

Trust Board Briefing Paper

Date of Meeting: Thursday 25 August 2022

Subject: Additional Inpatient Beds at Antrim Hospital

Presented by: Owen Harkin, Executive Director of Finance & Deputy Chief Executive

Purpose: To provide a summary of the Capital Full Business Case for Trust Board approval.

Background:

Following approval of the OBC on 21 July 2022, a Full Business Case was completed incorporating any new known information since submission of the OBC, including evaluation of the recent Tender exercise.

The Trust remains under significant bed pressures and urgently requires additional inpatient beds to safely manage all of the presenting patients within the hospital. The timeframe for completion of these wards as stipulated within the Tender is 18 weeks for Ward 1 and 25 weeks for Ward 2 (excluding a short commissioning period).

Tender Process:

On behalf of the Northern Trust, CPD Health Projects commenced a procurement process to appoint a contractor for the new Modular Wards at Antrim Hospital in May 2022. This was undertaken under the terms of the NHS SBS Framework.

Six contractors initially expressed an interest and were issued tender documentation on 7th July 2022. Three contractors withdrew from the competition, and just two submitted a tender by the closing date of 11 August 2022.

The tender responses are summarised below:

RANK	CONTRACTOR	PRICE SUBMISSION
1	The McAvoy Group Ltd	£ 9,975,701.17
2	Western Building Systems Ltd	£12,485,293.47

Preferred Option at FBC Stage:

Following a tender evaluation process of the two tender submissions by CPD-HP, the conclusion reached was that the tender submitted by the McAvoy Group can be recommended (subject to final reviews).

Revised Capital Costs at FBC Stage:

The OBC approved capital cost for the project was £20,264,927 (approved 21 July 2022). The comparable costs at FBC stage are £23,103,466. This increase in cost takes account of temporary car parking and the correct rate for a tiered permanent carpark, as well as

20% Optimism Bias as recommended by CPD-HP and within the “Critical Friend” review (at OBC stage the DoH approval was based on an OB rate of 10%).

Revised Revenue Costs at FBC Stage:

The recurring revenue costs at OBC stage were £10,850,018 with the comparable costs at FBC stage now £11,206,453. The costs presented reflect more closely a detailed knowledge of the costs of the project, with assumptions clearly defined.

Conclusion/ Action Required: For Approval by Trust Board