

Report to Trust Board

Date: **25 September 2013**

Report Title:	Site Development
Report by:	Stuart Lovack – Head of Estates & Facilities
Report presented by:	Graham Bragg – Acting Chief Executive
Purpose of the Report:	To agree the procurement strategy for the next phase of the site development plan including site demolitions
Recommendation:	For the Trust Board to note and approve

1.0	<p><u>Summary/Background</u></p> <p>At the Trust Board meeting in April 2013 the Estates Development Control Plan (DCP) was presented. The DCP showed the proposed phased development plans for the site and updated the Board on their progress.</p> <p>The Trust Board supported the proposed DCP and requested further updates on the proposed major developments for the site.</p> <p>The Trust’s three-year capital investment programme was discussed and agreed at the Trust Board meeting in May 2013. The major schemes within the programme relate to the development of an Admissions & Day Case Unit (ADCU), replacement of the Decontamination Unit, refurbishment /centralisation of the Stores function and re-provision of the Medical Records storage/office facilities (Phase II). The final phase of this development package is the replacement of our aging Theatres 1, 2 and 4 (Phase III).</p> <p>The first phase of the ADCU development has been successfully handed over to the Trust; this included ADCU, the Decontamination Unit and the Medical Records storage facility. The final works in this project (Medical Records Offices and Central Stores) will be undertaken in November 2013 when the Trust has relocated its</p>
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medical records files to their new location.

The ADCU development was competitively tendered in May 2012 through a tender evaluation/value engineering exercise. This confirmed the preferred contractor for the scheme to be E. Manton Limited at the lowest tendered cost of £3,201,823.74 + VAT + Fees.

The Contractor was commissioned using an industry standard contract, this being the JCT Standard Building Contract with Quantities 2011. The Contract incorporates a variation clause for the alteration or modification of the design, quality or quantity of the works.

The project has been supported by a professional Design Team who was commissioned in consultation with our Procurement Department using the Healthcare Purchasing Consortium (HPC) Framework Agreement.

The project has progressed well; it has been completed within the allocated timeframe, within the agreed cost and to a high quality standard.

The Trust has established a good working relationship with the contracted professional Design Team and the main Contractor. It is recommended to extend the current Contracts to cover enabling works which consist of the relocation of departments under the footprint, car park works and site demolitions. The extension to Contract would also cover the works to refurbish the bedrooms damaged by the Short Stay Fire.

Extending the current Contract would enable the Trust to maintain its momentum in moving forward its Development Control Plan.

The extension to contract would cover the following works:

- Demolition of the old Stores building
- Car park re-configurations including turning circle
- Relocation of cardboard compactor
- Temporary relocation of Medical Records offices and Orthotics Department
- Relocation of the Linen Room, Clinical Skills Room, Staff-Side Office, Bed Workshop and Staff Gymnasium
- Refresh of the Orthotics Department
- Demolition of the former Staff Gymnasium, Block 45
- Demolition of the former Wards 5 and 7, Block 26

The relocations, enabling and demolition works described above will prepare the site for the construction of a new three-storey development which will be discussed at a future meeting.

The added advantage of undertaking the above enabling works is the clearance of the site adjacent to our Theatre complex. This gives the Trust the ability (should there be a major failure with our aging Theatres 1, 2 and 4) to locate temporary mobile theatres in close proximity to our main Theatre complex to maintain service.

2.0

Capital Programme/Procurement

The current Trust's rolling three year Capital Programme has the following approved amounts associated with the identified major schemes:

<u>Scheme</u>	FY13/14 £'000	FY14/15 £'000	FY15/16 £'000	FY16/17 £'000
Ambulatory Care /Theatres	1,777			
Decontamination	10			
Replace Windows (Part)	50			
Enabling Works Gas	75	75	50	50
Enabling Works Electricity	50	75	50	50
3-Storey Development		3,000	2,500	2,000
Electrical Infrastructure		400		
Short Stay Ward – Fire	347			
Total:	2,309	3,550	2,600	2,100

The available resource (as detailed above) in FY 13/14 is sufficient to cover the following works:

ADCU spend at end Q2	£ 836,000
ADCU remaining spend 13/14	£ 350,000
Demolition of old Stores	£ 43,000
Car park works/ relocate compactor	£ 43,000
Relocate departments within footprint/demolitions	£ 495,000
Refurbishment of Short Stay Ward (Fire)	£ 347,000
Total:	£2,114,000

	<p>A report from our appointed 'Cost Consultant' confirms the previous Tender represents value for money; it is, therefore, recommended that the Trust extends the contract with E. Manton Limited for the works identified above.</p> <p>The cost of this extension to Contract is £629,000 + VAT + Fees totalling £928,000.</p>												
3.0	<p><u>Programme/Progress</u></p> <p>The anticipated programme for the above works is detailed below:</p> <table border="0" data-bbox="347 745 1230 965"> <tr> <td>Final phase of ADCU</td> <td>Nov 2013 to Jan 2014</td> </tr> <tr> <td>Demolition of old stores</td> <td>Nov 2013 to Jan 2014</td> </tr> <tr> <td>Car park works/relocate compactor</td> <td>Nov 2013 to Jan 2014</td> </tr> <tr> <td>Asbestos removal</td> <td>Nov 2013 to Aug 2014</td> </tr> <tr> <td>Relocate department under footprint</td> <td>Nov 2013 to April 2014</td> </tr> <tr> <td>Refurbish Short Stay Ward</td> <td>Jan 2014 to April 2014</td> </tr> </table> <p>Old Ward 7 is to be used as a decant ward to enable the Paediatric Ward to be vacated while it is upgraded following the recent CQC visit. On completion of these works the old wards will then be de-commissioned and demolished.</p> <p>The demolition of Wards 5 and 7 is scheduled from June 2014 onwards.</p> <p>The site enabling works involve a number of complex service diversions and isolations; the Trust has established a good working relationship with the main contractor and its sub-contractors.</p> <p>The extending/varying of the contract will enable this relationship to continue/foster and all the site knowledge gained over the last eighteen months will be maintained.</p>	Final phase of ADCU	Nov 2013 to Jan 2014	Demolition of old stores	Nov 2013 to Jan 2014	Car park works/relocate compactor	Nov 2013 to Jan 2014	Asbestos removal	Nov 2013 to Aug 2014	Relocate department under footprint	Nov 2013 to April 2014	Refurbish Short Stay Ward	Jan 2014 to April 2014
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4.0	<p><u>Revenue Consequences</u></p> <p>The revenue consequences of the planned investment are currently modelled in the three-year capital programme.</p>												
5.0	<p><u>Risk Considerations</u></p> <p>A review of the Contract documentation is to be undertaken by Frances Kirkham on Friday 20th September 2013, the outcome of this will be discussed at the Trust Board meeting.</p>												

6.0	<p><u>Consultation</u></p> <p>On completion of the enabling works package the next stage of the major site development plan will be communicated widely throughout the Trust.</p>
7.0	<p><u>Conclusion and Recommendations</u></p> <p>It is recommended the Trust Board:</p> <ul style="list-style-type: none">• Approve the continuation of the established Design Team and main Contractor for the departmental relocations, site demolitions and refurbishment of the Short Stay Ward.• Approve the variation of the existing ADCU Contract to include site demolitions, car park works, departmental relocations and refurbishment of the Short Stay Ward.