Ashford and St. Peter's Hospitals NHS Foundation Trust

Report title:	**Estates and Capital Plan**		
Report to:	**Public Council of Governors**		
Date of meeting:	Tuesday, 03 March 2026	**Agenda item:**	8.3
Report summary:	The paper provides information on the funding sources and draft priorities included in the Estates and capital plan for 2026/27 and future years. The capital available to us is increasing and in addition we have put forward bids to NHSE for specific projects. The paper also gives answers to a number of Estates related questions raised by Governors.		
Recommendation:	To note		
Report lead:	Hannah Hamilton, CFO		
Report author:	Hannah Hamilton, CFO		

Purpose of report:	**For Noting** ☐	**For Decision** ☐	**For Assurance** ☒

Assurance level:	**Significant** ☐ High level of confidence / evidence in delivery	**Acceptable** ☒ General confidence / evidence in delivery	**Partial** ☐ Some confidence / evidence in delivery	**No Assurance** ☐ No confidence / evidence in delivery

Link to Strategic Objectives:	Modern Healthcare
Link to CQC Domains:	WELL LED
Link to BAF risk:	SR1: We may not operate effectively, and our finances may become unsustainable over the short and long term
Potential impact on stakeholders:	
Next steps	The capital plan for 2026.27 will be finalised and we will start work to plan the projects
Appendices:	

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Estates and Capital Plan

1.0 Purpose

The purpose of this paper is to provide information on the draft priorities included in the Estates and capital plan for 2026/27 and future years, recognising the capital plan has not yet been agreed by the Board, and to give responses and updates to the queries raised by Governors. The queries will be covered first and the main body of the report will focus on the estates and capital planning.

2.0 Council of Governors queries

1. **Current position with finance and Front Desk Reception staff recruitment**

We have been trying to minimise cost to support the Trust financial position. We have weekly reception rotas for St Peters. In general there is up to 2 hours per day Monday-Friday that are not covered. In addition if there is sickness the shift will not be covered unless a member of staff from another team is free to help out at short notice.

We recognise that the volunteers are under additional pressure at front of house with queries from patients and visitors when the reception desks are not staffed. We are going to see if there is a way in which we can support the volunteers more and we have spoken to the Communications Team about introducing digital signage front of house at both hospitals to aid wayfinding.

2. **Front reception area not patient focused and not finished**

The escalator has now been removed, and the scaffolding and hoardings will be removed before the end of February. The works were more complex than anticipated and a full height glass wall on the 1st floor has been installed to improve the look, and to ensure patient safety at the 1st floor height.

A small working group is coming up with options to improve the patient experience in the main reception – this will involve much improved digital signage and clear communication on when the reception desk is staffed. It is likely that there will be a larger seating area providing a much more welcoming environment for our patients and visitors.

3. **Lift maintenance/ management - mitigation for lifts breaking down - how much money is in the pot**

The trust has a very responsive planned and preventive lifts maintenance contract in place for all Trust lifts including the high footfall lifts to the rear of the main reception. The side staircase design can also be looked at as required to make the location and feel of the area nicer for patients and visitors. We can improve wayfinding to the stairwell. A plan to redirect people to alternative lifts is being put in place should both break down at the same time which is highly unlikely. St Peters is a busy acute site, and lifts are going to be heavily used by clinical and non-clinical services. A review of lifts across St Peters will be undertaken in 2026/2027 both

in terms of assessing longevity and introducing a planned replacement programme as required.

4. **Cardiac Catheter lab refurb - funding may have released funds for other projects**

It was fantastic to be awarded £2.9m CIL funding for the Cath lab refurb and new equipment. Without this funding the project would not have been done. The Trust capital plan affordability is stretched and we would not have been able to fund £2.9m. We were able to commit £880k to put towards the full cost of £3.8m and so the generous CIL funding of £2.9m enabled us to move forward on this much needed project.

5. **Estates conditions- why wasn't this on the Trust Board - was there a private meeting that we weren't privy to**

Estates based risks are accessible via the corporate and divisional risk registers. Communication of the condition of the estate has been transparent and regular to TEB, the private Board and F&P Committee. Model hospital data which is accessible to the public provides the detail on the amount of backlog maintenance the trust is carrying.

6. **Ashford Elective Centre - when will this be fully operational- can we have an update or assurance that this will soon function as an income stream**

The elective centre is fully operational in terms of all four theatres. A number of site issues that fall outside of the main Ashford theatres project are currently being reviewed including a leaking cladding system building fabric across the site, electrical resilience issues, and water pressure improvements required.

7. **Ashford Macmillan Centre - update please**

There have been a number of delays including old pipework and foundations being found in the courtyard that did not show up on drawings or surveys undertaken. There were also some issues between construction and design brief. These have now been resolved. There is a formal project board in place, and the centre is planned to be handed over to operational teams in mid-May 2026. A formal opening date is to be confirmed.

8. **Traffic through ED being used as a cut through- can we improve signage and protect ambulance bays (also discussion re speed bumps and traffic in surrounding area)**

A project is underway to lock down ED and surrounding areas to maintain patient dignity – the ED team is working with estates to deliver a solution ideally by the end of March 2026. Road speed bumps throughout the site have been remarked. The site is open and is regularly used as a cut through for traffic to avoid the current roadworks. On completion of the road works the issue should reduce dramatically. There is already signage up re hospital related traffic only. We cannot prevent the site being used as a cut through – we can put up more signs, but

we suspect they will continue to be ignored. The travel planning office do provide operatives to help where possible when the on-site roads become backed up. The Emergency planning team has been working with the companies undertaking the road works to try and minimise disruption or at the very least to give us more notice of lane closures etc that are likely to impact directly on hospital access and egress.

9. Staff canteen costs

Tariff increases for visitors and staff were approved by TEB in August 2025 in response to a Trust ask to reduce the staff subsidy for the service down to a maximum of £150k per annum. The tariffs still represent good value for money and are still subsidised for staff. We have benchmarked with other Trusts locally, in Kent, and London and our tariffs are far more competitive, and the quality of the offering is much better in general than other trusts. The cost of food and catering team wages increase each year, and the Trust cannot absorb these additional costs. A price review is held each year to take these increasing costs into consideration, and it is likely that as the Trust moves into another difficult financial year that the staff subsidy level will need to be reviewed again in 26/27 financial year. Sales remain buoyant with staff and visitors continuing to utilise the EDU restaurants and Retreat services.

3.0 Estates and Capital planning update

3.1 Introduction

This section sets out the current position regarding the capital programme for 2026/27. The prioritisation of the Trust capital money is underway and we have submitted bids for national capital.

The Trust plans to move from an annual capital planning cycle to a three-year cycle enabling complex schemes to be planned and executed over a longer timescale enabling better planning from the Estates delivery team. This will also be reflected in the development of a rolling medical equipment programme and the development of a refreshed ward/departmental development programme led by the Chief Nurse.

The Trust Estate carries significant compliance issues which have to be addressed. This means we can expect that a significant proportion of the capital budget is spent resolving core infrastructure issues. These will take many years to fix in their entirety.

3.2 Funding sources

The capital funding available to us for 2026/27 is a welcome increase from 2025/26 and is made up of a number of sources. These are

i. Trust capital allocation from NHSE

The operational capital allocation is higher than the Trust has had in recent years which is a positive development. It increases from £13.18m in 2025/26 to £15.456m next year.

Year	Allocation
2026/27	£15.456m
2027/28	£16.071m
2028/29	£16.353m
2029/30	£16.634m

ii. Donated capital

This includes the CIL funding for the Cath Lab and NICU and the conclusion of the Macmillan cancer centre. We will of course look for any other opportunities.

iii. National Estates safety fund

The Trust has been allocated £6.9m for 2026/27 and we can bid for funds for later years from Estates safety strategic funds. The allocations are based on backlog maintenance needs. We have made the following proposals for the £6.9m.

- Theatre 6 – £2.5m (26/27 – £2.5m)
- Theatre 5 – £2.5m (26/27 – £0.5m, 27/28 – £2m)
- Electrical High Voltage intake replacement - £2.4m (26/27 – £0.4m, 27/28 – £2m)
- Electrical Supply capacity enhancement - £2.3m (26/27 – £2.3m)
- Theatre cooling replacement – £0.77m (26/27 – £0.77m)
- LV system replacement - £6.9m (26/27 – £0.9m, 27/28 – £6m)

iv. Estates Safety Strategic fund

This pot of funds is for large schemes and the Trust has bid for the following:

- UTC replacement - £15m
- Rebuild of Birch Ward – estimated cost £25m.
- Rebuild/refurbishment of main theatres at St Peters - £80m.
- Replacement of Abbey Wing - £250m

We have had no indication if any of these will be successful.

v. Return to constitutional standards funds

The Return to constitutional standards scheme is broken down into several sub schemes.

The remainder of the funding for the ED PAU of £9m is confirmed for 2026/27, taking us to a total spend of £10.5m.

In addition we have made the following proposals for spend over the next 3 years.

- UEC
    - Development of the ED, split over three schemes – totalling £40m
    - Discharge lounge at the entrance of the Hospital – £4m
    - EPU - £1.5m

- Diagnostics
  - Nasal Endoscopy at Ashford Hospital - £2m
  - Expand to five Endoscopy rooms - £22.5m
- Mental Health
  - Mental Health safe rooms - £1m

3.3 Trust capital expenditure

The £15.456 Trust capital programme has been developed using the following methodology:

a. The Estates team have identified the primary estate risks and have requested funds for deliverable schemes and for an allocation to plan for future schemes.
b. The Clinical Divisions have submitted medical equipment requests
c. The Corporate Nursing team have been involved in asking for ward funds, manual handling and resus equipment. Consequently, a new ward equipment rolling programme has been created.
d. The resus allocation has been agreed with the Resuscitation Officer.
e. BSPS have made requests which have been included.
f. The Digital requests were shared with the lead clinician for digital and discussed with the Chief Digital Officer, the digital team & the Director for Transformation.
g. The Trust is proposing a specific £1m allocation to be under the control and management of the CN and the Divisional CN's for ward improvements.

Our proposal for the Trust allocation of £15.456m is that it will be divided between the following key areas:

- Estates schemes for high-risk backlog that are not funded from a national or regional allocation
- Continuation of existing schemes that are rolling over the year end from the Estates team.
- Urgent Medical equipment and existing medical equipment rolling programmes.
- Ward/Departmental development and refurbishment
- Digital programmes.

A full capital programme will be presented to the Board for approval in March.

4.0 What are the good news stories and that we can get excited about?

Much of our capital investment is spent on core backlog maintenance but there are a lot exciting initiatives in development and we had some good wins in 2025/26.

In 2025/26:

- We were very grateful and fortunate to be awarded £3.3m CIL funding to enable us to progress the Cath lab development and NICU refurb.

- We managed to get extra NHSE capital money (£2.4m) to enable us to buy the 2nd robot. This is really important to our clinicians and without securing NHSE money we would not have been able to do this
- We bid for an got extra NHSE money to buy diagnostics equipment, refurbish Fielding ward, do gas safety works, install standby generators amongst others. This totalled £3m.
- We were able to bring forward the purchase of much needed medical equipment

In 2026/27 we will:

1. Open the Macmillan cancer centre
2. Start the build of the ED PAU. The design work is going well, we expect to submit the business case in July/August and commence building in Autumn 2026.
3. Start planning the Endoscopy expansion (if approved)
4. Make the much needed changes to the EPU
5. Upgrade Theatre 6 and start the planning work to upgrade Theatre 5
6. Make the changes to the labour recovery area
7. Start to resolve some of the core electrical infrastructure issues. Whilst this is not exciting and we won't be able to "see" any benefit it will mean we reduce our risk of electrical failure to both the St Peters and Ashford hospital sites
8. Do the Cath labs development including 2 new x-ray machines
9. Complete the NICU refurb
10. Have a ward and bathroom improvement programme

4.0 Summary

The capital funding available to us for 2026/27 is a welcome increase from 2025/26 and is made up of a number of sources. The prioritisation of the Trust capital money is underway and we have submitted bids for national capital. However other than any additional national allocations this is the total of the capital budget for 2026/27. The Trust Estate carries significant compliance issues which have to be addressed. This means we can expect that a significant proportion of the capital budget is spent resolving core infrastructure issues.