



Trust Board Briefing Paper	
Reference Number:	TB/151/12/H
Date of Meeting:	22 nd June 2023
Presenting Director:	Kevin McMahon Director of Surgical and Clinical Services
Subject:	Addendum: Enabling works for the implementation of the new contract and change of analysers in the Laboratory on the Antrim Hospital site.
Purpose: Approval/Noting	To approve the addendum for the additional funding required for the completion of the refurbishment/development of the Laboratories (Clinical Biochemistry/Haematology) to allow the installation of new equipment required as per regional managed service contract.
Background:	The ALMS project has been introduced locally within neighbouring trusts from 2019 onwards. The project is a regional managed service contract which was awarded 2019 to Roche Diagnostics. The project has been projected to deliver savings of £775,814 for the Northern trust alone over the 7 year contract through reductions in service contracts and reduced reagent costs. The NHSCT laboratory installation has been delayed considerably due to the scope of enabling works required and the associated cost. Late 2021 agreement was made between Roche diagnostics and the NHSCT on a plan of works and funding provisions. Causeway laboratory installation has since been completed however significant works are still required on the Antrim site. During this time, economic and financial markets stability has been drastically impacted by the covid pandemic, war in Ukraine and Brexit issues causing a massive peak in inflation with the associated knock on to cost with labour, fuel, building material etc. Unforeseen costs within the building works and some equipment requiring replacement has also added impacted the original budget resulting in an overspend.



Benefits:	Replacement of aging equipment will result in less downtime of equipment allowing the service to run efficiently with minimal periods of reduced service. The equipment will increase the capacity and throughput of the service allowing for improved turnaround times and capacity to deal with an ever growing demand for analytical service provision and reporting of results. The improved facilities required to house the equipment will result in a more practical and efficient workspace with less clutter, increase capacity for workstation provision and capacity to house a combined bloodscience reception which is a critical requirement moving forward into the world of encompass and the associated requirements for successful implementation of the project from a laboratory perspective.
Total Capital Costs:	Original approved value: £856,860 Date approved: 27/01/2022
Value of Additional Capital Funding Requested:	£143,060
Explanation of increase in capital required:	Tender return was higher than expected due to high costs in the industry and longer phasing requirements for the equipment to be installed. The longer phasing was required to allow the laboratory to continue with an uninterrupted 24/7 service required for service users. <u>Tender return including fees and a Trust contingency of £40,925, equates to £951,920 which is an increase from the original Business Case of £95k</u> £28,000 additional required for purchase and installation of new coldroom. Old coldroom was supposed to move however 20+ years of age and dimensions not fit for purpose in new extension. <u>£95k + £28k = £123k</u>



	There is defective flooring in the labs with no damp proof, so an additional £20,000 contingency will be added to cover localised repairs <u>£123k + £20k = £143k</u> <u>£951,920 plus £28,000 for cold room plus £20,000 contingency to £999,920</u> <u>Total cost £999,920</u>
Risks	Delays in building works would offset manufacturer installation lead times for new equipment. Further periods of delay would lead to decreased capacity in-house for daily workflows and further stretch the capability of aging equipment. There would be an increased dependency on the CAU site to accept workload from Antrim which would impact efficiency and turnaround times of specimens for users.
Conclusion:	The additional funding would allow the project to proceed on time and in-full allowing for a much improved service going forward with further capacity to deal with increased demands. Project completion will also give scope to realise the needs of the service moving forward.