



NEW £18M LABS AND PHARMACY CENTRE FOR ALTNAGELVIN

Almost before the ink was dry on the contract for Altnagelvin Hospitals new £18m Laboratory and Pharmacy Services Centre, workmen had moved in to begin clearing the site! And at the official public announcement of the award of the contract today in the hospital, Trust Chairman, Gerard Guckian, said that he was sure this pace would continue and that staff would be able to move in to their much-needed, state-of-the-art, accommodation within 2 years.

The new Centre, part of the major redevelopment of the hospital announced last October by the then Health Minister Angela Smith, MP, includes provision for five separate specialist laboratory areas, along with a new pharmacy department which will incorporate special cancer drug dispensing facilities.

The development, funded through a public/private partnership (PPP) and private finance initiative (PFI) through a consortium led by United Healthcare Land Company Ltd, is thought to be one of the most complex and significant health PFI developments in Northern Ireland to date. The Trust has entered into a 25-year agreement with United Healthcare, who will construct and operate the building for this period. At the end of 25 years, the property will revert to Trust ownership.

Speaking at the official announcement event in the hospital, Mr. Guckian praised the efforts of everyone involved in the protracted and complex negotiations that had taken place over the last 3 years.

“There is no question that this development is very badly needed. A major acute hospital of the size and significance of Altnagelvin requires modern technological facilities if it is to provide the services rightly demanded by its patient population. And the staff who provide those services need accommodation that allows them to meet those demands. For many years, our scientists and pharmacists, and their support staff, have worked in cramped, out of date accommodation. I am delighted that we are at last reaching a position where we can put that right,” said Mr. Guckian.

Mr. Guckian continued:

“Many people have been involved in the negotiations that have brought us to this day but I want to single out for special mention and special thanks for all their efforts, Mr. Alan Moore and his team in Altnagelvin, the Trust’s legal advisors, Tughan’s, financial advisors, ASM Howarth, the technical advisors at the Health Estates Agency, and the consortium led by United Healthcare.”

Mr. Guckian also commended the DHSSPS and the Northern Ireland Strategic Investment Board for their support in bringing the scheme to fruition and added:

“Without the combined patience and tenacity of all of these teams, often in uncharted waters, we might still be struggling to improve our laboratory and pharmacy provision - or be left with a product that fails to meet our exacting standards. Well done and thank you to all of you.”

Responding on behalf of the consortia, Mr. Mike O’Brien, Chairman of United Healthcare expressed his delight at being involved in the project and at reaching this milestone:

“We have established an excellent partnership and working relationship with Altnagelvin Trust and their advisers. This has enabled us to work together to overcome a number of difficulties during the past year, and I am sure it will stand us in good stead for the future. We are truly delighted that the project is

now on site, and very much look forward to completion of the construction phase in early 2007,” said Mr. O’Brien

ENDS

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Notes to editors:

1. The private finance initiative (PFI) provides a way of funding major capital developments without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases, manage new projects. Contracts typically last for 30 years, during which time the building is leased by the public authority. The contract for Altnagelvin’s new Laboratory and Pharmacy Services Centre will last for 25 years and throughout that time, United Healthcare will be responsible for managing the building.

2. The Strategic Investment Board (SIB) Ltd was set up on April 2003 as a company wholly-owned by the Office of the First Minister and Deputy First Minister and with a focus on addressing under-investment in Northern Ireland’s public service infrastructure. SIB works across government departments to encourage a more singular vision for capital investment and infrastructural development. In its first year, SIB played an active role in the delivery of eight large infrastructure projects with a total capital value of over £1 billion.

3. United Healthcare is a specialist private finance initiative (PFI) developer of health facilities for the NHS. Their expertise has been developed over a period of 12 years with projects ranging in size from £1m to £150m. United Healthcare joined forces with the Land Group, a specialist firm of property investors, developers, and financiers to form The United Healthcare Land Company Ltd as promoter of the Altnagelvin project.

4. Other partners in this joint venture include the design and construction experience of Farrans Construction, supported by architects Kennedy Fitzgerald Associates, and engineers Cundall Johnston Partners, Taylor & Fegan, and Mulholland & Doherty. Integral FM will provide facilities management services to the new building. The finance was arranged by Ash Corporate Finance, and provided by Allied Irish Banks. Northcroft will represent the joint venture as employer’s agents during the construction phase.