

# Estates & Facilities at Leeds

## Public Board

### LTHT Backlog Maintenance (2024/25)

(Agenda Item 11.2)

#### **Property Appraisal Six Facet Survey And Risk Assessment Of Backlog Maintenance**

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# Best practice: establishing and managing BLM

- The NHS estate must be accurately assessed and maintained to ensure it is fit for purpose and safe for patients and staff.
- NHSE gives best practice advice on establishing and managing BLM costs. The guide is the basis of the Estate Returns Information Collection (ERIC) for BLM.
- The guide describes:
  - The steps involved in undertaking a detailed survey.
  - A model for measuring risk in relation to sub-standard assets.
- The guide states:
  - *Once the risks associated with sub-standard assets have been assessed, high and significant risk elements should be addressed as a priority as part of your estate investment planning process.*
  - *The trust board should take account of both immediate investment needs and longer-term demands to upgrade and develop new facilities.*



A risk-based  
methodology  
for establishing  
and managing backlog

## Key steps to establishing and managing backlog

- BLM is the cost to bring estate assets that are below condition B in terms of their physical condition and/or compliance with mandatory fire safety requirements and statutory safety legislation up to condition B.
- Condition rankings are based on those given in 'Estatecode' (NHS Estates, 2002) for the purpose of undertaking a property appraisal (each ranking has a definition).
- Condition B is the minimum acceptable condition that must be achieved to avoid BLM costs.
- Costs to replace, remove or upgrade assets that already meet condition A or B criteria (for example for modernisation or best practice purposes) should not be classified as backlog.
- Additional costs that are dependent upon the project solution chosen (for example fees, VAT, decanting and temporary services to other areas) are not included in backlog costs, so these should be consider a net figure.

# The survey process

- The BLM survey provides a snapshot of the current condition of the LTHT estate.
- It takes no account of plans for future changes in the use and development of our buildings.
- It provides indicators of potential future deterioration of our assets.
- It is important that appropriate investment programmes are undertaken to improve the condition of sub-standard assets and maintain them at an acceptable level.
- As part of the Estate Strategy, Statutory Compliance items are addressed first, followed by high-risk backlog items under Physical Condition, followed by significant then moderate and low risk items.



# The survey process

The physical condition of each sub-element should be categorised as follows:	
<b>A</b>	as new and can be expected to perform adequately to its full normal life
<b>B</b>	sound, operationally safe and exhibits only minor deterioration
<b>B(C)†</b>	currently as B but will fall below B within five years
<b>C</b>	operational but major repair* or replacement is currently needed to bring up to condition B
<b>D</b>	operationally unsound and in imminent danger of breakdown**
<b>X</b>	supplementary rating added to C or D to indicate that it is impossible to improve without replacement
* Expenditure for major repair would be expected to exceed one-third of the sub-element's replacement cost. This will usually be funded from capital although it could come from revenue as part of routine maintenance, depending on the investment solution adopted.	
** Expenditure required to bring a condition D sub-element up to condition B would be expected to exceed 50% of its replacement cost. This will also usually be funded from capital.	
† Sub-elements classified as B(C) should not be considered as backlog until such time as the condition of the sub-element has fallen to below condition B. Such sub-elements would be expected to be sustained in condition B by ensuring the required investment is made in sufficient time to prevent the sub-element falling below condition B.	

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Each sub-element should be ranked according to compliance with mandatory fire safety requirements (including 'Firecode') and statutory safety legislation as follows:	
<b>A</b>	<b>complies fully with current mandatory fire safety requirements and statutory safety legislation</b>
<b>B</b>	<b>complies with all necessary mandatory fire safety requirements and statutory safety legislation with minor deviations of a non-serious nature*</b>
<b>B(C)†</b>	<b>currently as B but will fall below B within five years as a consequence of unabated deterioration or knowledge of impending mandatory fire safety requirements or statutory safety legislation</b>
<b>C</b>	<b>contravention of one or more mandatory fire safety requirements and statutory safety legislation, which falls short of B</b>
<b>D</b>	<b>dangerously below conditions A and B</b>
<p>* Minor deviation of a non-serious nature means a small breach in mandatory fire safety requirements or statutory safety legislation that is currently not of concern to the enforcement bodies and will be rectified through normal revenue expenditure. The minor breach will also present only a very insignificant impact on safety.</p> <p>† Sub-elements classified as B(C) should not be considered as backlog until such time as the condition of the sub-element has fallen to below condition B. Such sub-elements would be expected to be sustained in condition B by ensuring the required investment is made in sufficient time to prevent the sub-element falling below condition B.</p>	

Compliance with **mandatory fire safety requirements and statutory safety legislation** should be assessed on the following:

- Fire safety: Compliance with 'Firecode' (NHS Estates)
- Statutory safety legislation: Electrical services - supply and distribution /Asbestos / Control of legionellae

# LTHT BLM 2024/25

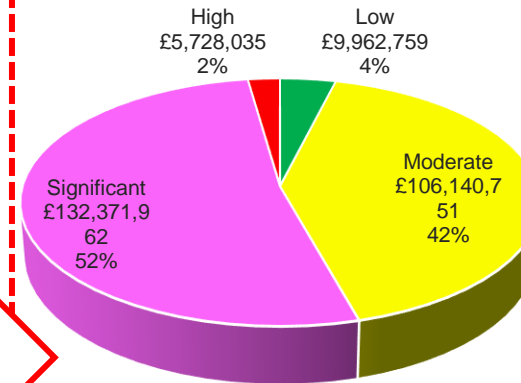
- Current:
  - Physical Condition BLM: £243m
  - Statutory Compliance BLM: £11m
- Impending:
  - Years 1-5 Physical Condition: £98m
  - Years 6-10 Physical Condition: £21m

Backlog by Site	Low	Moderate	Significant	High	Total
Leeds General Infirmary	£3,724,939	£59,991,122	£74,750,756	£2,187,697	<b>£140,654,514</b>
St James University Hospital	£4,691,820	£40,027,112	£47,186,828	£1,097,934	<b>£93,003,694</b>
Chapel Allerton Hospital	£46,967	£1,913,074	£3,369,096	£633,660	<b>£5,962,797</b>
Seacroft Healthcare Campus	£1,499,033	£4,209,443	£7,065,282	£1,808,744	<b>£14,582,502</b>
<b>Total</b>	<b>£9,962,759</b>	<b>£106,140,751</b>	<b>£132,371,962</b>	<b>£5,728,035</b>	<b>£254,203,507</b>

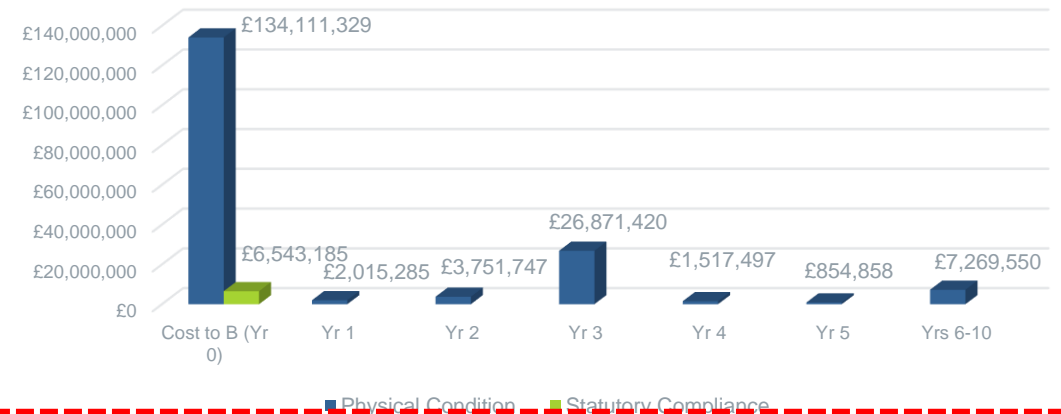
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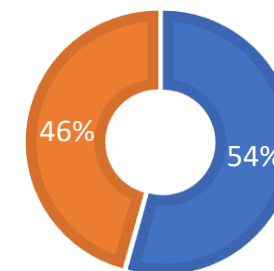
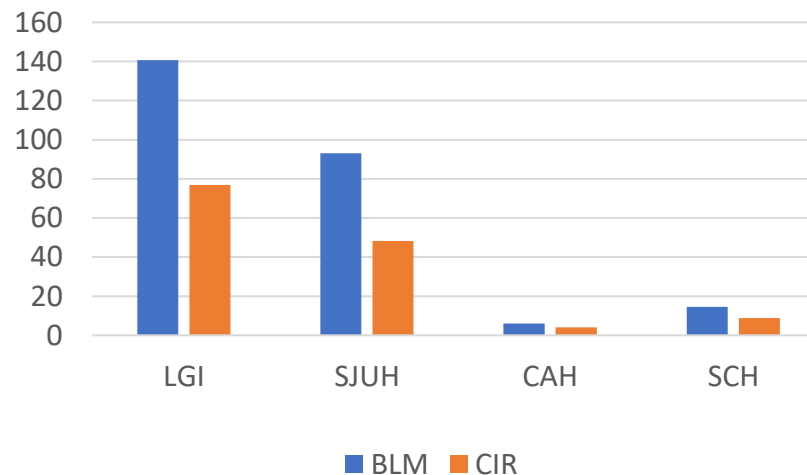
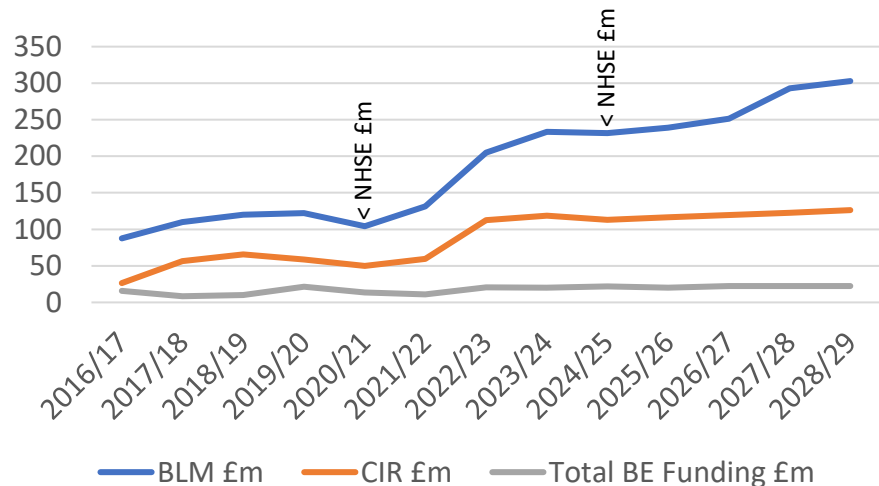


Impending Backlog by Risk (Condition)	Total Cost
Low Risk Totals	£9,829,679
Moderate Risk Totals	£21,101,900
Significant Risk Totals	£4,079,228
High Risk Totals	£0
<b>Total Impending Backlog</b>	<b>£35,010,807</b>





# LTHT BLM Investment vs Trajectory



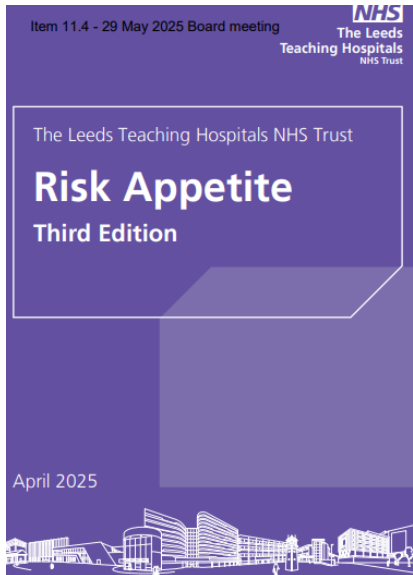
## What the data is telling us:

- Our total BLM liability is increasing, and the largest burden is at LGI, followed by SJUH.
- The proportion of BLM which is CIR (Critical Infrastructure Risk – high and significant rating) has reduced over recent years.
- The only reduction in BLM over the last decade was due to significant NHSE funding in 2019/20.
- Investment is not sufficient to keep pace with the deterioration of the estate. Around £60m BLM investment per year would be needed to maintain the current BLM level, over the next 5 years.

## Action we are taking:

- Targeting our limited Building & Engineering BLM capital (60% B&E funding per year) at CIR and high-risk items, using the Trust's Risk Appetite Framework.
- £21m ring-fenced CIR investment from NHSE in 2025/26.
- Advocating for New Hospital Programme investment in the LGI site.

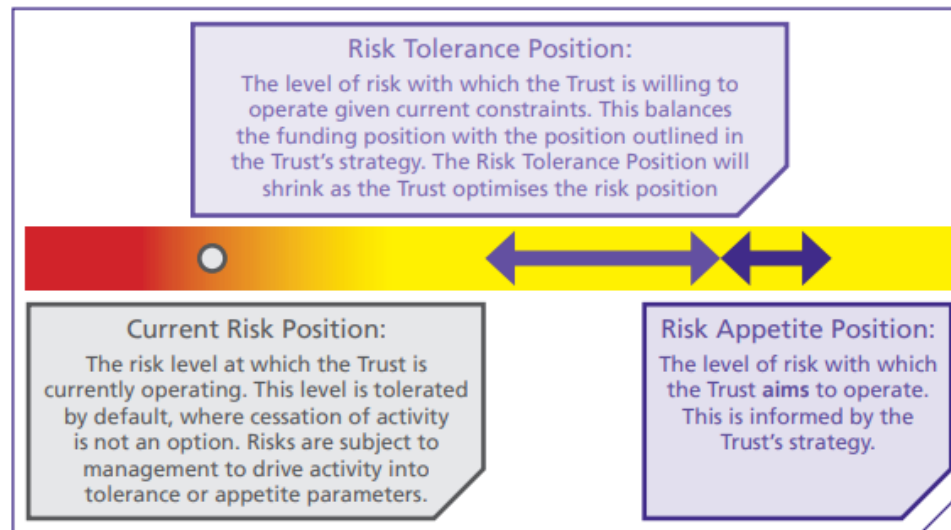
# BLM Liability – Trust risk management



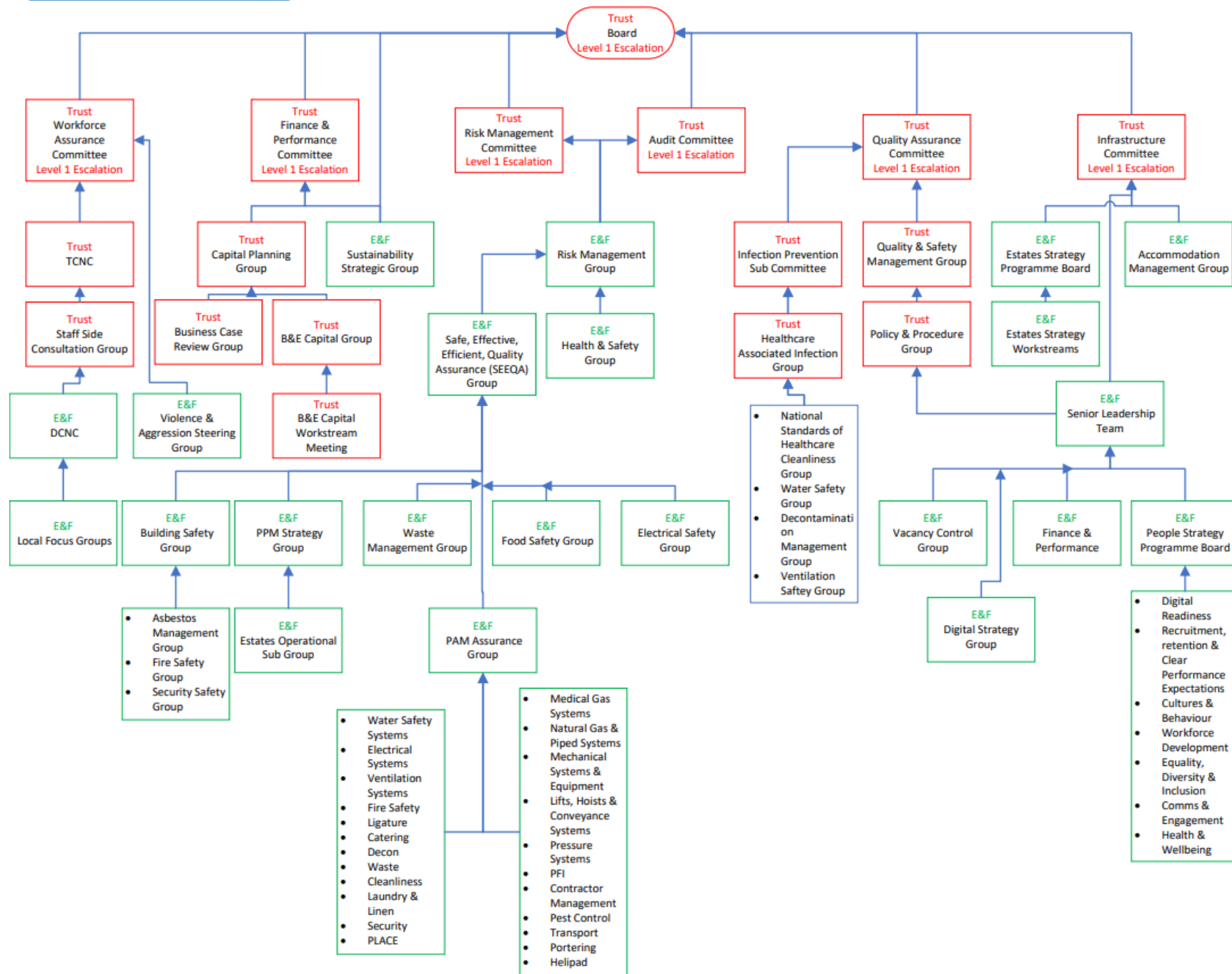
## Risk Types:

- Workforce Risk
- Operational Risk
- Clinical Risk
- Financial Risk
- External Risk

Physical Assets Risk	We will optimise patient outcomes and workforce experience and Trust financial benefit through the effective management of our premises and equipment.	Cautious
Legal & Governance Risk	We will operate the Trust in compliance with the Law and UK Corporate Governance Code, where applicable.	Averse



Risk Appetite Scale	Appetite (by Residual Risk Score)	Tolerance (By Residual Risk Score)
Averse	1 - 3	4 - 6
Minimal	1 - 5	6 - 10
Cautious	1 - 8	9 - 15
Open	1 - 10	12 - 20
Eager	1 - 15	16 - 25



## Recording clinical incidents related to the premises & equipment/ E&F infrastructure

- New live recording/ data capture for the 2026/27 ERIC submission:
  - S16/17 – clinical incidents that have occurred in 2025/26 related to/ impacted by the premises & equipment (backlog maintenance/ infrastructure failures).
- Updated reporting forms implemented, to improve quality/ consistency of reporting. The reported data automatically populates a tracker.
- E&F staff will follow up each reported incident, to:
  - ascertain the clinical impact (productivity/ cost)
  - identify any learning for the organisation (both clinical/ non-clinical)
  - Identify any associated risks/ trends.

Thanks for listening, any questions???