Putting patients first

The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust

Energy Performance Contracting

A Client Perspective

Royal Bournemouth & Christchurch Hospitals NHS Foundation Trust

Poole Hospital NHS Foundation Trust

Overview:

- Background to the Hospitals
- Historic achievements in carbon reduction
- Drivers for change
- Objectives for EPC
- Why British Gas
- About the project
- Next Steps
- Benefits of EPC

Royal Bournemouth Hospital

- Built circa 1989
- 692 beds

Poole Hospital

- Built circa 1969
- 623 beds

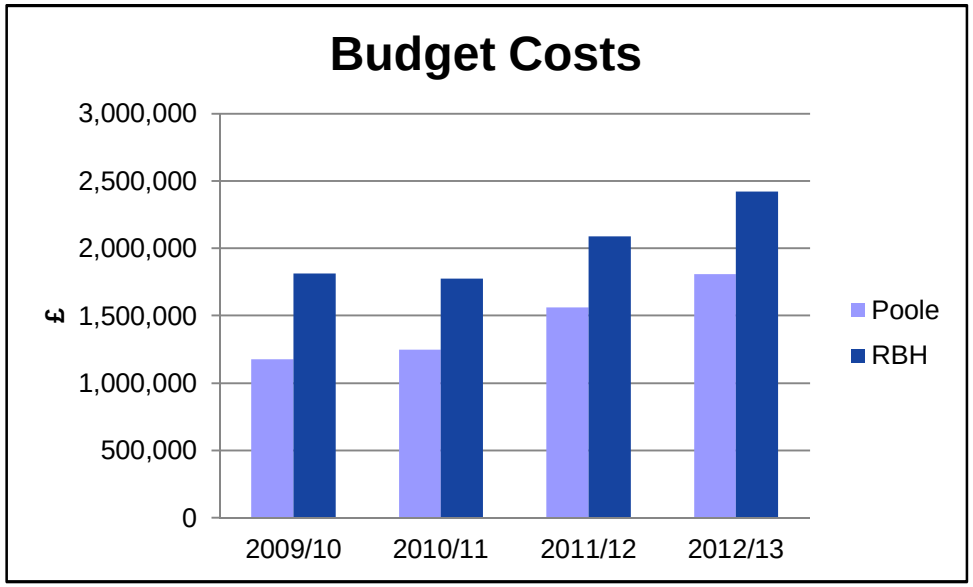
Past Achievements

- Photocells & movement sensors on lighting
- Internal pipe work insulation
- BMS for all Royal Bournemouth Hospital
- LED lighting in all car parks
- LED lighting trials internally
- 112.8 kWp PV installed at Bournemouth Hospital (95,700 kWh pa)
- Recruitment of Sustainability Manager
- Awareness raising campaigns, including Green Impact
- CHP at Poole Hospital
- Variable speed drives at Poole Hospital
- Utilisation of LPHW from on-site incinerator

Drivers for Change

- The Climate Change Act 2008
- CRC Energy Efficiency Scheme
- NHS Strategy; Savings Carbon, Improving Health
- Trust Sustainable Management Plan/ Carbon Management Plan
- Mandatory Sustainability Reporting
- Local Governmental Targets
- Cost Saving opportunities through energy efficiency/ Income pressure
- Need to satisfy stakeholders
- Aspirational drivers- NHS Europe's largest employer
- Health co-benefits
- Back log-maintenance
- Increase in demand of hospital
- Protection of front-line services
- Reduce corporate risk

Value at Stake



RBH

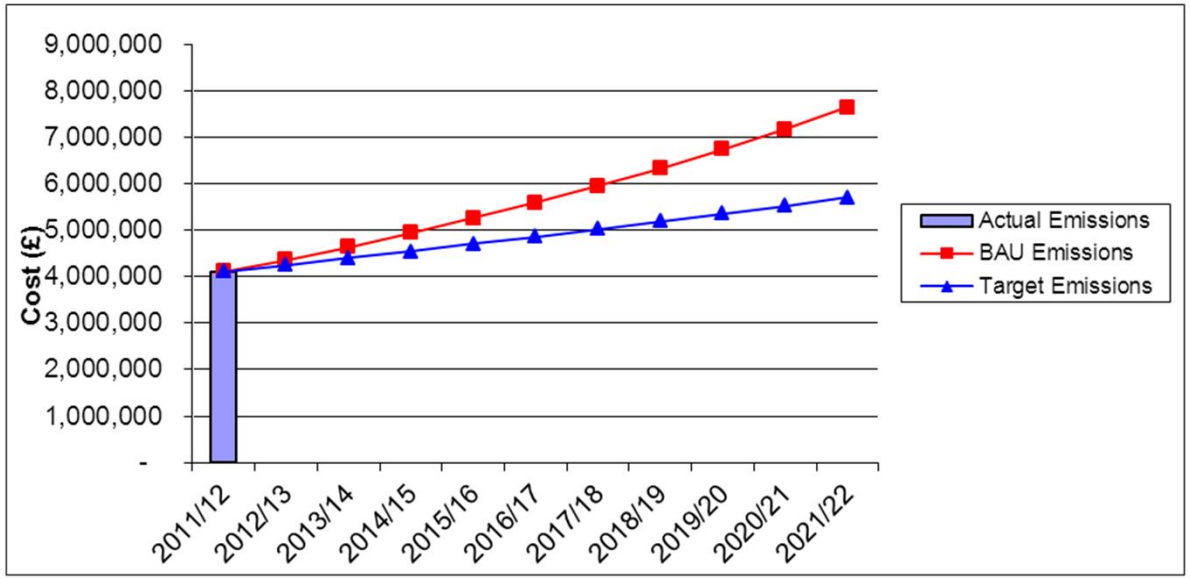
- £ 2.4 million utilities
- £ 127,000 CRC costs

Poole

- £ 1.8 million utilities
- £ 95,000 CRC costs

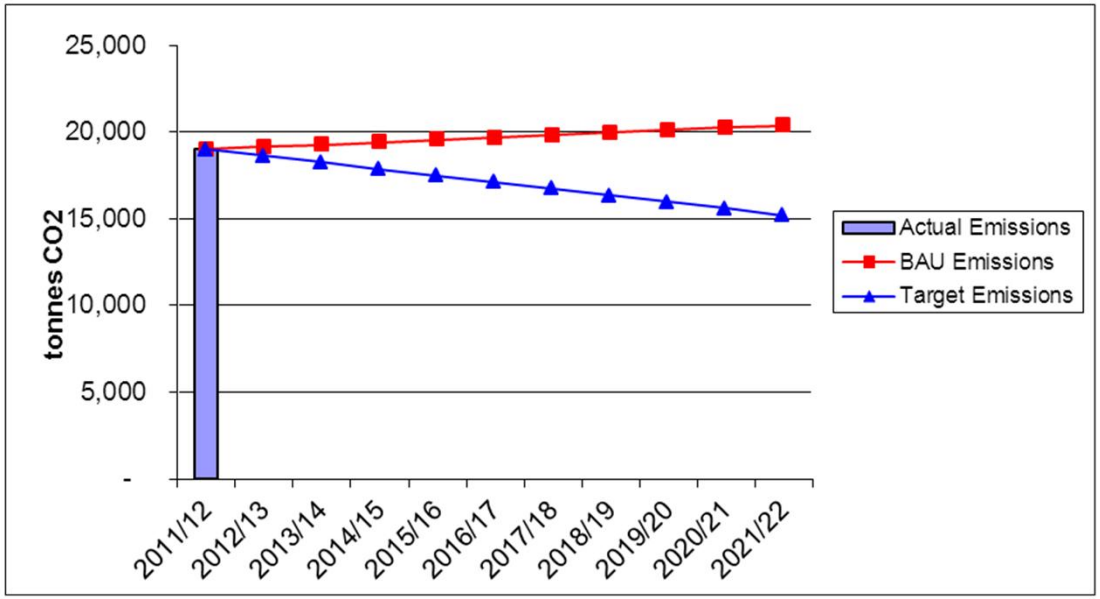
This trend is not expected to change and we must accept that the price we pay for our energy will continue to increase in the coming years.

Value at Stake- cost



The Total aggregated Value at Stake postulated from 2011/2012 to 2021/22 in energy related costs is £1.94 million (£9 million over 10 years).

Value at Stake- carbon



The Total aggregated Value at Stake postulated from 2011/2012 to 2021/22 in carbon emissions is 5,177 tonnes of CO2e.

Objectives of EPC

- Improved environment for patients & staff
- Beacon of best practice in South West
- Agreed kWh reductions rather than cost reduction – subject to cost benefit exercise
- Flexible approach to financing
- Understanding of delivery challenges in live environment
- Risk mitigation

Why British Gas?

- Looking for a partner/ customer integration
- Experience we did not have internally
- Resources we did not have internally
- Access to finance
- Support & training of staff
- Shared risk management
- Trust keeps the upside of any over performance (no shared savings)
- Flexible approach

The Project So Far…

- Guys & St Thomas facilitated procurement
- 4 companies shortlisted- BG won tender
- Project teams identified
- IGA underway
- Legal framework being developed in tandem
- Fortnightly steering group meetings arranged
- Technical appraisal underway- regular meetings in progress

Next Steps

- Agree on success criteria
  - kWh saving rather than £ saving subject to cost benefit
- Establish energy baseline
- Agree return on investment threshold
- On-site surveys to identify projects- shopping basket approach
- Options appraisal
- Final business case approval by Board

Benefits of EPC

- Risk ownership by most suitable party
- Staff training & investment in staff
- Benefit to patient environment
- Release capital to be invested in front-line services & direct patient care developments
- Reduction in reactive maintenance budgets
- Reduction in absolute carbon emissions
- Reduction in backlog maintenance
- Improved resilience
- Motivated & engaged staff

Any Questions?

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