



Department  
of Health &  
Social Care

# Health Infrastructure Plan

A new, strategic approach to improving our  
hospitals and health infrastructure



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## Foreword

This plan is the biggest, boldest, hospital building programme in a generation. We're giving the green light to more than 40 new hospital projects across the country, six getting the go-ahead immediately, and over 30 that could be built over the next decade.

This is a long-term, strategic investment in the future of the NHS, properly funded and properly planned, to ensure our world-class healthcare staff have world-class facilities to deliver cutting-edge care and meet the changing needs and rising demand the NHS is going to face in the 2020s and beyond.

For too long, we've taken a piecemeal and uncoordinated approach to NHS buildings and infrastructure. The Health Infrastructure Plan is going to change that. In the future, every new hospital built or upgraded must a) deliver our priorities for the NHS, and b) happen on time and in a planned way, not the current stop-start we get at the moment.

In January 2019, the NHS published its Long Term Plan, and in addition to the £33.9bn increase in cash funding for the day-to-day running of the NHS, and a further £2.1bn capital for health infrastructure in August, we are today backing the NHS even further with a £2.8bn injection to transform hospital care in this country.

I've seen first-hand the difference that world-class facilities can make for patients. At their best, well-designed wards, with the right facilities, can speed up recovery, ensure patients receive the right treatment, and get medication on time. At their worst, poorly designed or outdated facilities, can contribute to longer waiting times, pose risks to patient safety, and make life harder for staff. To ensure the NHS stays at the cutting-edge of medicine, we must anticipate how healthcare is likely to change, and design buildings that will be fit for purpose for years to come.

But NHS infrastructure is more than just large hospitals. Pivotal to the delivery of more personalised, preventative healthcare in the NHS Long Term Plan is more community and primary care away from hospitals. That requires investment in the right buildings and facilities across the board, where staff can utilise technology such as genomics and Artificial Intelligence (AI), to deliver better care and empower people to manage their own health.



Rt Hon Matt Hancock MP Secretary of State for Health and Social Care

Where budgets have not yet been settled, the Government has committed to DHSC receiving a multi-year settlement at the next capital review.

This is only the beginning. We will continue to develop this plan and we will outline more detail on our programme of rolling investment in health infrastructure at the next capital review.

This plan recognises that hospitals are not only at the heart of the NHS, they're at the heart of every local community. And the work we set in motion today will ensure that everyone in our country has access to the best possible healthcare when they need it, wherever they live, and whoever they are, for generations to come.

A handwritten signature in blue ink that reads "Matt".

Rt Hon Matt Hancock  
MP Secretary of State for Health  
and Social Care

## Executive summary

1. Health is the nation's biggest asset and the NHS is the Government's top domestic priority. We have already committed to increasing the NHS's day-to-day spending by £33.9 billion by 2023-24, to back the NHS's own Long Term Plan (LTP). With the single biggest cash increase made in the organisation's history, the NHS now has unprecedented certainty to plan for the next decade, ensuring that patients will be supported with world-class care at every stage of their life.
2. The NHS and the healthcare services it provides to the nation are underpinned by capital funding for infrastructure comprising of buildings, including hospitals, equipment, ambulances, frontline technology as well as technological advances in areas such as Artificial Intelligence (AI) and genomics.
3. Capital spend on NHS infrastructure is essential to the long-term sustainability of the NHS's ability to meet healthcare need, unlocking efficiencies and helping manage demand. It is also fundamental to high-quality patient care, from well-designed facilities that promote quicker recovery, to staff being better able to care for patients using the equipment and technology that they need. The NHS is also supported by research and public health facilities and networks, and adapted or specialised housing that reduces or delays the need for healthcare.
4. The Government is publishing the Health Infrastructure Plan (HIP) - ahead of the capital review, to set out the Government's strategy.

### **What is the Health Infrastructure Plan?**

5. The Health Infrastructure Plan (HIP) will deliver a long-term, rolling five-year programme of investment in health infrastructure, including capital to build new hospitals, modernise our primary care estate, invest in new diagnostics and technology, and help eradicate critical safety issues in the NHS estate.
6. At the centre of this will be a new hospital building programme, to ensure the NHS' hospital estate supports the provision of world-class healthcare services.
7. The Government has announced six new large hospital builds that are receiving funding to go ahead now (aiming to deliver by 2025), and 21 more schemes that have the green light to go to the next stage of developing their plans (with the aim of being ready to deliver between 2025-2030). In total this first tranche involves more than 40 hospital building projects. There will be opportunities for other schemes to bid for funding in future.
8. The HIP is not just about capital to build new hospitals – it is also about capital to modernise mental health facilities, improve primary care and build up our infrastructure in interconnected areas such as public health and social care – all of which, together, ensure this country has the world class facilities that it needs.

9. The Government has already recognised the need for further capital investment in the NHS by announcing over Summer 2019 a £1.8 billion increase to NHS capital spending over five years starting this year (2019/20), £250m for AI over the next three years, £200m for new diagnostic screening equipment, and confirming that the Department of Health and Social Care will receive a new multi-year capital settlement at the next capital review. This is all additional to the £3.9bn extra capital funding announced at the 2017 Spring and Autumn Budgets.
10. **Overall, we will need three key things to make NHS infrastructure fit for the future:**
  - **A new five-year rolling programme of investment in NHS infrastructure** – a strategic approach to improving our hospitals, primary and community care estates and health infrastructure, with waves of investment in new infrastructure initiatives. A multi-year capital settlement will provide greater certainty to develop capacity, plan effectively, get better value for money and unlock delivery of commitments already made;
  - **A reformed system underpinning capital to ensure funding addresses need** – ensuring funding reaches the frontline when and where it is needed, with national infrastructure to support this, and clear accountability for how it is spent; and
  - **Backing of wider health and care sectors with funding at the capital review** – there are several areas we can go further to strengthen health infrastructure in related sectors to support the NHS.
11. The full shape of the investment programme will be confirmed when the Department for Health and Social Care receives a multiyear capital settlement at the next capital review – and at that point an updated version of this document will be published.
12. In the short-term, we will take the following next steps:
  - Support the schemes announced as part of this first investment round to start delivering as soon as possible;
  - Continue to design the shape of the phases of HIP;
  - Confirm a multi-year capital settlement for DHSC at the next capital; and
  - Provide detailed guidance to sector on the new capital regime.

## A. Health infrastructure is more than just ‘bricks and mortar’

13. When we talk about ‘capital spend on infrastructure’ in this document we mean:
  - a. **The long-term assets that support the NHS’ delivery of world-class care –** including land and buildings (hospitals, community facilities, GP surgeries, pharmacies), equipment (ambulances, x-ray machines, MRI scanners), plant and machinery and technology (computer systems, software and databases); and
  - b. **The accompanying healthcare infrastructure that supports health outcomes –** including genomics, adapted or specialised housing, public health, research and development (R&D) and more strategic investments by the Department and our arm’s-length bodies – all of which are interrelated with and critical to the quality of frontline care.
14. The total capital assets employed across the health systems has a value of over £50 billion. NHS estate alone is vast, much of it consists of world-leading facilities that enable the NHS to do what it does best: delivering outstanding care for patients.
15. This infrastructure is all maintained and improved through capital investment, which is a key part of meeting current and future patient demand through ensuring patient safety, better health outcomes, reducing key cost drivers in the system and supporting the NHS workforce to do their jobs effectively, in well-designed and safe settings. Investment in well-designed buildings can also help improve productivity and reduce costs across the NHS estate, for example reducing maintenance costs, or reducing walking times for staff.
16. The total Department of Health and Social Care Capital Expenditure Limit (CDEL) agreed at the recent Spending Round 2019 was £7.02bn for 2019-20 and £7.06bn for 2020-21 (this excludes the additional funding announced with this Plan). The total funding is split into several different areas of spend by the NHS and non-NHS sectors. The funding allows NHS organisations to invest in new facilities and maintain and upgrade existing estates, equipment and IT, as well central spending on primary, community facilities by NHS England. In the non-NHS sector, it provides for spending on research and development, the Disabled Facilities Grant and Care and Support Specialised Housing Fund (social care capital for specialised or adapted housing) and more strategic investments by the Department and our arm’s-length bodies.



## B. Health infrastructure – time for an upgrade

17. Because health infrastructure is a long-term investment, we need to get it right for the healthcare needs of today and the future. There are two main challenges with capital. Firstly, increasing demand for health and care services from patients means that demand for capital is outpacing funding, and secondly, the rules on how capital is spent no longer support the most effective use of the funding that is available.

### Demand for capital still exceeds funding levels

18. As the NHS Long Term Plan makes clear, much of our estate consists of world-leading facilities that enable the NHS to deliver outstanding care for patients. However, some of our estate is old and does not meet the needs of a modern health service even if upgraded, and we also need to ensure sufficient investment to make use of the most advanced technology and meet our future aspirations. The NHS estate is not just hospitals; primary and community care estate must also be fit to meet current and future demands, recognising the commitment made in the NHS Long Term Plan to boost out-of-hospital care.
19. There is significant unmet demand for capital in the system. A key example of this is that the NHS is reporting significantly increasing levels of backlog maintenance, up 37% between 2014-15 and 2017-18 to £6.0bn<sup>1</sup>, with the highest risk category ('significant') rising most rapidly.
20. The retirement of off-balance sheet government-funded infrastructure (formerly known as "PFI" or PF2) has also removed a significant source of funding from the system, given the majority of new acute provision over the past 20 years has come through PFI. It is therefore clear that public capital funding will be needed to deliver new large hospital replacements in the future.

### The system for investing capital is outdated

21. The way we invest capital funding in the NHS is outdated and needs a major overhaul to ensure that further investment can have the maximum impact. The current capital regime (i.e. the rules that govern how capital is allocated and spent) has remained the same for over a decade, and we recognise this presents challenges both nationally and locally in effectively planning and forecasting capital investment.
22. The issues with the current system are well-known, but in summary they include:
- **The approach to allocating capital funding is outdated.** This includes lack of clarity about how Government is allocating funding to align with local priorities and patient needs, uncertainty about which funding sources are or are not available, and lack of alignment. This coincides with the NHS' intention to move to planning across a

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<sup>1</sup> 'Backlog maintenance' is a measure of how much would need to be invested to restore a building to a certain state based on a state of assessed risk criteria. Estimates are taken from the latest available Annual Estates Return Information Collection (ERIC) published by NHS Digital.

local system rather than at individual provider level, and NHS England's aim of Integrated Care Systems (ICSs) covering the country by April 2021. They will be central to the delivery of the NHS Long Term Plan. Moreover, the use of separate rules for Foundation Trusts (FTs), NHS Trusts and Trusts in financial distress has resulted in a multi-tier system that is difficult to navigate.

- **The approvals process is overly bureaucratic and difficult to navigate through,** making it too difficult for projects to get off the ground and deliver frontline benefits for patients.
- **The overall framework isn't conducive to effective delivery of projects,** in particular because of the lack of budget certainty over multiple years. This makes it challenging for providers to plan and spend the available capital in-year in the absence of long-term plans, and (given the majority of capital spending is by NHS providers) means the Government has no choice but to delay decisions about central capital investments until later in the financial year. This has a knock-on impact on overall investment and delivery and frustrates those who have managed their revenue budgets efficiently to support local capital investment.
- **Over time the capital regime has gradually become disconnected from the systems for revenue and cash (i.e. interim finance given out by Government),** which has created an overly complicated system that does not always drive the right behaviours or reward those who have managed their revenue budgets efficiently to support local capital investment.
- **In light of the Government's decision to retire 'off-balance sheet' government-funded infrastructure,** without an intention to replace it (as has been clear in the Infrastructure Finance Review), Trusts need to be particularly mindful of approaches from private companies with potential refinancing, restructuring, or real estate and land deals – where the default assumption is these will score to the Government's capital budget ("on-balance sheet") and thus score to the system-driven NHS allocation referenced in paragraph 38.

## C. The system we need – robust infrastructure for the NHS to deliver world-class care

23. The NHS and public deserve a world-class healthcare system that is built on robust foundations to support people to stay healthier for longer, and care for them when they need it.
24. Achieving this requires sufficient levels of, and certainty over, capital investment in the NHS infrastructure, supported by a revised financial system that is fit for purpose, and complimentary investments in wider healthcare infrastructure. More details on each are set out below.

### The NHS has the capital and long-term funding certainty that it needs

25. By their nature, capital investments tend to involve planning and delivery over multiple years, and as such, the quality of capital plans and delivery of capital projects is higher when they have certainty of timescales and budgets over a multi-year period. We recognise this and are determined to facilitate this multi-year approach, whilst maintaining the ability to provide rapid capital investment in response to unforeseen issues (such as improving fire safety in the aftermath of the Grenfell Tower tragedy), and Government retaining the overall ability to adapt its fiscal policy in light of the economic context.
26. In the Government Response to Sir Robert Naylor's review<sup>2</sup> of NHS property and estates, we outlined our vision for an efficient, sustainable and clinically fit-for-purpose estate. This vision for the estate remains the ambition we seek to deliver, one where the NHS:
  - provides a modern estate equal to delivering our vision for health and social care (most recently the 2019 NHS Long Term Plan) and new models of care;
  - ensures local strategic estates planning reflects changing delivery models;
  - aligns with current and future clinical service strategies;
  - proactively takes steps to maintain 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, boosting economic growth and creating new homes;
  - understands the cost of its estate, with comprehensive, accurate and comparable information underpinning decision making; and
  - draws on expert advisers where it needs to but builds its own capabilities to become an effective informed client.

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2 <https://www.gov.uk/government/publications/nhs-property-and-estates-naylor-review>

27. However, the NHS' infrastructure is not just about 'bricks and mortar' – it is also about the digital technologies and data sharing capabilities that are needed to provide better care to the public, in a way that is strategic and joined up with estates planning. The NHS needs technology that reduces the burden on clinicians rather than increases it, for systems to talk to each other, for data to flow to where it is required when it is required, and technology that gives citizens the tools they need to access information and services directly.
28. There are several areas where we can go further to ensure the NHS has the digital technology and support that it needs for the future:
- Reducing the burden of old technology on the workforce, and ensuring they can access a single sign-on solution meaning they no longer have to wait for up to 30 minutes to log in;
  - NHS providers being able to implement strategic transformative improvements to their IT infrastructure, including putting in place EPR systems. This will improve the safety and quality of care patients receive, as well as drive increases in productivity across acute, mental health, community and ambulance providers;
  - Integrating services will allow clinical data to be accessed safely wherever it is required as well as to address operational priorities such as Delayed Transfers of Care;
  - Social care providers will be supported to digitise, enabling a transformation of care;
  - Propelling the use of Artificial Intelligence both for system efficiency and for enabling improvements in care;
  - The NHS harnessing the potential of health data to deliver improved health outcomes for patients and the public, a more cost-efficient and effective NHS, and making the UK the home of data-driven life sciences research, innovation and development - including unlocking the potential of Artificial Intelligence capabilities; and
  - Improved IT systems for existing screening programmes such as the National Breast Screening System and piloting new technologies for safer and more efficient screening programmes to improve uptake rates and early diagnosis.

### **A system for allocating capital that supports its effective use**

29. For capital to be spent in an optimal way in the NHS, the underlying financial system needs to support its effective use, ensuring funding reaches the frontline when and where it is needed, with clear accountability for how it is spent. More specifically, this means the system needs to have:
- A clear definition of how we expect capital expenditure to be financed at each level, and clarification of the availability/rules around providers' access to other sources of finance;
  - Clearer and more transparent links between local level spending plans and national level spending limits, through the use of capital envelopes that are derived from total CDEL allocation;
  - Improved certainty for planning by introducing indicative multi-year capital envelopes for systems to plan against;

- A clear alignment with the system-level working envisaged in the NHS Long Term Plan;
- Reforms to the business case process to improve support for providers with case development and to streamline the end to end process so that it works better for providers;
- A revised approach to delivery and accountability, to ensure that funding is reaching the frontline as soon and efficiently as possible; and,
- Rules and incentives that better supports revenue sustainability, by making the capital regime more responsive to, and joined up with, wider NHS financial planning overall.

## Broader health and care sectors support the NHS

30. The NHS is not an island, and therefore needs to be supported by strong infrastructure in the broader health and care sectors, which together make up our healthcare ecosystem. This means strengthened central technology programmes, R&D, life sciences, social care and housing, and public health infrastructure. To plan optimally alongside the NHS, these also need long-term funding certainty. Together, these factors will help ensure high-quality and sustainable healthcare for patients for decades to come and better value for taxpayers.

31. More specifically, our objectives include:

- **Patients are benefitting from advances in genomics** – with conditions such as cancer and rare diseases detected at an earlier stage, often as early as birth. The UK is a world-leader in this field, further propelling advances in medicine;
- **The UK remains a world leader in research and development** – patients benefit through breakthroughs in earlier diagnosis, more effective treatments, better outcomes for patients, faster recovery times and more efficient organisation and delivery of health services;
- **People can stay in their homes or communities for longer, enabling them to stay connected to family, friends and wider support networks** – investment in adult social care improves outcomes for people, carers and families and delivers better value for money in more innovative ways. People can live independently in housing that has the necessary adaptations and support for their personal needs. As well as facilitating physical and mental health, individuals' needs to enter residential care are reduced or delayed, as well as fewer hospital admissions and quicker discharge back home; and
- **The public is healthier for longer and is kept safe from threats to health** – through public health infrastructure such as vaccines, anti-microbial surveillance and emergency preparedness.

## D. A new strategy to make NHS infrastructure fit for the future

32. The Government is launching this Health Infrastructure Plan – a new, strategic approach to improving our health infrastructure which will deliver a long-term, rolling five-year programme of investment in NHS infrastructure, underpinned by reform of the underlying capital system, which will tackle head on the lack of strategy that has blighted investment in health infrastructure in recent times.

### Long-term, rolling five-year programme of investment

33. At the centre of this will be a new hospital building programme, to make sure all of the NHS' hospital estate is fit for purpose and supports the provision of world class healthcare services. Today the Government has announced the first 21 major hospital building projects that are getting the go-ahead to develop their schemes for more than 40 new hospitals, as follows (please see Annex A for a summary of the projects that have been chosen):

- HIP1 (2020-2025) will include 6 new hospital projects that are sufficiently developed in order to get the full go ahead now, subject to business case approvals; and
- HIP2 (2025-2030) will include 21 schemes for 34 new-build hospitals, with seed funding provided now to kick-start schemes and allow trusts to proceed to the next stage of developing their hospital plans (and related business cases).

34. Given the long lead-times for project development, it has been necessary to choose these schemes now based on a list of priority projects already in the pipeline (and engagements with NHS England and NHS Improvement (NHSE/I)), but we also recognise there a number of other schemes suitable for these investments, so we are committing that HIP3 (2030-2035) projects will be chosen based on an open consultation to determine which new hospital projects should be prioritised. Areas that are not currently part of HIP1 and 2 should nevertheless continue developing their plans and priorities for local NHS infrastructure, and where exceptionally strong schemes come to light before HIP3, we will consider these in the context of available funding.

35. As set out on previous pages, the Government's Health Infrastructure Plan is not just about capital to build new hospitals – it is about capital to modernise diagnostics and technology, modernise our primary care and mental health estate, help eradicate critical safety issues in the NHS, and investments to build up the infrastructure in wider but interconnected sectors. The full shape of the investment programme will be confirmed when the Department for Health and Social Care receives a multiyear capital settlement at the next capital review and will feed into the phases of HIP – and at that point an updated version of this document will be published.

## Central reform of the capital system

36. We are also introducing a new capital regime, with a clearer set of capital controls and the right incentives for organisations to invest in their infrastructure, balanced alongside the need to ensure capital budgets are spent wisely in line with national and local priorities. The section below summarises the new system at a high level, with more detail to follow in technical guidance to the sector.

## Allocation of capital

37. The Department must live within its budget, set and voted upon annually by Parliament. To avoid this annual process blighting effective, long-term capital planning, this new regime will provide indicative multi-year planning envelopes over a rolling five-year period, which we will confirm annually.
38. To reflect local and national requirements, budget allocations will be split into NHS and Non-NHS sectors, confirmed in advance of each financial year. The NHS allocations will be split into three main themes:
- a. NHS provider (system-driven) – capital typically self-financed and including operational investment;
  - b. NHS provider (nationally-driven) – nationally strategic projects as well as major schemes. These projects largely require centrally-held sources of finance; and
  - c. NHS other – covering other capital such as NHSX tech capital.
39. Prior to the start of each year, and based on advice from NHSE/I, Ministers will sign-off the final annual allocation of budgets, with an explanation provided where any material changes have been made to ensure transparency.
40. For NHS provider capital expenditure, we will provide clearer and more transparent links between local level spending plans and national level spending limits by using capital envelopes that are directly derived from the NHS' total CDEL allocation. We will also ensure that the capital allocations take into account accumulated cash reserves and anticipated revenue surpluses to ensure there continues to be a benefit for those systems that have delivered and maintained overall financial balance. Setting these envelopes at the right level is crucial to the success of the new regime, so we will work closely with the NHS to develop this methodology.

## Approvals process

41. To strike a better balance between control and delivery, we are proposing two sets of changes – one to offer more assistance for providers in developing their business cases, and the other to streamline the approvals process for submitted cases.
42. To improve the business case development process, we propose to:
- a. Roll out the DHSC/NHSE/NHSI Better Business Case training package across the NHS;
  - b. Grant a portion of a scheme's funding earlier in the business case process (i.e. prior to Full Business Case approval), where a convincing case can be made for the benefit of this; and,

- c. Consider whether a specialist unit should be set up to work with trusts on business cases prior to submission to NHSE/I (reducing reliance on external consultants).
43. To streamline the approvals process for business cases once they're submitted, we propose to:
- a. Formalise the plan of using alternative bid documentation in place of a Strategic Outline Case (subject to completion of current pilot) where organisations have bid for central funding through a competitive process – saving up to 6-12 months;
  - b. Formalise approach where DHSC and NHSE/I triage cases that need extra support (due to high complexity/political sensitivity) or can be fast-tracked due to smaller scale/complexity; and,
  - c. Create a single investment committee process for consideration of major schemes (i.e. one joint committee between DHSC and NHSE/I), to reduce the number of central approval layers.
44. NHSX is currently working on improving the business case approvals process for technology spend to make sure the process is as efficient as possible. Compliance with mandated standards published by NHSX will be a key condition for approval.

## Delivery and Governance

45. We are also proposing a stronger approach to delivery, to ensure that funding is reaching the frontline as soon and efficiently as possible. At national level, while DHSC will continue to retain overall accountability for delivering within their CDEL, all national organisations will need to work closely together to manage NHS capital expenditure in-year, including through greater transparency on the budget and improved forecasting. This will be supported by an SRO structure within each organisation, and the addition of major investment programmes within the HIP to the Government Major Projects Portfolio.
46. Beyond the national level, under this new system:
- a. Providers remain legally responsible for maintaining their estates and for setting and delivering their organisational level capital investment plans;
  - b. Integrated Care Systems (ICSs) and Sustainability and Transformation Partnerships (STPs) have primary responsibility for spending within their capital envelopes and ensuring organisational plans are consistent with these; and
  - c. Regions have responsibility for supporting ICS/STPs in fulfilling their role.
47. As NHS England set out in the NHS Long Term Plan, the NHS is transitioning towards system-level working. As a baseline, this capital regime seeks to ensure the right behaviours are sufficiently encouraged, by:
- a. Offering greater clarity and certainty on availability of funding over multiple years; and
  - b. Requiring each ICS/STP to keep their aggregate capital investment within their capital envelopes, in order to be eligible to continue receiving central funding for strategic investments.



48. We expect all NHS organisations to work with us to manage capital in a more strategic way. NHSE/I have assessed whether further powers are needed over actors within the system to ensure capital spending is sufficiently well controlled. Their response<sup>3</sup> includes a proposal for a power to set an annual capital spending limit on a named Foundation Trust, to be used in a narrow targeted way, with published disclosure of the reasons for establishing the limit for transparency. This will now be progressed alongside wider NHS legislative proposals.

### Continued delivery of reform at local level

49. For this to be successful, it is vital the NHS continues to play its part at local, regional and national level.

50. Specifically, the NHS must deliver on the commitment made in the Long Term Plan to make better use of capital investment and its existing assets, to help drive the planned improvements in services in a way that is financially sustainable and delivers the maximum possible return for investment.

51. As a few examples, we expect that local health systems adhere to the following:

- a. Producing local plans for implementing the commitments set out in the Long Term Plan (as per indicative financial allocations for 2019/20 to 2023/24), based on rigorous local engagement and a comprehensive assessment of population need. The better these plans are, the easier it is likely to be to effectively allocate capital against need.
- b. Taking responsibility for the on-going ‘business as usual’ maintenance of their healthcare estates, ensuring they are sufficiently surveyed, and sensible investment decisions are made and prioritised accordingly.
- c. Preparing their Integrated Care Systems (ICSs) – which will be central to the delivery of the Long Term Plan – by April 2021 at the latest.

52. It must also be recognised that the NHS Long Term Plan was developed to be resilient to different levels of capital budgets, depending on the outcome of the next multi-year capital settlement. Successful delivery should not be relying on additional funding – it is a crucial piece, but not the only piece, of the jigsaw.

### Investment in wider health and care infrastructure

53. Alongside investment in core NHS infrastructure, there is a range of wider priorities that we will need to consider for investment.

54. This will include investment in the following areas.

55. Genomics is an evolving science and more research is needed to enable expansion of the technology for the benefit of patients and better understanding of disease. This includes pioneering research in cancer, rare diseases, newborn screening and pharmacogenomics – priority areas identified following wide engagement with academic, clinical and industry partners.

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3 <https://www.england.nhs.uk/publication/nhs-england-and-nhs-improvement-board-meetings-in-common-agenda-and-papers-26-september-2019/>

56. The 100,000 Genomes Project has demonstrated the value that genomics brings to patients, clinicians, the NHS and researchers. Building on the project's success, we have now launched the Genomic Medicine Service (GMS) and the NHS Long Term Plan includes a commitment to sequence 500,000 whole genomes through the GMS by 2023-24. The Accelerating Detection of Disease Challenge will establish a 5-million strong volunteer cohort enabling us to support research intended to improve the early detection, and thereby the prevention or early intervention, of chronic diseases in individuals, before any symptoms present.
57. Research and Development (R&D) funding for the National Institute for Health Research (NIHR) is pivotal to the delivery of the NHS Long Term Plan, by enabling breakthroughs in earlier diagnosis, more effective treatments, better outcomes for patients, faster recovery times and more efficient organisation and delivery of health and care services. The NIHR is also a core part of the UK life sciences landscape and is a partner in the NHS's Accelerated Access Collaborative, ensuring that we remain internationally competitive, as well as delivering numerous elements of the Industrial Strategy Life Sciences Sector Deals.
58. Capital spend in R&D will support three major areas of investment:
- **Enhancing translation of basic science and support for the life sciences industry** - ensuring the UK remains a world-leader in the translation of ground-breaking treatments, technologies, devices and diagnostics, delivering benefits for patients, the health and care system and economic growth.
  - **The prevention agenda** - applied preventative, public health and social care research and research in historically under-served areas, for example mental ill-health and multi-morbidity, as well as in early detection.
  - **Research to improve the productivity and effectiveness of the NHS** - generation of evidence on medicines, med tech and digital products to inform the recommendations of the National Institute for Health and Care Excellence (NICE).
59. The Life Sciences Industrial Strategy recognises the need for balance of investment between basic health research funded predominantly via the Medical Research Council and translational and applied (NIHR-funded) research. Future funding of NIHR will be important to the Government's ambition for the UK to raise total R&D investment to 2.4% of GDP by 2027.
60. **The Disabled Facilities Grant** provides means-tested adaptations to disabled people's homes to help them live as independently as possible. Poor or unsuitable housing can pose significant health risks, with associated costs to both the NHS and social care. The total cost of poor housing to the NHS has been estimated at £1.4bn per annum, dominated by costs associated with excessive cold homes and falls. There is strong evidence that home adaptations are an effective intervention for preventing falls and injuries, improving everyday activities and improving mental health. Home adaptations such as grab rails, stair lifts, and level-access showers can reduce the risk of injury, enabling faster discharge from hospital, and delaying the onset of admission to residential care.
61. **The Care and Support Specialised Housing (CASSH)** programme provides new supported housing for older people and adults with physical disability, learning disability or mental ill-health. Supported housing is a key part of a whole system approach to health

and social care as it helps prevent, reduce and delay demand for adult social care and the NHS. It helps people live independently in their own home which is suitable to their needs, instead of residing in a care home or being admitted to acute settings.

62. **Public Health** infrastructure is vital to keep the public safe from major threats to health, as well as preventing ill-health. For example, capital investment in world-leading science and R&D facilities provides critical health protection infrastructure in the event of an outbreak as well as preparing for and responding to emergencies, including through vaccines and a stockpile of antivirals for the NHS. It funds state-of-the-art equipment and upgrades in laboratories throughout England which provide services to NHS providers and local government. Capital spend supports a number of the Government's national priorities including plans to address Antimicrobial Resistance and healthcare-associated infections.
63. On a more local level, capital funds drug and alcohol services that support the most vulnerable, and fluoridation schemes to protect the oral health of local communities. We will also continue to develop plans for Public Health England (PHE)'s Science Hub to create the largest centre for applied public health science in Europe and PHE's headquarters at its new site in Harlow.

## E. Next steps

64. In the short-term, we will take the following next steps to take forward the HIP programme:

- **Support the schemes announced as part of this first investment round to start delivering as soon as possible** – as well as continuing to deliver the hospital upgrade schemes previously announced since 2017;
- **Continue to design the shape of HIP2 and HIP3** – building on this strategy as a starting point;
- **Confirm a multi-year capital settlement for DHSC at the next capital review** – ensuring planning certainty and robust infrastructure for broader health and care sectors as well as the NHS; and
- **Provide detailed guidance to sector on the new capital regime.**

What	When
<b>Overarching strategy</b>	
First publication of Health Infrastructure Plan (HIP)	September 2019
Updated publication of HIP	Next capital review in line with HM Government timescales (TBC)
<b>Investment programmes</b>	
Launch of further £850m for 20 new hospital upgrades, on top of 150+ upgrade schemes already announced since 2017 (STP Capital)	August 2019
Targeted investments in Artificial Intelligence (£250m) and new diagnostic screening equipment (£200m)	August - September 2019
Launch of new hospital building programme	September 2019
Agreement of wider set of investments, as part of new multi-year capital settlement for the Department of Health and Social Care	Next capital review in line with HM Government timescales (TBC)
Launch of those investment programmes	After next capital review
<b>New capital regime</b>	
Publication of full technical guidance on capital system for 2020/21	By end of 2019

65. These are in parallel to the wider actions being taken to implement the NHS Long Term Plan – which are also crucial if the implementation of this plan is to be successful.

## Annex A – First set of investment in new hospitals

### 6 hospitals to be developed in HIP1 (2020-2025)

Region	Trust	Proposed Sites	Location
London	Barts Health NHS Trust	Whipps Cross University Hospital	North East London
London	Epsom and St Helier University Hospitals NHS Trust	Epsom, St Helier and Sutton Hospitals	South West London
North East and Yorkshire	Leeds Teaching Hospitals NHS Trust	Leeds General Infirmary	Leeds
East	The Princess Alexandra Hospital NHS Trust	Princess Alexandra Hospital	Harlow
Midlands	University Hospitals of Leicester NHS Trust	Leicester General, Leicester Royal, Glenfield	Leicester
East	West Hertfordshire Hospitals NHS Trust	Watford General	Watford

**21 Trusts being given seed funding to develop their plans for HIP2 (2025-2030)**

Region	Trust	Proposed sites	Location
East	Cambridge University Hospitals NHS Foundation Trust	Addenbrookes	Cambridge
South West	Dorset Healthcare NHS Foundation Trust	Various (potentially 12) community hospitals	Dorset
South East	East Sussex Healthcare NHS Trust	Conquest, Eastbourne District Hospitals	Hastings; Eastbourne
South East	Hampshire Hospitals NHS Foundation Trust	Royal Hampshire County Hospital, Basingstoke & North Hampshire Hospital	Winchester; Basingstoke
London	Hillingdon Hospitals NHS Foundation Trust	The Hillingdon Hospital	North West London
London	Imperial College Healthcare NHS Trust	Charing Cross, St Mary's and Hammersmith Hospitals	West and Central London
East	James Paget University Hospitals NHS Foundation Trust	James Paget Hospital	Great Yarmouth
Midlands	Kettering General Hospital NHS Foundation Trust	Kettering General Hospital	Kettering
North West	Lancashire Teaching Hospitals NHS Foundation Trust	Royal Preston Hospital	Preston
East	Milton Keynes NHS Foundation Trust	Milton Keynes Hospital	Milton Keynes
South West	North Devon Healthcare NHS Trust	North Devon District Hospital	Barnstaple
Midlands	Nottingham University Hospitals NHS Trust	Queen's Medical Centre, Nottingham City Hospital	Nottingham
North West	Pennine Acute Hospitals NHS Trust	North Manchester General Hospital	North Manchester
South West	Plymouth Hospitals NHS Trust	Derriford Hospital	Plymouth

Region	Trust	Proposed sites	Location
South East	Royal Berkshire NHS Foundation Trust	Royal Berkshire Hospital	Reading
South West	Royal Cornwall NHS Foundation Trust	Royal Cornwall Hospital	Truro
South West	Royal United Bath NHS Foundation Trust	Royal United Bath Hospital	Bath
South West	Taunton and Somerset NHS Foundation Trust	Musgrove Park Hospital	Taunton
South West	Torbay and South Devon Health Care NHS Foundation Trust	Torbay District General	Torquay
North West	University Hospitals of Morecambe Bay NHS Foundation Trust	Royal Lancaster Infirmary and Furness General Hospital	Lancaster; Barrow-in-Furness
East	West Suffolk NHS Foundation Trust	West Suffolk Hospital	Bury St Edmunds