

Strategic Estates Partnering for NHS Trusts



With NHS Trusts facing greater pressures from increased demand and reduced access to capital funding, Strategic Estates Partnerships (SEPs) are an effective way of helping to accelerate the process of aligning estates and facilities with clinical and commercial need.

By combining the skills and expertise of the public and private sector, they deliver solutions to increase the pace of transformation - improving the patient experience, optimising efficiency and realising commercial opportunities.

What are the main drivers for a SEP?

Trusts embark on creating a SEP for a number of reasons, often driven by one or more of the following factors:

EFFICIENCY



Improving asset management and finding efficiency savings through better utilisation, rationalisation, energy usage and disposals.

TRANSFORMATION



Responding to new models of care, meeting growing need and supporting collaboration across the health system to improve care and the patient experience.

COMMERCIAL



A vital way of enhancing the patient visitor and staff experience, while exploring new and innovative ways for the Trust to generate income from its estate.

ACCESS TO CAPITAL



Providing Trusts with flexible and affordable private finance for estates improvements and new developments.

Benefits of the SEP approach

As a new model for estates transformation, SEPs provide an alternative approach to financing and developing estate. Whatever the driver behind the partnership, they offer a number of key benefits:

Greater strategic focus - responds to a Trust's long term clinical, operational and financial drivers, ensuring estates and facilities meet these aims as part of a wider strategic transformation. This enables Trusts to take a whole estate approach and to plan around need - not just availability of capital.

Income generation - by leveraging private sector commercial expertise, the partnership can help the Trust realise opportunities to generate an income from its estate, which can then be re-invested in frontline patient services.

Improved efficiency - by focusing on improved utilisation and taking a strategic approach to facilities management, there is the opportunity to drive efficiencies and create savings.

Sharing responsibility and risk - set-up as a 50:50 joint venture, risk and reward is appropriately shared, with the private sector partner incentivised to deliver. This helps to align interest and encourages a philosophy of long term partnership.

Supports partnership working - provides a procurement-safe way of working with other partners.

Additional capacity and capability - provide complementary skills to support the Trust's existing commercial and estates teams - from property expertise to enhancing business opportunities.

Increasing the pace of transformation - create solutions that are commercially robust and deliverable. This makes for powerful business cases that can move projects forward at pace.

Financial benefits - provide access to well-structured private finance for estates improvements and new developments. This allows NHS capital to remain focused on frontline patient services.

Greater control and increased flexibility - based on a principle of non-exclusivity, the partnership offers a range of flexible procurement and contracting options, which can be tailored to each and every project. This ensures the best value for money solution is achieved to respond to the brief.

Capacity and capability

The partnership model provides access to a complete range of services and a broad set of skills to deliver estate and service transformation. This additional capacity and capability complements the Trust team, providing the pace and flexibility to drive its vision forward.



Partnering in action

University Hospital Southampton



The Commercial Estates Development Partnership (CEDP) with University Hospital Southampton NHS Foundation Trust (UHS) is one of the first of its kind in an acute environment. Driven by a need to deliver infrastructure improvements to improve the patient, visitor and staff experience, it is helping UHS to improve the quality of its facilities without NHS capital investment and in turn, generate an income that can be reinvested into frontline services.



The first project delivered through the CEDP is the redevelopment of the hospital's main entrance and retail area. The £10m project will not only deliver a more welcoming environment but will maximise the commercial value of the main entrance, ensuring best value for money for the Trust. Other projects include an access and parking solution to increase capacity, a hospital hotel to improve patient flow and a private patient treatment centre.

Yeovil District Hospital

SEPs aren't just a solution for large Trusts, as Interserve Prime's partnership with Yeovil District Hospital NHS Foundation Trust shows. This smaller, rural district general and one of the vanguard partnerships is using the SEP to achieve its goal of transforming models of care - making the hospital a hub for local healthcare in partnership with other providers, such as GPs and the community trust.



The first project delivered through the SEP is a new four-storey car park with 656 spaces and a new link road to improve access to the hospital. These gateway projects will prepare the hospital for increased numbers of visitors, and free-up land within the site to develop additional health and social care facilities.

"The access and parking project will undoubtedly have a huge positive impact on patients, staff and visitors to the hospital. Our partnership with Interserve Prime has given us the additional resources and expertise to progress the project in a very short time frame."

Paul Mears, Chief Executive,
Yeovil District Hospital NHS Foundation Trust

Choosing a strategic estates partner

To foster a successful long term partnership and one that can flex and grow with a Trust's changing requirements, there are a number of key things to consider:

1
STRATEGY & ENGAGEMENT

Preparation

Time should be invested in advance of procurement to establish a clear vision of what the Trust wants to achieve. It is important to do this alongside other strategic activities, such as service remodelling and business planning.

Engaging staff

The work of the SEP is about responding to a Trust's clinical strategy and should include input wider than estates. By involving the broader team, this ensures staff and patients are engaged in the process and are working towards a clear set of objectives.

2
PROCUREMENT

Ensuring future flexibility

Naming other partners in the OJEU notice and carefully considering the scope of services that can be procured through the partnership ensures the SEP can flex to meet a Trust's changing requirements. This is a way of getting maximum value for money and ensuring joined-up solutions that respond to the local health economy.

Organisational fit

Competitive dialogue is a useful way for partners to get to know one another and achieve a better understanding of the Trust's vision. It's also an important way of testing how the partnership might work in practice.

Optimum solutions

By using the competitive dialogue process to respond to outline project concepts, the Trust can explore how each potential partner would innovate, bring commercial insight and test new ideas.

3
OPERATION & GOVERNANCE

Board set-up

It is important for the SEP Board to have senior-level membership, giving it the authority to make decisions. The Board must keep all projects focused on delivering Trust strategy, therefore helping it to progress at pace.

Creating a focused partnership plan based on knowledge and understanding

It is important this is responsive but also helps the Trust to set the agenda for change with its staff, local partners, commissioners, patients and the local community.

Day-to-day decision making

Setting up a mechanism for making decisions in the early days of the partnership can be a driving force behind the success of the partnership plan. By bringing together clinical, operational and commercial perspectives, the plan can be closely aligned with Trust strategy and will provide a single agreed direction of travel, which maintains momentum for projects.



EFFICIENCY



TRANSFORMATION



COMMERCIAL



ACCESS TO CAPITAL

If you are interested in what Interserve Prime can do for you,
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