

**NHS LANARKSHIRE
LEARNING DISABILITY SERVICE
ASSESSMENT AND TREATMENT CENTRE**

1. Purpose of Report

This update report has been prepared to advise the Board of the current stage of development with the Learning Disability Assessment and Treatment Centre and to highlight a number of potential changes to the scheme from that set out in the original business case that was presented to and approved by the Board.

2. Background

The options appraisal carried out as part of the original business case process identified Strathclyde Hospital as the preferred site. This decision was influenced by a number of factors including;

- The planning assumption that Strathclyde was going to be retained as part of the overall estates strategy and therefore its use would be optimised by congregating a range of services on the campus
- Bringing a wider range of services on site would enable other sites such as Kirklands to be declared surplus to requirements thus releasing them for sale
- Any gain on sale would be reinvested in to the service modernisation agenda
- That there would be no cost differences in constructing the facility whether on the Strathclyde or Kirklands site.

The costing model used in the preparation of the OBC indicated that this scheme would cost around £4.5m to design and construct. However the design and tendering stages of this project have indicated that the costs of the scheme would be in excess of £6.85m an increase of 51% from the original estimates. The additional costs were due to:

- A 26% preliminaries cost within the completed tenders
- The site investigation work at Strathclyde identified additional costs associated with the complexity of the project due to the topography of the land
- Updated guidance on optimism bias from the SEHD changed the costings.

This information was presented to the Board in a Full Business Case in October 2006 and the Project Implementation Team were invited to:

- Review the design of the project to achieve a cost reduction whilst minimising the impact on clinical service delivery
- Reduce the schedule of accommodation requirements by relocating a number of clinicians out of the centre and in to community bases.

3. Current Position

The review carried out by the Design Team has indicated that the Assessment and Treatment Centre can be delivered at significantly less expense on the Kirklands site as one of the existing cottages could be used to accommodate the clinical teams. This would reduce the size of the new build but would retain all of the clinical benefits of co-locating the multi-disciplinary teams that were set out in the OBC. Equally, as there are fewer constraints presented by the topography of the land the complexity of delivering the facility would be reduced and this too would reduce the cost of preliminaries.

As was stated earlier one of the determining factors in declaring Kirklands surplus to requirements was the gain on sale which would enable investment in to the service modernisation programme. However recent changes made by the Exchequer to the rules of financial engagement necessitate that such funds can only be used within the capital allocation.

Furthermore, the wider estates rationalisation review that has taken place as part of the 'A Picture of Health' process has identified that retention of the Kirklands site would now be more advantageous to NHSL as it can accommodate not only the clinical services but provide for a single NHSL headquarters.

4. Conclusion

Given the above issues the Board is asked to note that the stakeholders involved in the original options appraisal have been re-engaged to consider the implications of retaining the Learning Disability Assessment and Treatment Centre services on the Kirklands site in order to more fully deliver the clinical benefits as set out in the original Outline Business Case. This approach will not only enhance the service quality by facilitating better team working within the Assessment and Treatment Centre it will also lessen the capital requirements and the subsequent revenue impact to deliver the new facility. The Board is asked to endorse this approach and invite the Project Implementation Team to bring forward the revised Full Business Case in August 2007.

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17th January 2007