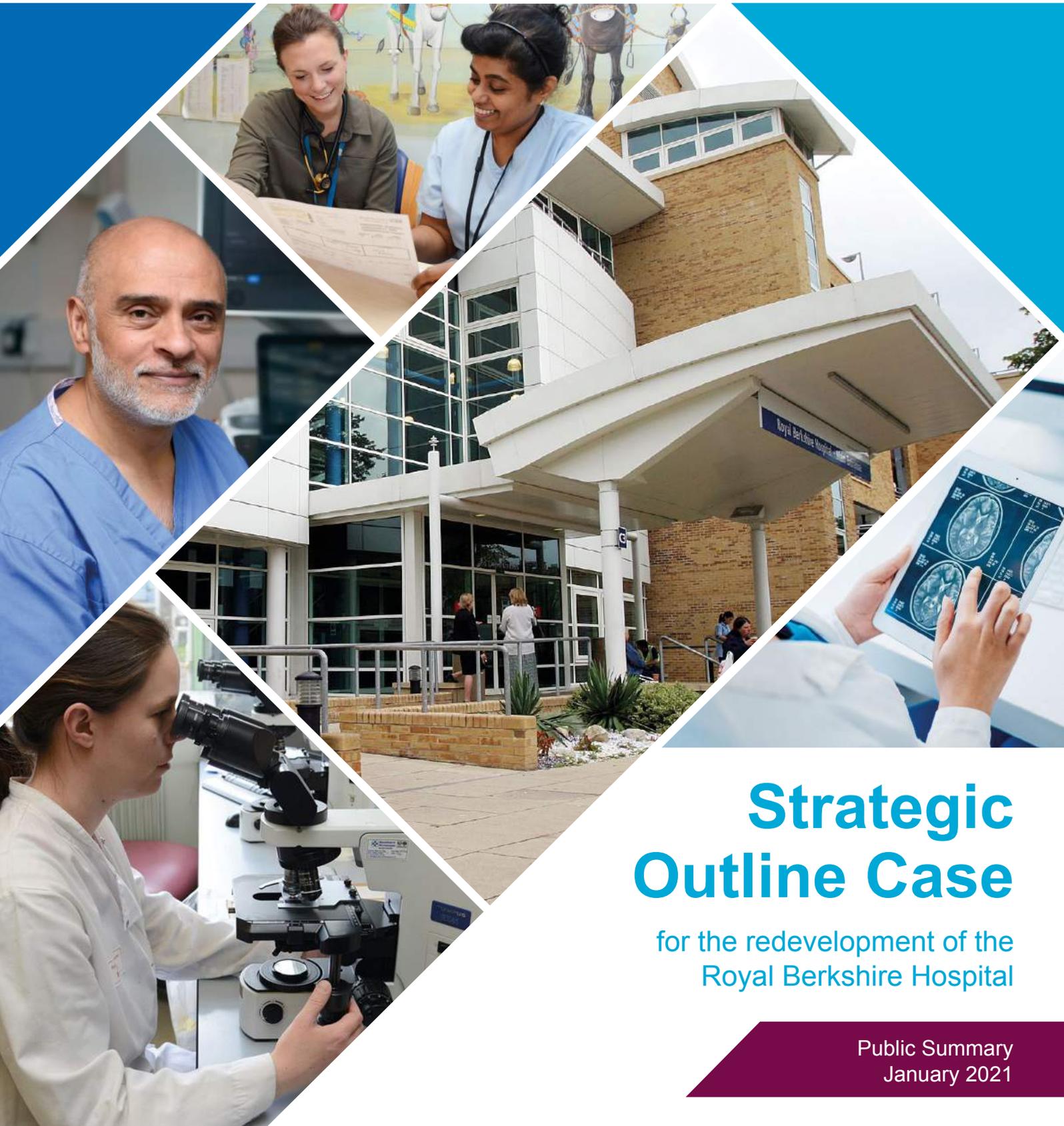


# Building Berkshire Together

“Working together to provide outstanding care for our community”



## Strategic Outline Case

for the redevelopment of the  
Royal Berkshire Hospital

# Foreword

The Royal Berkshire NHS Foundation Trust has a long and successful history of providing healthcare to the people of Berkshire and surrounding areas. We are proud of our achievements, ambitious for the future and committed to providing outstanding care for our local citizens.

The original Royal Berkshire Hospital was constructed in 1839. Today some patients are still treated in wards which are now more than 175 years old. A significant part of the hospital estate is beyond economic repair or too small to meet all the needs of our local communities.

Despite these challenges we consistently provide modern, high-quality, acute and specialist care, and over the past three years we have been rapidly developing our digital capabilities to help improve the care we deliver and our financial performance.

In the autumn of 2019, we were delighted that the Government recognised the need to redevelop the Royal Berkshire Hospital, either on its existing site or on a greenfield site, and that we were to be part of the Department of Health and Social Care's hospital redevelopment programme, the Health Infrastructure Plan.

The plan presents a once-in-a-generation opportunity for our patients, staff and local residents to benefit from state-of-the-art facilities. It will deliver a much-needed hospital building programme and will drive substantial benefits for the wider economy.

Our geographical location within the life sciences "Golden Triangle" of Oxford, Cambridge and London and in the M4 corridor, the UK's "Silicon Valley", presents a unique combination of talent, resources and networks. A redeveloped or relocated hospital, will be a catalyst for collaboration between the NHS, the academic community and local business, stimulating inward investment, research, innovation and jobs.

We believe that only the most substantial renewal of the hospital can deliver the health needs of patients, environmental benefits, economic growth and greater health and social care integration.

We have now formally submitted a Strategic Outline Case for investment and in this public summary of that case, we set out the broad options our Trust board believes should be worked up in more detail over the next twelve months. We are now ready to proceed rapidly.



*Nicky Lloyd*

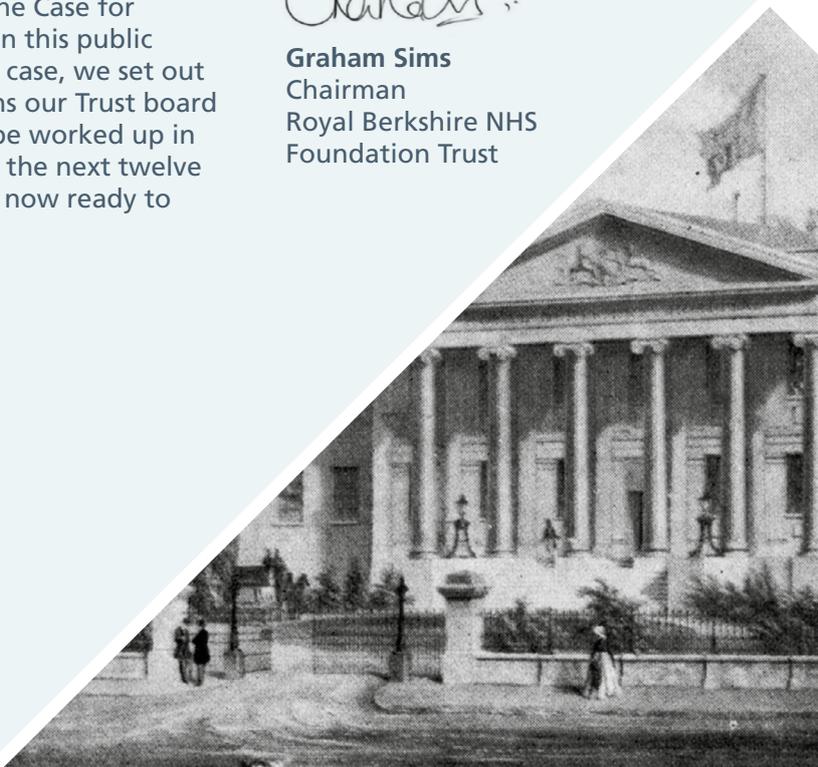
**Nicky Lloyd**  
Acting Chief Executive  
Royal Berkshire NHS  
Foundation Trust



*Graham Sims*

**Graham Sims**  
Chairman  
Royal Berkshire NHS  
Foundation Trust

December 2020



# Introduction

## Background

We started to develop our long-term thinking about the future of the Royal Berkshire Hospital some time ago. We are now able to move rapidly because the Department of Health & Social Care's recently published Health Infrastructure Plan (HIP) confirmed the funding for 40 new hospital building projects over the next 10 years.

The Royal Berkshire NHS Foundation Trust has been chosen as one of the NHS Trusts to receive seed funding to prepare a Strategic Outline Case for the future development of a new hospital. It could be a completely new hospital, or it could be a combination of new building and refurbishment. It could be on the present hospital site in Reading or on a new site elsewhere.

## The case for change

The case for change at the Royal Berkshire Hospital is compelling. It is framed around five themes, the 5Cs.

The existing hospital buildings are in poor **condition**, resulting in poor patient experience, poor working conditions for staff, high maintenance costs and safety risks.

The hospital is operating beyond its current **capacity** and expected local population growth will only mean greater health needs and rising demand for services.

The existing buildings were designed to support a 19th and 20th century model of care. The buildings limit our **capability** to provide high quality modern healthcare.

The existing buildings are a poor environment for patients and staff, and they contribute to the **climate** emergency. We need a green, low-carbon hospital.

Developing a modern healthcare campus for Berkshire would generate jobs and economic growth and act as a **catalyst** for the local economy.





## Engagement

In developing our Strategic Outline Case for major investment we have engaged extensively with staff and stakeholders, patients and public. We have worked closely with local clinicians and with partner organisations including our NHS partners, local authorities, Healthwatch, the University of Reading and local business interests.

Thousands of people have visited our engagement portal on the Trust website. We have found support for an approach to service provision that could be characterised as *“local where possible, specialist where necessary”* and a feeling that this project is about so much more than just new buildings. It is about the services we provide and how we provide them. We have heard the key message that we should be *“future-proofing”* any new facilities to ensure they can meet changing patient needs and developing clinical practices.

## System working

The Royal Berkshire NHS Foundation Trust is part of the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS), which serves a population of 1.8 million people. We are thoroughly committed to the ICS core objective of ensuring that all the local health and care organisations work together effectively to deliver joined up services with care closer to home wherever possible.

Our Strategic Outline Case is designed to support this objective. It is designed to address the health challenges BOB ICS has identified including a rapidly growing population, a rapidly rising number of people aged over 65 and a large proportion of the population with one or more long term health conditions.

## Digital technology

Over the past year we have radically accelerated the implementation of digital technologies in areas such as clinical services, patient experience and smarter working.

The rapid adoption of virtual patient appointments using video conferencing software has allowed clinicians to continue to provide advice, check symptoms, and diagnose patients in a COVID-free setting while maintaining visual contact with patients. Over the past five years the Trust has made a substantial investment in its Electronic Patient Record and has moved from paper to digital records for all inpatient activity.

Our Strategic Outline Case aims to take this work further and to ensure the Royal Berkshire Hospital remains at the cutting edge of new technology as a truly digital-first health facility.

# Developing the Options

Working with our staff and local partner organisations we adopted a three-stage approach to the development and appraisal of the options detailed in the full Strategic Outline Case.

The first stage involved the identification of a long list of potential options to redevelop the existing Royal Berkshire Hospital by reviewing approaches considered elsewhere across the NHS.

The second stage was informed by the emerging themes from internal and external stakeholder engagement and by discussions with NHS England.

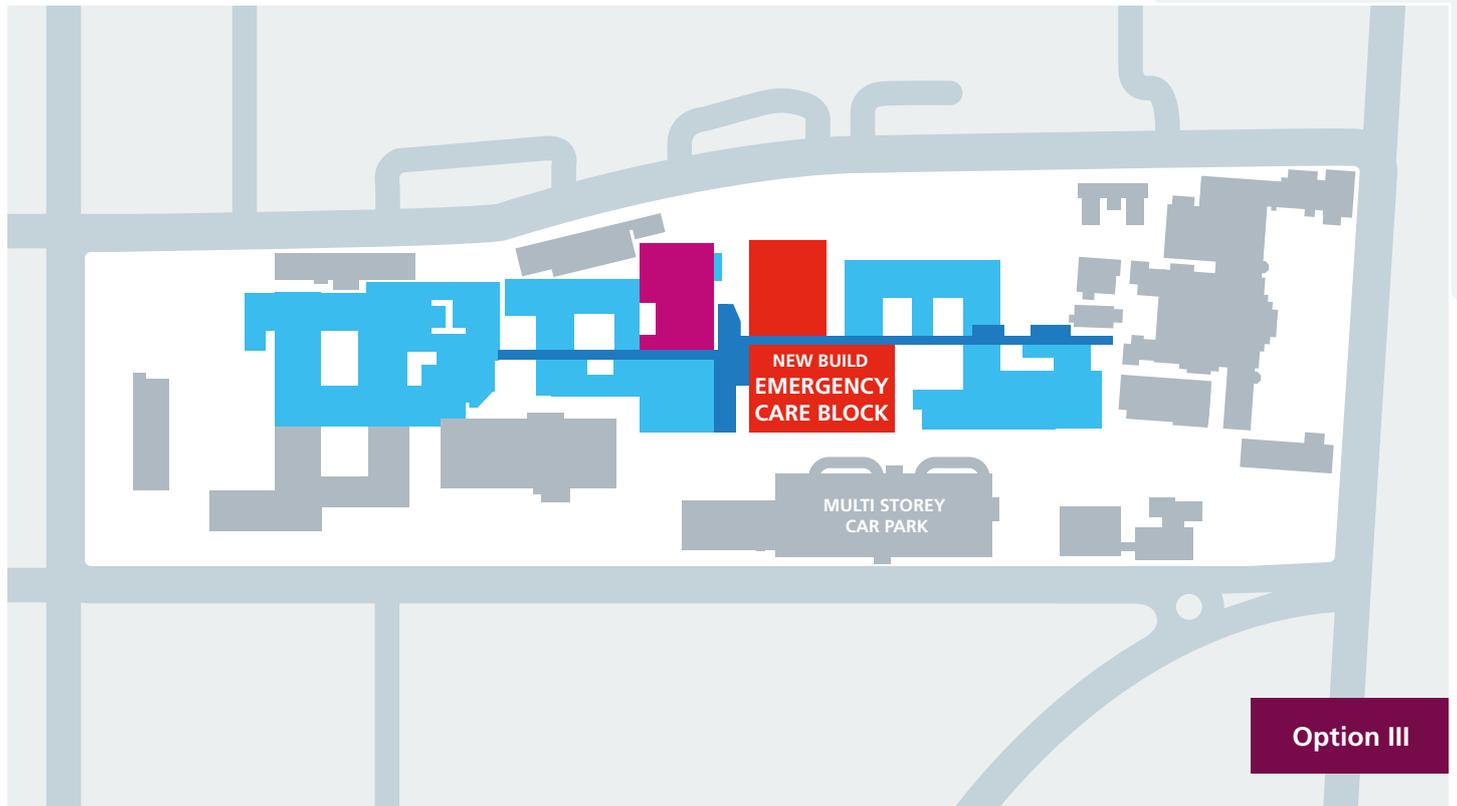
We reduced the long list of options by appraising them against a series of *weighted investment objectives* and a *group of critical success factors*. These included a commitment to high quality, environmentally friendly facilities that meet the patient needs of tomorrow and stimulate economic growth in the local economy.

The third, and final, stage involved the refinement of the stage 2 options and further input from internal and external stakeholders including our staff, patients, partner organisations and our communities.

This resulted in four options being identified as main redevelopment possibilities along with two further scenarios – the so-called ‘Do Nothing’ and ‘Do Minimum’ options – which were included simply as baseline options against which the other options could be compared.



# The Options

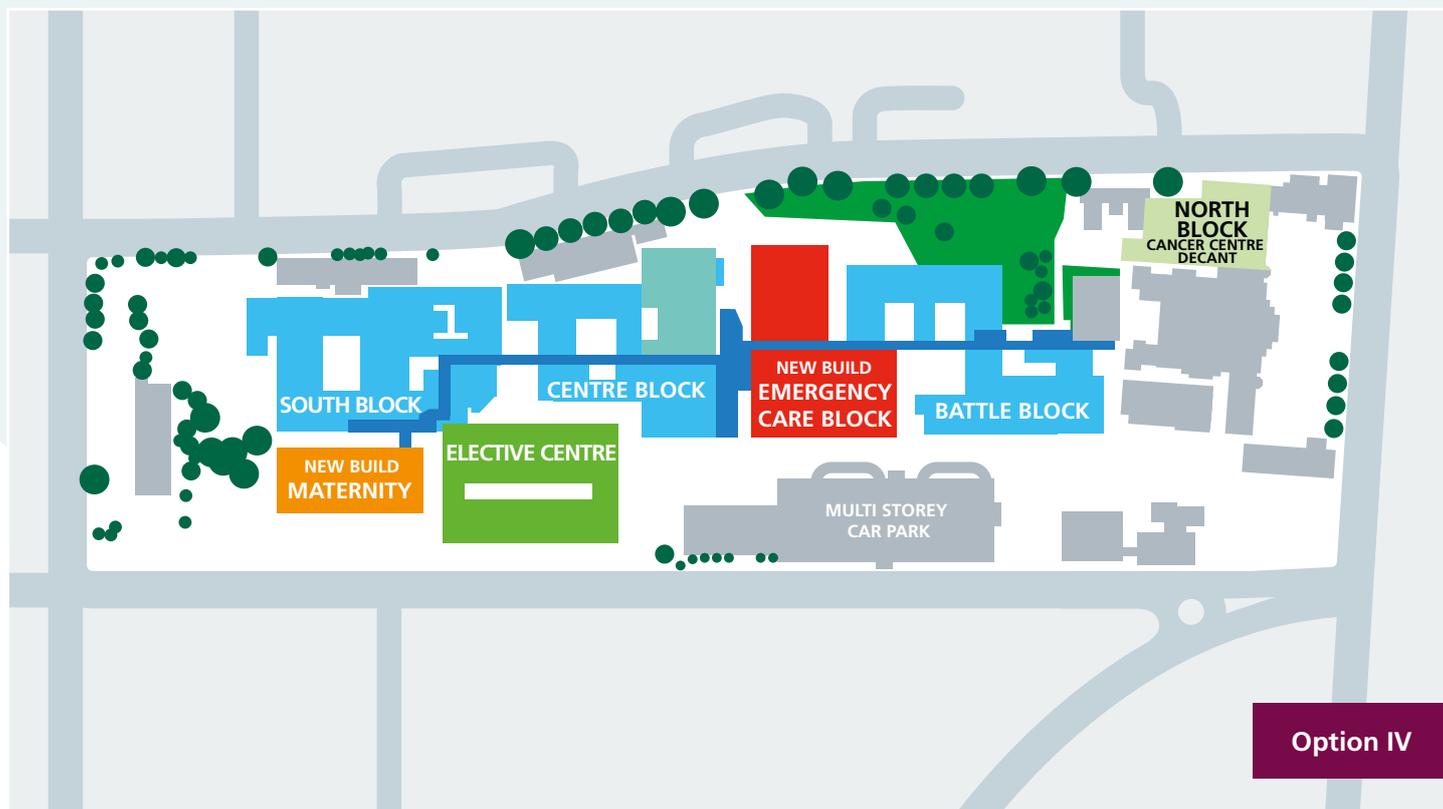


Options I and II are the baseline options against which options III to VI can be tested.

**Option I** would mean the hospital continuing to operate largely as at present. We would seek to maintain basic upkeep of hospital buildings but only the most high-risk elements of backlog building maintenance would be undertaken. This option would not address the growing future demands of local communities, it would not offer a step change improvement in clinical care nor would it help the NHS to address the integration of health and care that will be needed in the coming years.

**Option II** would also mean the hospital continuing to operate as at present, but we could address the necessary backlog of building maintenance. This option would not, however, address the growing future demands of local communities nor would it deliver a step change improvement in the clinical care. In addition, option II – as with option I - would require a significant continuing annual investment to keep our existing buildings up to scratch.

**Option III** involves the development of a new emergency care block at the heart of the present site. This would include an expanded accident and emergency service, an emergency assessment unit, new operating theatres, an intensive care unit and better provision for surgical inpatients. This option does not fully meet the expected future demand needs of local communities, but it does improve the separation of emergency and planned hospital services and it brings other departments, such as A&E and X-ray, closer together.



**Option IV** builds on option III. It involves the development of an emergency care block and an elective centre for planned hospital care. It also provides for the development of a new women's and children's facility and the potential for a local Medical School. In addition, this option offers an opportunity to grow clinical services, better address growing local needs and to serve a wider catchment area. It does not fully meet our ambitions to integrate health and care services, but it goes some way towards this.



**Option V** involves the building of a substantially new hospital on the present site of the Royal Berkshire Hospital in Reading. The iconic 1830s building on the London Road would be retained but the rest of the site would be redeveloped in phases. This option is designed to support growing demand pressures and would see a greater focus on the integration of hospital services with other health and care services. It could also involve additional clinical specialist centres, a primary care hub, private patient facilities, a medical school and teaching facilities as well as a research centre.



Option VI

**Option VI** involves the building of a completely new hospital on a greenfield site yet to be selected. This option has yet to be designed or developed but in principle it could offer great potential and it would provide an opportunity to address all the key investment objectives and critical success factors. It would also provide the blank canvas on which to build a zero-carbon health facility.

# Financial and Economic Appraisal

Each of the six options was subject to a detailed economic and financial appraisal. The value for money of each option was examined using the Government's Comprehensive Investment Appraisal model, which looks at the long-term costs, risks and benefits - including societal benefits - of each option.

Government guidance suggests that major capital investments like hospitals should seek to deliver a benefit to cost ratio of close to, or more than, 4:1 before being considered for investment. Our early modelling suggests that four options (III, IV, V and VI) are above or very close to this threshold. Further benefits have been identified but not yet quantified. Once these are quantified, it is likely that the benefit ratios of all four options will improve further.

While options IV, V and VI are likely to require the greatest capital expenditure they are also likely to be the most affordable because they deliver efficiencies and remove the rising costs of maintaining very old buildings. This improves the underlying financial performance of the Trust.

Options I and II do not improve the Trust's underlying financial performance, do not offer the ability to truly transform the hospital estate and do not deliver on the growing health needs of the local population.

Our financial appraisal suggests that while option III ultimately results in an improved underlying financial position for the Trust this is only achieved in the early to mid-2030s due to the necessary period of construction and the limited level of benefit associated with this option.



# Conclusions and Next Steps

A Strategic Outline Case is a preliminary assessment of project options, value for money and strategic fit. Considering the analysis undertaken in developing this Strategic Outline Case the Royal Berkshire NHS Foundation Trust has concluded that it is only possible to meet the investment objectives identified for the redevelopment of the Royal Berkshire Hospital by committing to a comprehensive rebuild of the hospital, that is to say options IV, V, or VI.

Our analysis suggests that the minimal intervention scenarios (options I, II and III) do not offer a sustainable future for acute hospital services and that they fail to capitalise on the considerable economic opportunity offered by the government's Health Infrastructure Programme to the people, communities and businesses of Berkshire.

***The Trust is now seeking permission from the Department of Health and Social Care, and HM Treasury, to proceed to conduct further work on options IV, V and VI through the development of a more detailed Outline Business Case.***

It is important to note that no decisions have yet been taken on which of the various options is the preferred option. The Trust is committed to open, transparent and ongoing engagement with staff, stakeholders, patients and public and if any emerging option requires formal public consultation we will, of course, undertake this before any decisions are taken.





# We welcome your views...

If you would like to know more about our emerging thinking on the redevelopment of the Royal Berkshire Hospital, please visit the Trust website [www.royalberkshire.nhs.uk](http://www.royalberkshire.nhs.uk) and click on "Building Berkshire Together".

- You can give us your views by completing the survey.
- You can watch the videos that describe our vision.
- You can join the conversation on our Forum Page.
- You can sign up for our regular e-newsletter.

You can also download the most up to date version of this and other key documents and presentations.