

Opening the doors to a new era in **strategic estates partnering**



The Partnership

The Commercial Estates Development Partnership (CEDP) between Interserve Prime and University Hospital Southampton NHS Foundation Trust (UHS) is one of the first of its kind in an acute environment – allowing the NHS to leverage private sector commercial expertise to improve its facilities, enhance the patient experience and offer a useful source of Trust income.

“The focus and expertise of the partnership has helped us to exceed our financial expectations – and channel new investment into frontline services.”

- Alastair Matthews, Finance Director
University Hospital Southampton NHS Foundation Trust.



The first project to be delivered through the innovative public-private partnership is a £2.5m redevelopment of the hospital's main entrance. Once completed, the Main Entrance and Retail Area (MERA) will provide a modern, welcoming facility that better serves the needs of the thousands of patients, staff and visitors who pass through the front doors each day, while generating an income for the Trust that can be reinvested in frontline patient services.

The Challenge



The original entrance and retail concourse at UHS was built in the 1980s, when the hospital served a much smaller patient population. Now almost 10,000 patients, visitors and staff arrive at the hospital every weekday.

The existing entrance area provided limited space for people to comfortably stop and wait and there was also a need for a more diverse retail offering.



Without capital available to finance the redevelopment plans, UHS needed to secure private investment, renegotiate existing tenancies, attract new retailers to improve quality and choice, and generate a financial return for both the Trust and investors who would finance the project.

The Solution



Careful phasing of the works and the provision of alternative pedestrian access routes have ensured the reception and other key services remain operational throughout construction.

By combining public and private sector expertise, the CEDP provided the investment, development and construction experience to realise the Trust's ambitions for the main entrance and retail area.

Using its property and commercial know-how, Interserve Prime secured some of the biggest names in retail – including M&S Simply Food, M&S Café, Subway, Costa, WH Smith and The Stock Shop – on profitable terms for the Trust, while ensuring the project would be a sound and attractive prospect to investment funds.

Features of the **MERA:**

- Larger**, lighter double-height entrance
- New** central reception area
- Improved** patient and visitor facilities
- More** seating and waiting space
- Improved** retail, food and beverage offering

The Benefits



Private sector funding for the MERA frees up NHS investment for patient services.

Not only is private sector investment being used to finance the MERA but the scheme will also generate additional revenue for the Trust, which can be ploughed back into improvements to frontline patient services.

Innovative investment deal allows the Trust to retain its assets.

The funding deal for the MERA is based on investors buying private sector rental income and not purchasing the freehold so the Trust retains its assets and control over which retailers are on the site.

Redevelopment improves wayfinding to improve the patient experience.

The new main entrance and reception zone provides welcoming and functional spaces that are intuitive to navigate and reduces stress for patients.

Who is Interserve Prime?

Interserve Prime (IP) is a joint venture (JV) between international support services and construction group Interserve and healthcare property company Prime. It brings together specialists in healthcare planning and design, development, construction and finance to create long-term partnerships with NHS Trusts to support the delivery of their strategic plans.

Interserve Prime is working in two such partnerships, including a JV with University Hospital Southampton NHS Foundation Trust and a SEP with Yeovil District Hospital NHS Foundation Trust.

If you are interested in what Interserve Prime can do for you, please call or email for further information...

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