

Shake-up of ‘new hospitals’ project after construction capacity concerns

By [Nick Carding](#) 15 July 2021

- Construction on some frontrunner schemes has been delayed
- But project leaders insist the overall programme is still on track
- “Alliance” with suppliers needed amid concerns over construction capacity
- [NHS trusts invited to bid for capital funding for eight further new hospitals](#)

The official leading the government’s flagship hospital building programme has admitted “the brakes have come on” for some of the frontrunner projects, with some having to revisit their designs due to new requirements.

However, Natalie Forrest, the programme’s senior responsible officer, insists the plans to build “40 new hospitals” by 2030 remained on track overall, despite initial delays to individual projects. It comes as [NHS trusts were invited to bid for a share of capital funding to build or redevelop eight more hospitals](#), as part of the programme.



Natalie Forrest

HSJ understands several trusts had started forging ahead with their plans, but have been reined in by the government amid concerns there may not be enough capacity in the UK construction sector to complete all the projects by 2030.

The Department of Health and Social Care is instead now looking to create an “alliance” with suppliers, which could involve a greater degree of centralisation and streamlining of the procurement and other elements of the projects.

Construction on several of the eight leading schemes is unlikely to start before 2023-24, despite some trusts initially hoping to start before then. Those trusts face having to redesign plans that were previously described as “sufficiently developed to get the full go-ahead now” in the [Health Infrastructure Plan](#) (October 2019).

Speaking at an [event](#) hosted by Public Policy Projects last week, Ms Forrest said a new commercial strategy and alliance with suppliers would “speed up” the programme as a whole.

She said it was a fair reflection that the “brakes had come on” for Princess Alexandra Hospital Foundation Trust’s scheme.

“The reality of that slowing down has allowed us to build some capacity in the system, to create that alliance and go to the market, and come together with a different and innovative strategy for procurement... rather than steaming ahead and then wishing we’d taken some time to reflect,” she said.

“We may not start the construction on the schemes on the dates we’d planned, but we will aim to finish and open in the time we had set out for most of the schemes that we have in play already.”

Manchester University Foundation Trust, which is among the eight trusts hoping for capital funding to be released before 2025, is expecting a delay to its redevelopment due to the need to “align” its plan with DHSC – according to recent board documents.

The other [“pathfinder” trusts](#) are: University Hospitals Leicester, West Hertfordshire, Leeds Teaching Hospitals, Epsom and St Helier, Barts Health, and The Hillingdon Hospital.

One local estates chief said frontrunner trusts were focusing on getting their own plans as advanced as possible while waiting for the green light from government to start procurements.

Under the [Health Infrastructure Plan](#), the government has allocated £3.7bn before 2025 for up to eight new or redeveloped hospitals, with the remaining 32 schemes targeted for completion by 2030.



Craig McWilliam

Craig McWilliam, programme director for the project, told the same event: “The traditional procurement route tends to lead to contractors being really risk averse and sticking to tried and tested designs that they like, which are all individual to the contractor – and so the public sector doesn’t get any learning from that.

“An alliancing approach allows a more collaborative approach with a group of contractors.”

He said the alliance would be with large construction firms and smaller local-focused contractors and enterprises.

HSJ understands that the government has sorted the schemes into different cohorts, such as “under construction”, “small and agile”, and “pathfinders” (formerly the eight frontrunners). A source told *HSJ* that a scheme to improve the emergency department at Dorset County Hospital was among the projects in the “small and agile” cohort, which could be funded before 2025 despite being part of a wider estates project initially earmarked for funding after 2025.

A spokeswoman for the DHSC said adopting a “common programmatic commercial approach, with greater standardisation and repeatable design”, would be more efficient, maximise quality and “reduce delivery timescales”.

“ This approach will evolve across the programme and we are working closely with trusts on implications for individual scheme plans,” she added.

Massive transformation opportunity

Ms Forrest said the programme gives the NHS a “massive opportunity” to create new clinical pathways, virtual wards and use technology to provide extra capacity.

“It would be the easiest solution to build exactly what we need now for what we’re doing now, but this is a healthcare transformation programme,” she added.

“Those hospitals later in the programme should be able to increase their capacity significantly without us having to create healthcare clinical infrastructure. We will be challenging organisations and working with tech partners to create additional capacity in a different way to what we’d done historically.”

Competition for eight new hospitals launched

NHS trusts have until September to submit bids for major capital funding to redevelop or build new care facilities, under the “40 new hospitals” programme.

The DHSC is looking for “expressions of interest” from trusts and will prioritise plans that support the government’s levelling up agenda, are environmentally friendly and are in line with the ambitions of the NHS long-term plan. A particular emphasis will be applied to mental health trusts, as just one mental health trust (Dorchester Healthcare University FT) was chosen in the initial Health Infrastructure Plan.

The Health Infrastructure Plan is also set to be refreshed this summer.

Source

Public Policy Projects event

Source Date

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