

REQUEST FOR INFORMATION FROM THE WELSH GOVERNMENT

Request from Daniel Collier, Assembly – Committee Service, set out in his e-mail of 12 October 2012 to Vanessa Price, Aneurin Bevan Health Board

Request statement:

At yesterday's Finance Committee meeting, Dr Goodall agreed to provide the Committee with the following information:

- A note quantifying the cost of unused estate in the NHS including the scale of risk of non-compliance issues around the estate.

Dr Goodall will be aware of the time limitations on the Committee to report on the Welsh Government's budget, so we would be grateful for a response to this action point as soon as practicably possible.

Response from NHS Wales Shared Services Partnership – Facilities Services

Question 1: What is the cost of the unused estate in the NHS in Wales?

Answer: Data submitted by Health Boards/Trusts for 2011/2012 indicates that the cost of occupancy (estates and hotel services) across their estate was approximately £185/m².

For the same period, space utilisation data shows that the total floor area classified as either empty or under used, was almost 149,000m², representing just under 9% of the health estate. In this context empty refers to pockets of operational sites that are unused and not decommissioned sites awaiting disposal.

In calculating the cost of the unused estate, the cost of occupancy has been reduced by 50% to take into account the fact that some occupancy costs (for example, hotel services such as catering) are unlikely to be incurred or will be substantially reduced. On this basis, the cost of occupancy of unoccupied and under used space in 2011/2012 was approximately £92.50/m², totaling approximately **£13.8m** for NHS Wales.

Question 2: What is the scale of risk of non-compliance issues around the estate?

Answer: Data submitted by Health Boards/Trusts for 2011/2012 indicates the cost to address Backlog maintenance in accordance with 4 risk categories as follows:

Risk Category	2008/09	2009/10	2010/11	2011/12
High Risk Backlog (£)	82,216,438	67,220,657	65,223,999	58,915,281
Significant Risk Backlog (£)	159,099,421	141,837,253	134,939,981	111,714,663
Moderate Risk Backlog (£)	111,169,395	110,189,965	112,720,419	105,484,312
Low Risk Backlog (£)	152,732,822	141,025,178	132,201,858	119,204,767
Total Backlog Cost	505,218,076	460,273,053	445,086,257	395,319,023

Within the Backlog Maintenance total of £395m, Health Boards/Trusts have identified **£61m** to achieve statutory health and safety compliance, **£73m⁽¹⁾** to achieve fire safety compliance and **£260m** to improve the physical condition of the estate.

⁽¹⁾ The majority of the £73m cost to achieve fire safety compliance is associated with the refurbishment and remodeling of facilities following essential fire safety works. NWSSP-FS estimate that less than £20m is attributable directly to essential fire safety works to achieve compliance.

NHS Wales Shared Services Partnership – Facilities Services

Date: 26/10/12