7.0 Appendix 3- Feasibility Study Template

The Owners or Operators of Health Facilities are required to provide a Feasibility Study as part of Steps 2 and 3 of both Schematic and Detailed licensing applications described in these Guidelines.

The template which appears on the following page may be completed and used for this purpose. Alternatively, if a separate, Feasibility Study has already been prepared by specialists, then its conclusions without further elaboration may be inserted into the template and submitted along with a full copy of the original Feasibility Study.

The Feasibility Study which is prepared as part of the Schematic application may be re-checked, updated and re-submitted as part of the Detailed submission.
XYZ HOSPITAL
Feasibility Study

Date: <DD.MM.YYYY>
Version: <1>
Prepared by: <enter the name of the author>
Contacts: <enter the author’s company name, telephone and email>
Prepared for: <owner or operator>
Contacts: < enter the Owner or Operators name, telephone and email>
Application Status: <choices are Schematic Submission or Detailed Submission>

<optionally insert project perspective>
Table of Contents
<Provide a table of contents and page numbers>

1- Executive Summary
<One page free form text for executive summary. Try to incorporate a short paragraph related to each of the subjects that follows>
Name of the project and introductory text
-----
The author of the Feasibility Study
-----
Location- provide a small diagram or map
-----
Key features
-----
Key quantities, numbers, size
-----
Timeframe for delivery
-----
Total Capital Cost
-----

2- Strategic Context
<Describe the strategic context of the proposal>

3- Investment Objectives
<Describe the Investment Objectives>

New Facilities and Services (if any)
---

Existing Facilities and Services (if any)
---

Problems and Opportunities
---

4- Needs Analysis

Health Service Catchment
---
Population Numbers

---

Geographic Definition

---

Population type

---

Health Service Demand Assessment

<list by the chosen unit eg KPU’s such as Acute Beds, Sameday Beds, Operating Theatres, LDR Birthing Rooms etc or activity measures such as Beddays, Admissions, Separations, Episodes, Operations, ED Presentations P/A etc.>

Health Service Supply Assessment

< list by the chosen unit eg KPU’s such as Acute Beds, Sameday Beds, Operating Theatres, LDR Birthing Rooms etc or activity measures such as Beddays, Admissions, Separations, Episodes, Operations, ED Presentations P/A etc.>

Permissible and Restricted Health Services (if any)

<Quote from the latest Health Authority Service Line and DRG categories after verifying directly or via the website>

Make reference to the Pro-forma provided in Part A:
Appendix 15 – Pro-forma for the proposed Service Lines and DRG’s
Pay particular attention to the designation of Centralised, Regional and Standard Services.

Identified Health Service Gap

< list by the chosen unit eg KPU’s such as Acute Beds, Sameday Beds, Operating Theatres, LDR Birthing Rooms etc or activity measures such as Beddays, Admissions, Separations, Episodes, Operations, ED Presentations P/A etc.>

5- Competitive Landscape

<Describe the competitive landscape>

6- Proposed Services and Facilities

< list by the chosen unit eg KPU’s such as Acute Beds, Sameday Beds, Operating Theatres, LDR Birthing Rooms etc or activity measures such as Beddays, Admissions, Separations, Episodes, Operations, ED Presentations P/A etc.>

<Demonstrate that the proposed services and facilities are within the identified service gap>

<Optionally, prepare and attach a Clinical Services Plan (CSP). Make references to the CSP (if any) in this section.>

Make reference to the completed Pro-forma from Part A- appendix 15 – Pro-forma for the proposed Service Lines and DRG’s. Provide the completed proforma in the Appendices.
7- Options Generation and Evaluation

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Options Considered
<Describe one or more options considered for private facilities>
<Describe a minimum of 4 options considered for public facilities. Option 1 must be:
Do Nothing, keep safe and operating>

Options Evaluation
<Provide a simple evaluation matrix>

Option Recommended or Adopted
---

8- Project Costing

<Refer to an attached Costing Report with all the required details, or complete this section with the minimum requirements of costing>

Capital Cost
<Provide a simple table with the required minimum information complying with the methodology used in Part F Appendix 1- Capital Costing Guidelines>

NET Construction Cost (NCC)
Departmental (FPU) costs by category:
- New construction
- Major refurbishment
- Minor refurbishment

Travel and Engineering costs
Building Shell and Site Conditions costs;
- Bulk Earthworks
- Fire Compartmentation
- Demolition Works
- External Works
- Façade
- Infrastructure Services
- Landscaping
- Roof
- Site Preparation
- Special Provisions
- Sub Structure
- Super Structure
- Transportation Services
- Civil Works
- Outbuildings
Project Specific Costs

**Gross Construction Costs (GCC)**
Add the following to NCC:
- Preliminaries Costs
- Contractors Margin
- Design Contingency
- Locality Factor
- Project Agreement

**Total Project Costs (TPC)**
Add the following to GCC:
- Construction Contingency
- Consultants Fees
- Authority Charges
- Other Charges
Add the cost of Furniture, Fittings, Fixtures and Equipment (FF&FE):
- Group 1- Supplied and installed by the builder
- Group 2- Supplied by the client, installed by the builder
- Group 3- Supplied and installed by the client
- Group 1T- Transferred and installed by the builder
- Group 2T- Transferred by the client and installed by the builder
- Group 3T- Transferred and installed by the client

Notes:
Supply and Installation cost of Group 1&1T should be included in the NCC
Supply cost of Group 2 should be included in TPC
Transfer cost of Group 2T should be included in TPC
Installation cost of Group 2&2T should be included in NCC
Supply and Installation cost of Group 3&3T should be included in TPC

**Total End Cost (TEC)**
Add escalation to TPC to arrive at TEC

**Transition Costs**
<Provide the transition costs with a short description, if any>

**Decanting Costs**
---

**Temporary Facilities Costs**
---

**Recruitment Costs**
---
**Change Management Costs**

---

**Opportunity Costs**
<Provide opportunity costs, if any>

**Income loss**

---

**Income gain**

---

**Recurrent Cost**
<Provide a summary of the anticipated running costs>

**Human Resource (HR) costs**
- Doctors
- Nurses
- Medical Support
- Hotel Services
- Admin and Clerical

**Goods and Services (G&S) Costs**
- Administration
- Domestic Supplies and Services
- Drugs
- Equipment Leasing
- Food Supplies
- Medical & Surgical Supplies
- Motor Vehicle Expenses / Travel
- Other Goods and Services
- Patient Transport (Incl. Ambulance)
- Rental Accommodation
- Repairs Maintenance and Renewals
- Support & Special Services
- Utilities
- Insurance and Legals
- Other

**Total Recurrent Costs**
<Sum of HR and G&S for the first year of operation and escalate to 4 following years of operation.>

**Life Cycle Cost**
<provide Life Cycle Costs and NPV analysis of all options, only if required in writing by the Health Authority>

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9- **Revenue and Profitability**
For Private Facilities, provide a summary of the expected revenue and profitability based on the services proposed.

For Public Facilities, replace this section with a discussion of Public Benefit.

Revenue
---
Profitability
---

10- Options Evaluation
<Provide a tabulated Options Evaluation matrix and include the mandatory requirements>

Options Matrix
Options name and short description (Min. 1 for Private and 4 for Public facilities)
Summary of KPU’s for each option
Summary of SOA (as a minimum, state total GFA)
Cost Summaries (including Capital, Transitional, Opportunity, Recurrent and Life Cycle)
Revenue and Profitability
Short remarks in the context of the Investment Objectives
Short remark under each of the evaluation criteria
Short discussion of the expected risks and risk mitigation

Options Selection
<Free form text to describe the reasoning for selecting one option>

Financial Appraisal
<At the written request of the Health Authority, provide an independent Financial Appraisal and refer to is in this section. Provide the full copy in the appendices>

11- Funding Strategy
<Provide a short description of the funding strategy>

Capacity to Fund
<Refer to the evidence of capacity to fund the project and provide the evidence in the appendices>

12- Procurement Strategy
<Provide a short description of the procurement strategy (method of delivery) including the minimum mandatory requirements>

Timeframe and Staging
<Provide a table of key dates or a bar chart>
Contract Type
<Nominate the intended contacting methodology (which may change later)>

Governance Structure and Reporting
<Provide a short outline of the Governance Structure>

13- Feasibility Self-check
<Provide a completed and signed Feasibility Study Self-Check table>

14- Appendices
<Provide all the items which are referred to the appendices in the body of the Feasibility Study including externally sourced reports such as costing and proof of capacity to pay.
The appendices may also include the completed Pro-forma from Part A: Appendix 15 – Pro-forma for the proposed Service Lines and DRG’s>