The ROYAL MARSDEN
Private Care

Cavendish Square Full Business Case

March 2020

PRIVATE AND CONFIDENTIAL

Contents

1. Executive Summary

In May 2017, the Board approved an Outline Business Case (OBC) for an investment of £15m (an up-front capital investment of £12.6m plus £2.4m to support working capital) and a commitment to a 20 year lease term for a 19,000 sq.ft. Private Care, Diagnostic & Treatment Centre located in the Harley Street Medical Area.

This Full Business Case (FBC) updates the OBC with the following key changes which the Board are asked to approve :-

i) ***Payback has shifted from 6 to 7 years.***

Additional workforce costs are incurred due to increased training, earlier recruitment and the shift in tumour types from common cancers only to include haematology, lung and head & neck.

A 7 month delay to opening vs the OBC due to the landlord's works overrunning and extended negotiations around the residential build.

A 2 month quality assurance and patient testing phase from November has been added.

Building occupancy costs have increased by 11% due to IT, waste and cleaning costs being underestimated in the OBC.

ii) ***The Year 1 income target of [redacted] remains achievable despite an increased risk of volatility from Kuwait.***

The Service offer has been widened to include a broader range of tumour types including haematology, lung and head & neck cancers.

Consultant commitment has been stronger than anticipated.

Nine months from 66% of Yr 1 target activity has already been identified.

PMI contracts (to include Cavendish Square) signed with all the key insurers except Bupa (targeted in June 2020).

Demand from Cavendish Square into Radiotherapy, Surgery and other services is estimated at £3M contribution in Year 1 (but not costed or attributed within the FBC).

This income target has shifted by one year due to the 9 month delay in the building being fully operationalized and this is therefore year 2 of the financial model.

iii) ***Intense market competition and constrained Chelsea capacity have increased the strategic significance of Cavendish Square and requirement to improve the RM service model.***

The London oncology market has grown by 31% with four new entrants over the past 5 years.

Service expectations around access, service and environment from patients, payors and consultants have increased.

Competitive benchmarking demonstrates significant weaknesses in RM's service model.

Capacity bottlenecks in RM Chelsea (including outpatients, PPMDU and diagnostics) have increased due to higher than anticipated growth between 2016 -2020.

1.1. Progress Summary

Progress has been good despite a delay to the opening date to 2nd November 2020. The table below provides a summary of key progress across the programme.

	Progress Summary
Build	The appointed building contractor is likely to complete the build with a saving of £0.4m. Site access was delayed by 3 months due to the landlord's works overrunning. Opening of the centre has therefore been revised to November 2020.
Operations & Clinical	Pathways for core tumour groups (& selected others) have been completed. Service model and detailed service standards developed. Activity modelling for Year 1 is complete and plans to address activity gaps are being developed. A plan for endoscopy service delivery has been agreed. Procurement Team actively engaged in ensuring timely delivery of required equipment
Workforce	46 Consultants have committed to scheduled sessions with daily presence of breast, urology, diagnosticians and daily medical oncology cover. A detailed review of Job Plans has ensured that many of these consultant sessions have been secured around NHS job plan commitments. Private Care and NHS management teams have agreed an approach to resolve the remaining consultant job planning challenges for Year 1 and this work will take place over the coming months. Consultant Clinical Director (Prof Chris Nutting) appointed. Wider workforce recruitment plans being progressed, training requirements are established & recruitment in key risk areas commenced.
Commercial & Marketing	Activity plans demonstrate that approximately 2/3 of year 1 £revenue requirements are currently accounted for. Plans in development for remaining activity. Commercial strategy agreed, detailing plans to drive referrals from GPs, PMIs, Embassies and Self Pay patients. PMI contract agreements (to include Cavendish Square in the network) reached with all insurers except Bupa (targeted by June 2020). Marketing and Communications plan agreed and timeline being updated.
Governance & Finance	KPMG Audit of the Cavendish Square Governance and Estates Procurement completed. Green/Amber rating recorded with recommendations being actioned. Revised governance structure and reporting template agreed. Cavendish Sq Programme Board now meets monthly and is chaired by the Trust CEO Project Delivery Group meets fortnightly and chaired by the Programme Director. Detailed financial review of the programme to be presented as part of the FBC.
IT	Detailed IT audit completed and fully accounted within budget. Network and Wifi procurement commenced.

1.2. Key Risks & Mitigations

The following 3 risks are prioritised based on the detailed risk assessment in section 9.

i) Securing Consultant participation whilst maintaining commitment to NHS services.

Consultants desire to participate at Cavendish Square is high with 46 consultants already committing to sessions and helping to secure two thirds of year 1 revenue. A detailed review of Job Plans has ensured that many of these consultant sessions have been secured around NHS job plan commitments. Private Care and NHS management teams have agreed an approach to resolve the remaining consultant job planning challenges for Year 1 and this work will take place over the coming months. Meeting longer term growth targets will require an integrated approach to reworking of the consultant workforce model to reflect growing private and NHS needs.

Mitigation

The Trust needs to strengthen integrated consultant workforce planning in order to reflect the growing needs of both private care and NHS services. Recruitment plans are being developed for consultants to address the gaps identified in workforce modelling across both PP and NHS.

ii) Weaker than anticipated demand due to Gulf volatility that might affect the volume of Kuwaiti patients to London.

Recent changes in government and greater competition in the market has increased the risk of delivery of this key income stream.

Mitigation

Diversification of income streams including new international markets, PMI networks, Corporates and Self Pay patients.

Greater benign activity and/or a switch to a mixed model (NHS & PP) can be considered.

Space can be sub-let and the lease can be assigned.

Price reductions can be made to increase PMI referral volumes (but will impact margin).

iii) Further delayed opening with the resultant impact on revenue profile.

There remain risks, as with any capital build project that there will be further delays with the commissioning and release of the site for operational testing and use. These include a key dependence on timely procurement processes that are on the critical path of the project.

Mitigation

Tight programme governance and timely escalation and resolution of issues.

2. Strategic Context and Commercial Update

2.1. Summary

A Commercial strategy has been devised to prioritise sources of demand and define an approach to meeting and exceeding the revenue targets for Cavendish Square. This strategy was presented and approved at the Cavendish Square Programme Board in June 2019.

Budgeted revenue in Y1 is achievable at [redacted] and will be driven by developing referral channels, widening the service offer and taking market share from competitors. There is also an opportunity to transfer work from Chelsea (where capacity is constrained) as long as it is backfilled.

A demand assessment has been completed and shows that approximately two thirds of Year 1 budgeted revenue can be driven from the committed consultant sessions (assuming historic conversion rates).

In order to successfully compete in W1, RM's service model needs to change, with an emphasis upon improving responsiveness and patient experience. A new set of service standards have been defined through competitor benchmarking. These standards will be implemented and tracked through metrics outlined in Section 3.2.

A competitor review and benchmarking has been undertaken and shows that the London private cancer market is well established and growing with an estimated value in 2018 of £329m. HCA is the dominant provider in the market and competitive intensity has increased with the number of providers increasing from 9 to 14 over the past four years.

The review demonstrates that RM needs to actively promote its research led oncology model which provides a key point of competitive differentiation. Accordingly, a Marketing and PR plan has been created and approved by the Programme Board in June 2019.

At a macro level, the private cancer landscape is changing, with heightened demand for early diagnosis, personalised medicine, molecular profiling and next generating sequencing to optimise treatment outcomes. Active payor targeting and promotion of the availability of these services in W1 is required to drive demand.

RM's PP revenue growth at 61% over the past 4 years has exceeded expectations. This has led to further service constraints and capacity bottlenecks. Cavendish square will help to alleviate some of these capacity issues through transferring work where capacity is constrained.

2.2. Key Changes from OBC

Changes in Market Environment

Despite a slowing of growth in the UK private acute market, Oncology in Central London has increased by 31% since 2015 (table 1).

Revenue (£m)	2015 Revenue (£m)	2018 Revenue (£m)	%
Source	Business Case	Accounts and Insight	
HCA/ Leaders in Oncology Care	105	145	38%
Harley Street at UCH	46	55	20%
The London Clinic	15	14	-7%
Bupa Cromwell Hospital	20	18	-10%
Cancer Centre London	10	13	30%
Royal Marsden Private Care	56	84	50%
TOTAL	252	329	31%

LOC growth has been driven through the opening of new centres at the Wellington, London Bridge and Sydney Street (in addition to the original Harley St site). This growth has resulted in some cannibalisation of the wider HCA group business.

International patients seeking cancer treatment abroad have been a key market driver with Kuwaiti patients in particular favouring London over other countries. RMH has seen an increase of 61% KHO revenue over the past 3 years.

UK PMI growth has slowed and price sensitivity has increased with the dominance of corporate products.

Mid-term outlook for cancer in the UK remains firm as demand for immunotherapy and early diagnosis increases.

Competition between providers is increasing with the arrival of new entrants like Genesis and the Cleveland Clinic to London which is likely to result in greater patient choice and pressure on price.

Competition for consultant loyalty is also increasing and new models of employment and share based incentive schemes are being offered.

The volatility of the volume of Gulf patients seeking treatment in London is the biggest threat to the UK oncology market. Political instability, oil prices and domestic investment in clinical infrastructure are all factors that affect this volatility.

The table below shows that RM's research backed model of oncology care remains its strongest point of competitive advantage. This advantage has eroded slightly as HCA have built research capability through its Sarah Cannon Research Institute affiliation.

PROVIDER	Diagnostics	Genomics	Surgery	Chemotherapy	Advanced Radiotherapy	CAR-T	Specialist Allied Health	MDT	Clinical Nurse Specialists	Clinical Trials / Research	Education
HCA CQC: Good / Outstanding	✓	✓	✓	✓	✓	✓	✓	✓	✓	?	✗
The London Clinic CQC: Good	✓	✗	✓	✓	✓	✓	✗	✗	✓	✗	✗
Bupa Cromwell Hospital CQC: Good	✓	✗	✓	✓	✓	✗	✗	✗	✓	✗	✗
Royal Marsden Private Care CQC: Outstanding	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

RM Commercial Performance significantly ahead of expectations

RM has grown revenue by 62% since 2015/16 and contribution by 59%. This growth is significantly higher than projected and has been driven by International (Kuwait) volumes, average price uplifts of [redacted] and increased capacity through the Marcus centre.

The split between price growth and volume growth since 2015 is [redacted] price and [redacted] activity.

[redacted]

2.3. Commercial Drivers

1) Improving the Private Care Service Model

The business case and commercial strategy highlighted the importance of the service model to improve patient experience and turnaround times. A range of service standards have been created and are outlined in section 0 of this business case.

2) PMI, Embassy & Self Pay Referral Generation

Network agreements and full access for all PMIs to be completed by June (only Bupa is outstanding) Tariff agreements (PMI, SP and Embassy) set and pricing is in line with Business Case expectations.

Key diagnostic pricing packages will be finalised by July.

Local embassies within the W1 area have all been targeted and early indications suggest a strong willingness from embassies to direct patients to the RM facility in preference to the LOC and London Clinic offerings.

3) GP Referral Generation

A GP strategy, contact and marketing plan has been agreed for 50+ targeted central London GPs. RM's GP engagement has improved significantly over the past 3 years with a significant number of events involving GPs conducted in Chelsea and in Sutton.

4) Targeted Marketing & Comms

A detailed marketing plan and high level strategy, including key messaging was discussed and approved at Programme Board in April 2019. Overall goals include raising awareness of The Royal Marsden Private Care among B2B audiences , triggering reappraisal of our Private Care offering, services and standards and enabling sales by providing tools and resources to internal teams and commissioned agents. Audiences and key messages have been defined and agreed against these

three key objectives and detailed marketing & communication plans implemented to support successful delivery. Work is now underway with completion of some key projects such as a new Private Care website, refreshed content, video and communications/PR initiatives which had delivered some great results in promoting awareness of The Royal Marsden Private Care in advance of Cavendish Square opening.

5) Consultant Commitment

Specialty referral pathways have been agreed and key consultants targeted with commitment to clinic slots set. The newly appointed Clinical Director will help ensure that this strong commitment translates to consultants fully on board for launch.

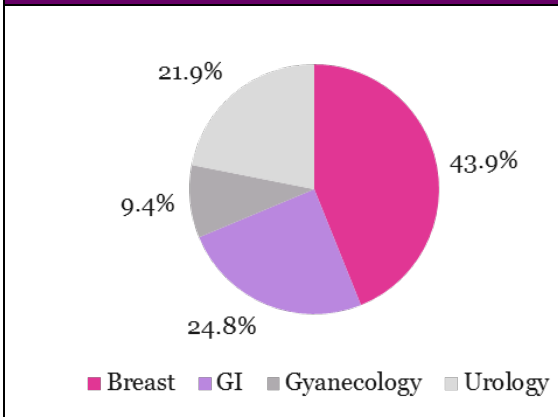
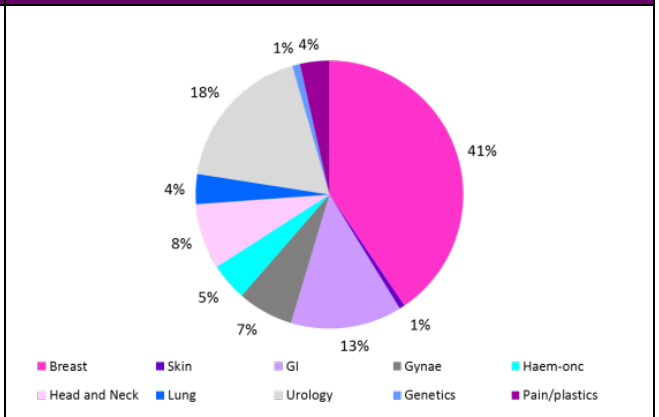
Capacity constraints at Chelsea offer opportunities to lift (& backfill) Chelsea work to pump prime the new facility whilst volumes build in year 1.

2.4. Demand Assessment

Key consultants have been approached in the specific target areas of the services to be provided at Cavendish Square. These include our consultants in the common cancers; Breast, Urology, Gynaecology, GI, Lung and Head and Neck. A detailed schedule of their activity has been created for both outpatient and day care and is included in Appendix 7 – Draft Outpatient & Chemotherapy Schedules. These have been used to generate the Year 1 activity and income projections included in this FBC, on the basis of the following assumptions:

- Clinic utilisation (at consultant level) will be reflective of that seen at the Chelsea Site in 2019/20
- Referral source will be reflective of that seen at the Chelsea Site in 2019/20
- New to follow-up ratios will be reflective of that seen at the Chelsea Site in 2019/20
- Conversion rates to diagnostic imaging and day care activity (at a specialty level) will be reflective of that seen at the Chelsea Site in 2019/20

On this basis, that 65% of the activity modelled for year 1 has already been identified and scheduled. The below charts compare the case mix from OBC to FBC.

OBC	FBC
	

3. Service Model

Cavendish Square will accommodate outpatients, diagnostics, systemic anti-cancer treatments (SACT) and minor procedures. This will allow for growth of existing oncology services, as well as the development of new models of care in early diagnosis and one-stop treatment.

The clinic will differentiate (from competitive offerings) through its pathway links to the wider specialist treatments (i.e. surgery and radiotherapy) available within the Trust and accessed via MDT review.

The facility is intended as a Private Patient only service however the clinical model will be consistent with the current integrated model deployed by the Trust.

After assessing demand and reviewing current capacity constraints, senior RM management teams and consultants have proposed the following service model components.

3.1. Opening Hours

The Outline Business Case proposed opening hours of 8am-8pm Monday to Friday with Saturday mornings 8am-1pm. The development of the Full Business Case has seen a full review and update of both the activity and workforce modelling across years 1 to 3 and proposes a phased increase in opening hours over the first three years of the centre as outlined in the table below. This proposal has been developed to make best use of resources, aligned to the proposed phasing.

Area	Year 1	Year 2	Year 3
Main Reception (and building opening hours)	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00)	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00) Saturday 08:00-12:30	Monday to Friday 08:00 – 20:00 Saturday 08:00-12:30
Outpatients	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00)	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00) Saturday 08:00-12:30	Monday to Friday 08:00 – 20:00 Saturday 08:00-12:30
Day Care	6 Chairs Monday to Friday 08:00 – 18:00	6 Chairs Monday to Friday 08:00 – 18:00	12 Chairs Monday to Friday 08:00 – 18:00
Diagnostic Imaging	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00)	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00) Saturday 08:00-12:30	Monday to Friday 08:00 – 20:00 Saturday 08:00-12:30
Pathology	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00)	Monday to Friday 08:00 – 18:00 (with 2 evenings until 20:00) Saturday 08:00-12:30	Monday to Friday 08:00 – 20:00 Saturday 08:00-12:30

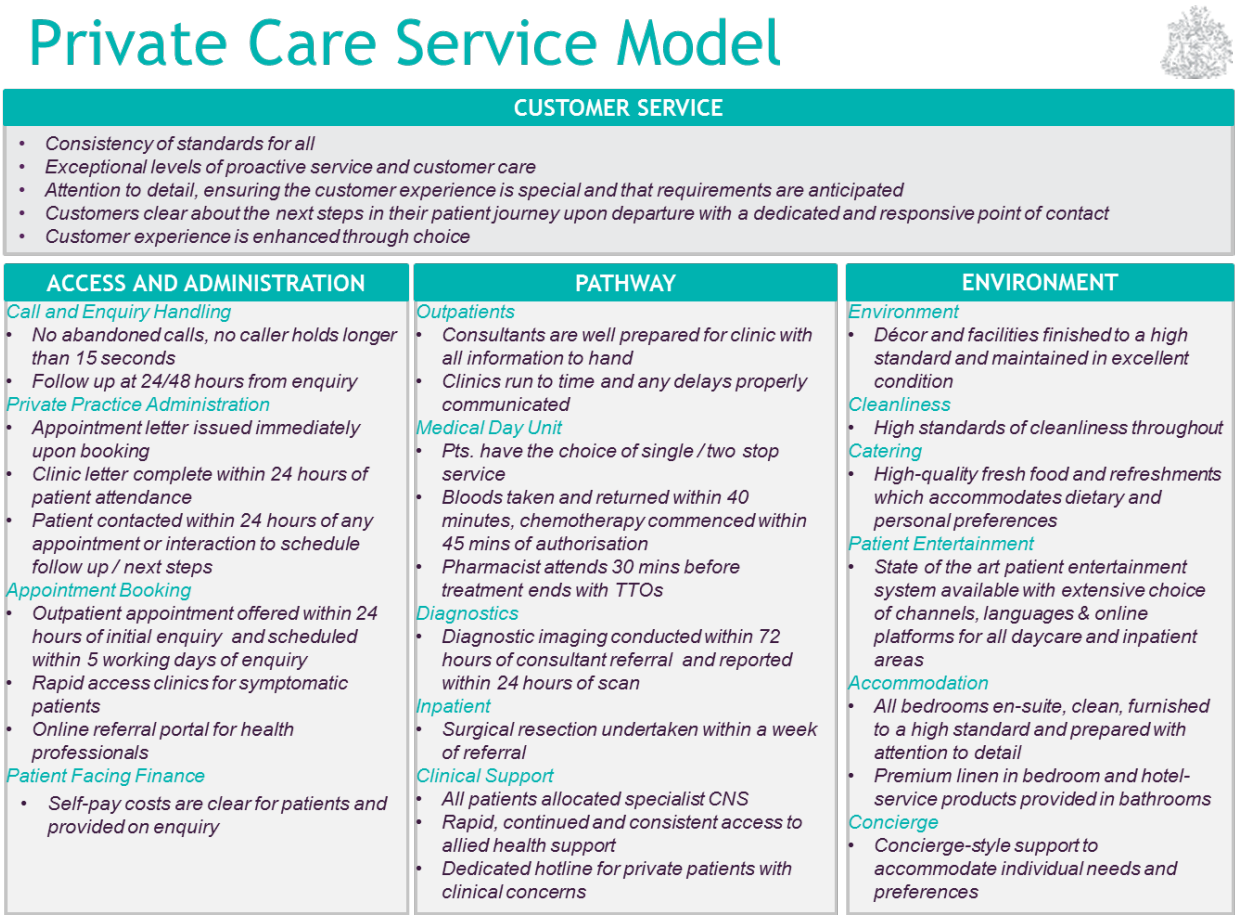
3.2. Service Standards

Royal Marsden Private Care has enjoyed significant growth over the last five years in challenging market conditions and the Cavendish Square development demonstrates a continued ambitious growth and development agenda.

It is recognised that, in order to successfully compete in this new market and to meet the projections set out in this business case, Private Care's service and operating model needs to change, with an emphasis upon improving the patient experience and customer service.

In recognition of this, the Private Care division have developed a new Service Model with a clearly defined set of service standards that are based on a thorough review of our competitors. The below diagram outlines the 4 components of the service model:

1. Customer Service
2. Access & Administration
3. Pathway
4. Environment



These standards represent the level of service delivered in competitor organisations but are universally not currently delivered at any of the existing Private Care sites within The Royal Marsden. Delivery of these at the new Cavendish Square site therefore represents a significant improvement from our service current offerings and development of a true customer service culture.

Each of the components of the Service Model outlined in the following sections, have been designed to meet these standards and as part of the implementation programme over the coming months, operational scorecards will be developed to ensure that adherence to standards will be monitored from opening (including patient level pathway tracking).

The Private Care division will be targeting improvement towards these standards across all sites for 2020/21 including rolling out a new customer service programme which will include a bespoke induction and team building programme for Cavendish Square staff.

3.3. Outpatients & Fast-track Diagnostics

The new facility will house 7 outpatient consulting rooms and one minor diagnostic procedure room that will be available to run Monday – Friday 8am – 6pm (with flexibility to open until 8pm two days per week as required). Saturdays will be available 9am – 12:30pm from year 2 as required.

The clinics will be managed through the current Private Care Front of House structure offering a large welcoming reception, relaxing waiting area and facilities.

The outpatient setting will provide new and follow-up patient consultations with the ability to offer minor diagnostic procedures such as Nasendoscopy, Colposcopy, Cystocopy, Fine Needle Aspiration (FNA), ultrasound and some biopsies. Consultants will have access to Trust wide EPR, HIS, PACS and IEP. There will be on site phlebotomy services and blood sciences laboratory. This will offer full blood count, routine biochemistry and tumour marker analysis for all patients attending the facility. The expected turnaround times will be: routine chemistry: 60 minutes, FBC: 30 minutes, tumour markers: 120 minutes. All further testing and business continuity will be provided by the laboratories at Sutton and Chelsea. All diagnostic specimens will be taken to the pathology laboratory on the main site via courier twice daily, there will be a facility in place to transfer urgent specimens immediately.

Any unwell/deteriorating patients who present to the outpatient setting with acute cancer-related complications will be reviewed, assessed and managed by an Advanced Nurse Practitioner, transferring patients to the most appropriate clinical setting as clinically indicated.

There will be financial and administrative support (including interpreters) on site to offer a streamlined pathway as well as a central Private Care referrals team on the main Chelsea site managing queries, referrals, appointments and diagnostics bookings.

3.4. Diagnostic Imaging

The facility will mainly focus on the diagnosis and staging of common cancers such as Breast, GI, Urology and Gynaecology although consultants from all specialities will be able to use these facilities. The diagnostics equipment and staff skill set will allow us to deliver FNA, biopsy, colposcopy, smear, hysteroscopy, PSA, flow rate, template biopsy etc.

The operational pathway for these services will include a PACS link into the main system. This means that the NHS can benefit from this reporting model allowing consultants to report remotely or indeed for NHS reporting to be completed in-between cases at the off-site facility.

The service offer is expected to evolve over time as a result of assessing the demand that is generated. Pathway links to access key services such as endoscopy, PET CT , Interventional Radiology and radiotherapy (available on the Chelsea sit or through partnership with other providers) have also been assessed and will continue to develop.

The radiology department will be equipped with state of the art diagnostic equipment including a 3T MRI, Dual Energy CT, Tomosynthesis Mammography with biopsy and contrast enhanced spectral Mammography capability, X-ray room and ultrasound equipment of high specification for both general and breast workload .

For all diagnostics there are a number of single “change and wait areas” designed to ensure patients have comfort, privacy and dignity whilst they wait for their tests. There are reporting suites on site ensuring the pathway of care is streamlined and if they are part of a rapid one stop clinic patients can leave with the test results and diagnosis. An Image Exchange Portal (IEP) allows scans that were carried out at sites that use the same exchange system to be reviewed on site. For patients that have undertaken scans elsewhere and have CD’s with them these can be uploaded on site.

With the above services and proposed staffing model, the clinic will enable consultants to access new, fast, one-stop diagnostic services available to patients at their first outpatient appointment.

3.5. Systemic-Anti Cancer Treatment

Cavendish Square will house 12 chairs (including 2 side rooms) and will enable greater efficiency to run two cycles per chair per day 8am-6pm 5 days per week assumed at 50% utilisation in year one. Patients will be offered SACT at Cavendish Square depending on their performance status (0-2) and treatment plan, which will be determined by the treating clinician.

The advantage of having both systemic anti-cancer treatment (SACT) and outpatients services co-located on the same floor allows consultants, ANPs, physicians and nursing staff to manage a larger cohort of patients and support dual services at the same time. SACT will be made or ordered in direct to the main Chelsea site and couriered in daily. A small amount of controlled drugs will be kept on site. Operationally patients will be able to have a blood test the day before or the day of their treatment with links into the main site for reporting if necessary. Reporting on site for standard blood tests will be available, with blood results being available within one hour. Patients will be scheduled to one stop or two stop depending on their regime and consultant working pattern/clinic time.

The following treatments will not be administered on site: blood transfusion, intrathecal and patients receiving concomitant SACT and radiotherapy. Patients requiring these types of therapy will be treated at the main hospital site.

The unit will be staffed by nursing, pharmacy, ANP and staff grade doctors with clear escalation and access to the consultant for that patient. There will be a crash trolley facility on-site and a standard crash protocol with appropriately trained staff (including Advanced Life Support skills) on site at all times to appropriately manage an emergency.

All prescribing, screening and preparation of chemotherapy will be in accordance with The Royal Marsden Chemotherapy Treatment Guidelines.

3.6. Pharmacy

Parenteral systemic anticancer treatment will be made at the Chelsea site of RMH and/or pre-ordered from external partners and delivered to Cavendish square in advance of planned appointments where possible (in compliance with agreed timelines and conditions agreed with the aseptics service).

Supportive care (TTO's) directly associated with the systemic anticancer treatments will be prepared at the wholly owned pharmacy outpatient service at the Chelsea branch of RMH and couriered over to Cavendish Square. There will be a small range of urgent support care medications (e.g. colony stimulation factors and antibiotics) available to be issued for patients unwell/unable to receive systemic anticancer treatment. Medication not related to the planned systemic anticancer treatment, if required, can be requested in advance for collection at Cavendish Square or supplied via an external letter headed private prescription.

3.7. Pathology

The Blood Sciences laboratory will offer full blood count, routine biochemistry and tumour marker analysis for all patients attending the facility. By Year 3, the laboratory will be open from 8am to 8pm and will provide onsite analysis. The expected turnaround times will be: routine chemistry: 60 minutes, FBC: 30 minutes, tumour markers: 120 minutes. All further testing and business continuity will be provided by the laboratories at Sutton and Chelsea.

The laboratory will require an area to store an essential supply of reagents and consumables in addition to short term sample storage. It will also act as the location to receive and manage all Pathology samples being sent to other laboratories within RMH at Sutton and Chelsea. The laboratory will be equipped with similar instrumentation to the main laboratories and be accredited to ISO15189.

3.8. Facilities

The Facilities solution for Cavendish Square seeks to combine a number of tasks under the banner of hotel services, which includes the tasks undertaken by typical Trust roles including ward hosts, porters/security, and the outsourced elements of cleaning, linen and waste services. The solutions being developed currently assume that services currently outsourced to a third party and a number of the in-house services will sit under the banner of Hotel Services (as opposed to Facilities, or Catering, or Portering). A statement of requirement for the services has been developed to outline the tasks that need to be undertaken.

Two service options have been developed in tandem to allow the Trust to decide on the service provider based on cost, resource control and risk. The first option is to procure the services of a service partner who can provide those services in the most efficient way, balancing availability with productivity. The second option is to develop a comparative internal model which identifies a multi-tasking role that will undertake a number of the tasks to include receiving deliveries, checking stock levels, distributing throughout the building, waste logistics, opening up and locking up, ordering hotel services related goods/provisions, monitoring standards. This will continue to sit alongside the contracted out services of cleaning, linen and waste in line with the existing service provision throughout the Trust.

3.9. Transport Provision for Cavendish Square

The storage space at Cavendish Square is minimal and therefore we have to consider how we will transfer smaller amounts of goods more frequently to Cavendish Square. Work is underway with clinical teams to share this space in the most effective manner to maximise its efficiency, but it will still require frequent servicing. Furthermore, there is a requirement by the Pathology team that a number of samples daily will require to be transferred to the main sites. (Sutton & Chelsea) and to support our service delivery Pharmacy will require to have 3 deliveries per day, to ensure timely delivery of chemotherapy and other drugs to site.

Several options are being considered to find the best most cost efficient way of providing everything required in a timely manner and with consideration of the varying risks that must be safely managed.

All services require have items delivered to Cavendish Square including: clinical consumables, chemotherapy and other pharmaceuticals, consumables and reagents for pathology and non-clinical requirements such as linen, stationary and catering supplies.

3.10. Administration

The Administration model for Cavendish Square consists of the following staff;

- Reception staff
- Chemo schedulers
- Interpreters
- Medical secretary / admin support model

Reception staff will be based in Cavendish Square in the main reception area on the ground floor where customers are welcomed and registered on arrival. Additional staff will also be based on the lower ground diagnostic reception area and will coordinate all diagnostic bookings within the centre. Both reception desks are covered to the agreed opening times.

Chemo scheduling staff and interpreters are facing patient's roles that will be based within the administration office situation next to the main reception area. Some staff will cross cover both sites, Chelsea and Cavendish Square.

Admin staff based off site includes pre authorisation and billing team members. These functions are being provided through expanding existing teams and we are exploring space options for these additional posts in the Teams currently based in Wallington.

Additional medical secretary posts are provided to deliver a smooth and efficient booking process providing rapid access into The Royal Marsden, Private Care. The structure and functionality of these roles are currently being reviewed to provide the best service to all service users; patients and consultants and we continue to explore options alongside the Trust wide excellence in administration programme to determine the best possible model which supports deliver the Private Care service standards.

3.11. Tumour Groups

To ensure our service provision matches demand, the common cancer tumour groups have been targeted initially. Cavendish square will offer a Breast Diagnostic service on 4 days per week a Urology service 5 days per week, with Head & Neck on 4 days, GI on 4 days and Gynaecology 3 days. A robust medical Oncology service to support this and match the diagnostic clinicians on site is also offered on the same days. Supporting these common cancer types is the provision of expert consultants in many other disciplines; this includes Haemato oncology, general surgeons, Plastics and Genetics consultants.

Discussions will also be taking place over the coming months about other supporting specialties such as pain, psychology and therapy services that could form part of the model of care in Cavendish Square.

3.12. Inter-Site Pathways (within The Royal Marsden)

With this facility mainly focussing on diagnostics and medical oncology, some patients will no doubt convert to surgery, radiotherapy & PET (unavailable on site), although no revenue has been assumed within this case (as per OBC). Conversion to these services does present a potential upside from Year 1 onwards, estimated to be up to £3m contribution pa, see Appendix 8 .

PET

A review of capacity for PET with the Clinical Services division is required, once detailed conversion rates and activity is calculated. Initial discussions with the division indicate that with extended hours and the associated additional resource, these additional patients could be accommodated.

Surgery

Current surgical capacity is constrained within the Trust, with demand for NHS and Private Care patients increasing year on year. Although difficult to quantify, there is already a stream of Private Care surgical procedures that are delivered at competitor institutions due to the lack of timely capacity available at The Royal Marsden Chelsea.

The division is working through the Trust-wide Theatres transformation programme to review options for increasing productivity through existing capacity. In addition to this, Private Care is also exploring the options for partnerships with other Central London providers to deliver these services locally. This has been highlighted through 2020/21 business planning as one of the biggest operational risks to the Division and will require investment and dedicated resource to ensure effective delivery. This will be addressed separately through the business case process and the income associated with this work has not been taken into account here.

Radiotherapy

Patients receiving Radiotherapy routinely see their consultants on a weekly basis in “on treat” clinics. Although patients may start their pathway and have their diagnosis confirmed at Cavendish Square, whilst on treatment, patients will be seen at RMH Chelsea.

A review of options for the possible expansion of capacity within radiotherapy is required. Currently clinical oncology accounts for 20% of our business. Initial discussions with the lead for clinical oncology suggest that with extended hours, these additional patients could be accommodated.

3.13. Off-Site Pathways (to other providers)

Following the submission of the Outline Business Case, several clinical pathways have been reviewed and principles established for the transfer of patients outside of The Royal Marsden for elements of their care. So far these have been agreed as:

- Endoscopy
- Echocardiography
- Benign Diagnoses

For these elements of service provision, it has been agreed that patients will follow the existing informal pathways used by consultants, rather than by establishing formal partnerships with local providers. Robust patient pathway tracking will be established (as outlined in the Service Standards sections), alongside clear operational scorecards to ensure that patients are returning to The Royal Marsden for their on-going oncology care wherever possible.

4. Programme Delivery

4.1. Overall project governance

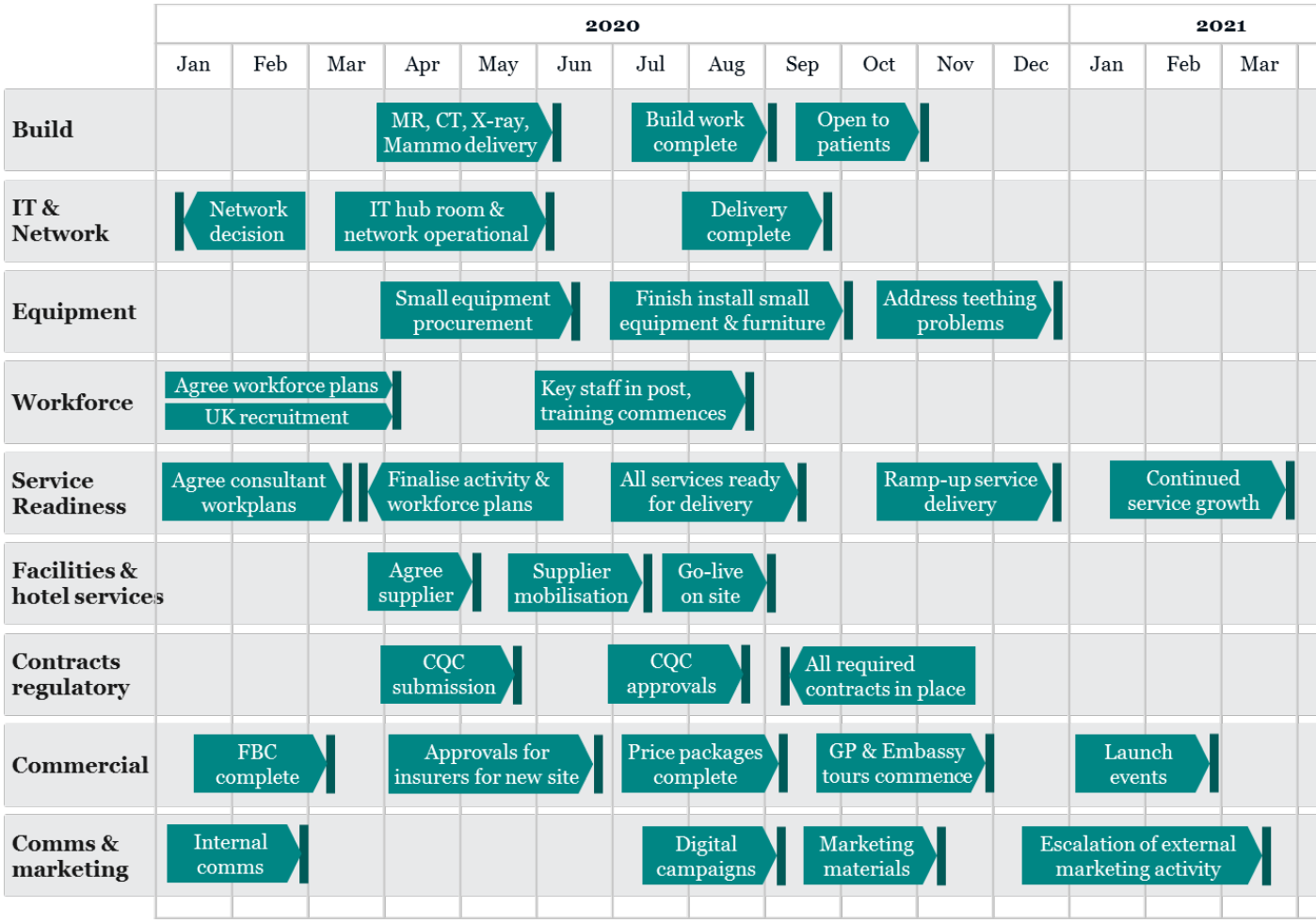
The monitoring of delivery against the Critical Path Milestones is through a Programme Board, which has recently been revised as part of a wider governance review. The membership of the Programme Board now includes more Executive directors and the Chief Financial Officer.

A fortnightly Delivery and Operations group has been established to monitor and support decision making to drive the project forwards, as we approach the final months before opening.

The reporting documentation has also been revised to provide greater scrutiny on progress, risks and mitigations throughout the project.

Work stream meetings continue to refine how services will work operationally and ensure workforce and capital equipment plans are on track.

4.2. Critical Path Programme Milestones 2020-21



4.3. Project countdown key activities table

8-10 months to go	**Jan–Mar 2020**	▪ Network decision ▪ Imaging equipment ordered ▪ Consultant scheduling agreed, departmental activity and workforce plans approved ▪ FBC completed and approved ▪ On-going internal communications and engagement
5-7 months to go	**Apr–Jun 2020**	▪ IT hub room & network operational ▪ Commence equipment install & testing ▪ Staff recruitment ▪ Agree facilities service provider ▪ Insurers approval of new site ▪ CQC submission
4 months to go	**July 2020**	▪ Staff training commences ▪ Facilities supplier mobilisation
3 months to go	**Aug 2020**	▪ All key staff in post ▪ Practical testing of service readiness ▪ CQC approvals
2 months to go	**Sept- Oct 2020**	▪ Practical completion of building; equipping and commissioning underway ▪ Facilities and hotel services provider mobilisation ▪ Digital marketing campaigns underway ▪ Install and test hardware, software, PES ▪ Snagging
Opening and launch	**Nov–Dec 2020**	▪ Patient information updated ▪ Cavendish Square open to patients – 2 November 2020
1-3 months post launch	**Jan-Mar 2021**	▪ Escalation of external marketing activity ▪ Continued service growth

4.4. Operational Mobilisation - "Year 0"

Following delays in completion of building works, the site will now enter the commissioning phase in September 2020. Subsequent to the Outline Business Case, the need for a short "Testing Phase" has now been identified. The OBC assumed that much of the clinical pathway testing could take place in the "pre-launch" phase, however the extent of the works still taking place during that time (as summarised below) make it inappropriate to have the first patients using the building until November 2020.

Pre-Launch
Sept-Oct

Commissioning
Estates:
- Signage installation
- Art installation
- Telecoms installation
- IT installation
- Wifi installation
- Delivery of furniture
- Medical equipment delivery & installations
- Asset tagging
- Delivery of consumables
- Coffee machine installation
- Deep clean

Regulation & Compliance:
- CQC visits and sign off

Operations:
- Staff on-site induction & training
- Staff application testing
- End-user consumable stock up
- Pathway walk-throughs
- Diagnostic QA testing

Commercial/ Marketing:
- External inspections

Testing (Yr 0)
Nov-Dec

Operations:
- First patients use the building
- Small scale pathway/ service testing

Commercial/ Marketing:
- Referrer/ customer visits
- Photos

Launch (Yr 1)
Jan 21 – Jan 22

Operations:
- All scheduled consultant clinics operational
- Diagnostics available 9-5 (+2 evenings to align with consultant clinics)
- Day Care open 8am-6pm (but staffed to 50% chair capacity)

Commercial/ Marketing:
- Launch event
- Social media & twitter

This Full Business Case has therefore included this 8 week "Testing Phase" or "Year 0" where small numbers of patients will be using services within the building, scaling up to commence delivery of "Year 1" activity numbers from January 2021. The below table outlines the phasing of pathway testing during this period. Any activity is assumed to be cannibalisation from Chelsea and there is therefore no income included during this period in the financial analysis.

Week						
1	2	3	4	5	6	7
•Diagnostic imaging QA •Courier service for samples (histo, bloods etc) •Ill patient pathway (if we have an ill patient) •Off-site 'live' radiology reporting	•Routine follow up consultations with any associated blood & radiology tests (not same day) •2 stop chemo breast & GI (not DC!)	•1 stop chemo breast •Off-site pathways to PET/CT, endoscopy, echo, bone scans etc	•New cancer referrals for consultation and associated bloods & radiology •1 stop chemo GI	•Urology 1 stop diagnostic clinic	•Breast 1 stop diagnostic clinic	•1 stop and 2 stop for all tumour sites including haem-onc

5. Workforce

5.1. Staffing phasing

The original business case phased the staffing model as set out in the table below, no allowance was made for year 0 as it was assumed that staff would complete their training within existing vacancies in Chelsea roles and the rotate through the centre, therefore this is a new proposal within the FBC as set out in section 4.4.

Area	Year 0	Year 1	Year 2	Year 3 (steady state)
All	**0%**	**77%**	**82.9%**	**100%**

The new staffing model has a significantly increased phasing with the majority of staff in post by year 2 and a significant number of staff in post year 0.

The detailed phased staffing model for this FBC is outlined below:

Area	Year 0 (October to December)	Year 1	Year 2	Year 3 (steady state)
Admin	82%	82%	95%	100%
Estates	100%	100%	100%	100%
Facilities	79%	79%	100%	100%
Management	100%	100%	100%	100%
Medical	100%	100%	100%	100%
Nursing	84%	84%	87%	100%
Pathology	71%	71%	100%	100%
Pharmacy	100%	100%	100%	100%
Physics	100%	100%	100%	100%
Radiology	86%	86%	95%	100%
Total	84%	84%	94%	100%

5.2. Staff workforce

The OBC detailed the requirement for 81.9wte to run Cavendish Square across Nursing, Medical, AHP, Prof, Scientific & Technical and Admin and Clerical. However, following further review of the requirements of those working within the independent site the requirement within some of these staff groups has increased, particularly now that the tumour group mix has developed beyond the four common cancers. This has increased the workforce requirements to 97.16wte in this FBC. This increase has been due to extended opening hours increasing the need for Radiographers, a review of the service delivery from facilities including running an in-house service and the increase in pathology requirements from those tumour groups being booked in to Cavendish Square.

The staffing model and therefore the specific disciplines we need to recruit to in order to run the services within this facility have been reviewed and are noted below from the OBC inclusive of headroom.

Role: clinical	Band	Steady state WTE	Role: non-clinical	Band	Steady state WTE
Medical Director	[redacted]	0.2	Admin & clerical	[redacted]	28.36
Staff Grade	[redacted]	1.0	Interpreters	[redacted]	3.0
Nursing	[redacted]	30.1			
AHP/professional technical & scientists	[redacted]	34.5			
Total		**65.8**	**Total**		**31.36**

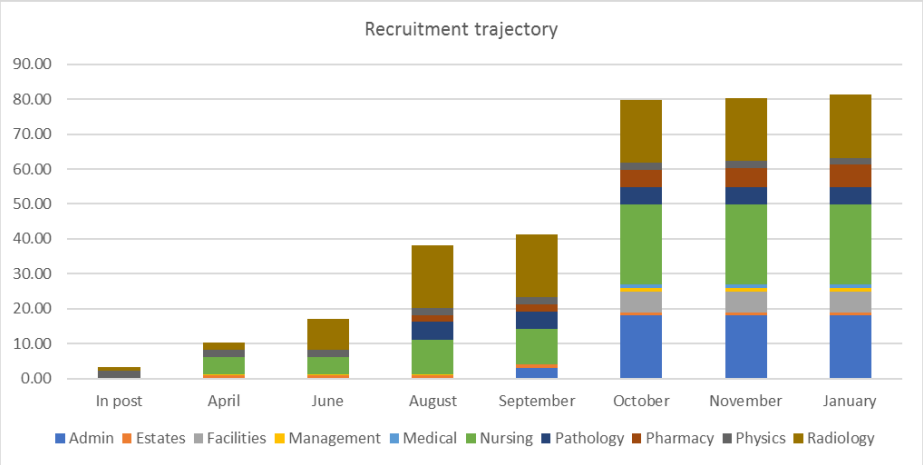
Total per OBC		***58.9***	***Total per OBC***		***23.5***

This represents a movement in WTE of 15.24 with the largest areas of variance as follows (full breakdown in appendix 7):

- 4.86 WTE Facilities driven by the change in provision from outsourced hotel services to in-house and longer working days due to council restrictions on deliveries/collections
- 4 WTE Pathology driven by a service change requiring the provision of histology on site
- 3 WTE Nursing in order to provide a full AOS ANP service to cater for increasing acuity of embassy patients and future proof the service

We will be running a mix of local, national and international recruitment events highlighting that these posts will be fully integrated within the RM workforce. In particular, posts starting early for training requirements will start on the Chelsea site and move across to Cavendish Square in line with the new phasing, this includes nursing and radiographers. As the site will be having a soft launch the transfer across can be based on the patient pathway requirements whilst staff maintain staffing levels on the main Chelsea site.

Our current recruitment trajectory for the FBC year 1 staffing requirement is shown below with both plan for the run up to opening in November shown and the current recruited staff in post. Recruitment has begun on those more senior or difficult to recruit to posts.



5.3. Consultant workforce

The clinical service offering provided from Cavendish Square must meet the needs of both patients and their referrers. The approach to recruiting consultants has therefore been based around understanding the minimum requirement for a sustainable and robust service i.e. number of clinics per week and ensuring all year coverage. This has been undertaken at an individual service level with the team of interested clinicians i.e. the breast surgeons for a rapid access service for breast diagnosis, the medical oncologists for each tumour site etc. The result being that patients will have rapid access to a diagnostic service at least 4 days per week and oncology provision in each of the common tumour sites 3 days a week to support the on-site chemotherapy service.

Key consultants have been approached in the specific target areas of the services to be provided at Cavendish Square. These include our consultants in the common cancers; Breast, Urology, Gynaecology, GI, Lung and Head & Neck. Consultants have been approached to provide a rapid access service to support the diagnosis of these tumour types and also to provide a medical oncology service to support treatment of these tumour types in the Day Care Unit. A detailed review of Job Plans has ensured that many of these consultant sessions have been secured around NHS job plan commitments. Private Care and NHS management teams have agreed an approach to resolve the remaining consultant job planning challenges for Year 1 and this work will take place over the coming months. This process will continue as further consultants are 'recruited' to Cavendish Square and will remain in place for any new consultants wishing to consult there.

There are 43 Consultants confirmed to be conducting patient consultations at Cavendish Square. Some discussion has occurred around how we mark that mutual responsibility between the Trust and the Consultant and to ensure we have a written agreement of their intent for both parties benefit. This will be further explored.

There still remains some gaps in Service provision in Cavendish Square, notably Lung and Dermatology. Discussion is on-going with operational teams about how this can be addressed.

6. Building Works, Equipment & IT

6.1. Location and terms

The location, specification and terms of development remain unchanged from the original business case. The site is still Harcourt house which is located in Cavendish Square, a location which benefits from excellent transport links, access to a large car parking facility and is closely located to the embassy medical offices and preferred areas of residence for international patients.

The final lease terms agreed for the site were financially and operationally in line with those in the heads of terms outlined within the original business case.

6.2. Construction timelines

The key area of change from the original business case is a significant delay in the opening of the building to patients, this was originally intended to be April 2020 but is now expected to be November 2020. The key drivers for this delay have been:

Delay	Timeline	Driver
1	April to September	Delay in landlord signing contract due to price negotiations on the residential element of the development resulting in a delay in the handover timeline for the shell and core.
2	September to October	Delay in the landlord's construction timeline due to issues with materials required for the site, this resulted in a delay in the handover timeline for the shell and core.
3	October to November	Delay of 1 week, which pushed opening into early November due to the late receipt of the diagnostic equipment final plans.

6.3. Equipment

There have been a significant number of changes to the medical equipment requirements for the centre, these have been driven by additional specialties outside of the scope of the original business case now being delivered within the centre e.g. Head and Neck, and a further refinement of the operational needs of the centre. This has increased the cost of medical equipment by £0.5m see appendix 4.

6.4. IT & Telephony

The provision of telephone services for the Trust will be being reviewed and going out to tender in 2021. As a result Gtronics, our incumbent supplier, have been approached to provide an interim solition to provide telephone services for Cavendish Square. A proposal has been received and is being reviewed by RM digital and Facilities team to ensure it meets our requirements.

The IT costs now include in revenue terms the 2 years' of the WAN link rental; the first year was included in the Build capital costs. In addition to this the Sphere on-going support costs were not included as an estimate in the OBC and are now clearly outlined. Furthermore, the Project management resource required by Sphere was not included. This has been rectified in the costs now submitted.

7. Benefits & Benefit Realisation

The below table outlines the planned benefits for the Cavendish Square project. In line with new guidelines issues by the Trust, the programme will be undergoing a full benefits review including development of clear realisation plans and monitoring frameworks. This will follow and be presented to the Programme Board in May 2020.

Key Benefits	Evidence
1) Long term sustainability for the Trust	Delivery of financial metrics outlined in the FBC. Recurrent surplus of £5.3m by year 10 (@ [redacted] margin) Payback within 6.7 years
2) A Scalable model that is fully controlled by the Trust.	Divisional 5 year strategy (post launch) to detail how the model can be scaled to increase London/UK/International market share.
3) Reduced dependency on senior clinicians through succession planning opportunities.	Reduced consultant concentration. Currently the top 10 consultants account for X% of private care revenue. Growth monitoring of new consultants as a segment within the CRM strategy.
4) A Central London presence that prevents LOC/HCA from dominating the market.	Success of the RM Commercial strategy in driving demand to Cav Sq from LOC/HCA. Tracking to ensure Self Pay, PMI and Embassy referral objectives are met.
5) An opportunity to extend pathway (through early diagnosis) to primary care.	Tracking of primary care referrals and revenue generated through the GP and Marketing strategy. Take up rates from screening packages (breast and urology).
6) Improving the service model.	Tracking against the new service standards including turnaround times for imaging modalities & pathology.
7) Increasing Consultant Loyalty	Ensuring that younger consultants can build a financially sustainable practise at RM (without needing to join competitors). Allowing established consultants to repatriate work back to RM from other Private Care institutions. Maintaining the integrated care model (mdt & research) to continue to retain and attract leading clinicians. Targeted repatriating of consultant practices from W1 to RM.

8. Equality Impact Assessment

Positive potential impact

If the business proposal is agreed, the following positive potential impact for equality has been identified:

- There is increasing confidence among overseas embassy sponsored patients to choose The Royal Marsden for their diagnosis, care and treatment. By strengthening our provision we will be able to offer more patients the opportunity to use our services.

- Once extended and weekend opening hours are introduced in Years 2 and 3, this is likely to appeal to people with full time caring responsibilities who may be less likely to attend during the week.

- The location of the proposed centre has excellent transport links and a large car parking facility which could have a positive impact on those people who have mobility issues. The centre has also been designed to be wheelchair accessible with lifts throughout.

- A reduction in the bottlenecks currently experienced in Outpatients (OP) could reduce the waiting times for all patients and have a positive impact on those patients who struggle with waiting in busy environments including some with neuro-disabilities such as autism.

9. Risks and Mitigations

9.1. Model of Care

Risk	Score	Impact	Likelihood	Mitigation
Securing Consultant participation whilst maintaining commitment to NHS services.	12	High 4	Medium 3	Commitment to work in Cavendish Square received from 46 consultants. Detailed job planning being undertaken to ensure NHS work is deconflicted. Recruitment plans being developed for consultants to address gaps identified in workforce modelling across both PP and NHS. Consultant succession plans being established to transition private practice in conjunction with the NHS job plans. Private only contracts offered to consultants where it is deemed in the interests of RM.
Delayed Workforce Recruitment and challenge and long lead times in recruitment of staff with specific skills required	12	High 4	Medium. 3	Local, national and international recruitment staff events planned. Posts to be fully integrated & rotated to increase appeal. Backfilling from Chelsea and rotational posts Recruitment plan and trajectory being developed and monitored by HR to ensure recruitment plans for all services are on track Workforce models have been developed to support service provision
Lack of Surgical and Endoscopy Capacity	8	Low 2	High. 4	Weekend work model being extended to increase capacity. This would rely on remodelling demand and carrying out more day surgical work on the weekends. Length of stay project in PP to reduce pressure on bed capacity Partnership or rental models options available at higher cost/risk (London Clinic or the Cromwell). Endoscopy plan agreed, using existing clinician networks and ensuring monitoring of KPIs.
Delay to implementation of new Service	8	High 4	Low 2	Work commenced to improve the referral pathway and patient and referrer experience of this pathway IT changes required to support an improved patient interface are being examined

Standards				Working with consultants to ensure the patient administrative pathway is co0ordinated in a cohesive and efficient manner Patient pathways being mapped to ensure positive patient experience whilst on site Working with Clinical Services to ensure turnaround times meet the high standards required of the Private market
Lack of Service provision for patients in Lung and Skin	8	Low 2	High 4	One Lung consultant now confirmed, but will require greater Consultant support for this common cancer. A joint approach has been agreed between NHS and PP management teams to release further consultant time. This will be delivered over the coming 2 months. Private care are reviewing the commercial position of a skin service and will then discuss with NHS colleagues.
Lack of capacity to absorb additional work on the Hospital site	12	Medium 3	high 4	Insufficient capacity on the Acute site to accommodate increased patient volumes in some services. Where identified plans will be formulated to accommodate this to ensure positive patient experience
Restricting opening hours and staffing precludes capacity to recover any imaging down time or support additional work flow.	4	Low 2	Low 2	No expectation of cross site workflow Planned maintenance on Saturday whilst facility not open to patients Respond swiftly to any increase in activity requiring additional staffing
Demand for services exceeds the assumptions in this case and workforce is unable to respond	12	High 4	Medium 3	It will be difficult for certain workforce groups to rapidly recruit to increase capacity if demand exceeds what was predicted in the FBC for Y0/Y1– particularly for imaging, pharmacy, path. Mitigations will include drawing down on Y2 resource & associated income targets early, moving staff from Chelsea to Cav Sq and the use of costly temporary staffing.
The reduction in waiting times for imaging causes movement of patients from Chelsea to Cavendish Square which is backfilled with NHS work and	12	High 4	Medium 3	Agreed principles between NHS and PP operational teams regarding the (re)allocation of slots at Chelsea. Clear KPIs on access targets for PP patients for imaging, regularly monitored . Close monitoring of PP NHS activity split through Chelsea imaging modalities.

hence income targets are not achieved.				

9.2. Commercial

Risk	Score	Impact	Likelihood	Mitigation
Performance failure	8	High 4	Low . 2	Lease can be assigned to another party and enables the subletting of premises. Switch to mixed model with NHS activity. Analysis of the cash flow position demonstrates that EBITDA generated will more than cover loan repayments, except for in the first 3 years when it is expected that Private Care margin on current activity of [redacted] would contribute to covering this gap.
Weaker than anticipated demand due to Gulf volatility that might affect volume of Kuwaiti patients to London.	12	High 4	Medium 3	Space can be sublet. Diversification of income streams including new international markets, PMI networks, Corporates and self-pay patients. Broaden diagnostic tests to include more benign cases and support of national screening in breast and urology. Marketing plans to target GPs and self-pay patients in the catchment. Mixed model with profitable NHS work. Packages developed aimed at winning greater corporate and self-pay business. Reduced prices and drug mark-up can be considered to access restricted PMI networks.
Further Delivery delay	12	high 4	medium 3	Rent free period built into lease.
All PMI groups must have Cavendish square identified as a provider centre	8	High 4	Medium 2	Contract negotiations with all major PMI groups apart from Bupa have been successfully concluded. Target deadline for Bupa is June 2020. Reduced prices and drug mark-up can be considered to ensure access if required.

9.3. Brand and reputational

Risk	Score	Impact	Likelihood	Mitigation
Investment made by an NHS Trust in difficult economic times	4	Low 2	Low 2	All revenue generated by Private Care is reinvested into the hospital. We are a leading Trust providing an excellent NHS service, Private Care is central to our model of care. The Diagnostics and Assessment Centre is a separate facility, located away from the main site and operated independently. Royal Brompton have established precedent with their diagnostic clinic located in Wimpole Street.
Workforce – Consultants or staff are perceived to be spending NHS time on private patients	9	Medium 3	Medium 3	Comprehensive workforce and pathway planning has been undertaken. Integrated job planning for consultants will ensure that they fully support their NHS case load. Running both NHS and private services means that the Trust will have better sight of workloads.
Perception of a “two tier” service or erroneous reports that we are “becoming a private-only hospital”	6	Low 2	Medium 3	This has already happened in certain parts of the press and has been successfully and swiftly dealt with. Clear statement of the facts and rationale – we are far from breaching the cap and still predominantly an NHS hospital. Clinical standards are consistently high throughout the Trust (excellent quality indicators and CQC outstanding rating). Private revenue is reinvested for the benefit of all patients.

9.4. Programme & Construction

Risk	Score	Impact	Likelihood	Mitigation
Further delayed opening with the resultant impact on revenue profile.	12	High 4	Medium 3	Currently anticipating all works complete on 31.8.20 Tracking network installation and equipment delivery to site Developed commissioning plan to ensure timely fit out and commissioning of clinical services ready for opening.
Statutory and Regulatory	8	High 4	Low. Failure to achieve CQC rating etc. 2	First draft of cqc submission written and discussed with Chief Nurse and head of Quality Documents being assembled in preparation for assessment visit Date planned for submission allows for 3 month lead time for assessment visit and authorisation. UKAS assessment planned for after opening
IT. Network installation is delayed or not resilient	12	High 4	Medium 3	Network order placed. Network resilience pinch point noted by Board and robust Business continuity plans being devised to ensure BAU if any untoward event occurs 3 IT streams (RM digital, Sphere, HIS/ICW set up)working on all aspects of delivery , overseen by IT project manager to highlight any concerns.
Procurement- Delays to procurement for equipment due to lack of clarity of process delayed responses	16	High 4	High 4	Procurement team member on the Project Team and Diagnostic Imaging workstream Procurement member asked to complete updated assessment monthly of progress

Delivery of support services to Cavendish Square site	12	High 4	Medium 3	Market tested for Facilities contract , with disappointing result , therefore tender has been withdrawn Negotiations now open with incumbent supplier to extend FRC contract
Delays to the commissioning or MRI, X- ray & Mammo	12	High 4	Medium 3	Planning installation with supplier to ensure there will be no overlap of delivery & commissioning or MRI, X-ray & Mammo with the Sutton & Chelsea equipment builds

Financial Assessment

9.5. Summary

There has been a shift in the financial position of the project from the original business case which is outlined in the table below:

	OBC	FBC	Variance
Upfront investment	£12.6m	£15.3m	**(£2.7m)**
10-year cumulative NPV	£24.0m	£12.3m	**(£11.7m)**
Payback period	6	6.7	**0.7**

This is mainly driven by a delay in fully operationalising the building from April 2020 to January 2021, this is due to delays in the construction timelines of 7 months and accounted for 7 month soft launch period meaning that there are only 9 fully operational years in the finances outlined above as opposed to the ten in original business case. The NPV over ten fully operational years is £17.1m which is a reduction of £6.9m from original business case.

The £6.9m reduction is mainly due to:

- An increase in pay both in terms of the overall number of staff required at full capacity [redacted] per year) and the phasing of the staffing with a significant shift forwards in the phasing of staffing requirements [redacted] , see appendix 2 for details;
- A requirement for a commissioning period at a cost of [redacted] and
- An increase in building occupancy costs of [redacted] per year which is due to an increase in the facilities and IT costs, see appendix 3 for details.

The increase in upfront investment is due to the decision to purchase as oppose to lease the CT and MRI scanners.

9.6. NPV

Below is the summary NPV, which demonstrates a payback on initial investment in year 6.7 and a total NPV over the 10 years of £12.3m.

A full list of finance assumptions is included in Appendix 5

	£m											
	18/19	**19/20**	**20/21**	**21/22**	**22/23**	**23/24**	**24/25**	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**
	Yr -1	**Yr -2**	**Yr 1**	**Yr 2**	**Yr 3**	**Yr 4**	**Yr 5**	**Yr 6**	**Yr 7**	**Yr 8**	**Yr 9**	**Yr 10**
Income			[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Expenditure	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Capex	(0.8)	(4.1)	(10.5)				(0.1)					
Net cash flow	**(0.9)**	**(4.1)**	**(12.0)**	**0.9**	**1.2**	**3.9**	**4.2**	**4.5**	**5.0**	**5.4**	**5.8**	**6.3**
Discount rate (3.5%)												
Discounted cashflow	**(0.9)**	**(4.4)**	**(11.6)**	**0.8**	**1.1**	**3.4**	**2.8**	**3.8**	**4.0**	**4.2**	**4.4**	**4.7**
Cumulative NPV	**(0.9)**	**(5.2)**	**(16.9)**	**(16.0)**	**(15.0)**	**(11.5)**	**(8.8)**	**(5.0)**	**(1.0)**	**3.2**	**7.6**	**12.3**

9.7. Income and expenditure impact

The table below sets out the summary I&E position:

£m										
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Income	[redacted]									
Direct pay	[redacted]									
Direct non-pay	[redacted]									
Overheads	[redacted]									
Building occupancy costs	[redacted]									
Medical equipment costs		[redacted]								
EBITDA	**(1.1)**	**1.8**	**2.1**	**4.7**	**4.9**	**5.1**	**5.4**	**5.6**	**5.8**	**6.1**
Depreciation, capital, charges and interest	(0.7)	(1.4)	(2.0)	(1.9)	(1.8)	(1.6)	(1.7)	(1.3)	(1.1)	(0.8)
Surplus /(Deficit)	**(1.8)**	**0.4**	**0.1**	**2.8**	**3.2**	**3.4**	**3.6**	**4.2**	**4.6**	**5.3**
Margin %	[redacted]									

OBC Surplus/(Deficit)	**2.3**	**1.4**	**3.5**	**3.8**	**4.1**	**4.5**	**4.8**	**5.2**	**5.7**	**6.2**
OBC Margin %	[redacted]									
Variance	(4.1)	(1.0)	(3.4)	(1.0)	(0.9)	(1.1)	(1.2)	(1.0)	(1.1)	(0.9)

Key points to note:

Income and activity

- Income assumptions are in line those in the original business case, the only differential is that there is a slippage due to the delay in the building being fully opened to patients which is now expected to be January 2020, therefore the first fully operational financial year will be 21/22. This slippage has an ongoing impact of income being [redacted] behind the original business case.
- The split of activity that is Embassy or International self-pay is assumed to be in line with the original business case at c40%. A premium price has been applied to this activity for diagnostics and chemotherapy, which is in line with current pricing policy and the original business case assumptions.
- The activity level has been based upon the cohort of consultant outpatient clinics which are currently scheduled within the centre, this does leave a gap in required activity levels of approximately [redacted] which it has been assumed will be filled by the time of opening, this has been included in the financial risks evaluated as part of the sensitivity analysis. Conversion rates from outpatient attendances have been used to calculate diagnostics and chemotherapy activity. This has resulted in a slightly different activity mix than in the original business case due to changes in tumour site mix and minor changes in conversion rates. See appendix 1 for activity assumptions.

Expenditure

There is an adverse variance in expenditure, this is driven by:

- **Year 0/commissioning**: the original business case did not assume allow for a commissioning period and assumed that all staff would be trained within the departments on the Chelsea site. Therefore, there has been an additional cost in 20/21 for this period of [redacted]

- **Phasing of staffing**: there has been a shift in the phasing of staffing (see appendix 2) with teams requiring a higher proportion of their establishments in year's 1,2 and 3 than was assumed in the original business case at a cost of [redacted]

- **Ongoing increase in expenditure**: there is additionally an underlying yearly ongoing cost pressure on expenditure of [redacted] per year at full capacity, the drivers of this are set out in the graph below:

[redacted]

Area	Variance	Comments
Pay	[redacted]	The pay variance is driven by an increase in the establishment required, mainly in management, pathology and pharmacy. This is detailed in appendix 2
Building Occupancy	[redacted]	The building occupancy cost pressure is mainly due to an increase in facilities and IT costs, this is due to an under estimation of the needs for the building with key requirements missed from the original business case such as waste and linen [redacted] alongside unforeseen changes in the facilities workforce such as the requirement for contractors to pay the London living wage. The IT costs are again driven by an underscoping of the requirements for IT with costs for HIS/ICW not included and an underestimate from Sphere for their costs as well as a switch from capital to revenue for IT capital purchased and owned by Sphere [redacted]
Depreciation and capital charges	£0.8m	The increased costs are due to an increased depreciation and PDC charge due to the switch of the CT and MRI scanners from revenue to capital (£0.4m)

		which is completely offset by the reduction in lease payments which are shown in the medical equipment charge. The remainder of this variance is due to increased medical equipment costs and a reduction in cash balance from delay in the centre opening which results in an increased PDC charge.
Non-pay	[redacted]	The reduction in non- pay is due to the reduced number of chemotherapy cycles that will be delivered based on the assumed conversion rates, this has been offset by an increased number of diagnostic imaging procedures which have a lower non-pay cost per scan than drugs per chemotherapy cycle.

Capital expenditure

The key variances in relation to capital expenditure have been outlined in the table below:

Area	OBC	FBC	Variance	Comments
Fit out	11.3	10.7	(0.6)	There has been no requirement to use the contingency.
Medical Equipment	1.3	1.9	0.4	This is mainly driven additional equipment required for specialties not originally included in the centre.
CT/MRI	-	2.7	2.7	The CT/MRI were originally intended to be leased.
Total	**12.6**	**15.3**	**2.7**	

As per the original business case it is expected that additional capital expenditure will be required for a refurbishment of the property every 5 years, in order to maintain the highest standards of patient service, which has been estimated at approximately 10% of up front fit-out costs. Any subsequent capital requirements post year 0 will be funded via internally generated cash.

9.8. Cashflow

The table below sets out the cashflow position.

	18/19 Yr -1, £' m	19/20 Yr 0, £' m	20/21 Yr 1, £' m	21/22 Yr 2, £' m	22/23 Yr 3, £' m	23/24 Yr 4, £' m	24/25 Yr 5, £' m	25/26 Yr 6, £' m	26/27 Yr 7, £' m	27/28 Yr 8, £' m	28/29 Yr 9£' m	29/30 Yr 10£' m
Embassy	[redacted]											
Self	[redacted]											
PMI	[redacted]											
Total cash flow	[redacted]											

Opex, capital charges & financing costs	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Capex & loans	14.2	(4.1)	(12.2)	(1.7)	(1.7)	(1.7)	(2.7)	(1.7)	(1.7)	(1.7)	(0.8)	-
Total cash outflow	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
New cash in/(out)flow	**14.1**	**(4.2)**	**(14.3)**	**(3.1)**	**(1.0)**	**2.3**	**1.4**	**2.8**	**3.2**	**3.5**	**4.8**	**6.1**

9.9. Funding

As per the original business case the main source of funding for this project is via external borrowing, value, rate and repayment period are all in line with the original business case.

9.10. Financial risk / sensitivities

The most significant risks to the financial viability of the business case are set out in the table below:

Scenario	**Description**	**Payback (years)**	**10 year NPV (£m)**	**I&E surplus year 10 (£m)**	Mitigation
Base case		6.7	12.3	5.3	
Longer to reach baseline activity	Demand for the center is lower than expected, this has been modelled at 10% less in year 1 and then following the same growth rate as anticipated, reaching full capacity in year 5.	9	8.2	5.3	Space can be sublet. Broaden diagnostic tests to include more benign cases and support of national screening in breast and urology. Marketing plans to target GPs and self-pay patients in the catchment. Mixed model with profitable NHS work. Packages developed aimed at winning greater corporate and self-pay business. Reduced prices and drug mark-up can be considered to access restricted PMI networks.
	The consultant capacity currently signed up for the in centre is not enough to deliver the activity required to hit the year 1 income target and therefore there is a risk that the gap is not bridged in terms of capacity prior to opening. This scenario has modelled the activity that the current consultant cohort would deliver with activity increasing at 5% per year and reaching full capacity in year 6.	10	0.3	4.6	Commitment to work in Cavendish Square received from 43 consultants. Detailed job planning undertaken to ensure NHS work deconflicted. Recruitment plan for consultants to address the gaps identified in workforce modelling across both PP and NHS. Directional use of open referrals to consultants at Cavendish Sq. Consultant succession plans being established to transition private practice in conjunction with the NHS job plans. Accept benign cases and market additional input from national screening programs. Private only contracts offered to consultants where it is deemed in the interests of RM.

	Combined impact of risk	12	(4.5)	4.6	
20% of activity in year 1 is lift and shift from Chelsea	There is a risk that there is insufficient demand and therefore Consultants do not bring in new patients but repatriate their current practice from Chelsea to Cavendish Square.	7	9.5	5.3	Agreed principles between NHS and PP operational teams regarding the (re)allocation of slots at Chelsea. Clear KPIs on access targets for PP patients for imaging, regularly monitored. Close monitoring of PP NHS activity split through Chelsea imaging modalities.

10. Timeline

Cavendish Square Programme Board	03/20
Board approval	03/20
Handover by landlord	09/20
Centre opens	11/20

Appendix 1 – Activity assumptions

The expected activity and capacity assumptions for the centre are outlined below:

Service	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Outpatient attendances	4,814	19,256	21,097	26,507	26,507	26,507	26,507	26,507	26,507	26,507
Chemo-therapy	337	2,215	2,427	3,049	3,049	3,049	3,049	3,049	3,049	3,049
CT scans	669	2,611	2,861	3,594	3,594	3,594	3,594	3,594	3,594	3,594
MRI scans	478	1,865	2,043	2,567	2,567	2,567	2,567	2,567	2,567	2,567
Ultrasound scans	525	2,051	2,248	2,824	2,824	2,824	2,824	2,824	2,824	2,824
Mammo-gram scans	239	932	1,022	1,284	1,284	1,284	1,284	1,284	1,284	1,284
X-Ray scans	573	2,238	2,452	3,081	3,081	3,081	3,081	3,081	3,081	3,081

The centre capacity which is the operating capacity if the centre were to be fully staffed based on this activity is:

Service	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Outpatient attendances	53%	53%	59%	64%	64%	64%	64%	64%	64%	64%
Chemo-therapy	40%	40%	44%	55%	55%	55%	55%	55%	55%	55%

CT scans	49%	49%	53%	66%	66%	66%	66%	66%	66%	66%
MRI scans	69%	69%	75%	95%	95%	95%	95%	95%	95%	95%
Ultrasound scans	38%	38%	41%	52%	52%	52%	52%	52%	52%	52%
Mammo-gram scans	17%	17%	19%	24%	24%	24%	24%	24%	24%	24%
X-Ray scans	41%	41%	45%	57%	57%	57%	57%	57%	57%	57%

The staffed capacity, which is the actual operational house that the centre will be staffed to each year based on this activity is:

Service	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Outpatient attendances	60%	60%	66%	64%	64%	64%	64%	64%	64%	64%
Chemo-therapy	80%	80%	88%	55%	55%	55%	55%	55%	55%	55%
CT scans	63%	63%	60%	66%	66%	66%	66%	66%	66%	66%
MRI scans	90%	90%	85%	95%	95%	95%	95%	95%	95%	95%
Ultrasound scans	50%	50%	47%	52%	52%	52%	52%	52%	52%	52%
Mammo-gram scans	23%	23%	21%	24%	24%	24%	24%	24%	24%	24%
X-Ray scans	54%	54%	51%	57%	57%	57%	57%	57%	57%	57%

Appendix 2 – Staffing assumptions

Full capacity Staffing model

The variance in staffing model at full capacity is set out in the table below, it is important to note that the increase in facilities staff is primarily driven by the fact that the facilities service was expected to be contracted out in its entirety however currently for at least year 1 it will be partially managed and run in-house. Therefore, in the I&E these costs and posts have been included under building occupancy. Excluding the cost of facilities posts the increase in cost for staffing at full capacity if [redacted] per year.

Area	OBC (WTE)	FBC (WTE)	Variance (WTE)
Direct Service Pay			
Admin	22.00	22.00	0
Physics	2.00	2.00	0
Radiology	22.42	22.00	(0.42)
Echo	1.00	-	(1.00)
Management	-	1.20	1.20
Medical	1.00	1.00	0
Nursing	24.00	27.10	3.10
Pathology	3.00	7.00	4.00
Pharmacy	4.00	6.50	2.50
Building Occupancy Pay			
Estates	-	1.00	1
Facilities	2.50	7.36	4.86
Total	**81.92**	**97.16**	**15.24**

Staffing phasing

The original business case phased the staffing model as set out in the table below, no allowance was made for year 0 as it was assumed that staff would be rotated through the centre and therefore trained on the Chelsea site in existing vacancies

Area	Year 0	Year 1	Year 2	Year 3 (steady state)
All	**0%**	**77%**	**82.9%**	**100%**

The new staffing model has a significantly increased phasing with the majority of staff in post by year 2 and a significant number of staff in post in year 0.

Area	**Year 0 (October to December)**	**Year 1**	Year 2	Year 3 (steady state)
Admin	82%	82%	95%	100%
Estates	100%	100%	100%	100%
Facilities	79%	79%	100%	100%
Management	100%	100%	100%	100%
Medical	100%	100%	100%	100%
Nursing	84%	84%	87%	100%
Pathology	71%	71%	100%	100%
Pharmacy	100%	100%	100%	100%
Physics	100%	100%	100%	100%
Radiology	86%	86%	95%	100%
Total	**84%**	**84%**	**94%**	**100%**

The detailed phased staffing model is outlined below:

Outpatients

Role	**Band**	**Assumed start date in CSQ**	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Sister	[redacted]	October	1.0	1.0	1.0
Junior Sister	[redacted]	October	2.5	2.6	3.1
Staff nurse	[redacted]	October	1.5	1.6	2.0
HCA	[redacted]	October	5.0	5.2	6.7
Medical Secretary's	[redacted]	October	4.5	4.5	4.5
Reception staff	[redacted]	October	3.5	4.5	4.5
Total			**18.0**	**19.4**	**21.8**

Diagnostics

Role	**Band**	**Assumed start date in CSQ**	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Service Manager	[redacted]	In post	1.0	1.0	1.0

Radiographer	[redacted]	June	2.0	2.0	2.0
Radiographer	[redacted]	June	6.0	7.0	9.0
PACs	[redacted]	April	1.0	1.0	1.0
Radiographer	[redacted]	June	5.0	6.0	6.0
HCA	[redacted]	August	3.0	3.0	3.0
Physics	[redacted]	In post	2.0	2.0	2.0
Reception	[redacted]	September	3.0	3.0	3.0
Total			**23.0**	**25.0**	**27.0**

Daycare

Role	**Band**	**Assumed start date in CSQ**	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Matron	[redacted]	April	1	1	1
ANP	[redacted]	April	4	4.2	4
Sister	[redacted]	October	2.2	2.2	2.2
Staff nurse	[redacted]	October	2.5	2.6	3.1
Staff nurse	[redacted]	October	2.0	2.1	3.0
CNS	[redacted]	October	1	1	1
Doctor (staff grade)	Staff grade	October	1	1	1
Total			**13.7**	**14.1**	**15.3**

Pathology

Role	Band	Assumed start date in CSQ	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Histopathologist	[redacted]	August	1	1	1
Principal Clinical Scientist	[redacted]	August	1	1	1
BMS	[redacted]	August	3	3	3
Tech	[redacted]	April 21	-	2	2
Total			**5**	**7**	**7**

Pharmacy

Role	Band	Assumed start date in CSQ	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Lead Pharmacist	[redacted]	August	1	1	1
Clinical Pharmacist	[redacted]	June	1	1	1
Senior Aseptics	[redacted]	August	1	1	1
Releasing officer	[redacted]	November	0.5	0.5	0.5
Medicines Tech	[redacted]	August	1	1	1
Compounder	[redacted]	October	1	1	1
ATO	[redacted]	January	1	1	1
Total			**6.5**	**6.5**	**6.5**

Administration

Role	Band	Assumed start date in CSQ	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Clinical Director	[redacted]	In post	2Pas	2Pas	2Pas
Project Manager	[redacted]	In post	-	-	-
General Manager	[redacted]	October	1	1	1
Administrator	[redacted]	October	1	1	2
Pre-authorisation	[redacted]	October	1	1	1
Interpreter	[redacted]	October	3	3	3
Billing	[redacted]	October	1	2	2
Clinic Coordinator	[redacted]	April 21	0	1	1
Admin Team Lead	[redacted]	October	1	1	1
Total			**8.2**	**10.2**	**11.2**

Facilities/Estates

Role	Band	Assumed start date in CSQ	Year 1 (WTE)	Year 2 (WTE)	Year 3 (WTE) (steady state)
Driver	[redacted]	October	1.5	1.5	1.5
Estates Maintenance	[redacted]	June	1	1	1
Catering	[redacted]	October	1.33	1.33	1.33
Hotel Services Supervisors	[redacted]	October	3	3	3
Admin Support	[redacted]	April 21	0	0.53	0.53
Site Management	[redacted]	April 21	0	1	1
Total			**6.83**	**8.36**	**8.36**

Appendix 3 – Building occupancy

Building occupancy costs in 22/23 (the first full year of costs) is compared to the original business case is set out below, the key drivers are:

1) Increase in facilities costs, primarily driven by an underestimation of the facilities requirements of the center, no costs included for waste and linen and unforeseen increases in costs such as the requirement for contractors to pay the London living wage and a requirement to employ staff as opposed to contracting out the whole service.
2) Increasing IT costs, this is driven by a mix of a change in accounting from capital to revenue for IT services provided by Sphere and an underestimation of the IT requirements and work needed e.g. work required for HIS/ICW and cost of ongoing Sphere support, this cost would have been higher had some of the costs not been covered by the networks business case.

Area	OBC (£m)	FBC (£m)	Variance (£m)
Rent	[redacted]	[redacted]	[redacted]
Rates	[redacted]	[redacted]	[redacted]
Service Charge	[redacted]	[redacted]	[redacted]
Utilities	[redacted]	[redacted]	[redacted]
Building Insurance	[redacted]	[redacted]	[redacted]
Repairs and maintenance	[redacted]	[redacted]	[redacted]
Estates pay	[redacted]	[redacted]	[redacted]
Total Estates costs	[redacted]	[redacted]	[redacted]
Security	[redacted]	[redacted]	[redacted]
Cleaning	[redacted]	[redacted]	[redacted]
Catering	[redacted]	[redacted]	[redacted]
Waste	[redacted]	[redacted]	[redacted]
Linen	[redacted]	[redacted]	[redacted]
Facilities pay	[redacted]	[redacted]	[redacted]
Total Facilities	[redacted]	[redacted]	[redacted]
IT	[redacted]	[redacted]	[redacted]

Total	[redacted]	[redacted]	[redacted]

Appendix 4 – Medical equipment

The table below outlines the medical equipment variations, the majority of the increases in costs are driven by specialities which where not in the original scope of the centre. The increases in other areas is due to items which were missed in the original scoping exercise such as the requirement for a Koelis machine for the urology service.

Area	OBC £'000	FBC £'000	Variance £'000
Diagnostics	953	926	(27)
Minor ops – dermatology		8	8
Minor ops – general	11	26	15
Minor Ops - Gynae	25	25	0
Minor Ops – Urology	149	265	116
Minor Ops – Head and Neck		337	337
MDU	176	154	(22)
Pathology	0	21	21
Pharmacy	1	11	10
IT	0	19	19
General	15	99	84
Total	**1,330**	**1,891**	**561**

CT & MRI	leased	2,718	n/a

Appendix 5 – Finance assumptions

Category	Figure	Notes	Source
Discount rate	3.5%	In line with RM cost of capital.	Finance
Income inflation	3%	Slightly lower than historic price uplifts (4%) accounting for expected market pressures.	Private Care
Cost inflation	3%	Consistent with RM 5 year plan – based on NHSI guidance.	Finance
Efficiency requirement	1%	Assumed efficiency required from year 4 onwards.	Finance
Commissioning period	November to January 2020	Assumed full costs for this period with no income generated.	Private Care
Pay contingency	0%	No additional headroom has been added to the staffing models as each area have worked up specific staffing models and ways of working that are inclusive of headroom therefore including the standard assumptions would be a double count.	Finance
General supplies and consumables	5%	Calculated as a % of pay costs, estimated assumptions as per OBC	Finance
Overheads	10%	Excludes estates and facilities overhead % that is included separately as part of building occupancy costs.	Finance
Chemotherapy drugs cost per treatment	Variable depending on tumour group	Based on the average cost of chemotherapy drugs in 2018/19 for each tumour type.	Private care

Appendix 6 - Competitor Review

10.1. Market Overview

The UK market for private acute medical care in hospitals and clinics was estimated to be worth £5.8 billion in 2018, representing a slight decline from the previous year.

The reasons for this decline predominantly lie with a decrease in NHS spending on private acute services and a reduction in overseas funded care, as Middle Eastern governments have sought to reduce their spend through better and more proactive management of sponsored cases.

The private self-pay market is the only funding stream which has continued to grow, increasing by 4.8% per annum in 2018, and by an average of 7.4% over the last five years. This growth is predominantly driven by lengthening NHS waiting lists and commissioning restrictions.

NHS Private Patient Units providing specialist services have largely bucked the trend of decline, experiencing strong growth in private patient revenues.

10.2. Demand/Payor Insight

Private Medical Insurers

Demand for private medical insurance in the UK remains static, with low-margin corporate products dominating the market. As such, insurers remain heavily focused upon controlling costs through product and network development as well as the proactive direction of patients through open referral type products. Aviva is the latest insurer to follow suit, with the launch of its "Optimum Referral" service for corporate customers.

Comprehensive cancer cover remains a key factor in a customer's decision to purchase private medical insurance and VitalityHealth has recently announced a comprehensive proposition that will now become standard for all new and existing plans, covering both inpatient and outpatient costs in full, including radiotherapy, chemotherapy, surgery and follow-up consultations. VitalityHealth has also introduced discounts on targeted cancer screenings for breast, cervical and bowel cancer through its Healthcheck service.

An emerging strategy and one which is most likely set to develop further, has been partnership working between independent sector providers and insurers through which insurers seek to direct patients in return for discounted rates of reimbursement.

Bupa is leading in this space with its Cancer Direct Access service, under which symptomatic customers can bypass their GP and be seen by Consultant within two working days of first contact, with all initial diagnostic tests completed in a single appointment. There are currently six facilities operating within this network: The Harley Street Clinic (HCA), The Lister Hospital (HCA), The Wellington Hospital (HCA), The London Bridge Hospital (HCA), The Wilmslow Hospital (HCA) and The Bupa Cromwell Hospital. Anecdotal evidence indicates an increase in demand following launch of this initiative.

There is clearly an opportunity to be explored around closer partnership working with private medical insurers, but a cautious and measured approach should be taken to ensure that volume does not materialise at the sacrifice of revenue or profitability.

Overseas Patients

Overseas and embassy sponsored patients, predominantly from the Middle East, are an important and lucrative source of revenue for the London market. Recent years have however seen a sharp decline in revenues and patient numbers, driven by concerns around price. This has detrimentally affected the financial performance of some operators, notably HCA and The Bupa Cromwell.

Throughout this period however, specialist NHS PPUs have remained broadly unaffected, experiencing growth in their international patient revenue. PPUs continue to have a higher overall percentage of revenue contribution from overseas patients than the average Central London independent hospital.

Going forward, demand from the Middle East is projected to be volatile and providers are looking to diversify and expand in to new markets, notably China, Africa and Russia.

Self-Pay

Self-pay funding growth continues to outperform the sector, driven by lengthening NHS waiting lists and commissioning restrictions.

The private cancer care market has a number of unique characteristics, notably high and potentially escalating costs, which means that self-pay as a percentage of total revenue will always be markedly lower than for acute care providers.

Nonetheless, self-pay does present a growth opportunity and will continue to do so going forward as patients and their families seek enhanced and timely access to the latest treatments and technologies, delivered within a robust and high-quality clinical infrastructure.

Providers across London are investing in their service proposition and recognise that getting this right is key to unlocking the sector's potential.

10.3. Provider Insight

3.1 National Hospital Groups

BMI Healthcare

BMI Healthcare has had a number of challenging years, due to rising rents, lack of investment, Netcare's exit and having to close a number of hospitals which failed to operate profitably. BMI announced its sale to private equity backed Circle Health in December 2019.

BMI has a limited cancer care offering through its portfolio, the mainstay of its business being NHS funded work (c.42%) and insurer-funded surgery of low complexity.

BMI have GenesisCare radiotherapy centres on site in Guildford (Mount Alvernia) and Nottingham (The Park). Genesis have sought to acquire the chemotherapy business at these sites and hence own more of the pathway, but discussions have stalled pending the acquisition. It is not known at this stage what strategy Circle will seek to implement.

Spire Healthcare

At a group level, Spire have suffered the same pressures as the other major providers, through a decline in NHS funded work.

Spire has responded to the demand for private cancer services and has 17 Macmillan accredited cancer centres across its portfolio with its sites in Bushey, Southampton and Portsmouth also offering radiotherapy in partnership with GenesisCare.

Although their chemotherapy revenues have enjoyed double digit growth over the past couple of years, Spire's longer-term ambitions are not clear and any assumptions around strategic importance are further complicated by Spire's sale of its two specialist cancer centres (Chelmsford and Bristol) to GenesisCare in November 2019 for £12m. As part of the deal, Spire has completely disposed of Chelmsford but will continue to retain 50% of chemotherapy profits from Bristol.

Nuffield Health

Nuffield Health continues its focus upon developing an integrated health and wellbeing proposition, in partnership with its gym and corporate screening divisions. The development of cancer care and complex services is not as such, a key focus for the business.

Nuffield Health currently offers chemotherapy from 14 sites across England and Scotland. It has no radiotherapy provision and is seen as a key target for GenesisCare.

There are plans to offer chemotherapy from Nuffield's new hospital in central London at the St Bartholomew's campus.

Ramsay Health Care UK

Ramsay are heavily reliant on NHS funded patients (c.70% of revenue) and as such, have had a very challenging year as NHS spending on private acute services has contracted.

Ramsay's focus over the next 12 months is to improve the financial viability of the business through cost control, particularly the use of agency staff.

They also aspire to increase the complexity of the care they deliver, including cancer, but in order to do so will almost certainly need to invest in their private proposition in order to be able to compete successfully against the other national players.

10.4. Specialist Providers

GenesisCare

GenesisCare entered the UK market in 2015 through the acquisition of Cancer Partners UK from Apposite Capital.

Following the acquisition, GenesisCare have commenced an aggressive programme of development and acquisition (Spire, Bupa Cromwell), emerging as the largest provider of private cancer care services in the UK from 14 specialist treatment centres: Birmingham, Bristol, Chelmsford, Elstree, Guildford, London, Maidstone, Milton Keynes, Newmarket, Nottingham, Oxford, Portsmouth, Southampton and Windsor.

GenesisCare are keen to establish themselves in the UK market as quickly as possible, pending a rumoured floatation on the Australian stock market and have an ambitious growth agenda over the next two years, with plans to open a further five new centres. They are actively exploring both acquisition targets and greenfield sites, adopting an equity participation model alongside Consultants.

GenesisCare have also shown themselves to be committed to heavy investment in technology and have recently committed to the purchase of five MRIdian linear accelerators, effectively barring purchase by any other provider for the foreseeable future. One of the MRIdian units has already been installed in Oxford where it is being used to treat prostate cancer through hyperfractionation and for research in collaboration with the University of Oxford.

Although traditionally a business focused upon private radiotherapy (and operating at 50-60% margin), GenesisCare are now moving to capture as much of the private patient pathway as possible through the acquisition of chemotherapy from existing providers with whom they are co-located. They also have their sights set on Consultant feeder groups and have acquired The Birmingham Prostate Group under a joint venture arrangement. A further five such deals are in the pipeline.

There are also plans to develop a proton beam offering, most likely in Chelmsford at the Baddow site.

Despite the pace of growth, the business forecasts a challenging 12-18 months ahead as costs from acquisitions and development initiatives are absorbed within the business.

Proton Partners International

Proton Partners International were established in 2015, with a focus upon the development of proton beam centres in the UK, known as "Rutherford Cancer Centres".

The first centre opened in South Wales in 2017, with further centres launched in both Northumberland and Reading in September 2018. An additional centre is under development in Liverpool and is scheduled to open in 2020. Each centre offers proton beam therapy, chemotherapy and radiotherapy.

2019 has seen Proton Partners International continue to raise funds through stock issue (£47.6m). 2020 the market will see a will see a renewed focus on increasing patient flow in to the three existing centres across all service lines by way of payor, existing operator and direct to patient engagement.

Proton Partners International's regional market locations and demographics are challenging and hence it will be interesting to see whether and to what extent private patient revenue materialises.

10.5. The London Market

The Bupa Cromwell Hospital

Although The Bupa Cromwell Hospital was one of the first players in London to develop a comprehensive cancer care offering, it has failed to establish itself in this space or to secure and retain any significant Consultant loyalty.

However, 2019 saw The Bupa Cromwell Hospital announce a number of key investments which indicate that the development of cancer services is firmly on its radar going forward.

In July, GenesisCare acquired The Bupa Cromwell's radiotherapy and Gamma Knife machines. The existing machines will be replaced by the latest technology, including an MR-Guided Linear Accelerator and a Varian Edge, both expected to be operational from Spring 2020. Mirroring their operating model elsewhere, GenesisCare's plan is to syndicate the business to Consultant partners through a limited liability partnership structure.

There is anecdotal evidence to suggest that GenesisCare and The Bupa Cromwell remain in active discussion around the chemotherapy business, with GenesisCare seeking to acquire it and to create a fully-integrated cancer centre.

In October, Bupa announced that The Cromwell Hospital had joined its network of specialist centres for breast cancer, forming part of Bupa's Cancer Direct Access service and offering customers an appointment with a Consultant within two working days of first contact, with all initial diagnostic tests completed in a single appointment.

This announcement was followed by the installation of a da Vinci X robot for complex surgery in November 2019.

HCA

Leaders in Oncology Care is and remains the mainstay of HCA's oncology offering and performed well through 2018, generating a revenue total of c.£95m (18,500 day case attendances) from its four central London sites – The Wellington, Harley Street, London Bridge and Chelsea. This does however represent a decline on the prior year, attributable to a reduction in patient numbers and the termination of appointment of a busy medical oncologist specialising in urology.

HCA was the first provider to launch its CAR-T programme in Spring 2019, run out of HCA UK at University College London Hospital. There are plans to imminently roll out the programme to treat blood cancers other than lymphoma.

At a group level, HCA are collaborating with private medical insurers to develop and implement direct access pathways for diagnosis and in November 2019 launched a Rapid Prostate Clinic at The Princess Grace Hospital, offering patients with an elevated PSA same-day testing and diagnosis.

As an organisation HCA have been heavily reliant upon overseas business, in particular the Middle Eastern embassy sponsored patients. As a direct response to the decline in these patients coming to London, HCA have sought to explore new markets.

The London Clinic

Cancer remains of strategic importance to The London Clinic and is a key area of focus. They continue to engage with their existing Consultants but lack proactivity in recruitment or in managing splitters or surgeons who refer their chemotherapy and radiotherapy elsewhere.

In June 2019 The London Clinic launched its CAR-T cell therapy programme for adults with diffuse large B-cell lymphoma, headed by London Haematology LLP (Dr Richard Kaczmarski, Dr Mike Potter, Dr Riaz Jan-Mohamed and Professor John Gribben).

They also entered into a strategic partnership with the Shanghai International Medical Centre, one of China's leading private hospitals to "deliver clinical services to Chinese nationals in China". In

practice, the deal will focus upon sharing knowledge and providing access to multi-disciplinary teams in urology, gynaecology and oncology. It is envisaged that complex patients will travel to London for treatment.

Aspen Parkside Hospital - Cancer Centre London

Cancer Centre London, part of Aspen Healthcare was acquired by NMC in August 2018.

Through 2018, Cancer Centre London saw 8,817 day case attendances for chemotherapy and radiotherapy combined, generating revenues of £13m, a decline of 2% on the prior year.

Consultant recruitment and capital investment in a competitive and challenging market remain the two key issues for Cancer Centre London. Its future strategy remains unclear.

Ambulatory Surgery International

Ambulatory Surgery International, trading as OneWelbeck is an outpatient diagnostic and day surgery centre located in W1 which launched, significantly behind schedule, in Spring 2019.

OneWelbeck is developing a number of Centres of Excellence, with an initial focus upon digestive health, orthopaedics and cardiology; later extending to general surgery, ENT and Women's Health.

OneWelbeck works under an equity participation model (£140k for 5% at last offering), the amount of equity offered being intrinsically linked to size of practice and a pledge to move it from existing providers.

Whilst not a direct competitor in the cancer space, OneWelbeck will certainly have a role to play in the diagnosis of cancer and there is an opportunity for an existing provider to formalise a referral pathway in to their cancer services.

10.6. New Market Entrants: London

Private acute medical capacity within the London market is growing, with a number of new market entrants set to join within the next couple of years.

This creation of capacity will undoubtedly put pressure on existing market players to secure their place and role in the market through enhancing consultant relationships, developing existing and additional referral channels, and improving their customer service, proposition and care delivery.

Cleveland Clinic London

With construction well underway, Cleveland Clinic London is set to open in Spring 2021. The site, located on Grosvenor Place will offer outpatient, diagnostic and inpatient facilities, housing an impressive 185 beds.

There are plans to open an outreach outpatient and diagnostic facility in Portland Place, W1, ahead of the main hospital and this is expected to open in autumn 2020.

Cleveland Clinic London have an aggressive focus on consultant recruitment, offering attractive salaried roles to those with large existing private practices. They have already successfully "signed" a number of big players.

Despite cancer care being a key component of Cleveland's service offering in the US, there are currently no plans to offer either chemotherapy or radiotherapy to patients in London, although talks are ongoing with a number of providers in the market about potential partnership opportunities.

Cleveland Clinic London will undoubtedly play a role in the diagnosis and surgical treatment of cancer and there is therefore clearly an opportunity for an existing provider to capture and perhaps even formalise the direction of onward referrals.

St Bartholomew's Hospital

Nuffield Health have partnered with St Bartholomew's Hospital to develop a dedicated private hospital within the existing NHS hospital campus.

The new hospital is scheduled to open in 2021 and will offer outpatient consultation, a comprehensive diagnostic imaging suite, 48 inpatient beds and four operating theatres.

Nuffield's strategy is to create a London hub in to which it can proactively direct downstream referrals generated from its corporate health general practice and screening division, predominantly based in the City of London and Canary Wharf. With no London acute provision, Nuffield are currently losing these referrals to competitors, notably HCA.

The service offering will focus upon the delivery of specialities which are complementary to the offering at St Bartholomew's: cardiology and cardiac surgery, general surgery, orthopaedics and oncology.

The business case predicts chemotherapy will be Nuffield's third largest specialty in terms of revenue, although the rationale behind this is unclear, given that its Consultants who are active in private practice have entrenched practices elsewhere. Nuffield have negotiated dedicated private capacity on the Trust's linear accelerators as part of the deal.

Following award of the tender, Nuffield have been slow off the ground in terms of allocating resource to the development but have recently appointed a dedicated Development Director for London, to commence employment in February 2020. The initial focus will invariably be on consultant engagement, with the BMI London Independent as a key target.

Advanced Oncotherapy

Advanced Oncotherapy is the developer of a next generation proton beam system (LIGHT) for the treatment of cancer.

Work commenced on their Harley Street facility in early 2017, with the centre scheduled to open and treat its first patients in late 2020.

Much of 2019 has been spent fundraising (>£30m), predominantly through share issue and loans.

In December 2019, Advanced Oncotherapy announced a two year research collaboration with The Cleveland Clinic in the US, to evaluate the target conformity of proton mini beams in comparison with traditional radiotherapy and stereotactic radiosurgery. If successful, this is highly likely to stimulate demand and accelerate further development, both in the UK and overseas.

Proton Beam at UCLH

The NHS proton beam centre at UCLH is scheduled to open in 2020 and is expected to treat up to 750 NHS patients per year.

UCLH have partnered with Proton International to extend proton beam access to private patients through the purchase of dedicated machine time. Work is underway in the London market to secure insurer funding, as well as to identify and capture potential referral channels.

Appendix 7 – Draft Outpatient & Chemotherapy Schedules

CAVENDISH SQUARE OUTPATIENT SUITE

		BREAST					UROLOGY		GYNAE		LUNG		GI			LUMPS & BUMPS & SKIN		GENETICS	HEAD & NECK		HAEM-ONC	PLASTICS, PAIN	
MONDAY	TIME	DIAGNOSTIC/SURGERY		ONCOLOGY			DIAGNOSTIC/SURGERY	ONCOLOGY	DIAGNOSTIC/SURGERY	ONCOLOGY	ONCOLOGY		SURGICAL	ONCOLOGY		DIAGNOSTIC	ONCOLOGY	GENETICS	DIAGNOSTIC/ SURGERY	ONCOLOGY			MONDAY
	8am-9am																						8am-9am
	9am - 10am					Imogen Locke *preferred day*					Sanjay Popat *needs to drop Kingston clinic*	Fiona MacDonald *needs to drop ESH clinic*					Samra Turaljic		Cyrus Kerawala				9am - 10am
	10am-11am																						10am-11am
	11am-12pm													Diana Tait									11am-12pm
	12pm-1pm																						12pm-1pm
	1pm-2pm													David Cunningham									1pm-2pm
	2pm-3pm	Fiona MacNeill results clinic		Gill Ross	Alicia Okines *?? from 2021*	Stephen Johnston *clash with NHS DCC*	Declan Cahill alt wks wk 1																2pm-3pm
	3pm-4pm							Pardeep Kumar														Kelvin Ramsey	3pm-4pm
	4pm-5pm																						4pm-5pm
	5pm-6pm																						5pm-6pm
	6pm-7pm																						6pm-7pm
	7pm-8pm																						7pm-8pm
TUESDAY		DIAGNOSTIC/SURGERY		ONCOLOGY			DIAGNOSTIC/SURGERY	ONCOLOGY	DIAGNOSTIC/SURGERY	ONCOLOGY	ONCOLOGY		DIAGNOSTIC	ONCOLOGY		DIAGNOSTIC	ONCOLOGY	GENETICS	DIAGNOSTIC/ SURGERY	ONCOLOGY	HAEM-ONC	PLASTICS/PAIN	TUESDAY
	8am-9am																						8am-9am
	9am - 10am	Jenny Rusby NP clinic job plan will change			Gill Ross	Nick Turner	Erik Mayer *Lift and Shift*							Shree Bhide *or Fri am*						Shree Bhide *or Tues am or pm*			9am - 10am
	10am-11am							Ros Eeles										Ros Eeles					10am-11am
	11am-12pm																						11am-12pm
	12pm-1pm																						12pm-1pm
	1pm-2pm	Nicky Roche											Shanu Rasheed (alt) alt weeks *lift & shift*										1pm-2pm
	2pm-3pm					Ian Smith					Chris Nutting ? Move to Weds pm	Mary O'Brien		Naureen Starling					Vin Paleri	Chris Nutting ? Move to Weds pm so not to clash with Vin for endoscope	Mike Potter		2pm-3pm
	3pm-4pm		Peter Barry Results clinic																				3pm-4pm
	4pm-5pm									Susan Lalondrelle *or Weds*													4pm-5pm
	5pm-6pm							Julia Murray														John Williams Pain clinic	5pm-6pm
	6pm-7pm																						6pm-7pm
	7pm-8pm																						7pm-8pm
WEDNESDAY		DIAGNOSTIC/SURGERY		ONCOLOGY			DIAGNOSTIC/SURGERY	ONCOLOGY	DIAGNOSTIC/SURGERY	ONCOLOGY	ONCOLOGY		DIAGNOSTIC	ONCOLOGY		DIAGNOSTIC	ONCOLOGY	GENETICS	DIAGNOSTIC/ SURGERY	ONCOLOGY	HAEM-ONC	PLASTICS/PAIN	WEDNESDAY
	8am-9am						Alan Thompson alt wks																8am-9am
	9am - 10am								??? Tom Ind	Marielle Nobbenhuis *or pm*			Sasheen Kumar										9am - 10am
	10am-11am	Fiona MacNeill NP clinic																					10am-11am
	11am-12pm																						11am-12pm
	12pm-1pm																						12pm-1pm
	1pm-2pm										Chris Nutting ? Move to Weds pm									Chris Nutting ? Move to Weds pm so not to clash with Vin for endoscope	Mark Ethell *lift & shift Chelsea except transplant patients*		1pm-2pm
	2pm-3pm						David Nicol alt wks wk 2	Robert Huddart					Sameer Zar										2pm-3pm
	3pm-4pm															Dirk Strauss							3pm-4pm
	4pm-5pm									Susan Lalondrelle *or Tues*													4pm-5pm
	5pm-6pm																					John Williams Pain clinic	5pm-6pm
	6pm-7pm																						6pm-7pm
	7pm-8pm																						7pm-8pm
THURSDAY		DIAGNOSTIC/SURGERY		ONCOLOGY			DIAGNOSTIC/SURGERY	ONCOLOGY	DIAGNOSTIC/SURGERY	ONCOLOGY	ONCOLOGY		DIAGNOSTIC	ONCOLOGY		DIAGNOSTIC	ONCOLOGY	GENETICS	DIAGNOSTIC/ SURGERY	ONCOLOGY	HAEM-ONC	PLASTICS/PAIN	THURSDAY
	8am-9am																						8am-9am
	9am - 10am								John Butler	Susie Banerjee *with new cons appt*												Kelvin Ramsey	9am - 10am
	10am-11am																						10am-11am
	11am-12pm				Gill Ross either am or pm	Alicia Okines *from 2021*																	11am-12pm
	12pm-1pm	Nicky Roche *results clinic*																					12pm-1pm
	1pm-2pm									Angela George								Angela George					1pm-2pm
	2pm-3pm					Marina Parton	Chris Ogden	Robert Huddart *needs to drop Croydon clinic*													Mike Potter		2pm-3pm
	3pm-4pm																						3pm-4pm
	4pm-5pm																						4pm-5pm
	5pm-6pm																						5pm-6pm
	6pm-7pm																						6pm-7pm
	7pm-8pm																						7pm-8pm
FRIDAY		DIAGNOSTIC/SURGERY		ONCOLOGY			DIAGNOSTIC/SURGERY	ONCOLOGY	DIAGNOSTIC/SURGERY	ONCOLOGY	ONCOLOGY		DIAGNOSTIC	ONCOLOGY		DIAGNOSTIC	ONCOLOGY	GENETICS	DIAGNOSTIC/ SURGERY	ONCOLOGY	HAEM-ONC	PLASTICS/PAIN	FRIDAY
	8am-9am						David Nicol alt wks wk 1																8am-9am
	9am - 10am	Peter Barry	Jenny Rusby NP clinic job plan will change										Paris Tekkis alt wks	Sheela Rao	Shree Bhide					Shree Bhide *or Tues am or pm*			9am - 10am
	10am-11am				Alistair Ring																		10am-11am
	11am-12pm																						11am-12pm
	12pm-1pm							Julia Murray															12pm-1pm
	1pm-2pm	Peter Barry alt wks wk 1 *Lift and shift*			Alicia Okines	Imogen Locke *ad hoc clinic*	Declan Cahill alt wks wk 2		John Butler *alt weeks*											Kevin Harrington			1pm-2pm
	2pm-3pm																						2pm-3pm
	3pm-4pm																						3pm-4pm
	4pm-5pm																						4pm-5pm
	5pm-6pm																						5pm-6pm
	6pm-7pm																						6pm-7pm
	7pm-8pm																						7pm-8pm
SATURDAY		DIAGNOSTIC/SURGERY		ONCOLOGY			DIAGNOSTIC/SURGERY	ONCOLOGY	DIAGNOSTIC/SURGERY	ONCOLOGY	ONCOLOGY		DIAGNOSTIC	ONCOLOGY		DIAGNOSTIC	ONCOLOGY	GENETICS	DIAGNOSTIC/ SURGERY	ONCOLOGY	HAEM-ONC	PLASTICS/PAIN	SATURDAY
	9am - 10am									Angela George			Paris Tekkis alt wks					Angela George alt wks					9am - 10am
	10am-11am																						10am-11am
	11am-12pm																						11am-12pm
	12pm-1pm																						12pm-1pm
	1pm-2pm																						1pm-2pm
	2pm-3pm																						2pm-3pm
	3pm-4pm																						3pm-4pm
	4pm-5pm																						4pm-5pm
		BREAST					UROLOGY		GYNAE		LUNG		GI			SKIN		GENETICS	HEAD & NECK		HAEM-ONC	PLASTICS/PAIN	

CAVENDISH SQUARE CHEMOTHERAPY SUITE

MONDAY	BREAST		GI	LUNG	UROLOGY	GYNAE	SKIN	HAEM-ONC	MONDAY
8am-9am									8am-9am
9am - 10am				Sanjay Popat *needs to drop Kingston clinic*			Samra Turaljic		9am - 10am
10am-11am									10am-11am
11am-12pm									11am-12pm
12pm-1pm									12pm-1pm
1pm-2pm			David Cunningham						1pm-2pm
2pm-3pm	Alicia Okines *?? from 2021*	Stephen Johnston *clash with NHS DCC*							2pm-3pm
3pm-4pm									3pm-4pm
4pm-5pm									4pm-5pm
5pm-6pm									5pm-6pm
6pm-7pm									6pm-7pm
7pm-8pm									7pm-8pm
TUESDAY	**BREAST**		**GI**	**LUNG**	**UROLOGY**	**GYNAE**	**SKIN**	**HAEM-ONC**	**TUESDAY**
8am-9am									8am-9am
9am - 10am	Nick Turner		Shree Bhide *or Fri am*						9am - 10am
10am-11am									10am-11am
11am-12pm									11am-12pm
12pm-1pm									12pm-1pm
1pm-2pm									1pm-2pm
2pm-3pm	Ian Smith		Naureen Starling	Mary O'Brien				Mike Potter	2pm-3pm
3pm-4pm									3pm-4pm
4pm-5pm									4pm-5pm
5pm-6pm					Julia Murray				5pm-6pm
6pm-7pm									6pm-7pm
7pm-8pm									7pm-8pm
WEDNESDAY	**BREAST**		**GI**	**LUNG**	**UROLOGY**	**GYNAE**	**SKIN**	**HAEM-ONC**	**WEDNESDAY**
8am-9am									8am-9am
9am - 10am									9am - 10am
10am-11am									10am-11am
11am-12pm									11am-12pm
12pm-1pm									12pm-1pm
1pm-2pm								Mark Ethell *lift & shift Chelsea except transplant patients*	1pm-2pm
2pm-3pm					Robert Huddart				2pm-3pm
3pm-4pm									3pm-4pm
4pm-5pm									4pm-5pm
5pm-6pm									5pm-6pm
6pm-7pm									6pm-7pm
7pm-8pm									7pm-8pm
THURSDAY	**BREAST**		**GI**	**LUNG**	**UROLOGY**	**GYNAE**	**SKIN**	**HAEM-ONC**	**THURSDAY**
8am-9am									8am-9am
9am - 10am						Susie Banerjee *with new cons appt*			9am - 10am
10am-11am	Alicia Okines *from 2021*								10am-11am
11am-12pm									11am-12pm
12pm-1pm									12pm-1pm
1pm-2pm						Angela George			1pm-2pm
2pm-3pm	Marina Parton				Robert Huddart *needs to drop Croydon clinic*			Mike Potter	2pm-3pm
3pm-4pm									3pm-4pm
4pm-5pm									4pm-5pm
5pm-6pm									5pm-6pm
6pm-7pm									6pm-7pm
7pm-8pm									7pm-8pm
FRIDAY	**BREAST**		**GI**	**LUNG**	**UROLOGY**	**GYNAE**	**SKIN**	**HAEM-ONC**	**FRIDAY**
8am-9am									8am-9am
9am - 10am			Sheela Rao						9am - 10am
10am-11am	Alistair Ring								10am-11am
11am-12pm									11am-12pm
12pm-1pm									12pm-1pm
1pm-2pm					Julia Murray				1pm-2pm
2pm-3pm	Alicia Okines								2pm-3pm
3pm-4pm									3pm-4pm
4pm-5pm									4pm-5pm
5pm-6pm									5pm-6pm
6pm-7pm									6pm-7pm
7pm-8pm									7pm-8pm
SATURDAY	**BREAST**		**GI**	**LUNG**	**UROLOGY**	**GYNAE**	**SKIN**	**HAEM-ONC**	**SATURDAY**
9am - 10am						Angela George			9am - 10am
10am-11am									10am-11am
11am-12pm									11am-12pm
12pm-1pm									12pm-1pm
1pm-2pm									1pm-2pm
2pm-3pm									2pm-3pm
3pm-4pm									3pm-4pm
4pm-5pm									4pm-5pm
	BREAST		**GI**	**LUNG**	**UROLOGY**	**GYNAE**	**SKIN**	**HAEM-ONC**	

Appendix 8 services not provided in Cavendish Square

A high-level estimation has been completed over the potential contribution for a activity provided on the Chelsea site. This is estimated to be c£3m, this is based upon the historical conversion rates to radiotherapy from the three main specialties of Breast, GI and Urology and has assumed that the impact of surgical and inpatients will result in a net zero contribution this is in line with the current profitability of PP activity. This is an extremely high level calculation and should be treated with caution.

Area	OP appointments	Project radiotherapy attendances
Breast	7,489	2,374
GI	4,681	1,024
Urology	3,302	1,030
Total	15,472	4,428