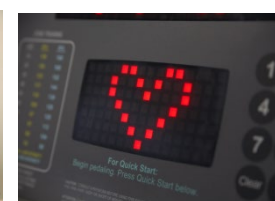


2022/23 Capital Programme

Board of Directors, 14 July 2022



2022/23 Capital Update

- 2022/23 Total indicative budget

	£m
Capital Budget	22.9
Add 5% (uncommitted)	1.0
External Funding	1.8
Total Capital Budget	25.7
IFRS 16 Leasing Budget (to be confirmed by NHSEI)	3.5
Total Budget	29.2

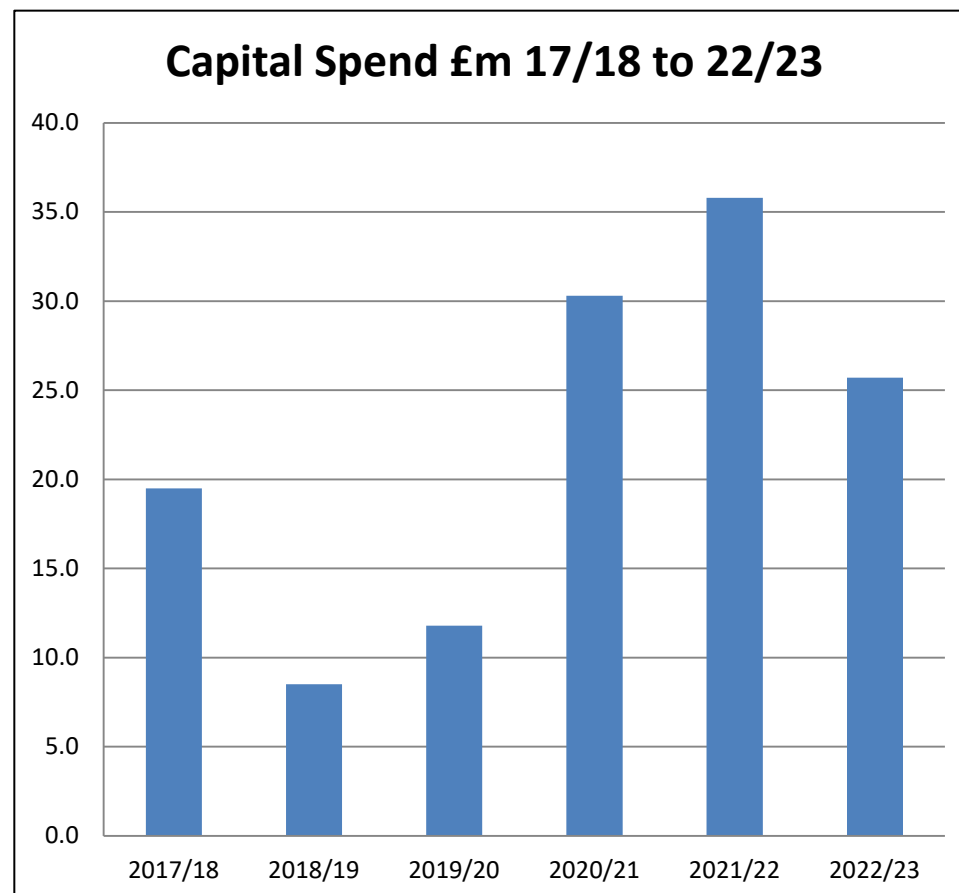
- Trust currently undergoing risk based prioritisation process to determine how to invest £6.7m of total capital budget.
- NHSEI to provide guidance and clarity on IFRS 16 Leasing Budget
- Appendix A highlights how the current capital budget has been allocated.
- There may be additional External funding available in 2022/23 for Pharmacy Aseptic Unit and New Day Case Unit at SLH
- Indicative allocations for 23/24 & 24/25 = £22.5m per annum

2022/23 Capital Update – Summary Budget and Spend Profile

2022/23 Total Budget

	£m
Medical Equipment	5.4
IT & Informatics – General Replacement	1.0
Estates Rolling Backlog	2.1
2021/22 Slippage	4.5
Other Capital Schemes (Committed)	3.7
Capital Prioritisation	6.7
Other	0.6
External Funding	1.8
Total Capital Budget	25.7
IFRS 16 Leasing Budget (to be confirmed by NHSEI)	3.5
Total Budget	29.2

Capital Spend Profile



Prioritisation Process – 'Dragons Den'

■ Projects Considered

	£m
1. Digital - Wi Fi Refresh	1.2
2. Digital - The Edge	4.5
3. Additional funding for Radiology Room 6 Day Case Unit and Refurb	2.1
4. Maternity Ground Floor Development	9.5
5. Single Isolation Rooms (indicative costs)	3.5
Total	20.8

- Shortlisting of scheme bid templates - evaluated by ETM
- Team presentations 21 & 27 June
 - Proposal Scope, Rationale & Strategic Alignment
 - Risk of 'Do Nothing & Project Risk Mitigation
 - Project Timeline, estimated cost & Realisable Benefits
- Potential Phasing Opportunities
 - Digital – could be phased over number of years
 - Maternity – year one project development and enabling works £1.4m
 - Isolation rooms – cost profile aligned to number of rooms created
- ETM Allocation Meeting 11 July

Key Risks

Bradford Teaching Hospitals

NHS Foundation Trust

Inflation : as at February 2022 inflation is at a 30 year high (~7.9%), as cost of living continues to rise. Cost of labour and materials may continue to rise during 2022/23 and put additional pressure on delivering schemes within a tight budget.

Covid-19 : further waves and restrictions may cause further risks to the deliverability of the capital programme.

Flexibility : it can be seen from the slides above that the capital programme remains tight with very little flexibility.

Deliverability of Capital Programme : delivering capital schemes within approved budgets and timescales is a challenge and puts at risk service resilience and performance of the Trust.

Integrated Care System Allocation : ICS capital allocation which is based on NHSEI methodology puts at risk service resilience, backlog maintenance, equipment replacement and performance of the Trust.

Surplus / Deficit : the Trust will need to ensure the planned income and expenditure position and cash position between 2022/23 and 2024/25 are delivered in order to support the capital investment programme.

IFRS 16 Leasing : from 01 April 2022 the Trust will have to account for all leases on the balance sheet. This will impact on the capital budget but it is not yet known what the impact will be.

Appendix A - Detailed Capital Budget

Bradford Teaching Hospitals
NHS Foundation Trust

		Capital Budget £000
Category		
	Medical Equipment	
Medical Equipment	General	1,500
Medical Equipment	Radiology & Imaging	2,200
Medical Equipment	MRI Scanner BRI	1,700
	Total Medical Equipment	5,400
	IT/Informatics	
Digital	General Corporate System Development	1,000
	Total IT / Informatics	1,000
	Estates	
Estates	Rolling Backlog Programme and Service Infrastructure	2,000
Estates	Capitalised Salaries	100
	Total Estates	2,100
	2021/22 Capital Slippage	
Estates	Maternity Theatres	1,550
Medical Equipment	Radiology Room 6 (Equipment)	1,300
Digital	Digital	1,685
	Total 2021/22 Capital Slippage	4,535
	Other Capital Schemes	
Digital	Digital Schemes	845
Estates	Haematology & Oncology	500
Estates	Theatres Refurbishment	400
Estates	Staff Welfare	500
Estates	Small Estates Schemes	215
	Total Other Capital Schemes	2,460
	Capital Strategy	
	Capital Strategy - Prioritisation Process	6,700
Estates	Research and Development	1,200
Contingency	Contingency	589
	Total Capital Strategy	8,489
	Total Internal CDEL	23,984
	PDC	
Digital	Digital Schemes (including Scan for Safety)	1,779
	Total PDC	1,779
	Total Capital Budget	25,763