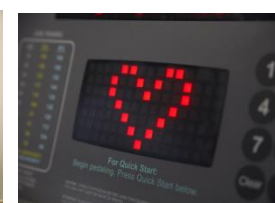


Capital Programme 2023/24

Board of Directors Meeting in Public
09 March 2023
Agenda. Bo.3.23.12



Timeline, Summary and Key Risks

Timeline

November 2022	Draft plan presented and agreed by the Capital Operational Group
January 2023	Indicative capital allocation provided by ICS £22.5m Draft plan presented to Capital Strategy Group
February 2023	Capital allocation confirmed by ICS £24.2m Indicative allocation for future years confirmed by ICS as £23.5m per annum Draft plan presented and agreed by Executive Management Team Clinical Service Units provided 2023/24 Capital Requests
March 2023	Final plan presented to Capital Strategy Group Final plan presented and agreed by Executive Management Team

Summary

Total capital allocation for 2023/24 **£48.7m** (Internal allocation is **£24.2m** and external allocation is **£24.5m**)

A process has taken place this year to assess and prioritise the capital investment programme. Initial bids were invited from across the Trust to review against the available resource level. In order to prioritise allocation of capital, specific processes and information flows were steered through the Capital Strategy Group and Capital Operational Group, with representatives from the Executives, Clinical Service Units, Estates, Informatics and Finance.

2023/24 Key Risks

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

Slippages – the Trust is currently forecasting £4.5m slippage into 23/24. Should further slippages occur this will impact on budget set for 23/24.

IFRS 16 – NHSEI have not confirmed how the capital budget will be allocated for new leases from 01 April 2023. The Trusts is expecting to enter into a new lease next financial year with NHS Property Services (£0.4m) which may need to be top sliced from 23/24 capital budget.

3 Year Capital Programme

Three Year Capital Programme

	23/24 £m	24/25 £m	25/26 £m	Total £m
Medical Equipment	3.1	3.6	3.6	10.3
IT/Informatics	1.0	1.0	1.0	3.0
Estates	4.4	4.4	4.4	13.2
Capital Strategy	4.9	7.7	14.5	27.1
OMS Phase 1	5.6	6.8		12.4
Radiology Room 6	1.5			1.5
Digital WiFi and the Edge	1.5			1.5
Research and Development Entrance	1.2			1.2
CT Scanner (Enabling Works)	1.0			1.0
Total Capital Strategy	15.7	14.5	14.5	44.7
Total Indicative CapEx	24.2	23.5	23.5	71.2
PDC Diagnostics Digital Capability	1.1			1.1
PDC Eccleshill CDC	5.6	0.2		5.8
TIF SLH DCU	17.8	0.4		18.2
Total Indicative External Funding	24.5	0.6	0.0	25.1
Total Indicative Plan	48.7	24.1	23.5	96.3

Commentary

Capital Budget

NHSEI have confirmed that the Internal ICS allocation for this financial year is £24.2m. The Trust has also agreed with DHSC to drawdown £24.5m PDC and TIF funding during 23/24.

Eccleshill Community Diagnostics Centre (Leasing)

IFRS 16 – it has not been agreed across the ICS how NHS providers will fund new leases from 01 April 2023. The Trust is expecting to enter into a new lease during April 2023 with NHS Property Services for the right to use Eccleshill Community Diagnostics Centre. This will have a value of approx. £350k which may need to be top sliced from Internal CDEL funds.

CSU

CSUs currently have £1.5m available for medical equipment (replacement and new). A further risk assessment and prioritisation process is required within the CSUs to ensure spend is in line with budget.

Slippage (£4.5m)

The indicative plan includes £4.5m slippage from 22/23. Should the slippage value increase this will be that the Trust will need to further re-prioritise its plan.

National Bids / Initiatives

The indicative plan does not include both the Pharmacy Aseptic Unit (~£11.0m) or the New Endoscopy Unit (~£25.0m).