



Infrastructure
and Projects
Authority

PPPs in the Health Sector – UK Experience

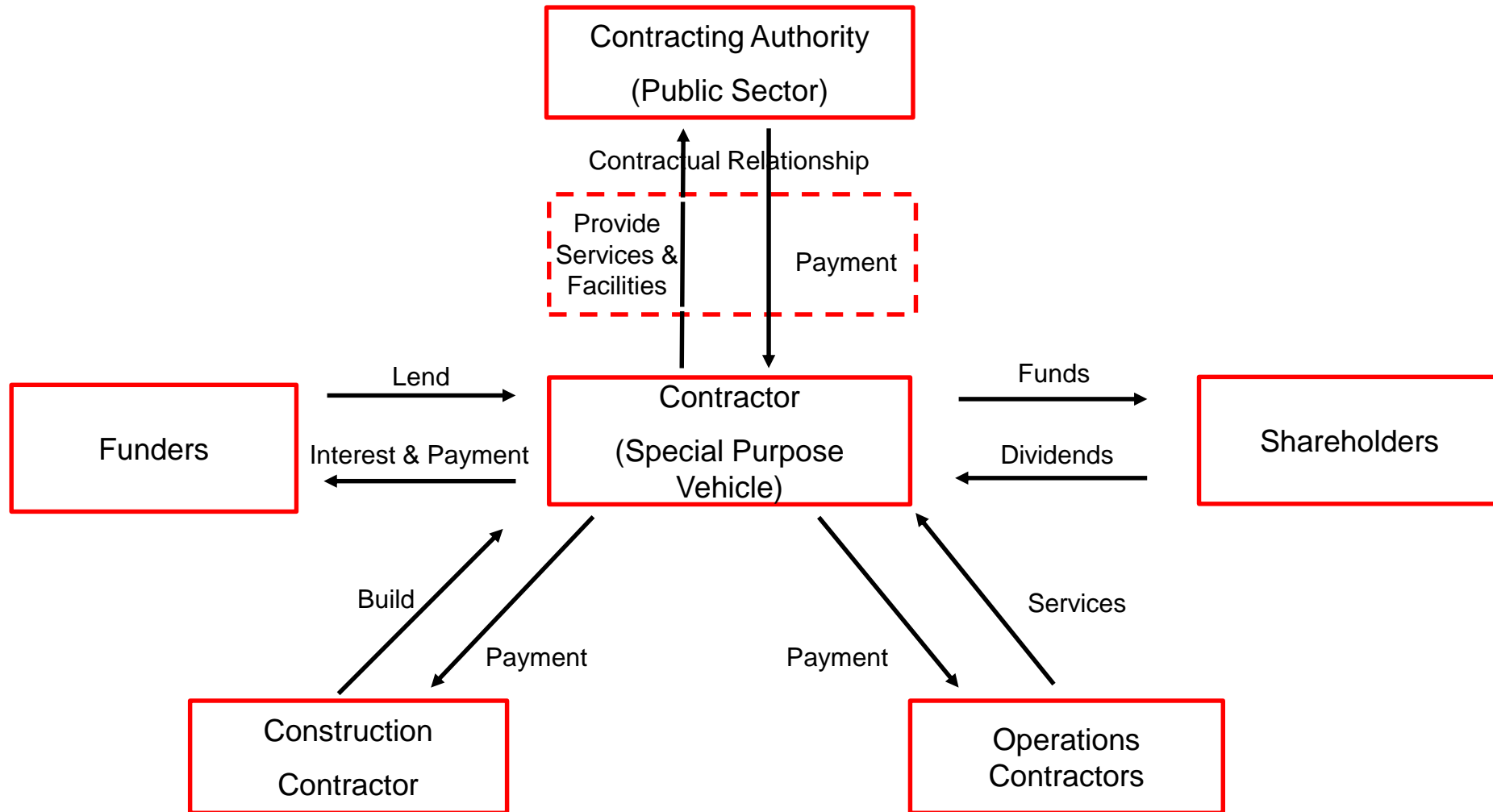
Eddie Hannah

March 2017

Contents

- Typical PPP Structure.
- Perception of UK PPP.
- The Health Scene.
- Acute Sector.
- Local Improvement Financial Trust (LIFT).
- Lessons Learned.
- Next Step.

A Typical PPP Structure in the UK



The Perception of UK PPP



Big and Bold

Has to be Complex

Building or Service Transformation?



The Health Scene



Founded on 5th July 1948

What does this mean?

The Health Scene

Primary Care

Acute Sector

Mental Health

It all seems a bit disjointed

The New Care Model – March 2015 first 29 Vanguards
Established

The New Care Model – March 2015 first 29 Vanguard Established

Integrated primary and acute care systems join up GP, hospital, community and mental health services, whilst multispecialty community providers move specialist care out of hospitals into the community. Enhanced health in care homes offer older people better, joined up health, care and rehabilitation services.

Acute Sector PPP



District General Hospital



Oncology

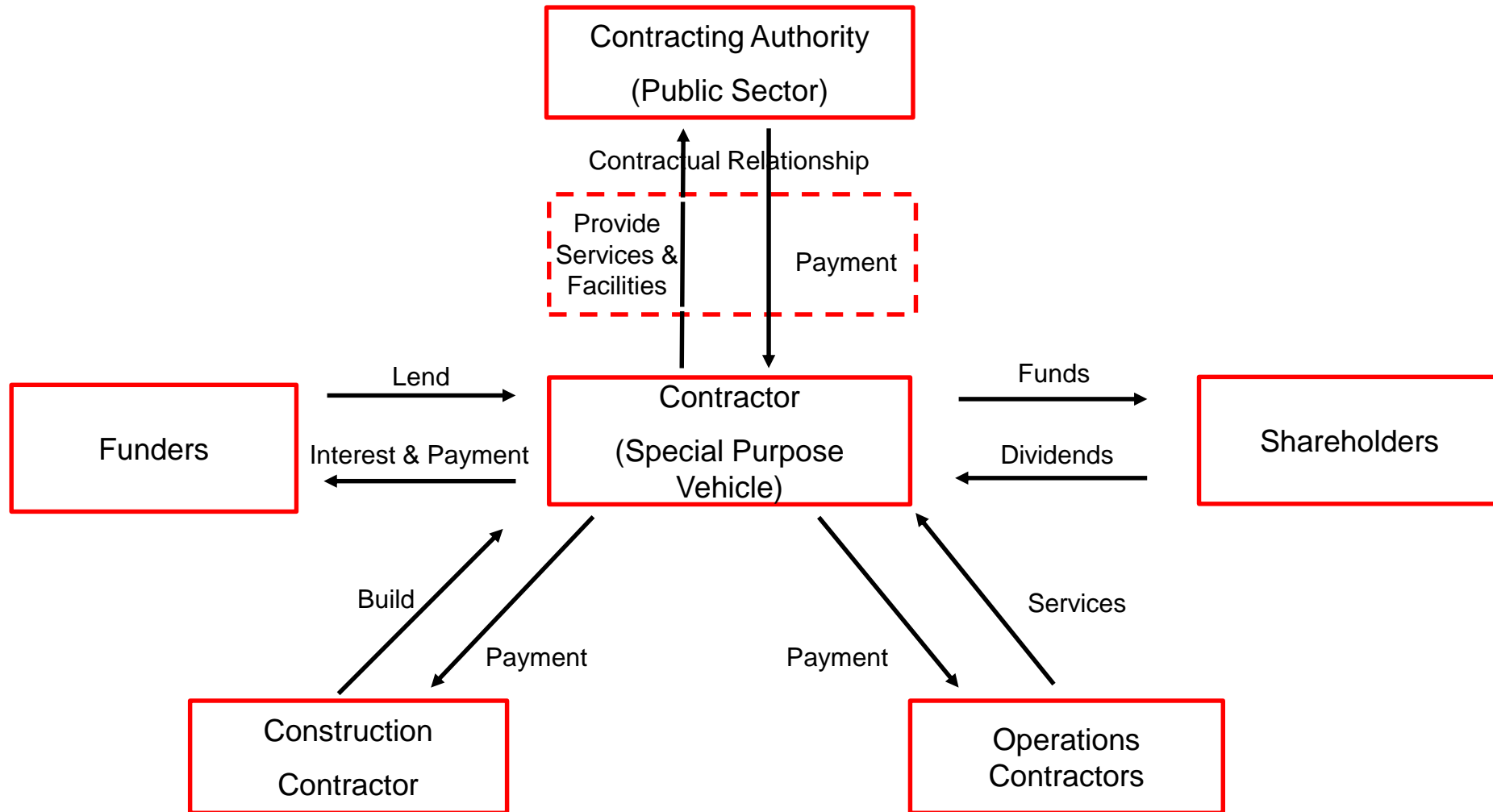


Children's and Head and Neck Specialism

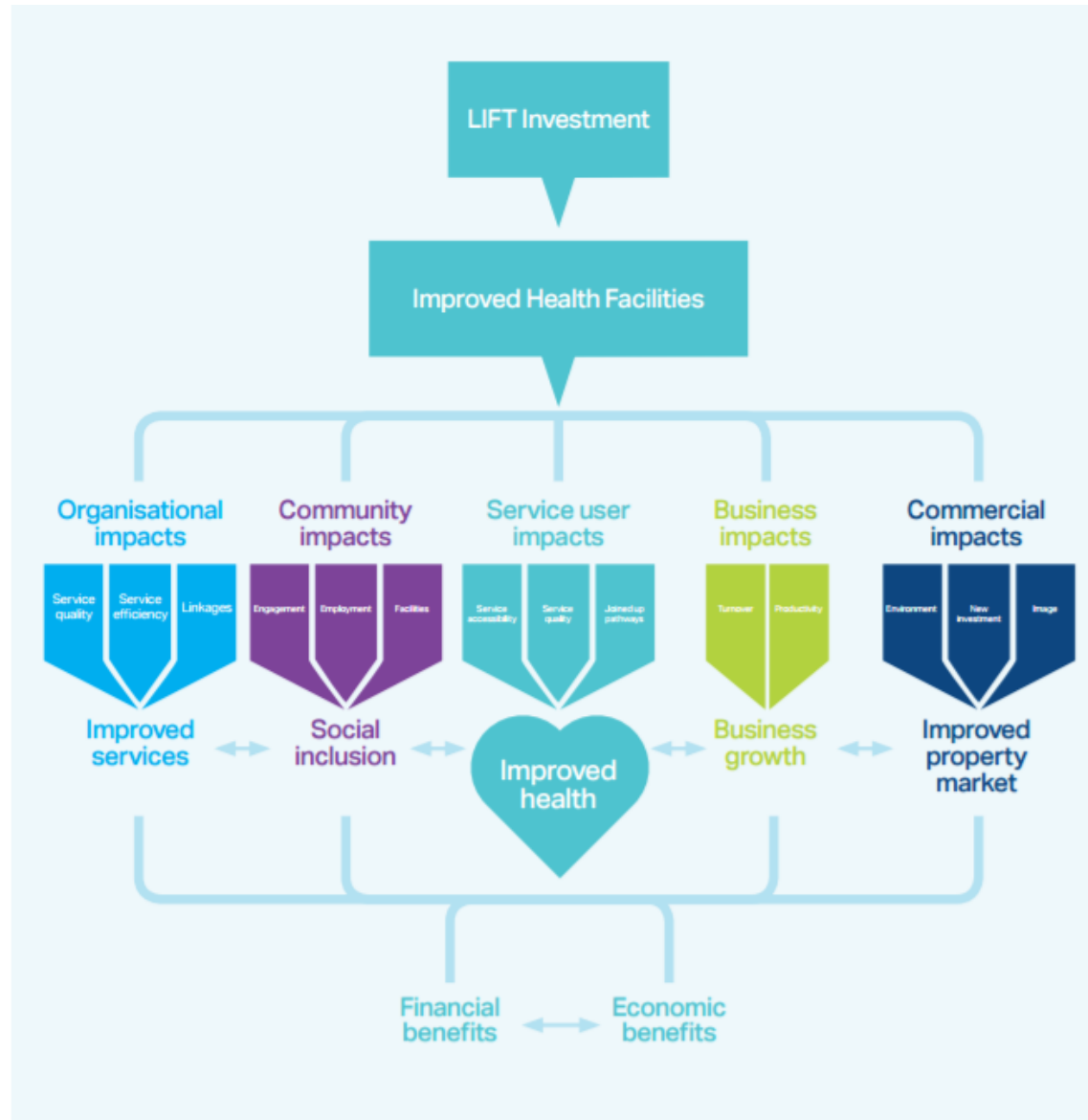
Primary Care – Local Improvement Financial Trust (LIFT)

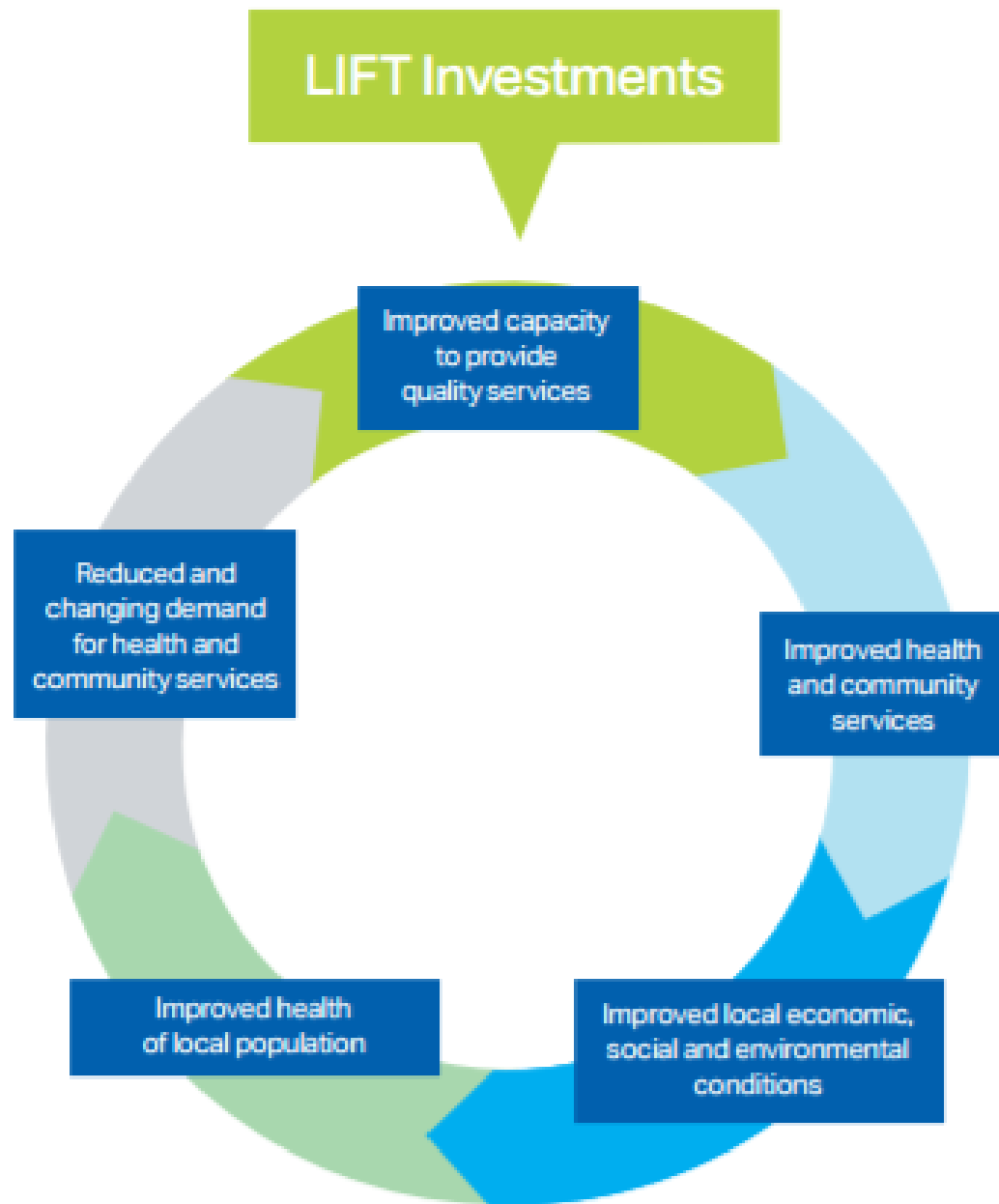
What does this mean and is it PPP?

A Typical PPP Structure in the UK

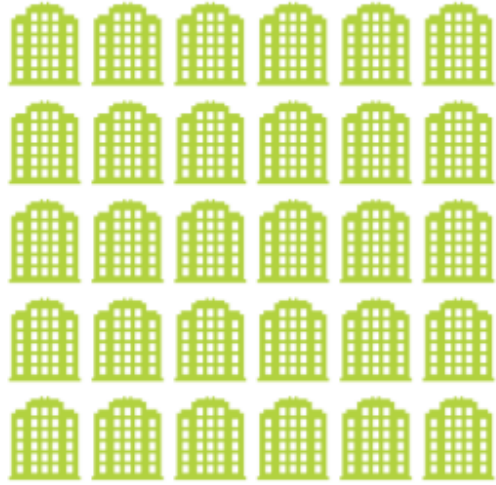


LIFT – Primary Care PPP Model





LIFT



314



projects have been developed across the country with over **872,000 sq m of new floorspace** for health service providers and other partners



Nearly 9 in every 10

LIFT projects are in areas with above average health needs



In total 119 LIFT projects are based in the 10% most deprived areas in the country.

LIFT – What does it Mean?

A good example of inter-agency co-operation is provided by the Sparkbrook Centre in Birmingham which, as well as housing three GP practices, also provides accommodation for a range of service providers, including:

- Health services such as dental services, physiotherapy clinics, district nursing and health visiting;
- Local authority services including a City Council Customer Service Centre, benefits and council tax advice and information, homelessness services, housing repair reporting facilities, adult education services and a library including free IT access;
- Third sector and private providers including a legal advice service (immigration), a domestic violence agency, a drugs and alcohol misuse charity and an opticians.

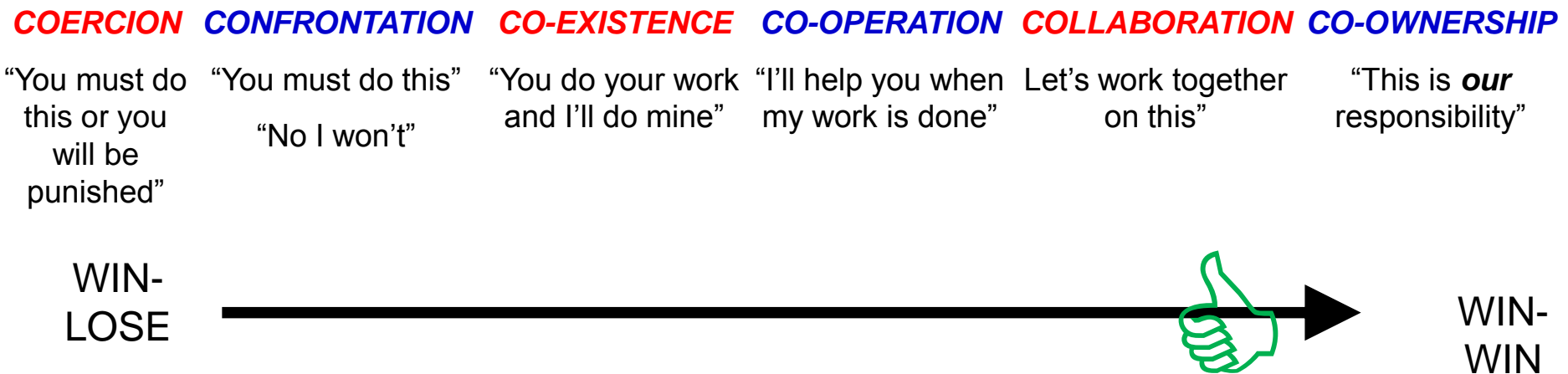
"The building has been designed so we see people much more, it's made it so much easier to talk to the district nurse, health visitor, whoever."
Dr William Lumb GP, Sedbergh Medical Centre

Lessons Learned in the UK

- Continual review of resources to ensure the right levels and skills mix to meet changing challenges and contractual events.
- Ensure the CMT is adequately resourced (capacity and capability) with flexibility to manage the long term cyclic nature of PFI Projects.
- Adopt a strategic partnership approach to achieve a win-win for all stakeholders
- Stress test all public sector assumptions prior to mobilisation, do not assume the private sector are experts in everything, carry out robust review of mobilisation plans and service delivery plans.
- Do not assume contract clauses mean the same to each party.
- Wherever possible maintain continuity within public sector teams.
- Ensure the CMT has its own budget to prevent reliance on unavailability funding (this funding model is a negative loop and eventually will disappear as the private sector corrects problems)
- Have support from senior managers, preferable at Board level for high value key PFI assets.
- Working collaboratively and expanding partnership is key to successful delivery of requirements.
- Professional behaviours strengthen partnership approach (honesty, openness and transparency).
- Establish joint objectives and work towards mutual understanding of key business drivers.
- Learn from others with a focus on networking with other Trusts.

Case Study to resolve a 'broken model'

All parties worked together to define what 'partnership' meant and putting 'patients first'. The 6Cs model was used as a framework to support the delivery of a 'strategic partnership' where there was a contractual framework to work to, but vision, values and objectives were aligned between all parties.



Resourcing was reviewed with all stakeholders increasing capability and capacity across their respective teams and committing to creating a win-win position with collective responsibility and ownership. This was supported through joint monitoring, joint projects, work streams, joint appointments and joint communications promoting our 'one team' approach.

Next Steps



Sandwell Metropolitan Borough Hospital -
£300m capital value PF2 – In Construction



Project Phoenix

Next Steps



AUTUMN STATEMENT 2016

Presented to Parliament by
the Chancellor of the Exchequer
by Command of Her Majesty

November 2016

Cm 9362

3.27 Private Finance 2 (PF2) – The government will develop a new pipeline of projects that are suitable for delivery through the PF2 Public Private Partnership scheme. A list of projects to make up the initial pipeline, covering both economic and social infrastructure, will be set out in early 2017.

Thank you for Listening



eddie.Hannah@ipa.gov.uk

