

<b>Meeting title:</b>	Public Trust Board	<b>Public Trust Board paper N</b>
<b>Date of the meeting:</b>	11 May 2023	
<b>Title:</b>	<b>Escalation Report: Reconfiguration and Transformation Committee 19 April 2023</b>	
<b>Report presented by:</b>	Mr Ballu Patel, Non-Executive Director, Chair of meeting	
<b>Report written by:</b>	Alison Moss, Corporate and Committee Services Officer	

<b>Action – this paper is for:</b>	Decision/Approval		Assurance	x	Update	
<b>Where this report has been discussed previously</b>	Not applicable					

<b>To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which</b>
No.

<b>Impact assessment</b>
Acronyms used:

**1. Purpose of the Report**

1.1 To provide assurance to the Trust Board on the work of the Reconfiguration and Transformation Committee and escalate any issues as required.

**2. Recommendation**

That the report be noted.

**3. Summary**

The Reconfiguration and Transformation Committee met on 19 April 2023. The meeting was quorate and considered the following reports.

**Discussion Items**

**3.1 Reconfirmation Programme Update**

The Committee noted that an announcement with respect to the funding of the New Hospital Programme (NHP) was awaited. The Programmatic Business Case which had been re-presented to the Major Projects Review Group of HM Treasury in February had apparently been positively received. The case was based on the Trust’s preferred way forward and work was underway to revalidate the Programme and the Demand and Capacity Plan in advance of an announcement.

The engagement to date had given strong endorsement for the Programme's objectives as they were underpinned by clinical safety considerations and provided greater resilience.

The Committee noted progress of the Enabling and Decant Project which sought to vacate the Knighton Street Campus. The proposal to relocate the Clinical Genetics Service to the Windsor New Build was progressing and further work to consider alternative accommodation for office staff.

### **3.1.2 East Midlands Planned Treatment Centre**

The Committee were appraised on progress of the two phases of the development of the East Midlands Planned Treatment Centre.

Phase 1 of the project was on track and the first operation was scheduled for 1 June 2023. With respect to Phase 2, it was noted that the budget was £33.5m and an overspend of £6.23M was forecasted. The overspend was due to the costs of construction and equipment. The initial price for the refurbishment was based on high level estimates working with the Trust's costs adviser on a m2 basis. NHSE/I had sought to expediate the project and funding timescales meant that it was not possible to work up a detailed design at the time of OBC submission. The equipment budget would be overspent, as the pricing assumption had been at 9% of construction costs which was the ratio used for the Reconfiguration Programme (which allowed for part-transfer). It should have been set at 15% of budget in recognition that it was a new build and additional facility so equipment transfer would not be possible.

Discussions were being had with NHSE/I. However, the expectation had been that the Trust should fund the additional cost through its own capital allocation. Different options were being considered to spread the cost of the scheme over more years. Discussions were taking place at Capital Management Investment Committee (CMIC) regarding the phasing of the expenditure and the potential impact of funding the deficit from the 2024/25 capital plan.