

## Trust hit by £2m penalty due to broken roof in 'toughest year' for funding

A well-regarded foundation trust expects to lose £9m for missing elective recovery targets in 2022-23, £2m of which is because it needs to close theatres to fix a dangerous roof.

Frimley Health Foundation Trust expects to carry out 99 per cent of the amount of elective activity it did in 2019-20, short of the 104 per cent target set by NHS England and government in their elective recovery plan.

As a result of this, the FT says, it will lose £9m in funding.

It has said a key reason for failing to meet the target is that theatres at its largest hospital – Frimley Park – will be taken out of use to allow for urgent work on their roofs. They contain RAAC planks, which are made of a particular form of concrete which requires increasing maintenance to prevent it causing a safety hazard (see more details below).

FHFT plans to carry out works on its theatre roofs in the first two quarters of 2022-23, closing one or two theatres at a time. Capacity is likely to be reduced by around 2,000 operations as a result, it has calculated. Longer term, it has applied for £1.26bn under the new hospitals programme, which would include replacing Frimley Park.

The theatre closures will cost it around £2m in lost income, it has estimated. It expects to lose another £2m due to a slowdown as it introduces a new electronic patient record in June, and then £5m due to emergency work affecting its ability to admit elective patients to beds.

The work on RAAC planks will cost £8.1m in 2022-23 and £5m in each of the following two years.

Overall, the trust expects to have a deficit of over £35m in 2022-23. Director of finance Nigel Foster told a board meeting on Friday: "In 20 years of working in senior financial positions in the NHS, this is the toughest year financially I have ever seen.

"It feels as if we are on the brink of a cliff edge as we move into 2022-23."

The £35.2m deficit is despite £15m of help planned from the Frimley integrated care system and £28m in cost-releasing efficiencies, he added. The trust was having to deal with the impact of inflation and £15m in additional capital charges.

A spokesman for the trust said: "Some RAAC-built office accommodation on the site has already been demolished and replaced with a two-storey modular building.

"£8.1m will be spent on reinforcement works in our theatres, ICU, maternity department and other parts of the Frimley Park site [in 2022-23].

"This remedial work is a temporary measure until areas of the hospital affected by RAAC can be replaced. Patient care and safety remains our priority and we have plans to minimise disruption."

### RAAC facts

RAAC ("reinforced auto laved aerated concrete") planks were used in a number of NHS hospitals built between the 1960s and 1980s. Those built before 1980 have now exceeded their expected lifespan and require frequent inspections and maintenance, often amounting to tens of millions of pounds. Many of the trusts with these planks are looking at replacement or rebuilding of hospitals rather than removing the planks and building new roofs, which would be costly and disruptive.

**By Alison Moore**

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