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£229m Investment in New Acute Hospital draws nearer

Sperrin Lakeland Trust has announced that four consortia have been short-listed in the competition to win the contract to provide the new £229 million Acute Hospital, north of Enniskillen. The contract, which covers designing, building, financing, maintaining and operating the new hospital, is being delivered under the government's Private Finance Initiative (PFI). The short-listed bidders are consortiums of leading construction and investment firms and each contains partnerships of both global and local companies. They are Consort Healthcare, Direct Health, Erne Healthcare Consortium and Northern Ireland Health Group.

Expected to create up to 3000 jobs during the construction, the investment will have a substantial impact on the local economy with spin-offs for many industries. Construction is planned to take place from 2008 to 2010, with on-site preparations beginning in the New Year.

Commenting on the announcement, Director of Infrastructure Investment at the Department of Health (DHSSPS), Dr. Jim Livingstone said, "I am delighted that the first wave of the PFI capital investment schemes to reform and modernise hospital services across Northern Ireland has captured such substantial interest from investment firms across Europe. Tribute must be extended to everyone concerned in Sperrin Lakeland Trust for this. They have demonstrated that they have a vision of a future healthcare model worthy of an investment approaching £230million, and have developed the detail showing how this vision will be realised. A tremendous amount of work has been completed to bring the project to this stage."

The four consortia will now enter an in-depth process of dialogue and negotiations that will result in three bidders at the end of November, with a single preferred bidder selected in November next year.

Acting Chief Executive with Sperrin Lakeland Trust, John Compton said, "We have reached a significant milestone in the journey to bring us towards the opening of the new Acute Hospital. We are looking forward to working with bidders and to examining the detail of their proposals over the coming months. We are also confident that we can generate a similar level of interest in the Omagh Hospital Complex and are on track to advertise this at the start of November. This is an exciting time as we look towards two new and modern south west hospitals."

As the process to select a contractor continues at pace, other elements of the new Acute Hospital project are also progressing well. A planning application has been lodged to begin preparing the green field site off the Enniskillen to Irvinestown A32 Road. This application seeks approval to begin widening the A32 in preparation for a new roundabout, as well as for ground works on the site. It is planned that a contractor will be on-site to complete this work early in the New Year.

PICTURE CAPTION

The latest image shows how the new Acute Hospital could look on the Wolf Lough site off the Irvinestown Road (A32), north of Enniskillen. Access to the hospital is from a new roundabout on the A32, leading visitors to the car parks. At least 800 parking spaces will be provided; some 500 more than are currently available at the Erne Hospital. Covered pedestrian walkways with disabled access lead to the main entrance and the Accident & Emergency Department to the left of the building. A second ambulance only entrance is also located at this side of the site. V shaped wards provide patients with a view of the scenic Wolf Lough to add to the therapeutic and healing environment. The hospital is planned to open in 2011.

ENDS:

For additional information please contact Anita McConnell, 028 8283 5891 or 078 414 69476 or amcconnell@slt.n-i.nhs.uk

NOTES TO THE EDITOR:

1. An advertisement seeking potential contractors for the New Acute Hospital was placed in the European Journal in early July. Pre-qualification questionnaires were received from consortia interested in tendering to deliver this pivotal project. The pre-qualification has resulted in four consortia being short-listed to proceed into competitive dialogue.
2. The four short listed consortia are as follows;

Consort Healthcare which includes the Shareholding Companies of John Graham (Dromore) Ltd and Balfour Beatty Capital Ltd. **Construction Contractors** are: Graham Martin, Balfour Beatty Construction Northern Ltd. and Haden Young Ltd.

DirectHealth which includes the Shareholding Companies of Skanska Infrastructure Investment UK Limited, Innisfree Limited, Lagan Holdings Limited and John Sisk & Son. **Construction Contractors are:** Skanska Construction UK, John Sisk & Son and Lagan Construction.

Erne Healthcare Consortium which includes the Shareholding Companies of Michael McNamara & Co., McAleer & Rush Ltd and Iridium Concesiones de Infraestructuras, S.A. **Construction Contractors are:** Dragados S.A., Michael McNamara & Co., McAleer & Rush Ltd

Northern Ireland Health Group which includes the Shareholding Companies of FCC Construction S.A., Interserve Investments Plc and Allied Irish Bank. **Construction Contractors are:** FCC Construction S.A., P Elliott & Co., Heron Brothers Ltd., Tracey Brothers Ltd., Mercury Engineering, Harvey Group, Sharpe Mechanical Services and Dowds Electrical.

Consortia also include a range of Facility Management service providers, design teams (Architects, Q.S's and M & E consultants), legal advisers, health planners and construction sub-contractors.

3. This project is the first of the wave of hospital projects to come forward from the Investment Strategy for NI, lead by the Department of Health, Social Services and Public Safety (DHSSPS), and supported by the Strategic Investment Board Ltd. The Strategic Investment Board Limited (SIB) was established as a company under the Reinvestment and Reform Initiative in 2003 to address the legacy of under-investment in Northern Ireland's infrastructure. It has three main roles:
 - a. to help deliver key investment programmes and projects;
 - b. to support reform of public services;
 - c. to build a 10 year investment strategy for Northern Ireland;

For more information on the SIB including the latest Annual Review and Accounts 2005 visit: www.sibni.org

4. With DHSSPS approval of the Phase 2, Outline Business Case and Outline Planning consent received from the Planning Service, the project is now entering the 'Competitive Dialogue' phase in accordance with the Public Contracts Regulations 2006.
5. According to guidelines for PFI projects, the four consortia will now enter the first stage in an in-depth process of 'Competitive Dialogue'. This first stage will be complete by the end of November when the number of bidders will be reduced to three. The Competitive Dialogue phase will then last up to the end of June next year, with a single, preferred bidder appointed in November.
6. A PFI is a Public Private Sector Partnership where the private sector contractor provides the capital monies to pay for a project. The contractor is then paid an annual fee for the use of the facilities over the period of the contract, which is usually 30 years. After that period the Trust retains ownership.

7. Stages in the procurement process


Stage 1	OJEU Notice: Advertise for Contractor Pre-Qualification of Interested Contractors <i>Select Participants for Competitive Dialogue</i>	Pre Qualification
Stage 2	Stage 2A: Strategic Approach: select 3 bidders Stage 2B: Develop Preliminary Design Concept Stage 2C: Firm Design Proposals Stage 2D: Total Package Proposals	Competitive Dialogue
Stage 3	Final Tenders Evaluate Tenders / Seek Clarification Select Preferred Bidder	Bid Evaluation
Stage 4	Appoint Preferred Bidder Submit Planning Application Submit Full Business Case Financial Close	Finalisation



New Hospitals

for the South West of Northern Ireland

Acute Hospital
for the South West of Northern Ireland



Competitive Dialogue
Strategic Approach

