



Joint Venture Partnerships

Unlocking The Potential Within Your Estate

Ryhurst

Lancashire Care 
NHS Foundation Trust



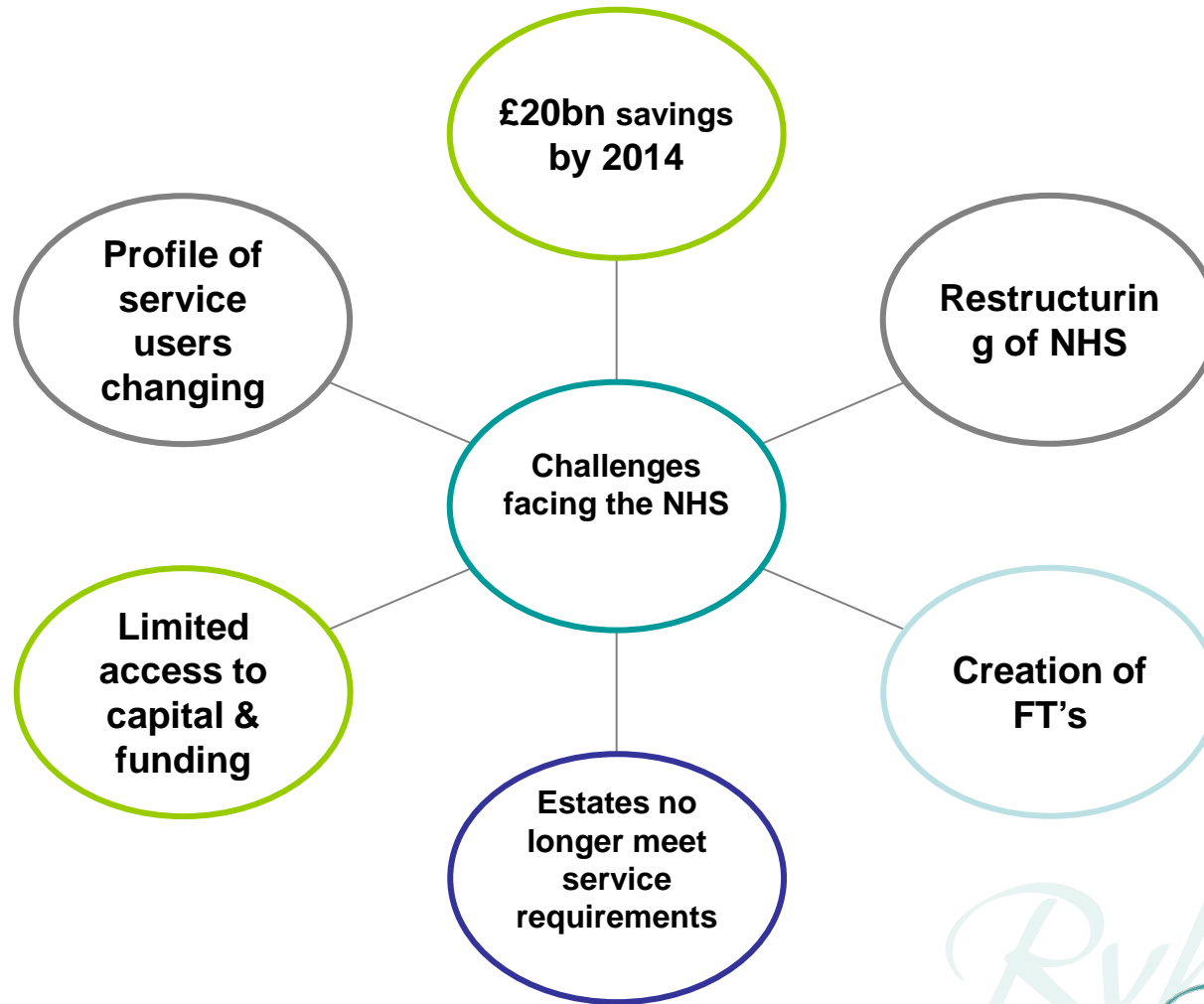
Introduction & Overview of Presentation

- **Stephen Collinson**
Business Development Director - Ryhurst

- **Alistair Rose**
Project Director - Lancashire Care Foundation Trust

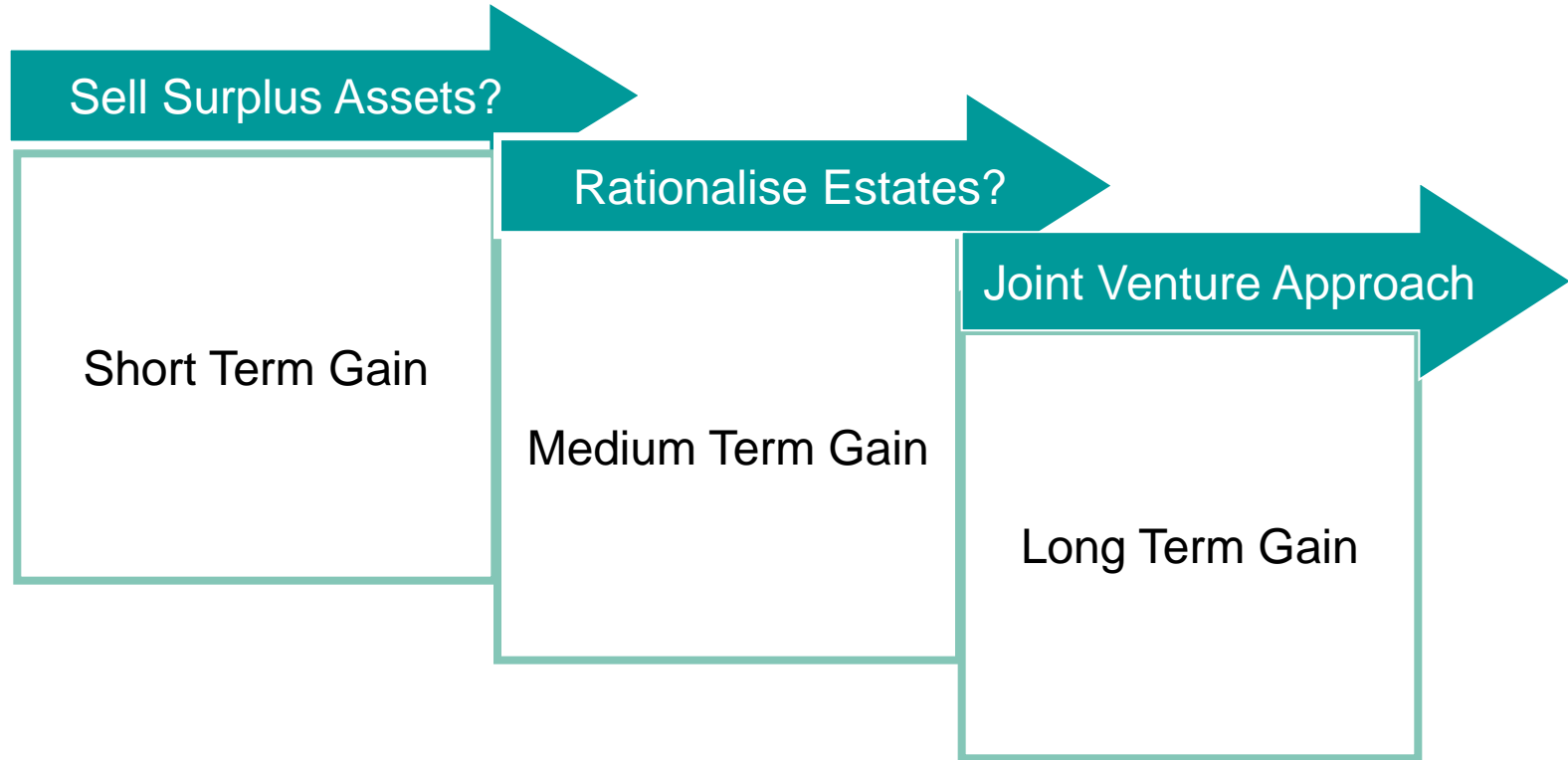


Our Partnership Challenge



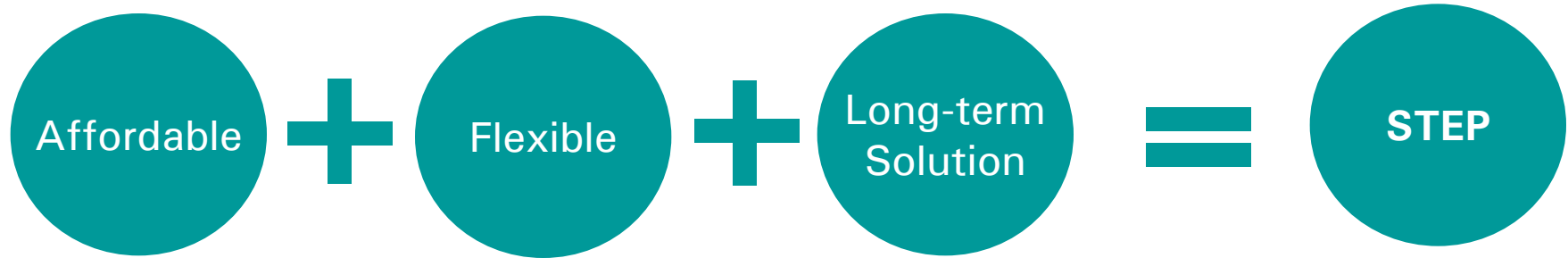


Possible Solutions





The Ryhurst Solution



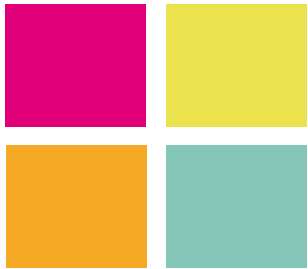
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This is not PFI !

| Model Features | PFI | NHS LIFT | Ryhurst STEP |
|---|---------|--------------|---------------------|
| A partnership of equals | No | No | Yes |
| Strategic level partner alignment | No | Limited | Yes |
| Increased management cost | Yes | Yes | No |
| Contract complexity | High | High | No |
| Adaptability and versatility | Limited | Limited | Total |
| Value for money concerns | Yes | Yes | No |
| Integrated delivery teams | No | Occasionally | Yes |
| Exclusivity | Yes | Yes | No |
| Active asset management across whole estate | No | Rare | Yes |
| NHS perception of delivery model | Poor | Mixed | Not yet established |



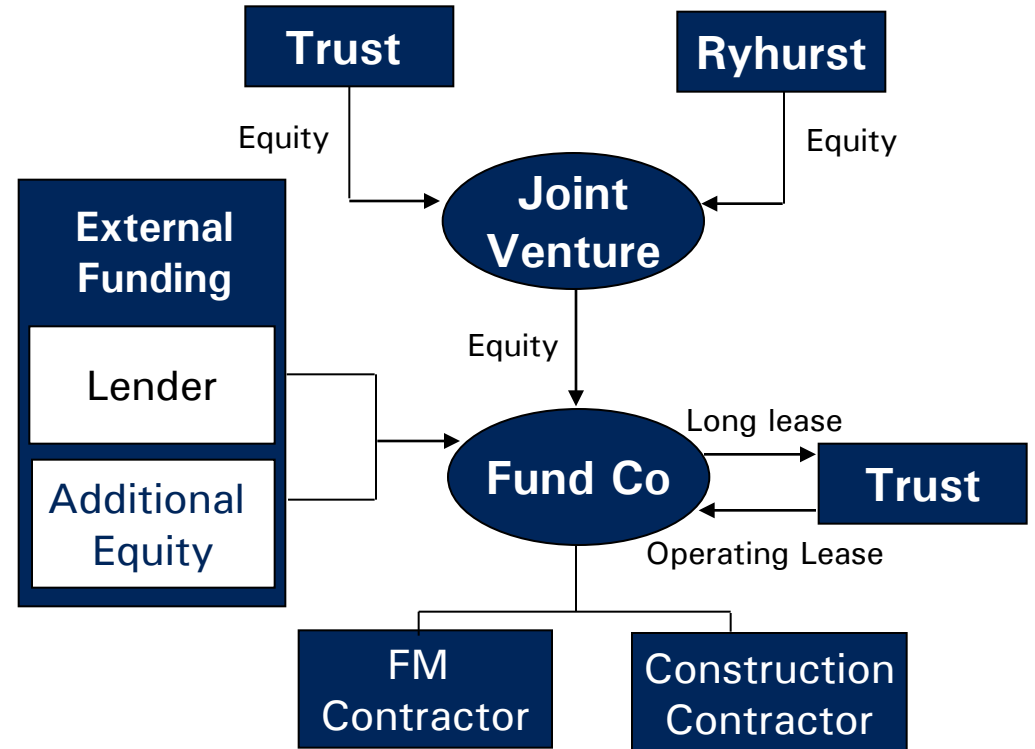


The Solution - Features

Features of the STEP structure:

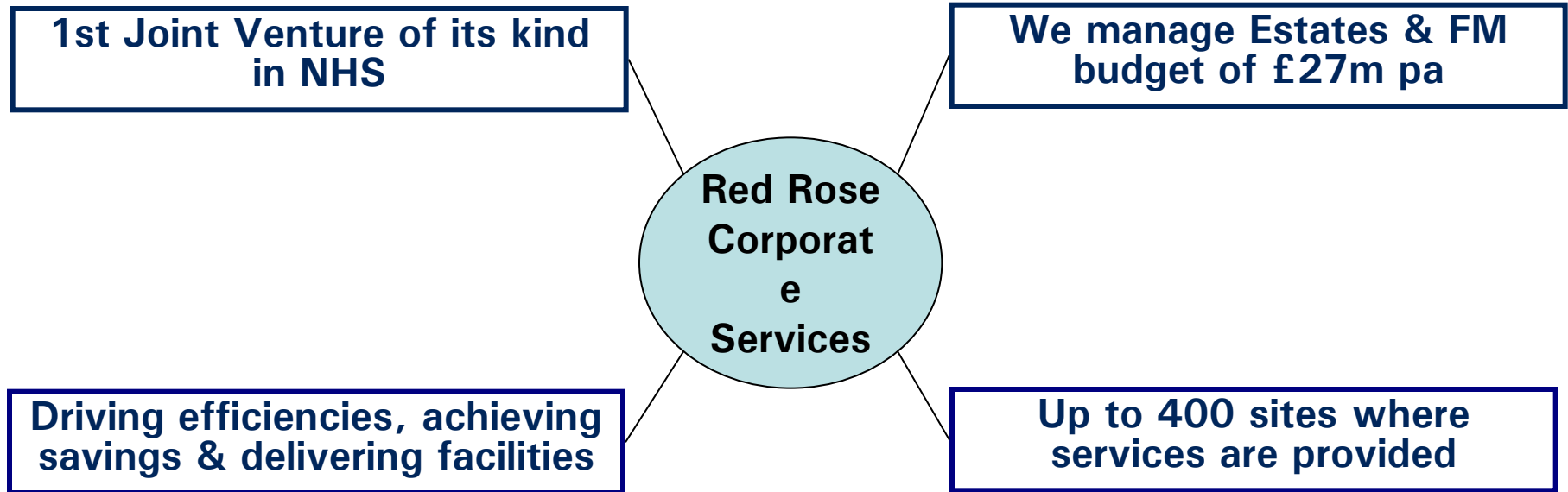
- Joint venture partnership between Trust and Ryhurst
- Joint venture invests equity in each of the funding vehicles
- Leasing structure may deliver off-balance sheet transaction
- Ryhurst and partners will accept the development and operating risk of the assets
- Joint ventures allows Trust to participate in decision making and success of the project

Sample Funding Structure





Lancashire Care FT - JV





How it Works for Lancashire Care





Why Lancashire Care Selected Ryhurst as Partner

- Genuinely shared values / ethos
 - Holistic approach
- Value for money
- Realistic
- Track record of delivery
- Senior staff have worked in NHS



What it Will Deliver Operationally

- Collaborative approach capitalising on collective skill sets;
- Commercially focused asset management
 - driving and leveraging value from under used or surplus estates assets;
- Enhanced space utilisation;
- Income for investment in clinical services;
- Improved environmental performance;
- Reduced revenue costs.





Initial Results of Efficiency Drive

- Hard FM - total savings £800k pa
- Soft FM –total savings £800k pa
- Streamlining the Estates services improved significantly:
 - Efficiencies
 - Service delivery
 - Responsiveness
- 3rd Party Costs – 50% savings in first year
- Innovation Fund



What it Will Deliver – Structural

- Separation of clinical service delivery from estates issues
- Shared accountability and an equitable risk and reward balance
- Access to new capital funding streams

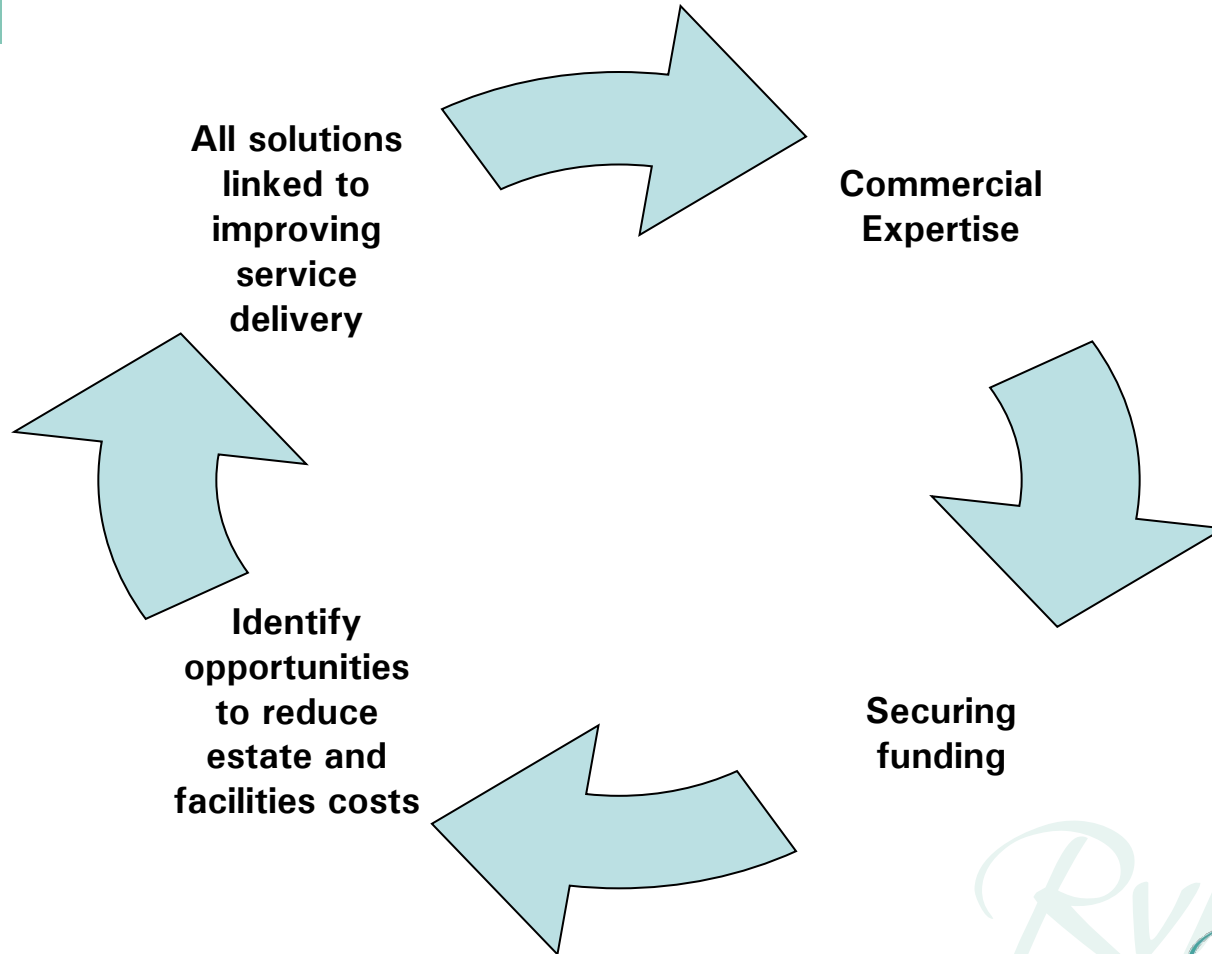


What Could the Partnership Become for You?

- A strong effective commercial partnership providing fit for purpose premises;
- A partner or provider of estates and related services to other health and social care organisations;
- An investor in and manager of community health and social care estate.



How Can Ryhurst Contribute to Driving Out Efficiencies?





Summary of Key Benefits for You

- Rapid delivery of efficiency savings
 - Potential opportunities identified in four weeks
 - Detailed and scoped in three months
 - In delivery in less than a year
- Joint team working
- Validated by benchmarks and market testing
- Linked to your Service and Estate Strategies



Discussion

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