

Trust Board Report

Meeting Date:	20 th May 2013
Title:	Capital Programme 2013/14
Executive Summary:	<p>To report progress (as at Month 1) for the 2013/14 Capital Programme.</p> <p>To report variance on project costs where these exceed +/- 10% or £50,000 of business case value. None in this year to date.</p>
Action Requested:	Note and comment on.
Report of:	Head of Estates Development
Author:	Mike Goodwin Tel 01902 695947
Contact Details:	Email: mikegoodwin@nhs.net
Resource Implications:	Delivery of Capital Programme 2013/14 to Capital Resource Limit. The position as at Month 1 identifies an over commitment of £710,758
Public or Private: (with reasons if private)	Public Session
References: (eg from/to other committees)	From Capital Review Group 8 th May 2013.
Appendices/ References/ Background Reading	Attachment 1 – Month 1 Progress Report
NHS Constitution: (How it impacts on any decision-making)	<p>In determining this matter, the Board should have regard to the Core principles contained in the Constitution of:</p> <ul style="list-style-type: none"> ✚ Equality of treatment and access to services ✚ High standards of excellence and professionalism ✚ Service user preferences ✚ Cross community working ✚ Best Value ✚ Accountability through local influence and scrutiny

Background Details

1	<p>The forecast outturn as at Month 1 for the 2013/14 Capital Programme at 31st March 2014 is £19,386,758. The Capital Resource Limit (CRL) is yet to be confirmed but the current Capital budget figure is £18,676,000. The Month 1 outturn projection therefore equates to a potential commitment of £710,758</p> <p>The assumption at Month 1 is that all projects within the Capital Programme will be delivered.</p> <p>The actual monthly expenditure position at Month 1 is £657,902 against a</p>
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target of £796,346. This represents an underspend of £138,444 in the month. This is due to the fact that expenditure for Pathology expected to be spent in Month 1 2013/14 was accounted for in Month 12, 2012/13.

Detail

See Attachment 1 for variances exceeding +/- 10% or £50,000 of business case value.

Potential Risks to the Programme

- CRL to be confirmed;
- Emerging Clinical Service priorities have identified the need for new projects, or additional scope for projects, which have not been included in the Capital Programme.

Capital Programme Progress Report April 2013 M1 (Q1)			
Planned Programme Financial Position	Reference	£'s	Narrative
CRL	A	18,676,000	To be confirmed
Value of Business Cases approved to date Month 1	B	2,325,640	Value approved stated here represents value of spend intended in year only and not full business case value.
Variance to CRL	A-B	16,350,360	
Value of projects approved to date	C	2,325,640	28 business cases approved to date. Majority of these are for carry over projects from 12/13 programme
Total Value of Projects either delivered or with certainty of delivery by year end	D	18,676,000	
Value of Projects which carry varying levels of risk of non delivery	D-A	0	
Previous value		0	
Change in period		0	
Forecast Expenditure	L	19,386,758	
Variance to CRL	L-A	710,758	Over commitment against CRL
Previous value - Approved programme March 2013	M	19,400,811	
Change in period	M-L	14,053	Programme adjusted for final outturn figures for carry over schemes from 12/13 programme
Action required: Business Cases to be submitted as scheduled			
M1 - Delivery of Capital Programme Financial Position			
Commitment/Orders in year	F	1,896,573	
Value of Commitments in 2013/2014 for expenditure in 2014/2015	G	0	
Total	F+G	1,896,573	
Variance	(F+G)-A	-16,779,427	
Previous value		0	
Change in period		-16,779,427	
Action required: Ensure approved projects are delivered to programme.			
Invoiced to date	H	239,853	
Work in progress	I	418,050	
Expenditure to date (including fees)	(H+I) = J	657,902	
Previous value		0	
Change in period		657,902	
Value of projects still to be completed against project commitments	(F+G) - J	1,238,670	
Target cash flow expenditure at Month 1	K	796,346	
Variance	J-K	-138,444	The significant item causing the "underspend" against the year to date forecast is:
Previous value		0	4933 - Pathology - expenditure forecast for 2013/2014 was incurred in M12 2012/2103
Change in period		-138,444	
Action required: Ensure approved projects are delivered to programme.			

Capital Programme Progress Report APPENDIX 1 EXCEPTIONS REPORT April 2013 M1 (Q1)								
Scheme	No.	Business Case	M1 - Total predicted outturn	Variance to between total predicted outturn and Business Case	Variance to between total predicted outturn and Business Case	Comments	M1: Change in period for reported projects	M1: Reason for change in period for reported projects
<u>Projects that exceed 10% variance or £50k or greater</u>		£	£	£	%		£	
Renal IT Business Case (Proton)	4145	190,350	214,288	23,938	13	Confirmation by IT of proposed c/f expenditure to 2013-2014	0	as reported at M12 2012/2013 - confirmation by IT of proposed c/f expenditure to 2013-2014
Extension to Admissions Lounge	43409	891,321	751,787	-139,534	-16	as reported in 2012/2013 (a) Tenders/Contract Value were less than Pre-Tender Estimate (b) M7 - Revised Contingency	0	as reported at M12 2012/2013
Pathology New build	4933	15,443,272	16,132,000	688,728	4	Delay to approval of project	688,728	Delay to approval of project
Total				573,133			688,728	