



South West London

Sutton and Merton Borough Teams  
Merton Clinical Commissioning Group

## Report to the Merton Clinical Commissioning (Delegation) Committee

Date of Meeting: Thursday 22<sup>nd</sup> November 2012

Agenda No: 7.3

ATTACHMENT 10

<b>Title of Document:</b> Better Healthcare Closer to Home: Nelson LCC Highlight Report	<b>Purpose of Report:</b> For Note
<b>Report Author:</b> Sue Howson, BHCH Project Manager	<b>Lead Director:</b> Adam Wickings, BHCH SRO
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<b>Executive Summary:</b> The documents provide an update on the Nelson Local Care Centre development.	
<b>Key sections for particular note (paragraph/page), areas of concern etc:</b> There is currently no Mitcham report as the current work on the scheme is just about to start.	
<b>Recommendation(s):</b> The Merton Clinical Commissioning Group Governing Body is requested to note the report.	

<p><b>Committees which have previously discussed/agreed the report:</b> BHCH Programme Board</p>
<p><b>PEC Comments where appropriate:</b> N/A</p>
<p><b>Financial Implications:</b> Financial management/ balance</p>
<p><b>Implications for the Sutton and Merton Board or Joint PCT Boards:</b> None</p>
<p><b>Implications for transition to future commissioning structures.</b> None</p>
<p><b>Other Implications:</b> (including patient and public involvement/Legal/Governance/Risk/ Diversity/ Staffing) None</p>
<p><b>Equality Impact Assessment:</b> EIAs are undertaken on elements of the programme as and when required.</p>
<p><b>Information Privacy Issues:</b></p>
<p><b>Communication Plan:</b> (including any implications under the Freedom of Information Act or NHS Constitution) A communications group has been convened for the BHCH Programme</p>

## BETTER HEALTHCARE CLOSER TO HOME PROGRAMME

### NELSON LCC DEVELOPMENT – HIGHLIGHT REPORT

<b>Project</b>	Nelson LCC Development
<b>Related Programme</b>	Better Healthcare Closer to Home
<b>Project Lead</b>	Sue Howson
<b>Project Initiation Date</b>	January 2011
<b>Project Purpose</b>	To project manage the delivery of the Nelson Local Care Centre utilising the NHS LIFT procurement route.
<b>Project Stage</b>	Stage 1- Stage 2 LIFT Business Case

<b>Reporting Period</b>	<b>Up to and including 15<sup>th</sup> November</b>
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<b>Overall Status of the Nelson LCC Project</b>	<b>Amber</b>
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<p><b>Red:</b> to achieve success immediate remedial action is required</p> <p><b>Amber:</b> delay possible, or task/milestone not mission critical</p> <p><b>Green:</b> on target to succeed</p>
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#### 1) CURRENT STATUS

The overall status of the project is **AMBER**.

#### **REASONS FOR AMBER STATUS**

**Business Case approval** - The Stage 1 Business Case was submitted to NHSL on 12 November. It is hoped that this will receive approval at the December Capital Investment Committee however there is some concern that the late submission may delay approval until January. The on-going progress of the scheme i.e. Stage 2 approval and Financial Close is dependant on the timeline for the approval of the Stage 1 business case.

**Planning Application** – The planning application was approved at the September Planning Application Committee. We are still awaiting the formal notification and the schedule of conditions that we will need to discharge prior to commencing the demolitions and build. Once the Section 106 agreement has been entered into a 3 month judicial review period will commence. Only on the expiration of this period we can proceed to Financial Close.

#### 2) PROGRESS UPDATE

**2.2 Stage 1 Business Case** – The business case was submitted to NHSL on 12 November 2012 and it is hoped that following the review by the capital investment team that the business case will be approved at the December Capital Investment Committee.

**Stage 2 Business Case** – The legal documentation for the business case is nearly completed with the exception of the funder drafting due to the uncertainty about future ownership of LIFT properties and the issues that this raises with the funder, Aviva.

The 1:50 design process has been completed with room layouts, elevations and Room Data Sheets (RDS) most areas now ready for sign-off. Key areas that remain outstanding are endoscopy and mental health.

The Guaranteed Maximum Price (GMP) will be agreed week commencing 26<sup>th</sup> November.

**2.3 Nelson Decant Project**

All occupants have now vacated the Nelson site. Decommissioning of site is nearly completed with the exception of IT. Hoardings will be erected week commencing 26<sup>th</sup> November and asbestos surveys will commence. All services to the site will be disconnected and capped at the site boundary during December.

**CURRENT KEY TASKS/MILESTONES**

The following illustrates the high-level milestones.

Tasks	Original Target Date	New Target Date	% Completed	RAG Status
Clinical Procurement Strategy	31/05/2012	30/09/2012	50%	<b>COMPLETED</b>
Appoint Hard FM provider	31/05/2012	31/08/2012	80%	<b>COMPLETED</b>
NHSL approval of Stage 1 Business Case	31/03/2012	18/12/2012	0%	<b>AMBER</b>
Approval of Full Planning Application	31/03/2012	06/09/2012	80%	<b>AMBER</b>
Vacation of the Nelson site	30/04/2012	30/09/2012	70%	<b>COMPLETED</b>
Complete on the sale of surplus land	31/04/2012	30/11/2012	0%	<b>GREEN</b>
Decommissioning of Nelson Hospital	31/08/2012	30/11/2012	80%	<b>GREEN</b>
NHSL approval Stage 2 Business Case	30/09/2012	20/02/2013	0%	<b>GREEN</b>
Financial Close	30/09/2012	31/03/2013	0%	<b>GREEN</b>
Start on site	01/10/2012	01/04/2013	0%	<b>GREEN</b>

Tasks	Original Target Date	New Target Date	% Completed	RAG Status
Construction completed	31/04/2014	30/10/2014	0%	<b>GREEN</b>
Building operational	30/06/2014	12/01/2015	0%	<b>GREEN</b>

**3) TASKS FOR NEXT PERIOD**

- Period of clarification on Stage 1 Business Case
- Sign off 1:50 detailed design and Room Data Sheets
- Review risk register for next stage of the project
- Commence drafting of Stage 2 Business Case
- Complete commercial negotiations
- Complete legal drafting

**4) KEY ISSUES AND RISKS – for full detail refer to BHCH Risk/Issue Register**