

TRUST BOARD MEETING – 26 JUNE 2013
CAPITAL PLAN 13/14

PURPOSE	To set out the capital plan for 13/14
PREVIOUSLY CONSIDERED BY	Capital Control Group has considered and approved the plan and FPC on 19 June 2013
Objective(s) to which issue relates *	<input checked="" type="checkbox"/> 1. To continuously improve the quality of our services in order to provide the best care and optimise health outcomes for each and every individual accessing the Trust's services <input type="checkbox"/> 2. To excel at customer service, achieving outstanding levels of communication and patient, carer and GP satisfaction <input type="checkbox"/> 3. To provide and support the best standards of integrated care for the elderly and those with long term conditions by developing key partnerships and services <input type="checkbox"/> 4. To consolidate services and enhance local access to specialist services in order to deliver high quality, safe, seamless, innovative and integrated services which are sustainable <input type="checkbox"/> 5. To support the continued development of the Mount Vernon Cancer Centre and provision of leading local and tertiary cancer services <input type="checkbox"/> 6. To improve our staff engagement and organisational culture to be amongst the best nationally
Risk Issues (Quality, safety, financial, HR, legal issues, equality issues)	Risks described in the main report
Healthcare/ National Policy (includes CQC/Monitor)	Financial compliance with NHS Manual for Accounts as set out by Department of Health
CRR/Board Assurance Framework *	<input type="checkbox"/> Corporate Risk Register <input checked="" type="checkbox"/> BAF
ACTION REQUIRED *	
For approval	<input type="checkbox"/>
For discussion	<input type="checkbox"/>
For decision	<input checked="" type="checkbox"/>
For information	<input type="checkbox"/>
DIRECTOR:	Director of Finance
PRESENTED BY:	Director of Finance
AUTHOR:	Interim Financial Controller
DATE:	13 June 2013

We put our patients first We work as a team We value everybody We are open and honest
We strive for excellence and continuous improvement

* tick applicable box

Capital Plan 2013/14

1. Executive Summary

This paper considers the capital plan for the financial year 2013/14. The capital plan is £56,886k of which OCH phase 4 is £40,713k which assumes £2,411k slippage against original projections. It includes the transfer of land and buildings from Hertfordshire Partnership FT of £8,990k and birthing environment of £186 leaving £6,293k for Trust operational schemes.

2. Draft 2013/14 Capital

The OCH plan of £40,713k is based on current projection which anticipates a £2,411k slippage against the original plan submitted to the TDA.

The Capital Control Group has agreed operational capital schemes based on submissions from Estates, IM&T and the Divisions. They were asked to limit their bids to 'Must Do' items which address significant risk issues due to the limited funding available in 13/14.

Additional schemes consist of a transfer of land and buildings on the QE11 and Lister sites from Hertfordshire Partnership FT. This will accommodate the disposal of the QE11 site in 2015 and future utilisation of the buildings at Lister. Formal Board approval is required for the transfer which is planned for September 2013. There will be circular cash flow to bring this onto the Trust's books. The other scheme is the DH funded of £186k for birthing environment.

There is around £703k slippage from 12/13, which will be a first call on the 2013/14 capital programme. The new schemes consist of £1,000k for medical equipment, £874k for IM&T, £1,030k for maintenance and £372k for site strategy.

Capital funding available in 2013/14 is summarised in the table below. The Trust is discussing with the TDA how to access the £10.4m anticipated PDC. It should also be noted that £1,727k is from Trust cash balances and £1,232k from Macmillan Charity.

Draft Capital Budget 2013/14	
	£000's
	Current 2013/14 Budget £000
Pre commitments 12/13	703
Asset Transfer HPFT	8,990
Birthing Environment	186
TPP	679
Medical Equipment	1,000
IM&T	874
Site Strategy	372
Maintenance	1,030
Other	2,338
Phase 4 - OCH	40,714
2013/14 Capital Programme	56,886
Funding 2013/14	
Loans	23,165
PDC	10,386
Depreciation	8,500
Internally Generated	1,727
Disposal Proceeds for QE11	2,700
Birthing Environment PDC	186
HPT PDC	8,990
Total CRL	55,654
MacMillan (Donated)	1,232
Total Funding	56,886

3. Risks

It will be a challenge to achieve the full capital spend of £57m in 2013/14 including the slippage of £4.8m on OCH schemes from 2012/13. Cash flow will be tighter with £2m of the capital programme being funded from internally generated funds with a potential impact on BPPC performance.

Due to capital programme only including the 'Must Do' this leaves the Trust a risk of over spending on operational capital should an emergency requirement for capital expenditure appear in year.

4. Recommendation

The Board is asked to:

1. approve capital plan for the financial year 13/14 and
2. approve the transfer of land and buildings from HPFT in September 2013.