

South Eastern Trust Capital Business Case

For Capital Expenditure: £500,001 and Under £1.5m

Wef 1 April 2020

GUIDANCE NOTES


This template should be prepared in line with the NIGEAE (Northern Ireland Guide to Expenditure Appraisal and Evaluation) Guidance at www.finance-ni.gov.uk


This pro forma is designed to facilitate documentation of a capital expenditure appraisal for expenditure over **£0.5m and under £1.5m** with appropriate and proportionate effort. (Alternatively an Outline Business Case approach may be used). It identifies the main elements of a business case to be covered, followed by spaces or tables for inserting the relevant information. Examples of completed templates can be found [here](#).

The spaces and tables should be enlarged or modified as required to accommodate all the necessary information.

Note that this is a general template covering basic requirements; it can be adapted and tailored to suit particular spending areas as desired. There are no precise rules about the length of the business case document for these expenditure decisions, but, as a broad rule of thumb, it might be anything from a few pages in the simplest cases to 20 pages or more in comparatively complex cases.


PROJECT TITLE:	McWhinney Memorial Hall, Newtownards Community Hospital
CAPITAL SPEND: (insert value of preferred option):	£1.43m
DEPARTMENT:	HSC SEHSCT - Estates

Project Lead certifies BDL Business Case is of DoH required standard (conforms to NIGEAE guidance)	
Project Lead :	Gregory McDougall
Signed:	
Date:	01/02/2021

Approving Service Director:	Jonathan Bradshaw (on behalf of Timothy Sheehan)
Signed:	
Date:	8/2/2021

Signed completed business cases or queries to be forwarded to : capitalfinance@setrust.hscni.net

BDL Capital Team:	Donal Brady
Signed:	
Date:	12/2/21

Approved by EMT:	
Signed:	
Date:	

Approved by Finance & Performance Committee:	
Signed:	
Date:	

Section 1a: Project Background and Strategic Context

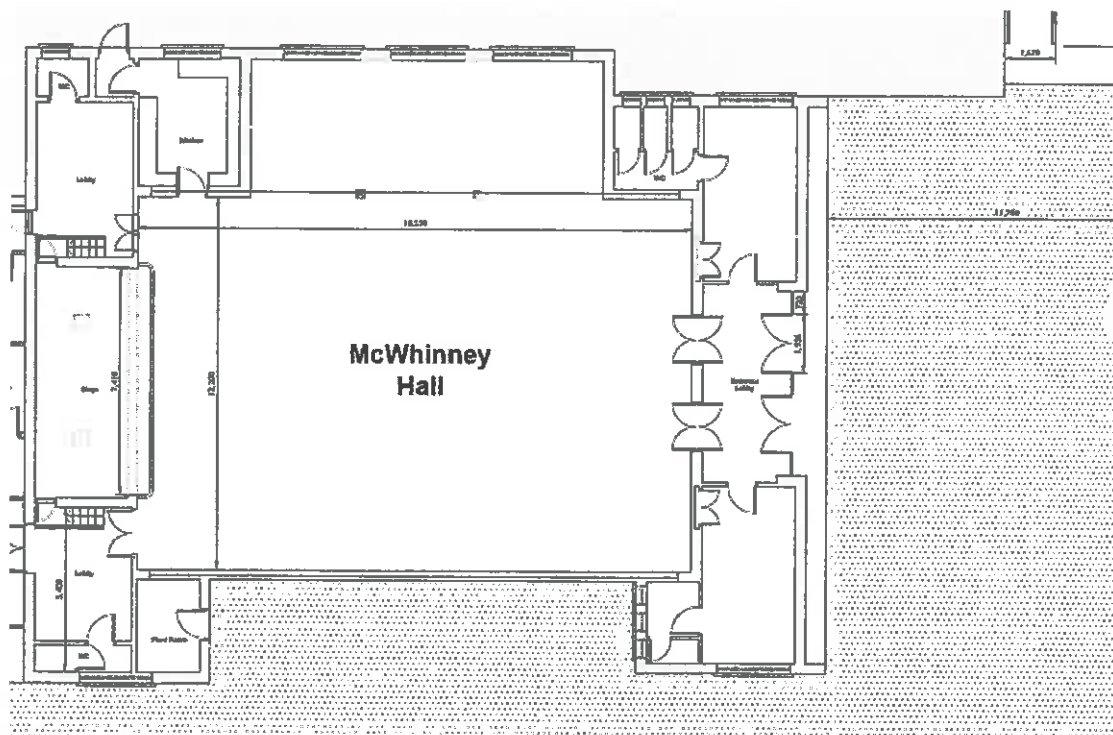
Explain the background to the proposal including its relevance to South Eastern Trust, including relevance to strategic aims and policy objectives.

Background:

The McWhinney Hall sits in close proximity to the Finance Building (recently refurbished) and McQueen Home (partially refurbished) within the grounds of Newtownards Community Hospital. Attached to the McWhinney Hall, is the Mental Health Day Unit. Whilst parts of the building are used daily generally the building is substantially underutilised and sits on a prime Trust site.

The McWhinney Hall was erected pre 1950, it consists of a single storey traditional brick construction to roof level. The roofing structure is made up of an apex wooden/steel truss style with slate covering. The entrance lobby comprises a flat roof construction, containing male and female toilet facilities to either side of the main foyer. The building contains a large sports type hall 18.22m x 12.15m and associated store rooms. The floor in the main hall itself is covered with solid wood strip flooring and about 3.5m above the flooring is a suspended ceiling. Natural light into the building is via metal frame single glazed windows approx. 2.5m above floor level on either side of the Hall. The Hall also contains a wooden stage, behind which is the access to the Mental Health Unit. Other rooms include a kitchen area and dining floor area which adjoin the main Hall.

Existing Plan:

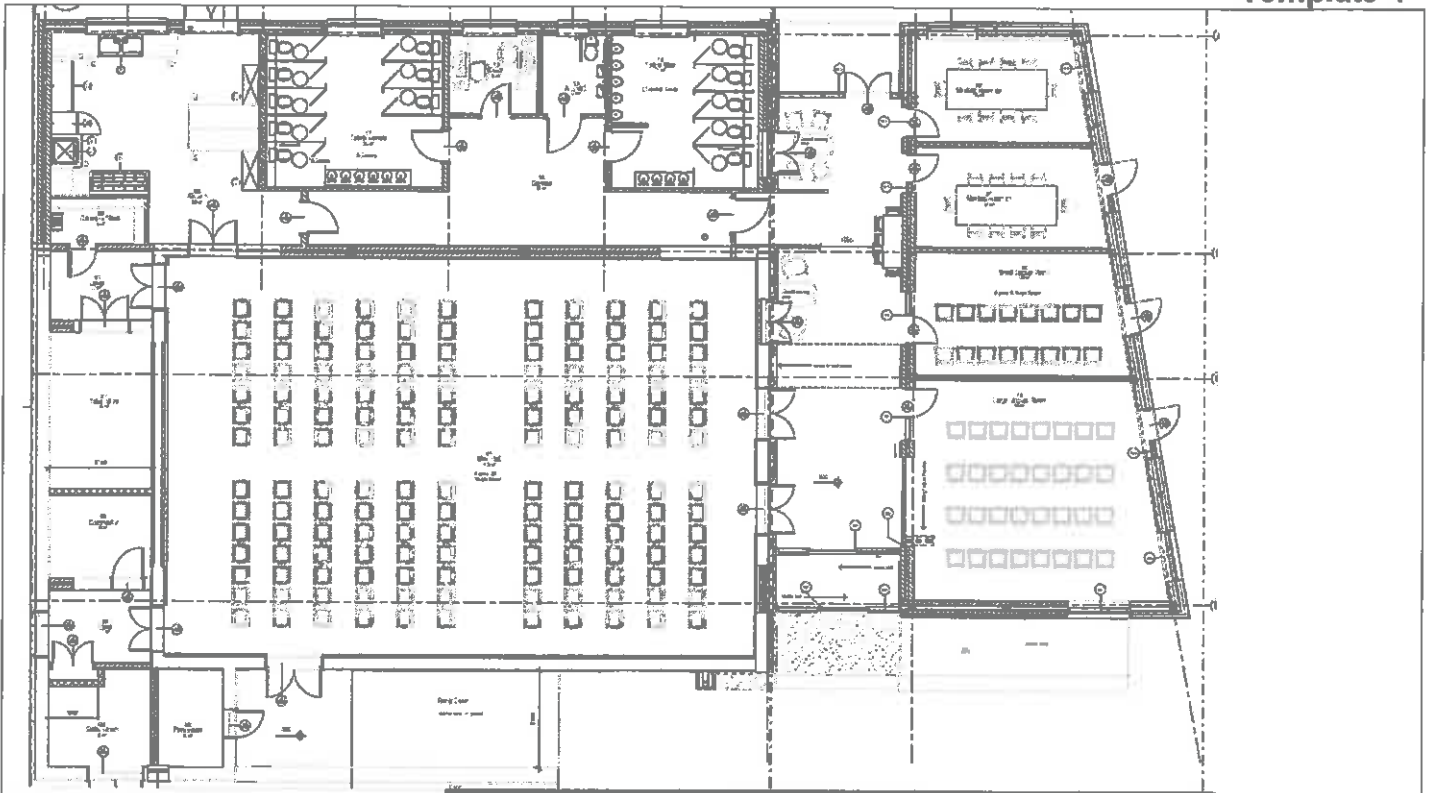


This Business Case relates to the proposal to refurbish and extend the existing McWhinney Memorial Hall building, located at Newtownards Community Hospital Site.

McWhinney Hall is proposed to become a high quality multi-purpose venue providing the Trust with opportunities for:

- Conference Centre facilities
- Meeting / Training Room facilities
- Entertainment / licenced facilities
- Kitchen facilities
- Breakout areas
- Washroom facilities
- Office / Consultation rooms
- Multiple Clinical Outpatient Services opportunities
- Multi-function/Multi use spaces – Including, but not limited to:
 - Emergency Incidents
 - Vaccination Centre
 - Hot Desking
 - Socially Distancing working spaces
 - Staff Wellbeing – Break out areas / Exercising Class areas
 - Decant facility during other Facility refurbishment works

Proposed Plan:



This building has been chosen as an ideal solution to the Trusts vital need for a multi-purpose venues, which can quickly and easily be adopted to meet changing business and clinical needs, improving and making best use of existing Trust assets whilst increase utilisation to provide best use of the value for money principal, all as laid out under public procurement policy. The redevelopment of this Trust building also contributes towards mitigation / reduction of the need to lease premises and fits in with the Trusts overall masterplan for the Ards Sites

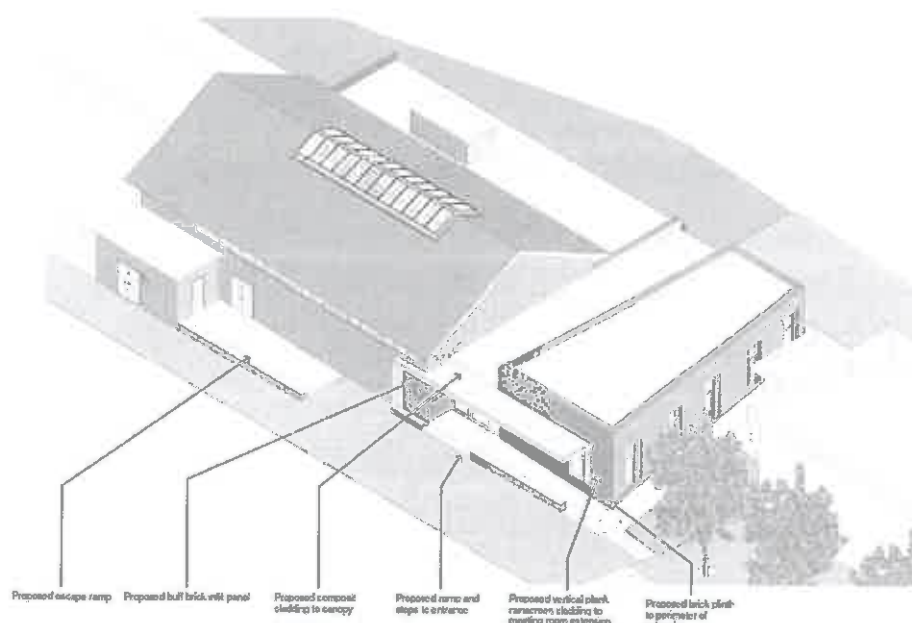
This scheme will have a positive impact on the Trusts sustainability plan and will provide an innovative environment, implementing biophilic design, contribute-ng to improving staff knowledge and wellbeing.

The Proposed Scope would include:

- Engineering Services replacement throughout (Inc Energy Efficient Heating and Lighting)
- Damp proofing / Ventilation
- Reconditioning of existing wooding flooring
- Replacement of Metal Frame Windows
- Removal of Stage
- Extension of existing facility / Break out areas / Multi-Purpose rooms
- Kitchen Facilities / Food and beverages
- Provision for DDA Access throughout
- Telecommunications / Video Conferencing / Lighting and Sound

- External break out spaces

Proposed - Axonometric View:



Identify the key stakeholders and explain their commitment and any outstanding issues.

The Trust is an integrated organisation, incorporating acute hospital services, community health and social services.

The Trust covers the local government districts of Ards, North Down, Down and Lisburn. The main stakeholders within the project are the QIIC Team and Mental Health Services. However the project will benefit all users within the Ards and North Down area.

The QIIC Team are committed to managing the space in the same manner as Trust HQ to provide a fair use of the Trust resources. This would ensure that a fair and balanced approach to the allocation of meeting rooms within McWhinney Hall ensuring that the space is bookable by all, and utilised in a similar manner to the QICC center at the Ulster Hospital.

The Trust Estates Department carried out stakeholder engagement across the Ards site regarding the usage of McWhinney Hall and its potential. Feedback received from these sessions is detailed below.

HEALTH & SAFETY

- The hall is not serviced and is therefore not clean, dusty and a very poor environment to train in. The bins are not emptied, there are often bin bags of rubbish in the hallway at the entrance meaning a very unpleasant smell to greet all on arrival. When training there I arrive early to clean and tidy the facility in an effort to make it more comfortable for participants. The training events are full day events.
- The toilets are dirty and some are out of order. They are totally unsuitable for disability access and someone from an outside agency who was contributing to a training event and experienced difficulty using the toilets and asked for her complaint to be.
- The toilets are dirty and often there is only one which will flush properly in the ladies
- Hand towels are not always available in bathrooms
- The hall is dirty and staff's clothing becomes very dusty from working on the C&R mats
- It has become a dumping ground and we often have to clear the hall before setting it up.
- The kitchen is unhygienic and a lot of rubbish lying around the floor.
- The toilets are dirty, some of the sinks were blocked and half filled with water last week, and the hall

is consistently dirty and dusty.

RESOURCES

- I always arrive early to allow time to set up the room accordingly. This has frequently meant manoeuvring large desks and up to 40 chairs. As someone with back issues - I am concerned at the potential for injury.
- It is difficult to be sure of the equipment that will be available- the screen has now been removed so that this means you are required to project off the wall. At a recent session this meant that due to the movement of the sun around the room it was not possible to see the presentation. Given the layout of the room there was no other wall that could be used to project onto.
- There were also chairs that had been removed and it was touch and go that there would be enough for the 45 participants.
- Old equipment has been dumped in the building and chairs and tables have gone missing.

ENVIRONMENT

- The acoustics are very poor –the high ceiling means voices are lost easily. This means frequently checking if participants are able to hear - but even then there will still be complaints about this in evaluations.
- The lighting is poor given the high ceiling.
- The room is difficult to heat and it is frequently a problem even during the summer when it can still be very cold as it is a very large room. Participants will sit with coats on and still be freezing - I have had to call the help desk and asked for an engineer to come down as an emergency to address this. This training is impacted as staff find it difficult to concentrate under these circumstances and it obviously creates a negative training environment.
- The acoustics in the room are terrible making any form of dialogue nearly impossible

OTHER/OVERALL

- The overall impact on staff is that they feel undervalued in asking them to participate in training under such challenging circumstances.
- On the Ards side it is the only venue that has the capacity to cater for training event for over 30 people. It is a very poor comparison to the facilities available in the other sectors – especially in Down. It is not fit for training purposes and reflects poorly on the training Team and the Trust.
- On a positive note - this facility has great potential. The section that is currently used as storage would be ideal for training as the ceiling is at a normal height and it could easily be sectioned off.
- Improvements to this facility would be greatly appreciated.
- As a trainer I always actively avoid booking McWhinney Hall, preferring to travel to Bangor, Downpatrick or Lisburn.
- As a venue, in its current state, I believe it is an embarrassment to SE Trust and a very poor reflection on our attitude to training in how we value staff [and trainers].
- It is certainly not a welcoming or comfortable venue to attend.
- I do believe that it could be transformed into a really good training/meeting venue at relatively small cost – already in place are kitchen and toilets, and parking.
- The large hall could easily be re-configured/divided up and refurbished into a professional venue, that would assist the Trusts busy Training agenda and add to the good training venues which all seem to be currently situated in Downpatrick.
- “Keeping Safe” is delivered to the community and whilst coordinated by us will sometimes be delivered by people from outside agencies.
- Evaluations of training by participants have consistently highlighted that the facility is not fit for purpose.
- I feel there is a inequality between facilities available in Downpatrick and those in the Ards and Lisburn as I have also found laganview’s facilities are deteriorating.
- With the re-development of the Ards Hospital site there is a great opportunity to upgrade McWhinney Hall – it has fantastic potential for at least 2 or 3 modern training rooms. In its current state I refuse to use it as a trainer in this area. It is disrespectful to staff and embarrassing that this is the best we can do in the Ards/Bangor locality

Section 1b: Demonstrate the Need

- As specifically as possible, explain the nature of the needs or demands that are to be addressed, and detail any deficiencies in existing service provision.
- Include suitable quantification of needs/demands/deficiencies where possible.
- Provide historical service activity (previous years), for e.g. hospital caseload, evidence of service/equipment failure, service risk rating etc., along with service projections for the next 3 years where appropriate

Why do we need to fund this project? / Why is it relevant to the Trust?

Funding of this project is required for the following reasons:

- Building is unsafe and is a liability to the Trust
- The project frees up meeting space in Lough House for Mental Health
- There is existing Pressure on Trust accommodation
- The Trust is currently paying rates and energy costs on the building despite it being unused
- Improves the buildings Energy Efficiency Rating
- Improves the external landscaping within the area

Building is unsafe and is a liability to the Trust

The Trust, as a property owner, has a duty of care to anyone who enters our buildings, whether they have permission or not. Risk must be assessed and in compliance with:

- The Regulatory Reform (Fire Safety) Order 2005
- Health and safety legislation
- Environmental legislation
- Public liability legislation

The Hall is currently in a very poor state of repair. Engineering services are isolated due to multiple failures / leaks from the corroded heating system, rising damp, condensation, unsafe electrical wiring, fire compartment failures and structure damage due to extensive asbestos material removal enabling works. Also, even with the Hall empty, the Trust is still liable for charges relating to Standing Charges of Gas and Electricity for the Hall.

A condition report has been completed by independent consultants *The Oakleaf Group* which has scored McWhinney Hall very poorly.

Zone Name	Summary	Comments	Consequence	Likelihood	Risk Score	Risk Rank
00 - Ground Floor - Old Hall Area	C - Building - Internal Fabric	Old hall area of the building: Require complete refurbishment before it will be fit for use.	5	5	25	HIGH
Roof	D - Building - Roof -	Cast iron guttering: Dated and worn and requires	2	5	10	MODERATE

	Pitched	replacement.				
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- Physical Condition - Bad. Life expired and/or serious risk of imminent failure.
- Function Suitability - Unacceptable in its present condition.
- Quality - A very poor facility requiring major capital investment or replacement.
- Statutory Compliance - Building areas which are dangerously below 'B'.

In summary, the Hall is unsafe, inhabitable and does not comply with any Guidance or Legislation the Trust has a duty to adhere to.

The project frees up meeting Space in Lough House for Mental Health Services

There is currently significant pressure on space for Mental Health Services within Lough House. The Mental Health Management Plan identifies that there will be an increase Trustwide in the number of service user and carer contacts by of over 10%. This will significantly increase pressure on the Mental Health Services at Lough House. As a result, additional space is required within Lough House to facilitate the needs of Mental Health. Lough House currently has four bookable meeting rooms, which are being used as meeting rooms by numerous departments. The refurbishment of McWhinney Hall would therefore allow the meeting rooms in Lough House to be made available to Mental Health Services for recovery training, group therapy and consulting rooms.

As the service continues to grow and rebuild in response to increasing levels of demand, additional group work will be offered by the community mental health teams, home treatment service and community addictions team who need to expand on the numbers of therapy sessions available. The Recovery College will also provide additional courses in the facility.

The number of face to face contacts that will be required when mental health teams are all located to Lough House will also increase pressures on interview space with the likelihood of additional assessments each day.

Pressure on Accommodation

Currently there are 280 staff members sitting on a waiting list with various accommodation needs across the entirety of the Trust. With pressures across all localities and the increasing need to expand services, Estates are finding there is real demand for additional space. Some of the real drivers behind the increasing demand for space have been Transformation of Care, introduction of Multidisciplinary Teams and general Service growth to meet increasing demands within the population. This has resulted in the loss of bookable space within many Health Centres. This has also placed significant pressure on the existing meeting rooms within the Lough House which is the location of Mental Health Services.

The need for Clinical space has drastically increased and in return rooms that have previously been utilised for general offices, meeting rooms, training rooms etc have had to be given up so that essential services

can benefit from the space.

Covid-19 has also increased the need for additional space. Examples of this include rooms that were occupied by NI Hospice and Marie Curie in The Downe, and are now occupied by the Trust as the space was needed to accommodate essential services. Across the Trust, rooms that were dedicated office/meeting spaces are being utilised in other ways and there is no guarantee they will return to their former use once the pandemic has ended as with the needs of the Trust constantly changing, services may permanently require use of these rooms.

Previously LPS have carried out searches for office accommodation in Ards, these searches did not highlight any suitable properties and accommodation in alternative locations had to be found. By dedicating meeting/training space in McWhinney Hall, this would free up space within the Ards and other Trust sites that is not currently efficiently utilised in many cases because individual services control the meeting space and it is often not available to other users. This refurbishment of McWhinney Hall under the control of a central body would ensure the space is utilised more efficiently. The success of this strategy has already been proven by the success of the QIIC at the Ulster Hospital.

Better utilisation of meeting and training rooms helps free up accommodation elsewhere to potentially accommodate staff which Estates have on the accommodation waiting list.

Cost Benefit Analysis – Off Site Leasing v Refurbishment of an Existing Asset

There is an immediate need to provide staff and meeting room accommodation. Consideration has been given to leasing facilities to provide meeting and training rooms. Whilst no space was identified as suitable, leasing also has the disadvantage as it would place additional pressure on the Trusts revenue position for the rent, but furthermore, the Trust would be responsible for differing aspects of maintenance and repairs in Leased Properties.

Owning the property and refurbishment of an existing trust asses is more beneficial long term as we are unrestricted with the use/redevelopment etc, or indeed lease it out, were as with a leased property there are more restrictions, including:

- Leasing process. LPS and DLS involvement required which can take up to 6-8 months.
- Annual rents payable and if rent reviews are included the annual amount could potentially rise
- Annual service charges payable for communal area maintenance and repairs
- Landlords might not be amenable and if repairs are required they may do so at their own pace, or not carry them out at all
- Landlord consent may be required for certain alterations to properties. If alterations are carried out at a cost to the Trust we are essentially improving their building which has no long term benefits to the Trust
- Property might not always be fit for purpose, but we may be required to occupy for the remaining term
- Dilapidations claims can be costly at the end of a term

Consequently, the refurbishment of an existing Trust asset is seen as a preferable option.

What happens if we do not fund this project?

The Trust is currently exposed to the potential litigation claims, Key safety regulations and guidance as the building does not met the following:

- Management of Health and Safety at Work Regulations 1999;
- Workplace (Health, Safety and Welfare) Regulations 1992;
- Health and Safety (Safety Signs and Signals) Regulations 1996;
- Control of Substances Hazardous to Health (COSHH) Regulations 2002.
- HTMs 57–60 Fire-resistant building components and materials.
- BS7671 Electrical Wiring Regulations
- BS 5839 Fire Alarm Systems
- BS 5266 Emergency Lighting

Failure to provide funding for this scheme will therefore result in further unacceptable exposure to risk.

The refurbishment of the McWhinney Hall is also a key strategic project for the Ards Hospital Site. Failure to fund McWhinney hall will place additional pressure on Mental Health Services within the Ards site which were predicted to grow by 10% Trustwide according to the Mental Health Management Plan. Funding of the project also helps the Trusts long term rejuvenation of the Ards Site.

The benefit of high quality training meeting/rooms improves the utilisation of the asset and improves staff values and moral. This was further reinforced by the staff feedback sessions and the strategy has been proven to be successful as evidenced by the QIIC at the Ulster Hospital. Failure to fund the McWhinney Hall project would mean that this would not be realised on the Ards/North Down area.

There is a need for a high quality, multifunction/multiuse space within the Ards site which can be easily and quickly adopted to address business and clinical needs. Suchs as clinics, vaccinations, meetings and training area. The refurbishment of the McWhinney Hall is a key strategic project for the overall rejuvenation of the Ards Hospital Site

Section 2a: State Objectives

- Objectives must be stated so that it is clear what proposals are intended to achieve. These should be consistent with statements of government policy, departmental or agency objectives, departmental Public Service Agreements
- Specify targets that are **SMART** i.e. Specific Measurable Achievable, Relevant and Time dependent. It is particularly important that objectives are measurable - otherwise it will not be possible to gauge whether or how well they have been achieved.
- Include quantifiable targets/ outcomes/ outputs where possible e.g. Achieve X outputs by 31 March 20XX, XX staff in place by 31 March 20XX etc.
- Where there are numerous objectives, or there is a potential conflict between objectives, it is helpful to indicate their relative priority, both to inform option assessment and to assist in post project evaluation.

Project Objectives	Measurable Targets
1. Reduce the foreseeable Health and Safety Risk	1 Carry out the work to decrease any risk to occupiers

2. Increase utilisation of a Trust Asset	2.1 To improve visual contrast and bring building up to current standards in line with Legislation and Building Regs. 2.2 Provide a multi-functional space
3. To enhance the Sustainability profile of the Trusts properties	3.1 Creating a design that will generate a positive and modern conference centre which will decrease the pressure of finding suitable location to meet demand and will boost staff morale. 3.2
4. (add more objectives as appropriate)	4.1 4.2

Section 2b: Constraints

- Identify any likely constraints to the project e.g. technical issues, timing issues, legal requirements, professional standards, planning constraints, policy commitments etc.

Project Constraints	Measure to address constraints
1. Asbestos in the Bldg.	1.1 Carry out Survey and take appropriate measures to eradicate the threat to any risks it imposes 1.2
2. Dampness in Bldg. and structural Cracking	2.1 Measures to be taken to remedy this defect through stripping back plaster work and renew, before the problem becomes more serious and poses a more serious threat to the health and safety of any potential occupier's 2.2
3. Capital Funding	3.1 BDL Capital Business Case prepared and submitted to EMT for approval 3.2 Identify capital funding from the Trust's General CRL 2021/22
4. (add more constraints as appropriate)	4.1 4.2

Section 3: Identify and Shortlist the Options

- Consider alternative ways to meet the objectives e.g. variations in scale, quality, technique, location, timing etc.
- Start with an initial 'long list' of options and sift them to provide a shortlist. Record all the options considered and the reasons for rejecting those not shortlisted.
- The shortlist of options should include a baseline Status Quo or 'Do Minimum' option and a suitable number of alternative 'Do Something' options (minimum two).
- The status quo should normally be short-listed and appraised even where it is not considered to be a realistic option. Its function is to provide a benchmark so that the VFM of the alternative 'do something' options may be judged by reference to current service provision. The exception to this requirement is where the appraisal concerns the introduction of a wholly new service, that is, where there is no existing provision to appraise.

Option Number/ Description	Shortlisted (S) or Rejected (R)	Reason for Rejection
1. Status Quo – continue with existing	S	This building requires more than general maintenance and this option would not be productive or provide a safe

arrangements		facility
2. Partial refurbishment of McWhinney Hall – Partial refurbishment of McWhinney Hall to provide 4No. meeting rooms from Lough House	S	The entire building would still need to be brought up to the current standards and partial refurbishment would only provide 4No meeting spaces at a similar size to the existing space. Only the 4No. Meeting rooms would be available and the remainder of McWhinney Hall would require to be refurbished at a later stage. .
3. Complete the refurbishment of McWhinney Hall	S	This is the scenario that provides the opportunity to utilise an obsolete building to it's full extent. It provides the opportunity to remodel the space to provide a more multifunctional space, increasing the size and overall utilisation of the building space.
4.		
5. (if applicable)		

Section 4: Monetary Costs and Benefits of Options

1. Appraisals should include all the costs and benefits to the South Eastern Trust arising from the project.
2. Costs and benefits should be valued in economic cost terms, which are generally reflected by using current market prices.
3. All the assets and other resources employed by each option should be costed, even if they have already been purchased. This is because they have an opportunity cost value i.e. if not used in this project they could be put to an alternative use.
4. Calculate the Net Present Cost (NPC) for each option:
5. Use the NPC spreadsheet at the NIGEAE website and append the NPC calculation for each option to the pro forma.
6. In the simplest cases, the table below may be used instead. Create a table for each option, adjusting the no. of columns to reflect the years of the project's life.
7. Treat the current financial year as Year 0. The number of years to be included within the NPC spreadsheet should cover the number of years of useful economic life that would be expected from the asset (e.g. 7 to 10 years for equipment)
8. Set out the expected capital costs and annual revenue costs for each option.
9. Express the figures in real terms i.e. held constant at today's prices.
10. The checklist of typical costs at the NIGEAE website should help identify relevant costs.
11. Financial savings arising from an option will be reflected in its lower costs compared to the Status Quo. Do not double count by also including them separately as benefits.
12. For particularly uncertain cost assumptions, consider using sensitivity analysis to illustrate how NPCs and option rankings are affected by varying these assumptions.
13. For more in-depth guidance, see Step 5 and Step 8 of NIGEAE.

Option 1: Status Quo	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Totals
Capital Costs	£0k						
(a) Total Capital Cost	£0k						
Revenue Costs Include details							
Existing Energy and Maintenance Costs	£50k	£50k	£50k	£50k	£50k	£50k	£300k

(b) Total Revenue Cost	£50k	£50k	£50k	£50k	£50k	£50k	£300k
(c) Total Cost = (a) + (b)							
(d) Disc Factor @ 3.5%pa	1.0000	.9662	.9335	.9019	.8714	.8420	
(e) NPC = (c) x (d)	£50k	£48.31k	£46.68k	£45.10k	£43.57k	£42.10k	£275.75

Costing Assumptions

The building still requires to be maintained so there is an ongoing revenue cost associated with the building. However the Trust does not receive value for money for this revenue spend as the building is underutilised.

Option 2: Partial refurbishment of McWhinney Hall – Partial refurbishment of McWhinney Hall to provide 4No. meeting rooms from Lough House	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Totals
Capital Costs	400K	450k					950k
(a) Total Capital Cost	400K	450K					950K
Revenue Costs Include details	50k	50k	50k	50k	50k	50k	300k
(b) Total Revenue Cost	£50k	£50k	£50k	£50k	£50k	£50k	£300k
(c) Total Cost = (a) + (b)							
(d) Disc Factor @ 3.5%pa	1.0000	.9662	.9335	.9019	.8714	.8420	
(e) NPC = (c) x (d)	450k	483.1k	46.675k	45.10	43.57k	42.1k	1110.5k

Costing Assumptions

Estimated Cost - £0.95m
 Contingency @ 10% - £95k
 Total Cost - £1.045m

£50K revenue costs are expected to be unchanged.

This cost above so not take into account the additional cost required to carryout refurbishment of the remainder of McWhinney Hall which would be still required at a later stage and through a separate tender and contract, significantly decreasing the value for money of the scheme

Option 3: complete the Works in full	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Totals
Capital Costs	300K	1,130k					1430K
(a) Total Capital Cost	300K	1,130K					1430K
Revenue Costs Include details	50k	50k	50k	50k	50k	50k	300k
(b) Total Revenue Cost	£50k	£50k	£50k	£50k	£50k	£50k	£300k
(c) Total Cost = (a) + (b)							
(d) Disc Factor @ 3.5%pa	1.0000	.9662	.9335	.9019	.8714	.8420	
(e) NPC = (c) x (d)	350k	1174.0k	46.68	45.10	43.57	42.10	1701.7k

Costing Assumptions

Expected Tender Cost - £1.3m breakdown as follows:

- Preliminaries - £47k
- Demolition & Building Works - £786k
- Mechanical Works - £175k
- Electrical Works - £212k
- Site Works - £30k
- IT - £50k

Contingency @ 10% - £130k

Total Cost - £1.43m

£50K revenue costs are expected to be unchanged. The additional saving as a result of the works making the building more energy efficient is expected to be offset with additional cleaning as a result of increased use of the building.

Section 5: Non-Monetary Costs and Benefits

- List and describe the benefits of each option (benefits will relate closely to the objectives),
- Either the **weighted scoring method** can be used OR **impact assessment**, depending on which is appropriate.
- **The weighted scoring method.** This involves assigning numerical weights to each factor to reflect its comparative importance; scoring the performance of each option against each factor on a numerical scale; and calculating a 'weighted score' for each option.
Explain rationale for weighting and scoring.
- **Impact Assessment.** This method tabulates the impact of each option upon each non-monetary factor in an impact statement or performance matrix. It involves assessing the impact of each option upon each relevant objective or assessment criterion. The presentation is often in tabular form, with the cells of the table containing suitable quantitative impact measures or indicators; and/or qualitative impact analysis. An accompanying commentary summarising the main trade-offs and other features of the analysis should generally be provided.

Impact assessment

Non-Monetary Factor	Impact on Option 1	Impact on Option 2	Impact on Option 3	Impact on Option 4
1. Reduce the foreseeable Health and Safety Risk	No impact	Can have impact – the Health and Safety Risk to part of the building would be improved. The remainder of the building would need refurbished at a later date.	Can have impact - The standard of the building will be improved and should not need to be address again for a period of 15-20 years	
2. Increase utilisation of a Trust Asset	This option does not improve the standard of the building	This option would only partially increase the utilisation of a Trust Asset with only 4 meeting rooms available	This option would allow the entire McWhinney Hall to be utilised for meeting and training	
3. Provide Additional meeting Space	No impact	No impact	This option would allow the entire McWhinney Hall to be utilised for meeting and training	
4. To enhance the Sustainability profile of the Trusts properties	No impact	No impact	The project will generate a positive and modern conference centre which will decrease the pressure of finding suitable location to meet demand and will boost staff morale.	

Section 6: Assess Risks and Uncertainties

- Identify and describe the risks that the project may face.
- Explain how these compare under the various options using the table below.
- Identify measures to ensure that each risk is appropriately managed and mitigated.
- Explain any contingency allowances or adjustments included for risks in the option costings.

Risk Description	Likely impact of Risk H/M/L				State how the options compare and identify relevant risk management / mitigation measures
	Opt 1	Opt 2	Opt 3	Opt 4	
1. Traffic Management of site	L		M		A proper traffic management plan will be coordinated and be included as of the procurement process

2. Disruption to Service	L		L		Building can be isolated and programme schedule of works monitored effectively and efficiently
3. Asbestos	L		L		Asbestos clearance works have already been completed.
4.					
Overall Risk (H/M/L):	L		M		

KEY: H = high M = medium L = low N/A = Not Applicable

Section 7: Preferred Option and Explanation for Selection

- Summarise the main differences between the options e.g. in terms of key assumptions, NPCs, non-monetary impacts, risks and other factors.
- Identify which option is preferred and explain why.

Option 3 is the preferred option as it meets and exceeds all the objectives of this case as discussed earlier. Option 3 will provide a full refurbishment of McWhinney Hall as a multifunction space which fits in with the Trust overall strategy for the Ards site whilst adding much needed additional space, which is an urgent requirement on the Ards Hospital site.

Although option 2 is clearly a cheaper option it does not meet the objectives set out in the case. If option 2 were chosen, the rest of the entire building would still need to be brought up to the current modern standards and as a partial refurbishment only, would only provide 4No meeting spaces at a similar size to the existing space. Only the 4No. Meeting rooms would be available and the remainder of McWhinney Hall would require to be refurbished at a later stage. As a result this would not be the most cost effective option in the longer term.

Section 8: Assess Affordability and Funding Arrangements

- Set out the annual capital and revenue requirements for the preferred option, as per the table below.
- Figures should allow for inflation, contingencies and (where relevant) optimism bias
- Identify expected sources of funding and degree to which each funder is committed.

	Yr 0 £000's	Yr 1 £000's	Yr 2 £000's	Yr 3 £000's	Totals £000's
Additional Funding Required:					
Capital Funding	300	1,130			£1,430
No Additional Revenue Funding Required					

Affordability Assumptions:

There are already ongoing revenue costs with maintaining the building. It is not envisaged that there will be a requirement for additional revenue. However, refurbishment of the building will bring more usage of the building and therefore better value for the current revenue spends. As this is a priority scheme for the Trust Funding of the capital requirement will be through the Trust's general capital CRL.

Section 9: Project Management

- Describe who will be responsible for each stage/phase of the project e.g. planning timetable, obtaining finance, procurement, legal issues, accommodation, staffing, consultancy etc.

A Design team has been appointed to complete the tender package.

Works were procured by public tender and advertised by DoF Health Projects.

The works will be project managed by Professionally Qualified Estates Staff.

Section 10: Monitoring, and Evaluation Arrangements

- Indicate arrangements for regular monitoring of the project's progress.
- State proposed evaluation arrangements e.g. when it will happen, who will do it, what factors will be evaluated.
- It is a requirement that a Post Project Evaluation (PPE) is carried out on all Trust Business Cases.
- State proposed date for PPE completion and Officer responsible for completion of the documentation

Who will manage the implementation?	The procurement and delivery of the work is to be organised by Estates Services
Who will monitor and evaluate the outcomes?	Timothy Sheehan
What other factors will be monitored and evaluated?	Boost in Moral amongst staff who are constantly under pressure, which this project is aimed at reducing the pressure for space.
When will this take place?	To be undertaken 1 year after the project has been completed.
Officer Responsible for PPE	The procurement and delivery of the work is to be organised by Estates Services

Finally, remember that this is a general template and that the boxes and tables above may be enlarged or modified to suit the particulars of the case in hand.