



Department
of Health &
Social Care

*From the Rt Hon Wes Streeting MP
Secretary of State for Health and Social Care*

*39 Victoria Street
London
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20 September 2024

To: All MPs in England

Dear Colleague,

New Hospital Programme Review

This government is fully committed to an NHS estate that is fit for the future. However, from our first weeks in office, it was clear that the New Hospital Programme (NHP) was undeliverable, unaffordable, and estimated costs had risen by billions. Combined with the incredibly challenging fiscal inheritance that the Chancellor set out in her statement on 29 July, it has become clear that the challenges facing the NHP, and the wider public finances, are much more severe than we were aware.

The previous Government failed to hold a Spending Review in their last few years of office, this created a vacuum which allowed previous Health Secretaries to allude to £20billion of investment in the NHP that was not there. This government wants to see the NHP completed, but we are not prepared to offer people false hope about how soon they will benefit from the facilities they deserve. We must reset the NHP to put it on a sustainable footing. For this reason, I requested an urgent internal review of all hospitals in the NHP.

The review, which is being jointly conducted by HM Treasury, the Department of Health and Social Care and NHS England, will be completed as soon as possible to reach a swift conclusion on the changes needed to ensure an affordable and realistic delivery schedule. This will recognise the delivery and market constraints that impact all major capital programmes, as well as the need to continue to deliver the most advanced and most urgent hospitals to a realistic timeframe.

The Terms of Reference for the review, which have been agreed with the Chief Secretary of the Treasury, are attached, and confirm which schemes are out of scope and will continue to progress at pace.

Central to the review is the understanding that the hospitals built primarily from Reinforced Autoclaved Aerated Concrete (RAAC) need to be replaced as a priority, to protect patient and staff safety. While the review is taking place, all schemes within the NHP will be

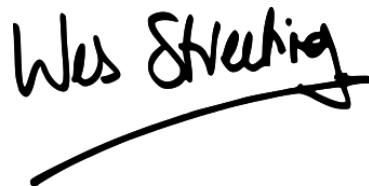
supported to continue to make progress; schemes with an approved Full Business Case for their main scheme will not be within the scope of the review.

I will carefully consider the findings of the review to provide a thorough, costed, and realistic timeline for delivery to ensure we can replace the crumbling hospital estate in England, and ensure staff and patients have access to the facilities they deserve. The review will feed into the Spending Review process, where decisions on the outcome will be taken in the round and the Government will confirm the outcome of the review as part of that process.

Because we inherited a programme that was unfunded beyond March 2025 and a wider fiscal inheritance that was hugely challenging, we may have to consider rephrasing schemes so that they can be taken forward as fiscal conditions allow. A structured and agreed rolling investment approach will mean proceeding with these schemes will be subject to investment decisions at future spending reviews.

We understand that all MPs with a constituency interest will be keen to meet to discuss the outcome of the review and any impacts for constituents. We are considering the best way to take this forward when Parliament returns after conference recess. Details for these meetings will be shared in due course.

Yours ever,

A handwritten signature in black ink that reads "Wes Streeting". The signature is written in a cursive style and is underlined with a single, thick, curved stroke.

RT HON WES STREETING MP

New Hospital Programme Review – Terms of Reference

Purpose

The review aims to consider the options for putting the New Hospital Programme (NHP) on to a realistic, deliverable, and affordable footing. The review has been requested by the Chancellor of the Exchequer and the Secretary of State for Health & Social Care and will be jointly led and resourced across Department of Health and Social Care (DHSC), NHS England (NHSE) and HM Treasury (HMT).

Governance and arrangements

The review will be led by the director for delivery, performance, and assurance in the DHSC NHP Sponsor team, along with senior colleagues from the NHSE Delivery team and HMT. A steering group, including representation from HMT, Cabinet Office and the Infrastructure and Projects Authority (IPA), will be convened to oversee the review, directed by the Senior Responsible Owner for the NHP, Chief Financial Officer in NHSE, Director General for Finance in DHSC and senior officials in HMT, reporting to the Permanent Secretary of DHSC. The review will conclude as soon as possible and will be submitted to the Secretary of State for DHSC and the Chief Secretary to the Treasury for consideration.

Scope of the review

The review will assess the appropriate schedule for delivery for schemes in the New Hospital Programme in the context of overall constraints to hospital building and wider health infrastructure priorities, whilst also looking at where improvements can be made. Out of scope will be schemes that have approved Full Business Cases, and any associated phases that have specific commitments. The review assumes these will continue to their current delivery timelines. Also out of scope will be the critical seven hospitals with Reinforced Autoclaved Aerated Concrete (RAAC), which will proceed at pace due to the substantive safety risks associated with these.

In scope will be all remaining hospitals in the NHP without Full Business Case approvals for their main build phase. The review will present a full range of options to be taken forward for the overall size and ambition of the programme to provide a clear approach for the programme going forward.

The review will feed into the Spending Review process, where decisions on the outcome will be taken in the round and the Government will confirm the outcome of the review as part of that process.

Approach to review

Key data will be collated for each of the hospitals falling within the scope of the review, including criteria around: clinical outcomes, deliverability, cost, and estate condition. Data will be drawn from existing sources where possible. Where the information is not held, or up to date, further data may be requested from Trusts or Regional Teams.

The hospitals in scope will be prioritised according to the criteria. The review will look at the possible timelines for delivery for each scheme, along with clinical considerations, risk

and cost profiles and present a range of options to be taken forward. Options and recommendations for phasing of the programme will then be established for ministers to consider.

The recommended options for scope, size, and phasing will be supported by confirmation of the optimum approach for delivery, underpinning clinical assumptions, and the associated commercial strategy.

Deliverables

The review will conclude as soon as possible, with a series of options agreed by officials in DHSC, NHSE, the Infrastructure and Projects Authority (IPA), and HMT.

New Hospital Programme Schemes

1) In scope of review

Scheme Name	Trust
Cambridge Cancer Research Hospital	Cambridge University Hospitals NHS Foundation Trust
Charing Cross Hospital and Hammersmith Hospital, Northwest London	Imperial College Healthcare NHS Trust
Derriford Emergency Care Hospital, Plymouth	University Hospitals Plymouth NHS Trust
Eastbourne District General, Conquest Hospital, and Bexhill Community Hospital	East Sussex Healthcare NHS Trust
Hampshire Hospitals	Hampshire Hospitals NHS Foundation Trust
Hillingdon Hospital, Northwest London	The Hillingdon Hospitals NHS Foundation Trust
Kettering General Hospital	Kettering General Hospital NHS Foundation Trust
Leeds General Infirmary	Leeds Teaching Hospitals NHS Trust
Leicester General Hospital Royal Infirmary	University Hospitals of Leicester NHS Trust
Milton Keynes Hospital	Milton Keynes University Hospital NHS Foundation Trust
Musgrove Park Hospital, Taunton	Somerset NHS Foundation Trust
North Devon District Hospital, Barnstaple	Royal Devon University Healthcare NHS Foundation Trust
North Manchester General Hospital	Manchester University NHS Foundation Trust
Princess Alexandra Hospital, Harlow	The Princess Alexandra Hospital NHS Trust
Queen's Medical Centre (QMC) and Nottingham City Hospital	Nottingham University Hospitals NHS Trust

Royal Berkshire Hospital, Reading	Royal Berkshire NHS Foundation Trust
Royal Lancaster Infirmary	University Hospitals of Morecambe Bay NHS Foundation Trust
Royal Preston Hospital	Lancashire Teaching Hospitals NHS Foundation Trust
Shotley Bridge Community Hospital, Durham	County Durham and Darlington NHS Foundation Trust
Specialist Emergency Care Hospital, Sutton	Epsom & St. Helier University Hospitals NHS Trust
St Mary's Hospital, Northwest London	Imperial College Healthcare NHS Trust
Torbay Hospital	Torbay and South Devon NHS Foundation Trust
Watford General Hospital	West Hertfordshire Teaching Hospitals NHS Trust
Whipps Cross University Hospital, Northeast London	Barts Health NHS Trust
Women and Children's Hospital, Cornwall	Royal Cornwall Hospitals NHS Trust

2) Out of scope of review

Scheme Name	Trust
Airedale General Hospital *	Airedale NHS Foundation Trust
Alumhurst Road Children's Mental Health Unit, Dorset	Dorset Healthcare University NHS Foundation Trust
Dorset County Hospital, Dorchester	Dorset County Hospitals NHS Foundation Trust
Frimley Park Hospital *	Frimley Health NHS Foundation Trust
Hinchingbrooke Hospital *	North West Anglia Foundation Trust
James Paget Hospital, Great Yarmouth *	James Paget University Hospitals NHS Foundation Trust
Leighton Hospital *	Mid Cheshire Hospitals NHS Foundation Trust
Poole Hospital, Dorset	University Hospitals Dorset NHS Foundation Trust
Queen Elizabeth Hospital, Kings Lynn *	Queen Elizabeth Hospital King's Lynn NHS Foundation Trust
Royal Bournemouth Hospital, Dorset	University Hospitals Dorset NHS Foundation Trust
St Ann's Hospital, Dorset	Dorset Healthcare University NHS Foundation Trust
West Suffolk Hospital, Bury St Edmunds *	West Suffolk NHS Foundation Trust

* RAAC hospital

3) Out of Scope – To be completed

Four hospital schemes are out of scope of the review and will continue to be supported to complete main construction or any remaining phases:

Scheme Name	Trust
Brighton 3Ts Hospital (remaining phases to continue to completion) **	University Hospitals Sussex NHS Foundation Trust
CEDAR Programme (remaining phases to continue to completion) **	Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust
National Rehabilitation Centre (NRC) (In construction – will continue to completion) **	Nottingham University Hospitals NHS Trust
Oriel Eye Hospital (In construction – will continue to completion) **	Moorfields Eye Hospital NHS Foundation Trust

4) Out of scope - Completed

Five hospitals have completed construction and are either open to patients or soon to be open to patients:

Scheme Name	Trust
Dyson Cancer Centre, Bath	Royal United Hospital Bath NHS Foundation Trust
Greater Manchester Major Trauma Hospital (GMMTH)**	Northern Care Alliance NHS Foundation Trust
Midland Metropolitan University Hospital (Expected to open to patients 6 th October 2024) **	Sandwell & West Birmingham Hospitals NHS Foundation Trust
Northern Centre for Cancer Care **	North Cumbria Integrated Care NHS Foundation Trust
Royal Liverpool Hospital **	Liverpool University Hospitals NHS Foundation Trust

** These 8 hospital schemes were in the later stages of development prior to the NHP being announced, this government does not therefore consider them to have been wholly delivered by the programme.