The Modernisation and Re-design of Primary, Community Health and Social Care Services Facilities for Barrhead

Outline Business Case

Contents

1 Executive Summary

1.1. This Outline Business Case is for the “Modernisation and Re-design of Primary and Community Health and Social Care Services and Facilities in Barrhead”. It has been produced by East Renfrewshire Community Health and Care Partnership. The partnership is between NHS Greater Glasgow and Clyde and East Renfrewshire Council. The OBC is a response to the needs of the partnership for accommodation which is fit for purpose for both health and care services.

The development is a significant opportunity for the development of primary care and community-based services alongside social care services

The service objectives for the project are:

- Provision of effective health & social care services.
- Promotion of a patient/person centred service.
- Meeting local needs with easy and equitable access to services.
- Supporting the retention and recruitment of staff.
- Delivering a high quality of physical environment for patients and staff.
- Facilitating the introduction of new ways of working and in particular effective collaborative/partnership working, including optimising use of shared space wherever possible
- Providing a flexible and adaptable property solution.
- Addressing health inequalities.
- Making more effective use of resources.
- Supporting and promoting "improved working lives".

1.2. The present Barrhead Health Centre was opened in 1981 and provides accommodation which is now not fit for purpose. It provides only 44% of the recommended accommodation for the two GP practices based there. There is no room to expand community nursing or allied health professional services and this has constrained the development of more locally based services, such as consultant led clinics, post natal depression clinics, and minor surgery clinics. The existing facility has failed to keep pace with the requirements of modern primary care health provision.

1.3. Social work services within the CHCP have a number of accommodation pressures which the proposals in this OBC will address. The older person’s day care in Neilston is in accommodation which was not purpose built and is significantly constrained. Social work teams based in the Carlibar Annex will require to relocate as the building is due for demolition. The converted accommodation for the Home Care and Levern Valley Older Person’s teams in Darnley Road is not fit for purpose and needs to be replaced.

1.4. For approximately 5 years work has been in progress to develop a proposal to re-provide Barrhead Health Centre. Early on in the process it emerged that East Renfrewshire Council was keen to enter into a partnership agreement to build a joint health and social care facility providing both day centre and office accommodation required by the local authority. As the combined facility would be significantly larger than the current building it was necessary to explore options for a new location. Over an extended period a number of potential options were reviewed.

1.5. In the autumn of 2004 the local authority commissioned independent consultants, DTZ Pieda, to develop a regeneration framework for the redevelopment of Barrhead town centre. DTZ undertook a wide-ranging consultation exercise which involved service providers, local business and the public. As part of this process the NHS was consulted with particular reference to the need for a new health centre. The Town Centre Masterplan for Barrhead which was published following the DTZ review proposed a site for a health and care facility on Barrhead Main Street.

1.6. The benefits appraisal process considered two other sites within Barrhead. These were the "Volvo" site on Lochlibo Road and the "Dovecothall" site on Glasgow Road.

1.7. The Project Board also initially considered the option for developing separate premises for independent contractors and for community health and care services. This option was not pursued as it was judged to be wholly contrary to the policy drive towards service integration.

1.8. The short list of options was:

Option 1 Do nothing

Option 2 Extend and refurbish the existing Health Centre

Option 3 New build multi-purpose facility for Health & Social Care Services For which included 3 alternative sites were considered.

1.9. The short list of options was subjected to an appraisal of benefits, costs and risks in accordance with the Scottish Capital Investment Manual and Revised Interim Capital Guidance HDL(2002)87.

1.10. The results of the appraisal of non-financial benefits is shown in the table below and clearly shows that option 3(a) is superior in terms of expected benefits from the project.

Table 1.1.

		Weighted Benefits Score		
Option	**Option Description**	**Optimistic**	**Consensus**	**Pessimistic**
1	Do Nothing	502	333	282
2	Extend and Refurbish	621	543	473
3(a)	New build: Main Street	916	863	781
3(b)	New build: Volvo site	642	583	442
3(c)	New build: Dovecothall	642	589	553

1.11. The capital costs of the different service options (including the cost of optimism bias risk) are shown in the table below. Options 2 and 3 are joint developments with East Renfrewshire Council with the local authority making a capital contribution as shown in the table.

Table 1.2.

Option No	**Option Description**	**Capital Cost NHS £000**	**Capital Cost Council £000**	**Total Capital Cost £000**
1	Do Nothing	N/A	N/A	
2	Extend and Refurbish	21,086	3,000	24,086
3(a,b,c)	New Build[1]	14,617	3,000	17,617

1.12. The capital and building related revenue costs of the options were used to carry out an economic appraisal of the options using discounted cash flow techniques with a discount rate of 3.5% for the first 30 years and 3% for the remaining years up to 60. This resulted in Net Present Cost (NPC) for each option, for NHS accommodation only, as shown in the table below.

Table 1.3.

Option No	**Option Description**	**Lifecycle Cost NPV £000**
1	Do Nothing	N/A
2	Extend and Refurbish	26,507
3	New Build	18,704

Includes all building lifecycle replacement costs, hard and soft FM services
Excludes VAT, capital charges, rates and transition costs

1.13. The preferred option is Option No 3 which would provide the best solution in

[1] For the three options it is assumed that build costs would be similar. However, it is recognised that land costs for each option will vary.

terms of value for money and anticipated benefits.

1.14. By implementing Option 3 we would expect the change to benefit patients, professional staff and the general public by:

- Enabling all Barrhead residents to have continued access now and in the future to core primary care services and community health services that are adequate to their needs in terms of range, volume and quality.

- Providing access to seamless care through the co-location of a wide range of services including Home Care and Social Work Teams in Primary Care - in line with the NHS Greater Glasgow and Clyde Policies and the objectives of East Renfrewshire CHCP.

- Promoting sustainable services by addressing recruitment and retention to ensure that high quality services that satisfy the needs of the population are provided by high quality staff, from high quality facilities.

- Preventing the adverse effect on services that could be caused by any destabilisation of existing GP Practices caused by building development or the loss of skilled staff.

- Improving patient access to and experience of services in terms of both convenient physical access and timeliness due to extra capacity in a range of services.

- Promoting continuous improvements in quality and allowing new ways of working to be introduced to foster flexibility and versatility.

- Maximising the work that can be most effectively carried out in primary care, joint working between health professionals and joint working across agencies in line with key national strategies for primary care and community services such as *Partnership for Care* and the *Joint Future Initiative*.

1.15. The proposed site for the preferred option is owned by East Renfrewshire Council. It is proposed that there be an excambion land exchange between the NHS and East Renfrewshire Council. Discussion is ongoing between the NHS and East Renfrewshire Council on the basis of a lease agreement. The position will be finalised prior to discussion at the CIG.

1.16. It is envisaged that the replacement of current service models with a “one stop integrated” approach to the organisation and delivery of primary health and social care services will enable NHS Greater Glasgow and Clyde to make greater progress towards the achievement of the goals in its Local Health Plan and the CHCP Development Plan.

1.17. The affordability of the project has been examined including capital charges, VAT and rates etc and on the basis of the NHS leading the project and recharging East Renfrewshire Council in respect of occupancy costs pro rata to the space occupied by Social Work services. A summary is shown in the table below. Capital costs are inflated to mid-contract prices and occupancy costs to year 1 of occupation. Existing costs are 200/07 prices.

Table 1.4.

Option	Net recurring change in revenue costs to NHS	Net recurring change in Capital charges to NHS	Total increase in costs to NHS
Option 1	N/A	N/A	N/A
Option 2	£0.246 m increase	£1.241m increase	£1.487 increase
Option 3	£0.141 m increase	£0.739m increase	£0.880 increase

1.18. The outline timetable for completing the scheme is as follows:

NHS GG & C Board approval	March	2007
Capital Investment Group OBC approval	April	2007
Design Team Appointed	April	2007
Capital Investment Group FBC approval	October	2008
Award Contract	October	2008
Construction Start	November	2008
Completion Date	June	2010

1.19. Provisions for the revenue and capital costs of the project have been made within the NHS Greater Glasgow & Clyde financial plan and this OBC is being presented for approval to its Board in March 2007. The project has the full support of East Renfrewshire Council.

2 The title of the project

2.1. The title of the Project as it appears in the Board's Capital Plan and in the reporting system is "The Modernisation & Re-design of Primary and Community Health and Social Care Services and Facilities for Barrhead".

3 Introduction and background

Policy Context

3.1. The national policy context has a critical influence on the development of health and care services within Barrhead.

3.2. While not intended to be exhaustive, the following list identifies some of the key national policies which have influenced the current proposals.

- Getting It Right for Every Child;
- Hidden Harm;
- Changing Lives;
- Delivering for Health and associated guidance;
- Health and Homelessness Standards;
- Equality legislation;
- Improving Health in Scotland: the Challenge;
- Respect and Responsibility - the national sexual health strategy.

3.3. Each of these policies seeks to improve the health and social care service response to the people of Scotland. It is worth highlighting the key messages in a number of headline policies.

3.4. *Delivering for Health* (SEHD, 2005) signals a transformational change in the NHS from a service that is primarily focused on providing care in hospitals to one where care is planned, delivered and evaluated close to people's homes.

3.5. *Delivering for Health* sets out the Executive's priorities for NHS Scotland over the next decade. It presents a new vision for NHS Scotland, a vision based on:

- delivering care close to where people live
- offering people timely access to services
- promoting a strong emphasis on anticipatory care
- supporting patient self-management of long-term conditions.

Delivering for Health calls for:

- a fundamental shift in the way the NHS works, from an acute, hospital-driven service to one that is embedded within the community, is patient focused and is based on a philosophy which moves from 'care' to enablement and rehabilitation.
- a focus on meeting the twin challenges of an ageing population and the rising incidence of long-term conditions

- a concentration on preventing ill-health and treating people faster and closer to home
- a determination to develop responses that are proactive, modern, safe and embedded in communities
- support for health care professionals, patients and their carers to deliver sustainable, quality services.

3.6. It emphasises the need for a decisive shift in the balance of care within the NHS to meet the challenges of an ageing population, which will result in a growing number of people living with long-term conditions.

3.7. The importance of applying a more systematic approach to care for people with long-term conditions is emphasised in the new policy. This calls for services to identify individuals in their local population who have long-term conditions and to tailor health and social care services to meet their requirements. Proactive, systematic approaches to patient management, underpinned by good prevention, need to be adopted to further this agenda.

3.8. The shift in policy direction in the health service that *Delivering for Health* represents is mirrored in the social care sector by *Changing Lives* (SEHD,2006). This review of social work in Scotland sets out a vision for social care services for the 21st Century. The report outlines 13 recommendations based on the premise that 'more of the same won't work', highlighting the need for change to make sure services respond to future demographic changes, public expectations, workforce availability and achieve this within available financial allocations.

3.9. *Changing Lives* places the emphasis on service redesign, workforce training and leadership and a shift towards early intervention and prevention. It focuses on building the capacity of the workforce to deliver personalised services and create sustainable change.

Although each strategy focuses on different aspects of transformation they are based on a common set of principles:

- community capacity building
- whole-systems approaches
- focus on prevention and early intervention
- user involvement
- carers as partners
- self management of care
- systematic approach to long-term conditions management
- a competent workforce.

3.10. Health and social care professionals now need to build on existing skills in the management of long-term conditions and co-morbidities, health improvement and anticipatory care/early intervention. By focusing on rehabilitation and enablement, professionals will be in a strong position to contribute their expertise to the delivery of the new health and social care agenda, working with service users/patients to ensure they receive the support they need.

3.11. The recently published *Delivery Framework for Adult Rehabilitation in Scotland* identifies three target groups for the delivery of rehabilitation services:

- Older people
- People with long term conditions

- People returning from work absence and/or aiming to stay in employment.

3.12. In relation to the needs of older people the framework refers to the principles and values of joint service provision which are outlined in *Better Outcomes for Older People*, highlighting the need for:

- Flexibility
- Responsiveness to local needs
- Ability to delivery better outcomes for individuals

3.13. *Better Outcomes* also calls for a stronger focus on service integration to provide a range of enabling, rehabilitative and treatment services in community settings.

3.14. The *Draft Framework for Rehabilitation* identifies six main themes for the development of rehabilitation services. These are:

1. Rehabilitation services should be more accessible to those who use services, including direct access when essential.
2. Rehabilitation services need to be provided locally, with a strong community focus.
3. A systematic approach to delivering rehabilitation to individuals is required, promoting independence and self-management.
4. Rehabilitation services should be comprehensive and evidence-based, should reflect patient needs at distinct phases of care, and should identify models to ensure seamless transitions.
5. Practitioners and providers in health and social care need to be better informed about current and evolving roles and expertise within rehabilitation teams.
6. Health and social care professionals need to critically review staff resource deployment through service redesign and skill-mix review.

3.15. In summary this policy context delivers the following as key drivers for the current project:

- Improving equitable access to services through the availability of an increased range of services in community settings.
- Community and public participation in service design and provision.
- Seamless care through tailor-made integrated care pathways supported by a range of agencies working in partnership.
- Staff partnership based on involvement and support to provide new flexible and effective ways of working.
- Improved care for the elderly and younger people.
- The use of technological advances in information and communications technology generally to benefit service users and reduce the professional isolation of its staff.
- The high priority attached to the improvement of peoples' health and improvement of community services.
- Breaking down of barriers between primary and secondary care and health and social care organisations and professions through a whole systems approach to planning and delivering services.
- The creation of sustainable and flexible services and facilities which can absorb rising expectations and demand, especially to meet needs for increased programmed care for chronic disease.

3.16. Taking analysis of the policy context further, the key assumptions underlying the analysis of the strategic context for the changes proposed in these plans and this business case are:

- It will increasingly be possible to provide services safely and effectively closer to peoples' homes and this will benefit people who use the services by improving access.
- Interagency collaboration, multidisciplinary working and service integration are vital to the effective provision of services for many groups in the population.
- Medical, information and communications technology will continue to improve and create opportunities for improving local access especially to diagnostic services.
- Peoples' expectations about the services which they receive and where and when they receive them will continue to increase and meeting these expectations will remain a social policy priority.
- Nurses, Allied Health Professionals and Social Care Professionals, in particular, will continue to develop their roles in providing care in the context of extended primary care teams.
- Improvement of service through the design of integrated care pathways for people with complex health and social problems will remain national priorities. This will also apply to the improvement of services for people with a range of diseases which cause premature death or reduce peoples' functioning or quality of life (e.g. CHD, cancer and diabetes).
- The demand for locally based services will increase and this will mean using facilities and staff in an imaginative way to expand capacity to meet this demand.
- Significant and sustained improvements in health and well-being are achieved through supported self care and services and facilities are needed to motivate people to look after themselves and to help them to do this.

Local strategic context

3.17. NHS Greater Glasgow & Clyde provides strategic leadership and direction for all NHS services in the Glasgow & Clyde area. It works with partners to improve the health of local people and the services they receive.

3.18. At a more local level the implementation of strategic policy objectives, including service integration has been given added impetus by the establishment of Community Health and Care Partnerships under the provisions of *Partnership for Care*. East Renfrewshire CHCP has been established as a fully integrated partnership which is responsible for the planning and delivery of all health and care services within the local authority area. This includes the delivery of services to children and adult community care groups and health improvement activity.

3.19. Delivery of the objectives of the CHCP Development Plan as it reflects the NHS Greater Glasgow and Clyde Local Delivery Plan will be enabled by the development of the proposed facility. The key development objectives will centre on the following key Corporate Themes:

- Improve Resource Utilisation: making better use of our financial, staff and other resources.

- Shift the Balance of Care: delivering more care in and close to people's homes
- Focus Resources on Greatest Need: ensure that the more vulnerable sectors of our population have the greatest access to services and resources that meet their needs
- Improve Access: ensure service organisation, delivery and location enable easy access
- Modernise Services: provide our services in ways and in facilities which are as up to date as possible
- Improve Individual Health Status: change key factors and behaviours which impact on health
- Effective Organisation: be credible, well led and organised and meet our statutory duties

3.20. The CHCP Committee leads on the Caring and Healthy Communities theme within the Community Plan. Community planning has a number of guiding principles, which include:

- Promoting social justice and social inclusion sustainability
- Succeeding in joint working and involving people
- Ensuring quality and accessibility
- Delivering continuous improvement and best value

3.21. As indicated above, the CHCP is charged with improving the health of local people. NHS Health Scotland has published statistics which enable comparison of the health status of Barrhead with the rest of Scotland. As indicated elsewhere in this paper a key policy objective is the improvement of health outcomes. Over recent years there have been considerable improvements in many areas, particularly in relation to coronary heart disease. The profile information for Barrhead indicates a range of health behaviours and outcomes which require action. These include:

- Teenage pregnancy.
- Low birth weight babies
- Smoking during pregnancy
- Breastfeeding at 6-8 weeks
- High rates of hospital admission for cancer and heart disease
- Dental hospital admissions for children

3.22. The local authority is leading a programme of regeneration for Barrhead. The Barrhead Regeneration Framework seeks to reverse the population decline for the area, improve employment opportunities and improve shopping quality and choice. A key objective is to maximise the civic role of the town and enhance health, leisure and recreation facilities. It is anticipated that over its 10 year life cycle the Regeneration framework will see a major change in the physical environment in Barrhead, both in the civic core and by the construction of additional housing units. It is anticipated that by 2015 the population of Barrhead alone will be 21,071 which is an increase of approximately 2,500 (a rise of 12%) over the period.

Proposed Outcomes – benefits to patients and clients

3.23. The investment proposed in this business case will make a significant contribution to the achievement of the wider policy agenda and the local Corporate Objectives by providing modern and fit for purpose facilities for the provision of services across health and social care.

3.24. In particular the investments will:

- Enable speedy access to modernised and integrated Primary Care and Community Health Services that are progressing towards the achievement of national standards.
- Support the co-location of Home Care and Social Work Teams in Primary Care.
- Promote sustainable primary care services.
- Preserve the momentum for beneficial change already underway in general practice including the development of Local Enhanced Services (LES) in Clyde.
- Improve the convenience of access to primary care services for patients.
- Sustain the progress made towards establishing a culture of partnership that is an essential foundation for the Community Health Partnership in line with "Partnership for Care".
- Deliver NHS Greater Glasgow & Clyde wide planning goals by supporting strategies for service remodelling and redesign that have been the subject of extensive public engagement and involvement.

3.25. Service users will see an improvement in the following:

- Physical environment and patient pathway
- Access to a range of services not previously available locally including genitourinary medicine
- One door access to integrated community teams including adult mental health services. This will improve service co-ordination and ensure that service users receive the best possible care from the professional with the skills best suited to their needs.
- A more co-ordinated approach to rehabilitation
- Speedier referral pathways between professionals.

Measurable Outcomes

3.26. The following list of predicted outcomes includes a number of quantitative and qualitative measures. The measures include both process improvements and outcomes for individual service users.

Outcome	Measure	Data Source
Improvement in systematic response to the needs of people with long term conditions.	Increase in patient throughflow in relation to long term conditions management.	Use of GPASS system to measure call/recall and interventions with specific patient groups both before and after facility construction
Increase in local availability of primary care led interventions.	Measurement of increase in local clinical sessions (led by GPs or hospital consultants) for interventions like minor surgery or dermatology.	Diaries of consulting room useage

Increase in the number of people with mental health problems who are supported within the community and a reduction in hospital admissions	Ratio of hospital admission relative to community caseload.	Analysis of PIMs data both before and after the facility's construction.
A reduction in teenage pregnancy and STIs	Rate of teenage conceptions.	Analysis of data collected both before and after facility construction.
Improvements in service user access	Reduction in waiting times for service Achievement of targets for access to primary care Increase in number of clinical sessions outwith normal working hours Ensuring equity of access across all care groups.	Waiting time data for community outpatient services including podiatry and physiotherapy is routinely collected and will be analysed both before and after construction. Access data for primary care services under the 48 hour guarantee is already collected electronically. It will be possible to measure out of hours clinical sessions both before and after construction. Programme of audit of access by care group and equality groups.
Improvement in service user satisfaction with range of provision	Service user satisfaction questionnaires which will seek to assess perception of outcome improvement	Service user questionnaires.
Improvement in the quantity, quality and availability of rehabilitation service within the community. Increased capacity to respond to changes in service user circumstances rapidly.	Measurement of the number of people receiving a service in Barrhead. Increase in clinical sessions for extended practice in AHP services in a local setting rather than hospital. This to include ESP in physiotherapy and biomechanics in podiatry.	The availability of specific services in Barrhead will be measurable.
Reduction in numbers of repeat admissions to hospital	Measurement of numbers of service users receiving integrated case management response. Measurement of impact on hospital admission.	SMR1 discharge data will be analysed both before and after construction to assess numbers of repeat admissions
Service co-location within a new facility will enable a joined up response to • Prevention and early intervention. • Managing long-term conditions. • Delivering co-ordinated and integrated care. • Shifting the balance of care from institutions to the community and people's homes. • Building community capacity and integration while concentrating specialist services	Measure of targeted interventions for particular groups. Analysis of health inequalities on basket of indicators available at local level. SPARRA output. Access rates by equality group and deprivation index.	End-to-end time measures for service access from social care and health systems will be available for services both before and after construction. Balance of care data both before and after construction will be analysed to evidence improvement in pro-active service responses. Percentage of total number of people supported at home as proportion of all long-term care users is available from social care data systems.
Horizontal integration to better deliver on national outcomes in	Co-location of care managers across partner agencies at	Service provider questionnaires seeking views on the anticipated

''Delivering for Care'' and "Changing Lives".	operational level. Continuity of care through implementation of integrated care pathways.	and realised benefits of co-location both before and after construction.
Staff recruitment and retention	Numbers of vacancies and turnover within primary, community and care services.	Audit of data within each of the sectors. Comparison of data both before and after construction.

4. Description of the present and proposed services

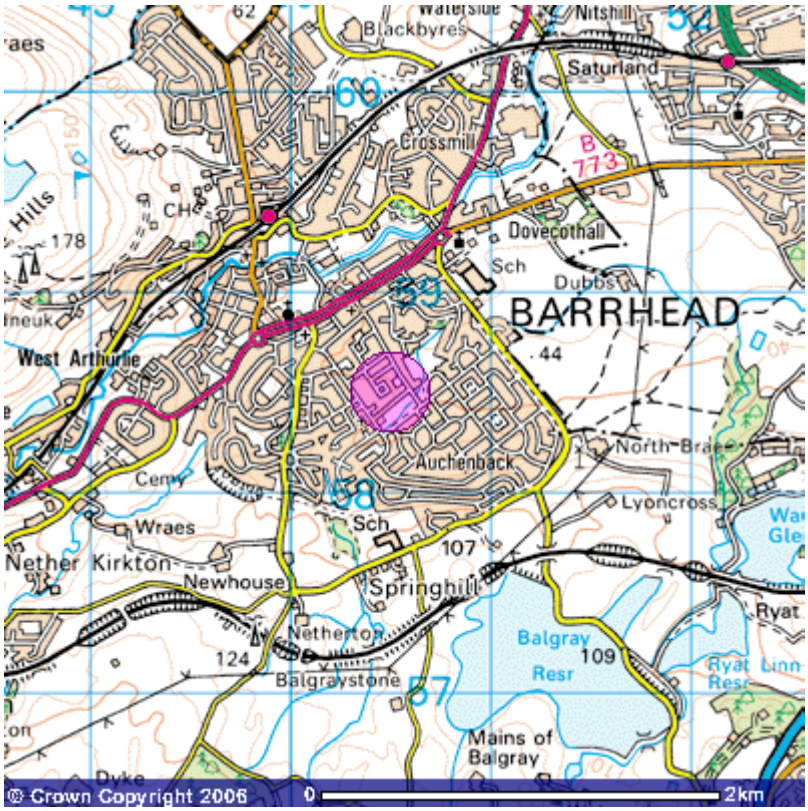
Current Service

4.1. Primary and Acute health and social care services which are used by people living in the Barrhead area are currently provided by:

- NHS Greater Glasgow & Clyde
- Three General Medical Practices: Two based in the current health centre and one in separate premises.
- A range of independent contractors proving general dental, pharmaceutical and optometry services.
- East Renfrewshire Council

Local health and care services are provided jointly by the Community Health and Care Partnership.

4.2. The geographic area covered by the services covered in this OBC is shown on the map below.



4.3. Barrhead Health Centre provides community health services to the people of Barrhead, Neilston and Uplawmoor. The GPs within the health centre provide a service primarily to the people of Barrhead.

4.4. The current facility, which was opened in 1981 accommodates two GP practice's. Other services & clinics that operate from the health centre include community nursing, school health services, podiatry, physiotherapy, salaried dental service, psychological services, child health services, speech & language therapy, family planning, well woman services, ante natal care, and smoking cessation.

4.5. The two GP practices in the health centre have a combined list size of 17,397. The wider range of community services is available to the Levern Valley population which is 24,042.

4.6. The patient profiles for the three general practices in Barrhead, as at 1 October 2006, are shown in the table below:

Table 4.1.

	Accommodation	75+	65 - 74	Under 65	Out of area	Total
Dr Mitchell and Partners	Barrhead H Ctr	577	805	7637	-	9019
Dr McAleer and Partners	Barrhead H Ctr	574	872	6932	-	8378
Dr Naven and Partners	Own premises	193	283	3102	-	3578

4.7. The three practices have 20,975 patients registered with them in total. As at 1 October 2006, there are 13 whole time equivalent principals in the three practices.

4.8. Practices are making significant progress with the development of integrated primary care services. Nurses, physiotherapists, dieticians, psychiatric nurses, speech therapists, podiatrists and psychologists work in or closely with all practices. In doing this they are extending the range of services provided to meet such needs as smoking cessation, assessment of minor illnesses, management of patients with chronic conditions (e.g. diabetes, asthma, CHD), psychological support, minor surgery to avoid hospital waits and self care. These and a range of other needs are being met within primary care settings by traditional medical and complementary therapy services. Practices are seeking to build on the excellent working relations they have with the local social work and home care teams to ensure that they provide a comprehensive community service.

4.9. The three practices are currently practising from main surgeries with an aggregate floor area of 44% of the Scottish Executive Health Department's recommended accommodation required by modern Primary Care. GP practices have been unable to develop the full range of services under the new GMS contract.

4.10. Community nursing and allied health professionals are operating from relatively constrained premises which allow very limited capacity for expansion in response to the drive for more a more community based service response.

4.11. The lack of consulting room capacity has constrained the development of more locally based services, such as consultant led Clinics, post natal depression clinics, and minor surgery clinics.

4.12. The lack of space has also prevented practices applying to become teaching practices.

4.13. The three general dental practices in Barrhead are located in accommodation which does not meet the requirements of the Disability Discrimination Act. The relocation of one of the practices will improve access to dental services for service users.

4.14. The social work function within the CHCP is seeking to locate a number of services within the new joint facility which are currently occupying a range of inadequate accommodation;

- Older person's day care: The service is currently based in cramped converted accommodation in Neilston.
- Care management and assessment teams: Based in the old Carlibar Primary School which is due for demolition.
- Home care and older person's teams: Based in inadequate accommodation in a former school.

4.15. In summary, therefore:

- Primary care service providers and social care services working under the auspices of the CHCP are keen to pursue the goals of service modernisation and integration in line with NHS Scotland policies and NHS Greater Glasgow & Clyde strategic goals.
- Primary care teams have made best use of the facilities available in order to maximise patient benefits under nGMS.
- For primary care further improvement is constrained by the lack of space within the current facility.
- The current facility significantly limits the opportunities for integration and joint working between services across health and care.

Proposed Service

4.16. The proposed service would provide fully integrated health and social care service locally to the residents of the Barrhead and Levern Valley. As an integrated service it would comprise:

- 3 GP practices
- Community nursing
- Allied health professionals (Physiotherapy, Podiatry, Occupational Therapy, Speech and Language Therapy)
- Community/Salaried Dental Service
- School health services
- Integrated community mental health services
- Integrated older person services
- Integrated rehabilitation services
- Health improvement staff
- Older persons day care
- Sandyford Sexual Health Services HUB
- Facilities for minor surgery and for outreach clinics
- General Dental practice

4.17. In addition the staff providing these services would have on site access to a full range of support services.

4.18. The services would be provided from a single purpose built resource centre, designed to run on modern lines with a single entrance and reception area and generic consulting accommodation. Some services based at the centre would outreach to other non health facilities (e.g. schools) and peoples' homes.

4.19. In developing this OBC these proposals have been the subject of extensive consultation activity with the range of service stakeholders. The project management arrangements outlined in Appendix E illustrate the representative nature of the project structure. In addition a number of workshops have been held which have sought to refine the accommodation requirements of service providers across health and social care. Service providers have also had a significant role in the workshops designed to assess the benefits and risks associated with the options being considered.

4.20. Public engagement has also been at the forefront of the OBC development process. The arrangements in relation to public engagement are outlined in Appendix F.

4.21. The accommodation requirements of the key stakeholders are as follows:

Table 4.2.

Partner	Area Sq metres
NHS	2183
Local Authority	1088
General Practitioner	1866
General Dental Practitioner	231
Total	**5372**

4.22. The table includes an apportionment of shared space (reception, plant room etc) based on occupied floor area. The NHS and local authority totals also include an apportionment for services which are integrated which will be accommodated in the new build.

5. **Development and appraisal of options**

5.1. A wide range of options for meeting the project objectives were considered. The following options emerged as the most appropriate for short-listing. These options have been discussed at a multi-agency workshops and also at various meetings involving both the local authority, the NHS and local independent practitioners.

Option 1 Do nothing

This option would involve minimal remedial work to the current health centre. Alternative solutions for the social care service accommodation requirements would need to be developed.

Option 2 Extend and refurbish the existing Health Centre

This option envisages the development of a health and social care facility on the current health centre site. The option would require a phased refurbishment and redesign of the current facility with the addition of further storey's on what is a single storey building. The option would also require decant to temporary modular accommodation during the works phase.

Option 3 New build multi-purpose facility for Health & Social Care Services.

3 possible sites for a new build option were considered. These were

Option 3(a): A site close to the current health centre on the site of a now vacant primary school. The site is on the Main Street in Barrhead adjacent to a range of local amenities. The site is owned by East Renfewshire Council and currently available for development.

Option 3(b): This site is located to the southern end of Barrhead on a site formerly used as garage premises by Volvo. The site is approximately half a mile from the current health centre. The site is owned by a private company and is zoned for development.

Option 3(c): This site is located at the northern end of Barrhead. The site formerly had an industrial use. The site is approximately half a mile from the current health centre. It is owned by a private company and is zoned for development.

5.2. The Project Board considered the option of the GPs moving to purpose-built premises and the refurbishment of the existing health centre for use by health and care services. While this option could have gone some way to addressing space limitations it would be contrary to the delivery of strategic benefits which would be delivered by the co-location of services providing integrated care. This option was not short-listed.

5.3. An appraisal of these options following the guidance in SCIM, considering costs, benefits and risks has been undertaken.

Appraisal of Non-Financial Benefits

5.4. An option appraisal exercise was carried out using a workshop format involving members of the Project Team, the CHCP management team nursing and clinical staff, practice management and General Practitioners. This key decision-making stage of the development of the business case was carried out in a structured, systematic way in accordance with SCIM by managers, professionals and staff with a good knowledge of service needs and the operational issues associated with delivering health and social care services in Barrhead and the wider Levern Valley area. In addition to the formal option appraisal process there has been continual dialogue and discussion with service users and the public. Recently the Public Partnership Forum has taken the lead, on behalf of the Project Board, in developing public consultation in relation to the proposed new facility. Feedback from a widely distributed public questionnaire and from public information sessions has helped confirm the public commitment to the new development.

5.5. The project group derived the benefits criteria from the project objectives. Each benefit criteria was then weighted according to its overall importance. The options were then scored against each criterion to reflect how well it is expected to perform in terms of delivering the benefit. The summated product of the scores and weights led to a "Weighted Benefit Score" for each option.[2]

The outcome of the appraisal process for each benefit criteria is summarised below:

Care Effectiveness and Quality

It was acknowledged that for both health and care services, providers currently ensure high standards given the current constraints. In the context of the evolving CHCP and the drive to service integration Option 3 was seen as the most likely to achieve improved care quality. Option 2 was viewed negatively as there was a concern that the site size would constrain the development of all of the anticipated services.

Accessibility

The need for good access in every sense was seen as critical. This included physical access and access at convenient times. The options which retained a Main Street site scored well on this criteria. Options 3(b) and 3(c) were viewed as being distant from the hub of the communication links within Barrhead.

Quality of the Environment

The need for a physical environment which enhances the experience for both staff and service users was viewed as important in any new development. The development of a new build under Option 3 was felt to offer the best means of achieving an improvement. Although Option 2 would provide some improvement it was felt that the limitations of the site and design of the current facility would greatly limit the opportunity to achieve an optimum improvement in the environment.

Flexibility for Growth and Change

[2] Further detail on the process is given in Appendix D.

It was felt that Option 3 offered the best opportunity for developing a flexible building which could accommodate the changing needs of the service.

Fit with local regeneration proposals

The review group recognised that the development of a health and care facility could not be seen in isolation. The opportunity for improving the health and well-being of the people of Barrhead which the Regeneration Masterplan represents were seen as critical. Option 3(a) was felt to be most in sympathy with this important strategy.

Staff motivation

The new build options scored highly as the most likely to attract and retain staff. While option 2 was likely to improve the facility in the short term there would be little opportunity for further development. It was the view of the review group that staff are motivated by the prospect of increased joint working between health and social care and that option 3 would be the most likely to guarantee this.

Availability

The review process recognised that discussion about a replacement for the current health centre has been ongoing for many years. There was a view that options which were likely to be either technically difficult or likely to introduce further significant delay were not favourable. Option 3(a) was viewed as the most likely to deliver a favoured solution within an acceptable timescale.

5.6. The resulting Weighted Benefits Scores of the options are shown below:

Table 5.1.

		Weighted Benefits Score		
Option	**Option Description**	**Optimistic**	**Consensus**	**Pessimistic**
1	Do Nothing	502	333	282
2	Extend and Refurbish	621	543	473
3(a)	New build: Main Street	916	863	781
3(b)	New build: Volvo site	642	583	442
3(c)	New build: Dovecothall	642	589	553

5.7. In summary, option 3(a) was deemed to be the most likely to offer the best solution taking the range of factors into account.

Appraisal of Risks

5.8. The methodology for assessing risks has been in accordance with the Treasury's "Green Book" and has concentrated on the practical differences in the risks/uncertainty associated with each of the short-listed options. Two types of risk were considered:

- Risks that can be quantified financially including optimism bias – these have been factored into the capital and lifecycle costs of the project.

- Risks that cannot be quantified financially – these have been appraised using a "weighting and scoring" technique similar to that used for the appraisal of non-financial benefits.

Summary of Risk Appraisal

5.9. The outcome of the risk analysis associated with the project that could not be quantified financially were identified and weighted. The outcomes are detailed in Appendix D.

1. Delegates felt that Option 1 in particular would almost certainly result in a high risk that the anticipated benefits for the project would not be realised. For Option 2 this was ameliorated but there were concerns that the constraints of the site would not allow the full development of the range of services felt to be the optimum. Option 3 presented the least risk that the anticipated benefits would not be realised.
2. In relation to staff morale there was a view that Option 1 would result in significant disappointment for the current staff group who are anticipating an improvement in their accommodation situation. Delegates felt that realising a joint health and care facility on the current site was likely to be impossible given site constraints and were concerned that design compromises would mean an outcome which fell short of the optimum. This would result in a risk of poor staff morale. Option 3 was felt to offer the best solution in relation to staff recruitment and retention.
3. Delegates viewed Options 1 and 2 as bringing a risk of bad publicity and poor public relations. There has been a poor public and press image of the current health centre and this would be exacerbated if hoped for progress in relation to improved facilities was not made. Option 2 scored poorly as there was a fear that the constrained site would not bring the full integrated service benefits which are at the forefront of the CHCP's stated ambitions and would bring significant disbenefits in relation to car parking for example. A new build, fit for purpose, landmark facility as delivered by Option 3 would be the least likely to bring poor publicity.
4. In relation to delivery of service against future service demand it was felt that Option 3 would offer the most "future-proof" solution. Option 1 would do little to address the anticipated demand for additional service demand in line with the current strategic direction for increased community-based service. While Option 2 did offer the possibility of meeting additional service demand it was felt that however well a refurbishment and extension were managed the current facility and site would be a limiting factors.
5. Delegates expressed particular concern that there was a high risk of disruption associated with Option 2. Refurbishment would be likely to involve decant into temporary modular buildings and could bring difficulty in service continuity. Option 3 with a planned, single transfer to a new build from the range of current health and care facilities was perceived as the least risky.
6. For all options there was a perception that there is a low risk that service demand will be lower than forecast.

5.10. The “Weighted Risk Scores” that were calculated for the options are shown below.

Table 5.2.

		Weighted Risk Score		
Option No	**Option Description**	**Optimistic**	**Consensus**	**Pessimistic**
1	Do Nothing	629	671	748
2	Extend and Refurbish	608	630	690
3	New Build	148	250	310

5.11. The table shows that Option 3 is considered to be significantly less risky than the other options.

6. Financial Appraisal

Overview

6.1. This chapter explains the methodology for costing the short list of options (1 to 3 as described below) in terms of Capital and Revenue.

All current guidance has been followed in constructing the financial and economic appraisal, principally the Scottish Capital Investment Manual (SCIM) and revised HM Treasury Green Book which came into effect from 1st April 2003.

Review of each option

Option 1 –Do nothing:

6.2. This option was discounted immediately as it was accepted that the status quo was unsustainable. The present GP accommodation alone equates only to 44 % of the current regulations. This limits the development of services to patients at Practice level due to lack of space, limited consulting times and increased waiting times for appointments. This option also does not achieve the service benefits of integrated services. Therefore this option has not been looked at any further in respect of the financial tables.

Option 2 Extend and Refurbish:

6.3. This option is included but contains many practical difficulties and risks. There is limited capacity to expand the building. The main requirement is to develop and improve services to patients their relatives and carers, in addition to improving the working conditions of staff. Service integration across health and social care is also a clear priority. This option also carries major transition costs to the current health centre staff, for the period of the refurbishment and build. This option is included in the financial tables as an appraisal of value for money.

Option 3- New Build: (Including Multi-purpose Facilities):

6.4. Three sites were considered as part of the benefits option appraisal. It is assumed that the new build costs for each would be roughly equivalent. The preferred site is located near the current Health centre on land owned by East Renfrewshire Council. The integration of Health and Council services will bring service benefits to patients and the local community from a single site.

6.5. The proposal is that a new build on would be a joint venture between East Renfrewshire Council and NHS Greater Glasgow and Clyde, led by the NHS on behalf of the partners. Discussion is ongoing between the NHS and East Renfrewshire Council on the basis of a lease agreement. The floor space split remains to be finally agreed and may be subject to change between OBC and FBC preparation. An excambion is proposed for the land with the NHS exchanging its current Health Centre land (5,500 sq mtrs) for the the new site (8,200 sq mtrs). This rise in area compensated to the Council by a payment

by the NHS of approximately £200k plus VAT. The negotiations around this exchange may bring some refinement in course of preparing the FBC .The Council will make a capital contribution to the new build of £3m plus VAT.

6.6. The financial appraisal will consider the following:

- Likely Capital costs and phasing for each option
- Projected capital charges for each option
- Revenue cost implications for each option

Table 6.1. Key Assumptions

Price Base for both Capital and Revenue	2009/10
Capital costs derived from OB1 Forms	Appendix
OB1 forms prepared by	Stephen Baker
Optimism Bias percentage applied to each option.	Optimism Bias pro-forma
Life Cycle Costs prepared by	Stephen Baker
Equipment Percentage allowance*	15%
New Build Depreciation	60 years
Refurbishment Depreciation	22 years
Temporary Accommodation Depreciation (porta-cabins)	5 years
Equipment Depreciation	10 years
Sign convention – all savings shown as minus figures	-

*There is a weighting applied to Council equipment being of lower cost than more expensive equipment required by NHS. This is calculated through the OB forms

Summary of Financial Consequences of Each of the Options

6.7. The financial consequences of each of the options are explained in detail in the following tables but to summarise are as follows:

Option 1 – Do Nothing

6.8. This Option was not explored further as the existing Health Centre is not able to provide a service suitable to current day needs and would not meet the project objectives.

Option2 – Extend and Refurbish.

Capital Costs

6.9. The capital cost of this option including optimism bias is £24.086 m relating to refurbishment of 1680 sq metres of the existing Health Centre and building an extension of 3,692 sq mtrs. This cost is borne by the NHS with the Council at making a contribution of £3m plus VAT. Built into the on-costs for this capital build are transitional costs for decanted staff.

Revenue Costs

6.10. The affordability of this option has been examined, including capital charges ,vat, rates ,heat light and power, etc on the basis of the NHS recharging East Renfrewshire Council and the General Dental Practice as appropriate in respect of occupancy costs, pro-rata to the space occupied.

There arises out of the extension and refurbishment option, increased capital charges of £1.241 m. Also there will be increased facilities costs of £0.246 m. These are net costs to the NHS after recharging to external parties.

Option 3 – New Build

Capital Costs

6.11. The capital cost of this option including optimism bias is £17.617m relating to new build. This option does not require temporary accommodation. The capital build cost is £17.617m to the NHS with £3m plus VAT being invoiced to East Renfrewshire Council. Finalisation of floor area share will take place between the parties with a refinement shown in the FBC.

Revenue Costs

6.12. The recurring increase in NHS capital charges associated with this option is £0.739 m. This reflects the difference in Capital charges of £0.995 m for the new build less capital charge savings from the current Barrhead Health Centre, which will be disposed of on completion of the new build under the proposed excambion arrangement. Under a lease model the £3m funding from East Renfrewshire Council will be offset against the capital charges over the period of an agreement. The General Dental practitioner will be recharged capital charges of £52k. Other recurring Revenue costs will result in an increase of £0.141 m, this being net to the NHS after charging external parties running costs for their areas occupied.

The table below summarises the net change in (recurring) revenue costs for each option.

Table 6.2.

Option	Net recurring change in revenue costs to NHS	Net recurring change in Capital charges to NHS	Total increase in costs to NHS
Option 1	N/A	N/A	N/A
Option 2	£0.246 m increase	£1.241m increase	£1.487 increase
Option 3	£0.141 m increase	£0.739m increase	£0.880 increase

Capital and revenue costs for each option

Capital costs

6.13. The capital build cost of each option has been provided by our Quantity Surveyors and includes an allowance for fees and inflation to mid point of construction[3]. An allowance for equipment has also been included for each option and weighted for the NHS and Council. Optimism Bias has been calculated and applied to each option.

The table below details the capital costs for each option.

Table 6.3.

	Total Option 2 £'000	***Total Option 3 £,000***
Building - New	*12,814*	*14,446*
Building - Refurbishment	*5785*	
Equipment	*1,559*	*1,070*
Land		*235*
Sub total	*20,158*	*15,751*
Optimism Bias	*3,928*	*1,866*
Total Capital Expenditure	***24,086***	***17,617***
Funded by	*18,000*	*17,617*

This shows that the lower cost option is Option 3 New Build. Any further movement on costs above these funding levels will require agreement between the parties to address on an equitable basis.

[3] The OB forms are included in Appendix A.

Table 6.4. Detailed revenue costs

The table below details the revenue movements for each option as summarised above.

NHS

Revenue Expenditure -NHS	Option 1	Option 2	Option 3
	Do Minimum £,000	Extend& Refurbish £,000	New Build £,000
Capital Charges		**1,520**	**995**
Less:Funded by Council		-120	-120
Sub total		**1,400**	**875**
Less:Current Barrhead Health centre	-84	-84	-84
Less: Recharged to GDP		-75	-52
Net Increase in Capital Charges (1)	**0**	**1,241**	**739**
Facilities Costs			
Cleaning	39	116	116
Rates	46	210	231
Heat ,Light &Power	20	58	58
Maintenance	27	133	133
Caretaker and Receptionist	0	45	45
Additional Maintenance	15		
Telephone	20	62	62
Facilities Sub-total	**167**	**624**	**645**
Other/contributions from outwith Barrhead H Ctr	115	0	0
Sub-tot	**282**	**624**	**645**
Less: Recharged to external (East Ren Council share)	0		-131
Net Current Facilities costs	**282**	**624**	**514**
Less Facilities Current Costs	-267	-267	-267
Net Increase in Facilities Costs	15	357	247
Total increase in costs to NHS	**15**	**1,598**	**986**
Less: Recharged to external (GPs and GDP)	0	-111	-106
Total Increase/(Decrease) to NHS	**15**	**1487**	**880**

The table demonstrates that the option with the highest increase in revenue running costs is option 2.

Comments on the revenue movements

Cost of Temporary Accommodation included in Financial figures

6.14. Due to the project time lines and technical difficulties there is a need in Option 2 to provide temporary accommodation for some services. In this option we require to provide alternative accommodation while the current health centre is refurbished and extended. This equates to temporary accommodation of 1680 sq metres at a capital cost for porta-cabins of £X m. These portacabins to be written off over 5 years .

Capital charges Costs

6.15. The increase in Capital charges costs to the NHS of £1.241m under Option 2 and £0.739 m under Option 3 reflects the substantial investment to increase the size of the facility to both address the space shortfalls currently existing in the NHS services and to provide space to accommodate integrated care and health services under one roof. The NHS is carrying the capital charges for the whole of the facility .The council will have on their books their contribution to the building of £3m plus their part of the land.

Facilities costs

6.16. As with the capital charges, there is an increase in the facilities revenue costs of £0.246m and £0.141m arising respectively for Options 2 and 3 respectively due to the increased space allocation. These costs are recharged to external parties pro rata space occupied, including shared space.

Other Service Costs.

6.17. With the increased size of the facility and the services provided from it, there is a need to increase the staffing costs by 1.0wte receptionist and 1.0wte caretaker at a recurring revenue cost of £45 k. These are included in the schedules under facilities costs.

Phasing

6.18. It has been assumed that the new build will be available for use, 3rd Quarter 2010 and that the existing health centre can be disposed of during 2010/11 following decommissioning.

Optimism Bias

6.19. An assessment on optimism bias was carried out on the options other than “do nothing”, using the format prescribed within HM Treasury guidance. Full details of these assessments are included within the OBC Appendices.

The resulting optimism bias adjustments have been applied to the capital costs for the purpose of calculating capital charges and in evaluating the economic appraisal.

A summary of the Optimism Bias assessment results is tabled below.

Table 6.5.

	Option 1	Option 2	Option 3
Optimism Bias Adjustment	N/A	19.36%	11.90%

7. Economic Appraisal

7.1. A revenue profile has been completed for each option taking into account:

- Capital spend including optimism bias
- Capital charges
- Service costs
- Facility costs

7.2. The Economic Evaluation (NPV tables) have been completed for each option taking into account the following:

- Capital spend including optimism bias
- Life Cycle costs over 60 years
- Service costs
- Facility costs

7.3. A summary of the Economic results is shown in the table at the end of this section.

Table 7.1. Option 2 Extend and Refurbish NHS

	2007/08	2008/09	2009/10	2010/11	2011/12
	£'000	£'000	£'000	£;000	£'000
Capital profile					
Building-new	800	914	6,856	1712	
Building refurb		780	3,120	780	
Temporary accom					
Optimism bias			2,000	1177	
Equipment				1,301	
Total Capital	**800**	**1,694**	**11,976**	**4,970**	
Revenue Profile					
New Capital charges					
New build 60 years				578	690
Refurbishment 22 yrs				303	419
Temporary accom					
Optimism bias				170	204
Equipment 10yrs				131	207
Total				**1,182**	**1,520**
Less :Funded by Council				-60	-120
Less :recharged to GDP				-38	-75
Current Capital charges	84	84	84		
Net movement on capital charges				1,000	1,241
Facility Costs net movement				132	246
Net movement in Costs	0	0	0	1,132	1,487

Table 7.2. Option 3: New Build

	2007/08	2008/09	2009/10	2010/11	2011/12
	£'000	£'000	£'000	£;000	£'000
Capital profile					
Building-new	800	1,187	7,952	1,987	
Building refurb					
Temporary accom					
Optimism bias			1,000	540	
Land	235				
Equipment				916	
Total Capital	**1,035**	**1,187**	**8,952**	**3,443**	
Revenue Profile					
New Capital charges					
New build 60 years				626	749
Refurbishment 22 yrs					
Temporary accom					
Optimism bias				80	96
Land				8	8
Equipment 10yrs				90	142
Total				**804**	**995**
Less :Funded by Council				-60	-120
Less :Recharged to GDP				-26	-52
Current Capital charges	84	84	84	42	
Net movement Cap Charges				676	739
Facility Costs net movement				70	141
Net movement in Costs	**0**	**0**	**0**	**746**	**880**

Net Present Value Analysis

7.4. In accordance with recommended practice each stream of cost base has been profiled and discounted at 3.5% over 60 years for all 3 options. As all the options are over the same time period there is no need to express the "equivalent annual charge" in the analysis.

A summary of the Net Present Value (NPV) for each option is shown below.

Table 7.3.

Option	Net Present Value	Rank
Option 2	26,507	2nd
Option 3	18,704	1st

The NPV comparison shows that Option 3 is more economically viable over the project life.

The detailed NPV's for each option are also included in the appendices.

8. Preferred option

8.1. The preferred option is Option No 3 which would provide comprehensive services locally within the Barrhead area from new purpose built premises. This option was chosen as the preferred option because:

- The other options were shown by both the evaluation of non financial benefits and of risk to be unsustainable as solutions to the problems of providing appropriate levels of service to the population of the Barrhead.

- The option achieved a significantly higher number of weighted benefit points in the non financial benefits appraisal.

- The option was given a significantly lower risk score than the other options.

- The option has no dis-benefit compared to the other options in terms of Capital and building related lifecycle costs as shown in the economical appraisal.

8.2. By implementing Option 3 we would expect the change to benefit patients, professional staff and the general public by:

- Enabling all Barrhead residents to have continued access now and in the future to core primary care services and community health services that are adequate to their needs in terms of range, volume and quality.

- Providing access to seamless care through the co-location of a wide range of services including Home Care and Social Work Teams in Primary Care - in line with the NHS Greater Glasgow and Clyde Policies and the objectives of East Renfrewshire CHCP.

- Promoting sustainable services by addressing recruitment and retention to ensure that high quality services, that satisfy the needs of the population are provided by high quality staff, from high quality facilities.

- Preventing the adverse affect on services that could be caused by any destabilisation of existing GP Practices caused by building development or the loss of skilled staff.

- Improving patient access to and experience of services in terms of both convenient physical access and timeliness due to extra capacity in a range of services.

- Promoting continuous improvements in quality and allowing new ways of working to be introduced to foster flexibility and versatility.

- Maximising the work that can be most effectively carried out in primary care, joint working between health professionals and joint working across agencies in line with key national strategies for primary care and community services such as Partnership for Care and Joint Future.

9. Procurement

Suitability Assessment

9.1. The sponsors of the project are able to confirm:

- The development fits with the objectives of the Board.
- The costs for the proposed development have been built in to the Board's Five Year Capital Programme
- An appraisal of a full range of options has been considered and evaluated, considering costs, benefits and risks.
- The Revised OBC will be submitted for approval to the March NHS Greater Glasgow & Clyde Board meeting.
- A plan for implementing, managing and evaluating the project has been drawn up.
- The proposed development is consistent with the Board's Property Strategy.
- Having regard for the service objectives of the proposal no better use could be made of the existing estate.

PPP/PFI Suitability Assessment

9.2. The suitability of the project for procurement through PPP/PFI has been assessed using the SEHD evaluation pro forma. This gave a broad indication that the benefits of procuring the project through PPP/PFI are likely to be marginal due mainly to:

- Its relatively small size that is at the lower end of the range of project values generally considered suitable for PPP/PFI.
- The specific nature of the project that reduces the realistic opportunities to transfer risk to the private sector.
- The lack of opportunities to add value through additional private sector facilities being incorporated into the project.
- The relatively low value of the facilities management service needed to support the facility over the life of the contract that limits the scope for the private sector to deliver efficiency savings through their expertise in this field.

In recognition of the above the Board concluded that PPP was not an appropriate route to follow for this project and that it should be included in and funded within the Board's 5 Year Capital Programme.

Contractual Arrangements

9.3. The Design Team will be appointed in accordance with European Legislation and will consist of The Architect as Lead Consultant, Quantity Surveyor, Structural Engineer, M&E Engineer, Clerk of Works and any Specialists required.

The key stages are outlined below:

a) Issue OJEU,
b) Issue PQQ,
c) Evaluate Responses,
d) Shortleet applicants for Interview,
e) Issue ITT,
f) Interview and Evaluate shortleeted applicants,
g) Appoint Design Team.

Following this protocol the Board will be in position to appoint the Design Team late April 2007.

9.4. On appointment the Design Team will develop the Project through the key stages of Outline Scheme Design, Scheme Design and Detailed Design with a cost check implemented at each stage. Full tender documentation will then be prepared and issued to the building contractors who will be selected in accordance with European Legislation.

9.5. The contract is programmed to be awarded in October 2008 with a completion date of June 2010

Outline Programme

NHS GG & C Board approval	March	2007
Capital Investment Group OBC approval	April	2007
Design Team Appointed	April	2007
Capital Investment Group FBC approval	October	2008
Award Contract	October	2008
Construction Start	November	2008
Completion Date	June	2010

A more detailed draft project plan is contained in Appendix E.

Project Roles

9.6. The Director of East Renfrewshire Community Health and Care Partnership will assume the role of Project Director to manage and oversee the project as a whole. Specific tasks include managing stakeholders' interests in the project; providing decisions and direction on their behalf, and overseeing the appointment of advisers and contractors to undertake the work within the project budget.

9.7. To support the Project Director the Head of Capital Planning will be appointed as Project Manager to take forward the project and implement a regime of sound project management controls. Specific tasks include authorising the project plan, advising the project management team of progress; monitoring against the project execution plan and ensuring corrective action is taken if needed. He will in turn be supported by a project team sourced through Capital Planning and the Design team when appointed.

Appendix A: Build Costs

Option 2

OUTLINE BUSINESS CASE FOR PREFERRED OPTION — **COST FORM OB1**

TRUST/ORGANISATION:	**NHS GG&C**	ORGANISATIONAL CODE:	
SCHEME:	**Barrhead Health Centre**		
STRATEGIC HA:	**East Renfrewshire Community Health & Care Partnership**		
PHASE:	OPTION 2 - Refurb & Vert Extend, NHS & ERC accommodat		
PROJECT DIRECTOR:	**Tim Eltringham**		

CAPITAL COSTS SUMMARY

		Cost Excl. VAT £	VAT £	Cost Incl. VAT £
1	Departmental Costs (from Form OB2)	9,582,827	1,676,995	11,259,822
2	On Costs (from Form OB3) (40.00% of Departmental Cost)	3,833,131	670,798	4,503,929
3	Works Cost Total (1+2) at	13,415,958	2,347,793	15,763,750
4	Provisional location adjustment (if applicable) **BCIS Reg 2 Mar 07** (6.00 % of Works Cost) (b)	804,957	140,868	945,825
5	Sub Total (3+4)	14,220,915	2,488,660	16,709,575
6	Fees (c) (12.50% of sub-total 5)	1,777,614	(d) 99,546	1,877,161
7	Non-Works Costs (from Form FB4) (e) LAND			
	OTHER	10,000	1,750	11,750
8	Equipment Costs (from Form OB2) (13.85% of Departmental Cost)	1,327,435	232,301	1,559,736
9	Planning Contingency [nb no vat on fees part of 0.1936	3,356,243	571,788	3,928,031
10	TOTAL (for approval purposes) (5+6+7+8+9)	20,692,207	3,394,046	24,086,253
11	Inflation adjustments (f)			
12	FORECAST OUTTURN BUSINESS CASE TOTAL (10+11)	20,692,207	3,394,046	24,086,253

Proposed start on site (g): **Autumn 2008** — Proposed completion date (g): **Summer 2010**

Cash Flow:- Year yy/yy	SOURCE EFL	OTHER GOVERNMENT	PRIVATE	£ TOTAL
Total Cost (as 10 above)				

Total (for approval purposes) match against Cashflow ERROR

Notes :

* Delete as appropriate

(a) On-costs should be supported by a breakdown of the percentage or a brief description of their scope (form OB3 may be used if appropriate)

(b) Adjustments of national average DCA price levels & on-costs for local market conditions

(c) Fees include all resource costs associated with the scheme e.g. project sponsorship, clerk of works, building regulation & planning fees etc.

(d) Not applicable to professional fees - VAT reclaimable EL (90) P64 refers

(e) Non-works costs should be supported by a breakdown & include such items as contributions to statutory & local authorities ; land costs & associated legal fees

(f) Estimate of tender price inflation up to proposed tender date (plus construction cost for VOP contracts only)

(g) Overall timescale including any preliminary works

Name (capitals)		Authorised for issue	
Position	**Partnerships Project Manager**		Project Director
Address	**NHS GG&C Capital Planning & Procurement**		
	Gartnavel Royal Hospital		
	1053 Great Western Road		
		Date	
Telephone			

TRUST/ORGANISATION: NHS GG&C

SCHEME: Barrhead Health Centre

PHASE: East Renfrewshire Community Health & Care Partnership

PROJECT DIRECTOR: Tim Eltringham

CAPITAL COSTS: DEPARTMENTAL COSTS AND EQUIPMENT COSTS

Functional Content		Functional Units/Space Requirements (1)	N/A/C (2)	Cost Allowance Version	Equipment Cost Version
NHS Accommodation					
As per Schedule of Accommodation					
21-Feb-07					
Mixed use GP / HV / DN / HC					
Area = 4431m2					
Cost at Healthcare Construction Price Guide					
£578 / m2 at 1Q 1999 TPI 149					
UPLIFT to 4Q 2008 TPI 255					
Not Used					
989		4431	N		
BCIS cost/m2 on average price studies					
Forecast at 4Q 2008 TPI 259					
Forecast at 4Q 2008 TPI 259					
NHS Accommodation					
1207			N		
Council Accommodation					
1200			N		
BCIS cost/m2 on average price studies					
Forecast at 4Q 2008 TPI 260					
Similar building types					
Vertical Extensison	2149	2603	C	5,593,847	839,077
Council Vert Extension	2020	1089		2,199,780	219,978
Internal Refurb	1065	1680	C	1,789,200	268,380
5372m2 overall accommodation					
Departmental Costs and Equipment Costs Carried Forward £				9,582,827	1,327,435

Option 2

Optimism Bias - Upper Bound Calculation for Build

Lowest % Upper Bound	**13%**
Mid %	**40%**
Upper %	**80%**
Actual % Upper Bound for this project	**40%**

Build complexity

Choose 1 category		X		
Length of Build	< 2 years	X	0.50%	0.50%
	2 to 4 years		2.00%	0
	Over 4 years		5.00%	0

Choose 1 category				
Number of phases	1 or 2 Phases	X	0.50%	0.50%
	3 or 4 Phases		2.00%	0
	More than 4 Phases		5.00%	0

Choose 1 Category				
Number of sites involved	Single site*		2.00%	0
(i.e. before and after	2 Site	X	2.00%	2.00%
change)	More than 2 site		5.00%	0

* Single site means new build is on same site as existing facilities

Location

Choose 1 Category				
Newsite - Green field	New build		3%	0
Newsite - Brown Field	New Build		8%	0
Existing site	New Build		5%	0
	or			
Existing site	Less than 15% refurb		6%	0
Existing site	15% - 50% refurb	X	10%	10.00%
Existing site	Over 50% refurb		16%	0

13.00%

Scope of scheme

Choose 1 category		X		
Facilities Management	Hard FM only or no FM	X	0.00%	0.00%
	Hard and soft FM		2.00%	
				0

Choose 1 category				
Equipment	Group 1 & 2 only		0.50%	0
	major Medical equipment		1.50%	0
	All equipment included	X	5.00%	5.00%

Choose 1 category				
IT	No IT implications		0.00%	0
	Infrastructure	X	1.50%	1.50%
	Infrastructure & systems		5.00%	0

Choose more than 1 category if applicable				
External Stakeholders	1 or 2 local NHS organisations		1.00%	0
	3 or more NHS organisations		4.00%	0
	Universities/Private/Voluntary sector/Local government	X	8.00%	8.00%

Service changes - relates to service delivery e.g NSF's

Choose 1 category				
Stable environment, i.e. no change to service			5%	0
Identified changes not quantified		X	10%	10.00%
Longer time frame service changes			20%	0

Gateway

Choose 1 category				
RPA Score	Low		0%	0
	Medium	X	2%	2.00%
	High		5%	0

26.50%

Scheme name: Barrhead Health and Social Care Centre Option 2

Contributory Factor to Upper Bound	% Factor Contributes	% Factor Contributes after mitigation	Explanation for rate of mitigation
Progress with Planning Approval	4	3	There has been discussion with the Environment Department which oversees planning within East Renfrewshrie. The Environment Department is leading the Regeneration Masterplan for Barrhead which does not envisage a health
Other Regulatory	4	2	Full consideration will be given to regulatory issues in the design brief. Diaglogue is progressing with transport authorities, local government and with the local Acces Panel on DDA. Option 2 will further limit dedicated parking for
Depth of surveying of site/ground information	3	2	Formal site investigation has not been carried out.
Detail of design	4	2	This is not a significantly complex design project therefore design detail should not be problematic.
Innovative project/design (i.e. has this type of project/design been undertaken before)	3	1	The accommodation for both the NHS and local government is for facilities which are relatively standard. The design concept has been achieved elsewhere.
Design complexity	4	2	The design may be complex due to the restricted site and the refurbishment of the existing, old building. However, the design itself should not be complex.
Likely variations from Standard Contract	2	0	A traditional contract is likely
Design Team capabilities	3	1	The design team is not currently selected. However, significant interest shown in response to PQQ and six experienced teams are to be interviewed.
Contractors' capabilities (excluding design team covered above)	2	1	Contractor not currently selected. However the area is well served by appropriate companies.
Contractor Involvement	2	2	Contractor not currently selected.
Client capability and capacity (NB do not double count with design team capabilities)	6	2	The NHS and local authority have experience of delivering this type of project.
Robustness of Output Specification	25	20	The scope and extent of the works has been developed as part of the design team development, but more detailed work is still required.
Involvement of Stakeholders, including Public and Patient Involvement	5	2	The accommodation requirements have been discussed with all stakeholders. Stakeholders including the public are involved in the design team selection.
Agreement to output specification by stakeholders	5	1	Clinicians, service staff and the public have been involved in the proces to date. Progress is regularly reported at the CHCP Committee and at the Staff Partnership Forum.
New service or traditional	3	1	The service delivery model will be relatively traditional.
Local community consent	3	1	The local community is well engaged with the project's development. Option 2 has not been a preferred solution.
Stable policy environment	20	5	There is a stable policy environment for the scope of works that this project entails.
Likely competition in the market for the project	2	1	From experience elsewhere in the local system there is strong evidence of market interest in the development of this project.
TOTAL	**100**	**49**	

Note: Across all contributory factors, mitigation would be expected to be greater the greater the extent of risk quantification and risk managem

Upper Bound	40%
Optimism bias at OBC Stage	19.36

Option 3

BUSINESS CASE FOR PREFERRED OPTION			COST FORM OB1
UST/ORGANISATION:	NHS GG&C	ORGANISATIONAL CODE:	
SCHEME:	Barrhead Health Centre		
STRATEGIC HA:	East Renfrewshire Community Health & Care Partnership		
PHASE:	OPTION 3-New Build, NHS & Council Accommodation		
PROJECT DIRECTOR:	Tim Eltringham		

COSTS SUMMARY

	Cost Excl. VAT £	VAT £	Cost Incl. VAT £
Departmental Costs (from Form OB2)	6,511,807	1,139,566	7,651,373
On Costs (from Form OB3) (60.00% of Departmental Cost)	3,907,084	683,740	4,590,824
Works Cost Total (1+2) at	10,418,891	1,823,306	12,242,197
Provisional location adjustment (if applicable) **BCIS Reg 2Mar 07** (6.00 % of Works Cost) (b)	625,133	109,398	734,532
Sub Total (3+4)	11,044,025	1,932,704	12,976,729
Fees (c) (12.50% of sub-total 5)	1,380,503	(d) 77,308	1,457,811
Non-Works Costs (from Form FB4) (e)			
LAND	200,000	35,000	235,000
OTHER	10,000	1,750	11,750
Equipment Costs (from Form OB2) (13.99% of Departmental Cost)	911,158	159,453	1,070,611
Planning Contingency [nb no vat on fees part of 0.119	1,611,937	253,340	1,865,277
TOTAL (for approval purposes) (5+6+7+8+9)	15,157,623	2,459,555	17,617,178
Inflation adjustments (f)			
FORECAST OUTTURN BUSINESS CASE TOTAL (10+11)	15,157,623	2,459,555	17,617,178

)osed start on site (g) **Autumn 2008** Proposed completion date (g) **Summer 2010**

Cash Flow:- Year yy/yy	SOURCE			£
	EFL	OTHER GOVERNMENT	PRIVATE	TOTAL
Total Cost (as 10 above)				

Total (for approval purposes) match against Cashflow ERROR

as appropriate

sts should be supported by a breakdown of the percentage or a brief description of their scope (form OB3 may be used if appropriate)

tments of national average DCA price levels & on-costs for local market conditions

nclude all resource costs associated with the scheme e.g. project sponsorship, clerk of works, building regulation & planning fees etc.

pplicable to professional fees - VAT reclaimable EL (90) P64 refers

/orks costs should be supported by a breakdown & include such items as contributions to statutory & local

ities ; land costs & associated legal fees

te of tender price inflation up to proposed tender date (plus construction cost for VOP contracts only)

ll timescale including any preliminary works

Name (capitals)		Authorised for issue	
Position	Partnerships Project Manager		Project Director
Address	NHS GG&C Capital Planning & Procurement		
	Gartnavel Royal Hospital		
	1053 Great Western Road		
		Date	
Telephone			

Option 3

OUTLINE BUSINESS CASE FOR PREFERRED OPTION **COST FORM OB2**

TRUST/ORGANISATION: NHS GG&C

SCHEME: Barrhead Health Centre

PHASE: East Renfrewshire Community Health & Care Partnership

PROJECT DIRECTOR: Tim Eltringham

CAPITAL COSTS: DEPARTMENTAL COSTS AND EQUIPMENT COSTS

Functional Content	Functional Units/Space Requirements (1)	N/A/C (2)	Cost Allowance Version	Equipment Cost Version
NHS Accommodation As per Schedule of Accommodation 21-Feb-07 Mixed use GP / HV / DN / HC Area = 4431m2 Cost at Healthcare Construction Price Guide £578 / m2 at 1Q 1999 TPI 149 UPLIFT to 4Q 2008 TPI 255 Not Used 989 BCIS cost/m2 on average price studies Forecast at 4Q 2008 TPI 260 See ABP Health Centres 4Q2008	4431	N		
NHS Accommodation 1214 See ABP Offices 4Q 2008	4283	N	5,199,562	779,934
Council Accommodation 1205	1089	N	1,312,245	131,225
Revised 'draft' schedule of accomm figures 5 Mar 07				
Departmental Costs and Equipment Costs Carried Forward £			6,511,807	911,159

Option 3

Optimism Bias - Upper Bound Calculation for Build

Lowest % Upper Bound	**13%**
Mid %	**40%**
Upper %	**80%**
Actual % Upper Bound for this project	**35%**

Build complexity

		X		
Choose 1 category				
Length of Build	< 2 years	X	0.50%	0.50%
	2 to 4 years		2.00%	0
	Over 4 years		5.00%	0
Choose 1 category				
Number of phases	1 or 2 Phases	X	0.50%	0.50%
	3 or 4 Phases		2.00%	0
	More than 4 Phases		5.00%	0
Choose 1 Category				
Number of sites involved (i.e. before and after change)	Single site*	X	2.00%	2.00%
	2 Site		2.00%	0
	More than 2 site		5.00%	0

* Single site means new build is on same site as existing facilities

Location

Choose 1 Category				
Newsite - Green field	New build		3%	0
Newsite - Brown Field	New Build		8%	0
Existing site	New Build	X	5%	5.00%
	or			
Existing site	Less than 15% refurb		6%	0
Existing site	15% - 50% refurb		10%	0
Existing site	Over 50% refurb		16%	0
				8.00%

Scope of scheme

			X		
Choose 1 category					
Facilities Management	Hard FM only or no FM		X	0.00%	0.00%
	Hard and soft FM			2.00%	
					0
Choose 1 category					
Equipment	Group 1 & 2 only			0.50%	0
	major Medical equipment			1.50%	0
	All equipment included		X	5.00%	5.00%
Choose 1 category					
IT	No IT implications			0.00%	0
	Infrastructure		X	1.50%	1.50%
	Infrastructure & systems			5.00%	0
Choose more than 1 category if applicable					
External Stakeholders	1 or 2 local NHS organisations			1.00%	0
	3 or more NHS organisations			4.00%	0
	Universities/Private/Voluntary sector/Local government		X	8.00%	8.00%

Service changes - relates to service delivery e.g NSF's

Choose 1 category				
Stable environment, i.e. no change to service			5%	0
Identified changes not quantified		X	10%	10.00%
Longer time frame service changes			20%	0

Gateway

Choose 1 category				
RPA Score	Low		0%	0
	Medium	X	2%	2.00%
	High		5%	0
				26.50%

Scheme name: Barrhead Health and Social Care Centre Option 3

Contributory Factor to Upper Bound	% Factor Contributes	% Factor Contributes after mitigation	Explanation for rate of mitigation
Progress with Planning Approval	4	2	There has been discussion with the Environment Department which oversees planning within East Renfrewshrie. The Environment Department is leading the Regeneration Masterplan
Other Regulatory	4	2	Full consideration will be given to regulatory issues in the design brief. Diaglogue is progressing with transport authorities, local government and with the local Acces Panel on DDA.
Depth of surveying of site/ground information	3	2	Formal site investigation has not been carried out. However, site currently accommodates a substantial former school building which implies stable base. Neighbouring site provided no
Detail of design	4	2	This is not a significantly complex design project therefore design detail should not be problematic.
Innovative project/design (i.e. has this type of project/design been undertaken before)	3	1	The accommodation for both the NHS and local government is for facilities which are relatively stadard. The design concept has been achieved elsewhere.
Design complexity	4	2	It is not anticipated that there will be significant problems with the design.
Likely variations from Standard Contract	2	0	A traditional contract is likely
Design Team capabilities	3	1	The design team is not currently selected. However, significant interest shown in response to PQQ and six experienced teams are to be interviewed.
Contractors' capabilities (excluding design team covered above)	2	1	Contractor not currently selected. However the area is well served by appropriate companies.
Contractor Involvement	2	2	Contractor not currently selected.
Client capability and capacity (NB do not double count with design team capabilities)	6	2	The NHS and local authority have experience of delivering this type of project.
Robustness of Output Specification	25	8	The scope and extent of the services to be accommodated has been developed as part of the design team development, but more detailed work is still required.
Involvement of Stakeholders, including Public and Patient Involvement	5	1	The accommodation requirements have been discussed with all stakeholders. Stakeholders including the public are involved in the design team selection.
Agreement to output specification by stakeholders	5	1	Clinicians, service staff and the public have been involved in the proces to date. Progress is regularly reported at the CHCP Committee and at the Staff Partnership Forum.
New service or traditional	3	1	The service delivery model will be relatively traditional.
Local community consent	3	0	The local community is well involved about the project and feedback suggests a high level of approval for the development.
Stable policy environment	20	5	There is a stable policy environment for the scope of works that this project entails.
Likely competition in the market for the project	2	1	From experience elsewhere in the local system there is strong evidence of market interest in the development of this project using a traditional public procurement route.
TOTAL	**100**	**34**	

Note: Across all contributory factors, mitigation would be expected to be greater the greater the extent of risk quantification and r

Upper Bound	35%
Optimism bias at OBC Stage	0.117

Appendix B: Capital Charges Calculation for preferred option

The table below details the capital charges for the new build option 3 for the NHS share of the building.

Category	Cost £000	Depreciation £000	Interest £000	Total £000
Land	235	N/A	8	8
Buildings	13,466	273	569	842
Engineering	-			
Equipment	916	110	35	145
Total	**14,617**	**383**	**612**	**995**
Existing Charges /Recharged				-256
Net Increase				**739**

Appendix C: Lifecycle Costs

Lifecycle Costs Option 2

Life Cycle Cost Model			Option	Extend&refurbish								
Pre-Contract + Construction Period + 60 year life						Revisions						
Based on P79 LCC's v5			On-costs	40%		No	Author	Date				
Departmental cost from OB2 (1)	£	10,157,796.62	at MIPS			1	James Rushton	14/12/02	Setup			
On-costs from OB1 (2)	£	4,063,118.65	LAF	6%		2	Jonathan Bryden	3/11/06	Cap Value			
Total	£	**14,220,915**				3	Paul Gemmell	13/2/07				
Total works cost + LAF	£	14,220,915										
Equipment Costs	£	1,327,435										
Other costs	£	10,000										
Land	£	-										
			Number of floors	2								
			Gross internal floor area	5,372								

	Element		%	Capital Costs	Expected Life	No.of Cycles	% Cost to Replace	0	1	2
Departmental costs	Substructure		9.64%	£ 979,212	60	1	100%	979,212		
	Frame		4.72%	£ 479,448	60	1	100%	479,448		
	Upper Floors		2.60%	£ 264,103	60	1	100%	264,103		
	Roof		10.08%	£ 1,023,906	30	2	105%	1,023,906		
	External Walls		4.73%	£ 480,464	60	1	100%	480,464		
	Windows & Externl. Doors		3.99%	£ 405,296	30	2	105%		405,296	
	Internal Walls & Partns.		2.77%	£ 281,371	20	3	25%		281,371	
	Internal Doors		7.96%	£ 808,561	20	3	105%		808,561	
	Wall Finishes		3.10%	£ 314,892	10	6	33%		314,892	
	Floor Finishes		3.56%	£ 361,618	10	6	90%		361,618	
	Ceiling Finishes		2.30%	£ 233,629	15	4	120%		233,629	
	Fittings & Furnishings		4.39%	£ 445,927	20	3	105%		445,927	
	Sanitary Appliances		1.96%	£ 199,093	30	2	105%		199,093	
	Disposal Installations		1.88%	£ 190,967	20	3	110%		190,967	
	B.W.I.C.		1.69%	£ 171,667					171,667	
	Profit & Attendances		0.84%	£ 85,325					85,325	
	Services Equipment		1.04%	£ 105,641	20	3	105%		105,641	
	Water Installations		4.22%	£ 428,659	30	2	105%		428,659	
	Heat Source (Inc. in 5F)		4.72%	£ 479,448	20	3	105%		479,448	
	Space Heating/Air Treatment		7.28%	£ 739,488	15	4	120%		739,488	
	Ventilation System		1.26%	£ 127,988	15	4	105%		127,988	
	Electrical Installations		13.78%	£ 1,399,744	30	2	105%		1,399,744	
	Protective Installations		0.84%	£ 85,325	25	2	105%		85,325	
	Communications		0.65%	£ 66,026	20	3	105%		66,026	
	Total		**100.00%**	**£ 10,157,797**				**3,227,132**	**6,930,665**	**0**
On-costs	Space	15.19%	6.08%	£ 617,086				196,048	421,038	0
- Communications	Staircases	2.50%	1.00%	£ 101,578				32,271	69,307	0
	Lifts	10.17%	4.07%	£ 413,124				131,249	281,874	0
- "External" Building Works	Drainage	6.50%	2.60%	£ 264,084	30	2	110%	83,899	180,184	
	Roads, paths, parking	8.95%	3.58%	£ 363,681	15	4	120%	115,542	248,140	
	Site layout, walls, fencing gates	4.53%	1.81%	£ 184,104	15	4	110%	58,490	125,614	
	Builders work for engineering services outside buildings	4.64%	1.86%	£ 188,631				59,928	128,703	
- "External" Engineering Works	Steam, condensate, heating, hot water and gas supply mains	6.50%	2.60%	£ 264,084	20	3	105%	83,899	180,184	
	Cold water mains and storage	3.71%	1.49%	£ 150,905	30	2	105%	47,943	102,963	
	Electricity mains, sub-stations, stand-by generating plant	7.99%	3.19%	£ 324,446	30	2	105%	103,076	221,369	
	Miscellaneous services	9.29%	3.71%	£ 377,263	30	2	105%	119,856	257,406	
- Auxiliary Buildings		1.86%	0.74%	£ 75,453				23,971	51,481	0
- Other on-costs and abnormals	Building	12.61%	5.04%	£ 512,323				162,765	349,558	0
	Engineering	5.57%	2.23%	£ 226,358				71,914	154,444	0
	Total	**100.00%**	**40.00%**	**£ 4,063,119**				**1,290,853**	**2,772,266**	**0**
Fees	Professional		12.5%	£ 1,777,614				586,613	1,191,002	0
Non-Works Costs	LAND			£ -				0		
	Statutory Fees		1.00%	£ 10,000				3,300	6,700	
	OTHER			£ -				0		
Equipment Cost	General Equipment			£ 1,327,435			**100%**		1,327,435	
Planning Contingency	Contingency		10.00%	£ 3,356,243				1,107,560	2,248,683	0
	Total			**£ 20,692,208**				**1,697,473**	**4,773,820**	**0**
Occupancy Costs				**Cost/m2**						
	Decorations			**£ 4.00**						21,488
	Fabric			**£ 2.00**						10,744
	Services			**£ 6.00**						32,232
	Cleaning			**£ 21.54**						115,713
	Utilities			**£ 10.76**						57,803
	Rates - only for revenue comparison (£40 per sqm)			**£ -**						**0**
	Administrative Costs			**£ 20.00**						107,440
Excl. capital charges	Overheads			**£ 10.75**						57,749
	Capital Charges - only for revenue comparison									**0**
	External Works			**£ 2.00**						10,744
	Total			**£ 77**						**413,913**
							Total	**6,215,458**	**14,476,750**	**413,913**
							Discount Factor	**1.000**	**0.966**	**0.934**
							Discounted Total	**6,215,458**	**13,987,198**	**386,392**
	Total Discounted Cost			**41,995,122**					Council Share	68,337
	NPC of capital costs								Year 5	
	Include Rates	**no**								

Extend &Refurbish

An economic appraisal excludes VAT and Capital Charges

Contingency 16% on dept+oncosts

Equipment replacement 8% annually from revenue

3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
									103,914							
									325,456							
														280,355		
														887,385		
														134,388		
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**429,370**	**0**	**0**	**0**	**0**	**1,302,128**	**0**	**0**
0	0	0	0	0	0	0	0	0	26,084	0	0	0	0	79,104	0	0
0	0	0	0	0	0	0	0	0	4,294	0	0	0	0	13,021	0	0
0	0	0	0	0	0	0	0	0	17,463	0	0	0	0	52,958	0	0
														436,417		
														202,515		
0	0	0	0	0	0	0	0	0	3,189	0	0	0	0	9,672	0	0
0	0	0	0	0	0	0	0	0	21,656	0	0	0	0	65,675	0	0
0	0	0	0	0	0	0	0	0	9,568	0	0	0	0	29,017	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**82,254**	**0**	**0**	**0**	**0**	**888,380**	**0**	**0**
0	0	0	0	0	0	0	0	0	63,953	0	0	0	0	273,813	0	0
	13,274	39,823	53,097	66,372	79,646	92,920	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195
0	1,327	3,982	5,310	6,637	7,965	9,292	10,619	10,619	68,177	10,619	10,619	10,619	10,619	257,052	10,619	10,619
0	**14,602**	**43,805**	**58,407**	**73,009**	**87,611**	**102,213**	**116,814**	**116,814**	**238,325**	**116,814**	**116,814**	**116,814**	**116,814**	**637,060**	**116,814**	**116,814**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**
413,913	**428,514**	**457,718**	**472,320**	**486,922**	**501,523**	**516,125**	**530,727**	**530,727**	**1,163,862**	**530,727**	**530,727**	**530,727**	**530,727**	**3,241,480**	**530,727**	**530,727**
0.902	**0.871**	**0.842**	**0.814**	**0.786**	**0.759**	**0.734**	**0.709**	**0.685**	**0.662**	**0.639**	**0.618**	**0.597**	**0.577**	**0.557**	**0.538**	**0.520**
373,325	**373,426**	**385,386**	**384,232**	**382,716**	**380,863**	**378,697**	**376,242**	**363,519**	**770,224**	**339,349**	**327,873**	**316,786**	**306,073**	**1,806,165**	**285,723**	**276,061**
plus rates		34,100														

20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
												1,075,101				
												425,561				
		70,343														
		848,989														
		103,914										103,914				
		325,456										325,456				
												280,355				
		468,224														
												209,047				
		210,063														
		110,923														
												450,092				
		503,420														
												887,385				
												134,388				
												1,469,732				
							89,592									
		69,327														
0	**0**	**2,710,659**	**0**	**0**	**0**	**0**	**89,592**	**0**	**0**	**0**	**0**	**5,361,031**	**0**	**0**	**0**	**0**
0	0	164,673	0	0	0	0	5,443	0	0	0	0	325,683	0	0	0	0
0	0	27,107	0	0	0	0	896	0	0	0	0	53,610	0	0	0	0
0	0	110,244	0	0	0	0	3,644	0	0	0	0	218,036	0	0	0	0
												290,492				
												436,417				
												202,515				
		277,288														
												158,450				
												340,668				
												396,126				
0	0	20,135	0	0	0	0	665	0	0	0	0	39,822	0	0	0	0
0	0	136,716	0	0	0	0	4,519	0	0	0	0	270,391	0	0	0	0
0	0	60,405	0	0	0	0	1,996	0	0	0	0	119,466	0	0	0	0
0	**0**	**796,567**	**0**	**0**	**0**	**0**	**17,163**	**0**	**0**	**0**	**0**	**2,851,677**	**0**	**0**	**0**	**0**
0	0	438,403	0	0	0	0	13,344	0	0	0	0	1,026,588	0	0	0	0
106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195
10,619	10,619	405,182	10,619	10,619	10,619	10,619	22,629	10,619	10,619	10,619	10,619	934,549	10,619	10,619	10,619	10,619
116,814	**116,814**	**949,780**	**116,814**	**116,814**	**116,814**	**116,814**	**142,169**	**116,814**	**116,814**	**116,814**	**116,814**	**2,067,332**	**116,814**	**116,814**	**116,814**	**116,814**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**
530,727	**530,727**	**4,870,918**	**530,727**	**530,727**	**530,727**	**530,727**	**662,836**	**530,727**	**530,727**	**530,727**	**530,727**	**10,693,953**	**530,727**	**530,727**	**530,727**	**530,727**
0.503	**0.486**	**0.469**	**0.453**	**0.438**	**0.423**	**0.409**	**0.395**	**0.382**	**0.369**	**0.356**	**0.346**	**0.336**	**0.326**	**0.317**	**0.307**	**0.298**
266,725	**257,706**	**2,285,194**	**240,571**	**232,436**	**224,575**	**216,981**	**261,828**	**202,554**	**195,705**	**189,087**	**183,579**	**3,591,314**	**173,041**	**168,001**	**163,108**	**158,357**

37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53
					70,343											
					848,989											
					103,914										103,914	
					325,456										325,456	
										280,355						
					468,224											
					210,063											
					110,923											
					503,420											
										887,385						
										134,388						
															89,592	
					69,327											
0	**0**	**0**	**0**	**0**	**2,710,659**	**0**	**0**	**0**	**0**	**1,302,128**	**0**	**0**	**0**	**0**	**518,962**	**0**
0	0	0	0	0	164,673	0	0	0	0	79,104	0	0	0	0	31,527	0
0	0	0	0	0	27,107	0	0	0	0	13,021	0	0	0	0	5,190	0
0	0	0	0	0	110,244	0	0	0	0	52,958	0	0	0	0	21,106	0
										436,417						
										202,515						
					277,288											
0	0	0	0	0	20,135	0	0	0	0	9,672	0	0	0	0	3,855	0
0	0	0	0	0	136,716	0	0	0	0	65,675	0	0	0	0	26,175	0
0	0	0	0	0	60,405	0	0	0	0	29,017	0	0	0	0	11,565	0
0	**0**	**0**	**0**	**0**	**796,567**	**0**	**0**	**0**	**0**	**888,380**	**0**	**0**	**0**	**0**	**99,417**	**0**
0	0	0	0	0	438,403	0	0	0	0	273,813	0	0	0	0	77,297	0
106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195
10,619	10,619	10,619	10,619	10,619	405,182	10,619	10,619	10,619	10,619	257,052	10,619	10,619	10,619	10,619	80,187	10,619
116,814	**116,814**	**116,814**	**116,814**	**116,814**	**949,780**	**116,814**	**116,814**	**116,814**	**116,814**	**637,060**	**116,814**	**116,814**	**116,814**	**116,814**	**263,679**	**116,814**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**
530,727	**530,727**	**530,727**	**530,727**	**530,727**	**4,870,918**	**530,727**	**530,727**	**530,727**	**530,727**	**3,241,480**	**530,727**	**530,727**	**530,727**	**530,727**	**1,295,971**	**530,727**
0.290	**0.281**	**0.273**	**0.265**	**0.257**	**0.250**	**0.243**	**0.236**	**0.229**	**0.222**	**0.216**	**0.209**	**0.203**	**0.197**	**0.192**	**0.186**	**0.181**
153,745	**149,267**	**144,919**	**140,698**	**136,600**	**1,217,177**	**128,759**	**125,008**	**121,367**	**117,832**	**698,715**	**111,068**	**107,833**	**104,693**	**101,643**	**240,972**	**95,809**

54	55	56	57	58	59	60	61	Total
								£ 979,212
								£ 479,448
								£ 264,103
								£ 2,099,007
								£ 480,464
								£ 830,857
								£ 422,056
								£ 2,506,538
								£ 834,463
								£ 1,988,897
								£ 1,074,695
								£ 1,382,375
								£ 408,140
								£ 611,093
								£ 171,667
								£ 85,326
								£ 327,487
								£ 878,751
								£ 1,486,289
								£ 3,401,643
								£ 531,151
								£ 2,869,476
								£ 264,509
								£ 204,680
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ 24,582,325**
0	0	0	0	0	0	0	0	£ 1,493,376
0	0	0	0	0	0	0	0	£ 245,823
0	0	0	0	0	0	0	0	£ 999,778
								£ 554,576
								£ 1,672,934
								£ 791,648
								£ 188,631
								£ 818,660
								£ 309,355
								£ 665,114
								£ 773,388
0	0	0	0	0	0	0	0	£ 182,599
0	0	0	0	0	0	0	0	£ 1,239,844
0	0	0	0	0	0	0	0	£ 547,796
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ 10,483,522**
0	0	0	0	0	0	0	0	£ 4,383,231
								£ -
								£ 10,000
								£ -
106,195	106,195	106,195	106,195	106,195	106,195	106,195	106,195	£ 7,194,699
10,619	10,619	10,619	10,619	10,619	10,619	10,619	10,619	£ 6,288,024
								£ -
116,814	**116,814**	**116,814**	**116,814**	**116,814**	**116,814**	**116,814**	**116,814**	**£ 17,875,954**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	£ 1,289,280
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	£ 644,640
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	£ 1,933,920
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	£ 6,942,773
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	£ 3,468,163
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ -**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	£ 6,446,400
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	£ 3,464,940
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ -**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	£ 644,640
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	£ 24,834,756
530,727	**530,727**	**530,727**	**530,727**	**530,727**	**530,727**	**530,727**	**530,727**	**£ 77,776,557**
0.175	**0.170**	**0.165**	**0.160**	**0.156**	**0.151**	**0.147**	**0.143**	
93,018	**90,309**	**87,678**	**85,125**	**82,645**	**80,238**	**77,901**	**75,632**	

Lifecycle Costs Option 3

Life Cycle Cost Model			Option	New
Pre-Contract + Construction Period + 60 year life				
Based on P79 LCC's v5			On-costs	60%
Departmental cost from OB2 (1)	£	6,902,515.42		
On-costs from OB1 (2)	£	4,141,509.25	LAF	6%
Total	£	**11,044,025**		
Total works cost + LAF	£	11,044,025		
Equipment Costs	£	911,157		
Other costs	£	10,000		
Land	£	200,000		
			Number of floors	2
			Gross internal floor area	5,372

Revisions			
No	Author	Date	
1	James Rushton	14/12/02	Setup
2	Jonathan Bryden	3/11/06	Cap Value
3	Paul Gemmell	13/2/07	

	Element		%		Capital Costs	Expected Life	No.of Cycles	% Cost to Replace	0	1
Departmental costs	Substructure		9.64%	£	665,402	60	1	100%	665,402	
	Frame		4.72%	£	325,799	60	1	100%	325,799	
	Upper Floors		2.60%	£	179,465	60	1	100%	179,465	
	Roof		10.08%	£	695,774	30	2	105%	695,774	
	External Walls		4.73%	£	326,489	60	1	100%	326,489	
	Windows & Externl. Doors		3.99%	£	275,410	30	2	105%		275,410
	Internal Walls & Partns.		2.77%	£	191,200	20	3	25%		191,200
	Internal Doors		7.96%	£	549,440	20	3	105%		549,440
	Wall Finishes		3.10%	£	213,978	10	6	33%		213,978
	Floor Finishes		3.56%	£	245,730	10	6	90%		245,730
	Ceiling Finishes		2.30%	£	158,758	15	4	120%		158,758
	Fittings & Furnishings		4.39%	£	303,020	20	3	105%		303,020
	Sanitary Appliances		1.96%	£	135,289	30	2	105%		135,289
	Disposal Installations		1.88%	£	129,767	20	3	110%		129,767
	B.W.I.C.		1.69%	£	116,653					116,653
	Profit & Attendances		0.84%	£	57,981					57,981
	Services Equipment		1.04%	£	71,786	20	3	105%		71,786
	Water Installations		4.22%	£	291,286	30	2	105%		291,286
	Heat Source (Inc. in 5F)		4.72%	£	325,799	20	3	105%		325,799
	Space Heating/Air Treatment		7.28%	£	502,503	15	4	120%		502,503
	Ventilation System		1.26%	£	86,972	15	4	105%		86,972
	Electrical Installations		13.78%	£	951,167	30	2	105%		951,167
	Protective Installations		0.84%	£	57,981	25	2	105%		57,981
	Communications		0.65%	£	44,866	20	3	105%		44,866
	Total		**100.00%**	**£**	**6,902,515**				**2,192,929**	**4,709,586**
On-costs	Space	15.19%	9.11%	£	628,992				199,831	429,161
- Communications	Staircases	2.50%	1.50%	£	103,538				32,894	70,644
	Lifts	10.17%	6.10%	£	421,094				133,782	287,313
- "External" Building Works	Drainage	6.50%	3.90%	£	269,179	30	2	110%	85,518	183,661
	Roads, paths, parking	8.95%	5.37%	£	370,698	15	4	120%	117,771	252,927
	Site layout, walls, fencing gates	4.53%	2.72%	£	187,656	15	4	110%	59,618	128,038
	Builders work for engineering services outside buildings	4.64%	2.79%	£	192,271				61,084	131,186
- "External" Engineering Works	Steam, condensate, heating, hot water and gas supply mains	6.50%	3.90%	£	269,179	20	3	105%	85,518	183,661
	Cold water mains and storage	3.71%	2.23%	£	153,816	30	2	105%	48,868	104,949
	Electricity mains, sub-stations, stand-by generating plant	7.99%	4.79%	£	330,705	30	2	105%	105,065	225,640
	Miscellaneous services	9.29%	5.57%	£	384,541	30	2	105%	122,169	262,372
- Auxiliary Buildings		1.86%	1.11%	£	76,908				24,434	52,474
- Other on-costs and abnormals	Building	12.61%	7.57%	£	522,207				165,905	356,302
	Engineering	5.57%	3.34%	£	230,725				73,301	157,423
	Total	**100.00%**	**60.00%**	**£**	**4,141,509**				**1,315,757**	**2,825,752**
Fees	Professional		12.5%	£	1,380,503				455,566	924,937
Non-Works Costs	LAND			£	200,000				200,000	
	Statutory Fees		1.00%	£	10,000				3,300	6,700
	OTHER			£	-				0	
Equipment Cost	General Equipment			£	911,157			**100%**		911,157
Planning Contingency	Contingency		11.90%	£	1,611,936				531,939	1,079,997
	Total			**£**	**15,157,621**				**1,190,805**	**2,922,791**
Occupancy Costs					**Cost/m2**					
	Decorations			**£**	**4.00**					
	Fabric			**£**	**2.00**					
	Services			**£**	**6.00**					
	Cleaning			**£**	**21.54**					
	Utilities			**£**	**10.76**					
	Rates - only for revenue comparison (£43 per sqm)			**£**	**-**					
	Administrative Costs			**£**	**20.00**					
Excl. capital charges	Overheads			**£**	**10.75**					
	Capital Charges - only for revenue comparison									
	External Works			**£**	**2.00**					
	Total			**£**	**77**					
								Total	**4,699,492**	**10,458,129**
								Discount Factor	**1.000**	**0.966**
								Discounted Total	**4,699,492**	**10,104,472**

Total Discounted Cost		**34,062,203**	Council Share
NPC of capital costs			Year 5
Include Rates	**no**		

An economic appraisal excludes VAT and Capital Charges

Contingency 11% on dept+oncosts

Equipment replacement 8% annually from revenue

2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
										70,613					
										221,157					
															190,509
															603,004
															91,320
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**291,769**	**0**	**0**	**0**	**0**	**884,833**
0	0	0	0	0	0	0	0	0	0	26,587	0	0	0	0	80,630
0	0	0	0	0	0	0	0	0	0	4,377	0	0	0	0	13,273
0	0	0	0	0	0	0	0	0	0	17,800	0	0	0	0	53,980
															444,837
															206,422
0	0	0	0	0	0	0	0	0	0	3,251	0	0	0	0	9,859
0	0	0	0	0	0	0	0	0	0	22,074	0	0	0	0	66,942
0	0	0	0	0	0	0	0	0	0	9,753	0	0	0	0	29,577
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**83,841**	**0**	**0**	**0**	**0**	**905,519**
0	0	0	0	0	0	0	0	0	0	46,951	0	0	0	0	223,794
		9,112	27,335	36,446	45,558	54,669	63,781	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893
0	0	1,084	3,253	4,337	5,421	6,506	7,590	8,674	8,674	58,959	8,674	8,674	8,674	8,674	248,358
0	**0**	**10,196**	**30,588**	**40,783**	**50,979**	**61,175**	**71,371**	**81,567**	**81,567**	**178,803**	**81,567**	**81,567**	**81,567**	**81,567**	**545,044**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**
413,913	**413,913**	**424,108**	**444,500**	**454,696**	**464,892**	**475,088**	**485,283**	**495,479**	**495,479**	**968,326**	**495,479**	**495,479**	**495,479**	**495,479**	**2,749,310**
0.934	**0.902**	**0.871**	**0.842**	**0.814**	**0.786**	**0.759**	**0.734**	**0.709**	**0.685**	**0.662**	**0.639**	**0.618**	**0.597**	**0.577**	**0.557**
386,392	**373,325**	**369,586**	**374,257**	**369,895**	**365,401**	**360,787**	**356,068**	**351,255**	**339,376**	**640,822**	**316,812**	**306,098**	**295,747**	**285,746**	**1,531,926**
66,364	plus rates		34,100												

18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
														730,562	
														289,181	
				47,800											
				576,912											
				70,613										70,613	
				221,157										221,157	
														190,509	
				318,171											
														142,054	
				142,744											
				75,375											
														305,850	
				342,089											
														603,004	
														91,320	
														998,725	
									60,880						
				47,110											
0	**0**	**0**	**0**	**1,841,971**	**0**	**0**	**0**	**0**	**60,880**	**0**	**0**	**0**	**0**	**3,642,975**	**0**
0	0	0	0	167,850	0	0	0	0	5,548	0	0	0	0	331,966	0
0	0	0	0	27,630	0	0	0	0	913	0	0	0	0	54,645	0
0	0	0	0	112,371	0	0	0	0	3,714	0	0	0	0	222,243	0
														296,097	
														444,837	
														206,422	
				282,638											
														161,507	
														347,241	
														403,768	
0	0	0	0	20,523	0	0	0	0	678	0	0	0	0	40,590	0
0	0	0	0	139,354	0	0	0	0	4,606	0	0	0	0	275,608	0
0	0	0	0	61,570	0	0	0	0	2,035	0	0	0	0	121,771	0
0	**0**	**0**	**0**	**811,935**	**0**	**0**	**0**	**0**	**17,494**	**0**	**0**	**0**	**0**	**2,906,695**	**0**
0	0	0	0	331,738	0	0	0	0	9,797	0	0	0	0	818,709	0
72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893
8,674	8,674	8,674	8,674	363,966	8,674	8,674	8,674	8,674	19,167	8,674	8,674	8,674	8,674	885,511	8,674
81,567	**81,567**	**81,567**	**81,567**	**768,597**	**81,567**	**81,567**	**81,567**	**81,567**	**101,856**	**81,567**	**81,567**	**81,567**	**81,567**	**1,777,113**	**81,567**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**
495,479	**495,479**	**495,479**	**495,479**	**3,836,415**	**495,479**	**495,479**	**495,479**	**495,479**	**594,143**	**495,479**	**495,479**	**495,479**	**495,479**	**8,740,695**	**495,479**
0.538	**0.520**	**0.503**	**0.486**	**0.469**	**0.453**	**0.438**	**0.423**	**0.409**	**0.395**	**0.382**	**0.369**	**0.356**	**0.346**	**0.336**	**0.326**
266,747	**257,726**	**249,011**	**240,590**	**1,799,857**	**224,594**	**216,999**	**209,661**	**202,571**	**234,694**	**189,102**	**182,707**	**176,529**	**171,387**	**2,935,358**	**161,549**

34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49
								47,800							
								576,912							
								70,613							
								221,157							
													190,509		
								318,171							
								142,744							
								75,375							
								342,089							
													603,004		
													91,320		
								47,110							
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1,841,971**	**0**	**0**	**0**	**0**	**884,833**	**0**	**0**
0	0	0	0	0	0	0	0	167,850	0	0	0	0	80,630	0	0
0	0	0	0	0	0	0	0	27,630	0	0	0	0	13,273	0	0
0	0	0	0	0	0	0	0	112,371	0	0	0	0	53,980	0	0
													444,837		
													206,422		
								282,638							
0	0	0	0	0	0	0	0	20,523	0	0	0	0	9,859	0	0
0	0	0	0	0	0	0	0	139,354	0	0	0	0	66,942	0	0
0	0	0	0	0	0	0	0	61,570	0	0	0	0	29,577	0	0
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**811,935**	**0**	**0**	**0**	**0**	**905,519**	**0**	**0**
0	0	0	0	0	0	0	0	331,738	0	0	0	0	223,794	0	0
72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893
8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	363,966	8,674	8,674	8,674	8,674	248,358	8,674	8,674
81,567	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**768,597**	**81,567**	**81,567**	**81,567**	**81,567**	**545,044**	**81,567**	**81,567**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**
495,479	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**3,836,415**	**495,479**	**495,479**	**495,479**	**495,479**	**2,749,310**	**495,479**	**495,479**
0.317	**0.307**	**0.298**	**0.290**	**0.281**	**0.273**	**0.265**	**0.257**	**0.250**	**0.243**	**0.236**	**0.229**	**0.222**	**0.216**	**0.209**	**0.203**
156,843	**152,275**	**147,840**	**143,534**	**139,353**	**135,294**	**131,354**	**127,528**	**958,668**	**120,207**	**116,706**	**113,307**	**110,007**	**592,626**	**103,692**	**100,672**

50	51	52	53	54	55	56	57	58	59	60	61	Total
												£ 665,403
												£ 325,799
												£ 179,465
												£ 1,426,336
												£ 326,489
												£ 564,591
												£ 286,800
												£ 1,703,265
		70,613										£ 567,042
		221,157										£ 1,351,513
		190,509										£ 920,796
												£ 939,363
												£ 277,343
												£ 415,255
												£ 116,653
												£ 57,981
												£ 222,537
												£ 597,137
												£ 1,009,976
												£ 2,311,514
												£ 360,933
												£ 1,949,892
		60,880										£ 179,742
												£ 139,086
0	**0**	**543,159**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ 16,894,907**
0	0	49,495	0	0	0	0	0	0	0	0	0	£ 1,539,548
0	0	8,147	0	0	0	0	0	0	0	0	0	£ 253,424
0	0	33,136	0	0	0	0	0	0	0	0	0	£ 1,030,689
												£ 565,276
												£ 1,705,210
												£ 806,921
												£ 192,271
												£ 834,455
												£ 315,324
												£ 677,946
												£ 788,310
0	0	6,052	0	0	0	0	0	0	0	0	0	£ 188,244
0	0	41,092	0	0	0	0	0	0	0	0	0	£ 1,278,177
0	0	18,156	0	0	0	0	0	0	0	0	0	£ 564,732
0	**0**	**156,079**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ 10,740,527**
0	0	87,405	0	0	0	0	0	0	0	0	0	£ 3,454,429
												£ 200,000
												£ 10,000
												£ -
72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	72,893	£ 4,938,468
8,674	8,674	102,285	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	8,674	£ 4,312,361
												£ -
81,567	**81,567**	**262,582**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**81,567**	**£ 12,915,259**
21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	21,488	£ 1,289,280
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	£ 644,640
32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	32,232	£ 1,933,920
115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	115,713	£ 6,942,773
57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	57,803	£ 3,468,163
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ -**
107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	107,440	£ 6,446,400
57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	57,749	£ 3,464,940
0	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**£ -**
10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	10,744	£ 644,640
413,913	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	**413,913**	£ 24,834,756
495,479	**495,479**	**1,375,732**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**495,479**	**£ 65,385,449**
0.197	**0.192**	**0.186**	**0.181**	**0.175**	**0.170**	**0.165**	**0.160**	**0.156**	**0.151**	**0.147**	**0.143**	
97,740	**94,893**	**255,802**	**89,446**	**86,840**	**84,311**	**81,855**	**79,471**	**77,157**	**74,909**	**72,727**	**70,609**	

Appendix D: Development and of Non-Financial Appraisal of Options

The Project Team explored a wide range of options for meeting the project objectives. In considering options a number of solutions and possible sites were considered. The long list of options considered included the following:

1. Do nothing
2. Extend and refurbish the existing health centre
3. Development of GP premises in a separate location to community and social care services
4. New build multi-purpose facility for health and social care services.

Long list option 3 was rejected at an early stage as it did not meet the strategic objectives of co-location and service integration.

A number of possible sites were considered for the site of a potential new build as detailed in the table below:

Option	Criteria by which option was discounted
1. Do nothing	Short-list
2. Extend and refurbish the current building	Short-list
3. Integrated health and social care centre in Main Street, Barrhead.	Short-list
4. Integrated health and care centre on current social care site in Darnley Road.	4/3/6
5. Integrated health and care centre is developed in on greenfield site in Greenlaw, Newton Mearns	1/6
6. Integrated primary care, day care and health and social care facility is developed in Neilston.	1/3/4/7
7. Integrated health and care centre at ex Volvo site	Short-list
8. Integrated health and care centre at Glen Street/Foundary Lane site	3/8
9. Integrated health and care centre at Centenary Park.	3/8
10. Integrated health and care centre at Boyd's field.	3/4/7
11. Integrated health and care centre at Blackbyres Court.	3/5/7
12. Integrated health and care centre at Dovecothall site.	Short-list

These options were short-listed using the criteria below:

1. NHS and local authority policies would not be met
2. Integration between primary care and health care
3. Site suitability
4. Sufficient acreage
5. Site available within a suitable timescale
6. Access for local people
7. Site remote
8. Known estate/site strategy

Development of benefits criteria

Having identified the options to be considered the Project Board considered that the best means of developing a robust assessment of the benefits of each option was to convene a workshop involving a range of key stakeholders both managerial and clinical from across health and care services.

The workshop identified the following as key potential benefits for the project:

Accessibility • The services need to be easily accessed by local people by public or private transport.
Care Effectiveness and Quality • The ability to achieve clinical standards including the management of long-term conditions • Ability to impact on service waiting times • Multi-disciplinary and mutli-agency working including information sharing • Good staff/service user relationships • Streamlined care pathway
Quality of the environment The physical environment is an important issue for service users. It should make a positive contribution to their well-being. The proposed development should deliver significant benefits in terms of:

- The visual and aural environment (both within and outside of the building) and the thermal environment (within the building).
- Fit for purpose

Flexibility for Growth and Change

The needs of services change over time. Options should be examined in terms of the degree to which they can deliver benefits such as:

- The ability of the site/building to accommodate limited expansion
- The flexibility and ease with which the buildings can be changed to meet service needs.
- The potential for alternative uses for the building/site in the future.

Fit with local regeneration proposals

Does the proposed site fit with local planning and regeneration proposals.

Availability: Time and technical complexity

- The service is a priority for development and therefore options which deliver the service quickly will offer significant benefits. Options should be examined in terms of the availability of the site/buildings, the degree to which technical problems and complexities have been overcome and the likely differences in timescales required to complete the facility.

Staff motivation/recruitment and retention

- For all public services there is a need to ensure there is a motivated workforce. The working environment has a significant impact on morale and impacts on staff retention.

Benefits Criteria Weighting

These benefits criteria were then ranked in order of priority. Weightings were then applied to the ranked criteria:

Benefit Criteria	Rank	Weight	Normalised Weight
Care effectiveness & quality	1	100	20
Fit with local regeneration plan	2	85	17
Quality of the physical environment	3	85	17
Availability - time, and technical complexity	4	70	14
Accessibility	5	60	12
Staff motivation	6	45	9
Flexibility for change & growth	7	45	9
		490	100

Rationale for the weighting of benefits

Workshop delegates felt that all of the benefits criteria were important. However, their rationale for scoring some more highly can be summarised as follows:

1. Workshop delegates considered the primary objective to be an improvement in the quality and effectiveness of services to patients. They felt that this objective should be at the forefront of any service redesign including premises development. For delegates there was a particular emphasis on the need to improve services for people with long-term conditions though greater service integration.

2. The local regeneration plan was viewed as critical. Several reasons were given for this: The Regeneration Plan has been endorsed by the Community Planning Partnership. Service providers working within the CHCP see themselves as key contributors to the achievement of community planning objectives. The Regeneraion Plan will bring opportunities for health improvement for Barrhead through the improvement in employment opportunities and an improvement in the built environment. Supporting these outcomes was felt by delegates to be important.
3. The need for a good working environment for both patients and staff was viewed as critical.
4. Delegates were aware that planning for improved health and care facilities in Barrhead had been ongoing for many years. They felt that options should be assessed on their ability to provide an early solution.
5. The need to ensure accessibility for service users was emphasised. Delegates were keen to ensure that options which were close to other amenities and well served by public transport were viewed positively.

Scoring of benefits for each option

Delegates were then offered the opportunity to express both optimistic and pessimistic views on the benefit scores for each option. For most options/benefits there was a high level of consensus among the participants:

	Option 1			Option 2			Option 3		
	Do nothing			Extend and refurbish				Carlibar Site	
Benefit Criteria	**consensus**	**optimistic**	**pessimistic**	**consensus**	**optimistic**	**pessimistic**	**consensus**	**optimistic**	**pessimistic**
Care effectiveness & quality	3	7	2	6	7	5	9	9	8
Fit with local regeneration plan	1	1	1	6	7	5	10	10	10
Quality of the physical environment	1	4	1	7	8	6	9	10	8
Availability - time, and technical complexity	8	9	8	4	5	3	8	9	7
Accessibility	7	8	6	6	6	6	8	9	7
Staff motivation	3	4	1	6	7	6	9	9	8
Flexibility for change & growth	1	1	1	1	1	1	6	7	5
Total	**24**	**34**	**20**	**36**	**41**	**32**	**59**	**63**	**53**

	Option 4			Option 5		
	Volvo site			Dovecothall site		
Benefit Criteria	**consensus**	**optimistic**	**pessimistic**	**consensus**	**optimistic**	**pessimistic**
Care effectiveness & quality	9	9	7	9	9	9
Fit with local regeneration plan	3	5	1	3	3	3
Quality of the physical environment	8	8	7	8	9	8
Availability - time, and technical complexity	3	3	2	3	4	2
Accessibility	3	5	1	5	6	4
Staff motivation	7	7	6	7	7	7
Flexibility for change & growth	7	7	7	5	6	4
Total	**40**	**44**	**31**	**40**	**44**	**37**

Scoring Rationale

In summary, the rationale for the scoring was as follows:

1. Care Effectiveness and Quality

It was acknowledged that for both health and care services, providers currently ensure high standards given the current constraints. In the context of the evolving CHCP and the drive to service integration Option 3 was seen as the most likely to achieve improved care quality. Option 2 was viewed negatively as there was a concern that the site size would constrain the development of all of the anticipated services.

2. Accessibility

The need for good access in every sense was seen as critical. This included physical access and access at convenient times. The options which retained a Main Street site scored well on this criteria. Options 3(b) and 3(c) were viewed as being distant from the hub of the communication links within Barrhead.

3. Quality of the Environment

The need for a physical environment which enhances the experience for both staff and service users was viewed as important in any new development. The development of a new build under Option 3 was felt to offer the best means of achieving an improvement. Although Option 2 would provide some improvement it was felt that the limitations of the site and design of the current facility would greatly limit the opportunity to achieve an optimum improvement in the environment.

4. Flexibility for Growth and Change

It was felt that Option 3 offered the best opportunity for developing a flexible building which could accommodate the changing needs of the service.

5. Fit with local regeneration proposals

The review group recognised that the development of a health and care facility could not be seen in isolation. The opportunity for improving the health and well-being of the people of Barrhead which the Regeneration Masterplan represents were seen as critical. Option 3(a) was felt to be most in sympathy with this important strategy.

6. Staff motivation

The new build options scored highly as the most likely to attract and retain staff. While option 2 was likely to improve the facility in the short term there would be little opportunity for further development. It was the view of the review group that staff are motivated by the prospect of increased joint working between health and social care and that option 3 would be the most likely to guarantee this.

7. Availability

The review process recognised that discussion about a replacement for the current health centre has been ongoing for many years. There was a view that options which were likely to be either technically difficult or likely to introduce further significant delay were not favourable. Option 3(a) was viewed as the most likely to deliver a favoured solution within an acceptable timescale.

The compilation of weighted risk scores is given below:

weighted scores			Consensus option 1		Consensus option 2		Consensus Option 3		Consensus Option 4		Consensus Option 5	
	wtd	scaled wt	score	wt x s	score	wt x s	score	wt x s	score	wt x s	score	wt x s
Care effectiveness & quality	100	20.4	3	61.22	6	122.4	9	183.7	9	183.7	9	183.7
Fit with local regeneration plan	85	17.3	1	17.35	6	104.1	10	173.5	3	52.04	3	52.04
Quality of the physical environment	85	17.3	1	17.35	7	121.4	9	156.1	8	138.8	8	138.8
Availability - time, and technical complexity	70	14.3	8	114.3	4	57.14	8	114.3	3	42.86	3	42.86
Accessibility	60	12.2	7	85.71	6	73.47	8	97.96	3	36.73	5	61.22
Staff motivation	45	9.2	3	27.55	6	55.1	9	82.65	7	64.29	7	64.29
Flexibility for change & growth	45	9.2	1	9.184	1	9.184	6	55.1	7	64.29	5	45.92
Total	490	100.0	24	332.7	36	542.9	59	863.3	40	582.7	40	588.8

	optimistic		optimistic		optimistic		optimistic		optimistic	
	option 1		option 2		Option 3		Option 4		Option 5	
weighted scores	score	wt x s	score	wt x s	score	wt x s	score	wt x s	score	wt x s
Care effectiveness & quality	7.0	142.9	7.0	142.9	9.0	183.7	9.0	183.7	9.0	183.7
Fit with local regeneration plan	1.0	17.3	7.0	121.4	10.0	173.5	5.0	86.7	3.0	52.0
Quality of the physical environment	4.0	69.4	8.0	138.8	10.0	173.5	8.0	138.8	9.0	156.1
Availability - time, and technical complexity	9.0	128.6	5.0	71.4	9.0	128.6	3.0	42.9	4.0	57.1
Accessibility	8.0	98.0	6.0	73.5	9.0	110.2	5.0	61.2	6.0	73.5
Staff motivation	4.0	36.7	7.0	64.3	9.0	82.7	7.0	64.3	7.0	64.3
Flexibility for change & growth	1.0	9.2	1.0	9.2	7.0	64.3	7.0	64.3	6.0	55.1
Total	34.0	502.0	41.0	621.4	63.0	916.3	44.0	641.8	44.0	641.8

	pessimistic		pessimistic		pessimistic		pessimistic		pessimistic	
	option 1		option 2		Option 3		Option 4		Option 5	
weighted scores	score	wt x s	score	wt x s	score	wt x s	score	wt x s	score	wt x s
Care effectiveness & quality	2.0	40.8	5.0	102.0	8.0	163.3	7.0	142.9	9.0	183.7
Fit with local regeneration plan	1.0	17.3	5.0	86.7	10.0	173.5	1.0	17.3	3.0	52.0
Quality of the physical environment	1.0	17.3	6.0	104.1	8.0	138.8	7.0	121.4	8.0	138.8
Availability - time, and technical complexity	8.0	114.3	3.0	42.9	7.0	100.0	2.0	28.6	2.0	28.6
Accessibility	6.0	73.5	6.0	73.5	7.0	85.7	1.0	12.2	4.0	49.0
Staff motivation	1.0	9.2	6.0	55.1	8.0	73.5	6.0	55.1	7.0	64.3
Flexibility for change & growth	1.0	9.2	1.0	9.2	5.0	45.9	7.0	64.3	4.0	36.7
Total	20.0	281.6	32.0	473.5	53.0	780.6	31.0	441.8	37.0	553.1

The results of the appraisal of benefits with the project are shown in the table below:

		Weighted Benefits Score		
Option	**Option Description**	**Optimistic**	**Consensus**	**Pessimistic**
1	Do Nothing	502	333	282
2	Extend and Refurbish	621	543	473
3(a)	New build: Main Street	916	863	781
3(b)	New build: Volvo site	642	583	442
3(c)	New build: Dovecothall	642	589	553

The table shows that option 3(a) was considered to offer the best option for the achievement of identified benefits.

Appendix E: Non-Financial Risk Appraisal

The Project Team recognised that at this stage in the planning of the project assumptions have necessarily had to be made in relation to the future. Inevitably, there is some uncertainty around the assumptions being made and therefore, there will be risks associated with progressing with the project.

Risks can be broadly described as those which can be quantified financially and those which can't. Examples of both types of risk are shown below:

- Risks that can be quantified financially:
  - Cost & time overruns on the project
  - Project costs underestimated
  - Unforeseen poor ground conditions
  - Design errors
  - Changes in technical specifications

- Risks that cannot be quantified financially include:

- Benefits might not be realised
- Low staff morale
- High staff turnover
- Unable to recruit staff
- Disruption to services during implementation of the project

There is a range of guidance from SEHD and HM Treasury on dealing with the risks which can be quantified financially. These involve using techniques such as projecting outturn costs and probabilities, estimating optimism bias, risk contingencies etc. and these have been used to incorporate planning contingencies in the capital costs identified in the business case.

The analysis of the risks which cannot be quantified financially is best done by people who understand the operational and management of the services involved in the project. Hence, it was done as a part of the option appraisal workshop where a wide range of managerial, clinical and stakeholders were present. The process used for assessing these risks is summarised as follows:

- Develop and agree the main risks/uncertainty
- Weighting of risks (Impact of the risk if it came about)
- Scoring of options against risks (probability of the risk happening)
- Multiply scores by weights for each option to arrive at a weighted risk score for each option – this is simply a measure of how risky the workshop delegates consider the options to be.

The risks/uncertainty and their relative weighting that were identified for this project are shown in the table below:

Risk Criteria	Priority	Weight	Normalised weight
Benefits might not be realised (eg better physical environment, improved services etc	1	100	18.87
Low staff morale	5	60	11.32

High staff turnover	5	60	11.32
Unable to recruit staff	5	60	11.32
Poor public relations/bad press	3	75	14.15
Demand for service higher or of a different nature than forecast	2	90	16.98
Demand for service lower than forecasts	8	20	3.77
Disruption to services to services during the implementation of the project	4	65	12.26
Total		**530**	**100.00**

Rationale for the weighting of risks

The workshop delegate's rationale for the weighting of the risks is summarised as follows:

1) The main purpose of the project is to deliver the benefits and changes that are required in services in the Barrhead locality. Therefore, workshop delegates gave maximum weight to the risk associated with these benefits not being realised since it would negate the purpose of project if these benefits were not realised.

2) It was felt that there was considerable unmet demand at present and therefore, the impact of demand being higher than forecast could a significant risk.

3) Delegates were acutely aware of the need to foster positive public relations following a number of years of negative publicity about the progress to resolve the issues associated with the current facility. This was viewed as particularly important in the context of the fledgling CHCP.

4) Whilst the business case is for capital investment in buildings, the success of the project is highly dependant upon staff delivering changes and improvements in services. Therefore, a number of risks relating to staff morale, turnover and recruitment were identified.

5) There is a need to continue to provide operational services whilst the project is being implemented and therefore a risk was identified in relation to the potential disruption to services during implementation.

The workshop delegate’s scores for each option in relation to the risks are shown as:

	Option 1			Option 2			Option 3		
	Do Nothing			Extend and Refurbish			New Build		
	Consensus	Optimistic	Pessimistic	Consensus	Optimistic	Pessimisti	Consensus	Optimistic	Pessimisti
Benefits might not be realised (eg better physical environment, improved services etc	10	10	10	7	6	7	2	1	3
Low staff morale	7	6	8	5	5	7	2	1	2
High staff turnover	4	4	5	4	4	5	2	1	2
Unable to recruit staff	4	4	5	4	4	5	1	1	2
Poor public relations/bad press	9	8	10	6	6	7	3	2	4
Demand for service higher or of a different nature than forecast	9	9	10	8	8	8	5	3	5
Demand for service lower than forecasts	2	1	2	2	1	2	1	1	2
Disruption to services during the implementation of the project	2	1	3	10	10	10	2	1	3
Total	47	43	53	46	44	51	18	11	23

Scoring rationale

1. Delegates felt that Option 1 in particular would almost certainly result in a high risk that the anticipated benefits for the project would not be realised. For Option 2 this was ameliorated but there were concerns that the constraints of the site would not allow the full development of the range of services felt to be the optimum. Option 3 presented the least risk that the anticipated benefits would not be realised.
2. In relation to staff morale there was a view that Option 1 would result in significant disappointment for the current staff group who are anticipating an improvement in their accommodation situation. Delegates felt that realising a joint health and care facility on the current site was likely to be impossible given site constraints and were concerned that design compromises would mean an outcome which fell short of the optimum. This would result in a risk of poor staff morale. Option 3 was felt to offer the best solution in relation to staff recruitment and retention.
3. Delegates viewed Options 1 and 2 as bringing a risk of bad publicity and poor public relations. There has been a poor public and press image of the

current health centre and this would be exacerbated if hoped for progress in relation to improved facilities was not made. Option 2 scored poorly as there was a fear that the constrained site would not bring the full integrated service benefits which are at the forefront of the CHCP's stated ambitions and would bring significant disbenefits in relation to car parking for example. A new build, fit for purpose, landmark facility as delivered by Option 3 would be the least likely to bring poor publicity.

4. In relation to delivery of service against future service demand it was felt that Option 3 would offer the most "future-proof" solution. Option 1 would do little to address the anticipated demand for additional service demand in line with the current strategic direction for increased community-based service. While Option 2 did offer the possibility of meeting additional service demand it was felt that however well a refurbishment and extension were managed the current facility and site would be a limiting factors.
5. Delegates expressed particular concern that there was a high risk of disruption associated with Option 2. Refurbishment would be likely to involve decant into temporary modular buildings and could bring difficulty in service continuity. Option 3 with a planned, single transfer to a new build from the range of current health and care facilities was perceived as the least risky.
6. For all options there was a perception that there is a low risk that service demand will be lower than forecast.

The compilation of weighted risk scores is given below:

			Consensus scoring Scenario						Optimistic Scoring Scenario						Pessimistic Scoring Scenario					
			Option 1		Option 2		Option 3		Option 1		Option 2		Option 3		Option 1		Option 2		Option 3	
Risk Criteria	Weight	Normalised weight	Score	Wt x S	Score	Wt x S	Score	Wt x S	Score	Wt x S	Score	Wt x S	Score	Wt x S	Score	Wt x S	Score	Wt x S	Score	Wt x S
Benefits might not be realised (eg better physical environment, improved services etc	100	18.87	10	189	7	132	2	38	10	189	6	113	1	19	10	189	7	132	3	57
Low staff morale	60	11.32	7	79	5	57	2	23	6	68	5	57	1	11	8	91	7	79	2	23
High staff turnover	60	11.32	4	45	4	45	2	23	4	45	4	45	1	11	5	57	5	57	2	23
Unable to recruit staff	60	11.32	4	45	4	45	1	11	4	45	4	45	1	11	5	57	5	57	2	23
Poor public relations/bad press	75	14.15	9	127	6	85	3	42	8	113	6	85	2	28	10	142	7	99	4	57
Demand for service higher or of a different nature than forecast	90	16.98	9	153	8	136	5	85	9	153	8	136	3	51	10	170	8	136	5	85
Demand for service lower than forecasts	20	3.77	2	8	2	8	1	4	1	4	1	4	1	4	2	8	2	8	2	8
Disruption to services to services during the implementation of the project	65	12.26	2	25	10	123	2	25	1	12	10	123	1	12	3	37	10	123	3	37
Total	530	100		671		630		250		629		608		148		748		690		310

The results of the appraisal of non-financial risks associated with the project are shown in the table below expressed as the Weighted Risk Score for each option.

		Weighted Risk Score		
Option No	Option Description	Optimistic	Consensus	Pessimistic
1	Do Nothing	629	671	748
2	Extend and Refurbish	608	630	690
3	New Build	148	250	310

The table shows that option 3 was considered to be significantly less risky than the other options.

Appendix F: Project Management and Timetable

1. Project Management

Project Board

A Project Board was established in July 2006 with the CHCP Head of Health and Community Care as chair. The Project Board has been responsible for overseeing all aspects of the development of the project. The chair makes regular reports to the CHCP Committee.

In addition to the Project Board a number of sub groups have been established which have taken forward aspects of the project's development. The sub groups are:

Finance and capital planning group

Role to oversee the financial and capital cost elements of the project. This has included leading the joint development work interface between the NHS and East Renfrewshire Council.

Public Engagement group

A public engagement sub group has been established which is being led by representatives of the Public Partnership Forum in Barrhead. The group has overseen the distribution of a questionnaire to service users and 2 open public engagement sessions.

Accommodation and design sub group

This sub group will oversee the development of the schedule of accommodation for the proposed new build. It has also led the work to explore design solutions and the drafting of the Design Brief.

Group Membership

Project Board
CHCP Head of Health and Community Care (Chair)
CHCP Head of Planning and Health Improvement
Head of Capital Planning (NHS)
Head of Environment Department (Planning) (ERC[4])
CHCP Head of Finance (ERC)
Head of Technical Services (Architect ERC)
Capital Planning Management Accountant (NHS)
Head of Legal Services (ERC)
Head of Accountancy Services (ERC)
GP
Practice Manager
Member of Public Partnership Forum
Project Manager (NHS)

Finance and Capital Planning Sub Group
CHCP Head of Health and Community Care (Chair)

[4] ERC refers to East Renfrewshire Council

Head of Capital Planning (NHS)
CHCP Head of Finance (ERC)
Head of Technical Services (Architect ERC)
Capital Planning Management Accountant (NHS)
Head of Legal Services (ERC)
Head of Accountancy Services (ERC)
Management Accountant (NHS)

Public Engagement Sub Group

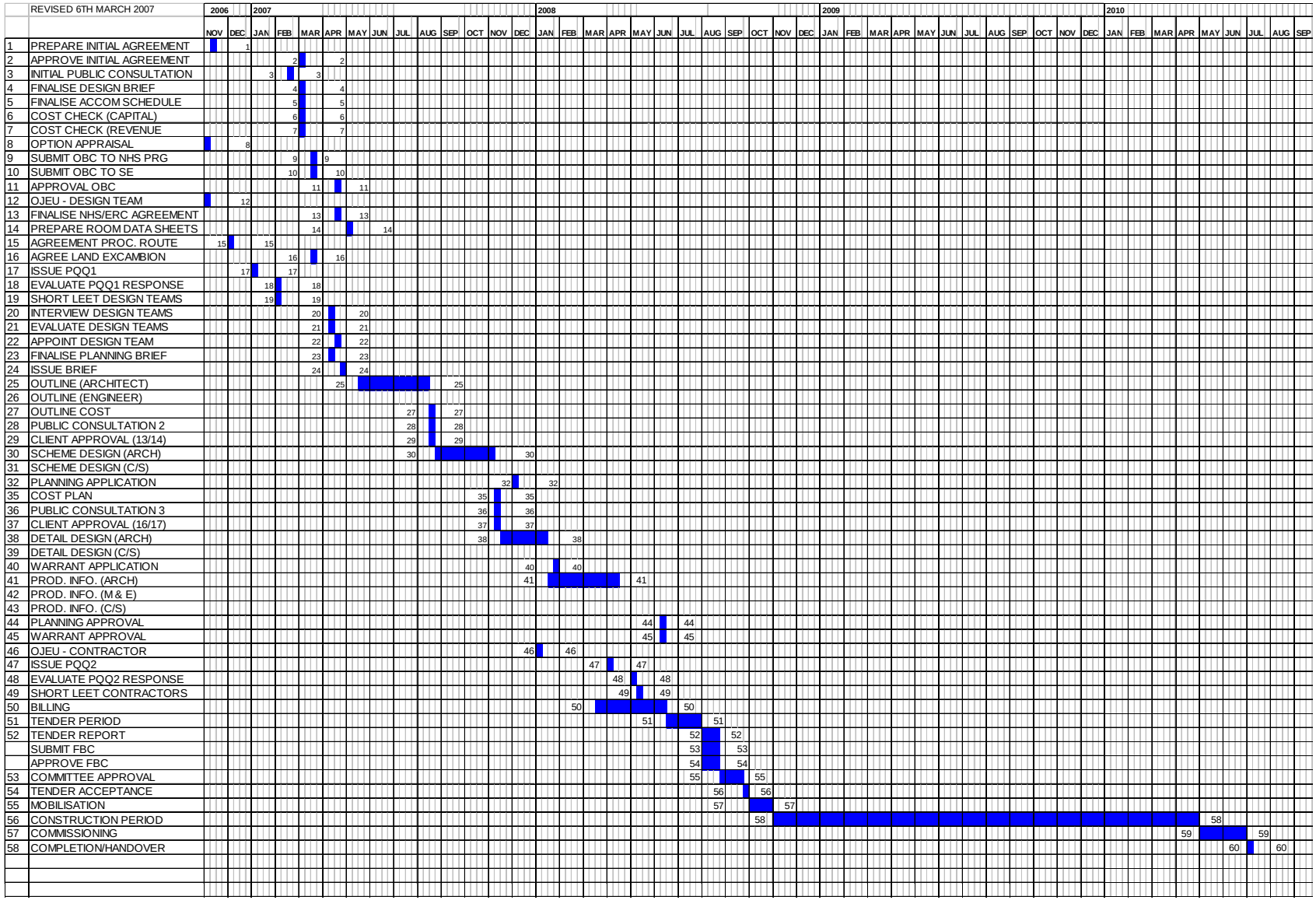
CHCP Head of Health and Community Care (Chair)
CHCP Head of Planning and Health Improvement
Member Public Partnership Forum
Member Public Partnership Forum
Member Public Partnership Forum
CHCP Public Engagement Worker

Accommodation and Design Sub Group

CHCP Head of Health and Community Care (Chair)
Practice Manager
CHCP Lead Nurse
Member Public Partnership Forum
Architect (NHS)
Head of Technical Services (Architect ERC)

1. Project Timetable

The following table offers an outline of the project timetable:


REVISED 6TH MARCH 2007
2006
2007
2008
2009
2010
NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP
1 PREPARE INITIAL AGREEMENT
2 APPROVE INITIAL AGREEMENT
3 INITIAL PUBLIC CONSULTATION
4 FINALISE DESIGN BRIEF
5 FINALISE ACCOM SCHEDULE
6 COST CHECK (CAPITAL)
7 COST CHECK (REVENUE
8 OPTION APPRAISAL
9 SUBMIT OBC TO NHS PRG
10 SUBMIT OBC TO SE
11 APPROVAL OBC
12 OJEU - DESIGN TEAM
13 FINALISE NHS/ERC AGREEMENT
14 PREPARE ROOM DATA SHEETS
15 AGREEMENT PROC. ROUTE
16 AGREE LAND EXCAMBION
17 ISSUE PQQ1
18 EVALUATE PQQ1 RESPONSE
19 SHORT LEET DESIGN TEAMS
20 INTERVIEW DESIGN TEAMS
21 EVALUATE DESIGN TEAMS
22 APPOINT DESIGN TEAM
23 FINALISE PLANNING BRIEF
24 ISSUE BRIEF
25 OUTLINE (ARCHITECT)
26 OUTLINE (ENGINEER)
27 OUTLINE COST
28 PUBLIC CONSULTATION 2
29 CLIENT APPROVAL (13/14)
30 SCHEME DESIGN (ARCH)
31 SCHEME DESIGN (C/S)
32 PLANNING APPLICATION
35 COST PLAN
36 PUBLIC CONSULTATION 3
37 CLIENT APPROVAL (16/17)
38 DETAIL DESIGN (ARCH)
39 DETAIL DESIGN (C/S)
40 WARRANT APPLICATION
41 PROD. INFO. (ARCH)
42 PROD. INFO. (M & E)
43 PROD. INFO. (C/S)
44 PLANNING APPROVAL
45 WARRANT APPROVAL
46 OJEU - CONTRACTOR
47 ISSUE PQQ2
48 EVALUATE PQQ2 RESPONSE
49 SHORT LEET CONTRACTORS
50 BILLING
51 TENDER PERIOD
52 TENDER REPORT
SUBMIT FBC
APPROVE FBC
53 COMMITTEE APPROVAL
54 TENDER ACCEPTANCE
55 MOBILISATION
56 CONSTRUCTION PERIOD
57 COMMISSIONING
58 COMPLETION/HANDOVER

Appendix G: Public Engagement

Public and user engagement has been at the forefront of the project plan for the development of the new facility. The strategy in relation to public engagement has had several elements:

1. Involvement of in the Project Management Structure

A member of the Public Partnership Forum is a member of the Project Board. The same person is also a member of the Accommodation and Design sub group.

2. Regular reporting to the CHCP Committee

As a joint NHS/Local Authority committee the CHCP Committee is public meeting. Members of the public regularly attend the meetings. Reports on the progress of the project have been made at every CHCP Committee since its inception in April 2006.

The development has also been the subject of regular discussion at the Public Partnership Forum.

3. Reporting to local democratic structures

The Chair of the Project Board has spoken about the project at the Barrhead Community Council.

The Chair of the Project Board has also met with the Health Sub Committee of the Barrhead Community Council.

The Chair of the CHCP (a local councillor) has made regular reports on progress at the Barrhead, Neilston and Uplawmoor Area Forum. This is East Renfrewshire Council's local committee vehicle.

4. Public engagement activity led by the PPF

A sub group of the Project Board has been established which involves 3 members of the PPF from Barrhead. The group led on the distribution of a questionnaire to health centre patients and local people in Barrhead in October 2006. Over 200 questionnaires were returned and important information on the aspirations of local people was obtained through the process.

More recently the PPF has facilitated two public information sessions in February 2007 which were widely publicised. The sessions were an opportunity for members of the Project Board to outline for local people what is intended and to seek feedback. The two sessions were well attended and the proposals were positively received.

5. Future Plans

The Project Board has made a commitment to involve the public at every stage of the project's development. There is a member of the PPF on the Accommodation and Design Sub Group which is leading the process to select a

design team. As the design process progresses it is intended that further public sessions will be made available to inform and seek feedback. The Design Brief makes clear that the architects will require to engage with a wide range of local groups and individuals.