

Balfour Beatty

Capital Projects

CONSORT HEALTHCARE: UNIVERSITY HOSPITAL OF NORTH DURHAM

Introduction

Balfour Beatty has acted as co-promoter/developer and 50% investor in Consort, the concessionaire which in March 1998 was awarded the PFI contract to design and build the new University Hospital of North Durham, and then to provide certain facility services associated with the hospital for the remainder of a 30 year period from this date.

The new hospital forms an integral part of the overall healthcare plan for Durham County, and will help to serve a population of 600,000 people.

Project Description

Consort has designed, built and financed the new Hospital, along with a Trust headquarters building and staff residential accommodation on the site of the Trust's existing premises at Dryburn, Durham City. The hospital is a 454-bed purpose built facility and has been built on time and to budget against a two phase construction and fit out programme over 40 months. Since April 2001, Consort has been responsible for the delivery of a range of support services to the hospital and surrounding clinics.

Consort procured the new hospital through a fixed price design and construct contract with a construction joint venture (BHJV) between Balfour Beatty Construction Limited and Haden Young Limited. Both these companies are part of the Balfour Beatty Group. Consort's construction obligations to the Trust are replicated as between the BHJV and Consort under the construction contract.



Consort's obligations in respect of the maintenance of the hospital and the provision of non-clinical services is predominantly sub-contracted to Haden Building Management Ltd, a facilities management company also within the Balfour Beatty Group.

Contractual Arrangements

Consort has entered into a number of key contracts in relation to this project. These contracts include the Project Agreement, which is the principal contract covering the relationship between the Trust and Consort, a Loan Facilities Agreement with four arranging banks, a Construction Contract with the CJV and a Facilities Management Agreement with the Facilities Management Provider.