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# PPP in the UK Health Sector

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Community Health Partnerships



# Community Health Partnerships



# Community Health Partnerships

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- **2001:** Partnerships for Health (PfH) was established as a joint venture company between Partnerships UK (PUK) and the Department of Health (DH).
- **Objectives:** a national structure to develop, deliver and generate investment in Local Improvement Finance Trusts (LIFT), a national procurement programme for improving primary care facilities.
- **Nov. 2007:** Partnerships for Health (PfH) became Community Health Partnerships (CHP). Additional role in developing other models of public-private partnership.

# CHP services

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- CHP offers a number of services designed to provide innovative thinking, practical delivery and to foster continuous improvement.
  - A centrally lead but locally delivered team of expert resources.
  - Community Health Partnerships:
    - **Supports** capital infrastructure projects, from the very beginning of partnerships to completion and their long-term delivery of service,
    - **Collates** and **disseminates** learning about these programmes through a national network of public and private sector partners,
    - **Works with policy makers and government** on existing public-private partnerships in the health and local authority sectors and **suggests new initiatives.**
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# The UK Health Sector



# Context – the UK NHS

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- NHS stands for ‘National Health Service’ and provides health services to all citizens in the United Kingdom (England, Wales, Scotland and Northern Ireland)
  - NHS is state-funded, and provides essential health services (emergency and elective) to all those who need it, free at the point of use
  - Some charges are made, for example for prescriptions
  - In England, NHS services are commissioned for a locality by 152 local Primary Care Trusts (PCTs)
  - Includes hospital (secondary care) and community (primary care) services
  - Commissioning plans dictate where and by whom NHS services are delivered in a locality
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# PFI in UK Health Sector

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- UK Government Target – 100 new or refurbished hospital facilities by 2010
- PFI - 70 already built and admitting patients (GBP 4.5 bn, HKD 68 bn)
- PFI - 28 currently under construction (GBP 6.3 bn, HKD 95 bn)
- Public capital - 23 operational (GBP 0.8 bn, HKD 12 bn)
- Public Capital - 7 under construction (GBP 0.3 bn, 4.5 bn)
- First contract was signed in July 1997 – so UK has 10 years experience of PFI

# Context – facts

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- 86% patient contacts are in the community
- Number of people with long term conditions doubles each decade
- 80% inpatient beds taken by people with long term conditions
- Poorest health outcomes have fewer GPs



# Vision for Primary Care

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- Strong, vibrant, responsive primary care offering patients quality, choice and diversity,
- Increased focus on LTCM and health inequalities
- Health not illness - promotion of healthy lifestyles  
- good health is not solely the remit of the health service
- Delivering an extended range of services close to patients' homes
- Delivered by multi-disciplinary teams and professionally satisfied staff
- Pluralistic, operating across organisational boundaries

# Primary care for the 21<sup>st</sup> century?

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# Primary Care for the 21<sup>st</sup> Century?

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# LIFT – Local Improvement Finance Trust



# LIFT - the challenge

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## To provide:

- Integrated community based care facilities and services determined by local requirements
- Allowing the integration between primary / secondary / local authority services/private sector
- To improve health outcomes and promote good health
- And improve the recruitment and retention of clinicians and staff in deprived area

# Before



# Now



# Before

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Typical street scene before, Barnsley



# Now

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**Grimethorpe Health & Social Care Centre, Barnsley**



# LIFT – The Process

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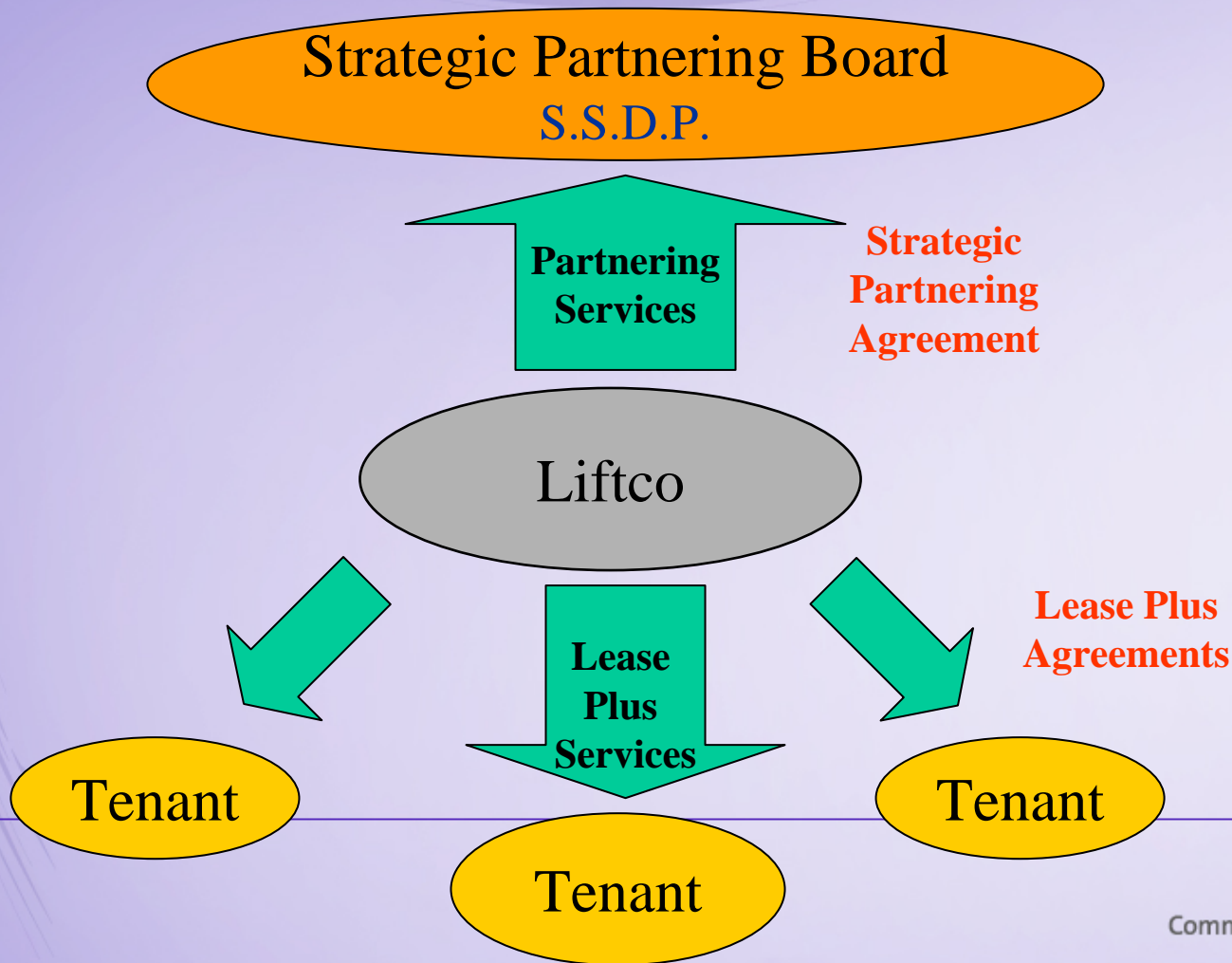
- To establish strategic partnerships at a local level
- Competitive procurement to establish a **PPP company** - a LIFTCo – becomes the strategic partner to the public sector in a locality to plan, design, build and maintain health and social care facilities over 20 – 25 years.
- Private sector partners selected through LIFTCo have **long term partnering agreement** to deliver a rolling programme of investment and services in local healthcare facilities.
- LIFTCo establishes long term sustainable relationship focused on **delivering continuous improvement** through early engagement, ownership and repeat business.
- LIFTCo creates significant **new market**.

# LIFT Companies

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- A LIFTCo is a Limited Company
- Shareholders
  - public sector (PCT/LA + CHP) 40%
  - private sector 60%
- Public Sector Board membership influences strategic and operational policy & management.
- Public sector shares in commercial success and risks.
- LIFTCo
  - Are commercially managed and driven,
  - Design, build & maintain primary & social care premises;
  - Lease them to the health service
  - Rent fixed and rises by inflation
  - Systematically deliver individually smaller scale investments.
- Commercial developments subsidise public sector rents

# The Structure of LIFT



# LIFT – similarities to PFI

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- No payments until the new buildings are ready
- Construction risk is with LIFTco
- Risk of cost increases is with LIFTco
- No payments if premises not available for use
- Payment deductions for poor service



# Progress



# LIFT Programme

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- Aggressive standard procurement timetable
- First LIFTCo established 2003
- 42 LIFTCos established 3 years
- 46 LIFTCos now established
- Covers half the population of England
- On average one building opening every week
- Staggered procurement process - lessons from first closes assist subsequent LIFTs

# Some achievements of LIFT





# What has LIFT Delivered so far

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- It has delivered **£1.5 billion** (HK\$22.5 billion) of new capital investment
- It has financed more than **220** integrated health and social care facilities that are either open or under construction
  - 162 buildings operational
  - 58 in construction
- More than **£1.2 billion** (HK\$18 billion) pipe line of similar developments.

# What has LIFT Delivered so far

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- Through the LIFT community of 46 LIFT Companies, CHP has set up a **knowledge sharing network**
- Learning from this established programme is contributing to **innovation and best practice** throughout the NHS
- It has provided a **wide range of services** from GP surgeries, one stop centres, community resource centres, health and leisure centres to community hospitals
- It has established local **successful partnerships**:



# Summary and Conclusion



# Summary

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- LIFT is an innovative PPP designed to meet a need of multiple projects over a period of time
- It is specifically focussed on involving the private sector in the early stages of project identification and development
- It has proved very successful in delivering a large number of excellent projects in a short period
- It allows for integration of a variety of services providers in one facility.

# Conclusion

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- LIFT has successfully met UK Government's care objectives
  - Delivering **state of the art infrastructure** for new community care services
  - Integrating **strategy** and services for various commissioners
  - Establishing organisations, processes and structures to continue to **meet long-term changing health and social services needs**
- Partnership based upon the pillars of:
  - joint ownership and management of service provision
  - common objectives and associated risks & rewards
  - amalgamation of specialist expertise of both sectors.



**Thank you**



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# Contact

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