

5 THE PRIVATE SECTOR OPPORTUNITY

5.1 Introduction

- 5.1.1 This section summarises the core requirements of the Trusts and the opportunities for the successful Bidder.
- 5.1.2 We are seeking the expertise of the Bidders to effectively utilise our estate assets and design the facilities we need to support the patient pathways. Therefore, this project provides a significant opportunity for Bidders to contribute to the Health Investment Plan, not just during the design stage but also throughout the concession period.

5.2 Partnership opportunities

- 5.2.1 The intention of the Trusts is to establish a long-term relationship with a suitable private sector partner(s) in which the partner provides the accommodation, FM, ICT and equipment services outlined in this section. The relationship should create opportunities for the Trusts to take full advantage of technological developments in patient care and supporting infrastructure, and help them to maintain flexible provision of high quality health care.
- 5.2.2 In this context, the Trusts view this procurement as the first stage of a long term, collaborative partnership with the private sector.

5.3 Provision of new serviced accommodation

- 5.3.1 The Trusts will require Project Co to provide the serviced accommodation listed in Table 11.

Table 11 – Core Requirements, Construction of Serviced Accommodation

Facility	Construction Elements
Acute hospital development	The acute hospital development comprises the expansion of the existing Edith Cavell Hospital from approximately 26,000 sqm to approximately 84,000 sqm using a mix of two, three and four storey extensions and significant remodelling and refurbishment of the existing building. The development will provide: 762 acute inpatient beds. An emergency care centre A diagnostic and treatment centre. A woman and child unit. A cancer unit. A specialist rehabilitation unit. An education and training centre. A wide range of clinical and non-clinical support facilities and services.
Integrated Care Centre	The Integrated Care Centre comprises a new two storey development of approximately 8,500 sqm providing: 40 acute dynamic rehabilitation beds. A minor injuries unit. General rehabilitation services. General outpatient clinics. A children's centre, including a child development unit and child and adolescent mental health services. A base for other community services and staff.
Mental Health Unit	The preferred option comprises a mainly single storey development totalling 8,000 sqm located on the southern part of the Edith Cavell Hospital site. The development is based on a series of individual departments linked to a central area that includes all the shared services and resources. The facility will provide: 50 bed adult acute unit, including a 6 bed PICU 42 bed older peoples mental health unit 10 bed unit for persons with a learning disability

- 5.3.2 It is envisaged that a phased development will be required with measures to minimise adverse construction related impact on operational buildings and the local area. Suitable mitigation

plans will be a key requirement of the Preferred Bidder's design and construction proposals. The Trusts will expect an early opportunity to discuss with Bidders the scope, extent and nature of any proposals.

- 5.3.3 The provision of serviced accommodation provides a number of opportunities to the private sector, namely:
- Reducing the build programme, particularly for the acute hospital development.
 - Efficiency gains through the integration of FM services and the design.
 - Designing out operational costs, including those relating to clinical services.
 - Designing in flexibility and encompassing the benefits arising from emerging technologies.
 - Integrating the two developments on the ECH site without compromising the build programme for the mental health unit. As a minimum, the Trusts expect the two facilities to be linked in such a way as to provide protection from inclement weather for people walking between them.
- 5.3.4 The Trusts will provide Bidders with every opportunity to develop proposals and solutions that fully address these opportunities while achieving the clinical service requirements.
- 5.3.5 The bidders proposals will need to demonstrate how their design solution could be increased or reduced in size to provide greater or less capacity without compromising the clinical and operational functionality of the design. Including adding:
- Ten adult mental health beds to the mental health unit.
 - Two 32-bed inpatient wards to the hospital.
 - Three imaging suites to the hospital.
 - To increase angiography to an angioplasty service in the hospital.
 - Five outpatient suites to the integrated care centre.
- 5.3.6 Project Co will be required to ensure the construction of the integrated care centre and mental health unit is completed at the earliest opportunity. The Trusts will also welcome proposals that ensure a minimum number of decants and the early operation of the whole of the hospital development.
- 5.3.7 The Trusts have assumed that the East Anglian Ambulance Trust (EAAT) site and building in the Northwest corner of the ECH site would remain. The EAAT have indicated they would be willing to discuss with bidders any proposals to relocate their facilities. Any relocation would need to take in to account the need for rapid and unhindered access to the road network for emergency vehicles.
- 5.3.8 Project Co will be required to fund and undertake the works detailed in the section 106 and section 278 agreements. The highways work on the A47 must commence at the same time as the ECH development.

5.4 Transfer of services and decanting

- 5.4.1 Project Co will be responsible for the transfer of all services, equipment, furnishings and furniture, and materials. The Trust will retain responsibility for the transfer of patients, patients' personal property and drugs.
- 5.4.2 The Trusts anticipate the transfer to the integrated care centre and mental health unit will take place over the course of a single day. The transfer of the majority of services from PDH to ECH is to take place on the completion of the whole of the ECH development and is expected to be planned over a two-week period.

5.5 Services to existing accommodation

- 5.5.1 Under the Reference Bid, the Trusts require Bidders to provide hard and soft FM services to both new and existing accommodation that continues to be used by the Trusts after the transfer of services to ECH. Details of these services are provided in Appendix B.

5.5.2 The services to be provided include:

- Domestic services
- Estates maintenance
- Car park management
- Catering services
- Grounds and gardens
- Linen and laundry
- Internal transport (portering)
- Pest control
- Materials management, excluding non-stock purchasing
- Security
- Voice communications
- Waste management and disposal

5.5.3 The buildings retained requiring maintenance will vary with the features of the design solution proposed. However, it is a core requirement of the Trusts that the Bidder provides the full range of hard and soft FM services to the remaining buildings.

5.5.4 Table 12 details the level of backlog maintenance for the retained and existing estate that is to be maintained by Project Co during the interim period.

Table 12 – Backlog Maintenance (2001 prices)

Building	Total for Years 1 to 5 £,000	Total for Years 6 to 10 £,000
Edith Cavell Hospital	244	274
Macmillan Centre	0	19
ECH Nurses Residences	0	19
PDH Tower Block, A&E and OPD	2,818	575
Sutton Wing	575	83
PDH Estates, Mortuary and Generator House	755	134
PDH Memorial Wing	833	109
Main Nurses Home	431	119
Pelham, Cavell and Curie Nurses Homes	358	124
The Gables, Pines, Bungalow and Little gables	431	97
Lucille van Geest Unit	13	26
Maternity Unit	814	109
Interim path Lab, Eastlea and Social Club	376	42
Connolly House	162	45
Holdich Street Flats	349	30
Total	8,159	1,805

5.5.5 Given the quality of these buildings and the Trusts' commitment to eradicate any backlog maintenance that falls within a high-risk category, the standards of service required for the retained accommodation will not vary from the new accommodation.

5.5.6 The Trusts expect Bidders to agree on the extent and nature of a full dilapidation survey of the ECH site properties to be undertaken during the FITN procurement stage. This will be funded by the Trusts and the data warranted for novation to a third party.

5.6 Provision of FM services

5.6.1 Core FM Services

5.6.1.1 The Trusts intend to follow Government policy relating to the Retention of Employment model for the treatment of eligible staff employed in providing soft FM services. The services to be included are identified in the table below.

Table 13 – Core FM Services

Service	Acute hospital	Integrated Care Centre	Mental Health Unit
Soft FM			
Domestic Services	✓	✓	✓
Catering Service	✓	✓	✓
Security	✓	✓	✓
Linen and Laundry (including uniform provision)	✓	✓	✓
Internal Transport (including portering and postal service)	✓	✓	✓
Pest Control	✓	✓	✓
Materials Management (excluding non-stock purchasing)	✓	✓	✓
Service Line (help desk)	✓	✓	✓
Waste Management and Disposal	✓	✓	✓
Hard FM			
Estates Maintenance (including Energy and Utilities)	✓	✓	✓
Grounds and Gardens Maintenance	✓	✓	✓
Traffic Management and Car Parking (Excluding income)	✓	✓	✓
Data network, passive components only	✓	✓	✓
Voice Communications networks and hardware	✓	✓	✓

5.6.2 Hard FM services

5.6.2.1 This will cover the full range of hard FM services, including life cycle, routine, planned and breakdown maintenance services covering the building structure, components, finishes and engineering services; control and management of utilities and the maintenance of hard and soft landscaping.

5.6.2.2 The private sector will also be required to provide all data network cabling, passive components only, and all voice communications networks including all hardware. Telephonist and related staff are excluded from the Project.

5.6.3 Soft FM services

5.6.3.1 The PFI contractor will be required to provide a comprehensive range of soft FM services, including:

- The cleaning of all facilities;
- Patient, staff and visitor catering with the exception of the serving of food and beverages to patients on wards;
- General site security, including the control of keys, issuing of identification badges and building and grounds security;
- All linen and laundry services, including the hire of most items of linen;
- The internal transport of goods, materials and patients or visitors and the collection sorting and distribution of external and internal post;
- Management and implementation of pest control measures;
- The ordering, management and distribution of consumables held in stock, including a comprehensive ward top-up service and medical gases;
- Management and disposal of all forms of waste, including recycling waste;

- Control and management of onsite traffic and car parking, including the management, issuing of parking permits and collection of pay and display income but not the receipt of the Pay and Display income (the Trust will consider variants to this); and
- The provision of a service line (help desk) as a single point of contact for all service requests.

5.7 Income generating services

- 5.7.1 The following services are either currently provided by the Trusts, or are considered a potential opportunity for developing the scope and quality of services available. Although output specifications have not been developed for these services, the Trusts are interested in Bidders' views on the potential opportunities they provide for both the private and public sector.

Table 14 – Commercial Opportunities

Service	Acute hospital	Integrated Care Centre	Mental Health Unit
Public Catering	✓	✓	✓
Private Patients	✓		
Leisure Facilities	✓		✓
Public Telephones	✓	✓	✓
Patient Laundry	✓	✓	✓
Retail	✓	✓	

- 5.7.2 There are also opportunities to provide core FM services to other organisations that will not be signatories to the project agreement but do reflect the current service arrangements. These include hard and soft FM services to the East Anglia Ambulance Service ambulance station on the ECH site, the Homerton School of Health Studies, and medical electronics maintenance to local GPs, etc.
- 5.7.3 The Trusts have included in their development plans the provision of a crèche located in the current Macmillan Unit on the ECH site. The provision and management of this facility and service are not included in the FM service package. The Trust will be tendering the service to a third party. Depending on the agreement with the third party, there may be a requirement for Project Co to provide some limited services to the facility. This will be clarified during the FITN stage.
- 5.7.4 Bidders may bid to operate the crèche; however, this would be treated as an entirely separate contract to the PFI project agreement.
- 5.7.5 The Trusts will welcome proposals from Bidders that maximise the potential for securing third party income. The Trusts will look favourably on any proposals where bidders are prepared to underwrite a level of income to the Trusts. The Trusts will look for proposals from Bidders that set out how income above any underwritten value may be shared between the parties.

5.8 Provision and maintenance of equipment and other items.

- 5.8.1 The Project Co will be required to maintain all equipment, furniture, furnishings and other items used by the Trusts. The Trusts have defined a responsibility matrix and schedule of equipment, furniture, furnishings and other items that will be required to be purchased, maintained and replaced by Project Co. A summary of the Trust's approach is described at 6.6 with more details in Volume V. Depending of the extent of the managed equipment service provided by project Co the Trust's Medical Electronics Department and staff may be transferred to Project Co under TUPE Regulation. See 6.6 for more information on equipment provision and possible TUPE transfers.

5.9 Provision of ICT

- 5.9.1 The Reference Bid will include the infrastructure and services to provide the passive components of the data network and all voice and paging network components. These data communications requirements are set out in Volume 3 of this PITN but can be summarised as

including the transmission of numerical data, text, images, video, telemedicine, security, television, messaging, nurse call and the connection of items of equipment that communicate over an Internet Protocol based network

- 5.9.2 Project Co will provide and maintain a secure data network infrastructure that is capable of supporting the current and future needs of each of the Trusts and the national ICT strategy. The Bidder should ensure that the infrastructure is capable of supporting both traditional ICT systems and information services, and the growing numbers of equipment and services used in other areas such as voice and telemetry services that are capable of transmitting digital information. The MOD will require a separate secure data network.
- 5.9.3 The elements of ICT to be provided by the preferred Bidder include:
- Data cables and passive network components.
 - All voice communications system hardware and networks, including cordless phones.
 - Paging system including pagers.
 - Two-way radio system and handsets.

5.10 Change management

- 5.10.1 The GPHIP envisages the transfer of FM services will be in accordance with UK Government policy. The provision of hard FM services will involve the TUPE transfer of all staff to the successful Bidder.
- 5.10.2 The Retention of Employment model (RoE) will be applied to the five trades except security, which is not provided at present. The Trusts portering services include car park attendants and the store men providing the materials management service. Supervisors and managers (yet to be determined) are likely to TUPE transfer whilst the operatives will be seconded to the successful Bidder.
- 5.10.3 The numbers of staff likely to be transferred under TUPE is 83. The numbers of staff likely to be covered by RoE are listed in Table 15. All the staff covered by TUPE and RoE are employed by the Peterborough Hospitals NHS Trust except for those providing domestic services which is currently provided by a third party FM contractor.

Table 15 – Potential Retention of Employment Model Transfers

Staff Group	Head Count (current)
Catering	85
Portering	49
Domestic	177
Linen & Laundry	6
Car parking	2
Material Management	6
Total	325

NB numbers in above table represent numbers of staff currently in post. The 177 domestic staff are currently employed by an external contractor. Currently there are no staff employed or contracted to provide security services.

- 5.10.4 More requirements regarding staff transfers are set out in Section 7 of this overview.

5.11 The timing of service transfers

- 5.11.1 The Trusts have considered the following issues relating to service and staff transfers:
- The need to seek to gain agreement between the Trusts, the Trades Unions and the private sector service provider on the time of transfer;
 - The need to minimise disruption to staff and ongoing services;
 - The need to ensure that proper investment is made in change management;

- The need to minimise the number of occasions on which the groups of staff will transfer to their new employers and that no member of staff is disadvantaged by the date of transfer;
- The need to ensure that the lessons from other successful staff transfers are recognised and utilised; and
- The potential operational advantages in transferring some staff prior to commissioning;

5.11.2 The Trusts require that Bidders set out in their Reference Bid proposals for the transfer of certain or all services to the successful Bidder in advance of the commissioning of the whole or part of the new accommodation.

5.11.3 The Trusts are keen to transfer Hard FM services following Financial Close; therefore, the Reference Bid should make the same assumption. The reference bid should also assume all other FM services transfer 6 months after Financial Close.

5.11.4 The Trusts would wish to discuss this and bidders' alternative proposals relating to staff transfer. Bidders are therefore requested to prepare proposals as to the preferred timing and method of service transfers.

5.12 Interim period

5.12.1 During the interim services period (from financial close to the full operation of the ECH development) and following the initial transfer and secondment of staff (under TUPE and RoE) Project Co will be required to:

- Provide an "as is" FM service to the existing Trusts estate; and
- Gradually migrate from the "as is" service to the Project Agreement specified FM services as the new and refurbished elements of the serviced accommodation are commissioned.

5.13 Concession commencement and duration

5.13.1 The Trusts envisage the Project Agreement will commence at Financial Close and operate for a period of 35 years including the agreed construction period. The operating periods for the three facilities will commence with the phasing of the individual developments but will all terminate at the same time.

5.14 Site constraints

5.14.1 Bidders' solutions must adequately account for the continued operation of the healthcare facilities on both sites.

5.14.2 The St Johns Close roadway on the PDH West site must be maintained in use at all times other than when access is required for the relocation or modification to site services.

5.14.3 Access on the ECH site must be maintained to all facilities on the site that are operational.

5.14.4 The private right of way across the ECH site is for the benefit of the public and must be maintained to the current standards all times, but can be diverted.