

## **PRESS RELEASE**

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### **Great interest in launch of first Swedish University Hospital PPP procurement - the New Karolinska Solna**

**There is considerable interest among leading European investors and construction companies to finance, construct and manage the facility of the new Nya Karolinska Solna University Hospital. More than 200 representatives of Swedish and international companies will attend an information meeting at Arlanda on Friday about the PPP (Public-Private Partnership) public procurement project.**

The information day at Arlanda, which is being organised by the Nya Karolinska Solna project organisation (NKS), marks the formal start of the County of Stockholm's procurement process. The interested parties will then receive at one and the same event the first information about the procurement process, a so-called information memorandum that provides an outline presentation of the project and the process that is now commencing. Investors and construction companies from Sweden, Norway, Finland, UK, Germany and France are represented. The project is also announced in the EU's official publication, EUT.

"It is of course very pleasing that we have got such a big response to our invitation to the information day. Many major players within the banking, investment and construction sectors will be attending. Nya Karolinska Solna is viewed as a prestige project in Europe and many significant companies wish to be involved", says Lennart Persson, Head of Administration for NKS.

The New Karolinska Solna project is being run as a PPP (Public-Private Partnership) process, which means that a private consortium will be responsible for design and planning, construction, financing and facility management of the hospital building. The county authorities will undertake to rent the hospital buildings for at least 30 years. The contract will regulate how ownership will be transferred to the county at the end of this period.

The procurement process shall be completed by spring 2010 when a contract will be signed with the chosen consortium. The construction start for the hospital building will be around the beginning of 2011. The project does not include the health care services, education and training or research that shall be carried on at Nya Karolinska Solna.

“The PPS is the best way to make sure that the budgeted cost of SEK 14.1 billion is not exceeded and that the hospital will be completed on time at the end of 2015. At the County Council, we are concentrating on ensuring that the content of our health care and research shall be of absolute world-class”, says Lennart Persson.

### **Background for Nya Karolinska Solna:**

In 2001, the county authorities commissioned the SNUS (Stockholm's New University Hospital) report regarding the needs and possibilities for building a new university hospital. The final report highlighted the need for close collaboration between health care at Karolinska University Hospital Solna and the research and training activities of the Karolinska Institute. Similarly, it was established that the current Karolinska hospital in Solna was in great need of renovation, and would face difficulties in meeting future requirements for modern and appropriate care facilities. What is known as the “3S” report, which highlights the need for change in the health care structure, was then prepared.

In May 2005, the county council representatives decided to progress with the planning process for a new university hospital, and launched a design competition. In August 2006, a jury selected the proposal from White architects as the winning entry, a decision that was subsequently approved by the County council. The next stage involved design work and development of the proposal into an actual project programme, which now is a starting point for the coming design work.

On 8 April 2008, the county council representatives decided to build New Karolinska Solna on the basis of the project programme that had been prepared. An investment ceiling was set at SEK 14.1 billion for a 335,000 m<sup>2</sup> building, and the start of the first health care operations was scheduled for December 2015.

On 10 June, the representatives decided that the procurement was to be carried out as a PPP (Public-Private Partnership). This would involve a private consortium being engaged to design and plan, construct, finance and operate facility management-services for the hospital buildings. The County council would then undertake to rent the hospital buildings for at least 30 years. The agreement is also to contain an option enabling the County to take over the hospital buildings at an earlier date.

### **Fact file, Nya Karolinska Solna:**

- The hospital is scheduled to be opened in December 2015.
- A total of 800 hospital beds, including 125 intensive care and intermediate care beds, 75 post-operative beds, 100 outpatient places and 100 beds in a patient hotel.

- Estimated patient flow: 1,600-1,800 patient visits per day, of which 10-20 % will be acute patients.
- It is expected that the hospital will employ 6,000 members of staff, along with around 1,000 researchers and students.
- The gross business surface area of the hospital will amount to maximum 335,000 m<sup>2</sup> with the option to expand.
- The investment costs have been calculated at SEK 14.1 billion, including construction, contractor's costs, credit costs, demolition, etc. This sum does not include the equipment required for the medical operations. (All figures in 2007 SEK)

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