

# Joint capital resource use plan – 2023/24

## Overview

The National Health Service Act 2006, as amended by the [Health and Care Act 2022](#) (the amended 2006 Act) sets out that an ICB and its partner NHS trusts and foundation trusts:

- must before the start of each financial year, prepare a plan setting out their planned capital resource use
- must publish that plan and give a copy to their integrated care partnership, Health & Well-being Boards and NHS England
- may revise the published plan - but if they consider the changes significant, they must re-publish the whole plan; if the changes are not significant, they must publish a document setting out the changes.

In line with the amended 2006 Act, ICBs are required to publish these plans before or soon after the start of the financial year and report against them within their annual report.

The relevant section of the Health and Care Act 2022 can be found via the following [Health and Care Act 2022 \(legislation.gov.uk\)](#) and reference should be made to sections **14Z56** and **14Z57**.

**REGION****South East****ICB / SYSTEM****Buckinghamshire Oxfordshire and Berkshire West**

## Introduction

### *Guidance:*

*Please provide some high level commentary about the joint capital plan which should be developed between the ICB and partner NHS Trust and foundation trusts – key strategic priorities, key schemes throughout the year, background to what happened last year, overview funding sources etc.*

## Our Vision

Our vision for the Estates workstream across BOB is to work collaboratively to provide an estate that facilitates the delivery of the BOB ICS long term plan, responding to, and supporting the delivery of, the aims of each of the service workstreams;

- Ensuring the ICS Estate can support the delivery of the LTP service aims and objectives
- Driving efficiency and reducing variation wherever feasible by using information related to utilisation, cost and efficiency in relation to the healthcare estate in BOB ICS
- Working across partners to maximise the use of good quality healthcare buildings, where required, and rationalising poor quality premises.
- Improving the quality and provision of assets across the ICS
- Ensuring a collaborative approach to use of assets across the full extent of the public estate to support the changing models and locations for delivery of care.

## Key Aims of the BOB ICS Estates workstream.

- To develop an estate and capital plan which supports the delivery of the clinical service delivery with the maximum possible flexibility whilst ensuring that estates are safe and as efficient as possible - Continuing to agree priorities and programmes for asset investment and disposal.
- Identifying, prioritising and supporting resourcing options for capital projects, including appropriate involvement and decision making associated with business case development and formal approval.
- Ensuring that the ICS makes the best possible use of assets and that any capital investment is used to maximise service transformation.
- A commitment to sustainable development and environmental targets and ICS wide sustainable development plans
- Ensuring safe, warm and effective services and environments, recognising the needs of our patients, visitors and staff, working together with our partners in health and public services
- Ensure the Estate responds to the changes and efficiencies driven out by digital transformation.

## Current and forthcoming BOB ICS capital & estates activity

Over 2022/23 BOB worked together to support the improvement of the NHS estate and the delivery of the BOB Clinical Strategy by providing suitable accommodation in the required locations (via the BOB Estates work stream). This work continues to progress through collaborative working across places and organisations to deliver:

- Production of priorities for BOB ICS Estates activity, and plans by organisation for the development of place Estates work.
- Development of a prioritisation framework to inform strategic estates and capital investment across the three places within BOB – to be carried forward into capital investment processes.
- Prioritisation and consolidation of the three place strategies into BOB estates and capital investment priorities. Capital investment priorities and plans were rated 'good' by NHSE.
- Reduction of backlog maintenance within the estate. This is recognised as critical to supporting the delivery of the BOB clinical Strategies. It is recognised that funds are limited and we will work together to ensure that the strategic clinical need for the properties within our estate is understood, ensuring that funds are allocated appropriately.
- Removing Unwarranted Variations. The estates work stream is utilising the model hospital data to identify unwarranted cost variations relating to estates and facilities, and investigating opportunities to remove these. Opportunities include shared procurement, and where appropriate the development of shared services.
- Development of BOB wide sustainability plans to deliver the system's required reduction in carbon emissions. The workstream will undertake a self-audit, and identify potential areas for improvement, including co-working and procuring, the use of alternative energy systems.

This work will continue into 2023/24 and beyond to align the estates priorities and vision with the overall priorities and vision of the ICS Long Term Plan. Work will include focusing on development and delivery of robust, affordable local estates strategies that include delivery of agreed surplus land disposal ambitions across places and the ICS as well as maximising opportunities for additional capital into the area.

Primary Care Networks (PCNs) across BOB engaged with the national PCN Toolkit programme during 2022/23 which aims to build on the initial national Primary Care Estate baseline exercise undertaken in the prior year.

Use of the PCN Toolkit support PCNs in developing their Clinical Strategies and then their emerging Estate Strategy to support this clinical need.

This work will provide both the baseline and strategic direction of travel across Primary Care that can be built into the overall ICS Estates strategy and allow the evidence base for prioritisation should any new capital streams become available.

Royal Berkshire NHS Foundation Trust has recently been awarded seed funding via the New Hospitals Programme. This will support the development of a long term investment programme in the health infrastructure and we are keen to develop these principles further across the ICS and support all our organisations to benefit from future waves to eradicate backlog maintenance, improve safety and transform the way our services are provided to our population.

We are awaiting the formal ministerial announcement relating to associated timeframes for progressing with the project with the ambition likely for delivery in 2028-2030.

## Assumed Sources of Funding for 2023/24

*Guidance:*

*Please provide detailed of the overall funding envelopes to which the system will be working to.*

*Explain any assumptions (and related risks) associated with the assumed sources and quantum's of funding for the ICB and Partner Trusts*

*Draft table inserted which can be expanded upon.*

| Source  | £k             |
|---|----------------|
| 23/24 Provider Capital Allocation               | 92,212         |
| Prior Year Revenue Performance<br>(75% assumed) | 6,332          |
|   | <b>98,544</b>  |
| 5% Over programming                             | 2,313          |
|   | <b>100,857</b> |
| 23/24 ICB Capital Allocation                    | <b>2,996</b>   |
| <b>Total Source of 23/24 Capital Funds</b>      | <b>103,853</b> |

- The above table gives detail of the assumed capital funding envelope that the BOB system will be working to in 23/24.
- £6.3m of the allocation relates to performance against revenue funding in the prior year and whilst on target to achieve required financial performance the final position for 22/23 is subject to audit confirmation.
- 5% Overprogramming has been assumed to allow for slippage in some of the schemes at the beginning of the financial year.

## Overview of Ongoing Scheme Progression

*Guidance:*

*Please provide an overview of scheme progression. Probably should only be schemes above a certain level*

The main schemes that will be invested in across BOB during 2023/24 relate to:

- £43m - Routine/Backlog Maintenance
- £23m - Digital & IT Investment
- £11m - Theatre Reprovision
- £15m – Plant & Machinery, Public Sector Decarbonisation Scheme
- £5m - Equipment

## Risks and Contingencies

### Guidance:

*Insert any notable risks and/or contingencies associated with the capital plan. Consider RAG rating risks also.*

The estate across BOB is a mix of bespoke buildings built in a range of different eras across multiple sites and includes PFI hospitals and LIFT premises. While several hospitals / buildings are relatively new and in good condition, much of the estate is over 35 years old, no longer fit for purpose, cannot be effectively redesigned and used to provide health services in the 21<sup>st</sup> century. Key details:

- ICS estate extends to some 317 properties on over 116 Hectares and buildings with a gross internal area of over 800,000m<sup>2</sup>
- ICS total estate cost of c.£116m (exc. GP properties)
- c.£204.5m backlog maintenance
- c.£68m high-risk backlog maintenance

As such there are significant risks across the system

- that buildings will fail to conform to modern building compliance regulations.
- to building structure and service provision due to backlog maintenance issues.
- the historic piecemeal nature of the estate gives potential risks to modern joint service provision.

As a result of historic funding challenges and siloed ways of working the majority of estate in BOB is unfit for purpose and unable to accommodate population growth and new ways of working including integrated neighbourhood teams as described in the Integrated Care Partnership Strategy. there is the risk of: BOB ICB being unable to transform primary and community care and meet its access objectives as per the Operational and Joint Forward plans Resulting in: inadequate primary and community access to essential services and an increase in inappropriate A&E attendance.

## Business Cases in 2023/24

### Guidance:

*Please insert detail of some of the key business cases in the ICB that are likely to be submitted in 2023/24.*

In addition to our core system capital Bob is planning to submit business case against national capital schemes as below:

### **National forum for Endoscopy Funding**

- £5.7m Endoscopy Space Bracknell, Royal Berkshire NHS Foundation Trust

### **Additional Capacity Funding**

- £10.1m General & Acute Beds, Buckinghamshire NHS Trust
- £ 5.9m General & Acute Beds, Oxford University Hospital NHS Foundation Trust

### **National Upgrades Programme – Wave 2 Capital Funding**

- £5.9m Lacehill Primary Care Development North Bucks, BOB ICB
- £1.4m Whitehill Primary Care Development Central Aylesbury Bucks, BOB ICB

## Cross System Working

*Guidance:*

*If applicable, can you detail how your system capital plan is coordinated with other systems or providers located in other systems.*

There is continual close system working between BOB and other local systems and providers :

- Hampshire and Isle of Wight ICS (SHIP) - co-ordination of capital programme pertaining to South Central Ambulance Service (SCAS)
- Frimley ICS – interlinked working relationships through Berkshire Healthcare Foundation Trust
- Milton Keynes NHS Foundation Trust & Swindon NHS Foundation Trust – interlinked working relationships with Oxford University Hospitals NHS Foundation Trust through Radiotherapy Outreach Services.

## Capital Planning & Prioritisation

*Guidance:*

*Please detail how your system is prioritising available resources for investments which contribute to the wider local strategic priorities of the ICS, and maximise efficiencies within an affordable envelopes as well as how this aligns with and supports the ICS' wider infrastructure strategy - in particular, priorities and plans for future use and development of its estate and assets.*

Significant investment is required within the estate portfolio to address lack of investment over a number of years, clinical compliance, backlog maintenance, capacity and to support new models of care and transformation. As such whilst more efficient use of the estate is envisaged (supported through digital transformation opportunities, care closer to home and through acute, primary care and community transformation) it is unlikely that either overall running costs of the estate or the GIA footprint will reduce significantly with the existing estate.

The estate workstream will be working to ensure that opportunities identified via Carter, ERIC and model hospital metrics are identified and progressed. This will include opportunities for identifying and resolving unoccupied space across all health partners, and increasingly across the wider public estate.

The estate workstream has already identified a pipeline of major estate investment that will be required to meet these ambitions and reduce cost.



**Annex A – Buckinghamshire Oxfordshire and Berkshire West ICB 2023/24 CAPITAL PLAN**

|          | CDEL   | ICB          | Berkshire Healthcare NHS Foundation Trust | Buckinghamshire Healthcare NHS Trust | Oxford Health NHS Foundation Trust | Oxford University Hospitals NHS Foundation Trust | Royal Berkshire Hospitals NHS Foundation Trust | Total Full Year Plan | Narrative on the main categories of expenditure  |
|----------|--|--------------|---|--------------------------------------|------------------------------------|--|--|----------------------|--|
|          |  | £'000        | £'000                                     | £'000                                | £'000                              | £'000  | £'000  | £'000                |  |
| Provider | Operational Capital  |              | 11,470                                    | 20,347                               | 10,109                             | 31,538   | 27,393   | <b>100,857</b>       | Digital/IT; Routine Maintenance; Backlog Maintenance; New build; Equipment                                       |
| ICB      | Operational Capital  | 2,996        |   |                                      |                                    |  |  | <b>2,996</b>         | GPIT refresh; Minor improvement Grants   |
|          | <b>Total Op Cap</b>  | <b>2,996</b> | <b>11,470</b>                             | <b>20,347</b>                        | <b>10,109</b>                      | <b>31,538</b>                                    | <b>27,393</b>                                  | <b>103,853</b>       |  |
| Provider | Impact of IFRS 16  |              | 867                                       | 6,580                                |                                    | 6,544  | 30,870   | <b>44,861</b>        | Leases   |
| ICB      | Impact of IFRS 16  | 524          |   |                                      |                                    |  |  | <b>524</b>           | Leases   |
| Provider | Upgrades & NHP Programmes  |              |   |                                      |                                    |  |  |                      |  |
| Provider | National Programmes (diagnostics, Front line digitisation, Mental Health, TIF) |              |   | 6,294                                | 3,732                              | 12,399   |  | <b>22,425</b>        | Front Line Digitalisation; Diagnostic Digitalisation Capability; Elective Care Recovery/Targeted Investment Fund |
| Provider | Other (technical accounting)   |              | 1,524                                     | 3,177                                |                                    | 6,893  |  | <b>11,594</b>        |  |
|          | <b>Total system CDEL</b>   | <b>3,520</b> | <b>13,861</b>                             | <b>36,398</b>                        | <b>13,841</b>                      | <b>57,374</b>                                    | <b>58,263</b>                                  | <b>179,737</b>       | Total Providers only   |