

## CHAPTER 9 - PROJECT TIMETABLE & MANAGEMENT ARRANGEMENTS

### 9.1 Introduction

This Chapter of the OBC sets out a project plan from OBC approval to financial close that is based on the standard procurement process of four bidders, to two bidders, to one bidder. The Trusts involved in the Greater Peterborough Health Investment Plan have also set out a robust management structure to ensure the project is delivered within the timescale of the project plan and the project budget. A separate project execution plan has been produced. This is a working document and will be expanded and amended during the full business case and construction phases.

### 9.2 Scope

This project plan covers the development of the full business case (FBC) for the preferred option identified in Chapter 5 of this OBC and the Greater Peterborough Health Investment Plan preferred option identified in a separate OBC. These two projects are being combined at the FBC stage to provide more efficient procurement, allow the implementation of site wide services and avoid the risks associated with two significant PFI schemes operating on the same site at the same time.

### 9.3 Project Plan

The timescale for the project plan takes advantage of the standardisation of documentation to complete the PFI procurement process in 18 months from publication of the OJEC notice. This timescale is in-line with early experience from schemes using the standard contract and procurement documentation.

The project team has also followed a strategy of working in much greater detail during the health planning stage and the development of the OBC. This will ensure there is less risk of changes during the FBC stage and the requirements of the health care providers are fully understood. All the activity and financial models have been developed in detail to allow them to be easily updated and refined during the FBC stage.

The build programme is estimated at 24 months with one month for operational commissioning. The key tasks, durations and completion dates are listed in Table 17.

Table 17 – Project Timetable

Key Task	Duration	Completion Date
OBC Approval	1 day	April 2003
OJEC Notice	1 day	June 2003
Receive PQQs	37 days	June 2003
Select Four Bidders	10 days	July 2003
Issue PITN	1 day	July 2003
Preparation of Bids	52 days	August 2003
Submission of Bids	1 day	August 2003
Evaluation of Bids	23 days	October 2003
Select Two Bidders	1 day	October 2003
Issue FITN	1 day	October 2003
Preparation of Bids	119 days	February 2004
Submission of Bids	3 days	February 2004
Evaluation of Bids	52 days	March 2004

Key Task	Duration	Completion Date
Select Preferred Bidder	1 day	April 2004
Final Negotiations	94 days	August 2004
FBC Approval	22 days	August 2004
Financial Close	1 day	September 2004
Start on Site	90 days	January 2005
Construction	24 months	January 2007
Commissioning	30 days	February 2007
Facility Operational	28 days	March 2007

## 9.4 Trust Partnering

To ensure the trusts who will be signatories to the project agreement fully understand the implications of their involvement in the PFI procurement process, and only act within their powers as defined in their respective establishment orders, a formal collaboration agreement has been drafted.

The Agreement covers the procurement process and sets out the heads of terms for the subsequent agreement (the Joint Use Agreement) that will apply during the operation of the PFI contract. The latter will mirror the terms of the former but cannot be completed until the former is agreed.

The Agreement defines the following key issues:

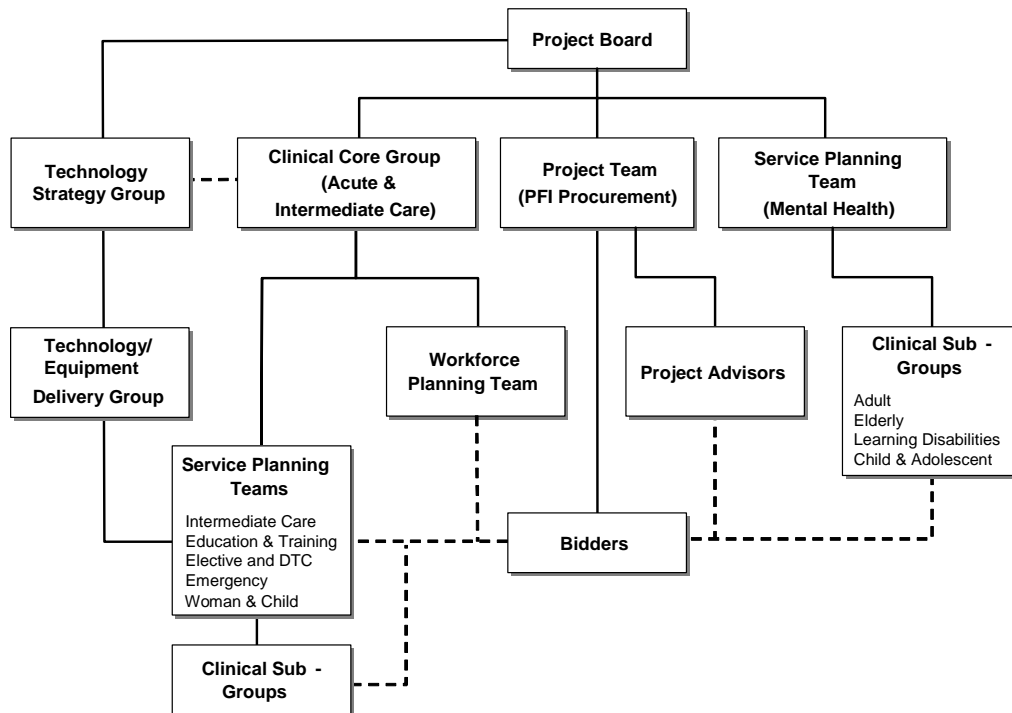
- That the trusts make a formal commitment to work together in accordance with the principles of openness and trust.
- That the trusts appoint Peterborough Hospitals Trust as agent to carry out the procurement function in accordance with all applicable legislation and have a stated duty to cooperate with Peterborough Hospitals Trust in discharging its responsibilities and to act reasonably to assist Peterborough Hospitals Trust.
- The authorities to make decisions at each stage of the procurement process.
- How the Joint Use Agreement required during the operation of the PFI contract will be concluded.
- The liability of the trusts.
- How any disputes between the trusts are to be resolved.
- The conditions under which the Agreement can be terminated and the consequences of termination.

## 9.5 Project Management Structure

The management structure for the project during the full business case stage has been structured in accordance with the recommendations in the Capital Investment Manual amended to take into account the multiple NHS partners to the project. See Figure 7.

The number of persons directly involved in the project on a fulltime basis has been expanded to reflect the increase in workload during the Full Business Case stage and the need to manage the changes in service provision and the workforce that will occur as a consequence of the health investment plan.

Figure 7– Organisational Structure for the Full Business Case



### 9.5.1 The Project Board

The Project Board's over-riding aim is to take forward, develop and implement the Mental Health New Build and the new model of care for health services in the Greater Peterborough area. The Project Board is accountable to the Stakeholders and has two prime responsibilities:

- Managerial responsibility for the delivery of the full business case needed to secure the procurement of the facilities through the private finance initiative.
- Managerial responsibility for the health system development aspects of the project.

The Project Board includes representatives from all stakeholder organisations and the City Council. Current membership is:

- Peterborough City Council
- North and South Peterborough Primary Care Trusts
- Lincolnshire South West PCT
- East Cambridgeshire and Fenland PCT
- Cambridgeshire and Peterborough Mental Health Partnerships Trust
- Peterborough Hospitals Trust

### 9.5.2 Project Team

The main objective of the Project Team is the management of the business case and PFI procurement process.

The core project team members are:

- Project Director
- Assistant Project Director
- Assistant Project Director (Mental Health)

- PCT Modernisation Manager
- Project Clinician
- Project Clinician (Mental Health)
- Equipment Manager
- Project Accountant
- Project Administrator
- General Manager (Facilities)

### 9.5.3 Mental Health New Build Steering Group

The Mental Health Steering Group will be the key vehicle to ensure the detailed work in taking forward the Mental Health development is delivered. The key purpose of this group will be :-

- Provide guidance and leadership on behalf of the Project Board in relation to all issues regarding the planning of clinical services for mental health as part of the delivery of the Health Investment Plan.
- Resolve points of disagreement within the Service Planning Team where the team is unable to jointly agree on solutions.
- Monitor the progress and quality of outputs prepared by the Service Planning Team.

Membership of this group is:-

- Area Director ( Peterborough) (GH)
- Director of Finance and Performance (BL)
- Assistant Project Director (Mental Health) (DMcN)
- Director of Facilities (ASP) (CF)
- Greater Peterborough PCT Representative (AF)
- Director of Nursing and Corporate Development (TB)
- Non-Executive Director (AC)
- Lead Project Clinician (Mental Health) (tbc)

The Mental Health Steering Group will be supported by a Service Planning team.

### 9.5.4 Service Planning Team

The Service Planning team comprises members from each of the services to be accommodated in the new mental health facility. These are:

- Adult acute inpatients
- Old age psychiatry inpatients
- Learning disabilities

The team is responsible for ensuring the mental health strategies that relate to the development are implemented. They are also the advisory group responsible for reviewing the service specifications for the facility and the FM services.

The role of the service planning team will be to provide specialist planning guidance and support to the Steering Group. The specific tasks of the group are:

- To define the model of care for the service.
- To review output specifications for all of the facilities and FM services.
- To consult widely and regularly with colleagues responsible for delivering the service and those services directly affected by them throughout the planning process.
- To evaluate and advise on detailed plans relating to the service prepared by bidders during the PFI procurement process.

The membership of the Service Planning Team includes :-

- Lead Project Clinician (Mental Health)
- Assistant Project Director (Mental Health)
- Medical representative
- Service Management representatives
- Clinical Services representatives
- AHP representative
- Service User/Carer representative

The Service Planning Team will be supported by sub-groups representing the individual specialties who will be responsible for:

- The development of a model of care for their service that is compliant with the service planning team's requirements.
- Defining the functional content of the department.
- Developing the operational policies and clinical output specifications required for the PFI procurement process.

## 9.6 Project management

The interface between the bidders, the service planning teams and sub-groups will be managed by the project team to ensure:

- The flow of information is managed.
- Detailed records are kept of all decisions taken.
- The bidding process adheres to the procurement timetable.
- Bidders have access to the groups best placed to deal with the issues they raise.
- Where appropriate information arising from a bidders enquiry is shared with all other bidders.
- The competition aspects of the procurement process are maintained.

To support this process, provide easy access to information, full control of documentation and a full audit trail the project will use the Causeway Technology on-line collaboration and project management tool. This facility will provide:

- Consistency of approach to information and document management across all organisations involved in the project.
- Automated task assignment, monitoring and reporting on document circulation.
- Security over the bidding process.
- A significant reduction in reprographics and document distribution costs.
- Full document version control.
- General project management support, including task control, common project diary and communications lists, messaging service and a personal online project organiser.

## 9.7 Project Staff

The Trusts have brought together a project team with the wide range of knowledge and experience necessary to complete the project. Collectively the team has experience in health planning, service planning, finance, HR, capital projects and PFI. Several team members have been involved with the project since its inception in 1994, providing considerable continuity and knowledge of the organisations and their strategic plans. The project staff are:

- Chris Banks, Project Director (Chief executive, Peterborough Hospitals Trust)

- Derek Thomas, Assistant Project Director\*
- Derek McNally, Assistant Project Director (Mental Health)\*
- Angela Broekhuizen, Project Clinician\*
- Richard Kirk, Equipment Manager\*
- Alison Evans, Modernisation Lead, Peterborough PCTs\*
- Mandy Richardson, Project Administrator\*
- Christopher Hall, Director of Finance, Peterborough Hospitals Trust
- Elizabeth Horne, Workforce Planning (Deputy Director of Human Resources, Peterborough Hospitals Trust)
- Gerry McIntyre, General Manager Facilities
- Deborah King, Finance Officer

\* Full time project staff

## 9.8 Advisors

A team of advisors was appointed in 2001 for the duration of the project. The appointments were subject to a rigorous selection process to ensure the team has the knowledge, experience and resources to support the Trusts during the whole of the project. The team of advisors are:

- Financial – PriceWaterhouseCoopers, led by Paul da Rita with Ian Baxter in support.
- Legal – Eversheds, led by Erica Clarke with support from Jonathan Cripps and Mark Finch.
- Architects – Watkins Gray International, led by Graham Underwood with support from Chris Parish.
- Health Planning – Secta Consulting, led by Nigel Draper with support from Craig Dixon and Andrew Leeson.
- Building Services – IBS, led by Peter Northmore with supported by Nick Palmer.
- Quantity Surveyors – Davis Langdon & Everest, led by Stuart Axcell with support from Barry Digby.
- Structural and Civil – Stirling Maynard & Partners, led by Gavin Duff with support from Derek Shea.
- Facilities Management – AYH, led by Russell Symes with support from John Edwards and Kevin Ward.
- Equipment – DD Associates led by Deryck Dipper with support from Martin Cook
- Transport Planning – Atkins, led by Mike Hampton with support from Helen Browett.
- Workforce Planning – Conway Consulting, led by Margaret Conroy with support from Tessa Crilly.

## 9.9 Bidder Support

Each Bidder will have a project team member nominated as their liaison officer. This person will be the contact point for the Bidder and provide the following support:

- Act as the single point of contact for all general enquiries from the Bidder.
- Organise and manage the formal Trust/Bidder meetings during the procurement process.
- Monitor Bidder progress during bid preparation.
- Organise and manage ad-hoc meetings between the Bidder and Trust staff and advisors.
- Provide information and support to the bidder.
- Ensuring the requirements of the bidding process and the release of information are followed.

## 9.10 Staff and Trade Union Involvement

The project has been undertaken in a spirit of openness with staff representatives fully involved in the development process as the OBC progressed.

In taking the Full Business Case forward staff representatives have been invited to join the Project Board. The views of the Trusts Joint Staff Committees will also be elicited throughout the procurement process to support the evaluation of the prospective bidders and their proposals for the development.

## 9.11 Management of Information

To ensure transparency and openness all project documentation will be made available in hardcopy and electronic form unless:

- It is commercially sensitive and its publication would either breach the procurement rules,
- Publication would jeopardise the competition, or
- Publication would breach the intellectual property rights of a bidder.

## 9.12 Project Advisor and management Costs

The legal and financial advisors have been appointed under a fixed price contract covering the whole of the project up to financial close. All other advisors have been appointed on the basis of a fixed price against a set of specifically defined tasks plus a small number of un-measurable requirements charged on a time basis.

The funding for the procurement of the facilities under the private finance initiative is based on 2% of the capital cost of the scheme at SOC stage. With two OBCs being combined to form a single FBC the procurement budget is £3.1 m (2% of £135m + £20m).

A budget has been set that takes into account current commitments and forecast future project management costs. This indicates there are sufficient funds within the 2% allocation to complete the business case process.

Budget for Managing the Business Case Process

Budget Item	Expenditure to complete the OBC	Estimated expenditure to reach financial close
Legal Advisors*	£100,000	£200,000
Financial Advisors*	£90,000	£235,000
Technical Advisors	£530,000	£500,000
Staff Costs	£400,000	£600,000
Online Project Management	0	£30,000
Project Office Building	£40,000	0
Overheads	£75,000	£200,000
Sub-totals	1,235,000	1,765,000
	Total	£3,000,000
	Budget Allowance (2% of £155m)	-£3,100,000
	<b>Balance</b>	<b>-£100,000</b>

\* Advisors working on a capped fee basis

### **9.13 Controls Assurance**

The project team has adopted a proactive approach to controls assurance by operating an effective, on-going Internal Audit of the project that provides current best advice on the necessary control frameworks that need to be in place during each stage of the development and operation of the project. The audit team also report on compliance and any risk exposures.