

## Greater Glasgow NHS Board

**Board Meeting**  
19 March 2003

Board Paper No. 03/18



Director of Finance

### 2003/4 and Beyond Capital Allocations

#### Recommendation:

The Board is asked to:

- confirm the capital allocations proposed for 2003/4, totalling £68.9m;
- give outline approval for 2004/5, totalling £39.2m, so that the allocation is balanced over the two financial years;
- confirm the priorities used to determine the schemes proposed for inclusion in the capital programme.

#### Summary

Responsibility for capital allocations was devolved to NHS Boards in 2002/3, HDL (2002)40 gives details, including funds available in the three years to 2004/5.

Local approvals processes and procedures were agreed by the Board (October 2002 Audit Committee) and the proposals set out in this report have been prepared in line with agreed policy. In reviewing proposals from the Trusts, priority has been given to schemes that:

- enable the Acute Services Reconfiguration;
- ensure on-going commitments to previously agreed schemes and requirements for regular investment in medical equipment, maintenance, IT, Health and Safety and decontamination;
- recognise Trust-specific priorities.

The resultant programme is balanced over the two years, 2003/4 and 2004/5. Full details are set out in Annex A and amount to:

£68.9m in 2003/4

and £39.2m in 2004/5

## Introduction

This paper draws together proposals for the use of capital funds available to NHS Greater Glasgow in 2003/4 and beyond.

The detail has been prepared in line with local procedures recently agreed and now requires formal approval by the Board.

Capital allocations were notified in HDL (2002)40 setting out arrangements for the devolution of capital planning and approvals processes to NHS Boards. Indicative limits were set out in a supplementary letter (17/5/02), with the following amounts available for NHS Greater Glasgow:

	£m
2003/4	46.818
2004/5	52.647

Thereafter, growth at 4% has been assumed and included in Table 1, in the attached Annex A.

Monies available in 2003/4 also includes slippage on schemes not completed in 2002/3. Currently this is estimated at £4m, but may well change marginally as Trusts report progress with in-year schemes.

## Priorities for 2003/4

Each Trust has prepared detailed analyses of capital requirements in 2003/4 and beyond.

The Capital Planning Panel (Trust and Board Chief Executives and the Board's Director of Finance) has met several times to review and prioritise the proposals.

Evaluation criteria identified included:

- essential enabling work to support the Acute Services Reconfiguration, including fees and land acquisition;
- key on-going pan-Glasgow infrastructure investments in:
  - decontamination
  - health and safety
  - medical equipment
  - backlog maintenance
  - IT
- other Trust-specific priorities.

Wherever possible, relevant schemes have been proposed for possible PFI/PPP funding. The timing of schemes has also been scrutinised to ensure that the capital programme is balanced over the two years, 2003/4 and 2004/5.

The details of the proposals are set out in the attached tables in Annex A and can be summarised as follows:

<b>Proposed Schemes</b>	<b>2003/4 £'000</b>	<b>2004/5 £'000</b>
- Acute Strategy	10,240	13,542
- Trust-specific, previously agreed	32,058	4,767
- Glasgow-wide:		
- Medical equipment/backlog maintenance, etc.	8,000	8,320
- Health and Safety	5,000	5,200
- IT	2,000	2,080
- Decontamination	5,000	-
- Other	1,150	1,150
- Trust priorities	15,415	14,110
- Assumed slippage	(10,000)	(10,000)
	68,863	39,169
<b><u>Funding Available</u></b>	54,680	52,972
Over/under commitment	+14,183	-13,803

As the table indicates, the programme is balanced over the two financial years and approval is sought accordingly.

	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
2						
3						
4	<b>Funding</b>					
5	Total b/f (From Prior Year Line 12)	3,959				
6	Agreed SE Commitments					
7	Formula Allocation	46,818	52,647	54,753	56,943	
8	Cancer Funding	903				Specific approval from SEHD. (Allocated in 2002/03.)
9	Easterhouse Health Centre	3,000	325			Specific approval from SEHD. (Allocated at line 245.)
10	Capital Receipts					
11	Transfers to Revenue					
12	Total c/f (To Next Year Line 5)					
13						
14	<b>Total Funding</b>	54,680	52,972	54,753	56,943	
15						
16						

	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
17	<b>North Glasgow</b>					
18	<b>Agreed Schemes</b>					
30	GRI New Build	1,098				
31	Laboratory Review	2,800	1,019			Additional slippage now assumed.
32	Stobhill Labs	163				
33	Radiology Information System	91				
34	Radiotherapy Simulator	48				
35	Medical Records	339	22			
36	ITU phase 1 (10 beds)	2,375	1,301	46		Revenue consequences = £1m.
37	Haematology	600				
38	Road Widening	450				
39	Clinical Physics	200				
52	<b>Agreed Schemes</b>	8,164	2,342	46		
55	<b>Acute Strategy</b>					ACAD equipment to be added.
56	<b>Phase 1 - Stobhill ACAD</b>					
57	Gyn to GRI	1,200	3,826	67		Additional slippage now assumed.
58	Gyn to GRI - Interim Move	300				
59	ENT to GGH	200				
60	ACAD Stobhill (cost to clear site)	470	1,031			Could be entirely 2004/05 if required.
62	<b>Phase 1 - Stobhill ACAD</b>	2,170	4,857	67		
64	<b>Phase 2 Glasgow Royal</b>					
65	ITU phase 2 (4 beds)					
66	Expand A&E up to 120K				3,000	
67	Relocation of lab service from Lister				4,000	
68	Clear site					
70	<b>Phase 2 Glasgow Royal</b>				7,000	
83	<b>Acute Strategy</b>	2,170	4,857	67	7,000	
86	<b>Others</b>					
87	TSSU	2,000				
88	Laundry					
89	Clinical Physics	200				
90	Gartnavel Labs					Now provided at line 31.
91	Cardiac Catheterisation Laboratory	2,400				
93	<b>Others</b>	4,600				
97	<b>North Glasgow</b>	14,934	7,199	113	7,000	

	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
100	<b>South Glasgow</b>					
101	<b>Agreed Schemes</b>					
113	Gynaecology	3,000				
114	Laboratories	2,673				
115	Gynaecology	549				
116	Ancillary Services	119				
117	Other Agreed Schemes	230				
118	Lifts	350				
119	Other Agreed Schemes	748				
133	<b>Agreed Schemes</b>	7,669				
136	<b>Acute Strategy</b>					ACAD equip & Derm'y to be added.
137	SGH - Dining Room ASR		3,000	2,000		
138	SGH - Boilerplant ASR	450	550			
139	SGH - Interim Laboratory ASR	1,000	500			Additional slippage now assumed.
140	SGH - Clinical Physics	120				
141	SGH - Central Library / Walton Lecture		1,000	2,000	500	
142	SGH - Medical Block D ASR		800	1,000		
143	VI - Demolitions ASR				450	
144	General Stores		200			
145	Site Infrastructure	150	800	50		
146	CMB - Electric Board		85	75		
147	Temporary Car Park		250			
148	SGH - Langlands 90 Beds					PFI?
149	ACAD - 90 Beds					PFI?
150	Interim Solutions	1,000	1,000			To allow Acute Strategy implementation.
151	Helipad - Interim			90		
152	Management Offices - Interim			150		
153	Spinal Injuries Step Down		500			
154	Dermatology Centralisation	350				
156	<b>Acute Strategy</b>	3,070	8,685	5,365	950	
159	<b>Others</b>					
160	SGH - GGNHSB Laundry Strategy	1,250	250			New slippage. Building adaptations.
161	Obstetric Strategy		3,000	4,000		? PPP / Lease / Additional Capital.
162	JMS Accommodation					Now within Board.
163	Disability Discrimination Act					Now within Board.
164	CMB Wards 21, 22, 24					Now within Board.
165	Neurology Wards 67 & 68	615	685			
166	Roundhouse to Therapy Suite				250	
167	Chest GI to Gastro Suite	1,200				
168	Haemato-oncology	500				
169	PRU Extension		1,000			Additional slippage now assumed.
170	Security Access & Management Control	150	150			
171	Neurosurgical Theatre		400			
172	Neuroradiology		1,000	1,000		
173	Neurophysiology / OPD		1,000	1,500		
174	Amputee Unit / Hostel		1,000	2,000		
175	Modular Theatre - Orthopaedics	850				
176	Rheumatology Day Ward		275			
177	Cardiac Catheterisation Laboratory		1,700			
178	MRI 3 Tessler Equipment	2,000	500			Additional slippage now assumed.
179	Spinal Injuries Hydrotherapy Pool		400			
181	<b>Others</b>	6,565	11,360	8,500	250	
185	<b>South Glasgow</b>	17,304	20,045	13,865	1,200	

	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
188	Yorkhill					
189	<b>Agreed Schemes</b>					
201	Aseptic Unit	400				
215	<b>Agreed Schemes</b>	400				
218	<b>Other</b>					
219	Paediatric ICU / HDU	1,700	1,750			Additional slippage of £500k assumed at line 219 but could be within lines 219 to 221. Revenue consequences of HDU = £650k. Revenue consequences of A&E = >£1m.
220	Paediatric A&E Centralisation		200	2,800	1,500	
221	Ward Reconfiguration	250				
222	Outpatients Facility			500	500	
223	Child Development Centres			750	750	
226	Learning Centre			2,000	2,000	
227	Catheterisation Lab			1,000		
228	Therapy Centre			3,000		
230	<b>Other</b>	1,950	1,950	10,050	5,500	
234	<b>Yorkhill</b>	2,350	1,950	10,050	5,500	

	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
237	<b>Primary Care</b>					
238	<b>Agreed Schemes</b>					
244	<b>Agreed SE Commitments</b>					
245	Easterhouse Health Centre	3,000	325			Additional allocation from SE. (Line 9.)
246	Sandy Road Resource Centre	1,945				
248	<b>Agreed SE Commitments</b>	4,945	325			
250	<b>Other Agreed Schemes</b>					
251	Demolition of Lennox Castle	400				
252	SGH Wards 31 & 31 Roof	100				
253	Secure Care Unit Gartnavel Royal	120				
254	Baillieston Health Centre	900	500			Additional slippage of £500k assumed at line 254 but could be within lines 254 to 257.
255	Cambuslang Clinic	550				
256	15 bed D&A unit at Stobhill Hospital	1,700				
257	Community Services - West Glasgow	1,300				
258	East City & Sandy Road	500				
259	Secure Care	100				
261	<b>Other Agreed Schemes</b>	5,670	500			
273	<b>Agreed Schemes</b>	10,615	825			
276	<b>Other</b>					
283	Stobhill IPCU	500				
284	Gartnavel Ward Relocations	600				
285	Perinatal Mother & Baby Unit - Southern	500				
286	Florence Street Resource Centre	700	800			
287	Townhead Health Centre					Could be PFI.
288	Parkhead					Could be PFI.
293	<b>Other</b>	2,300	800			
297	<b>Primary Care</b>	12,915	1,625			



	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
300	<b>Board / Unallocated</b>					
301	<b>Agreed Schemes</b>					
302	<b>Agreed Cash c/f Commitments</b>					
303	ICT Strategy c/f	1,490				
304	Decontamination c/f	520				
306	<b>Agreed Cash c/f Commitments</b>	2,010				
313	<b>Other Agreed Schemes</b>					
314	Acute Strategy & Other Requirements	3,200	1,600			
316	<b>Other Agreed Schemes</b>	3,200	1,600			
328	<b>Agreed Schemes</b>	5,210	1,600			
330	<b>Acute Strategy</b>					
331	Acute Strategy Fees & Procurement	2,000				North & South requirements.
332	Procurement - Royal			3,000	5,500	
333	VI - Purchase of Queen's Park Rec ASR	3,000				
334	Gartnavel Entrance					? Timing & overall cost.
336	<b>Acute Strategy</b>	5,000		3,000	5,500	
338	<b>Other</b>					
339	Formula Capital (£8m pa inflated @ 4%)	8,000	8,320	8,653	8,999	
340	Health & Safety (£5m pa inflated @ 4%)	5,000	5,200	5,408	5,624	
341	IT (£2m pa inflated @ 4%)	2,000	2,080	2,163	2,250	
342	Decontamination	5,000				Revised figure.
343	Digital Radiology					On-going investment required.
344	JMS Accommodation	200				South bids only.
345	Disability Discrimination Act	200	400			South bids only.
346	CMB Wards 21, 22, 24	750	750	750		South bids only.
347	Planned Slippage on All Schemes	(10,000)	(10,000)	(10,000)		
349	<b>Others</b>	11,150	6,750	6,974	16,873	
353	<b>Board / Unallocated</b>	21,360	8,350	9,974	22,373	

	A	B	C	D	E	N
1	Description	2003/04 £'000	2004/05 £'000	2005/06 £'000	2006/07 £'000	Comments
356	<b>Glasgow Total</b>					
357	Agreed Schemes	32,058	4,767	46		
358	Acute Strategy	10,240	13,542	8,432	13,450	ACAD equipment & Dermatology centralisation to be added.
359	Formula	8,000	8,320	8,653	8,999	
360	Health & Safety	5,000	5,200	5,408	5,624	South Glasgow has identified £2m requirement for 2003/04.
361	IT	2,000	2,080	2,163	2,250	
362	Decontamination	5,000				
363	Other	1,150	1,150	750		
364	Expected Slippage / Non Completion	(10,000)	(10,000)	(10,000)		
365	Other - North Glasgow	4,600				
366	Other - South Glasgow	6,565	11,360	8,500	250	
367	Other - Yorkhill	1,950	1,950	10,050	5,500	
368	Other - Primary Care	2,300	800			
370	<b>Glasgow Total</b>	<b>68,863</b>	<b>39,169</b>	<b>34,002</b>	<b>36,073</b>	
374	<b>Funding Available (Line 14)</b>	<b>54,680</b>	<b>52,972</b>	<b>54,753</b>	<b>56,943</b>	
377	<b>Under / (Over) Commitment</b>					
378	Agreed Schemes (Line 374 less line 357)	22,622	48,205	54,707	56,943	
379	Agreed Schemes & Acute Strategy (Line 374 less lines 357 to 358)	12,382	34,663	46,275	43,493	
380	Agreed Schemes, Acute Strategy, Formula, H&S & IT (Line 374 less lines 357 to 364)	1,232	27,913	39,301	26,620	
381	Agreed , Acute Strategy, Formula, H&S, IT & Other (Line 374 less lines 357 to 368)	(14,183)	13,803	20,751	20,870	
383	<b>Below the Line</b>					
384	<b>North Glasgow</b>					
385	<b>Beatson</b>					
386	Beatson Phase 2 Approval OBC	10,350	42,124	31,172	4,330	OBC excludes Gartnavel entrance.
388	<b>Beatson</b>	<b>10,350</b>	<b>42,124</b>	<b>31,172</b>	<b>4,330</b>	