NHS Fife’s General Hospitals and Maternity Services (GH&MS) Project

Joint presentation to the Annual Scottish Healthcare Conference 4th November 2011
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This presentation is in two parts:-

**Part 1:** ‘The Existential Pleasures of being an NHS Projects Director’ (by Dennis O’Keeffe, NHS Fife Projects Director)

**Part 2:** The Construction Delivery of the GH&MS PPP Components (New-Build at Victoria Hospital, Fife), (by Dominic Gallagher, Consort Project Director)
Presentation Part 1:-

‘The existential pleasures of being an NHS Projects Director’

• A snapshot review of ‘Personal Experiences’ spanning between OJEU notices and reaching Financial Close and, in addition comments on preparations for NHS Commissioning and Operational Use

• Personal Experiences are grouped under the headings of
  – Dealing with things for major PPP Projects
  – Dealing with others for major PPP Projects

• Disclaimer: these are my views only!
What’s ‘existential’ about it?

- This is because this is a personal and critical reflection ‘in-action’ and ‘on-action’ (Schön, et al) on the experience of dealing with the actual realities of delivering a major NHS PPP project.

- The GH&MS project comprises an ‘extension’ (51,300 sq. m. (net)) + Energy Centre to an existing live acute NHS hospital; (built in phases during the 1960’s); on a complex, complicated and difficult brownfield site in parallel with and co-terminously with a series of Non-PPP projects; on multiple sites.
Why was it complex, complicated and difficult?

Because:

- The Board had no recent or relevant experience of dealing with major Non-PPP projects or PPP projects involving private finance or in-house staff with such relevant experience;
- The existing (Victoria) hospital had to remain fully operational at all times (including A&E departments and in-patient facilities);
- The works involved significant (£50m+) refurbishment works coupled co-terminously with (£170m) new-build works with key dependencies between these works using different supply chains;
- Numerous site and other constraints prevailed throughout the duration of these works
  - This was definitely not a green field site!
Numerous site constraints!

- Constrained by existing buildings and land area, despite maximum land acquisition; (inevitable car-parking constraints and large land take for new build)
- Constrained by onerous planning conditions (section 69 agreements) and surrounded by major road routes
- Site is a major flood plain for Kirkcaldy area!
- Site has a major burn/culvert bisecting the site!
- Site has major drainage and utility services crossing the site and lack of utility capacities serving the site!
- Site has contaminated ground (tanneries; brickworks; floor manufacturing involving historical use of asbestos)!
- Site has extensive shallow mine workings and mine-shafts and lack of geo-technical investigations!
- Site is surrounded by numerous residential areas
- Records of ‘as-built’ and ‘intrusive’ fabric and services for the existing estate not available or maintained!
Other notable constraints (looking back…)

- Stakeholder Management Issues (SMI’s)
  - Difficult adjacent land-owners (ransom strips)
  - Difficult relationship with some of the local press
  - Hostile/malcontent stakeholders (West Fife)
- Expensive s.69 agreement (not anticipated!!)
- Competing demands on overall NHS Fife capital programme (a.k.a. the ‘black-hole syndrome’!)
- Difficult financial climate (melt-down!) within which to reach ‘Financial Close’ (April 2009)
- Lack of design development and hence cost certainty within the approved OBC for the Conventionally Procured Assessment Model
Why ‘existential pleasures’?

- ‘Existential’ is used in the sense of the struggle, tensions and angst that inevitably arise when subjectivities and irrationalities conflict with ‘hard-wired’ project management dogma and organisational bureaucracy.

- ‘Pleasures’ is used to critically reflect on those personal experiences and challenges that ultimately become rewarding upon project completion: in the end it was worth it.
Dealing with Things for Major PPP Projects

- Coping with complexity
- The NHS and Major (PPP) Projects
  - Dealing with resources
  - Organisational Structures and Leadership
  - Strategic Decisions
  - Design Quality
- The NHS and Project Management
Dealing with Things for Major PPP Projects

Coping with Project Complexity

- Linear Projects
- Non-Linear Projects

NHS PPP Projects are always complex, and sometimes chaotic!!
Complex Healthcare Projects: An Integrated Context

Outside hospitals
Community Care setting

Workforce Changes

New clinical models

Public & Patient Focus throughout to give a ‘Sustainable Solution’

New Building Design

Impact of Technology

Inside hospitals
Acute Care Setting

Public Private Partnerships: (PPP/“Hub”/Partnering)

“Better Health, Better Care”
Maintain an holistic framework throughout the project

- NHS PPP Projects:
  - They are much more than just bricks and mortar!!
  - You (the PD) have to ensure that ‘all-the-plates’ are keep spinning: e.g.
    - Equipment Procurement
    - Stakeholder Management
    - Workforce Planning
    - Clinical Re-design
    - Transition Planning
    - Commissioning
    - Business Case Development: Capital and Revenue implications
    - Design Development
    - Operational Preparedness
    - Communications
    - + Many other work streams!!
Dealing with Things for Major PPP Projects

- ‘Major’ in this context is a contract value of say >£150m

- **Dealing with resources**
  - Unless the NHS Board has prior experience, it is unlikely that any Board members will truly appreciate the extent of internal and external resources required to deliver a major PPP project.
  - This means the PD has to quickly ascertain ‘in-house’ resources, external resources and constantly ‘match the team’ to the project phase requirements: **this will have has Board level implications**! (e.g. approvals and authority)
Dealing with Things for Major PPP Projects

- **Strategic decisions**
  - Early strategic decisions will have a major impact on a successful major project outcome in ways which may not be always completely understood by the decision makers at the time they are made (e.g. form of contract used; extent of latent defects and ground conditions: are these really understood?) (Edinburgh Trams ??…)
  - Depending upon the PD’s ‘entry point’ in the project these may have already been taken (e.g. for the GH&MS Project the site location (Kirkcaldy)).
Dealing with Things for Major PPP Projects

Optimal Project Organisational Structures

- Existing typical NHS Estates and Facilities structures are unlikely to be suitable
- A Dedicated Project Team and Organisational Structure preferable (recent Canadian research (see HaCIRIC reports 2011))
- Encourage ‘big-room’ co-location wherever possible with supply-chain partners
- Make sure ‘in-house’ secondment and fixed term appointments are appropriate (need to be long-term) and boundaries are understood
- The PD must have direct communication and line accountability to the Board’s Chief Executive for Major Projects
- The Project Organisation must be a) flexible and b) agile (speed is of the essence in PPP projects)
- Pay particular attention to approval processes
Strategic Decisions and their subsequent impact

The Hassle Graph
(Staying within Time & Cost)

How do we make sure we get this?

Getting here is about being effective

Getting here is about being efficient

Brilliant!

Whoops!!!
Dealing with Things for Major PPP Projects

- **Design Quality**
  - An area that has been piloted and developed with research by NHS Fife
  - An excellent opportunity to ‘test’ the bidders during bid evaluation (mid and end of bidding period)
  - An excellent means of engaging and understanding stakeholders intersubjectivities in relation to their design values in addition to just ‘evaluating’ the designs
  - An excellent opportunity to provide the bidders with feedback and deemed essential to successful project outcome (stakeholder satisfaction)
Dealing with Things for Major PPP Projects

- The NHS and Project Management
  - NHS Managers do not normally project manage! Many of them think they do! They practice running their hospitals all day long which is not the same as project managing a major PPP project
  - Projects tend to be unpracticed and unrehearsed
  - Project planning objectives comprise 50% thinking ahead; 25% communication and 25% monitoring progress: **these are never truer than in the case of PPP projects!**
Dealing with Others

- Maintain an Holistic Framework
- Stakeholder Management
  - Time spent on this is an investment
  - Identify the various multiple stakeholders in term of interest and power and the need to keep key stakeholders informed and satisfied
- Communications: an essential part of a any successful PPP project
  - Local Partnership Forums
  - Patient Focus-Public Involvement
  - Neighbourhood Groups
  - Outreach to public events (shopping centres etc).
Dealing with Others

Stakeholder Management: essential!

- Project Co./Supply Chain Partners
- Project Owner
- Clinicians & Non-Clinicians
- Public Patient Representatives
- SGHD
- Technical, Legal and Finance Consultants
- Third parties
  - Local Authorities
  - Statutory Utilities
Dealing with Others:
Project Co./Supply Chain Partners

Fife
Mission, Values,

Objectives, Benefits,
Resources: public sector.

Patients, Staff, Visitors

Project Co.
Mission, Values

Objectives,
(Profit, RoI
Resources: private sector.
Shareholders
Customers

We need to positively embrace differences and diversity!
N.B: Be aware of team changes!!
Dealing with Others

- **Project Owner**
  - Establish clear boundaries with the PD from the outset
  - Project Owner deals with:
    - Politics
      - Within the Board
      - External to the Board
    - External Communications
    - Operational Matters outside the Project
    - Obtaining funding for Resources
    - Gateway and other reviews
  - PD acts as the face of the project with private sector
Dealing with Others:
Service planning & Building design: Working between Clinicians - Project Team

Building Design

Building design getting more detailed

Strategic Overview

Inside/outside hospital care

Outline Design

Care Pathways

Concept Designs

New models of Care

Detailed Design

Detailed Design of Components

Clinical aggregations

Clinical components

Service Design: informs the building design

Service planning scale getting more detailed

Project Life Cycle

Interface exchange and dialogue: keep communicating!

Design Champion

Service Champion
Dealing with Others

- **Public Patient Representatives**: keep informed and involved (events and P Board and other foras)
- **SGHD**: there to help: maintain close liaison
- **Consultants**: capped fees, watch-out for overlaps & gaps; performance manage and do not hesitate to sack or replace if required
- **Other Key Third Parties**
  - Local Authorities: watch out for lack of resources; use single point of contact; develop a relationship
  - Statutory Utilities: watch out for delays and inconsistent advice and complain if required
Let’s Summarise........
A lot of it boils down to confident Project Director Leadership!

- **There is** a clear link between people and task leadership skills and styles (adaptive/innovative) and project complexity (see *Kirton, 2008* and other research)

- **We must accept our** responsibilities as NHS Project Directors to improve the direction and leadership of major NHS projects (and have the authority to discharge these responsibilities...)

- Change will not come from the market place or supply-side alone but from within the NHS

- **We Project Directors** have got to make it happen!
  - Need to networks and share lessons learnt (POE etc)
  - Form a ‘Community of Practice’ with NHS Scotland
Thanks…for your time & attention.

Questions please after Dominic’s presentation!
Complex Healthcare Projects

➢ Require Client Leadership to ensure:-

- Time is spent setting the project up and,

- It has the ‘right’ team (quality & experience)

- With the ability to work together
‘Traditional’ Procurement: Partners are focusing on risk

Risk

command and control
formal and procedural
common standards of behaviour
detailed pre-planning
managed from the top
emphasis on contracts
uniformity through structures
manage out risk

minimise differences

arm’s length
agree to differ
checks on understanding
distance and suspicion
emphasis on common language
transactional interface
defence of own identity
minimal change

accept differences

Partners are focusing on risk

dealing with difference

hearts and minds
do and review
radically new

grid lock

‘WORST’ POSITION OF STAKEHOLDERS

Partnering Grid
Vision for the Future: Partnering focus on opportunity!!

Opportunity

- hearts and minds
- do and review
- command and control
- arm's length
- grid lock

dealing with difference

Partnering Grid

OPTIMAL POSITION OF
STAKEHOLDERS

This will take time and effort! (not a short-term fix!!) AND can be used as a basis for leadership styles & communication

radically new transformation and creativity
multiple stakeholders involved challenge encouraged support for open dialogue crossing many boundaries multiple objectives shared driven by innovation

seek differences!!