### FOR HEALTHCARE LEADERS FACILITIES AND ESTATE MANAGEMENT

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## A CLOSER LOOK AT PARTNERSHIP HOW THE PRIVATE SECTOR CAN TAKE THE STRAIN

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Supplement editor Claire Read

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A large proportion of NHS estates are past their prime but sell-off is just one of the options available to the shrewd manager. Page 2

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Encouraging trust staff to do the right thing with their waste items calls for more than just some light publicity – it requires a full-scale culture change. <u>Page 4</u>

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### **WORKING WITH THE PRIVATE SECTOR**



Turning facilities management over to a private sector partner can be an effective way of freeing NHS organisations to do what they do best – care. <u>Page 6</u>

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### DAVE PITMAN ON LONG TERM THINKING



With significant changes to service configurations expected to continue for the next decade, there are a number of complex challenges that need to be addressed by healthcare organisations. Improving the operational efficiency of a trust whilst ensuring they can continue to deliver clinical services required by the local population is critical in today's climate.

The changing landscape of local health economies is demanding assets that are modern, flexible and sustainable to meet new service requirements and optimise efficiencies in space, energy and costs.

The importance of an efficient estate is heightened by the common scenario of an estate evolving over time to encompass a variety of assets at different stages in their life cycle. A trust's estate can become cumbersome and inefficient due to advances in technology changing the demand on physical floor space over time.

At Arup we believe the estate can be an enabler to improving financial performance and patient outcomes. Assets need to be adaptable and capable of expansion, contraction or disposal over time, without it affecting the service provision. The estate is therefore crucial to long term clinical strategies and ambitions.

We have found there are not enough trusts

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### 'In a time of austerity, smart thinking that looks beyond immediate requirements is crucial to improve the long-term clinical gains'

considering the estate within their overall strategy to help meet the long term ambitions. In a time of austerity, smart thinking that looks beyond the immediate requirements is crucial to improve the long term clinical gains. We are committed to supporting the health system being shaped for the future, sharing our expertise and experience to allow trusts to understand the benefits of creating a strategy that considers estate performance alongside clinical requirements.

Arup is playing a significant role in the development of healthcare facilities and hospital estates to meet service demands, by acting as estates advisers to numerous NHS organisations.

We offer holistic solutions that help trusts optimise their clinical services and enable them to meet their strategic aspirations through redevelopment, master planning, capital investment planning, asset optimisation and rationalisation of their estates. Dave Pitman is healthcare business leader, Arup.

### **IN ASSOCIATION WITH ARUP**

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## ARUP

### **ESTATE MANAGEMENT**

## A FRESH START FOR BUILDINGS

Much NHS property is woefully outdated but it's a mistake to think that selling up is always going to be the best solution. Claire Read examines the options

Mergers and reconfigurations are a hallmark of today's NHS. From an estates and facilities management perspective, their impact is clear: organisations with expanded estates, not all of which is necessarily suited to today's NHS. A recent paper from The King's Fund speaks of an NHS with "many under-utilised properties and a significant amount of its estate... in poor condition or not fit for its current purpose".

"Ageing buildings is a hugely significant issue," says Dave Pitman, healthcare business leader at design, planning and consultancy firm Arup. "This year the NHS celebrates its 65th year. Not all the buildings are 65 years old – actually the NHS at its foundation inherited a lot of buildings from the Victorian and Edwardian eras."

Mr Pitman suggests the problem with such buildings is not that they offer a poor environment for care per se – "the designers of those buildings knew a lot about natural light, natural ventilation: all of those things that are sold today as technological advancement." Instead he sees the issue as one of flexibility. It is crucial, he argues, that the NHS has buildings which can adapt as needs change.

"Flexibility is essential in order to allow the building to adapt to changing demographics and evolving care pathways. Old estates and buildings that weren't actually designed with that level of flexibility inherently within the design are struggling."

The solution may be for organisations to

### 'Everyone wants to keep their local hospitals open regardless of the fact that they're underutilised'

sell off some of their ageing or now surplus buildings. At Northamptonshire Healthcare Foundation Trust, for instance, Arup were commissioned to create a site rationalisation strategy which saw part of an ageing, oversized estate sold off. The funds will enable the creation of a new, more appropriate facility.

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Mr Pitman urges caution, however: selling is not the solution in every instance and needs to be based on a clear strategy. "It isn't a done deal that you have to shrink an estate. Whatever decision you take, it has to be based on a plan, a plan of five to 10 years, a plan that's clever enough and adaptable enough to consider the trust and the healthcare demographics but also other local trusts and their demographic and how they might work."

#### Local challenges

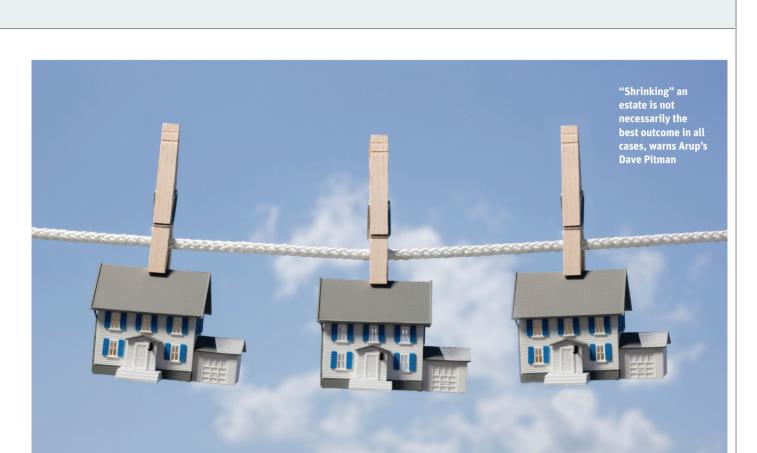
The other issue to consider is a political one: the extent to which the public can be attached to a hospital and opposed to what they see as the NHS selling off precious resources simply to secure a big cheque. Asha Devi, an associate at Arup who led the Northamptonshire project, says engaging the public in the scheme was a crucial part of its success.

"Everyone wants to keep their [local] hospitals open regardless of the fact that they're actually underutilised and the trust is having to pay business rates and charges for maintaining those facilities – and that's a cost to the health service; they're big numbers," she explains.

"There were political and local challenges to overcome in Northamptonshire, but it was about engaging with the public. Support with stakeholder engagement was one of the key skills we brought to the project."

"If there is a plan to reduce the estate, trusts need to be able to properly articulate that," Mr Pitman agrees. He suggests this

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goes back to ensuring there is a clear strategy tied to the overall aims of the organisation. "A plea from me is for the estates professionals to be part of the business planning cycle so that the clinical and estates decision making processes are integrated," he says. "It's bringing it all together as one."

### NORTHAMPTONSHIRE HEALTHCARE FOUNDATION TRUST

Rushden Hospital has an interesting history. Initially a bequeathed estate, it became a war hospital and a tuberculosis sanatorium before making its way into the ownership of the NHS. Today it is part of Northamptonshire Healthcare Foundation Trust and has recently been used to provide a range of mental health and learning disability services.

It sounds simple, but mergers, reconfigurations and changing methods of service provision mean even its more recent history has been a varied one.

"The site had quite extensive grounds and a number of buildings that previously had provided inpatient care," explains Giles West, head of business management at the trust. "The difficulty then is that as community

services developed over the years, the number



### The rationalisation of Rushden Hospital meant having to think about being a good neighbour

of inpatient beds that were required reduced. So what we were effectively faced with was paying high costs for a rather sprawling site, which we were not maximising effectively."

In 2008 the decision was therefore taken to rationalise the facility. Just over five acres were retained and the remaining land released for development. The resulting funds will enable the construction of a new resource centre on the site. This centre will offer more appropriate facilities in which the services required in Rushden will be consolidated. "Operating from several locations does not enable us to provide high quality, integrated clinical services," explains Mr West.

To identify the best strategy for the redevelopment, the trust commissioned Arup. According to Asha Devi, the associate at Arup who led the project, the "one stop shop" approach the company could offer was a major benefit.

"We could bring in all the specialist services necessary to help develop this plan," she explains. "We brought together a team to redevelop the site and dispose of parts of it, maximising the value so that the money could be used to actually reinvest back in to services and facilities."

Part of developing the plans, says Mr West, was being cognisant of the trust's responsibility as "a long term neighbour, and long term deliverer of services from that site."

He explains: "We were mindful of our responsibility to the wider Rushden community. The houses built on the released land factored in wellbeing, sense of community and green spaces, because living in a healthy environment decreases the need for our services. Those were, and are, our aspirations for the land, in keeping with our values as an organisation." ●

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### KATRINA DOWDING GETTING STAFF ON BOARD



Within Skanska we believe that, by working together, we can achieve amazing things.

The behavioural change case study at Barts and the Royal London hospitals clearly demonstrates how public and private sector organisations can work together to deliver tangible, positive results.

The first step is to define and quantify the issue. Often insufficient time is given to making sure that both parties are clear what the real issue is. For Barts and the Royal London hospitals it did not take long to define. The trust sustainability team was aware that clinical staff members were not disposing of their waste in the most cost effective way.

The lack of segregation into the various waste streams meant the trust was paying far more for waste disposal than was necessary. The contract did not help and, in fact, there was a perverse incentive, as Skanska was paid on a pass-through cost basis.

Often initiatives falter at this point when one side blames the other but, with the commitment of the trust and Skanska, we agreed a way ahead.

A variation to the contract was agreed; Skanska was to establish a behavioural change team. The trust committed to fund this, recognising that, ultimately, it would reduce overall costs. The case for change was made,

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### 'The selection of the team members visiting was so important'

with both organisations working together to achieve the agreed objective.

The critical success factor was being able to influence the clinical staff. We knew that sending emails or other written communication would have little effect. Instead, we established a small team that would visit the clinical departments, talk to staff members and try to change their behaviour. We were amazed at how readily people embraced the concept.

We started to identify "champions" and they were acknowledged by the trust's chair when he presented certificates. This had a knock-on effect as more staff members became committed to appropriate waste disposal. People became passionate about the reasons why we were doing this – saving money for frontline patient care and protecting our environment for future generations.

The selection of the team members visiting the clinical areas was so important. We defined the personality trait that we thought would make a difference: the skill to establish strong relationships with the people who matter.

When you commit to truly working together and get the right people in the right place, then amazing things really do happen. *Katrina Dowding is managing director, Skanska UK.* 

### **IN ASSOCIATION WITH SKANSKA**

### SKANSKA

### **WASTE MANAGEMENT**

# THROWING THE

Waste management is a big deal to all NHS organisations and getting it right often requires culture change across an entire trust, as Jennifer Trueland discovers

It's costly to get waste management right, says Trevor Payne – but it's even more expensive if you get it wrong.

Mr Payne, who created NHS Sustainability Day and who is director of estates and facilities at Barts Health Trust in London, says that good waste management is not only right for the environment, it also gives a welcome boost to the financial bottom line.

"It's not a rocket science issue, it's not sexy, but waste management is a big problem for every trust and every health service site," he says. "It's important to realise that getting it right isn't a 'nice-todo', it's a must."

Waste management is a big issue for the NHS. According to the NHS Sustainable Development Unit (SDU), "inefficiently managing waste costs the NHS money that could otherwise be spent on direct patient care".

Waste that is disposed of inappropriately – for example putting domestic waste into the clinical bin – costs the NHS money and is bad for the environment. This is recognised at the highest level: official guidance from the SDU says NHS



<sup>4</sup> Health Service Journal supplement 4 October 2013

# **OLD WAYS IN THE BIN**

organisations should report management of domestic, clinical and hazardous waste at board level as a key part of their sustainability reporting.

But how can trusts take action to ensure their waste management is as efficient as it can be? "Simply distributing leaflets doesn't work," says Mr Payne. "Changing habits, and changing cultures, takes a lot more than that."

Two years ago, in collaboration with Skanska, Barts Health embarked on a behaviour change programme in an effort to reduce inappropriate waste disposal. This was part of a wider initiative to reduce waste overall, which has included speaking to suppliers to ensure that procured goods come in as little packaging as possible.

In the nearly two years that the project has been running, waste costs have been cut by around  $\pounds 600,000$ , which equates to just

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'When I was drawing up the job spec I didn't want waste managers, I wanted people who got on with people'



under a third (30 per cent) of the trust's waste management budget.

According to Liam Hogg, Skanska's appointed waste manager, solving just one major issue – incorrect disposal of clinical waste – could save the NHS £40m per year. "Around 60 per cent of 'clinical waste' is actually domestic waste," he says. "And given that disposing of clinical waste costs two, three or even more times than it costs to dispose of domestic waste then we're talking big potential savings."

The lightbulb moment for Mr Hogg came when his then employer started using an autoclave (steriliser) to process clinical waste. "Previously we emptied the waste into the incinerator and all you got out was black ash. But with the autoclave we could see what came out the other end, and there were all sorts of things, like chocolate boxes and daffodils. So yes, the NHS was paying to sterilise bunches of flowers."

Too often, the default position for busy hospital workers would be to throw everything into the clinical bin, he says. So he came up with a programme which would make it easy for staff to do the right thing, involving a careful mix of behaviour change techniques and adaptations to the physical working environment.

#### **People persons**

The initiative involves deploying a specially trained set of workers to go into wards and clinical areas on a regular basis and offer training and information to staff. They also audit the contents of clinical and other bins to ensure that waste is being segregated properly.

The results of each bin audit are recorded on iPads then stored on a database and sent to managers, so that there is a record of how every department – indeed, how every bin – is meeting waste segregation guidelines.

The dedicated workers are "people persons", says Mr Hogg. "When I was drawing up the job spec and the person spec I knew I didn't want waste managers, I wanted people who got on with people."

In the last 18 months the unannounced audits have included 80,000 bin inspections, he says, and inappropriate waste disposal has reduced dramatically.

Making it easier for staff to dispose of waste in the right way is also important, and that has involved a rethink about simple things like where bins are positioned. "If someone has to walk to bins in two different places to segregate waste they are less likely to make the effort, so we give a choice at the point of disposal," explains Rachael Baldwin, sustainability manager with Skanska. "People are busy and have other priorities at the time. So we make it easier to do the right thing by putting the bins together, and everyone wins."

Good relationships and aligned goals between the trust, Skanska and subcontractors are key, she says, adding that changing the contracting system to incentivise change has also made a difference. Previously the trust contracted on the basis of thresholds, so provided their waste burden fell within certain parameters there was no extra cost. Now the trust pays for the actual amount of waste processed, giving a clear financial incentive to keep it to a minimum.

In addition, says Mr Hogg, waste is now being "commoditised" in the sense that items such as cardboard, which can be sold for recycling, are being extracted and used to raise money. "Instead of paying someone to take it away, someone is paying us," he says.

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Part of the process of getting people on board has involved setting up competitions between wards and clinical areas, with prizes awarded in a number of categories, including best compliance and most improved. As well as certificates presented by Barts chair Sir Stephen O'Brien, the winners also received a prize pack. "The power of biscuits shouldn't be underestimated," laughs Mr Payne.

Karen Hogg is operations manager for Skanska's sub-contractor SUST-N, and leads the team of three which works across the trust. As such, she looks in an awful lot of bins. "I've really noticed the difference since we started out," she says, explaining that it is now much rarer to find clinical waste in the domestic bin. Letting people know that domestic waste is actually recycled (rather than going to landfill) has been a real means of encouragement.

Her team wears uniforms, she adds, which makes them a visible presence across the trust – a bit like a conscience, reminding people to make the effort. "We're not in every ward every day, but we're in the hospital every day, so people know we are here," she explains.

"People want to do the right thing, they want to be green, and they're happy to recycle their waste. We make it easier for them to do that." ●

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### KEITH DORLING ON DELIVERING MORE FOR LESS



The healthcare market is facing uncertain territory, with the demand on the sector increasing at the same time as all health organisations are facing pressure to significantly reduce their budgets.

Interserve undertook research, with YouGov, into the future of public services and found that approximately 60 per cent of all healthcare organisations anticipate making budgetary cuts by 2016, with a third of them expecting to cut their budgets by a minimum of 11 per cent.

Interserve's research found that over half of those health organisations facing budget cuts believe they will not have achieved their financial saving targets by 2016. The same health organisations believe the financial cuts will lead to the outright removal of significant frontline services.

Our research highlights the need for the health market and the NHS to implement a model of service that can drive clinical excellence, improve quality standards and the patient experience, while delivering the services within a finite financial envelope.

To achieve this requires a new way of looking at service delivery. Interserve's experience in over 80 per cent of the UK's hospitals, at every stage of their lifecycle, has helped us to understand the changing needs of the market and to look at the strategic direction of the health market to gauge how we can best support the industry. This led Interserve to acquire Advantage Healthcare, a specialist care provider. It is our belief that a joined-up solution between how support services are delivered across the patient pathway will help improve the way the NHS delivers their services overall.

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Improving the way the properties are utilised is fundamental to this. In the same research we found that respondents in healthcare need to make savings of 8 per cent by 2016, and 16 per cent by 2020, across their property and facilities portfolio.

Understanding how these efficiency challenges can be met – while also looking for ways to improve the patient experience and how best to invest in the infrastructure that cares for our country – is the first step in helping to solve them. It is also one of the reasons Interserve was chosen to support the NHS estates and facilities management in Leicestershire.

This model shows how by joining up and sharing services you can bring together estates transformation and facilities management with the needs of patients and staff right across the NHS. This provides greater control and scope for consistency, quality and efficiency when delivering the services, as well as potentially saving the organisations in excess of £100m.

This is why we believe traditional models for healthcare delivery need to be evaluated, and we hope this chapter will help you understand some alternative approaches to delivering more for less across the hospital estate. *Keith Dorling is managing director, civil government, Interserve.* 

### **IN ASSOCIATION WITH INTERSERVE**



### **WORKING WITH THE PRIVATE SECTOR**

## IT'S TIME TO REAPPRAISE PARTNERSHIP

The best way to formulate an effective estates and facilities strategy in the NHS is often to team up with the private sector, hears Claire Read

Martin Bell has a foolproof method of identifying the hospital when he's in a town he hasn't previously visited. "Generally speaking," says the facilities management consultant, "you look for the really strange building that's grown by piecemeal and doesn't look fit for purpose."

The challenge of ensuring that this gradually developed NHS estate remains cost effective at the same time as supporting patient care is not a new one. But it has taken on a new urgency in a time of austerity and simultaneous demands for high-quality clinical provision. Outdated buildings can now represent a real problem.

"If there's a large, cumbersome estate with lots of old buildings it can be difficult to maintain the appropriate standards," explains Maria Kitching, director of transformation for support services and construction company Interserve. "It can also be difficult to put in new equipment, just because of the way the building has grown since the NHS was founded."

The issue, and potential for improvement, is such that some report estates and facilities management is moving up the agenda within trusts.

"There is a big focus now, and it's probably driven more by the financial director and chief executive than by the estates director," says Ed Baldwin, partner, health sector at EC Harris.

"I think every organisation in the health sector, certainly with the demise of primary care trusts, is having a very critical look at what they own, lease, live or work in to make sure it's fit for purpose and delivers what it should be delivering," he continues. "There is a huge opportunity for organisations in

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the NHS to inwardly reflect now, challenge themselves, and have a plan."

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Developing that plan may involve adopting a new approach. While all trusts will previously have had estates plans, it has often been unusual for those documents to feature a strategic approach. Also rare is for plans to be tied in to clinical strategies. If organisations are to meet the current challenges of estates and facilities management, that is likely to have to change. The next question is whether trusts will be capable of doing so.

Mr Baldwin is unsure: "Unfortunately I don't often see the skillset in-house to be able to deliver that." It is a view shared by Mr Bell. "The skills that need to be really enhanced and developed are the wider commercial skills. If people in health are able to develop their commercial understanding, that's where I think the greatest opportunity could come from."

### **Core business**

Both suggest that a solution may be more partnerships with private sector providers. It seems many of those working within the health service and local government agree. In recent research by YouGov, commissioned by Interserve, 58 per cent of respondents agreed that outsourcing to the private sector will be at least slightly important in meeting budgets and maintaining service levels.

When it comes to facilities and estates management, Ms Kitching argues that private sector partnerships will enable NHS trusts to focus on its core business.

"All organisations need to concentrate on their core business, and in the NHS it's about patient care," she argues. "With

### CASE STUDIES OVERLEAF 🕨



Interserve, our core business is estates and facilities management – it's what we do as a business. And I think by working together as organisations we can bring the strength of each other's expertise and experience to work through a solution that actually will result in supporting patient care.

"By looking at the whole of the estate strategy in line with the clinical strategy, we can start to look at whether buildings are helping or hindering the delivery of good patient care," she continues.

"That's the first building block: to look at the buildings and what needs to be done. It may be to make better use of the space in those buildings, then releasing unused space to use these savings to reinvest in the estate."

Sometimes that review might valuably extend beyond the estate and facilities of one organisation. In Leicestershire, for example, Interserve is now providing facilities management (FM) services to the CCG and acute and mental health trusts – all under the same contract.

"The aim of the contract was to provide a consistent standard of FM support across all

### 'The people who've gone into facilities management want to make the world better'

those organisations," explains Ms Kitching. "It brought in efficient FM services and a consolidated estate strategy for what became 550 buildings within the partnership."

The contract has been in place since late last year and is believed to be the first of its kind in the country. But it is easy to imagine this sort of joint procurement – with its economies of scale and consistent standards for patients across a health economy – appealing to increasing numbers of trusts and CCGs.

"I do think it's an important model that the NHS can look to," says Ms Kitching. "There are lessons coming out which will be invaluable to the next wave of organisations that take on this sort of partnership. "By using a single provider for several organisations, there are most definitely savings to be made from reducing the overhead cost, because you have a single management team focused on the objectives of those organisations." ۲

According to Mr Bell, those working in healthcare estates and facilities management have a clear understanding of what those objectives should be. There is a real understanding that theirs is a field which can fundamentally influence patient experience.

"Estates and facilities management is a really good opportunity [to improve patient care]," he argues. "The people I've tended to meet in health, the people who've gone in to facilities management in health, are doing it for a reason – they want to make the world a better place. Their hearts are in the right place. People are aware that if they are making savings, it is going to lead to the primary purpose of the health environment, which is better healthcare."

And if addressing the eccentricities of a piecemeal estate can lead to financial savings as well, so much the better.

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### **IN ASSOCIATION WITH INTERSERVE**

## WORKING WTH THE PRIVATE SECTOR: CASE STUDIES TURNING IT OVER TO THE EXPERTS

Bringing in a private sector partner to handle a range of facilities management can allow NHS organisations to concentrate on their core business, says Claire Read





### LEICESTERSHIRE

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Ask Richard Kilner how easy it was to develop a joint approach to estates and facilities management in Leicestershire and he provides an honest answer. "It was a bit like herding cats," he says. "It was a challenge because it was a novel way of working and so people were fairly wary; the NHS is not an entity that relishes change."

He credits the length of the process as helping ("it took 18 months from the original setting up of the joint entity to getting to the point where the contract went live – if we'd tried to do this in three months it would never have happened") but says the biggest driver was that the need for change was well established.

"There was a bit piece of work done two years ago on the NHS estate in the local area," he explains. "We've got something like 550 individual NHS buildings in that area. When we looked at the occupancy levels of those buildings, it became apparent that we were occupying far too much real estate. It was that recognition that we should be able to reduce our real estate by about 20 per cent that was a compelling reason for the joined-up approach."

That approach involved all the NHS organisations in the area coming together to procure estates and facilities management services. For the past few months, all such services in the local health economy – whether at the acute University Hospitals Leicester, the mental health provider Leicestershire Partnership Trust, or the CCG – have been provided by Interserve under the terms of a joint contract.

"The contract is massive," explains Mr Kilner, a non-executive director at University



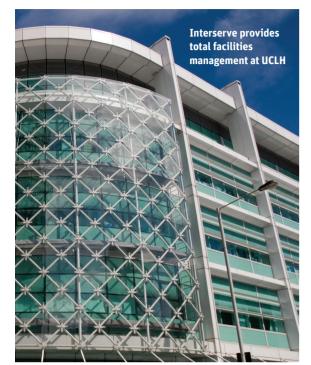
Hospitals Leicester who also serves as chair of NHS Horizons, the joint entity which manages the Interserve contract on behalf of the local health economy.

"It covers just about anything that you could think of in terms of catering, cleaning, portering, helpdesk, building maintenance – it's huge."

The benefits to patients are a consistent approach across all organisations, something which clearly ties in to the integration agenda. At the same time, there are 'It was that recognition that we should be able to reduce our real estate by 20 per cent that was a compelling reason for the joined-up approach'

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'We exist primarily to serve the patient experience. Recruiting 500 FM staff is not considered our core business'

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significant financial savings for the partnership's constituent organisations.

"There are scale benefits in a number of ways. We're procuring a much bigger contract and therefore will procure more effectively, but the second benefit is that you don't need to duplicate resources across the health economy," reports Mr Kilner.

"You don't have three organisations, each with its own service and helpdesk – you can operate just one."

These economies of scale are such that he envisages significant cost savings as the contract progresses. He also believes there will be some more immediate savings.

"We're at the beginning of the journey, but if one looks back and thinks about the 20 per cent of the estate we don't use – if we are able to stop using that 20 per cent of the estate, actually we've taken 20 per cent out of our cost base immediately because we don't have to clean that space, we don't have to heat it, we don't have to light it."

The Leicestershire contract is believed to be the first of its kind in the country and all anticipate it will yield lessons which will benefit other local health economies. It is notable that the procurement was done as a framework – any other public sector organisation can join the framework without the need to go through procurement. And Mr Kilner says there is already advice he and his colleagues can offer to other organisations that might be considering such an approach.

"I think there are two words I would use: be brave, and be responsible. Be brave in the sense that one is willing to have those difficult conversations with what should be your partner organisations, but which historically have not been. Be persistent in doing that.

"And be responsible in the sense that if you are a major health economy and you are able to take 20 to 30 per cent of the cost of providing facilities management and estates services out of your budget, that's money that can be spent on patients. My view is that it's almost irresponsible not to do it, particularly in the current environment."

### UNIVERSITY COLLEGE LONDON HOSPITALS

Kieran McDaid's formal job title is director of capital investment, estates and facilities at University College London Hospitals. He heads up the estates management and investment programme at one of the largest trusts in the country. Increasingly, though, he says he regards his function as intelligent client, managing a small team of industry professionals to get the best value from outsourced providers.

"Clearly at smaller trusts, you can still argue for owning and controlling estates and facilities management in-house," he says. "But with limited resource within my own directorate we need to prioritise our functionality. We exist primarily to serve the patient experience – we are not expert facilities managers. And for UCLH to recruit 400 to 500 facilities management staff is not considered our core business."

He says it is therefore logical to outsource those sorts of tasks to a partner for which they are core competencies. "As you approach scale you need to recognise your own strengths, skills and capability, and the expertise offered by industry," he explains. "As you collaborate you bring the two together, recognising complementary skills.

"We know our objectives very clearly, we manage things well, but we don't carry all the necessary skill sets to manage every nut and washer."

For that, Mr McDaid and his colleagues turn to Interserve. It is a relationship which began in 2000 when the international support services and construction company was selected as one of the partners in the organisation's PFI project. Mr McDaid says the scale of the relationship has grown since.

"We now have 43 built assets under our management; seven different hospitals that we have merged in to one foundation trust. So increasingly we have varied the PFI contract to allow Interserve to scale up and take on more services across the estate," he explains. "With greater scale comes greater efficiency. So as we scale up and leverage the Interserve offer, clearly they can deploy more effective resources. What we're after here is uniformity of service across the varied estate. We're trying to increase the quality and uniformity of facilities services for our patients and users."

Rachel Martin, the Interserve account director for UCLH, explains that the array of those services is significant. "We provide total facilities management at the main hospital, from waste management to patient catering. And then there are 40 main additional buildings that we provide a range of facilities for.

"The trust is very large and complex in the way it runs and it's also very dynamic – things are constantly changing, with buildings coming in to or leaving the portfolio and changes of use within the main hospital," she continues.

"There are always a significant number of projects going on where we are supporting the trust in those changes."

Developments are also constant in the relationship between the trust and Interserve, reports Mr McDaid. "We continue to challenge each other on what we can do to improve patient experience."

The answer has been a series of innovations. "It's all about constantly coming up with new ways of working to assist in the quality of patient care and to ensure our services offer best value to the trust," explains Ms Martin.

She cites work on improving the speed with which beds are prepared before a patient comes in to hospital as an example. "We are providing better information to the trust in terms of times and volumes so that we can work together to speed up the process of bed turnaround."

Doing that will clearly be contingent on strong communication between Interserve and the trust. It is something Mr McDaid says is absolutely critical to making outsourcing work.

"To build a strong partnership is fundamentally based on relationships," he argues. "We have a very formal process through which we engage with Interserve through a number of committees, right up to senior director level in both organisations. And my staff and their staff are meeting every day on the issues.

"I think there's a very strong ethos that starts with director-level relationships, solid relationships being built and maintained, and then performance being driven through the supply chain.

"We never stand still," he says. "We're continually looking for development opportunities and step changes in quality of services as we mature the relationship." • ۲

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