



Trust Board Briefing Paper

**From:** Owen Harkin, Director of Finance  
**To:** Trust Board  
**Date:** 23<sup>rd</sup> January 2020  
**Subject:** Revised Business Case for Spruce House Replacement Roof  
**Action Required:** Presentation of Revised Business Case to gain approval from Trust Board

**Background:** Spruce House is a NHSCT owned 2 storey building located on the Braid Valley Hospital site in Ballymena. The building was constructed in 1954 and provides approximately 1800 sq. m of office accommodation. The roof covering is beyond end of life cycle and needs urgently replaced. Parts of the felt roof finish and roof decking are structurally unstable due to continual water ingress over a prolonged period. Apart from the roof, the remainder of the building is structurally sound. If the roof is not replaced, the risk to the Users of the building will increase to a point where occupancy of the building will become a safety issue and the building will have to be vacated.

Following approval of the original Business Case, the works have been competitively tendered; however, the costs received are higher than that projected.

The original Business Case was approved at a capital cost of £250k – this revised Business Case is for a value of £297k – an increase of £47k.

**Benefits:** This project will provide a safe and weatherproof environment for staff and service users within the building. It will remove the risk of structural failure due to the age profile and condition of the existing roof. The new roof will be designed and installed to current building regulation standards.

**Capital Cost Summary:** Total Capital Cost - £296,984.00

**Affordability:** Capital funding of £297k will be sourced from the NHSCT's 2019/20 CRL.

There is expected to be annual revenue savings on repairs of £4,500. There will be an annual depreciation charge of £11,879 based on an economic life of 25 years.

**Risks:** There is a medium impact risk associated with implementing a scheme of this nature. The project will be carefully project managed to minimise the impact on business continuity and compliance with statutory standards. The Project Manager will liaise closely with Capital Development to ensure any cost / programme risks are communicated in a timely manner.

Failure to implement this project will lead to a significant risk of roof failure / collapse, impacting on health and safety, user experience & revenue expenditure. The building would eventually have to be vacated.

**Conclusion**

Implementing this scheme will remove current risk and maintenance issues with the existing roof.  
The building fabric will be greatly improved and should extend the life of the building in excess of 25 years.