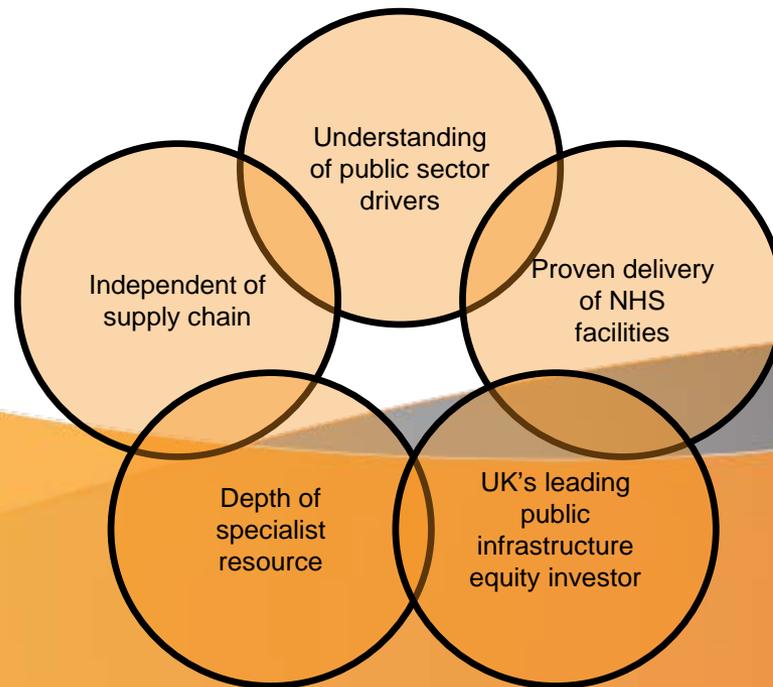


Healthcare Infrastructure 2017-2022

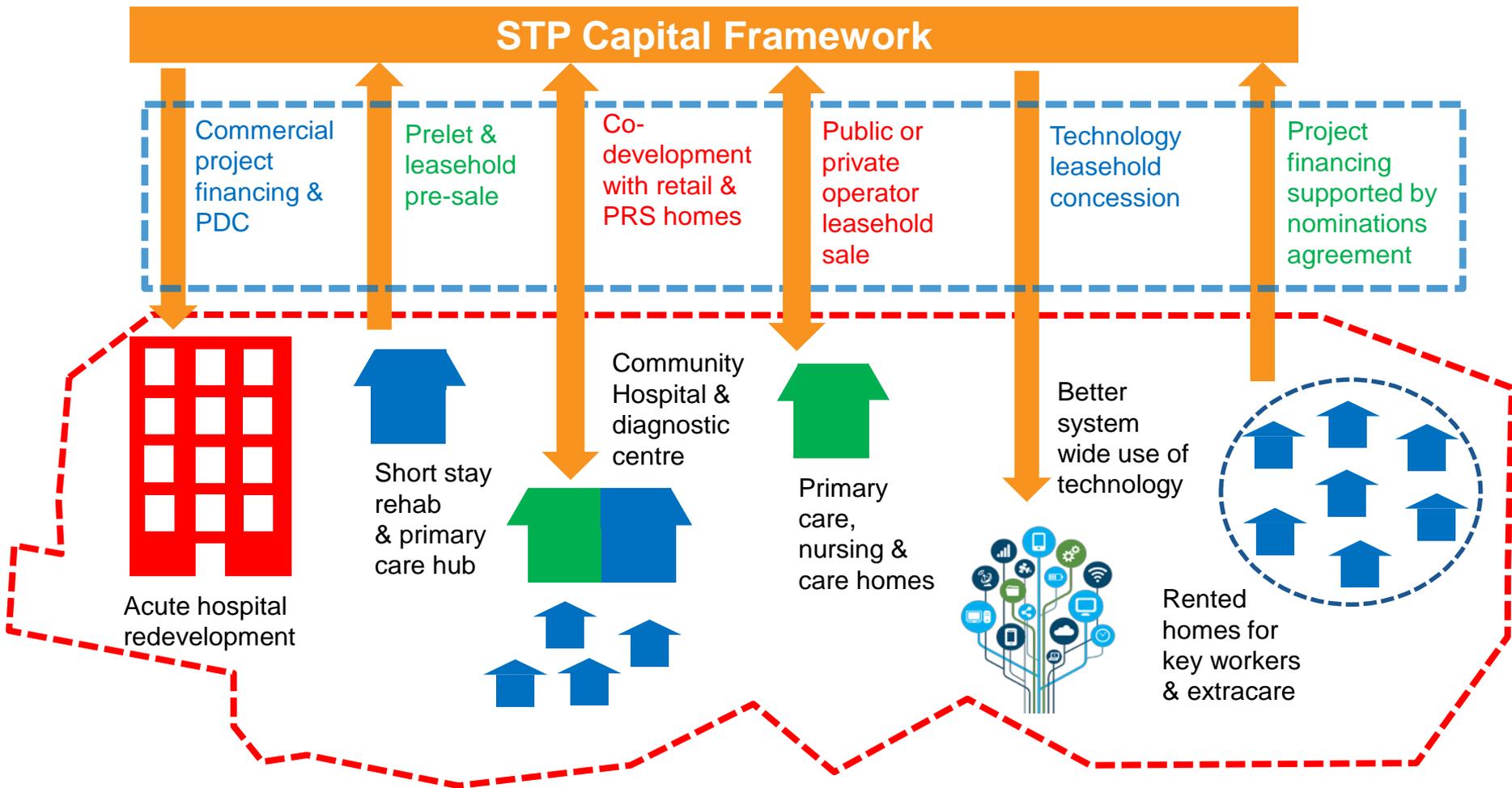
September 2017

Peter Ward

John Laing Investments

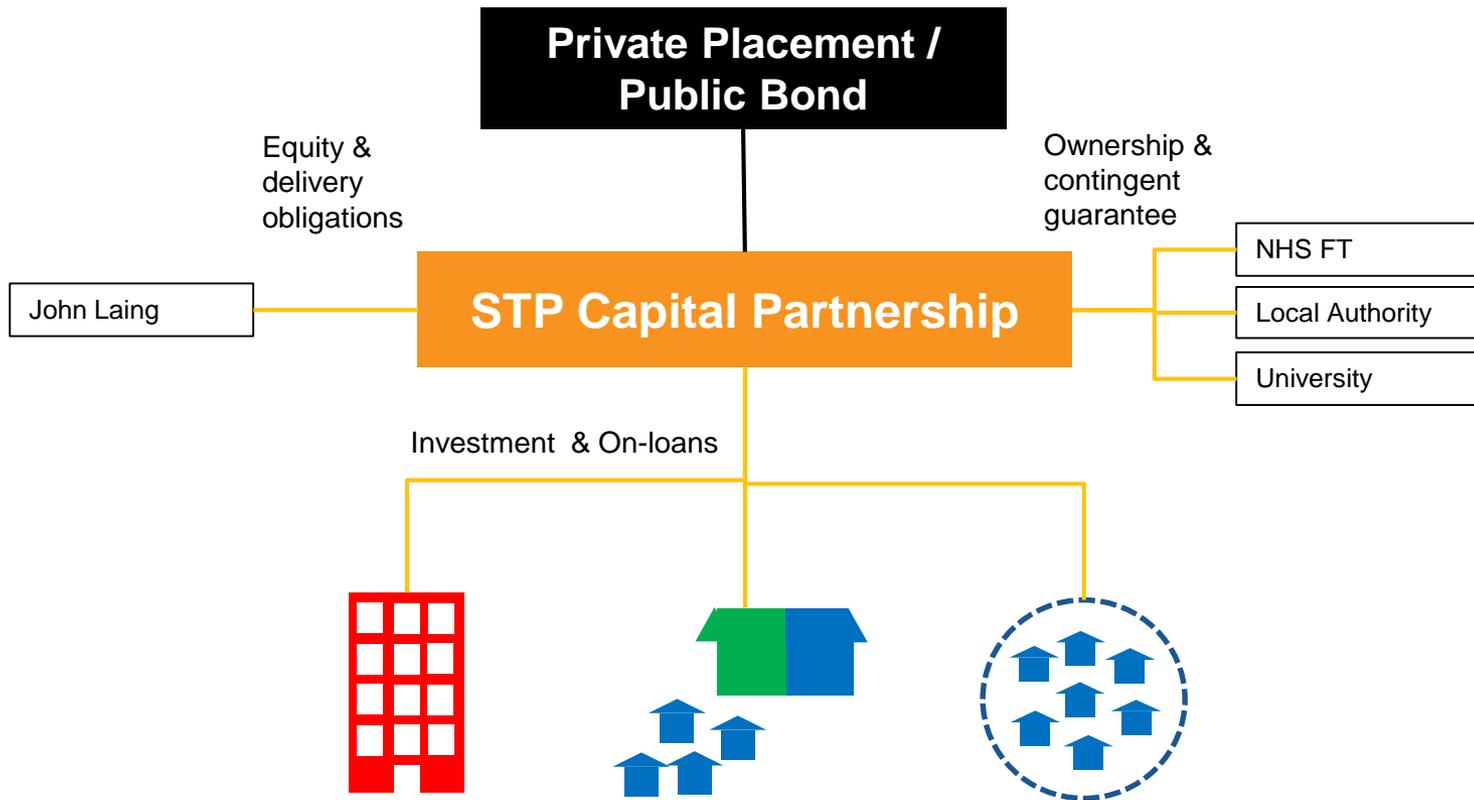


A diverse range of infrastructure needs



Focus on development skills, avoid 'transactional' mindset

Efficient access to debt capital



Balance risk, recourse and reward

Significant potential benefits

Improved space utilisation	Income for investment in clinical services	Flexibility between capital and revenue budgets
Reductions in capital and revenue costs	Commercial management of assets	Access to commercial income streams
Better patient experience	Improved compliance and risk management	Diversification of commissioners
A framework for sustainable growth	Measurable improvements in outcomes	Short, medium and long term returns

Cambridge Strategic Infrastructure Partnership

- A long-term partnership between the Trust and John Laing
- Complementing NHS estate management skills
- Raising finance for infrastructure investment
- Delivering operational flexibility to the Trust
- To give:
 - Patients a better experience
 - Staff a better environment
 - The Trust financial sustainability

Infrastructure Partnership

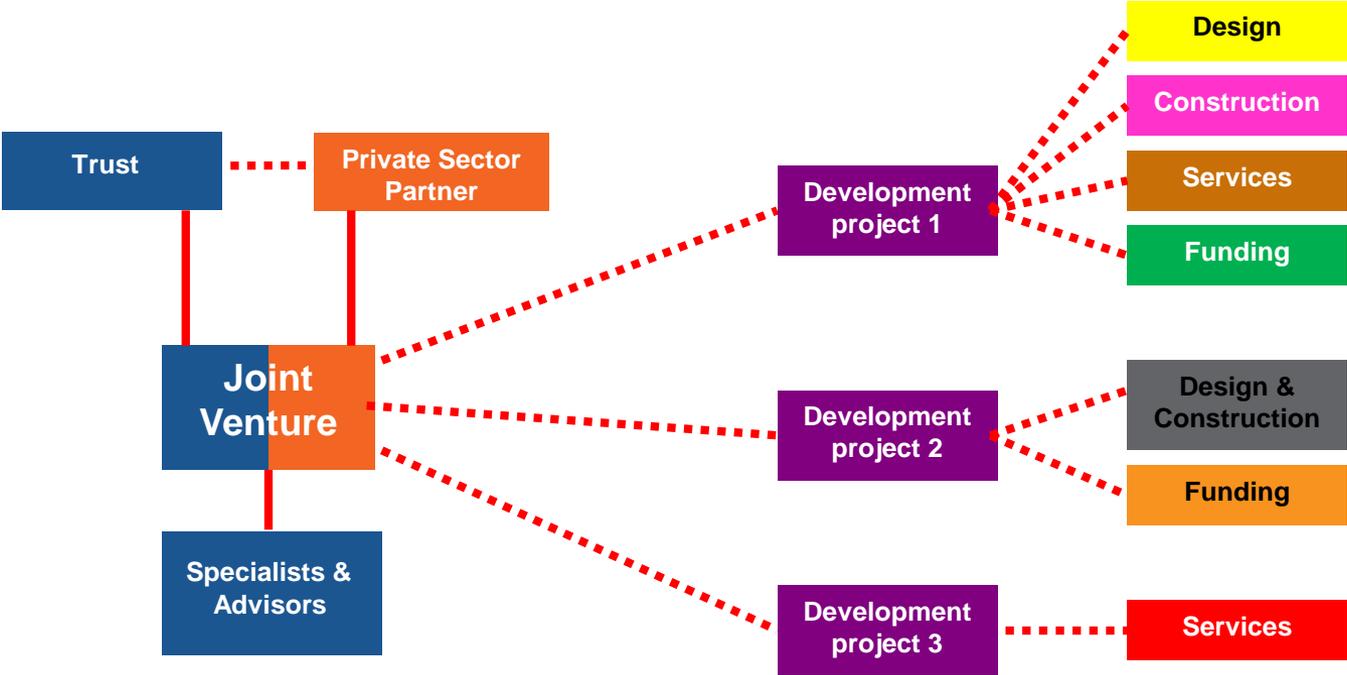
Trust

- Strategic prioritisation
- Operational planning
- Understanding of need
- Insight into trends
- Political realism

John Laing

- Development financing
- Capital project delivery
- Transition management
- Transparency
- Delivery resources

Programme Management



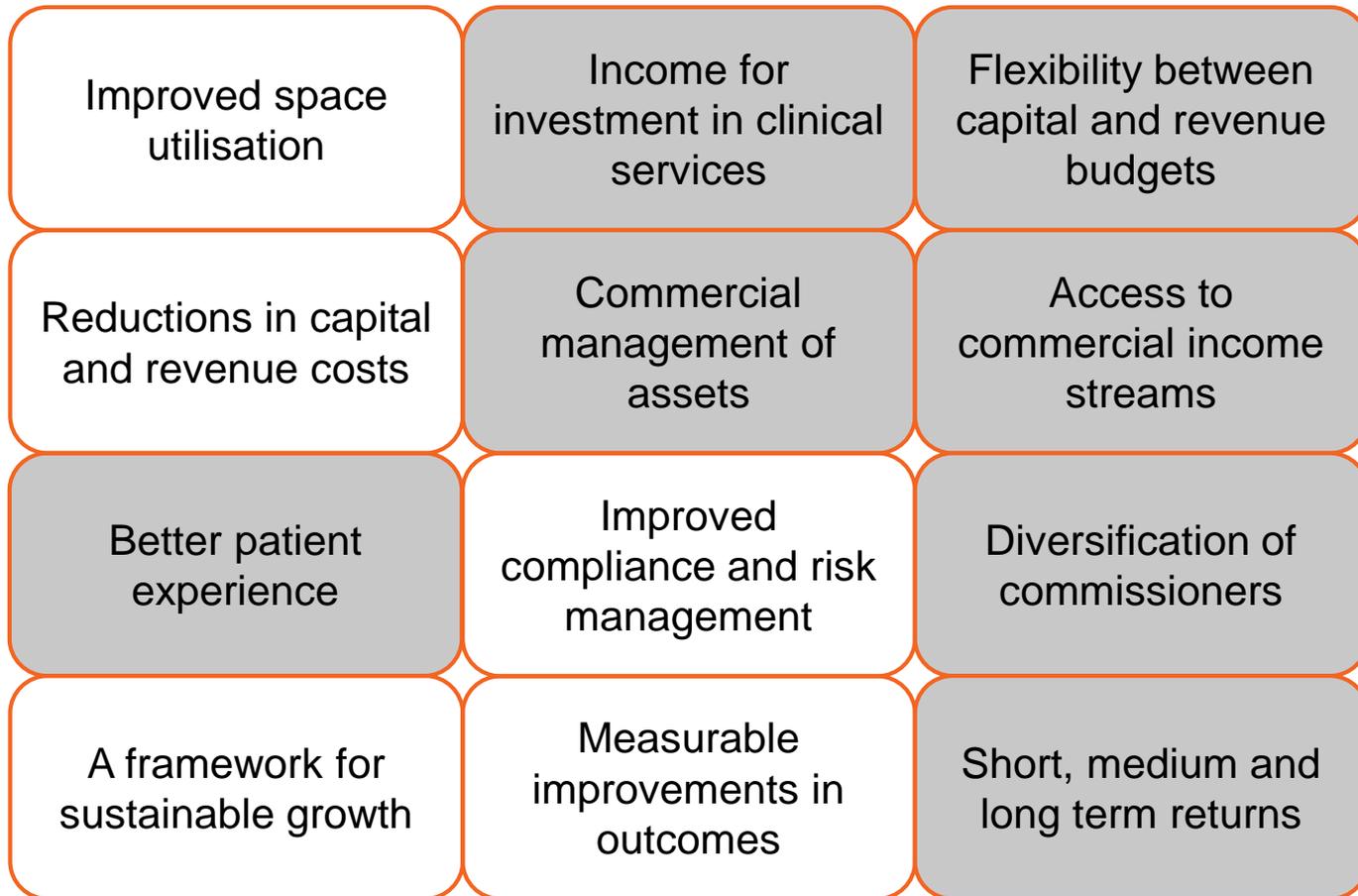
Comparison to PFI

	PFI	CSIP Finance
Turnkey D&C contract	Yes	Yes
Cost of capital	7%	5%
Annual cost*	£13.5m	£9.5m
Deed of safeguard	Yes	No
Time from OJEU to MTA PB	30 months	9 months
Time from MTA PB to FC	9 months	6 months
Time & cost of change	Sch 22 process	Total Trust flexibility
Transparent funding competition	Yes	Yes
*based on £125m loan facility, 30 year lease & £1.7m Hard FM charge		

Initial project – the Forum Cambridge



Benefits



Lessons learned

1. Accurately assess deliverability
2. Link board objectives to partnership strategy
3. Set the right incentives & key success factors
4. Form a really close team with shared culture & values
5. Mandate strong leadership
6. Agree ways of working up front
7. Identify early projects to prove it works
8. Discuss services first, assets second
9. Build trust with your partner