

# PFI DATA SHEET

## NEW ROYAL INFIRMARY OF EDINBURGH AND UNIVERSITY OF EDINBURGH MEDICAL SCHOOL ROYAL INFIRMARY OF EDINBURGH NHS TRUST



### Background

The Royal Infirmary of Edinburgh was established in 1726 and is the largest teaching hospital in Scotland. It is the major provider for acute hospital services in Lothian and is the only Edinburgh Accident and Emergency Unit.

Current services were spread across various Trust sites including the City Hospital, Princess Margaret Rose Orthopaedic Hospital, the Dental Hospital, the Lauriston Place site and the Western General Hospital. The Lauriston Place site includes smaller units which will remain after services have relocated to Little France. These units are the Lauriston Building, the Princess Alexandra Eye Pavilion and Chalmers Hospital.

The Dental Hospital closed some time ago with services relocating to the Lauriston Building. The City Hospital and Princess Margaret Rose Hospital were closed as part of the PFI contract for the new hospital at Little France. Services from these hospitals were relocated to Little France in January, 2002 as Phase 1 of the new hospital project. The Simpson Memorial Maternity Pavilion which was part of the Lauriston Place site also closed and relocated to Little France in March, 2002 as part of the Phase 1 move.

The decision to build the NRIE was taken in response to Lothian Health's Acute Services Strategy published in 1993 which set out the objectives of:

- Improving the effectiveness of quality of care
- Ensuring that Lothian remains a centre of excellence
- Creating conditions under which staff can reach their full potential

- Releasing resources for reinvestment in primary and community healthcare

### Features and Benefits

The project reached financial close on 20 August 1998 and included the following:

- The contract is for the development of a £190m hospital under PFI. The new hospital will consist of 869 beds and 24 theatres and is built on a greenfield site in the South East of Edinburgh
- The construction of a £38m Medical School facility for the University of Edinburgh which is grant funded by The Scottish Office through the Scottish Higher Education Funding Council. The Medical School accommodates approximately 400 staff, 450 medical undergraduate students, and in addition science honours students and research post-graduates.
- The transaction also involved the sale of certain existing hospital owned sites to the private sector, including the Consortium, for development however the Trust retains the Lauriston Building, The Princess Alexandra Eye Pavilion and Chalmers Hospital.
- The Consortium, Consort Healthcare, will build, operate and maintain the facilities for the contract period in addition to providing ancillary services such as catering, cleaning, security and portering. The Design and Build contractor is Edinburgh Royal Joint Venture and the FM contractor is Haden Building Management Ltd. All clinical services, including internal patient movements, will be provided by the NHS.
- The University does not contract directly with the Consortium but contracts for the provision of all facilities and services via the Trust in a linear contractual structure.
- Phase 1 of the new hospital opened in January, 2002 and Phase 2 is on schedule for opening in



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February, 2003. The University of Edinburgh Medical School opened in July, 2002.

- The new hospital will achieve the Lothian Acute Strategy objectives of releasing funds for reinvestment into primary and community healthcare within the Lothians

## **Facts**

**Sponsor:** Lothian University Hospitals  
NHS Trust

**Contact:** Mike Grieve – 0131 536 30144  
Harry Downie – 0131 536 3621

**Consortium:** Consort Healthcare (Royal Bank of Scotland plc, BICC plc and Morrison Construction Group plc)

**Capital Value:** £190m (plus £38m Medical School)

**Contract Length:** Construction 4½ years,  
Operation 25 years

**Advisers to the Trust:**

**Financial:** Barclays Capital

**Legal:** Lovell White Durrant MacRoberts

**Scottish Executive Contact:**

Michael Baxter – 0131 244 5041

**Status:** Signed

