this basis.

2.3. To date, the Programme has received approval to drawdown £3.2m in relation to Pre-OBC development and £1.07m design fees in relation to the early projects within the programme.

2.4. In addition to the approved drawdown described in paragraph 2.3, the Programme is seeking approval to drawdown the following additional funds:

- £1.5m in relation to a dedicated PMO facility. The Business Case has been approved by the Trust Board and submitted to NHSE/I and DHSC which is due to be considered at the Joint Investment Committee on 15th December;
- £8.9m in relation to the Decontamination Business Case which has been approved by the Trust Board and is due to be considered at the February Joint Investment Committee upon receipt of planning approval on January 28th;
- £2.4m for additional fees through to March 2021 in relation to Early Projects, Main Projects and Programme fees. The required templates have been completed and sent to NHSE/I for review before approval;
- £14.4m for additional fees from April 2021 to submission of the OBC.

3. 2020/21 CAPITAL PLAN AND M9 CAPITAL SPEND

3.1. In relation to the Reconfiguration Programme, the capital plan for the associated schemes is £54.3m which included PDC drawdown of £31.1m in relation to the main programme. This drawdown profile has since been updated which requires £6m PDC for 2020/21 and £0.5m CDEL to fund early design for Car Parks.

3.2. As at the end of the December 2020:

- Year to date spend is £13.6m which is £23.1m underspent due to slippage in the Reconfiguration Programme where the plan assumed an August OBC start together with underspend within the EMCHC and Interim ICU schemes.

- Forecast spend of £28.8m which is £25.7m less than Plan with £25.1m driven by the re-phasing of the PDC drawdown to reflect the current Reconfiguration Programme.

Table 1 *– 2020/21 reconfiguration programme year to date capital expenditure*

	Reconfiguration Programme Expenditure	Year to Date December			Ful Year 20/21		
		Budget £'000	Actuals £'000	Variance £'000	Budget £'000	FOT £'000	Variance £'000
Main programme	Programme Costs	2,958	1,633	1,324	3,012	3,516	(504)
	Main Projects OBC Development	14,887	-	14,887	27,546	1,641	25,906
	Early Projects	195	122	73	554	826	(272)
	LRI Car Park	24	24	0	250	250	0
	GH Car Park	36	36	0	250	250	0
	Main Programme Total	**18,100**	**1,816**	**16,284**	**31,612**	**6,482**	**25,130**
EMCHC Scheme	EMCHC	8,329	3,361	4,968	11,011	10,618	393
	Gynae	576	531	45	576	531	45
	EMCHC Infrastructure	1,475	913	562	1,475	1,475	0
	EMCHC Total	**10,380**	**4,805**	**5,575**	**13,062**	**12,624**	**438**
ICU	**Interim ICU**	8,012	6,975	1,037	9,364	9,364	(0)
Renal	**Renal Ward Move**	198		198	300	300	0
	Total Reconfiguration Programme	**36,690**	**13,596**	**23,094**	**54,338**	**28,770**	**25,568**

3.3. As described in paragraph 3.2, the drawdown of PDC in relation to the main has been updated to reflect the current Programme. In addition to PDC funding, CDEL funding of £0.5m will be used to progress car parks pending the resolution of funding through additional PDC. Progressing Car Parks is on the critical path and therefore these need to progress to ensure delivery of the programme within the current timescales albeit there is risk regarding the recoverability of this early funding. In the event of no additional funding, this would need to be absorbed by the programme budget of £460m.

3.4. The forecast spend requires £6m PDC drawdown in the year of which £3.6m is approved drawdown and a request of £2.4m for additional drawdown has been submitted. This is critical to ensure continued funding of existing costs of the programme e.g. UHL staff and professional advisers plus appointment to the design team.

3.5. The sections below provide an update on the different projects in relation to M9 year to date and forecast spend.

4. PROGRAMME COSTS

4.1. The programme is currently in the pre OBC development phase**.** Funding of £3.2m has been approved of which £0.2m was drawn in 2019/20 and the remaining £3m will be drawn in 2020/21.

4.2. Programme costs include UHL staff and professional advisers that support at a programme level rather than an individual project level.

4.3. Programme spend as at December 2020 is at £1,633k which is £1,324k less than plan with underspend in most spend categories but most significantly in staff costs, surveys and investigations and PWC. Other costs of £162k reflect invoices posted to the ledger that require investigating and validating which is being followed up with the Capital Finance team. The forecast for these need to be validated to ensure funds are not drawn down early and remain unspent at year end.

4.4. The forecast spend is £3,516k which is within the £450m envelope but £504k more than the current approved drawdown funding and forms part of the £2.4m additional drawdown request to NHSE/I as described in 2.4 above.

5. EARLY PROJECTS

5.1. Within the overall programme are projects which are not dependent upon the outcome of consultation but are part of the critical path and need to be started ahead of the projects within the main programme.

5.2. The business case for the Decontamination Unit has been approved by the Trust Board and submitted to NHSE/I and DHSC for review and is now pending planning permission approval. The case will be submitted to the Planning Committee for consideration, on 16th February. Pending planning permission, the business case will then be considered at the February Joint Investment Committee.

Pending approval of the Decontamination Business case and release of funds, costs that are being incurred are currently being covered by the Pre OBC funding which will be recovered upon drawdown of the funding for Decontamination.

5.3. A summary of the Early Projects is provided in the table below:

Table 5 *Early projects financial summary 2020/21*

		Year to Date Month 9			Ful Year 20/21		
	Reconfiguration Programme Expenditure	Budget £'000	Actuals £'000	Variance £'000	Budget £'000	FOT £'000	Funding required £'000
Early Projects	Decontamination	0	24	(24)	74	81	(7)
	PMO	0	0	(0)	0	0	0
	Back Office and Education & Training	150	60	91	348	574	(225)
	Demolition & Infrastructure Early Prject	44	38	6	113	148	(35)
	Stroke Relocation	0	0	0	18	23	(5)
	Main Programme Total	**195**	**122**	**73**	**554**	**826**	**(272)**

5.4. The forecast spend of £826k reflects fees in relation to business case development of the remaining early projects of which £554k is funded through drawdown of design fees. An additional drawdown of £272k is required which forms part of the £2.4m additional drawdown request to NHSE/I.

9 CONCLUSION

The Trust Board is asked to **NOTE** the M9 spend for the 2020/21 Financial Year and reconfiguration capital plan.