

Board of Directors Meeting

Tuesday 24 August 2021

progress report

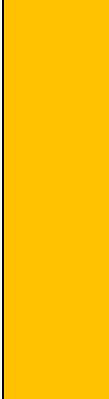
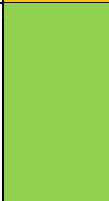
Agenda Item Number:		8.0
Presented for:	Discussion	
Report of:	Chief Executive	
Author (s):	Sustainability Director	
Report History:	Report to the [REDACTED] Project Board in July	
Publication Under Freedom of Information Act:	This paper can be made available under the Freedom of Information Act 2000 if requested.	
Links to HIF's Objectives		
Deliver an efficient and effective service offering to Harrogate and District Foundation Trust		√
Create strong sustainable partnerships		√
Develop sustainable organisational systems		√
Develop and maintain a strong, efficient and agile workforce		√
Strengthen the local community through collaboration		√
Recommendation:		
The Board is asked to note the information within the report.		

Project Board Highlight Report

1. Project Information:

Project Name:	xxxxxxx Grant – Public Sector Decarbonisation
Project Objective/s:	Supporting the delivery of NHS Net Zero
Project Executive:	Chief Executive
Version:	V1 13 th July 2021
Project Director	Managing Director
Main Contractor	xxxxxxx
Contract	Variation to the xxxxxx EPC
Project Advisors	xxxxxxxx - Contract xxxxxxxxxx – QS xxxxxxx – Architects xxxxxxxxxx – Structural xxxxxxxxxx – Electrical Clerk of Works services
Current Project Stage:	Detailed Design Stage and Tender. Contractor site establishment now in place
Budget:	Grant 1 £xxxxxxxxxxxxxxxxxxxx Grant 2 £xxxxxxxxxxxxxxxxxxxx

2. Project Summary:		RAG
Delivery:	<p>The 2 projects are in line with the project programme that has been developed by the contractor and issued to [REDACTED], these programmes extend beyond the original September 2021 grant funding window. The formal request for an extension of time to the project programme has been discussed with [REDACTED] and the application is to be review by the Project Board</p> <p>The impact on the 2 grants at HDFT are</p> <ol style="list-style-type: none"> 1. The GSHP is time dependant on the approval process from the EA and this may not be possible to bring in line with the September date but at this stage design and survey work is continuing. 2. The lead time for air handling units and the requirement to minimise down time for operating theatres whilst plant is being replaced resulting in the agreement to construct new plantrooms. 	
Budget:	<p>The 2 projects remain within the grant funding allocation.</p> <p>Refer to the finance section below</p>	
Key current matters for the project	<p>Development of the [REDACTED] contract proforma and its dependency on the savings/costs of the new [REDACTED] works and their influence on the existing contract elements.</p> <p>On-going review of draft tender documents at RDD meeting.</p> <p>Establishing the extent of other Trust capital projects which may impact on the project, CT – this is now being reviewed as part of an overall MCP</p> <p>Ward decant/refurbishment arrangements coordination with window replacement – this is now being reviewed as part of an overall MCP</p> <p>Air handling unit replacement timeline and impact on clinical services primarily Planned and Surgical Care – this has now resulted in the proposal to construct additional plantrooms to support other Trust capital schemes and also minimise downtime for theatres 1,2 and DSU 1 & 2</p> <p>Electrical demand v supply review accounting for electrical additions and omission as part of the project</p>	

<p>Key Risks: (Refer to risk register for detail)</p>	<p>Interfacing of the roof, windows and air handling equipment works with the operation of the hospital to develop as design packages progress</p> <p>Availability of Solar PV and semi conductors due to global shortage.</p> <p>Delivery timescales for the windows are 20 weeks</p> <p>xxxxxxx funding timeline as outlined in Delivery</p> <p>Agreement of the xxxxxx Proforma due to the complexity of the engineering interfaces and energy saving calculations</p>	
<p>Benefit Realisation:</p>	<p>The 2 projects are anticipated to deliver a reduction in carbon emissions of £500 tCO2 and support the NHS journey to Net Zero emissions. The exact figure will be established once all the design packages have been completed. The packages tendered to date, roofs – improved figured compared to grant application AC controls – matching grant application</p>	

3. Project Status:

Red – behind delivery against plan and not expected to recover against the plan
Amber – behind delivery against plan but is expected to get back on track
Green – progressing according to plan and within tolerance

Current project status:	The 2 projects are in line with the programmes issued to xxxxxx. Note the formal application for an extension of time is to be reviewed by the Project Board
Previous project status:	The 2 projects are in line with the programmes issued to xxxxxx but noting the Funding issue which is to be confirmed
Reason for current status:	The current phase of the project is survey, design development, technical document review and agreement of tender works packages. The project team are all achieving the required timescales for maintain progress in line with the overall programme. The BMS and asbestos removal works have been tendered and the CP forms signed off allowing works to be scheduled for commencement on site
Anticipated Project End Date:	Q4 2021/22

4. Progress since 14/6/21 Project Board:

Achievements:

- BMS tender package approved by Trust
- Window replacement package returned from tender
- Site coordination meetings re roofing, scaffolding and asbestos held
- Solar PV specification evaluation underway
- Asbestos removal package approved by Trust
- Air handling unit scope of works being priced
- Scope of secondary pumping agreed
- ASHP principles agreed

Slippage:

None in month

5. Key deliverables in coming month

- Site compounds for equipment to be established
- Scaffolding works to commence
- Development of xxxxxx contract proforma
- Agreement of the window pricing
- Agreement of the Solar PV

6. Changes to project:

- None in month

7. Project meetings held since previous Project Board

	Date				
Project review group	14/6/21	21/6/21	28/6/21	5/7/21	12/7/21
Reviewable design data group	15/6/21	22/6/21	29/6/21	6/7/21	13/7/21
Risk register review				5/7/21	
Pumping and desteaming tech review		22/6/21			
Window, scaffolding and asbestos coordination			30/6/21	6/7/21	
Liaison with Northern Power Grid				7/7/21	

8. Financial status:

Grant 1

xxxxxxx payments received to date xxxxxxxx

Invoices raised by xxxxxxxx to date xxxxxxxx

HIF advisor spend xxxxxxxx

Grant 2

xxxxxxx payments received to date xxxxxxxx

Invoices raised by Breathe to date xxxxxxxx

xxxxxxx are at present only paying against invoices raised and a specifically reviewing those raised by HIF

Total Grant funding requested to date including this month's application TBC

The fees associated with advisors to HIF received to date is xxxxxxxx

The Trust contingency balance remaining after these costs is **xxxxxxx**

From May the remaining design & construction contingency included in the combined grant sum by Imtech is **xxxxxxx**

Reference should be made to the cost estimate for the provision of the 2 additional plantrooms detailed below.

9. Target carbon cost

No further updates

10. Carbon Energy Fund Overview

- Compliance with the existing **xxxxxxx** contract and Framework is being maintained, through the established variation procedure
- The progress of the works for costing purposes has been assessed and accepted at the Liaison Committee
- In addition to commencing the physical works on site, we are now concentrating on preparing both an Interim Variation (for the design) plus the full Restatement Variation to the existing **xxxxxxx** contract, whilst also comparing the new works with those already in operation to establish a new and improved energy model for the site.
- Given the timescales prescribed by **xxxxxxx**, the design and install works need to proceed on a continual basis, and prior to the full scope and outcomes being established for all the new technologies. This means that we are working to the overall cost and time constraints set, whilst needing to manage the individual scopes for the individual technologies as we proceed.
- We consider that the progress is very good in terms of carrying out the works in such a short timescale, and with all necessary governance in place. The communication between all parties has assisted this greatly.

11. **xxxxxxx** Overview of Application for payment

1. Cost report "PSDS Harrogate Application June21 Payment Schedule v1.1 180621" has been received from **xxxxxxx** and reviewed by **xxxxxxx**. The percentages for design fees, preliminaries, overheads, profit and **xxxxxxx** fee have been correctly applied consistent with the **xxxxxxx** EPC Proforma agreement between the Trust and **xxxxxxx**.
2. Monthly valuation

xxxxxxx has confirmed that the Design Deliverables programmed to be completed in June have been achieved.

The application for payment for Phase 1 Works included substantial sums for construction contingencies and construction co-ordination. These matters have been raised with **xxxxxxx**

and a revised payment schedule (v1.13r1) has been issued and the monthly payment to [REDACTED] has been revised accordingly. Further revision to the Payment Schedule will be required to revise the cash flow going forward.

As before, the valuation is not consistent with the monthly [REDACTED] funding application.

Hence, the valuations for [REDACTED] works to Phases 1 and 2 (inclusive of the applicable NCIS fee but exclusive of VAT) are as follows:

	Phase 1	Phase 2
Cumulative valuation up to 30 June 2021	[REDACTED]	[REDACTED]
Monthly valuation for June 2021	[REDACTED]	[REDACTED]

In accordance with the [REDACTED] EPC Proforma agreement, there is no retention held by the Trust on the above payments.

3. Work Package Tender Reviews

No further reviews in this period.

NB The windows tenders have not been provided to [REDACTED] in accordance with the agreed tendering procedure.

The scaffolding tender has not been provided to [REDACTED] for review.

A programme for market testing of the Provisional Sums included in the roofing element of the works has still not been provided.

12. Works packages for approval/consideration:

Working is progressing with the Capital team to establish the space requirements for the additional plantroom to be located above the Wensleydale ward area, which would serve both the [REDACTED] project and ward refurbishment scheme. The exact dimension are still be finalised however the [REDACTED] has established a budget cost for this plantroom and the one to be located above theatres.

The budget cost at this stage, which excludes fees, and non-works costs is £1.35m.

To allow the provision of the plantrooms to meet the requirements of the [REDACTED] programme the Architect will be submitting for planning permission whilst the exact sizing is being finalised.

Once this has been established the costs can be reviewed further.

13. xxxxxx monthly reports for approval:

The monthly monitoring reports for xxxxxx have been prepared and included in the meeting documents.

14. Project Board Requests for approval

The Project Board are ask to approve the Change request to xxxxxx for the extension of time to the project

The project Board are asked to approve the monthly monitoring reports for submission to xxxxxx