



# UK Healthcare PPP

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STANDING OUT FROM THE CROWD





# MY BACKGROUND

**15 Years NHS Manager**

**8 Years Consultancy**

**2 Years Construction**



# NHS PLAN 2000

**“A plan for Investment, A plan for reform”**



## TARGETS FOR 2010

- **100 New Hospitals**
- **500 New "one stop primary care centres**
- **3,000 GP premises modernised**
- **200 new scanners**



# ACHIEVED – HOSPITAL SCHEMES > £10m

	PFI	Public	Total
<b>Operational</b>	<b>87</b>	<b>29</b>	<b>116</b>
<b>Under Construction</b>	<b>14</b>	<b>5</b>	<b>19</b>
<b>In Procurement</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>TOTAL</b>	<b>102</b>	<b>34</b>	<b>136</b>



# **ACHIEVED - LIFT**

**47 LIFT Cos**

**1 eLIFT Co**

**>250 buildings**

**£2 billion Investment**



- **First wave was “on the hoof”**
- **Standard form of contract – v4**
- **Negotiation**
- **Competitive Dialogue**
- **Must have “hard FM”, “soft FM” options**
- **25-33 year Agreement**



# ISTC

- **Increase capacity**
- **Contract for clinical services**
- **Guaranteed workload and price**
- **Buildings “ancillary”**





# LIFT

- **25 year partnership**
- **Public sector 40% shareholder**
- **Procurement based on design/maintenance**
- **Individual schemes on 25 year “Lease Plus Agreement”**



## **eLIFT (Express LIFT)**

- **Framework of seven partners**
- **NHS selects are by mini-competition**
- **Procurement based on partnering**
- **Assumes all parties can produce Value for Money buildings**
- **10 year partnership**



## THE FUTURE – WHAT?

- **PFI – DH states “eight more”**
- **No more ISTCs**
- **More eLIFTs**

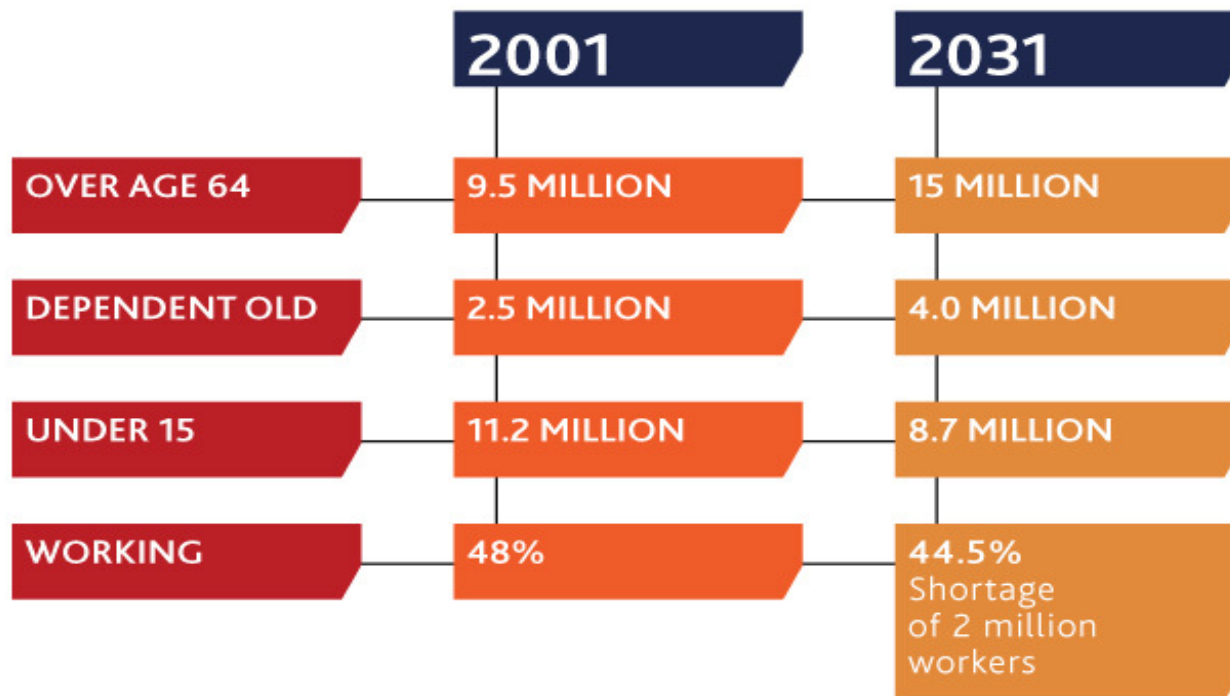


## THE FUTURE – WHY?

- **PFI**
  - **balance sheet treatment**
  - **Foundation Trusts**
  - **few areas left**
  
- **ISTC**
  - **waiting lists reduced**
  - **unfair competitor**
  - **quality of service?**
  
- **LIFT**
  - **Demographic changes**
  - **LIFTCos exist**
  - **Role of commissioners**



# CHANGING DEMOGRAPHICS





## HAS PPP BEEN A SUCCESS?

<b>Service provision</b>	<b>YES</b>
<b>Quality of Environment</b>	<b>YES</b>
<b>Reduction in backlog maintenance</b>	<b>YES but...</b>
<b>Affordability pressures</b>	<b>????</b>