

Board of Directors Meeting

Tuesday 21 December 2021

XXXXXXXXXXXXX progress report

Agenda Item Number:		8.0
Presented for:	Discussion	
Report of:	Chief Executive	
Author (s):	Sustainability Director	
Report History:	Report to the XXXXXXXXXXXXXXXX Project Board in November	
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:	XXXXXXXXXXXXXXXXX Grant – Public Sector Decarbonisation
Project Objective/s:	Supporting the delivery of NHS Net Zero
Project Executive:	Interim Chief Executive
Version:	V1 29 th November 2021
Project Director	Interim Managing Director
Main Contractor	XXXXXXXXXXXXXXXXX
Contract	Variation to the XXXXXXXXXXXXXXXXXXXX EPC
Project Advisors	XXXXXXXXXXXXXXXXX- Contract XXXXXXXXXXXXXXXXX Partnership – QS XXXXXXXXXXXXXXXXX – Architects XXXXXXXXXXXXXXXXX – Structural XXXXXXXXXXXXXXXXX – Electrical Clerk of Works services
Current Project Stage:	Works are on site for the roofing, BMS and AC controls. Detailed Design and Tender being completed on the final packages.
Budget:	Grant 1 XXXXXXXXXXXXXXXXXXXX Grant 2 XXXXXXXXXXXXXXXXXXXX

2. Project Summary:		RAG
Delivery:	<p>Further work to detail the AHU upgrades and replacement works have been undertaken with the intent to run multiple elements in parallel.</p> <p>The programme dates highlighted in the previous report remain the same.</p> <p>The electrical design principles for the GSHP have been agreed</p> <p>The Contract restatement works have been completed and approval to sign the contract has been received from the HDFT Board of Directors.</p>	
Budget:	<p>A further work package has been returned from tender, associated with the borehole</p> <p>Taking into account the above the combined projects are at present estimated at [REDACTED] over the [REDACTED] allocated funding however across the 2 grants there is [REDACTED] of allocated but not as yet committed funding.</p> <p>Note this excludes the costs of the two new roof plantrooms including design fees and any yet to be determined RAAC related remedial works.</p>	
Key current matters for the project	<p>Meeting to discuss the works extending beyond the agreed completion date with [REDACTED].</p> <p>Roof plantroom agreement</p>	
Key Risks: (Refer to risk register for detail)	<p>Overall project programme</p> <p>Cost pressure on the project cost allocation</p> <p>RAAC in corridor areas not yet resolved, cost unknown.</p>	
Benefit Realisation:	<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,</p> <p>Roofs – improved figured compared to grant application</p> <p>AC controls – matching grant application,</p> <p>Windows - improved figured compared to grant application</p> <p>PV – reduced figure compared with 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:	Elements of the works are extending beyond the agreed XXXXXXXXXXXXXXXXXX completion date and it is not anticipated that these elements will be brought back in line.
Previous project status:	Elements of the works are extending beyond the agreed XXXXXXXXXXXXXXXXXX completion date and it is not anticipated that these elements will be brought back in line.
Reason for current status:	A detailed review of the project programme has been completed by XXXXXXXXXXXXXXXXXX in conjunction with the appointed subcontractors now the majority of packages have been awarded. The one remaining to be scrutinised is the roof plantrooms
Anticipated Project End Date:	Q2 2022/23

4. Progress since 8/11/21 Project Board:

Achievements:

- BMS replacement works 40% completed
- Window surveys continuing
- 5 areas of roof replacement works completed
- Air handling unit equipment signed off and into manufacturing schedule
- Contractor appointed for mechanical works
- ASHP/GSHP contractor appointed
- Contract restatement completed
- AHU 8 upgrade underway

Slippage:

None in month

5. Key deliverables in coming month

- Sign off of window designs to allow manufacturing commenced and ongoing
- Progression of the RAAC matters relating to the corridor areas
- Procurement of the roof plantrooms

6. Changes to project:

- None in month

7. Project meetings held since previous Project Board

	Date						
Project review group	15/11/21	22/11/21	29/11				
Reviewable design data group	9/11/21	16/11/21	23/11/21				
Risk register review			25/11/21				
Pumping and desteamming tech review		17/11/21					
Window, scaffolding and asbestos co ordination		12/11/21					
Contract restatement	15/11/21	16/11/21	17/11/21				

8. Financial status:

Grant 1

XXXXXXXXXXXXXXXXXX payments received to date (EXCLUDING THIS MONTHS)

Invoices raised by XXXXXXXXXXXXX to date (EXCLUDING THIS MONTHS)

November XXXXXXXXXXXXXXXXXXXX application XXXXXXXXXXXXX

November Milestone payment to XXXXXXXXXXXXX XXXXXXXXXXXXX

Grant 2

XXXXXXXXXXXXXXXXXX payments received to date (EXCLUDING THIS MONTHS)

Invoices raised by XXXXXXXXXXXXX to date (EXCLUDING THIS MONTHS)

November XXXXXXXXXXXXXXXXXXXX application XXXXXXXXXXXXX

November Milestone payment to XXXXXXXXXXXXX XXXXXXXXXXXXX

There is pressure on the overall project budget because of;

- Significant additional costs associated with asbestos removal required to allow window surveys to be undertaken.
- A grant condition to provide a decarbonisation strategy for the HDH site.

9. Target carbon cost

No changes since the previous months update

10. Carbon Energy Fund Overview

There are a number of points over the last month which we consider to be positive:

Works on site

- These are progressing in an improved manner given the on site management headed by [REDACTED] and the [REDACTED] direction from [REDACTED]
- The communication with the Trust continues to be well structured with weekly liaison and on site meetings
- The extent of works that will need to be classified as “commissioning” and carried out after 31.03.22 is becoming clearer

Project Costs

- An overall cost summary has been prepared which identifies all approved (committed) [REDACTED] costs, plus all further expected costs that are subject to Trust approval.
- This summary is being updated to reflect the latest project position
- The previously reported anticipated overspend of [REDACTED] continues to be reviewed and one works package has been returned below the budget allowance and the additional asbestos removal cost is likely to reduce by reprogramming the works
- We are confident that this overspend can be reduced but pressure on the budget will remain
- Given the uncertainty of costs nationally within the market owing to Brexit, Covid and inflation, we consider that this shows a very good level of cost management for the scheme.
- The costs do not include for any new roof top plant rooms.

Drawdowns

- As agreed with the Trust and [REDACTED], the costs for the works are being drawn down from [REDACTED] using the agreed Milestone schedule, and using Imtech invoices for the milestone values
- [REDACTED] have accepted that “commissioning” works will be completed after the 31.03.22 deadline
- An update meeting is scheduled with [REDACTED] on 06.12.21

Contract

- Approval for signing the restatement variation to the contract has been received from the Trust Board.
- The final document is presently being prepared for signature.

11. **XXXXXXXXXXXXXXXXXX** Overview

XXXXXXXXXXXXXXXXXX involvement in this project is to review and agree the final works cost for the Provisional Sums, related to the following elements of the works:

1. Roofing
2. AHUs
3. Solar PV
4. Windows
5. Ground Source Heat Pumps

.The total value of Provisional Sums is **XXXXXXXXXXXXXXXXXX**

Expenditure of these sums is to be authorised by suitable written instruction from the Trust.

XXXXXXXXXXXXXXXXXX are to provide cost details on a “Cost Plus/Open Book” basis for agreement.

To date, no instructions or costs have been received for review.

12. Works packages for approval/consideration:

None in this period

13. **XXXXXXXXXXXXXXXXXX** monthly reports for approval:

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

14. Project Board Requests for approval

The Project Board are asked to approve the monthly monitoring reports and application for payment submissions to **XXXXXXXXXXXXXXXXXX**

