

## 9 PROJECT TIMETABLE AND 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 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 described in Chapter 6 of this OBC and the Mental Health 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 for the acute hospital development is estimated at 69 months with six months for operational commissioning. The key tasks, durations and completion dates for the acute hospital development are listed in Table 66.

Table 66 – Project Timetable

Key Task	Duration	Completion Date
OBC Approval	1 day	April 2003
OJEC Notice	1 day	April 2003
Receive PQQs	37 days	May 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
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

Key Task	Duration	Completion Date
Start on Site	90 days	January 2005
Construction	69 months	October 2010
Commissioning	180 days	March 2011
Hospital Operational	28 days	April 2011

#### 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 they 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:

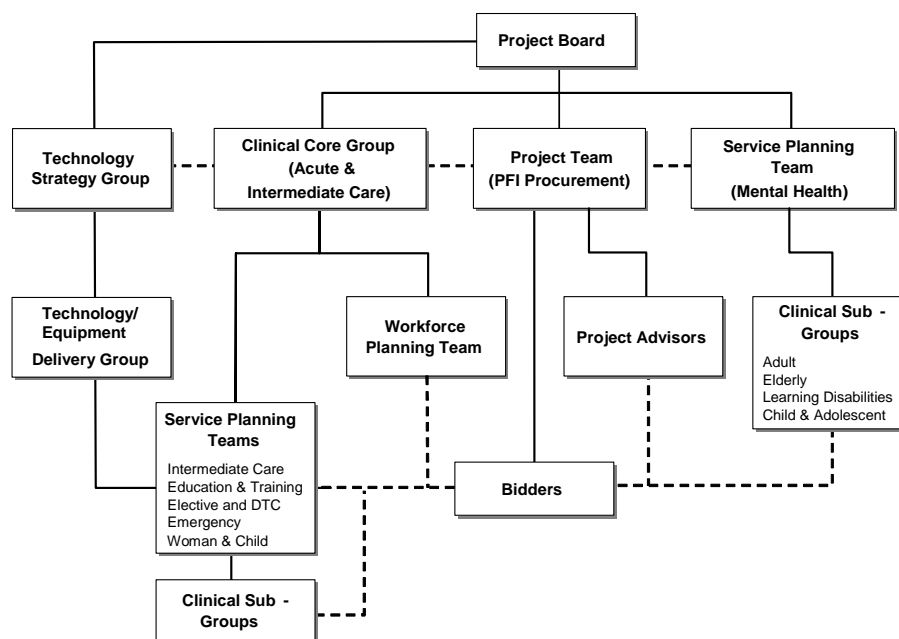
- That the Trusts make a formal commitment to work together in accordance with the principles of openness and trust.
- That the Trusts appoint PDH as agent to carry out the procurement function in accordance with all applicable legislation and have a stated duty to cooperate with PDH in discharging its responsibilities and to act reasonably to assist PDH.
- 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 21.

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 21 – 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 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 CLINICAL CORE GROUP

The Clinical Core Group covers the hospital and intermediate care developments. Its purpose is to:

- Provide guidance and leadership on behalf of the Project Board in relation to all issues regarding the planning of clinical services as part of the delivery of the Health Investment Plan.
- Resolve points of disagreement between Service Planning Teams wherever Teams are unable to jointly agree on solutions.
- Monitor the progress and quality of outputs prepared by Service Planning Teams.

Membership of the Hospital and Intermediate Care Group comprises:

- Medical Director (PHT)
- Nursing Director (PHT)
- Director of Organisational Development (PHT)
- Modernisation Manager (PCT)
- General Manager Surgery (PHT)
- General Manager Clinical Support (PHT)
- Manager Nutrition/Dietetics
- Health Scientist
- Director of HR (PHT)

### 9.5.4 MENTAL HEALTH SERVICE PLANNING TEAM

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

- Adult acute inpatients
- Old age psychiatry inpatients
- Old age psychiatry day services
- 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.

### 9.5.5 SERVICE PLANNING TEAMS

There are five service-planning teams each covering a related group of services. These are:

- Elective and DTC services
- Emergency Services
- Intermediate Care
- Woman and Child Services
- Education and Learning

The role of the service planning teams is to provide specialist planning guidance and support to the Trust. The specific tasks of the groups are:

- To define the model of care for the service consistent with the framework specified by the Clinical Core Group
- To provide evidence to the Clinical Core Group for any proposed variations from the specified framework
- To prepare output specifications (mainly on a delegated basis to sub-groups) for all of the facilities required to deliver the service.

- 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

#### **9.5.6 CLINICAL SUB-GROUPS**

Reporting to the service planning teams are sub-groups representing the individual services covered by the service planning team. These sub-groups are responsible for:

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

#### **9.5.7 WORKFORCE PLANNING TEAM**

The workforce planning team is responsible for the workforce developments required to support the new models of care. This includes:

- Establishing the baseline position of the Trust and how that relates to expected and forecast staffing requirements.
- Defining the skill mix and staffing numbers required to provide the services within the new facilities.
- Identifying the training needs required to support the new ways of working.

#### **9.5.8 TECHNOLOGY STRATEGY GROUP**

This is a joint group with representatives from the local PCTs, the two trusts and the local authority. The function of the group is to provide specialist advice and support to the GPHIP at a strategic level on the technology requirements of the project. The group's specific tasks include:

- To ensure future procurements and developments are in line with national strategies and systems.
- To issue guidance to all service planning teams in relation to technology within the whole health system.
- To review technology and equipment requirements relating to agreed models of care and administration processes specified by the clinical core group.

#### **9.5.9 TECHNOLOGY AND EQUIPMENT SERVICE DELIVERY GROUP**

The technology and equipment service delivery group is responsible for the application of technology and provision of equipment at the service user level based on the strategies and priorities set by the technology strategy group. The group is specifically responsible for the preparation of the output specifications for technology and equipment and the development of the equipment replacement programme.

### **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 Technologies on-line collaboration and project management tool (<http://causeway-tech.com>). 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. Brief CVs of the lead project team members are provided in Appendix 19. 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 Home, 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 support from 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.

During the FITN stage where there are only two bidders the assistant project directors will each take responsibility for liaison with a bidder and the management of information, meetings, etc.

## 9.10 STAFF AND TRADE UNION INVOLVEMENT

The project is being undertaken in a spirit of openness. The majority of project information and minutes of meetings are published on the Trust's intranet and made available to the wide NHS through the NHS extranet.

Representatives from the Trust's Joint Staff Committee have been invited to join the Project Board. The views of the Joint Staff Committee 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 in to 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. See Table 67.

Table 67 – 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	£22,000
Project Office Building	£40,000	0
Overheads	£75,000	£200,000
Sub-totals	1,235,000	1,757,000
Total		£2,992,000
Budget Allowance (2% of £155m)		-£3,100,000
<b>Balance</b>		<b>-£108,000</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.

A copy of the terms of reference for the auditing of the project is provided in Appendix 18.