

Briefing on Chancellor's announcement of a reset of the New Hospital Programme – August 2024 (reissued September 2024)

Background

Three Imperial College Healthcare NHS Trust hospitals are included in the government's New Hospital Programme (NHP). Our schemes include a complete rebuild of St Mary's Hospital and extensive refurbishment and some new build at both Charing Cross and Hammersmith hospitals.

The Programme's initial commitment was to build 40 new hospitals by 2030. In May 2023, the government announced that the main capital funding for our schemes would be delayed until after 2030.

Additional schemes (including the reinforced autoclaved aerated concrete (RAAC) hospitals)) were added to the Programme and prioritised for earlier funding. However, all schemes in the NHP – including ours – were still to be funded to progress to final business case approval and to support enabling works before 2030.

Progress to date

Despite the delay to our main capital funding, we have been continuing work to achieve the majority of our redevelopment plans, as near to the original timescale as possible – especially at St Mary's where the risk of major building failure is highest.

St Mary's Hospital: We submitted a first stage business case in August 2020 and, following discussions with the NHP, we updated and re-submitted the case in September 2021 based on full, upfront funding being provided by the NHP. Since the May 2023 funding decision, we have been working on a revised development timetable to deliver our new hospital as soon as possible, potentially by the end of 2032.

This requires NHP funding so that we can progress detailed design and planning now and push back a decision on when and how the main building works are funded until that design and planning work is completed. We are awaiting the outcome of a business case submitted to the NHP in January 2024 for funding to begin this work (RIBA stage 2) and to ensure our revised timetable remains a possibility.

We are also continuing to explore potential options for funding the start of main building works before 2030. For example, by leveraging the value of land that will be surplus to requirements once we have a new hospital on a less sprawling footprint, or through slippage in the NHP budget.

Charing Cross/Hammersmith hospitals: We are continuing to develop first stage business cases for both sites, which are due to be submitted this year. As both schemes involve extensive refurbishment with some new build elements, we could progress these in discrete phases, as and when NHP capital funding becomes

available. This also would allow us to make use of any slippage in the overall NHP programme.

Latest position

We understand that the funding for St Mary's RIBA stage 2 detailed design and planning was approved by the NHS England and DHSC Joint Investment Sub-Committee (JISC) on 22 July. However, we have had no formal confirmation and believe this now requires ministerial sign off.

Without formal confirmation, we will have to pause preparations and stand down the architect and health planner. Early planning is critical for staying on track for 2032 delivery.

Chancellor of the Exchequer the Rt Hon Rachel Reeves MP gave a [statement to the House of Commons on 29 July](#), stating that the Government will “conduct a complete reset of the New Hospital Programme, with a thorough, realistic and costed timetable for delivery”.

On 1 August, Professor Tim Orchard, Chief Executive of Imperial College Healthcare NHS Trust, wrote to the Secretary of State for Health and Social Care to welcome the review as we anticipate it will provide much needed clarity on funding and approval processes for our three schemes.

He also highlighted two urgent issues, which we hope the Secretary of State will consider. The most pressing is the confirmation of the RIBA Stage 2 funding for St Mary's that we have been anticipating, so that we can begin the detailed design and planning.

The other is a plea that any reconsideration of timescales includes a proper assessment of need and benefit. This includes consideration of the severe condition of St Mary's and the overall potential impact of our crumbling estate, which costs £7-10 million each year in repairs and maintenance just to remain operational.

As London's busiest major trauma centre, a delay to St Mary's is could have a devastating effect on the capital's health system. Meanwhile, the anticipated benefits would extend to improving the economy and local population health through the expansion of Paddington Life Sciences.

The case for St Mary's

St Mary's is no longer fit to deliver the 21st century healthcare our staff, patients and local communities deserve. St Mary's is desperately in need of redevelopment as it is increasingly difficult to limit the impacts of our crumbling estate.

The site consists of aging buildings, half of which predate the NHS, and the hospital is at high risk of a major building failure within 4-7 years.

1. State of the estate:

- The hospital's infrastructure is rapidly deteriorating, with frequent closures of wards and theatres due to issues such as floods and ceiling collapses.

- Grafton Ward has been permanently closed, resulting in the loss of 32 beds, approximately five per cent of the hospital's total capacity.
 - Regular maintenance and repairs are costly, diverting millions of pounds annually from investments in innovation, new equipment, and improved facilities.
 - As a current example, one of the operating theatres at St Mary's has been out of action for four weeks due to flooding caused by roof problems, with around 240 operations relocated or cancelled so far.
 - St Mary's is London's busiest major trauma centre but also the only one in without a helipad, impacting how quickly the most seriously ill patients can be brought to hospital. It's A&E has only six resus beds, less than half the size of resus units in the other major trauma centres in the capital.
2. Inadequate capacity:
- All our beds are occupied during peak times, leading to cancelled operations and delays for patients requiring admission.
 - To meet the growing and complex healthcare needs of local communities and to support wider London emergency services, the hospital requires 840 beds, compared to the current provision of around 600 beds.
 - There is also a critical need for dedicated space for research, education, and innovation to enhance service delivery, drive growth in life sciences and healthcare outcomes, aligned with the Government's growth agenda.
3. Inefficient configuration:
- The hospital's buildings have evolved over decades, resulting in multiple entrances and complicated patient pathways, which hinder operational efficiency – staff have had to find clever ways to work around collapsed ceilings, flooding and leaks and lifts way past their lifespans.
 - Patients often arrive early to avoid getting lost in the labyrinthine structure, negatively impacting their overall experience and the hospital's operational efficiency.
 - Despite providing world-class care, teaching and research, the current layout makes it challenging to respond effectively to major healthcare demands, such as pandemics.
4. High operational costs:
- The hospital spends up to £10 million annually on vital repairs just to keep services operational.
 - The current infrastructure performs poorly in terms of energy efficiency and sustainability, also preventing the hospital from addressing the climate emergency without significant investment.

The redevelopment of St Mary's Hospital is urgent but also presents a significant opportunity to transform the area into one of the leading life sciences hubs in the UK.

Paddington Life Sciences is a partnership convened by Imperial College Healthcare NHS Trust of 15 life science and technology businesses centred around St Mary's hospital. Along with our academic partner, Imperial College London, the Paddington Life Sciences partnership builds on an established legacy in leading medical research as well as bringing industry, researchers and clinicians together with local communities to improve patient care, increase inclusion in research and create more social value.

It has huge potential to drive growth, innovation, and job creation and will benefit the local community and the broader economy, as well as our patients, who will benefit from treatments at the cutting edge of medical science. Early work suggests that regeneration of the wider site could also deliver 12,000-15,000 high-quality jobs on site and £1-1.5bn in annual local economic activity.

The case for Charing Cross and Hammersmith

We have evidenced to the NHP the need for full refurbishments and some new build at Charing Cross and Hammersmith hospitals. Both sites also cost around £10 million each per year – and growing – just to stay operational.

Charing Cross is a major hospital and the main campus for Imperial College London's undergraduate medical education. It is a mix of poorly connected buildings, surrounding the main 1970s 20-storey tower block. Despite investment of £7.2m in 2019 to expand and refurbish the emergency department, the ground floor of the hospital is still difficult for patients to navigate and current buildings cannot accommodate the current clinical need of our local communities, let alone the growing demand on healthcare services. Many services for the sickest patients, such as ICU and A&E, are in buildings unable to meet current technical requirements.

The hospital experiences a variety of estates challenges, including issues with water and electricity supply, drainage and leaks and ventilation problems which relate to the age and design of the buildings and places services at ongoing risk. The hospital is suitable for a phased approach to new build and widespread refurbishment that would allow us to develop the site over a longer period utilising funding as it becomes available.

Hammersmith Hospital is the site of our leading heart attack centre, much specialist surgery and one of our maternity units. It is also made up of multiple buildings, some of which date back to the early 1900s. While some parts are relatively modern, a lot of care is still provided from buildings unable to meet technical requirements. Space and configuration limitations also make it more difficult to respond to changing healthcare demands in the local population or to maximise opportunities for innovation and research. This site is suitable for a modular development with the building of individual buildings over a longer period.

Conclusion

To ensure the timely progression of our hospital redevelopment projects, we welcome support to:

1. Secure the immediate release of RIBA Stage 2 funding for St Mary's Hospital
2. Make the case for the urgent prioritisation of the St Mary's scheme
3. Explore the possibility of using alternative funding sources or approaches, particularly for the for the main building works at St Mary's.
4. Promote the wider economic and community benefits of our redevelopment schemes
5. Ensure rapid approval of the strategic outline cases for Hammersmith and Charing Cross hospitals in order to make the most of slippage in the NHP budget over the coming years.

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