York Teaching Hospital NHS
NHS Foundation Trust

Board of Directors – 31 May 2017

Business Case: 2015-16/40 – Replacement Imaging Equipment For Cardiology And Vascular Labs – York

Action requested/recommendation

The Board of Directors is asked to approve the business case.

Executive Summary

This business case relates to the replacement of current imaging equipment in both the interventional cardiology and vascular imaging labs is required in order to meet the required standards of image quality and radiation dose level to patients undergoing these procedures.

The equipment currently in use is over 12 years old and is in use every day and for out of hours services. Currently most weeks there is a requirement to have an engineer on site to repair the systems and parts for repairs are becoming increasingly difficult to source. There have been cases recently where the equipment has failed mid procedure and it is due to the clinical expertise of the staff in the labs that patient safety was maintained. Clearly this is a serious risk to patient safety as the equipment becomes increasingly unreliable.

As York is a NHS England nominated vascular centre providing service to North Yorkshire it is essential that we have the requisite equipment to provide the imaging quality required and there is a clear danger that we may not be in a position should the equipment sustain a catastrophic failure that we will be unable to provide any service at all, thus risking the loss of status to the Trust.

The replacement project requires some provision for mobile cardiology services on site during the duration of the replacement and this business case includes all work related to this, the removal and installation of equipment and any upgrade of services required by the new equipment.

The business case proposal is consistent with the Trust's Estate Strategy and the Capital Plan for 2017-18, both of which have already been presented to the Trust's Board of Directors.

Strategic Aims	**Please cross as appropriate**
1. Improve quality and safety	☒
2. Create a culture of continuous improvement	☒
3. Develop and enable strong partnerships	☒
4. Improve our facilities and protect the environment	☒

Implications for equality and diversity

The Trust has a duty under the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people from different groups. In relation to the issues set out in this paper, consideration has been given to the impact that the recommendations might have on these requirements and on the nine protected groups identified by the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, gender and sexual orientation).

It is anticipated that the recommendations of this paper are not likely to have any particular impact upon the requirements of or the protected groups identified by the Equality Act.

Reference to CQC regulations

There are no references to CQC regulations.

Progress of report	Capital Programme Executive Group
Risk	The risk of not proceeding with the above case is • Aging equipment increases downtime risk with potential for delay in patient treatment • Environment unsuitable in terms of capacity / DSSA compliance, risks patient dissatisfaction, regulatory fines • VIU situation critical - there is no contingency for loss of service due to equipment failure, other than diverting work to other vascular and cardiology centres. This risks the status of the unit as a vascular and cardiology centre, with resultant loss of reputation for the Trust and patient dissatisfaction.
Resource implications	Resource implications as detailed in the report.
Owner	Dr James Haselden
Author	Mr Steven Mackell
Date of paper	11th May 2017
Version number	Version 1

APPENDIX Bi

York Teaching Hospital NHS
NHS Foundation Trust

BUSINESS CASE SUMMARY

1. Business Case Number

2015-16/40

2. Business Case Title

Replacement Imaging Equipment For Cardiology And Vascular Labs

3. Management Responsibilities & Key Contact Point

The business case 'Owner' should be the appropriate Clinical or non-clinical Director, or where appropriate the lead Clinician nominated by the respective Clinical Director. The 'Author' will be the named manager supporting the Owner of the business case, who will have responsibility for the development and writing of the business case, and will be the key contact point for enquiries.

Note: If the Business Case spans more than one Directorate/Department, there is a requirement that consideration be given to joint ownership/authorship, including Financial apportionment and monitoring.

Business Case Owner:	**James Haselden**

Business Case Author:	**Steven Mackell**
Contact Number:	

4. Issue(s) to be addressed by the Business Case

Describe the background and relevant factors giving rise to the need for change. Relevant data (e.g. BCBV data, etc.) *must be included to support the background described.*

Replacement of current imaging equipment in both the interventional cardiology and vascular imaging labs is required in order to meet the required standards of image quality and radiation dose level to patients undergoing these procedures.

The equipment currently in use is over 12 years old and is in use every day and for out of hours services. Currently most weeks there is a requirement to have an engineer on site to repair the systems and parts for repairs are becoming increasingly difficult to source. **There have been cases recently where the equipment has failed mid procedure and it is due to the clinical expertise of the staff in the labs that patient safety was maintained. Clearly this is a serious risk to patient safety as the equipment becomes increasingly unreliable.**

As York is a NHS England nominated vascular centre providing service to North Yorkshire it is essential that we have the requisite equipment to provide the imaging quality required and there is a clear danger that we may not be in a position should the equipment sustain a catastrophic failure that we will be unable to provide any service at all, thus risking the loss of status to the Trust.

Radiation doses to both patients and staff from vascular interventional procedures are substantial and amongst the highest in the medical sector. Given the growth in both the number and complexity of vascular interventions it is essential that the x-ray equipment used for these procedures is capable of minimising the radiation dose whilst maintaining diagnostic image quality (this is also a regulatory requirement of the Ionising Radiation regulations). Due to its age, the current equipment does not have many of the dose saving features that modern vascular interventional systems possess. As a consequence radiation doses and therefore risks to patients and staff are higher than necessary. Clearly it is not acceptable to continue in this way.

A capital planning scheme is in development regarding the redevelopment and expansion of the Vascular Interventional unit, which would require additional equipment and although it would be prudent to replace all the equipment at the time of this development, the current installation is at high risk of failing before any redevelopment and expansion project could take place.

Replacement of the current equipment will take around 6 - 10 weeks to complete, during this time alternative provision for Cardiology and Vascular interventional patients will be required. Options include:

- A mobile cardiology lab on site, there is a site which could be used for the location of this unit. Replace the current cardio lab with the new vascular equip and once tested and in use replace the current vascular lab with the new cardiology equipment
- Use of Theatre 10 development (see business case No 2015-16/32), this has some restriction due to the lack of recovery space. This may mean that only acute patients can be accommodated at this time unless alternative recovery space can be provided elsewhere.
- Temporary relocation of cardiology patients to alternative providers in the region and mobile vascular lab on site.

5. Options Considered

List below the alternative options considered to resolve the issue(s) presented in section 4 above. This should include consideration of alternative workforce and clinical models.
***Note**: All options must be costed.*

Description of Options Considered
Option 1 - Do nothing – Old equipment will continue to fail and will ultimately result in loss of Vascular centre status. Radiation dose per examination will remain high to both patient and operator.
Option 2 - Replace current equipment together– benefits will provide high quality, low dose imaging for all patients. Will require temporary relocation of service and loan of mobile service during replacement. Requires completion of Theatre 10 project.
Option 3 - Replacement of current equipment with 2 x Cardiology lab equipment, lease mobile vascular lab and wait for expansion of Vascular Imaging centre. Dependent on completion of Theatre 10 project.
Option 4 – re locate cardiology activity onto a mobile unit and replace current cardiology lab with a new vascular lab when complete replace current vascular lab with new cardiology lab
Option 5 – re direct all cardiology cases to the RP cardiology lab in Scarborough and

replace current cardiology lab with new vascular lab when complete replace current vascular lab with new cardiology lab and repatriate cardiology cases from Scarborough RP lab

6. The Preferred Option

6.1 Preferred Option

Detail the preferred the option together with the reasons for its selection. This must be supported with appropriate data in demonstrating how it will address the issue(s) described in section 4 above.

Option 4 – The current equipment is so fragile that there are concerns that the service will be lost before theatre 10 is open although option 2 provides continuation of the service at slightly less cost to the Trust with respect to the length of time a mobile cardiology lab will be required. **In undertaking the replacement as described in option 4 the Trust will be able to eliminate the risks to patient safety by August / September 2017**

6.2 Does the Preferred Option address any Risk(s) identified on the Directorate or Department's Risk Register?

Yes	yes
No	

Please tick

If yes, what is/are the risk(s), and to what extent are they addressed by the Preferred Option?

Risk Reg. No.	Risk	Extent		
		Minimally	Partially	Fully
57	Aging equipment increases downtime risk with potential for delay in patient treatment Environment unsuitable in terms of capacity / DSSA compliance, risks patient dissatisfaction, regulatory fines VIU situation critical - there is no contingency for loss of service due to equipment failure, other than diverting work to other vascular and cardiology centres. This risks the status of the unit as a vascular and cardiology centre, with resultant loss of reputation for the Trust and patient dissatisfaction.			**x**

Please tick x1 per risk

6.3 Other Options

Detail the reasons for rejecting the remaining options listed under section 5, together with supporting detail.

Option 2 – Due to the increasing number of breakdown of equipment in both labs an expedited replacement is required. Theatre 10 is programmed to be complete in October 2017 and the equipment is at high risk to have a catastrophic failure before this time

Option 3 –Timescales for the expansion of the unit have not been fully identified. The risk of not having a fixed lab for a prolonged period and use of a mobile facility for an undefined length of time is not acceptable in both cost and patient safety.

Option 5 – The RP lab in Scarborough is only available 2 days per week and can only accommodate non-complex cardiology work and cannot undertake any interventional cardiology cases as the centre is not approved by the BCIS (British Cardiac Intervention Society) to undertake this type of work. The lab is currently undertaking some non-complex work from York to assist in reducing waiting lists and has limited capacity. It is anticipated that this will continue. As the lab cannot undertake the complex cases the option of having a mobile cardiology lab would remain and no cost savings would be made.

7. Trust's Strategic Objectives (***Currently Under Review***)

7.1 Alignment with the Trust's Strategic Objectives

The Trust has identified four strategic 'frames' that ensure there is a focus for its emerging priorities and objectives and assists in the communication to staff, patients and other stakeholders. The four strategic 'frames' are:

1 *Improve Quality and Safety*
2 *Develop and enable strong partnerships*
3 *Create a culture of continuous improvement*
4 *Improve our facilities and protect the environment*

In this context listed below are four principle objectives that fit to the strategic frames. Indicate using the table below to what extent the preferred option is aligned with at least one of these principle objectives.

Strategic Objective	Aligned? Yes/No	If Yes, how is it Aligned?
Improve quality and safety - To provide the safest care we can, at the same	Yes	High quality imaging at low radiation dose

time as improving patients' experience of their care. To measure our provision against national indicators and to track our provision with those who experience it.		
Develop and enable strong partnerships - To be seen as a good proactive partner in our communities - demonstrating leadership and engagement in all localities.	Yes	Retain the regional centre for vascular imaging Maintain current relationships with local cardiac centres.
Create a culture of continuous improvement - To seek every opportunity to use our resources more effectively to improve quality, safety and productivity. Where continuous improvement is our way of doing business.	Yes	Modern equipment will have a greater reliability and will result in reduced cancellations and subsequently reduction in expensive additional lists required to meet national targets
Improve our facilities and protect the environment - To provide a safe environment for staff, patients and visitors, ensuring that all resources are used as efficiently as possible.	Yes	Radiation safety to patients and staff by lowering the dose per examination

8. Benefit(s) of the Business Case

8.1 Benefit(s)

The identification at the outset of the benefit(s) that arise from the business case is crucial to ensuring that a robust evaluating of the progress and delivery of the business case objectives is possible during the post implementation reviews.

*Clearly detail and **quantify** the expected benefits that will accrue to the Trust from the preferred option in each of the three domains of service improvement. The benefits identified must be tangible, and capable of being evidenced ideally through some form of measurement.*

Quality and Safety						
Description of Benefit	**Metric**	**Quantity Before**	**Quantity After**	**At 3m**	**At 6m**	**At 12m**
Reduction of breakdown during procedure	No of occurances	2 per month	0			
How will information be collected to demonstrate that the benefit has been achieved? Department records						

Access and Flow

Description of Benefit	Metric	Quantity Before	Quantity After	At 3m	At 6m	At 12m
Reduction in loss of equipment availability due to breakdown		3 days per month	0			
Reduction in additional lists for catch up		6-8 lists	0			

How will information be collected to demonstrate that the benefit has been achieved?

From activity reports and equipment call out reports

Finance and Efficiency						
Description of Benefit	**Metric**	**Quantity Before**	**Quantity After**	**At 3m**	**At 6m**	**At 12m**
Reduction in waiting list initiative for the unit		6-8	1			
Reduction in cost of repair to equipment due to breakdown	**spend**	**In the last 11 months the cost of repairs to both labs has been over £250,000 Fortunately the manufacturer met these costs. However these costs indicate the potential future repair costs. Also parts for the aging equipment are increasingly difficult to source, the latest part has been sourced in Japan, repairs become more costly and down time of equipment whilst sourcing**	**The equipment will be under warranty for the first 12 months and under a maintenance contract thereafter. The risk of breakdown will decrease and parts supply will be UK**			

		parts throughout the global market increases				

How will information be collected to demonstrate that the benefit has been achieved?

Salary Returns

8.2 Corporate Improvement Team Review

The Corporate Improvement Team must review all business cases across the three quality domains. The date that the business case was reviewed by the CIT together with any comments which were made must be provided below. It is insufficient to confirm merely that the document has been circulated or that a discussion has taken place.

Date of Review	
Comments by CIT	

9. Summary Project Plan

Detail below the specific actions, individuals responsible for their delivery, and timescales that must be done in order to realise the intended benefits of the preferred option of this business case. For example, these may include acquisition of key space requirements, or equipment, IT software/ hardware; the recruitment of key personnel, training, implementation of systems, change in business and/or clinical processes, etc. ***All fields must be completed****.*

Description of Action	Timescale	Actioned By
Site survey to ascertain the ability of the current room to install interventional x ray equipment	August 15- March 17	Capital Planning Team equip manufacturer
Evaluation of equipment	End November 2016	Service leads and users, Interventional radiologists, Cardiologists, Radiographers
Site survey for installation	March 17	Equipment provider
Procurement of equipment +/- Turn key option	March – May 17	Purchasing NHS Supply Chain Steven Mackell Sarah Hogan, Liz Picken, Liz Hodges.
Project planning for service provision whilst installation takes place	Jan 17-May17	Steve Mackell Alison MacDonald Radiologist Cardiologist

		Capital planning Estates Purchasing External service providers
Negotiation of loan mobile and/or temporary outsourcing of cardiology patients	Jan – May 17	Steven Mackell, Alison MacDonald, Cardiology Purchasing NHS Supply Chain, Sarah Hogan
Consultation post site survey with IT and estates regarding additional requirements for install	April 17	Radiology/ Equipment provider/ York IT/ Tom Skidmore York Estates
Place order for equipment and Turnkey with Siemens – 4 weeks lead time for delivery	End May 2017	Steven Mackell and Purchasing
Installation of power supply and network cable to service mobile cardiology lab	End May 2017	Estates and network team
Create access to mobile unit through current CSSD Store (2 wall openings and temp stud wall required) with relocation of some CSSD storage.	Start June 2017	Estates and Capital planning team
Delivery of mobile cardiology lab on site. We have confirmed availability of the mobile and requested allocation of the unit for June to October Training of staff on new equipment	End June 2017	Purchasing Radiology In Health Vascular Imaging Manager
Screening off lab 1	End June 2017	Siemens Turnkey
Removal of old equipment from lab 1	End June 2017	Siemens Turnkey
Install of new equipment and connection to PACS – lab 1. Medical physics testing , acceptance testing	End July 2017	Siemens Turnkey PACS and IT Medical physics
Applications training of Lab staff on new equipment	End July – start August 2017	Siemens
Screening off lab 2	August 2017	Siemens Turnkey
Removal of old equipment from lab 2	August 2017	Siemens Turnkey
Installation of equipment and connection to PACS and IT infrastructure. Medical physics testing , acceptance testing	Mid Sept 2017	Siemens Turnkey PACS and IT Medical physics
Applications Training of lab staff on new equipment	Mid Sept 2017	Equipment provider All staff
Removal of mobile cardiology Lab and associated facilities	October 2017	

10. Risk Analysis:

Identify the key risks to the Trust of proceeding with the preferred option, and what actions can be taken to mitigate them should they arise.

Identified Risk	Proposed Mitigation
Potential that service will be lost completely in	Identify alternative service provision from

current VIU during equipment replacement	across the region and /or service provision from mobile units on trust site.
Lack of patient recovery space during replacement process to serve theatre 10 and any mobile unit.	Creative use of alternative space utilised across the Trust and /or use of mobile recovery space. Careful forward planning to allow for the recovery of patients in their ward area as appropriate.
Disruption/ noise when replacing equipment to other users of the space and surrounding environment	Appropriate shielding and management of air flow during works
The potential reduction of elective service to both specialities should recovery space not be available	Creative use of alternative space utilised across the Trust. Flexible use of any remaining facilities out with the usual service hours. Potential redirection of some elective work to local service providers for the duration of the equipment replacement.

11. Risk of Not Proceeding:

Identify the key risks/ potential impact of not proceeding with the preferred option.

Collapse of the imaging equipment / Equipment condemned by medical Physics leading to loss of vascular and interventional service at York.
Loss of vascular centre status for the region.
Loss of vascular, cardiology and interventional imaging within the Trust
There have been cases recently where the equipment has failed mid procedure and it is due to the clinical expertise of the staff in the labs that patient safety was maintained. Clearly this is a serious risk to patient safety as the equipment becomes increasingly unreliable.

12. Is there a requirement to apply for MSSE funding via the MSSE Committee, linked to this Business Case?

Yes	y
No	

13. Consultant, and other Non-Training Grade Doctor Impact

(Only to be completed where the preferred option increases the level of Consultant/ non-Training Grade input)

13.1 Impact on Consultant/ Non-Training Grade Doctor Workload:

The Trust is committed to reduce the number of Programmed Activities (PAs) being worked by any Consultant/ Non-Training Grade Doctor to a maximum of 11. This

section should illustrate the impact that the additional Consultant/ Non-Training Grade input created will have on the average number of PAs worked in the specialty, the frequency of the on-call rota, and the PA profile across the whole specialty team. Information is also required of each Consultant's/ Non-Training Grade Doctor's actual annual working weeks against the 41 week requirement.

The information below must be accompanied by the Trust's Capacity Planning Tool, and the Job Plan, which should be appended to, and submitted with the business case.

	Before	After
Average number of PAs		
On-call frequency (1 in)		

Consultant/ Non-Training Grade Doctor Team Work Profile				
Name of Consultant/ Non-Training Grade Doctor	**Working Weeks v 41 Week Requirement**		**PA Commitment**	
	Before	**After**	**Before**	**After**

13.2 Executive Job Planning Committee:

The Medical Director/Executive Job Planning Committee must review all proposed job plans for new consultant posts, as well as any job plans for existing consultants where the proposed new post would have an impact on current working practices. The date that the job plans were approved by the Committee and any comments which were made must be provided below.

Date of Approval	
Comments by the Committee	

14. Stakeholder Consultation and Involvement:

Identify the key stakeholders (both internal and external to the Trust) essential to the successful implementation of the business case; the extent to which each support the proposal, and where appropriate, ownership for the delivery of the benefits identified above. Where external stakeholder support is vital to the success of the business case (e.g. commitment to commission a service), append documentation (letter, e-mail, etc.) evidencing their commitment. If the Business Case spans more than one Directorate or Department the expected/required close collaboration in such circumstances must be evidenced, and if necessary, joint authorship selected.

Examples of stakeholders include Lead Clinicians, support services (e.g. Systems & Network Services, Capital Planning re: accommodation), commissioners (e.g. Vale of York CCG, Scarborough & Ryedale CCG, etc), patients & public, etc. ***Please bear in mind that most business cases do have an impact on Facilities & Estates services.***

Stakeholder	Details of consultation, support, etc.
Mandatory Consultation	
Corporate Improvement Team	

Radiology Directorate	Part of Radiology directorate plan
Laboratory Medicine	No impact
Pharmacy	No impact
AHP & Pyschological Medicine	No impact
Theatres, Anaesthetics and Critical Care	Discussed in conjunction with TH 10 project replacement will have no additional impact on these services
Community Services	
Other Consultation	
Capital programme	The replacement of this equipment has been developed as part of the Radiology capital replacement programme and funding is identified
Radiology Clinical Director, Radiology Consultants, Radiographers, Directorate Manager	Fully supportive of the Business Case for the many benefits this will bring for Service Users, patients and staff alike. Further, appreciation that the success of this Business Case is key to future service development in Imaging.
IT	As the new equipment will directly replace the existing modalities in situ there are no anticipated increases in PACS storage requirements or network load, as the volume/mix of examinations will not be changing. There will be no modality connection charges from Carestream as these are all included in our PACS contract. There are no additional network points required in addition to those already installed, as this is a turnkey solution with a separate contingency for each room this would cover the relocation of network /points if needed Although this is not expected. There are no additional desktop PCs required. Tom Skidmore PACS manager Radiology has discussed with IT
CSSD	Discussed use of access points with Vince North and identified an appropriate area to use temporarily to create an access corridor. Agreed re-provision of storage would be required and have identified alternatives
Estates and Facilities	Any improvements to current infrastructure such as air handling has been included in the Turnkey costs. No increase power requirements have been identified in the manufacturers specification. Estates have been fully involved in all aspects of the replacement discussions
Infection Prevention	**Full discussion with the infection**

	prevention team has approved the proposed options with appropriate measures in place for infection prevention

15. Sustainability

The Trust is committed to development of sustainable solutions in the delivery of its services, including minimising its carbon footprint. The following questions should be answered in the context of the impact of this business case has on the areas listed.

If assistance is required in assessing the sustainability impact of this business case, help is available from Brian Golding, Trust Energy Manager on (72)6498.

Will this Business Case:	Yes/No	If Yes, Explain How
Reduce or minimise the use of energy, especially from fossil fuels?	No	
Reduce or minimise Carbon Dioxide equivalent emissions from NHS activity?	No	
Reduce business miles?	Possibly	If the Trust lost the Vascular centre status current consultant staff may have to travel to other Trusts to undertake patient services
Reduce or minimise the production of waste, and/or increase the re-use and recycling of materials?	No	
Encourage the careful use of natural resources, such as water?	No	

16. Alliance Working

How does this business case support the Trust's stated objective of developing and enhancing the clinical alliance arrangements with Harrogate & District NHS Foundation Trust, and Hull and East Yorkshire Trust?

Regional Vascular centre serving the populations of Harrogate, York and Scarborough. This Business Case supports the Trust's objective in relation to enhancing the clinical alliance arrangements with Harrogate as evidenced by the recent engagement with key personnel from Harrogate and the discussions that took place around partnership working.

17. Impact on the Ambulance Service:

	Yes	No
Are there any implications for the ambulance service in terms of changes to patient flow?		No

If yes, please provide details including Ambulance Service feedback on the proposed changes:

18. Market Analysis:

Where the business case is predicated on securing new and/or increased business (and income), detail the evidence supporting the income projections.

Please refer to Business Case entitled Development of a North Yorkshire Vascular Centre at York Teaching Hospitals NHS Foundation Trust – 2011/45 for income projections

19. Financial Summary

19.1 Commissioning Team Review:

The Commissioning Team must review all business cases for consistency with PbR and other national commissioning guidance, and with regard to consistency with CCG, NHS England, and Local Authorities commissioning intentions. The date that the business case was reviewed by the CT together with any comments which were made must be provided below.

Date of Review	
Comments by CT	

19.2 Estimated Full Year Impact on Income & Expenditure:

Summarise the full year impact on income & expenditure for the specialty as a result of this business case. The figures should cross reference to the more detailed analysis on the accompanying 'Financial Pro Forma'.

	Baseline	Revised	Change
	£000	£000	£000
Capital Expenditure		1451	1451
Income		0	0
Direct Operational Expenditure		13	13
EBITDA	0	-13	-13
Other Expenditure		157	157
I&E Surplus/ (Deficit)	0	-170	-170
Existing Provisions	n/a	157	157
Net I&E Surplus/ (Deficit)	0	-13	-13
Contribution (%)	#DIV/0!	#DIV/0!	#DIV/0!
Non-recurring Expenditure	n/a	188	188

Supporting financial commentary:

Capital costs relate to the equipment costs for the replacement of the VIU/Cardiac labs is £1.162m, £289k has been included for the turnkey and enabling works. This scheme is included in the 2017-18 capital plan and is to be funded from an ITFF loan for the replacement of Radiology equipment.
Non recurring Revenue costs of £180k relate to the hire of an unstaffed mobile lab for a period of 16 weeks plus 4 weeks contingency whilst the work on both labs is completed, £8k has been included to allow for disposal and removal of the current equipment.
Recurring revenue costs relate to the increase in the maintenance contracts for both labs, both pieces of kit include one year's warranty this has therefore created a saving to the department in the first year and means that the increased cost of the maintenance will not impact until after the 1 year warranty has expired.

20. Date of Completion:29/03/2017

York Teaching Hospital NHS
NHS Foundation Trust

BUSINESS CASE FINANCIAL SUMMARY

REFERENCE NUMBER:	2015/16-40
TITLE:	Replacement Imaging Equipment For Cardiology And Vascular Labs
OWNER:	James Haselden
AUTHOR:	Steven Mackell

Capital

	Total	Planned Profile of Change			
		2016/17	2017/18	2018/19	Later Years
	£'000	£'000	£'000	£'000	£'000
Expenditure	1,451	0	1,451	0	0

Capital Notes *(including reference to the funding source)*:
The equipment costs for the replacement of the VIU/Caridac labs is £1.162m, £289k has been included for the turnkey and enabling works. This scheme is included in the 2017-18 capital plan and is to be funded from an ITFF loan for the replacement of Radiology equpment.

Revenue

	Total Change				Planned Profile of Change			
	Current	Revised	Change		2016/17	2017/18	2018/19	Later Years
	£'000	£'000	£'000	WTE	£'000	£'000	£'000	£'000
(a) Non-recurring						188		
(b) Recurring								
Income								
NHS Clinical Income	0	0	0		0	0	0	0
Non-NHS Clinical Income	0	0	0		0	0	0	0
Other Income	0	0	0		0	0	0	0
Total Income	0	0	0		0	0	0	0
Expenditure								
Pay								
Medical			0					
Nursing			0					
Other (please list):								
Executive Board & Senior Managers			0					
Support Staff			0					
WLIs			0					
			0					
	0	0	0	0.00	0	0	0	0
Non-Pay								
Drugs			0					
Clinical Supplies & Services			0					
General Supplies & Services			0					
Other (please list):								
Maintenance of Equipment	124	137	13			-62	-55	13
			0					
			0					
	124	137	13		0	-62	-55	13
Total Operational Expenditure	124	137	13		0	-62	-55	13
Impact on EBITDA	-124	-137	-13	0.00	0	62	55	-13
Depreciation		132	132			33	132	132
Rate of Return		25	25			6	25	25
			0					
Overall impact on I&E	-124	-294	-171	0.00	0	23	-102	-171
								+ favourable (-) adverse
Less: Existing Provisions	n/a	157	157			39	157	157
Net impact on I&E	-124	-137	-13		0	62	55	-13

Revenue Notes *(including reference to the funding source)*:
Non recurring Revenue costs of £180k relate to the hire of an unstaffed mobile lab for a period of 16 weeks plus 4 weeks contingency whilst the work on both labs is completed. Recurring revenue costs relate to the increase in the maintenance contracts for both labs, both pieces of kit include one year's warranty this has therefore created a saving to the department in the first year and means that the increased cost of the maintenance will not impact until after the 1 year warranty has expired. £8k has been included to cover removal costs for the equipment being replaced.

	Owner	Finance Manager	Board of Directors Only Director of Finance
Signed			
Dated			

York Teaching Hospital NHS
NHS Foundation Trust

BUSINESS CASE - ACTIVITY & INCOME

Activity

	Total Change			Planned Profile of Change			
	Current	Revised	Change	2016/17	2017/18	2018/19	Later Years
Elective (Spells)			0				
Non-Elective (Spells)							
Long Stay			0				
Short Stay			0				
Outpatient (Attendances)							
First Attendances			0				
Follow-up Attendances			0				
A&E (Attendances)			0				
Other (Please List):							
Best Practice Tarriff #NOF			0				
			0				

Income

	Total Change			Planned Profile of Change			
	Current £'000	Revised £'000	Change £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	Later Years £'000
NHS Clinical Income							
Elective income							
Tariff income			0				
Non-Tariff income			0				
Non-Elective income							
Tariff income			0				
Non-Tariff income			0				
Outpatient							
Tariff income			0				
Non-Tariff income			0				
A&E							
Tariff income			0				
Non-Tariff income			0				
Other							
Tariff income	0	0	0				
Non-Tariff income			0				
	0	**0**	**0**	**0**	**0**	**0**	**0**
Non NHS Clinical Income							
Private patient income			0				
Other non-protected clinical income			0				
	0	**0**	**0**	**0**	**0**	**0**	**0**
Other income							
Research and Development			0				
Education and Training			0				
Other income			0				
	0	**0**	**0**	**0**	**0**	**0**	**0**