

QUARTERLY REPORT
ESTATES & FACILITIES – JULY 2008

Financial Position

Position at Month 3, would indicate a break even position at year end.

Staffing

As previously reported, there remains a vacancy in the LIFT Team for a Project Officer. Internal advertisement within the NHS has not borne fruit, and external advertisement is now to be pursued.

The post of Energy Officer is currently being progressed, with a reasonable response. Interviews are to take place shortly. The post is a joint funded post by all three Birmingham PCT's.

Activity Data

FACTs information for the period up to the end of June 2008 is attached.

Attach 1

Planned Programme

Work is proceeding to deliver the programme valued at £348K this year. Unfortunately, we have been notified that the main contractors, undertaking the work on Headquarters, has gone into administration. Chase Norton who have previously been a reputable contractor, will not now finish the contract. Notice of breach has been issued and negotiations are underway to secure an alternative main contractor. Inevitably, there will be a delay in completion, which at present has not been finally assessed.

LIFT

Work continues on the Richmond Road project, which is due to be completed May 2009.

The Stockland Green Health Centre, Phase 1 is now complete and fully occupied, by all the GP practices, with the exception of the Sherlaw Practice. Phase II and III consisting of the demolition of the original Stockland Green, and the construction of the final car park is underway, due for completion in December 2009.

An additional site is being negotiated for acquisition at Sattley which is progressing, but somewhat slowly. Legal issues relating to the assembly of the site, has created delays. A legal meeting is to take place to hopefully unlock the issues. Prime are taking the lead on this issue.

Work continues to develop the PCT requirements, at Hodge Hill, Sheldon Heath and Partners in Health.

Attached is the latest schedule of LIFT schemes across the City.

Attach 2

Yardley Green Campus

The central 15.6 acres of land in the ownership of BSMHT, is now currently cleared of redundant buildings and remains secured. Much of the materials produced during the demolition were recycled for re-use, on site.

Currently negotiations are being progressed to exercise the option, to transfer approx 1.7 acres of land to the PCT from BSMHT, for the development of a new Partners in Health building. Feasibility has been progressing on a building approx 2800 sqm in floor area.

HeFT are progressing the development of a full business case to resolve their parking needs. Within the options are two which would see the building of a multi storey car park; however the final decision may not be made until September/October. Equally the timing of building of the car park, may not well work for the completion of the Partners in Health replacement. Alternative provision for surface car park is being pursued, for up to 100 spaces.

Estate Strategy

As previously reported, the development of the Estate Strategy is to a great extent dependant on the PCT's SSDP, which is now likely to be August before finalisation. Nevertheless, progress has been made in assembling base data of the current PCT Estate, and it is proposed to appoint external support for the production of the strategy, to speed up the delivery.

Special Care Centres

Work has continued, to progress the legal documentation required, to allow the PCT to formally occupy the Care Centres of Perry Tree and Sheldon Heath, and it is expected that the service from Sutton Cottage will transfer to Perry Tree on the 8th September.

The legal agreements required to be finalised by then are the lease, between BCC and PCT, the operating agreement with all the associated SLA's to fully describe the range of services BCC are providing and the operational policy.

There have been two sessions, with lawyers present to finalise the details of the lease, and that piece of work is virtually complete now.

All the adaptations, required by the PCT, to meet infection control standards are now complete, along with other minor adaptations, and a one off payment will be incorporated in the lease to cover this.

The annual rental sum for the 32 bed accommodation has been set at £72K, with a service charge for a whole range of services, including catering, cleaning, portering, security, laundry etc in addition.

The centres offer patient accommodation to a very high standard.

Sustainability

The City Wide Sustainability Group under the Chairmanship of Mike Burns, continues to give focus to the range of initiatives that are being progressed to reduce CO². There has been particular attention in the area of Transport and Procurement, which are seen as the key areas to make a real difference to overall carbon output from the PCT's.

The PCT is on target to achieve the 20% reduction of CO² from energy by 2010, from a 1990 baseline; however the PCT is also producing in the order of 1100 tonnes of CO² per annum, which needs to be reduced. The expansion of the Estate will inevitably challenge the long term reduction targets.

Some of the specific actions being taken include:-

The review of the lease car policy is underway, intending to reduce CO² emissions for vehicles receiving subsidy. This work is likely to complete August/September time.

Increased allowances for use of cycles at work are also being finalised, to encourage alternative transport to the motor car.

A programme of boiler replacement with energy efficient condensing boiler, within the retained estate.

Replacement/re-lighting of centres to convert to low energy fittings from tungsten/halogen equipment.

Under consideration are the removal of bottled water dispensers, and replacement with mains fed equipment. A small but nevertheless important step in reducing CO².

A city wide waste management group is in place, to progress issues such as waste separation and reducing waste to landfill through operational policies.

Procurement needs a whole strategy in itself, to ensure CO² is considered as part of the purchasing process, and Dave Lewis is leading on this, to find a suitable set of indicators to measure progress. It is expected that only 'A' rated equipment will be purchased, where available. All electricity is now purchased from renewable sources, which is a very positive position, and local generation is being considered, where appropriate.

The main focus from the estate perspective is to ensure any new developments, meet the targets set out in the Sustainability policy and achieve a BREEAM NHS "Excellent" rating. Regular design workshops are being held with Prime (Liftco), to agree the features of the building construction, that will achieve this. A limited range of energy saving features were included in Richmond Road building, but it is expected that the new Saltley, Hodge Hill, Partners in Health & Sheldon Health developments, will need to go further. The sort of features under consideration are solar powered hot water, ground source heat pumps, photo voltaic electrical generation, wind turbines (albeit very limited application) and rain water collection. This will ensure the premises, minimise their impact on the environment.

Sustainability Nationally

The PCT as part of the Good Corporate Citizen Network, has access to a range of useful resources and contacts to further receive and influence, the direction of travel in the NHS. At a network meeting on the 10th July, David Pencheon, Head of NHS Sustainability Unit, briefed

attendees about the 'Saving Carbon, Improving Health Strategy' document, which is out for consultation, but fully endorsed by David Nicholson, CEO of the NHS.

The Strategy has been produced, as a consequence of the realisation at ministerial level the NHS is responsible for producing over 18 million tonnes of CO² annually, with an economy larger than Denmark, we have to be a major leader in CO² reduction, if the country is to meet its target.

The Strategy suggests that PCT's contribute to 22% of the total emissions, albeit that will vary by organisational size, and with 65% in the acute sector.

It also indicates that of the NHS emissions, 59% is associated with Procurement, 22% Building Energy use, and 18% travel related, hence the need to focus on Procurement, strategies in particular:-

The Strategy sets out a top ten list of immediate actions needed to move the NHS forward. These are as follows:-

1. Production of high quality information on carbon emissions, to monitor and measure progress of a reduction programme.
2. A Board approved Carbon Management Strategy for all NHS organisations by 2009. The PCT already has one, together with an implementation plan.
3. An Extension of the NHS Energy Fund to improve energy efficiency across the NHS. Disappointingly the PCT applied for investment from the initial £100M, and was not successful at all.
4. All new buildings to be low carbon by 2015, and with an ambition to be zero carbon by 2018. As previously stated we are already making progress in conjunction with Liftco, to ensure any new building meets the best CO² performance within the affordability criteria. A zero carbon economy is however a serious challenge.
5. A target for better Waste Management to be created. A city wide group is established and working on this at present.
6. A Board approved Sustainable Travel Plan for all NHS bodies by 2010. This is an area of work, that requires greater focus. An initial survey of travel has been undertaken in SBPCT, but there is a great deal more to do on this. We do however; have the data on lease car and mileage travel for the PCT, and as previously reported, the PCT already clocks up 1.75 million business miles per year.
7. Sources of carbon emission to be cut by improving procurement of goods, services and equipment. Current needs include, adequate measurement tool of supply chain, and better data from suppliers on the CO², relating to products. The Board approved policy does require only A rated equipment to be purchased.
8. The pricing of carbon, at appropriate level within the NHS. The potential for carbon as a commodity, allowing carbon trading is seen as a more robust approach than off setting, which is now generally discredited. Further centralised guidance is required on this before it could be moved forward.

9. The development and implementation of more effective incentives and policies, to support real progress on sustainable development. It is envisaged that PCT's as commissioner, will play a major role in influencing this agenda, and will be encouraged to broaden their influence, by investment to gain greater carbon efficiency.

10. All NHS organisations to report annually on a key metric, as part of a simple scorecard of sustainable development indicators. There was some debate on this, as it was concluded that sustainability as a Tier 3 indicator in Vital Signs, was not sufficiently robust, and needs to be mandatory.

Personally, I would also suggest that if sustainability is to become a mainstream activity, which it needs to be, it should be an annual objective for all managers from CEO down.

Importantly, with 65% of the carbon emission coming from the acute sector, the role of PCT commissioners requiring a clear strategy to reduce carbon, from that sector would be an imperative to make significant progress.

The agenda associated with sustainability requires a massive culture challenge for the NHS, and the target of 60% reduction by 2050 (from a 1990 baseline), will almost certainly be stepped up, more in line with BCC target of 60% by 2026.

A response to the draft strategy is required by 21st August 2008, which will be co-ordinated through the Director of Estates.

M J Wiltshire
Director of Estates & Facilities