

# **Infrastructure Investment Plan 2021-22 to 2025-26**

**Major capital projects progress update  
(March 2023)**

## Major capital projects progress update

The following information relates to projects with a capital value of £5 million or more which are at the Outline Business Case (or equivalent) approved stage or beyond.

The information mainly comprises projects included at Annex D of the Scottish Government's Infrastructure Investment Plan published in February 2021 and other infrastructure projects which have been commissioned since then.

The majority of information reports the position as at 31 March 2023. If however there has been a significant change in the status of any project between then and the end of April 2023, the accompanying information relating to that project has been updated.

All projects are capital grant funded unless otherwise stated.

In recent reports, cost increases have been driven by inflation caused by Brexit and the war in Ukraine. Delays in projects have been down to supply-chain issues and labour shortages again driven by Brexit and the war in Ukraine. In this latest report, whilst inflation remains a factor for cost increases, delays are more often reported as resulting from changes to the scope of a project driven by the likes of accessibility enhancements, delivering net zero building standards, and new carbon emission targets. **All planned dates and costs therefore are best estimates and may subsequently be subject to further impact.**

## Sector: Transport

### Project: A9 Dualling Tomatin to Moy

**Business case approved stages:** Third project phase of A9 Dualling programme involves approximately six miles (9.6km) of online widening of existing single carriageway to an all-purpose dual carriageway, extending from existing dual carriageways to the south of Tomatin and to the north of Moy. The original Outline Business Case (OBC) outlined that the project was estimated to cost £197 million and planned to be operational in December 2025.

**Progress at September 2022:** No change to cost or timing since the last report.

The project is currently in procurement with the contract anticipated to be awarded in December 2022. The Full Business Case (FBC) will be updated prior to contract award with costs from the successful tenderer.

**Progress at March 2023:** The project is to be revised following the decision not to make an award under the previous procurement. Parliament was advised of this on 8 February 2023. The project is currently in preparation for a new procurement and an OBC is currently being updated along with cost estimates. It is estimated that a contract will be awarded by the end of 2023.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

### Project: Reston and East Linton Rail Stations

**Business case approved stages:** Delivery of two new fully accessible Rail Stations with car parks (Reston Station in the Scottish Borders and East Linton Station in East Lothian). The OBC outlined that project was estimated to cost £35 million and that it is planned to be operational in December 2022. The FBC outlined that the overall project was estimated to cost £35 million and was planned to be operational in summer 2023.

**Progress at September 2022:** No change to cost or timing since the last report (as reported in March 2022 update, Reston Station entered service in May 2022 with East Linton Station in construction and planned to be operational by March 2024).

**Progress at March 2023:** No change to timing since the last report.

The overall Anticipated Final Cost (AFC) is now estimated to be £36.6 million to £38.2 million. This increase is due to unforeseen construction challenges with East Linton Station and a contractor claim in relation to the completed works at Reston Station which is currently being evaluated.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: Levenmouth Rail project**

**Business case approved stages:** Scheme will re-open the disused rail line between Thornton junction and Leven in Fife, providing new passenger rail services to connect the Levenmouth area to Fife, Edinburgh, and the wider rail network. The OBC was predicated on a project cost estimate of £70 million and it is estimated to be operational by December 2023. The FBC was predicated on an anticipated final cost of £116 million and an estimated operational date of spring 2024.

**Progress at September 2022:** No change to cost or timing since the last report (as reported in March 2022 update, the approved FBC reflected an expanded scope and additional investment and that the project commenced construction).

**Progress at March 2023:** No change to cost or timing since the last report.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: Inverness Airport Station**

**Business case approved stages:** Project will provide a greener method for people to travel to Inverness Airport and help to enable transition to Net Zero Emissions and Environmental Sustainability. The FBC outlined that the project was estimated to cost £39.6 million and that it is planned to be operational in December 2022.

**Progress at September 2022:** No change to timing since the last report.

The total cost is now estimated at £41.8 million which is an increase to that at FBC and is due to final costs now incorporating increased construction inflation. The project is in construction and is progressing to programme.

**Progress at March 2023:** No change to cost since the last report.

Construction is now complete, and the station officially opened on 2 February 2023 with passengers using the new facility the following day. This was later than that outlined in FBC and was due to issues in obtaining a permanent electrical supply.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: Barrhead Rail Enhancement**

**Business case approved stages:** Project is part of the East Kilbride and Barrhead Rail Enhancement scheme. This scheme is to decarbonise the corridors and to provide improved access to the rail network for the communities along these corridors. The scheme will make rail services reliable, efficient, and attractive to passengers and support modal shift whilst progressing against Scottish Government's target to decarbonising the

rail network. The FBC outlined that the total project cost was estimated to be £63 million and was planned to be operational in December 2023.

**Progress at September 2022:** No change to cost or timing since the last report (as reported in March 2022 update, the project commenced construction in April 2022 and is progressing to programme).

**Progress at March 2023:** No change to cost or timing since the last report.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: East Kilbride Rail Enhancement**

**Business case approved stages:** Project is part of the East Kilbride and Barrhead Rail Enhancement scheme. The scheme will make rail services reliable, efficient, and attractive to passengers and support modal shift whilst progressing against the Scottish Government's target to decarbonising the rail network. The OBC outlined that total project cost was estimated to be £100 million to £120 million and that it was estimated to be operational December 2024.

**Progress at September 2022:** No change to cost or timing since the last report (as reported in March 2022 update, the total project cost is estimated at £111 million to £124 million which includes additional scope).

**Progress at March 2023:** No change to timing since the last report.

The total cost of the project is now estimated at £136.8 million which is an increase in that previously reported. This is due to further refinement of the Full Business Case (FBC) cost and additional scope of the Hairmyres Loop extension and accessibility enhancements.

The project went to Transport Scotland's Investment and Decision Making Board (IDM) in November 2022 and instruction was given to provide further assurance on the programme and the cost. Network Rail is working through providing further details to Transport Scotland and this should be finalised in the coming months. The project will then return to IDM Board prior to being provided to the Minister for Transport for endorsement.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: Borders Railway Decarbonisation**

**Business case approved stages:** Project to facilitate the decarbonisation of rolling stock emissions on the Borders Railway through the installation of railway electrification infrastructure. This infrastructure will allow the replacement of the diesel rolling stock which currently operate on the route with new Battery Electric rolling stock. The OBC outlines that the total project cost is estimated to be £32 million and that the project is estimated to

commence construction in 2023 and be operational in May 2027 (£14.4 million of total project cost is attributable to the Tweedbank Feeder Station inclusion within report).

**Progress at September 2022:** The OBC outlines that the total project cost is estimated to be £32 million and that the project is estimated to commence construction in 2023 and be operational in May 2027. The project is in procurement and progressing to programme.

**Progress at March 2023:** The Decarbonisation Action Plan is due for a refresh during 2023. The outcome of this will allow for the project to be replanned and timescales will be determined by the wider pipeline programme and the rolling stock procurement exercise.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: Fife Decarbonisation**

**Business case approved stages:** Project to facilitate the decarbonisation of rolling stock emissions on the Fife Railway through the installation of railway electrification infrastructure. This infrastructure will allow the replacement of the diesel rolling stock which currently operate on the route with new Battery Electric rolling stock. The OBC outlines that the total project cost is estimated to be £210 million with the full project estimated to be operational in December 2025.

**Progress at September 2022:** The OBC outlines that the total project cost is estimated to be £210 million. The Haymarket to Dalmeny section was approved to FBC in March 2022, with a total cost of £55.6 million and construction in this area has commenced with a completion date of December 2024. The full project is estimated to commence construction in early 2023 and be operational in December 2025. The project is in design / procurement and progressing to programme.

**Progress at March 2023:** The Decarbonisation Action Plan is due for a refresh during 2023. The outcome of this will allow for the project to be replanned and timescales will be determined by the wider pipeline programme and the rolling stock procurement exercise.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: Markle Level Crossing Bridge Replacement**

**Business case approved stages:** Closure of Markle Level Crossing (in East Lothian) on the East Coast Main Line and its replacement with an overbridge. The OBC outlines that the total project cost is estimated to be £9.2 million and that the project is estimated to be operational by the end of March 2024.

**Progress at September 2022:** Project not included within previous update as negotiations with East Lothian Council to proceed with implementation of the scheme were not concluded at the previous reporting date.

**Progress at March 2023:** The project is in design and progressing to programme and estimated to commence construction in June 2023.

**Contact for public enquiries:** email: [info@transport.gov.scot](mailto:info@transport.gov.scot)

## **Project: CMAL - Two new 100 metre ferries**

**Business case approved stages:** Procurement commenced and Pre-Qualification Questionnaires were issued by CMAL (Caledonian Maritime Assets Ltd) on 15 October 2014 with tender returns on 31 March 2015 and the Preferred Bidder announced on 31 August 2015. The contract worth £97 million to build the two 100m 'dual-fuel' ferries for the Clyde and Hebrides Ferry Service (CHFS) was awarded on 16 October 2015. The first ferry was expected to be delivered in May 2018 with the second vessel following a few months later.

**Progress at September 2022:** The Chief Executive Officer (CEO) of Ferguson Marine wrote to the Scottish Government and the Net Zero, Energy and Transport Committee in late September setting out his proposals relating to the cost estimates and timetable for delivering both vessels. In his update, the total estimated cost to complete is now £202.6 million (including £6.2 million contingency). The Scottish Government has not agreed to an increase in funding for Ferguson Marine since the 23 March 2022 letter to MSP's setting out delivery costs. The Scottish Government is currently undertaking its own due diligence, which is being supported by external, independent financial advisors to ensure that a rigorous approach is taken to scrutinising this request for additional funding.

The CEO has reported that delivery of 801 remains within the delivery window of March to May 2023, with Liquefied Natural Gas (LNG) commissioning due in May 2023. Ferguson Marine have indicated that the delivery of 802 is now forecast to be between January and March 2024. This is later than previously reported and Ferguson Marine attribute this to a change of approach with design consultants for the remainder of the 802 construction, and to allow lessons learned from the build of 801 to be implemented successfully.

**Progress at March 2023:** No change to cost since the last report.

On 16 May 2023, the Cabinet Secretary for Wellbeing Economy, Fair Work and Energy made a statement to Parliament on the due diligence review of the revised cost to complete estimates provided by Ferguson Marine Port Glasgow (FMPG) in September 2022 (£202.6 million (including £6.2 million contingency)) to deliver vessels 801 and 802.

The statement confirmed commitment to delivery of both vessels at the FMPG yard and that the value for money case had been made for vessel 801 (MV Glen Sannox). However, the case for vessel 802 was more challenging and the narrow value for money case had not been made. A Written Authority has been provided to the Accountable Officer to continue 802's funding. The statement also made clear that FMPG should do everything possible to improve productivity, maximise operational efficiency and ensure that there is a tight control on costs as well as having a focus on delivering the vessels as quickly as possible.

The Chief Executive Officer (CEO) of FMPG updated the Scottish Parliament's Net Zero, Energy and Transport Committee on 16 March 2023 by setting out revised delivery dates for vessels. Hull 801 is now expected autumn 2023 with the backstop contract date by 31 December 2023. This is later than previously reported and is due to the CEO indicating that the revised schedule is to address design gaps and build errors, some dating back over many years. Hull 802 is expected late summer 2024 with the backstop contract date by 31 December 2024. This is also later than previously reported and is due to the focus on the completion of 801.

The statement by the Cabinet Secretary confirmed acceptance of the updated delivery dates set out by the CEO on 16 March 2023.

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## **Sector: Health**

### **Project: NHS Grampian - Aberdeen Baird Family Hospital and ANCHOR Centre**

**Business case approved stages:** Baird Family Hospital will provide a new facility to support maternity, gynaecology, breast screening and breast surgery services. It will also include a Neonatal Unit (NNU), accommodation for reproductive services, an operating theatre suite, a Commercial Medicines Unit (CMU) and research and teaching facilities. ANCHOR centre will be connected to the existing Radiotherapy Centre and together the single facility will provide a focus for all ambulatory care for oncology, haematology, and radiotherapy services in the north. The OBC outlined a cost of £163.7 million and indicated that the ANCHOR Centre was projected to be operational in 2021 and the Baird to be handed over in 2021 and be fully operational early 2022. The FBC outlines that the total project cost is £233.2 million as per FBC Addendum and that the operational date for the ANCHOR Centre is estimated for May 2023 with the Baird Family Hospital estimated for December 2023 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to timing since the last report.

The total cost is now estimated at £244.8 million which is an increase to that at FBC and as previously reported and is due to delivery challenges and market conditions. The estimated operational dates are under review (as reported in March 2022 update, the estimated operational date for the ANCHOR Centre is August 2023 with the Baird Family Hospital estimated to be March 2024).

**Progress at March 2023:** The project is in construction and making good progress. The total cost is now estimated to be £261.1 million. This is an increase to that previously reported and is due to the continuing challenging market conditions, increased costs in relation to quality assurance, and additional project and specialist resources to address and close off action plans.

The estimated operational date for the ANCHOR Centre is now October 2023 with the Baird Family Hospital now September 2024. This is later than that previously reported and is due to the quality assurance process which has led to programme elongation and construction changes.

**Contact for public enquiries:** email: [gram.nhsgrampianfeedback@nhs.scot](mailto:gram.nhsgrampianfeedback@nhs.scot)

### **Project: National Waiting Times Centre Board - Hospital Expansion Programme - Phase 2**

**Business case approved stages:** Project is the second phase of the Golden Jubilee Foundation Hospital Expansion Programme (forms part of the National Treatment Centres Programme). The FBC for project outlined that the total cost will be £80.9 million and that it

is estimated to be completed in December 2022 and operational on a phased basis up to end of March 2023 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to cost or timing since the last report.

Construction continues with the operational date being August 2023 as per September 2021 report (as reported in March 2022 update, the total cost of the project is estimated at £82.5 million).

**Progress at March 2023:** No change to cost since the last report.

The estimated completion date is now September 2023 with the operational date now December 2023. This is later than previously reported and is due to changes required to the Central Sterilisation Processing Department (CSPD) area of the building following a lessons learned review with NHS Orkney in relation to their decontamination project which was facilitated by NHS Scotland Assure.

**Contact for public enquiries:** email: [john.scott@gjnh.scot.nhs.uk](mailto:john.scott@gjnh.scot.nhs.uk)

## **Project: NHS Grampian - National Treatment Centre**

**Business case approved stages:** Development of elective care facilities in NHS Grampian including modern and fit for purpose outpatient and ambulatory care facilities, supporting a 'one-stop' model of outpatient provision (forms part of the National Treatment Centres Programme). The OBC outlined that the total project cost is estimated at £52 million and that the project is planned to be operational in June 2024 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to status of project since last report.

As stated in the September 2021 report, work on the FBC was paused pending the outcome of a clinically led review of the scope of the project. The review is concluding and will result in an amendment to site and a revisiting of the OBC. Revised dates for the project plan will be confirmed following the completion of this review.

**Progress at March 2023:** No change to status of project since last report.

The clinically led review has been undertaken and cost and timings will be updated when work on FBC has concluded.

**Contact for public enquiries:** email: [gram.nhsgrampianfeedback@nhs.scot](mailto:gram.nhsgrampianfeedback@nhs.scot)

## **Project: NHS Lothian - National Treatment Centre**

**Business case approved stages:** National Treatment Centre at St John's Hospital in Livingston (forms part of the National Treatment Centres Programme). The OBC outlined that the total cost of the project will be £70.9 million and that it will be operational by spring 2023 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to cost or time since the last report.

The FBC is still under development and updated costs and delivery dates will be confirmed as the FBC is further developed.

**Progress at March 2023:** The FBC is still under development and updated costs and delivery dates will be confirmed as the FBC is further developed. Revised project cost estimates will reflect current market conditions and revised requirements, which will drive a significant increase in forecast costs that will be confirmed through the business case process.

**Contact for public enquiries:** email: [Lothian.Communications@nhslothian.scot.nhs.uk](mailto:Lothian.Communications@nhslothian.scot.nhs.uk)

## **Project: NHS Lothian - Re-provision of Eye Services**

**Business case approved stages:** Project to re-provide eye services including those currently being delivered from the Princess Alexandra Eye Pavilion, Edinburgh (forms part of the National Treatment Centres Programme). The OBC outlined that the total project cost is £112.5 million and that project is anticipated to be operational by December 2026 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to cost or timing since the last report.

The FBC is under development and project is estimated to commence construction in June 2024 (as per September 2021 report).

**Progress at March 2023:** No change to cost since the last report.

The FBC is still under development and project cost estimates will be revised to reflect the impact of inflation, net zero carbon targets, plot change and updated clinical brief to align with national treatment targets.

**Contact for public enquiries:** email: [Lothian.Communications@nhslothian.scot.nhs.uk](mailto:Lothian.Communications@nhslothian.scot.nhs.uk)

## **Project: NHS Highland – National Treatment Centre**

**Business case approved stages:** New National Treatment Centre providing orthopaedic elective care services and a complete ophthalmology service (forms part of the National Treatment Centres Programme). The FBC outlined that the total project cost is £41.3 million and that the project was anticipated to be operational by October 2022 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** The estimated cost is now £43.6 million which is an increase from that previously reported and is due to conclusion of design changes, increased land purchase costs and conclusion of COVID-19 costs.

Construction continues with the estimated operational date now expected to be March 2023 which is later than that previously reported and which is due to the COVID-19 impact, material shortages and resourcing issues.

**Progress at March 2023:** Construction has completed and the project became operational in April 2023. This is later than previously reported and was mainly due to operational commissioning requirements following project completion and handover.

The project cost was £48.6 million which is an increase from that previously reported and was due to the Principal Supply Chain Partner (PSCP) prolongation costs, equipping, legislation changes and compensation events.

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## **Project: NHS Fife - Elective Orthopaedic Centre**

**Business case approved stages:** Reprovision of elective orthopaedic services at Victoria Hospital, Kirkcaldy that will provide a standalone all-encompassing elective orthopaedic service (forms part of the National Treatment Centres Programme). The FBC outlined that the total project cost is estimated at £33.2 million and that the project is planned to be completed in September 2022 and operational in November 2022 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to timing since the last report.

Construction continues and the project is planned to be completed late 2022 and be operational in January 2023 (as per September 2021 report). An additional £0.2 million funding was agreed with the Scottish Government to cover a variety of requirements related to the design and the COVID-19 impact within construction. The total project cost is now estimated at £33.4 million.

**Progress at March 2023:** No change to cost since the last report.

Construction completed in January 2023 and the project became operational in March 2023. This is later than previously reported and was mainly due to external market conditions and material availability as well as some additional delays relating to commissioning.

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## **Project: NHS Forth Valley - National Treatment Centre**

**Business case approved stages:** Project to increase Elective Care capacity is scheduled to be completed by end of 2022. The investment case was approved through the Scottish Government in 2019. Revenue costs around £9 million with capital costs around £10 million subject to final confirmation (forms part of the National Treatment Centres Programme).

**Progress at September 2022:** The capital costs have now been confirmed as £11.1 million which is an increase from that at business case approved stage and which is due to the conclusion of design development. The estimated project completion is now March 2023 which is later than that at business case approved stage and which is mainly due to unforeseen issues with existing utilities.

**Progress at March 2023:** No change to cost since the last report.

The estimated project completion is now anticipated to be June 2023 with an operational date in August 2023. This is later than previously reported and is due to the quality assurance process and development of the detailed commissioning strategy. The revised dates by the principal contractor are subject to NHS Assure status.

**Contact for public enquiries:** email: [scott.urquhart@nhs.scot](mailto:scott.urquhart@nhs.scot)

## **Project: NHS Western Isles – Barra and Vatersay Community Campus**

**Business case approved stages:** The overall Campus project includes replacement of existing Castlebay Community School and St Brendan's Hospital with a multi-use campus that will also include social care housing and community facilities. The OBC outlined a cost of £18 million for the Health and Social Care element of the Campus and that it will be operational in 2024. The Scottish Government is funding the £18 million Health and Social Care element (Hub North Scotland is procurement route for project).

**Progress at September 2022:** Project development has been on hold since the September 2021 report when the construction delivery partner had indicated that there would be an increase in the overall £54 million Campus costs agreed earlier in 2021 as well as the overall delivery of the project.

An amended business case is planned to be submitted to the Scottish Government Health Portfolio Capital Investment Group (CIG) later in 2022 when updated costs and timescales will be presented.

**Progress at March 2023:** An amended OBC was presented to the Scottish Government Health Portfolio Capital Investment Group (CIG) on 25 January 2023. The next steps are being considered by the Scottish Government.

**Contact for public enquiries:** email: [debbie.bozkurt@nhs.scot](mailto:debbie.bozkurt@nhs.scot)

## **Project: NHS Greater Glasgow and Clyde - North East Hub**

**Business case approved stages:** Provision of a new build community hub, which will replace 10 different buildings across Glasgow North East area. Hub will include a number of services including GP practices, pharmacy, podiatry, physiotherapy, speech therapy, adult mental health services, sexual health, social work, staff, and community-training facilities, reprovision of Parkhead community library and wellbeing including health improvement. The OBC outlined that the project is estimated to cost £67.3 million and that it is planned to be operational in June 2024. The FBC outlined that the project is estimated to cost £71.7 million and that it is planned to be operational in July 2024 (Hub West Scotland is procurement route for project).

**Progress at September 2022:** No change to cost or timing since last report (as reported in March 2022 update, the project moved to FBC and commenced construction).

**Progress at March 2023:** No change to cost or timing since last report.

**Contact for public enquiries:** email: [andrew.baillie@ggc.scot.nhs.uk](mailto:andrew.baillie@ggc.scot.nhs.uk)

## **Project: NHS Lothian - Oncology Enabling Projects, Edinburgh Cancer Centre**

**Business case approved stages:** Project relates to upgrading the Edinburgh Cancer Centre at the Western General Hospital. The FBC outlined that the total cost of the project was £20.6 million and that the project would be operational by November 2022 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** No change to cost since last report.

The estimated overall completion for project in construction is now November 2023 which is later than previously reported and is due to the extended market testing period for the last element of the programme in connection with current market conditions (as reported in March 2022 update, the overall estimated programme cost is £23.1 million).

**Progress at March 2023:** No change to timing since last report.

The total cost of the project is now estimated at £23.3 million. This is an increase on that previously reported and is due to the market testing of the last element of the programme, the Cancer Assessment Unit (CAU).

**Contact for public enquiries:** email: [Lothian.Communications@nhslothian.scot.nhs.uk](mailto:Lothian.Communications@nhslothian.scot.nhs.uk)

## **Project: NHS Ayrshire & Arran - Foxgrove (National Secure Adolescent Inpatient Service)**

**Business case approved stages:** Project comprises 12 bedded medium secure adolescent inpatient facility for Scotland located in Irvine, North Ayrshire (Frameworks Scotland is procurement route for project). The approved FBC outlines that the estimated cost of project will be £18.7 million and that it will be operational by December 2023 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** The FBC has been provided with supported status by NHS Assure and approval is expected imminently. Updated costs and programme to be finalised for incorporation into building contract to reflect inflation.

**Progress at March 2023:** The FBC was approved in September 2022 and construction commenced thereafter. Project completion and hand over of the facility is expected during September 2023. A period of 8-10 weeks testing and commissioning will follow with potential for the facility to be receiving young people from December 2023 onwards.

**Contact for public enquiries:** email: [fraser.bell@aapct.scot.nhs.uk](mailto:fraser.bell@aapct.scot.nhs.uk)

## **Project: NHS Tayside - Electrical Infrastructure Zone 2 - Radiotherapy, Maternity and West Ward Block**

**Business case approved stages:** Project will provide fully compliant primary electrical infrastructure, site resilience and dual unified supplies for the Radiotherapy, Maternity and West Ward block at Ninewells Hospital. The approved FBC outlined that the total cost of the project was £7.9 million and that it would be operational by May 2021 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** The total project cost is now estimated to be £10 million which is an increase in what was previously reported. This is due a variety of factors including provision of an alternative High Voltage cable route and the switchover process.

Construction continues and the estimated operational date is now January 2023 which is later than previously reported and is due to COVID-19 measures and construction market pressures which have affected both time and availability of construction materials.

**Progress at March 2023:** The total project cost is now estimated to be £12.4 million which is an increase in what was previously reported. This is due to further costs relating to the alternative High Voltage cable route as well as increased construction costs.

Construction continues and it is now expected that the project will become operational in June 2023 which is later than previously reported. This is due to the extended programme and delays associated with COVID-19 measures.

**Contact for public enquiries:** email: [tay.projectinfo@nhs.scot](mailto:tay.projectinfo@nhs.scot)

### **Project: NHS Tayside - Ninewells Electrical Infrastructure Zone 3**

**Business case approved stages:** Project will provide fully compliant primary electrical infrastructure, site resilience and dual unified supplies for Zone 3 at Ninewells Hospital. The OBC outlined that the total cost of the project is £4.6 million and that it will be operational by 2021.

**Progress at September 2022:** No change to cost or timing since last report (as reported in March 2022 update, the current indicative cost is around £8 million and project is estimated to commence construction in June 2023 and be operational in January 2025).

**Progress at March 2023:** No change to cost or timing since last report.

The FBC being developed will reflect lessons learned from Zone 1 and 2 projects, the latest construction costs, and inflationary pressures, as well as an extended programme.

**Contact for public enquiries:** email: [tay.projectinfo@nhs.scot](mailto:tay.projectinfo@nhs.scot)

### **Project: NHS Ayrshire & Arran - National Treatment Centre - Ayrshire & Arran**

**Business case approved stages:** Project will provide additional capacity that will deal with Orthopaedic procedures and reduce backlog of treatments in the west of Scotland (forms part of the National Treatment Centres Programme).

**Progress at September 2022:** The project is progressing to FBC which is due to be submitted in March 2023. Indicative costs are currently £22 million which is an increase in what was previously reported. This is due to design development and an increase in scope for the facility which is greater than initially anticipated as well as a longer programme reflecting the greater scope and market rates which are subject to ongoing inflationary pressures. Costs are being further developed to reflect the detailed design.

The project is now estimated to be operational in 2025 which is later than previously reported and which is due to design development and an increase in scope for the facility which is greater than initially anticipated.



**Progress at March 2023:** No change to cost or timing since last report.

The project is progressing to FBC which will be submitted to the Scottish Government Health Portfolio Capital Investment Group (CIG) towards the end of spring 2023. The costs and the programme delivery reflecting the greater scope and market rates which are subject to ongoing inflationary pressures, will be updated as part of the FBC process.

**Contact for public enquiries:** email: [fraser.bell@aapct.scot.nhs.uk](mailto:fraser.bell@aapct.scot.nhs.uk)

## **Project: NHS Greater Glasgow and Clyde - Radionuclide Dispensary**

**Business case approved stages:** Project to create a modern Radiopharmacy facility to continue the manufacture of radiopharmaceutical medicines and distribution of them to Nuclear Medicine Departments throughout Health Boards in West Central Scotland and the West of Scotland. The OBC outlines a cost of £20.9 million and that the project will be operational July 2025 (Frameworks Scotland is procurement route for project).

**Progress at September 2022:** Project not included within previous update.

**Progress at March 2023:** The OBC was approved by the Scottish Government Health Portfolio Capital Investment Group (CIG) in April 2023. The project is progressing to programme and is estimated to commence construction spring 2024.

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## **Sector: Further Education**

### **Project: Dunfermline Learning Campus (College element)**

**Business case approved stages:** New build college campus in Dunfermline, Fife. Following Scottish Government approval to award the contract in December 2022, the cost of the project is estimated at £131 million with project completion estimated for December 2024 and an operational start date of spring 2025.

**Progress at September 2022:** The Decision Point 4 (DP4) submission has now been assessed by the Scottish Funding Council (SFC) and approved at a Chair's special committee. The DP4 approval was ratified by the SFC Board on 3 September 2022. The DP4 approval was for £119.4 million. Due to further inflation and resulting cost uncertainty, the project cost is likely to increase further. This has resulted in a delay to the DP4 recommendation to the Scottish Government. The SFC are now awaiting final full costs prior to making its recommendation to the Scottish Government.

Due to the delay in the DP4 recommendation, construction is now estimated to commence at the end of November 2022 with completion aimed for the end of 2024 which is later than previously reported.

**Progress at March 2023:** No change to timing since last report.

Following the Decision Point 4 (DP4) - Preconstruction Report, the Scottish Funding Council (SFC) made a recommendation to the Scottish Government for Fife College to enter into a contract to complete the project and the Scottish Government approved this. Construction commenced in January 2023, which was later than previously reported and was due to protracted contract price negotiations with the main contractor. Project completion however is still estimated for December 2024 with an operational start date of spring 2025 to allow for fit-out and transition.

The cost of the project is now estimated at £131 million. This is an increase in what was previously reported and is due to construction cost inflation and the cost to deliver net zero building standards.

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## Sector: Justice

### Project: HMP Highland

**Business case approved stages:** HMP Highland will provide a fit-for-purpose community facing prison, which supports the Government's objective of reducing the risk of prisoners reoffending on release from custody. The approved OBC outlined that the total cost of the project is in the range of £98 million to £110 million and that it will be operational by July 2024.

**Progress at September 2022:** The project cost is now £139.5 million which is an increase in what was previously reported. This is due to the project being updated to reflect the inclusion of Net Zero Carbon measures into the design, certain other design development, longer delivery timescales and construction price inflationary pressures higher than previously forecast.

The programme delivery dates including the main construction start have been extended and it is now estimated that the project will be operational in February 2025 which is later than previously reported. This is due to redesign works required to adapt the design to meet updated operational requirements and new carbon emission targets.

A programme of advance works is proceeding.

**Progress at March 2023:** No change to cost since the last report.

The second stage contract award is anticipated in summer 2023 and the fully developed programme will be agreed at this point. Completion of the construction phase is now forecast to be spring 2025 with an operational date forecast for June 2025. This is later than previously reported and is due to redesign works required to adapt the design to meet updated operational requirements and new carbon emission targets.

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### Project: National Facility for Women Offenders

**Business case approved stages:** New national facility in Stirling, which forms part of the 'Transforming Scotland's care of women in custody' programme. The OBC outlined that the total cost was £53.2 million and that the project was to be operational in October 2020. The FBC for the project outlined that the total cost of the project will be £72.6 million and that it will be operational by February 2022.

**Progress at September 2022:** The project cost has increased to £81.8 million which is an increase from the £74 million previously reported in the March 2021 report. This is due to delays owing to the impact of COVID-19 and construction sector market and supply chain issues, labour shortages and design development.

The operational date is now June 2023 which is later than previously reported and which is due to ongoing prolongation of the programme for Phase 1. The construction completion date has been delayed as a result of material and labour shortages in the construction sector and re-planning of the complex commissioning stage. The operational date will be around three months after construction completion to allow for final preparations for occupation including staff training and situational planning.

**Progress at March 2023:** The cost projection has risen to £85.76 million due to the ongoing challenging market conditions. Timescales have not changed since the last report.

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## **Project: HMP Barlinnie Programme of Works**

**Business case approved stages:** Refurbishment of Prisoner Reception and partial refurbishment of the existing Health Centre and additional works to improve healthcare facilities within the accommodation halls. The approved FBC outlined that the total cost of the project will be £7.7 million and that it will be operational by November 2022.

**Progress at September 2022:** No change to cost since last report.

Construction continues and operational date is now anticipated to be March 2023 which is later than previously reported. This is due to significant delays caused by labour shortages and additional work to existing fabric identified during refurbishment works (as reported in March 2022 update, the total cost of project is estimated at £9 million).

**Progress at March 2023:** No change to cost since last report.

Construction completed in April 2023 and project is now operational. This was later than previously reported and was due to delays caused by continued labour shortages and additional work to existing fabric identified during refurbishment works.

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## **Sector: Rural and Environment**

### **Project: RBGE - Edinburgh Biomes**

**Business case approved stages:** Project will transform the current failing RBGE (Royal Botanic Garden Edinburgh) estate – home to Scotland’s national biodiversity research collections - to a create a world-class facility that will produce climate, economic, wellbeing and environmental benefits, as part of a green economic recovery for Scotland. The FBC outlined that the total cost of the project will be £89.9 million and the full programme will be completed by October 2027 with the public entrance Glasshouse the final planned phase of work. The Scottish Government funding amounts to £58 million 2021-2026 (Framework agreement is procurement route for project).

**Progress at September 2022:** No change to full programme since the last report.

Following a period of preparation works, the formal site start to the refurbishment of the Victorian Palm House commenced in September 2022 with Balfour Beatty (Principal Contractor). The decant of the internationally important plant collection continues in the front range glasshouses. The RBGE is assessing the tender report received in September 2022 for the energy centre and infrastructure. The procurement process has been protracted and heavily impacted by on-going market conditions with inflation being noted as the main reason for the tender delay.

In September 2022, Balfour Beatty provided an interim cost update based on their work with the market to date. On review of this, it is clear that the energy centre and infrastructure will need to be delivered in two separate phases to suit available funding in each year. Balfour Beatty are currently working to provide a proposal to allow the infrastructure part of the works to commence as a first phase, starting this year. The energy centre would follow as a second phase. The impact of construction material inflation and labour costs continue to be assessed across the remainder of programme, with potential impact on the phasing of works. The final operational date however remains the same as FBC.

**Progress at March 2023:** No change to full programme since the last report.

The refurbishment of the Victorian Palm House continues as does the decant of the internationally important plant collection in the front range glasshouses. The RBGE is assessing a tender report received in March 2023 for the Infrastructure works and expects a tender for the Decant Glasshouse soon. The procurement process has been protracted and heavily impacted by on-going market conditions with inflation being noted as the main reason for the tender delay. The March 2023 Infrastructure only tender is the result of Balfour Beatty’s work to provide a proposal to allow the Infrastructure part of the works to commence as a first phase starting as soon as possible. The Energy Centre would follow as a second phase. The impact of construction material inflation and labour costs continue to be assessed across the remainder of programme with potential impact on the phasing of works.

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## Summary of changes note

This note summarises key points and changes within the report since the September 2022 progress update.

### Projects no longer included within the report

The following projects were reported as being completed or operational within the last progress update and are therefore now no longer included:

- Community Custodial Unit D - Dundee
- Community Custodial Unit E - Liliac Centre, Maryhill

### Projects included within report for first time

- Markle Level Crossing Bridge Replacement
- NHS Greater Glasgow and Clyde - Radionuclide Dispensary

### Notable events relating to projects within the report since last update

- National Treatment Centre (Highland) - The new £46.8 million NHS Highland centre in Inverness opened to patients in April 2023. The facility forms part of the National Treatment Centres Programme and will transform the experience for patients undergoing a range of orthopaedic and ophthalmology procedures. It is equipped with 24 beds, five operating theatres and 13 consulting rooms.
- Elective Orthopaedic Centre - The new £33.4 million NHS Fife centre in Kirkcaldy opened to patients in March 2023. The state of the art, purpose built centre forms part of the National Treatment Centres Programme and will make Fife the first NHS region in Scotland to carry out hip and knee replacements as day cases not requiring overnight stays. The centre has 3 theatres, 7 bedded recovery areas, a 34-bedded inpatient ward and a dedicated Orthopaedic Outpatient Department.
- Inverness Airport Station - The new £42 million Inverness Airport Station was officially opened in February 2023. The new station and wider rail network infrastructure investment will build resilience and additional capacity and will make rail a more attractive option and encourage more people to choose this sustainable transport option as an alternative to the car.
- Dunfermline Learning Campus - The contract for the design and construction of the new Dunfermline Learning Campus in Fife was awarded in January 2023 and construction commenced thereafter. The new campus will house teaching facilities and learning spaces for students, staff, and business clients. It will bring together about 4,500 school pupils and college students from Fife College, St Columba's RC High School, and Woodmill High School.
- Foxgrove (National Secure Adolescent Inpatient Service) – Following FBC approval in September 2022, NHS Ayrshire & Arran's new £18.7 million national facility for young people at Ayrshire Central Hospital in Irvine commenced construction. Foxgrove will be an inpatient unit for children aged 12 to 18 years who have complex difficulties and

need a high level of care. It will provide the first medium secure adolescent inpatient service for young people in Scotland. The purpose-built facility in Ayrshire means that children will be cared for nearer to home and will receive appropriate care, treatment, therapies, security, and on-going education.



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