

ITEM: 09/140
Doc: 03

Meeting: Trust Board
Date: 18 November 2009

Title: Trust Capital Plan - 2010/11

Executive Summary: The attached document is the draft capital plan for the financial year 2010/11.
The key points to note are;

- The total **CRL** is assumed to be **£6,550k** including the provision of **£1,550k** for **IFRS** lease accounting
- The plan is based upon the trust 5-year rolling plan
- The plan has been developed by the Capital Monitoring Committee and is based on the trust Estates Strategy (including the 6-facet survey), the Trust IM&T strategy, the Medical Equipment asset register and the IM&T asset register
- The plan has been reviewed by the trust Executive Committee and is commended to the Trust Board for approval
- The plan divides into schemes that are deemed 'must do', and of those that will be developed dependent on main plan scheme development
- schemes that can be considered as suitable for **finance leases** have been separately identified

Action: To approve the draft capital plan for the financial year 2010/11

Report from: Philip Ient - Director of Estates and Facilities

Financial Validation Lead: Director of Finance	Name of finance officer Richard Martin - Director of Finance
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Compliance with statute, directions, policy, guidance Lead: All directors	Reference: Trust Estate Strategy Trust Medical Equipment Asset Register Trust Information Technology Asset Register Trust Carbon Reduction Strategy Trust Information Technology Strategy
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Compliance with Healthcare Commission Core/Developmental Standards Lead: Director of Nursing & Clinical Development	Reference: C20a, C21, C15a, C4b, C4c, C4e
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Compliance with Auditors' Local Evaluation standards (ALE) Lead: Director of Finance	Reference: 2.3.4; 2.3.7
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Capital Plan 2010/11

1. Introduction

The capital plan for 2010/11 has been prepared and approved by the Capital Monitoring Committee (CMC). The plan is based on requirements identified within the estate strategy, the IM&T strategy, and the medical equipment asset register. In addition, it takes into account strategic needs identified either within trust approved strategies or those of operational service managers working within the Operations Directorate, and that have been previously included in the trust five-year capital plan.

2. Plan details

The CMC has based the plan on an assumption that the opening Capital Resource Limit (CRL) would be £6,550k, which would include a provision of £1,550k for those schemes that will be covered by finance leases.

In order to present a balanced plan, programme directors have prioritised schemes as 'essential', 'desirable' or 'deferrable'.

3. Schemes deferred to 2011/12 pending review

• Treadmill	£10,000
• Short wave therapy machine	£12,000
• Dynamaps	£10,000
• Diathermy machines	£35,000
• NICU General equipment replacement fund	£50,000
• Theatre general equipment replacement fund	£50,000
• Monitor replacement	£60,000
• Plinths	£10,000
• Bladder scanners	£18,000

4. Schemes identified as 'desirable'

Most of the schemes identified as desirable are contained in the section of the programme entitled "Improvements (business case support required)".

I. Maternity general improvements;

This scheme was originally in the five-year plan. The allocation is split into two tranches. The reason is to ensure that the basic scheme required to meet strategic needs is given priority, and that additional funds are available for improvements to existing infrastructure if they can be supported by a business case.

II. Relocation of inpatient physiotherapy gym;

This scheme was originally in the five-year plan with an allocation of £200,000. Following the loss of the stroke service tender, the proposal to relocate the inpatient physiotherapy gym to space vacated by the hospital receipt and distribution point is now held

pending development of a business case. This will include a review of facilities in both level 2 and level 6 (JKU).

III. Electrical charging points:

This project is included in the trust Carbon Reduction Strategy, and is moved to "desirable" pending confirmation of a grant from Islington Council for this project.

IV. Blood products transfusion system;

This project is moved to "desirable" on the basis that currently the paper system in use is deemed to meet current needs.

V. RFID tracking of medical equipment;

This is moved to "desirable" on the basis that it is a quality improvement in the management of medical equipment that is necessary but not currently deemed as essential.

5. IFRS leases

Items of equipment that may be suitable for finance leasing have been identified. Further work is required to assess whether all these items fit the conditions necessary in order for them to be considered as a finance lease. In addition the test for leases needs to be extended to schemes currently under the IM&T section of the plan. As the plan is presented there is a potential shortfall in schemes amounting to £739,000 which could be offset against IM&T schemes and those considered 'desirable'

6. Conclusion

- The overall plan is in balance.
- Reserves will be released to bring 'desirable' schemes into the main programme as work on projects develops.
- The programme has been developed from the 5-year plan which itself has been prepared from estate and IM&T strategies and medical and laboratory equipment registers.
- Improvement schemes have been identified by General Managers to meet strategic development needs and will proceed once a business case is approved by the Business Planning Group

7. Recommendations

The Trust Board is asked to consider and approve the capital plan for 2010/11