



Department
of Health &
Social Care

The Government Response to the Naylor Review

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Foreword



In health, as in all public services, it is what goes on within buildings that really matters. But the built environment plays a critical role in the quality of clinical care being delivered and the experience patients have while being treated. Good buildings are energising for staff and recuperative for patients. Old and outdated buildings are inefficient and costly; they sap morale, impede recovery and reduce wellbeing.

So if we want to deliver world-class care, we need world-class buildings in which to deliver it. Many of the NHS's healthcare facilities – hospitals, health centres, GP surgeries – are excellent, but others could be better. They can be more efficient, more attractive, better maintained, and more effectively used to support clinical quality.

That is why it is critical that we invest in the NHS estate and find creative ways to modernise the healthcare estate. And this task is all the more urgent because the drive to integrate health services in order to meet the changing needs of our ageing and growing population means we have to think again about what kind of estate the 21st century NHS needs.

The announcement in the Budget of a further £3.9 billion over the next five years to accelerate estate transformation was, therefore, very welcome. Using this investment, we can make sure that patients are no longer treated in outdated facilities unsuited to delivering the world-leading care we expect. Making sure we use this money wisely, to support the overall transformation of NHS care as set out in the Five Year Forward View is a core task of the new NHS Property Board, which I look forward to chairing.

The value of land and estates already in the NHS has an important part to play in this process. Sir Robert rightly concluded that, at a time when investment in transformation is an urgent task, and while we have other economic imperatives such as a national housing shortage to consider, it is right that we look to surplus and unused NHS land to make a contribution. When this land can be developed for affordable housing, we want to give local NHS trusts the opportunity to offer a right of first refusal for those homes to hard-working NHS staff.

As Chair of the NHS Property Board I will challenge the NHS to do all that they can to bring forward the disposal of unused land and buildings, and reinvest that money into the NHS that the public hold so dear.

Finally, I would like to thank Sir Robert, and all of those who contributed to his work, for his excellent review.

James O'Shaughnessy
Parliamentary Under Secretary of State for Health

1. Introduction

After our staff, the healthcare estate is the NHS's largest asset; it is also one of its largest drivers of cost. The NHS must use its land and property efficiently and productively so that it can continue to provide high quality patient care and maximise value for the taxpayer.

- 1.1. The NHS estate is vast. Taken together, it is worth tens of billions of pounds and the size of a small city. It costs over £8 billion each year to run, with NHS providers spending around £2.3 billion on capital investment to maintain and improve their estates and infrastructure¹.
- 1.2. Much of the NHS estate consists of world-leading facilities that enable the NHS to do what it does best: delivering outstanding care for patients. However, some of the estate is old, in parts even older than the NHS itself. Even if upgraded, some of these older buildings would not meet the demands of a modern health service. Other properties are under-used or not used at all. Property which is vacant or under-utilised is not an asset to the NHS; keeping hold of it incurs capital charges, maintenance and security costs, diverting money away from frontline services and wasting taxpayers' money.
- 1.3. The structural changes in recent years have distracted attention away from the importance of the estate as an enabler of high quality care, and the NHS has lost valuable expertise and knowledge in strategic estates planning, development and management. This is why in 2016 the Secretary of State for Health commissioned Sir Robert Naylor to conduct an independent review and make recommendations on the options available to the NHS to realise better value from NHS property and to deliver Department of Health and Social Care targets to release £2 billion of assets for reinvestment and to deliver land for 26,000 homes.
- 1.4. His report, *NHS Property and Estates: why the estate matters for patients*¹, (the Naylor Review) was published in March 2017. Its advice to Government was comprehensive and has greatly informed our thinking. We are grateful to Sir Robert and everyone who contributed to his work.
- 1.5. The Naylor Review identified the scale of the challenge we face to make sure that the NHS has the buildings and equipment that it needs, but also the scale of the opportunity open to us. The Government is determined to seize this opportunity and to meet the challenge that the Review laid down.
- 1.6. In this document, we set out the actions the Government will take in response to the findings of the Naylor Review. We agree with his primary conclusion that the NHS must manage and use its estate more efficiently and strategically, whether by selling land and buildings that it no longer needs to deliver clinical services or using that land to develop new services in line with modern thinking or to provide housing for NHS staff.

¹ Excluding IT and equipment

- 1.7. We fully support the majority of Sir Robert's recommendations; some we accept in principle but have chosen a different method of delivery to the one initially envisaged. Most importantly, we agree that now is the time to act. Following Sir Robert's report, this paper outlines a range of measures that we and our national partners are taking to improve strategic estates planning and management and to deliver an ambitious programme of investment in buildings and technology across the NHS.

2. Our vision for the healthcare estate

NHS land and property is an important enabler of transformation in the health system and beyond, yet its potential is under-appreciated.

This can and must change. By adopting a more strategic approach, the NHS can generate money to reinvest in new or updated premises for the benefit of patient care. Unused land can be released to stimulate new housing - including for NHS staff - as well as regeneration and jobs. Co-locating services can reduce running costs and deliver more integrated clinical care and consolidated support functions. Using NHS land and buildings more efficiently releases money which can be ploughed back into clinical services and patient care.

- 2.1. Good use of the estate is fundamental to the delivery of high quality patient care; it underpins everything that the NHS does. It directly affects patients; being cared for in the right environment improves health outcomes. Getting the right estate for the future care needs of our populations is every bit as important as getting the right numbers of doctors, nurses and other staff to care for them.
- 2.2. We will always need hospitals, health centres, clinics and GP surgeries. While innovation and technology may change what we need, they will never entirely do away with the need for land and buildings. The estate needs strategic planning, careful management and investment to maintain what we have and secure what we need to deliver care in the future.
- 2.3. Our vision is of an efficient, sustainable and clinically fit-for-purpose estate, one where the NHS:
 - provides a modern estate equal to delivering the vision of the *Five Year Forward View*ⁱⁱ (5YFV) and new models of care;
 - makes sure local strategic estates planning reflects changing delivery models, in particular the planned shifts of activity into primary care that was set out in the 5YFV;
 - aligns with current and future clinical service strategies, for the benefit of patients, local communities and partners in the Sustainability and Transformation Partnerships (STPs) and, in time, Accountable Care Systems (ACs);
 - proactively takes steps to maintain its assets and reduce backlog maintenance
 - replaces what cannot be cost-effectively maintained and releases what it no longer needs, maximising receipts which can be reinvested into new premises and new services, while boosting economic growth and creating new homes;
 - understands the cost of its estate, with comprehensive, accurate and comparable information underpinning estates-related decision making; and
 - draws on expert advisers where it needs to, but builds its own capabilities to become an effective informed client on estates matters.

- 2.4. Delivered with our national partners, the property sector and the NHS itself, the measures set out in this document will combine to make this vision become a reality. We know this is not without challenge, and it will be some time before our expectations can be fulfilled in all parts of England.

3. How we will deliver our vision

To realise this vision, we need investment and action both nationally and locally.

- 3.1. The Review set out three areas where improvement is needed, making 17 recommendations in total for the Department, its arms-length bodies and for wider Government. The actions set out in this document have the full support of these organisations and of the two NHS property companies, NHS Property Services (NHSPS) and Community Health Partnerships (CHP). The NHS Property Board will oversee their delivery, working with the Department and all partners within the healthcare system.
- 3.2. This document responds to the core themes identified by the Review:
 - leadership and capability;
 - national planning and funding; and
 - incentivising local action
- 3.3. A response to each individual recommendation made in the Naylor Review is given in Appendix A.

In summary, the actions we will take to support and implement our plan are as follows:

- We will build capability and capacity in strategic estates planning and management across the system by:
 - creating an NHS Property Board to ensure the NHS estate is developed and used to best effect to support modern-day patient care;
 - developing a strategic estates planning service to support STPs and build capability;
 - investing in training and development to underpin the continued professionalisation of the estates and facilities workforce, developing new roles and career paths;
 - providing additional specialist support and guidance required by the NHS to support strategic investment in the estate;
 - improving the collection and use of data on the NHS estate to enable STPs to make decisions based on a complete and comprehensive understanding of the healthcare estate in their area; and
 - encouraging the take-up across the NHS of accredited training in the development of high-quality business cases.
- We will invest in estates transformation and align it with wider sustainability and transformation agenda by:
 - providing £3.9 billion of additional capital by 2022/23, including:
 - £2.6 billion to support STP estates transformation plans, in addition to £425 million announced earlier this year;
 - £700 million to tackle critical maintenance issues and support turnaround plans in struggling trusts;
 - £200 million to support efficiency programmes, allowing more time and money to be directed to patient care;

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- developing a credible pipeline of capital investment projects over a 5-year period to deliver real transformation on the ground;
 - holding STPs to account for the successful delivery of approved capital developments; and
 - reviewing the rules on NHS trusts' use of capital funding, to make sure they are maintaining their facilities effectively.
- We will enable local NHS organisations and STPs to take a more strategic approach to estates planning and management by:
 - allowing NHS organisations to retain receipts from land sales, on condition that they are reinvested in the NHS estate to deliver local priorities and STP strategies;
 - requiring STPs to regularly update their estates strategies, which span acute, primary, community and mental health care, to "future-proof" the estate so that it accommodates the requirements of changing clinical service strategies and supports STPs' visions for local clinical excellence and financial sustainability;
 - encouraging NHS providers to give greater prominence to estates matters in Board discussions, particularly when undertaking significant reconfiguration or estates development projects;
 - encouraging STPs and NHS providers to work with local government and other public sector organisations as part of the One Public Estate programme, which is designed to maximise the potential of our collective assets;
 - supporting the NHS to develop surplus land for NHS staff and other residential housing; and
 - supporting the NHS to realise £3.3 billion of additional capital from the disposal of surplus land, holding them to account against locally-developed and agreed targets.

4. Leadership and Capability

The changes that the NHS has experienced in recent years have drawn attention away from the importance of the estate as an enabler of high quality care. Locally, the NHS has lost valuable expertise and knowledge in strategic estates planning, development and management. Nationally, estates leadership is fragmented and exists within a number of organisations.

- 4.1. The Naylor Review made recommendations around the need to provide clear leadership and direction to the NHS on estates matters, alongside immediate and focused support to STPs to help them move through strategic estates planning into delivery of their estates strategies.
- 4.2. Both are important, and much-needed, but they require different approaches.

A new national property board

- 4.3. In recent years, once-centralised estates responsibilities have become dispersed across a number of organisations in the NHS, each responsible for a slightly different aspect of the healthcare estate but working collectively to drive improvements. While effective in addressing operational matters, the arrangements have lacked a single point of strategic oversight and direction.
- 4.4. To address this, we have established an NHS Property Board which draws together senior representatives from the Department, NHS England (NHSE), NHS Improvement (NHSI), wider Government, NHSPS and CHP to provide a single leadership focus for the system. The Board will make sure that the NHS estate is developed and used in a way that supports the delivery of clinical strategies and is adaptable to locally changing demand, new models of care and the integration of clinical services. It will ensure that the deployment of capital supports service transformation. It will facilitate the close alignment of estates policies and processes across the primary, community, acute and mental health sectors. It will oversee and encourage collective action to overcome system barriers to estates transformation.
- 4.5. Led by Lord O'Shaughnessy as Minister responsible for the NHS estate, the Board will act as a bridging mechanism to wider government initiatives affecting NHS land and property, such as planning reform, boosting the housing market and the wider government strategy for the public sector estate. The NHS Property Board will work with the Department for Communities and Local Government, Government Property Unit and other partners to make sure that national policies and programmes support the disposal of surplus NHS land.
- 4.6. The Review described a number of functions for which it suggested the new national property organisation should assume responsibility. These are functions necessary for the NHS to drive estates transformation and will be delivered variously and collectively by constituent members of the NHS Property Board.

Guidance

- 4.7. Estates policy and technical guidance to the NHS will be delivered on behalf of the NHS Property Board by NHSI. The guidance programme will:
- provide general estates policy and technical guidance on healthcare facilities, including primary care facilities, as well as updated building standards;
 - provide specialist support and guidance to the NHS for areas such as contract management;
 - equip NHS providers with the knowledge and tools to develop revenue-generating business cases and procure new models of delivery;
 - complement Lord Carter's report into NHS productivityⁱⁱⁱ and the Model Hospital, driving greater efficiency in the use of NHS estate and facilities; and
 - consider the need for additional estates policy and technical guidance for primary care, working jointly with NHSE primary care leads.
-
- 4.8. NHSI and NHSE will work together to make sure that evidence from new models of care, the vanguards programme and Estates and Technology Transformation Fund projects is used to inform future guidance. They will work jointly with the Department to provide guidance on issues around accessing alternative funding models.

Data

- 4.9. Access to timely and accurate estates data is a prerequisite for the NHS. It supports efficient estates management and utilisation, investment decisions and estates assurance. The NHS Property Board will oversee activity to drive improvements in the quality and use of estates data.
- NHSI will:
 - work with NHS Digital, NHSE, NHS organisations and other relevant organisations to improve the collection and accuracy of data on the healthcare estate; and
 - make sure that appropriate benchmarks and metrics are available through the Model Hospital programme and other peer comparison tools.
 - NHSE will work with the organisations above, commissioners, the Valuation Office Agency, strategic estates advisers and the NHS property companies to develop a more comprehensive dataset on the primary care estate.

Strategic estates planning capability

- 4.10. Planning and delivering capital projects in the NHS is complex, and the scale of transformation needed to deliver the 5YFV is significant. STPs are the chosen means of delivering this transformation and they are supported in the planning process jointly by NHSE and NHSI. However, the STPs vary in their expertise in estates matters. While the NHS Property Board will provide valuable capability at the national level, there is also a need to enable greater estates expertise locally.
- 4.11. Our immediate priority since publication of the Naylor Review has been to develop this local capacity and ensure that the right strategic support is available to help deliver local transformation, and thus ensure the right estate and infrastructure is provided in the right place for patients.

Leadership and Capability

- 4.12. Although operational challenges still remain, the two NHS property companies have made significant progress in recent years in providing an estates planning service to the NHS. This has been of great value to the commissioners and providers alike.
- 4.13. In November 2016, Lord Prior wrote to the Chairs of the Department's arms-length bodies to let them know that we would enhance this further. We drew together a group of strategic estates advisers from both NHS property companies into a single team to pilot a new approach to supporting the development of local estates strategies. The team have worked with a small number of STPs to understand more fully their plans, the types of support they need in order to deliver those plans, and how best that support might be provided.
- 4.14. As a logical evolution of the work of the pilots, we are forming a full national Strategic Estates Planning service to help STPs move forward and support the provision of strategic estates throughout the system. This service will operate independently of the two NHS property companies going forward, creating a clear separation between the functions of strategic planning advice on the one hand, and asset management and ownership on the other. It will work with NHSE and NHSI at national, regional and local level to support STPs.
- 4.15. The role of this new strategic estates planning team will be to enable change at pace, helping STPs to navigate the complex process of capital planning, approval and delivery. Strategic estates planning advisers will work with STP partners and healthcare planners to translate clinical, workforce and technology strategies into a clear set of estates requirements, and to formulate a prioritised programme of capital projects to deliver them. The advisers will work with STPs to oversee delivery of those projects by NHSPS, CHP and other organisations. They will continue to provide expert advice on primary care estates to Clinical Commissioning Groups (CCGs) and local primary care commissioners, and will work with NHSE to develop commissioners as informed clients.
- 4.16. We recognised that some STPs may benefit from different innovative models of delivery to realise fully local opportunities and so we are considering what additional support can be provided.
- 4.17. Their work will include supporting the sale of surplus land where appropriate, but will also identify innovative ways of using the combined property portfolio within the STP footprint to generate income streams from rental and lease options. They will work with commissioners and providers to optimise alternative sources of finance to supplement Treasury funding, where these provide value for money for the taxpayer.
- 4.18. Strategic estates planning advisers will provide a means of connecting STPs more closely to other programmes, such as Lord Carter's efficiency programme and to the One Public Estate programme.

The team will make sure that intelligence from the local level is fed back into national strategic planning through the NHS Property Board, creating a robust national view of the amount and kinds of capital required to support transformation of the healthcare estate.

- 4.19. We will recruit a new Director to lead this team, and our aim is that it becomes a centre of expertise on strategic estates planning advice in the NHS. This will be a joint appointment, with the Director reporting to NHSE and NHSI. The Director will be a member of the NHS Property Board, providing a direct connection between local and national estates planning and transformation. He or she will play a crucial role in helping to prioritise investment across and within STPs and deliver the £3.3 billion expected as proceeds from the disposal of surplus land.

Continued professional development of the estates workforce

- 4.20. As the healthcare estate is often overlooked, so too is the estates and facilities management workforce. Patients and the public seldom see these staff but they are essential to the delivery of NHS services. They deserve access to professional development so that we have the right people with the right skills in the right place. While we have some excellent estates staff in post, we know there is generally a shortage of much-needed estates skills within NHS trusts. This is why the team at NHSI are working closely with industry professional bodies to develop an apprentice and career programme to attract new entrants and to enhance the skills of those already in the sector. This new programme is likely to be launched later in 2018.
- 4.21. We are aware that in recent years, the NHS has lost significant expertise locally, leaving fewer staff with experience of developing business cases, particularly for high value or complex projects. This lack of expertise and capability has at times impacted on the quality of business cases submitted, leading to delays and resubmissions before the business case meets the required standard for approval. It is clear that this loss needs to be addressed.
- 4.22. NHSE and NHSI will focus efforts on building capability in provider and commissioner organisations to improve the quality of business cases coming forward for approval so that they comply with HM Treasury guidance on appraisal and evaluation, as documented in its *Green Book*^{iv} and associated guidance. Those developing NHS capital business cases should engage with NHSE and NHSI in the very early stages of the project to understand the processes that apply and the quality standards that they must meet. High quality business cases, developed against the published checklists, will require less time-consuming scrutiny and should readily pass the assurance and approval processes that NHSI and NHSE set. NHSE and NHSI will continue to provide relevant templates, guidance and toolkits to support this.
- 4.23. The HM Treasury *Green Book* guidance sets out an expectation that all those engaged in creating and planning spending proposals should gain accreditation through such opportunities as *Better Business Case* training programme or through equivalent professional development. NHSE and NHSI will facilitate this by providing access to a programme of business case training, using accredited providers and other professional expertise, tailored to the NHS. Commissioners and provider organisations should ensure that key staff receive appropriate development, and with other STP partners consider how this expertise might be made available across the partnership.

5. National Planning and Funding

The Naylor Review highlighted the pressing need for additional capital, without which the ambitions of the 5YFV would be put at risk. The Government has announced an additional £10 billion package of capital investment over the course of this Parliament.

- 5.1. The Naylor Review estimated the need for additional capital in the NHS stood at around £10 billion. It suggested that this could be provided as a combination of public sector capital, proceeds from the disposal of surplus NHS land and from private sector investment.
- 5.2. The Government is delivering its share of the investment which the Naylor Review estimated was needed. In the recent Budget, the Chancellor of the Exchequer confirmed a further £3.5 billion of capital investment in estates transformation and improvement and efficiency schemes^v, on top of the £425 million already provided at the Spring Budget^{vi}, so that the NHS can deliver more integrated care for patients and better meet demand.
- 5.3. Of the £3.5 billion:
 - £2.6 billion will support STPs to deliver transformation schemes;
 - £700 million will support turnaround plans in the trusts facing the biggest performance challenges and tackle the most urgent and critical backlog maintenance issues; and
 - £200 million will support efficiency programmes to reduce running costs.
- 5.4. The funding will be complemented by a review to improve the rules that inform trusts' use of capital funding to make sure they are maintaining their facilities most effectively.
- 5.5. These are substantial sums. The NHS now has a clear view of the capital resources to be made available in this and each of the following five years and can plan its investments accordingly. The partner organisations within each STP should work together to produce and agree a prioritised capital investment plan covering the whole STP footprint, drawing on the expertise of strategic estates planning advisers as necessary, and creating a pipeline of local capital development projects.
- 5.6. When brought together and considered from a national perspective, these individual capital pipelines will, for the first time, create an overarching and comprehensive understanding of the level of capital need across primary and secondary care. With this crucial intelligence, we can greatly improve the prioritisation of public capital.
- 5.7. The first two groups of schemes to benefit from this new STP funding have been provisionally announced, and are listed in Appendix B. These are STPs which already demonstrate the leadership, strong planning capability and readiness to deliver service transformation that we want to see replicated across England. The schemes they are taking forward are diverse, spanning a range of care settings. Patients will see this investment deliver new buildings and equipment for cancer and stroke care and children's services. It will modernise mental health facilities and urgent emergency care

departments, and expand community and primary care facilities to improve provision outside of traditional hospital settings.

- 5.8. So far the STP capital schemes announced amount to only a relatively small amount of the total funding available for STP transformation. The majority of the capital allocation remains available and we are working to allocate a further significant tranche of funding in 2018 to those STPs which submitted the strongest bids. We also recognise that some STPs will have plans that continue to evolve and we therefore anticipate that there will be further opportunities to access the capital made available, with the route to this to be confirmed in 2018.
- 5.9. The next round of STP Schemes will be based on bids which have already been submitted and we have written to these STPs setting out the next steps they should take to maximise the likelihood of being successful in this process. Key areas of focus include updating their estates strategies and land disposals plan, maximising revenue savings from the scheme(s) and ensuring full STP sign-up to estates strategies.
- 5.10. All STPs should be continuing to develop their estates strategies with the support of their Strategic Estates Advisers. For those bids which have already been supported and those which hope to be in the future, STPs will be expected to agree and submit an estates strategy prior to any funding being released – this will need to include disposals plans as set out in section 6. STPs will also be expected to ensure that they maximise opportunities for self-funding of schemes using their own capital, receipts from land disposals and use of private finance where this provides value for money (eg LIFT).
- 5.11. In order for schemes to be awarded funding, STPs are reminded that a key focus within business cases and future bids should be that schemes are transformative and demonstrate both value for money and net savings as this will be a key criteria for the success of all schemes. All schemes will also be asked to reconfirm that full STP support is in place before a funding award is made and that the scheme represents a priority for the STP.
- 5.12. The NHS may supplement public capital with other sources of finance. We will learn from, but not repeat the mistakes of the past which have seen NHS providers burdened with expensive PFI deals which are often inflexible and unable to adapt to meet current service needs. We will continue to seek out opportunities to renegotiate or replace such schemes, where it represents good value to the taxpayer for the Government to do so. We will consider carefully the implications of the financial collapse of Carillion for the NHS to make sure that vital patient services will always continue without interruption.
- 5.13. As the NAO recently reported^{vii}, the use of private finance is not new to the NHS or to the public sector more widely, where it is used for important infrastructure projects like roads and schools. The new PF2 model provides better value for money and is quicker to procure than PFI, but still harnesses private sector innovation. Where it represents good value to do so, the NHS should take full advantage of the opportunities that private finance can offer.
- 5.14. It has been particularly effective as a source of investment in primary and community care. The LIFT (Local Investment Finance Trust) scheme remains available to support investment in primary care facilities and will continue to be a critical part of our primary care strategy going forwards. The LIFT programme has delivered some 339 new healthcare buildings, including 50 centres which integrate health, community and local authority services like gyms and libraries. In the last 14 years, it has raised £2.5 billion for capital development, secured with just £100 million of public sector investment.

National Planning and Funding

- 5.15. STPs should, as part of the capital planning process and with support from strategic estates advisers, NHSE, NHSI and the Department, identify which projects could make effective use of private financing through LIFT, PF2 and public private partnerships (PPP).

6. Incentivising Local Action

The Five Year Forward View recognised that services need to change around the need of patients. If the NHS is to deliver its own plan for change, it must invest in the infrastructure and buildings it needs to underpin clinical service provision. The Government has set out what it will do to support transformation; the NHS must also play its part to deliver additional capital of £3.3 billion from the disposal of land and buildings no longer required for patient care

Robust estates strategies

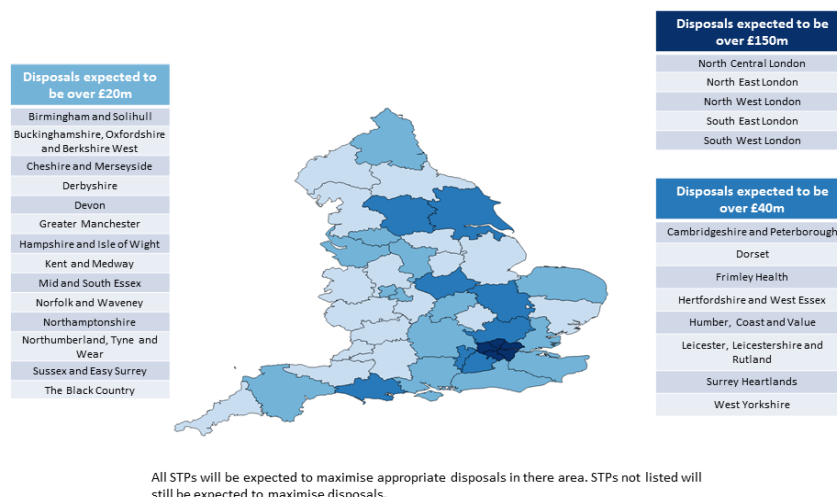
- 6.1. The NHS has been working hard to develop credible capital and estates plans, fully aligned with clinical service strategies and supported by strong and credible business cases, as integral elements of their wider transformation plans to modernise services. The Government has backed this with increased investment and strategic estates planning expertise to help STPs move from planning to implementation.
- 6.2. There is now wide acceptance that local service leaders need to work together to give life to STP estates and clinical service strategies. Some have agreed devolution deals; others are following a path towards devolution. Many STPs are putting in place shared governance and decision-making mechanisms which respect and supplement the statutory accountabilities of individual boards and organisations.
- 6.3. Local NHS leaders should seize upon the opportunities for better system-wide planning and come together and agree how to fund their estates plans, how receipts from disposals will be used to fund priorities within the STP footprint, and collectively to develop robust capital business cases. They should work together to identify estates investment requirements, informed by local considerations, and develop an agreed pipeline of locally-owned schemes to deliver that investment. Collaborative planning will enable STPs to build a clearer understanding of the condition and purpose of NHS property, and to plan for how these assets can be used to best effect.
- 6.4. The process of transformation will not stop at the end of the 5YFV; it is not a one-off activity. A key task of the NHS Property Board will be to ensure capital is deployed to invest in new models of care and service transformation. The NHS will need to regularly refresh its clinical service strategies, and must continue to give greater recognition to the strategic importance of the estate in delivering those strategies and prioritise discussion of estates matters at Trust Board level. How they do this will be a matter for local leaders to decide, but there must be clarity on which Executive member of the board has responsibility for estates transformation, as well as clear estates representation and accountability within STP governance arrangements. This latter is a criterion for STPs seeking to access capital.

Access to capital

- 6.5. The Government has set aside almost £4 billion of additional capital investment. The NHS must also play its part in generating capital. Organisations will only receive additional government funding through the STP capital programme if they can demonstrate that they are pursuing all value-for-money opportunities to generate capital within the STP footprint and are reducing running costs by improving estates utilisation and tackling backlog maintenance.
- 6.6. In submitting bids against the £425 million capital allocation announced in the March Budget, NHS organisations were required to set out how they would maximise the disposal of surplus land and property across their area. This was one of a number of considerations used to evaluate the quality of these bids. We will build upon this process for future capital investment, to make sure that public investment is best used to deliver a real transformation in patient care.
- 6.7. Therefore, STPs seeking funding will be required to develop ambitious plans for surplus land disposal, as well as a clear delivery plan that will see receipts reinvested to fund agreed service and estates transformation in the STP area. These plans will need to set out all of the planned disposals in the STP footprint, how the receipts from those disposals will be used, and metrics to track how the investment is being used to support the transformation of care. STPs will be supported by the strategic estates planning team in developing these plans.
- 6.8. Before releasing any capital funding, STPs will have to agree to locally-derived targets for disposals, which will be informed by the benchmarks developed by the Naylor Review. This will make sure that this additional capital investment is directed where it is truly needed and maximise the contribution of the NHS to increasing the number of homes available for hardworking families. Where agreed targets are not achieved, we will consider options for recovering the public capital invested.
- 6.9. Over the next two years, access to the capital funding announced in the Budget will provide a strong incentive for local areas to maximise their surplus land disposals. However, we will consider changing capital charges or other mechanisms if local progress on disposals is not sufficiently ambitious during that period.

6.10. In the first instance, we will focus on agreeing disposal ambitions for areas which are asking for significant Government funding and have relatively high disposal opportunities. We have made an initial assessment of disposal opportunities across different STPs, using available data and recent bids for capital funding, as shown below. These are illustrative and require further validation. The process of agreeing local disposal targets will not be constrained by these indicative opportunities.

Figure 1 - indicative disposal opportunities by STP



- 6.11. We will begin by validating local targets with STPs seeking funding which are in the top two disposal categories, as well as any STP seeking over £50 million of central funding. We will write to STPs with further details on how this process will work and the timing by which we expect to agree targets. STPs will be required to submit revised estates plans, including disposals, during 2018/19 and before receiving funding. The leading STPs are already working with their strategic estates advisers to develop revised plans
- 6.12. As the Naylor Review and Figure 1 above show, delivering on the £3.3 billion disposals target will require a large portion of these proceeds to come from the NHS estate in London. Building on the close working between Sir Robert Naylor and the London Mayor's office, we are collaborating with the Greater London Authority so in partnership we can transform the NHS estate in London and take advantage of opportunities for disposal.
- 6.13. The core of our joint strategy revolves around the London Estates Programme Board (LEPB) and the London Estates Delivery Unit (LEDU). The LEPB brings together the NHS, local government, the Department and its ALBs to set the strategy for the London NHS estate. Meanwhile the LEDU works on releasing value from surplus properties – the LEDU is supported by the strategic estates advisers so they can use their expertise to catalyse change.
- 6.14. This joint working is underpinned by the recent Memorandum of Understanding on London Health and Care Devolution that was published on 17th November 2017. This provides a framework for continued joint working and support effective and efficient decision making. We look forward to continuing this work in the future.

Retaining capital receipts

- 6.15. The Naylor Review called for clarity on the retention of receipts from land sales, arguing that receipts should be retained for use by the local NHS. Under current arrangements, where land or buildings are locally owned by an NHS trust or NHS foundation trust, the full capital receipt from its disposal is usually retained by that organisation to reinvest in the NHS in that area. For foundation trusts (unless in financial distress) this is a legal right; for NHS trusts it is subject to approval from NHSI^{viii}.
- 6.16. We recognise that there are occasions where NHS trusts do not begin the process of selling surplus land and buildings until they need the sale receipts to fund new capital developments. This can add significant time to the process of opening new facilities and services to patients; developments could be more speedily progressed if the NHS trust had the capital readily to hand. We are committed to making this possible through new bridging arrangements which will allow NHS trusts to apply to "bank" land sales receipts with the Department, and draw them back (with interest) when needed to fund agreed STP health priorities. NHS providers will benefit from streamlining their estate and the asset base to which the PDC dividend is applied.
- 6.17. Currently, there are two types of property where all of the sale receipts do not remain with local NHS organisations. These are the former PCT estate and the NHS Property Services estate.
- 6.18. NHS trusts and foundation trusts currently have to pay half of any profits from the sale of former PCT estate to the Secretary of State. These overage payments can create a disincentive for NHS providers to dispose of property. We will introduce a new arrangement whereby NHS trusts and foundation trusts that hold such properties can apply to the Department in effect to retain the overage sum so as to fund STP capital priorities. This will apply to all disposals that required an overage payment since 1st April 2017. We will write to the NHS organisations affected with further details of how this arrangement will operate.
- 6.19. Properties owned by NHS Property Services are national rather than local assets, and are rented to local providers. When moving out of those properties, rental payments stop which creates a financial benefit to the provider. Therefore, capital receipts from the sale of NHSPS properties will continue to be pooled at a national level and the investment directed to where it is most needed by patients. Local NHS organisations should not assume that receipts generated from the disposal of NHSPS properties will be available for redeployment in their areas. However, NHSPS already has agreed mechanisms in place for identifying local investment priorities, including a process by which local Clinical Commissioning Groups can put forward a business case for local investment to NHS England for consideration.

Supporting the release of surplus land

- 6.20. As set out earlier, we agree with the Review's conclusion that property which is vacant and unused is not an asset to the NHS. Keeping hold of vacant property incurs additional maintenance and security costs, diverting money away from frontline services and representing poor value for the taxpayer. It is not in anyone's interests for these sites to remain empty and unused. Our first priority for surplus land is to dispose of it in a way that capitalises on the potential to generate funds for reinvestment and thus improve facilities and services for patients.

- 6.21. The NHS already has a well-developed pipeline of opportunities for the disposal of land which it has identified as surplus, helping to free up brownfield land for new housing. The process of agreeing disposal plans, and the support provided by the strategic estates planning team will enable the NHS to deliver £3.3 billion of sales over the next five years for reinvestment in the NHS.
- 6.22. We accept the Review's recommendation to accelerate the disposal of smaller and lower risk sites for the development of housing, and will progress this through our Surplus Land Programme. This will be overseen by the NHS Property Board, which will ensure that we take a joined-up approach to tackling the most common obstacles to disposal, working with the Homes and Communities Agency² and other delivery partners where appropriate. This includes supporting NHS landowners to work with local government and the One Public Estate programme to maximise opportunities to drive the integration and co-location of health, community and social care services and to support the creation of government hubs. This is in line with Department of Health and Social Care guidance (HBN 00-08^{ix} "Estatecode"), which is clear that public sector organisations should be given the opportunity to purchase surplus NHS land before it is placed on the open market.
- 6.23. The Department's Provider Engagement Programme, which has been working closely with the NHS since 2016 to deliver timely land and property sales, will offer additional support to the NHS locally.

Housing for NHS staff

- 6.24. We recognise that in some areas of the country, it may be beneficial for NHS organisations to use part of their surplus land to provide housing for their staff. Not only would the NHS benefit from the capital generated, but staff could also benefit from access to affordable housing, closer to their place of work. Such approaches may be useful in attracting permanent employees, which in turn could reduce the amount that local NHS providers need to spend on agency workers.
- 6.25. Most local authorities have policies in place to ensure that affordable housing is delivered on new residential developments in their area. In October the Government announced that NHS workers would be given first refusal on affordable housing which is built on land sold by the NHS.
- 6.26. We have an ambition that this will benefit up to 3,000 families, particularly in areas where a lack of affordable housing is impacting on workforce recruitment and retention. The NHS Property Board will bring together partners from all relevant sectors to drive delivery of this ambition locally and nationally. This will include a support package to assist NHS landowners to develop ways, in conjunction with local authorities, through which affordable homes built on NHS land could be offered first to NHS staff. We will support ways through which the NHS could work with local planning authorities and developers to ensure that they fulfil this ambition.

Improving the existing estate

² To be renamed Homes England

- 6.27. The challenges facing the NHS means significant efficiencies must be achieved now and in the future to ensure sustainability of services over the longer term. This includes efficiencies in the way the NHS uses its land and property.
- 6.28. The NHS can make an important contribution to sustainability by reducing operating costs which currently amount to over £8 billion and are the third largest area of cost to the NHS, after workforce costs and expenditure on drugs.
- 6.29. The NHS has begun to make important step changes in the management of the estate to achieve savings and reduce running costs. It has done this while still protecting patient, visitor and staff safety. Savings of over £300 million have already been secured, with a further £300 million identified. But there is potential for more, which the additional £200 million of capital allocated in the Budget will help to deliver.
- 6.30. Backlog maintenance is a significant issue that the NHS must address. Reducing backlog maintenance not only provides a safer and higher quality estate, but reduces running costs in the longer term. We will expect capital business cases submitted to demonstrate a clear understanding of whole lifecycle costs and reduced backlog liabilities, alongside the current focus on upfront capital costs.
- 6.31. NHSI has commissioned work to analyse backlog maintenance in the NHS and make recommendations on how it can be addressed. This includes learning from how other public sector and commercial estates manage backlog maintenance issues.
- 6.32. The need to reduce backlog maintenance and bring the estate to a proper state of repair is not just confined to the acute sector. NHSI will take forward a programme of work to support the whole of the NHS, including primary care, to tackle backlog maintenance, including:
- Ensuring that the NHS assesses the risks to patients, visitors and staff as part of their backlog maintenance assessments, including risks to safety and business; continuity, and mitigates those risks through capital investment, where appropriate
 - identifying what is an appropriate level of backlog maintenance for an organisation of the size of the NHS;
 - improving data quality as well as consistency in definitions and terminology of backlog maintenance to allow a nationally consistent understanding of risks and how they can be mitigated;
 - improving local and national governance, standards and guidance, especially in regard to the quality of decision making for capital investment;
 - ensuring that there is appropriate protection for asset life-cycle management and that organisations are incentivised to keep facilities in a good state of repair; and
 - delivering a better estates culture with increased competency and knowledge transfer strategically, operationally and commercially
- 6.33. The Autumn Budget provided £2.6 billion in capital to support transformative projects in STPs, which will eradicate substantial amounts of backlog maintenance. We have supplemented this with £700 million to support trust turnaround and to tackle the most urgent and critical maintenance issues that the NHS is facing.

7. Appendices

Appendix A: Government Response to Review Recommendations

Recommendation I - Establish a powerful new NHS Property Board which provides leadership to the centre and expertise and delivery support to STPs. It should be a strategic organisation, at arm's length from the Department of Health and structured so that it empowers speedy executive action and professional credibility within the sector. To include a regional structure which is aligned with NHSE & NHSI and brings together functions of NHSPS, CHP and other fragmented NHS property capabilities into a single organisation.

Recommendation II - Establish this NHS Property Board in shadow form immediately (involving key staff from NHSPS and CHP) and substantively by April 2018. In the interim NHSPS and CHP should focus on addressing their well-documented operational challenges.

Response: We accept these recommendations in principle

- We have established an NHS Property Board made up of representatives from the Department of Health and Social Care, national partners from across the NHS, wider Government, and the two NHS property companies. It is chaired by a Departmental Minister and will provide clear strategic direction to the NHS. We think it is right that the national centre provides the strategic oversight and direction setting to the system. We recognise that this board is not positioned at arms-length from the Department, although the strategic estates planning team will be, as set out under Recommendation 3.
- Member organisations will deliver the functions suggested by the Review as being the responsibility of the property board.
- We have chosen not to merge the existing NHS property companies at the current time. NHSPS and CHP will continue to provide the asset ownership and management, facilities management and financing functions that they offer currently, and make improvements across a range of functional areas.

Recommendation III - The NHS Property Board should urgently bring together and expand the current strategic resources into a new national strategic planning and delivery unit to support local areas and strengthen capacity to deliver major projects.

Response: We accept this recommendation

- In order to build greater capability within the NHS, we have established a single, integrated Strategic Estates Planning team. This team will operate at arms-length from the Department, and independently of the two NHS property companies, to provide dedicated support to STPs and help them move capital projects from planning to delivery. It will support NHSE and NHSI in making sure that STPs have credible estates strategies. We will recruit a new Director in early 2018 to lead and grow this team.

Recommendation IV - The NHS Property Board should be the primary voice to the system on estate matters and should work with national bodies to ensure that the system receives clear and consistent messages about the importance of developing a modern fit for purpose estate, releasing land and addressing backlog maintenance.

Response: We accept this recommendation

- The NHS Property Board will promote the strategic importance of the estate as a driver of efficiency and transformation.

Recommendation V - The NHS Property Board should produce improved guidance on estates planning and disposals for the NHS. Covering the scope of estates planning, accessing private sector expertise, models for affordable housing for NHS staff and partnerships with both housing associations and developers.

Recommendation VI - The NHS Property Board should produce improved guidance on building standards so they support the 5YFV and deliver value for money. This should gather evidence on the most appropriate estate models through the vanguards programme and should prioritise new guidance on primary care facilities.

Response: We accept these recommendations

- NHSI will deliver estates policy and technical guidance to the NHS on behalf of the NHS Property Board. This includes guidance relevant to primary care facilities. They will work to improve estates planning and to help the NHS to work more effectively with the private and independent sectors. This includes providing specialist support and guidance in areas such as contract management and building standards
- NHSI and NHSE will work closely together to ensure that evidence from new models of care and the vanguards programme is shared to inform future guidance. They will work jointly with the Department to provide guidance on issues around accessing alternative funding models.
- The NHSI guidance programme will continue to be periodically reviewed and refreshed. The need for additional estates policy and technical guidance for primary care will be considered as part of this process. The guidance programme is complemented by their work to implement Lord Carter's report into NHS productivity, which includes recommendations to improve efficiency in the NHS estate and facilities and therefore deliver better value for money.

Recommendation VII - The NHS Property Board should improve transparency and intelligent use of data. This should include extending the minimum estates dataset to cover all NHS funded care, improving the quality of existing data collections and taking ownership for the future development of the benchmarking developed as part of this review.

Response: We accept this recommendation

- The NHS Property Board will oversee work to drive improvements in the quality and use of estates data across the NHS to make sure it is fit-for-purpose, relevant and accurate. NHSI, on behalf of the NHS Property Board, will make sure that appropriate benchmarks and metrics are available through the Model Hospital programme and other peer comparison tools to help the NHS to measure performance and make improvements in both estates quality and running costs. NHSE will work with commissioners, the Valuation Office Agency and the NHS property companies to develop a more comprehensive data set on the primary care estate.

Recommendation VIII - The NHS Property Board, in partnership with other national bodies, should review processes to ensure they are proportionate and effective. In particular, it should consider the business case process, which is often seen as cumbersome, and a block to estates development.

Response: We accept this recommendation in part

- The NHS Property Board will expect member organisations to regularly review the processes they apply so that they are proportionate and effective. As set out in the Autumn Budget, we will review and improve the rules which inform trusts' use of capital funding, to help make sure that they can maintain their estates and facilities most effectively.
- The assurance and approval processes applied by NHSI and NHSE reflect the requirement for all business cases to comply with HM Treasury guidance. NHSI and NHSE apply a balance of proportionality and rigour, so that only those projects which represent value for money for the taxpayer proceed. NHSE and NHSI will work together to make sure that capital business case approval processes are as efficient as possible and align with those for the approval of service change and minimise the burdens on NHS organisations
- To redress a loss of expertise across the NHS in developing robust business cases, NHSE and NHSI will focus efforts on building capability in provider and commissioner organisations to improve the quality of business cases coming forward for approval. They will work closely with commissioners and providers from the early stages of project development to support them in developing business cases that meet the required standards for approval.

Recommendation IX - STPs should develop affordable estates and infrastructure plans, with an associated capital strategy, to deliver the 5YFV and address backlog maintenance. These plans must be supported by robust business cases. The new NHS Property Board should support the development of these plans.

Response: We accept this recommendation

- The NHS has made substantial progress in developing robust and credible estates plans as part of the STP development process. Commissioners are responsible for making sure primary care estates strategies are in place; NHS trusts must have estates strategies in place for the provider estate. They are being supported in this by strategic estates planning advisors, providing expert advice and support to help them move from planning to delivery and to ensure that plans align and support delivery of the clinical, workforce and IT strategies. NHSE and NHSI will further clarify the assurance and support structures that enable this to work effectively.

Recommendation X - STP estates plans and their delivery should be assessed against targets informed by the benchmarks developed for this review. STPs and their providers, which fail to develop sufficiently stretching plans, should not be granted access to capital funding either through grants, loans or private finance until they improve.

Response: We accept this recommendation

- All capital business cases are subject to rigorous value for money tests, and performance against benchmarks are just one element that will be taken into consideration. Investment decisions will consider how capital is being used to reduce backlog maintenance, to improve estates utilisation and to reduce running costs.
- In order to access STP capital funding, STPs will be required to agree stretching local targets for disposals. Failure to agree a stretching local target will result in access to this fund being withheld. We believe that locally derived targets can better take account of the circumstances of each STP and therefore we do not intend to impose national targets. Locally-derived targets will be validated centrally to ensure they are sufficiently ambitious and the benchmarks developed by the Naylor review will be a key source of information for this process.
- Over the next two years, access to the new capital funding announced in the Budget will provide a strong incentive for local areas to maximise their surplus land disposals. We will consider changing capital charges or other mechanisms if local progress on disposals is not sufficiently ambitious during that period.

Recommendation XI - At a minimum the Department of Health and HM Treasury should provide robust assurances to STPs that any sale receipts will be retained locally if the disposal is in agreement with STP plans and will not be recovered. This report recommends that HMT should provide additional funding to incentivise land disposals through a "2 for 1 offer" in which public funds match disposal receipts.

Response: We accept this recommendation in part

- NHS providers are able to retain the receipts generated from the disposal of surplus land and property. Where NHS providers wish to reinvest these proceeds in capital programmes, the existing delegated approvals process will apply.
- We recognise that there are occasions where NHS trusts do not bring the process of selling surplus land and buildings until they need the sale receipts to fund new capital developments. To address this and to encourage the earlier release of unused assets, we will put in place new arrangements which will allow NHS trusts to apply to "bank" land sales receipts with the Department, and draw them back (with interest) when needed to fund agreed STP health priorities.
- NHS trusts and foundation trusts currently have to pay half of any profits from the sale of former PCT estate to the Secretary of State, creating a disincentive for NHS providers to dispose of property. We will introduce a new arrangement whereby NHS trusts and foundation trusts that hold such properties can apply to the Department in effect to retain the overage sum so as to fund STP capital priorities. This will apply to all disposals that required an overage payment since 1st April 2017.
- Properties owned by NHSPS and CHP are national assets. The receipts generated from the disposal of these properties will continue to be pooled nationally and reinvested in the NHS where most needed.
- We do not accept the Review's recommendation of a time-limited "two for one" offer. STPs seeking capital funding will be asked to develop ambitious plans which maximise the disposal of surplus land, reduce running costs and address backlog maintenance. In practice, the best STPs' service and estates plans may receive more capital funding than the "two for one" offer suggested by the Naylor Review.

Recommendation - XII NHSE and NHSI should provide guidance on the relative roles of providers and STPs with respect to estate matters.

Response: We accept this recommendation

- NHSE and NHSI will continue to develop and issue guidance on the roles of NHS organisations with respect to estate matters.
- NHSE is developing a training programme on primary care estates management and development to support commissioners in their work. Additionally, NHSE will issue supporting guidance to accompany updated Premises Costs Directions which govern all primary care estate matters for general practice.

Recommendation XIII - NHSE and the NHS Property Board should ensure primary care facilities meet the vision of the 5YFV. This should consider linking payments to the quality of facilities and greater use of fit for purpose standards. The NHS Property Board should support GPs to meet these standards, taking advantage of private sector investment.

Response: We accept this recommendation

- The NHS Property Board is fully committed to improving the quality of facilities in primary and community care settings.
- NHSE will continue to support the transformation of primary care facilities through GP Premises Improvement Grants under the NHS Premises Costs Directions and the Estates and Technology Transformation Fund. The latter will run until 2020, and aims to support over 1800 projects throughout its lifetime.
- We will consider further options to support transformation in primary care, such as linking payments to the quality of facilities provided by GP practices.
- We expect STP estates plans to include plans for the use of the primary and community care estate, to take into account the planned shift of activity out of hospitals and into primary and community care to align with improved clinical pathways. Strategic estates advisers will continue to provide expert advice on primary care estates to Clinical Commissioning Groups (CCGs) and local primary care commissioners, including advice on optimising alternative sources of finance, where these provide value for money for the taxpayer.

Recommendation XIV - Land vacated by the NHS should be prioritised for the development of residential homes for NHS staff, where there is a need. The NHS Property Board should support this.

Response: We accept this recommendation

- We agree that in some areas it will be beneficial for the NHS to use their surplus land to provide housing for their staff. We are exploring how best we can support NHS landowners who wish to do this.
- In October 2017, the Government announced that NHS workers will be given first refusal on affordable homes which is built on land sold by the NHS.

Recommendation XV - Urgent action should be taken to accelerate the delivery of a large number of small scale and low risk developments to deliver housing.

Response: We accept this recommendation

- The disposal of smaller and lower risk sites has been included in the Department's Surplus Land Programme. We will continue to provide support to the NHS locally through the Department's Provider Engagement Programme, which has been working with NHS landowners to deliver disposals since 2016.

Recommendation XVI - All national bodies should work together, sharing intelligence, to develop a robust capital investment plan for the NHS by summer 2017. This should maximise value for money and make a strong case for securing both the public and private investment the NHS needs.

Recommendation XVII - Substantial capital investment is needed to deliver service transformation in well-evidenced STP plans. We envisage that the total capital required by these plans is likely to be around £10 billion, in the medium term, which could be met by contributions from three sources: property disposals, private capital (for primary care) and from HMT.

Response: We accept these recommendations

- The Autumn Budget confirmed a package of £3.9 billion of capital investment. This will enable the NHS to increase the proceeds from selling surplus land and buildings to at least £3.3 billion, almost doubling the scale of investment available to the NHS. It will be accompanied by private finance investment in the healthcare estate, where this provides good value for money.
- The Department has made capital to revenue switches since 2014/15 in order to support the revenue requirements of the NHS and provide flexibility to meet the overall spending priorities of the NHS. We have been clear that we are tapering down and phasing out the capital to revenue switches by the end of the Spending Review period.
- NHSE and NHSI will continue to work together with STPs and strategic estates planning advisers to build on the capital investment plans already developed by STPs, in order to create a coherent capital investment pipeline for the NHS.

Appendix B: STP Capital Funding Allocations (Provisional)

Tranche 1

- Acute care transformation – Greater Manchester STP
- Salford Royal Trauma Centre - Greater Manchester STP
- Mental health modernisation – Lancashire and South Cumbria STP
- Acute Care Transformation and Reconfiguration – Dorset STP
- Mental Health Inpatient Care – Norfolk and Waverly STP
- Children’s and Adult Mental Health relocation and expansion - Leicester, Leicestershire and Rutland STP
- Primary Care Hub - Milton Keynes, Bedfordshire and Luton STP
- Rapid assessment and treatment centre - Buckinghamshire, Oxfordshire and Berkshire West STP
- Royal Derby Hospital Accident and Emergency Redevelopment including GP Streaming – Derbyshire STP
- Consolidation of services to develop integrated care communities - West, North and East Cumbria STP
- Redevelopment of Strelley Health Centre – Nottinghamshire STP
- Intensive Care Unit Expansion - Leicester, Leicestershire and Rutland STP
- King George’s Hospital Urgent Care Centre Redesign - North East London STP
- North Clacton Primary Care Hub - Suffolk and North East Essex STP
- Primary Care Streaming and Emergency Department Expansion – Lancashire and South Cumbria STP
- Purpose build provision for Belper integrated facilities – Derbyshire STP
- Expansion of Capacity to deliver new service models – Herefordshire and Worcestershire STP
- Expansion of Hyper Acute Stroke Services – South Yorkshire and Bassetlaw STP
- Provision of Outpatient Services and Surgical Ambulatory Care Unit – Mid and South Essex STP
- Moving GP services into Newmarket Community Hospital – Suffolk and North East Essex STP
- Increasing Number of Catheter Labs – Mid and South Essex STP
- Health component of Multi Service Centre – Nottinghamshire STP
- Expansion of Computed Tomography and CT capacity – South Yorkshire and Basetlaw STP
- Oncology Centre – West, North and East Cumbria

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- West Cumberland hospital estate redevelopment – West North and East Cumbria STP

Tranche 2

- Barnsley Hospital Children's Emergency Department and Assessment Unit - South Yorkshire and Bassetlaw STP
- Doncaster Urgent and Emergency Care scheme - South Yorkshire and Bassetlaw STP
- Leeds Community Child and Adolescent Mental Health Inpatient Unit - West Yorkshire STP
- Chesterfield Urgent Care scheme - Derbyshire STP
- Integration of urgent and emergency care at Russell's Hall Hospital Dudley - Black Country STP
- Increasing emergency care capacity at Birmingham Children's Hospital - Birmingham and Solihull STP.
- Out of Hospital Care scheme information system - Coventry and Warwickshire STP
- Upgrading facilities to meet demand at Mid and South Essex Acute Hospitals reconfiguration scheme - Mid-and-South Essex STP
- South West London and St George's NHS Mental Health Trust Estates Modernisation - South West London STP
- Out of Hospital Integrated Care Hubs - Frimley Health STP
- Bracknell Forest Heathlands care home - Frimley Health STP
- Primary Care Hub scheme - Buckinghamshire, Oxfordshire and Berkshire West STP

Appendix C: References

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