

Partnerships in Action

Bringing MRI & CT scans to the high street

Doors open to health services in Edenbridae



Infrastructure

Evolution, not Revolution

deadline pressures

James Lloyd, gbp group Finance **Director & Deputy CEO, explores how** over 28 years of refinement of UK PPP models can be built upon to help solve our current social infrastructure challenges.

The UK has a desperate need for investment in public infrastructure. This is critical, not just to improve public services, but also to maintain our assets and keep pace with demands of an aging and growing population.

However, in a tale as old as time, the public capital available to invest in infrastructure is not enough to meet demand. When you add in issues of spiralling build costs and current economically uncertain times, not to mention a difficult political landscape, we are stuck in a bit of a rut!

With a general election looming, one thing is for certain, whichever government sits in No.10, it will need to solve the conundrum of public infrastructure investment with a limited pot of money. Therefore, it comes as no surprise that many people are talking about a resurgence of PPP/PFI as a way to solve this problem.

Resurrecting the political pariah that is PFI would be a brave move, but if the lessons of the past can be learnt, I firmly believe it would be the right one.

A focus on health. One area that greatly needs infrastructure investment is Primary Care.

Primary Care is widely seen as key in reducing pressures on the acute sector, with a push towards preventative care, i.e treating people before the need to go to hospital, along with being able to provide a greater range of services to people in a more local, community setting. This is no secret and is a major reason why the likes of Wes Streeting have been exploring the Australian system which has a greater focus on care provided in local community settings.

However, the majority of the Primary Care estate is not capable of meeting these objectives, with only 1 in 5 GP's* who believe that their current premises meets their needs. If more services are to be provided in the community, then more buildings are needed that are able to accommodate these services. Through initiatives such as the LIFT programme, we are in a much better position then we were 20 years ago. However, there is still a very long way to go.

Evolution, not revolution. Whilst in England new PFI/PPP projects have been non-existent for a good number of years, Scotland and Wales have both succeeded in launching new PPP projects, albeit in Scotland these have now also halted.

What is true for these projects, and in general when you look at PFI as a whole, is that as time has progressed, the model has been improved and lessons have been learnt. Continued Page 2

Continued:

Risk transfer between the private and public sector was optimised; profiteering was guarded against; and increasingly, the public sector had an equity stake. Therefore going forward this seems the obvious solution to our infrastructure needs.

A really good example is the LIFT - Scottish HUB - Welsh MIM evolution. When HUB was created by the Scottish Government, the LIFT framework was used as a template and then improved to make the model better. Such as:



- **IRR Caps:** The levels of profit made by the underlying SPV are capped to prevent profits well in excess of the position at Financial Close.
- **Shareholding:** 30% of the shareholding is reserved for the public sector participants of the actual assets meaning they feel more involved in the project, with 10% being held by a national body in Scottish Futures Trust which provides consistency across the patch.
- **Standardisation of design:** This helps keep costs down by using a standard design which is then adapted to suit the project needs.
- Social and community benefit clauses ensure local labour and services are used pre and post construction.
- **Tighter payment mechanisms:** Give public sector greater power to penalise non performance. The caveat here is that this risk is priced accordingly, so we must find a balance between having power to penalise non-performance, but not to a punitive level.
- The HUB model is not restricted to health.

One big problem, however, is that PFI didn't originally sit on the government balance sheet as a liability (thereby allowing the government to fund projects without affecting national debt targets). Accounting rule changes brought an end to that - to the extent that a simple long-lease of an office by an NHS Trust would now sit on balance sheet for the UK. Is it too radical to suggest that given the state of our nationally owned assets these rules need to change? And how could that be achieved with credibility so that the UK maintains its credit rating and low cost of borrowing?

If we are going to adopt a new model of PPP that will get political and public support in England, we need to learn from the past and be honest with ourselves about what has worked in prior models and what didn't work. And for political reasons it definitely can't be branded "PFI"!

The key word in PPP is Partnership, and only by working in partnership can we further evolve MIM into a model that will provide the much-needed investment in infrastructure in England. One thing that is for certain, in the context of an £11bn backlog maintenance bill and RAAC hospitals and schools literally falling apart we desperately need new high quality, accessible and sustainable facilities that will meet the needs of the public, not only now, but also into the future.

gbp's statement at the APPG for Healthcare Infrastructure



Hugh Robinson, gbp group Business Development Director, had the ear of politicians and industry leaders on the subject of Primary Care in England at the December meeting of the All-Party Parliamentary Group (APPG) for Healthcare Infrastructure in Westminster.

Hugh shared gbp's experience in the primary care sector in recent times and made some "asks", namely: **1. Remove barriers to improving optimisation / utilisation; 2. Introduce a programme for Primary Care; 3. Review of the CDEL issue.**

<u>Click here to read the full statement.</u>











Are you under pressure to complete strategies and projects by the end of the financial year? If so, we are here to help.

With the requirement for Integrated Care Systems (ICS) to update their infrastructure strategies by the beginning of next financial year. As well as the annual pressure of delivering capital projects by April, you may find that you are in need of some swift, expert, estates advice and resource.

If you have not worked with gbpartnerships before, or it's been a while since we've spoken, we'd be pleased to hear from you and explore ways in which we can help you and your team in the coming months.

Our experience is trusted by ICS's and NHS Trusts across the country who we are working with to support their strategic planning and programme / project delivery.

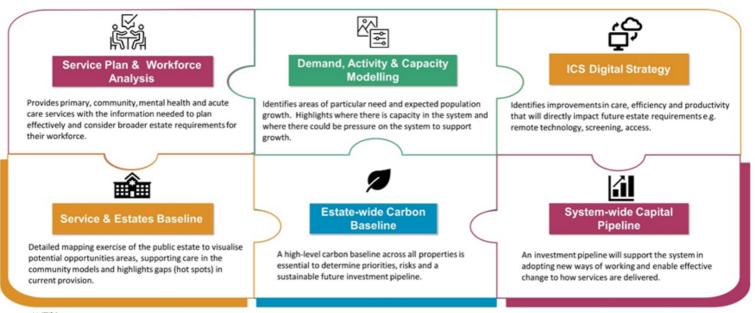
For example, we have been working alongside NHS Property Services at Crawley Hospital for many years, as an embedded project management team and most recently, completing a business case for the new Child Development Centre and project managing it to a successful completion at the end of last year. <u>Read more here.</u> We are also pleased to be supporting Cheshire & Merseyside ICS in the production of its Infrastructure Strategy.

Infrastructure planning is fundamental to building a strong and effective ICS and a key enabler for the delivery of high-quality care.

At the heart of any infrastructure plan is the organisation's estates strategy, but this in isolation is no longer sufficient. It is critical that NHS infrastructure strategies account for the interwoven nature of services, workforce, estates, digital innovation and sustainability.

As such, we have developed an approach to delivering infrastructure strategies which not only aligns with NHSE requirements but is robust and will have a longevity which systems can rely on well into the future.

We advise our clients that an infrastructure strategy is only as strong as the building blocks it is based on, most notably the following six aspects:



We know the last quarter of the financial year can be particularly hectic, so please do get in touch if you need additional capacity or estates expertise to get projects over the line.

To find out more contact: <u>Sam McCumiskey, gbp consult Managing Director</u>. Email: <u>sam.mccumiskey@gbpconsult.co.uk</u>.











Helping you to understand your estate portfolio

gbp consult's strategic estates planning tool can help you quickly assess where best to allocate time and money across a large estate portfolio. This short animation explains how: PLAY



Contact <u>sam.mccumiskey@gbpconsult.co.uk</u> to arrange a call to discuss further.

Bringing MRI and CT scanning services to the high street

Wood Green Community Diagnostic Centre (CDC) has now opened its phase 2 services on the new lower ground floor, bringing MRI and CT diagnostic testing to a shopping centre in the heart of Haringey.

The CDC first opened its doors in August 2022, with the introduction of blood tests, x-ray, ultrasound, and ophthalmology services making it quicker and easier for people across Haringey and north central London to access diagnostic testing. An incredible 55,000 local people have been tested at the CDC since its opening.

The gbp consult team, led by Jonathan Wilson, acted as technical advisors to the client Whittington Health NHS Trust, and the ICB, developing the concept design and overcoming considerable technical challenges to see the project through to delivery.

The outcome is an amazing feat of collaboration, providing a valuable new resource to the local community. <u>Click here to read more.</u>

Project: Wood Green CDC Timescales:

Phase 1 live, August 2022 Phase 2 live, November 2023 **gbp consult services provided:** Strategic & technical feasibility, Design advisory services.



Krzystof Didek, the first MRI patient to be seen at Wood Green CDC.

Proud to be shortlisted for the HSJ Partnership Awards 2024

Finchley Memorial Hospital Community Diagnostic Centre (CDC) project has been shortlisted for Healthcare Infrastructure Project of the Year at the HSJ Partnership Awards 2024, recognising an outstanding dedication to improving healthcare and effective collaboration with the NHS.

The CDC project is a leading example of estates driving service transformation. The ambitious £4.5m reconfiguration of an existing high-quality LIFT asset, rapidly grew from a single mobile CT scanner to a multi-modality site.

The project transformed unused inpatient facilities to a successful outpatients' diagnostics centre, bringing care closer to home for local residents. Building utilisation increased by more than 10% during the first year of operation, at a nil increase in rent paid by the NHS. Over 140,000 tests have been carried out since the CDC opened in August 2021.

Click here to find out more about gbp's CDC expertise.









Project: Finchley Memorial
Hospital CDC
Timescales:
Phase 1 live, August 2021
Phase 2 live, September 2023
gbp consult services provided:
Strategic & technical feasibility
gbp manage services provided:
Project management of delivery on site.





Doors open to health services in the heart of Edenbridge



The doors have opened and the first appointments have taken place at the new Edenbridge Memorial Health Centre, a one-stop shop for health and wellbeing services in the heart of the local community.

Kent Community Health NHS Foundation Trust and Edenbridge Medical Practice run the majority of services at the new health centre. These include the new GP surgery, social prescribing and a wider range of outpatient clinics and children's services, reducing the need for people to travel to Tunbridge Wells or Maidstone hospitals.



Ian Tuddenham, gbp develop, Development Director commented: "We are incredibly proud to have successfully completed the new Health Centre on schedule. Working as the trust's development partner, our specialist health sector experience has successfully navigated a hugely complex multi-stakeholder process to deliver a new, modern facility

that puts health services at the heart of the community.

The health centre has been designed to be sustainable with no fossil fuels used to heat the building and photo voltaic panels producing renewable energy on site."

Project: Edenbridge Memorial Health Centre Timescales: Financial close, June 2022 Completed, November 2023 Size (m2): 2,180m2 Capex: £12.7m gbp develop services provided: Developer – design, build and finance.

<u>Click here to read more.</u>



Valerie Bignall waiting for a GP appointment on the morning the new Health Centre opened.

Over £7m worth of social value created within the local community and supply chain during the construction of the new Health Centre.

New X.Ray facilities support improved patient care

Pendleton Gateway in Salford accommodates the only X-Ray facilities outside Salford Royal's main hospital site. Consequently, it is a very busy and strategically important department for Salford's health strategy.

gbp manage recently led a complex project to replace the original 14 year old X-Ray facilities. The project has enabled the department to increase the volume of work that it can carry out and improve the experience for patients.



Click here to read more.









