

#### INTRODUCTION TO HUB SOUTH EAST









Shifting the Balance of Care in East Lothian 4th June 2019











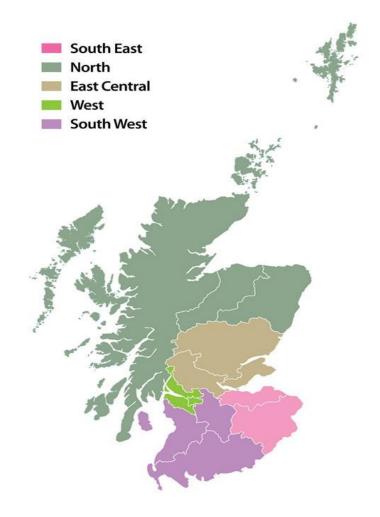
# Richard Park

Operations Director Hub South East

#### **HUB PROGRAMME**

- Five territories and supporting
   Hub companies across Scotland
- A joint venture between the public and private sector to develop and deliver community infrastructure projects
- More efficient, quicker, sustainable procurement resulting in improved value for money

- Public sector collaboration, increasing joint service working and integration
- Increased opportunities for strategic asset management
- Supporting local businesses and the community – recycling the local pound



#### HUB SOUTH EAST AWARD WINNING DEVELOPMENT PARTNER

- Developer of the Year Partnerships Awards 2018
- Consultancy of the Year Education Building Scotland Awards 2017
- Developed and delivered 72 award winning facilities, including: the award winning:
  - Jedburgh Intergenerational Community Campus: Future Building (Scottish Design Awards 2018)
  - West Calder High School: Silver Best Social Infrastructure Project (Partnerships Awards 2018) Inspiring Learning Space (Education Building Scotland Awards 2017)
  - James Gillespie's Campus: Education Award (RIAS Awards 2017) Public Development of the Year (Scottish Property Awards 2017) Architectural Excellence (Scottish Property Awards 2017) Design Award (GIA Design Awards 2016) Highly Commended (Scottish Design Awards 2015)
  - **East Lothian Community Hospital**: Silver Best Healthcare (Partnerships Awards 2017)
  - Galashiels Transport Interchange: Town Centre Regeneration Project of the Year (Scottish Property Awards 2016)

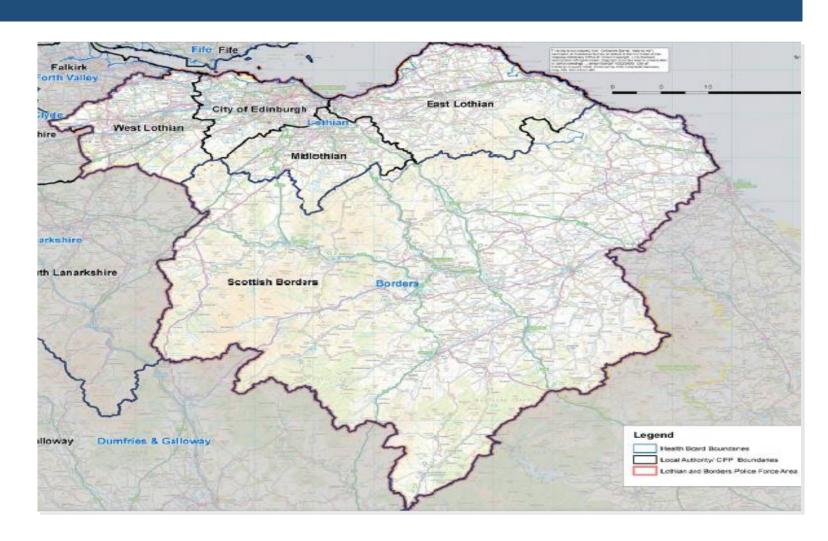


"Hub South East has created an efficient, powerful and connected procurement vehicle that demonstrates how a successful partnership can deliver positive results."

Judges – Partnerships Awards 2018

#### HUB SOUTH EAST TERRITORY

- Edinburgh
- East Lothian
- WestLothian
- Midlothian
- ScottishBorders



#### SOUTH EAST TERRITORY CLIENTS

Local Authorities, Health Boards and Blue Light services in Edinburgh, the Lothians and Borders, including:





















#### HUB SOUTH EAST CAPABILITY

# Multi-disciplinary in house team with an extensive supply chain.

- Masterplanning
- Service Planning
- Stakeholder Consultation
- Project Finance
- Asset Management
- Mixed-use development
- Income generation
- Design and Build
- Facilities Management









#### HUB SOUTH EAST PROGRAMME STATISTICS

- £715m Programme
- Completed:
  - 72 facilities worth £352m
  - All on or under budget
- Under Construction
  - 3 facilities worth £126m
- In Development
  - **£237**m









#### KEY BENEFITS & PROMOTION OF BEST PRACTICE

- Benchmarking and capped prices affordability built in
- Standard forms of contract
- Community Benefits performance measured
- Strategic Support
- Collaboration working as a true partner
- Innovative Design
- Programme Certainty
- Effective risk management / allocation
- Continuous improvement / KPIs







#### ADDED VALUE DELIVERED

Full transparency of market testing on East Lothian Community Hospital helped achieve 4% under affordability cap = Saving of £3.5m

Stage 2 prices on projects closed in 2016/17 were below the affordability cap and resulted in an aggregate saving of £1.1m

On Royal Edinburgh Campus Phase I, whole life cost analysis and NPV v traditional procurement demonstrates £5m saving over 25yrs

We delivered Kelso and Newbattle High Schools below the SFT metric – saving £3.5m

East Lothian Community Hospital achieved a £2.9, saving below the NPR affordability cap

#### **COMMUNITY BENEFITS**













# Martin Hensman

Head of Development

Hub South East

#### STRATEGIC SUPPORT

#### Provide greater value through increased efficiency





- Scottish Borders Dementia Strategy Multi Site feasibility to determine location of 24 bed Dementia Care and Assessment Centre and wider care village based upon Dutch Hogeweyk principles.
- NHSL Catering Strategy Site identification, feasibility and specification development for a centralised production and storage facility capable of producing 5M patient meals per year.

#### STRATEGIC SUPPORT – RECENT COMMISSIONS



#### **Royal Edinburgh Hospital**

- Masterplanning
- Business Case Support
- Clinical Planning
- Funding Support



#### **Wave 4 Schools**

- Masterplanning
- Detailed Feasibility / Business Case Support
- Supporting implementation programme



#### **ELCH**

- Masterplanning
- Clinical Planning
- Business Case Support
- Funding Support



#### **Leith Meanwhile**

- Collaborative community regeneration
- Job Creation / SME Support
- Funding Support

#### INNOVATIVE DESIGN - PHYSICAL & OPERATIONAL



- Rising Rolls
- 25 PS Extensions over 6 years



- West Calder High
- Inspiring learning space aligning with transformative educational strategy. RIAS Building of the Year Nomination



- Queensferry High School
- Low carbon pilot project



#### DEMENTIA CARE – DUTCH STUDY TOUR









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AGEING AND
BECOMING OLD
IS NOT A
DISEASE JUST
ANOTHER
STAGE OF LIFE





# TO MEET THE DRAMATIC WORLDWIDE INCREASE IN DEMENTIA

- Syndrome causing deterioration in memory, thinking, behaviour and ability to do everyday tasks
- Mainly affects older people, but not a normal part of ageing.
- 50 million sufferers nearly 10 million new cases every year.
- Alzheimer disease most contributing 60–70% of cases.
- Major cause of disability and dependency among older people worldwide.
- Has physical, psychological, social, and economic impact, not only on sufferers, but carers, families and wider society

Source: World Health Organisation

### POSING BIG FINANCIAL PLANNING CHALLENGES

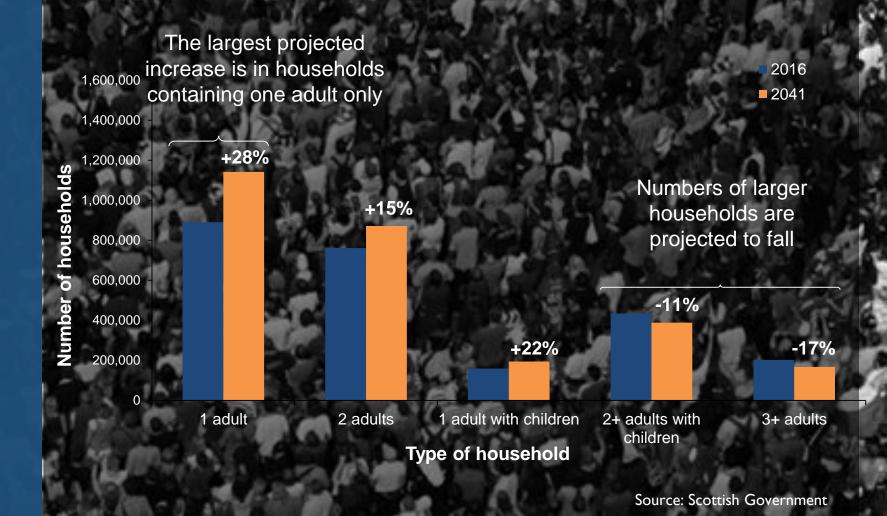
- 2050 68% of sufferers on low or middle incomes
- State funding won't/ can't keep up
- Pensions likely to require being guaranteed due to lower contributions
- More reliance on Private Finance/ private provision
- Private Insurance growth
- More reliance on self funding
- All in cost per resident £68,000 split between state, medical insurance and family.
- UK average between £38,000 and £55,000 before medical costs/ specialist care packages. Many individual LA patient care packages costing £100K - £300K

# IMPACTS WIDER SOCIETY ACROSS EUROPE

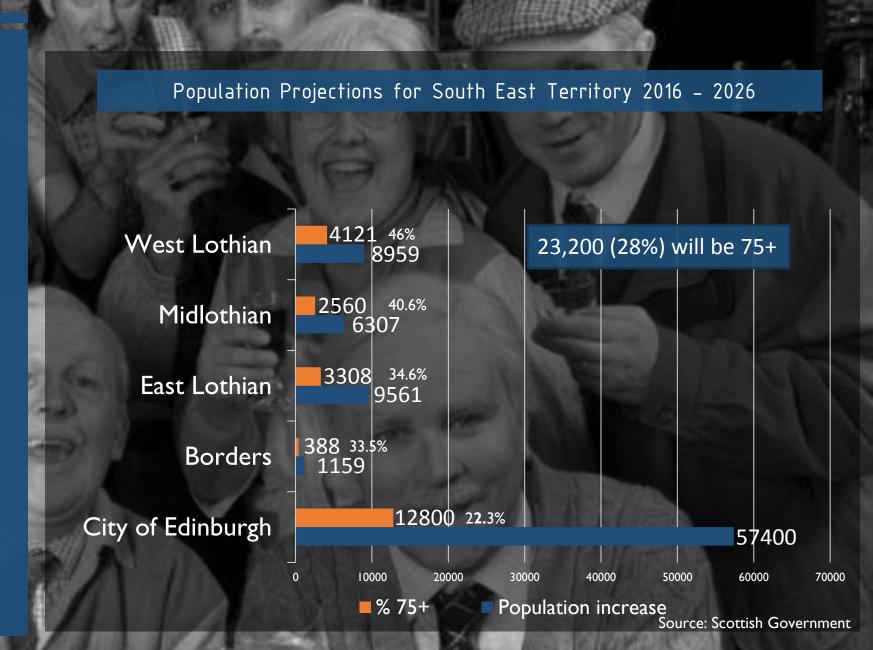
- A rapid ageing population
- Currently 1 person over 65 years for every 4 working persons by 2060 1 over 65 for every 2 working persons
   so less tax payers to fund increased demand.
- Life expectancy increasing
- Chronic illness earlier and for longer
- More women in employment shift in carer role to more informal
- £6B+/ year estimated cost to replace care currently provided by family members
- Growing single households more households to service in times of sickness

# WE ARE SEEING THIS AT A NATIONAL LEVEL

#### Households in Scotland by Household type 2016 and 2041



# AND AT A LOCAL LEVEL



DUTCH **EMBRACE THE** NEED FOR A **PARADIGM** SHIFT IN **APPROACH TO** CARE









































### PERSONAL OBSERVATIONS

- UK addressing shifting balance of care but burying head in terms of approach to medical care and quality of life. More appropriate use of sedation in the UK perhaps need further investigation if we are ever to achieve de-institutionalisation
- Care home settings still the default in the UK EAN report suggests demand for this accommodation will fall – so why invest in them??
- Dutch much more pragmatic approach to risk "Our residents are not Lemmings" Care Commission will be problematic.
- Hogeweyk every resident provided with a custom wheelchair if they need it encourages movement.
- Hogeweyk Broken hips average stay in hospital 3 days before being returned to their home
- Great time and detail spent in resident background and history, likes and dislikes to allow like minded residents to live together
- The Smell! no waft of urine or stewed beef.
- Hogeweyk over forty activity clubs from music to model making
- Ethos is "Normal life" and "Quality of Life", last home as opposed to place to die alcohol, socialising, free movement (within reason) why should it be any different to the way you've lived your last 80 years.
- Hogeweyk and Laverhof residents were really engaged and wanted to speak to us they
  weren't just sitting watching television Residents all diagnosed with severest forms of
  Dementia!

LATEST
THINKING SET
OUT IN
RECENT EAN
REPORT

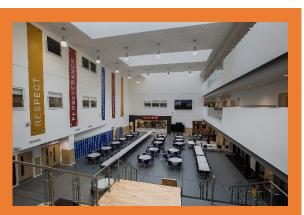












## Graham McCorkindale

Hub Technical Advisor Healthcare Specialist

#### ARRIVING AT THE RIGHT SOLUTION

#### **Listen – Understand - Question - Advise**

- Develop Project Briefs what do we need?
- Look at site options where could / should it go?
- Support Business Case how do we get there?
- Design + Technical Input are we doing it right?
- Engaging stakeholders community, clinical, technical, political etc.,



#### COMMONLY ASKED QUESTIONS

- What facilities will you be providing?
- When will we see your designs?
- When will be able to use the new facilities?
- How can we/ will we contribute to the projects success?
- What will a successful project look like?
- How will you keep us informed?
- What will the process be after today?



# **HUB PROCESS – NEXT STEPS**









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#### HUB PROCESS – END TO END

#### New Project Stage 2 Contract Pre New Project Construction Stage I Finalisation Request Request Completion Affordability Cap Agree affordability Documentation Develop design Strategic Brief Lessons learned cap, comparators Brief Pre-planning Development / • Resolving residual review and benchmarks consultation Consultation Programme Case study risks Pricing cap Preparatory work Planning consent Business case developed Technical Project adjustments done Confirm VfM Development / Agreement Post Occupancy • Options appraisal Project requirements Procure FM Options Appraisal Evaluation • Arrange finance and pre-planning e.g. community Contractor Scope out project consultation • Due diligence benefits Procure funding • Undertake · Initial design and Financial Close Novation options Market test feasibility comprehensive Procure Contractor construction Develop preferred early surveys to packages understand option ACR and VfM assessment currents state and Finalisation of Price Guaranteed future aspirations maximum price Procure advisory Authority's team Construction Requirements (ACR) Documentation

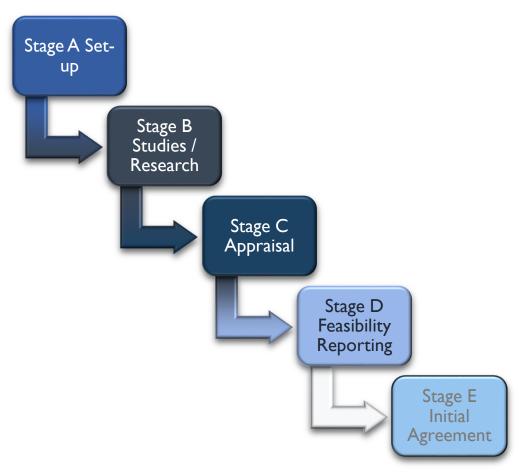
Fully Compliant with Scottish Government Capital Investment Manual Procedures and Business Case Gateways

#### HUB PROCESS – WHERE WE ARE TODAY

Pre New Project Request

- •Strategic Brief Development / Consultation
- Business case Development / Options Appraisal
- Scope out project
- Undertake comprehensive early surveys to understand currents state and future aspirations
- Procure advisory team

## PRE-NEW PROJECT REQUEST



Hub - Mobilise team and undertake preliminary scoping NHSL / ELC / IJB – Formalise governance between ELC and NHSL Outcome – Form platform with adequate resourcing for delivery Hub – Appraisal of previous studies. Scoping of further studies. NHSL / ELC / IJB – Input to studies (e.g. capacity modelling) Outcome – Define parameters of feasibility process Hub – Options Appraisal / Test Site Options (SCIM process) NHSL / ELC / IJB – Input to Options Appraisal Outcome – Develop Long List of Options for re-provision solutions Hub – Develop preferred options / VFM assessment NHSL / ELC / IJB – Develop Business Case strategy Outcome – Establish Preferred Option for Initial Agreement Hub – Input to Initial Agreement(s) / NPR process NHSL / ELC / IJB - Prepare Initial Agreement Outcome – Supported Initial Agreement (SGSCHD)



# PROPOSED METHODOLOGY – STAGE A

Outputs & Process	NHSL / ELC / IJB Inputs
Develop detailed feasibility methodology, consultation process and parameters	Parameters to inform Business Case
Design and advisory team appointments and scope of services development	
Governance – Project Board, Project Team and Consultation groups	
Hub Strategic Partnering Services Proposal	Approval of proposals
Establish project controls: reporting, PEP, programme etc	
End of stage update report to Project Board	

### PROPOSED METHODOLOGY – STAGE B

Outputs & Process	NHSL / ELC / IJB Inputs
Capacity planning review and re-assessment from 2018 assumptions	Extent of re-assessment / refresh to be considered
Review of 2018 Assist study – Complete gap analysis to inform scope for Stage C and D	Review gaps with Project Team
Review of NHS PAM's and ELC Corporate Asset/ Partnership Asset Management Plans. (to include PPM strategies and forecasts)	
Scoping and undertaking desktop studies (topo, utility and mining reports)	
Informal dialogue with Planning, HES and others	
Preliminary site searches in catchment areas	Trawl process/ 3 <sup>rd</sup> party
Develop and agree Critical Success Factors (CSF) / benefits appraisal (BA) workshop in Stage C	
End of stage update report to Project Board	



# PROPOSED METHODOLOGY – STAGE C

Outputs & Process	NHSL / ELC / IJB Inputs
NDAP and AEDET, ELC housing design standards, HfVN's	
Complete preliminary CSF and BA Workshops	
Analysis of development options across sites. Gaps analysis.	
Develop schedules of accommodation & ADB outputs	User review / sign-off
Initiate design statement process	NHSL Lead
Complete desktop investigations. Establish need for more detailed Investigations.	
1:500 options. Including assessment of refurbishment options. Decant appraisal	
Affordability and VFM (Capex) assessment (cost plans)	
End of stage update report to Project Board	



# PROPOSED METHODOLOGY – STAGE D

Outputs & Process	NHSL / ELC / IJB Inputs
Scoring of design options for each Site. Establish preferred option. Scoring against CSF's and BA's.	
Undertake further required building Investigations.	
Complete clinical briefing process with health planner	Subject to capacity studies.
Further detailed consultations with Planners / HES	
Refine design options for each site. Cost & affordability	Sign-off with Senior User
Develop draft technical documents (Design brief /ACR's and key objectives)	
Review and consider potential funding models	
Submit end of stage feasibility report	Sign-off



# PROPOSED METHODOLOGY – STAGE E

Outputs & Process	NHSL / ELC / IJB Inputs
Develop Initial Agreement/ Council approval papers. Undertake required consultations and more detailed modelling for economic case.	NHSL/ ELC approval papers jointly progressed
Undertake design quality evaluations (NDAP, ASPECT and AEDET, HfVN's etc) through joint workshops	
Prepare design statement. A+DS and HFS input?	
Prepare revenue operating model(s)	
Submit Initial Agreement to SGSCHD	IJB, NHSL, ELC governance
Progress Hub SE New Project Request (if required)	
Develop project delivery methodology to support OBC, including issues or considerations to be addressed in design, site options appraisal and business case during Stage 1.	Gaps list of matters to be agreed jointly

#### Shifting the Balance of Care in East Lothian

# THANK YOU

