



# Strategic Partnership Board

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<b>Title:</b>	London Estates Board progression to Phase 2
<b>Author (name, organisation and title):</b>	Geoff Alltimes <i>Independent Co-Chair (LEB)</i> Marianne Brook <i>LEDU</i>
<b>Purpose of paper:</b>	<ul style="list-style-type: none"> <li>▪ The SPB provides oversight of the London Estates Board (LEB). The LEB’s functions and decision-making ability are phased over time. It was agreed amongst partners that transition between these phases of operation would be subject to the achievement of clear gateway criteria ensuring that governance and accountability mechanisms are sufficiently robust to proceed to the next phase.</li> <li>▪ The LEB is currently operating within its first phase. Within the LEB Operating Framework, London and national partners agreed that the signing of the London Health and Care Devolution Memorandum of Understanding (MoU) would be included in the gateway criteria for transition to Phase 2.</li> <li>▪ It is anticipated that the MoU will be signed in the coming weeks as such this paper provides a report on progress by the LEB against all phase 2 gateway criteria as set out in the LEB operating framework.</li> </ul>
<b>Action required by Board members:</b>	Accordingly the SPB is asked to review this progress update and <b>provide its endorsement</b> to the LEB transitioning to Phase 2 and taking on the additional functions set out in the LEB Operating Framework.
<b>Partnership considerations:</b>	<ul style="list-style-type: none"> <li>• This paper is of relevance to partners because the LEB facilitates and enables collaborative decision-making in relation to the London NHS and wider public estate. This approach builds on the work of the London Health and Care Devolution Programme Board and the associated estates subgroup.</li> </ul>

## **The phasing of the London Estates Board**

The London Estates Board (LEB) was established in December 2016 and enables regular estates discussions between London and national partners. A London Estates Delivery Unit (LEDU) has been established with dedicated resource from all London partners.

The operation of the LEB is phased, with the details of phasing and gateways set out in the Operating Framework. The LEB is currently in the first phase of operation (the 'advisory phase'), and looking to move to the second phase (the 'strategic phase'). As agreed with national partners in the LEB Operating Framework, the LEB cannot move to the next phase of operation until the devolution Memorandum of Understanding (MoU) has been published. To this point, the delay to signing has prevented the LEB from moving into the next phase. It is anticipated that the MoU will be signed in the coming weeks. Accordingly the LEB has considered its readiness to progress to Phase 2.

## **The role of the London Health and Care Strategic Partnership Board**

The London Health and Care Strategic Partnership Board (SPB) provides operational oversight of the LEB. This involves overseeing the progress of the LEB against objectives and gateways, and ensuring alignment between London's estates strategies and delivery of health and care more broadly. Political oversight is provided by the London Health Board.

The Operating Framework states that: "*decisions to move between the initial phases will be made by the LEB constituent organisations, acting by consensus*".

As part of its oversight role, the SPB is asked to come to a collective view in order to inform the decision of LEB partner organisations (including both London and national organisations).

This paper sets out a progress report to enable the SPB to reach a collective view.

# The LEB is progressing through Phase 1 and gateway criteria for Phase 2 are considered.

Phase 1 Functions	Status	Phase 2 Gateway Criteria	Criteria Met	Summary* Phase 2 Functions	Phase 3 Gateway Criteria
Provide a single forum for NHS estates and wider public estate discussions	Complete	Clarity on national capital availability and the expectations of London.	<b>On-going:</b> The MoU will provide clarity on retention of capital receipts raised from surplus land and asset sales within the London region.	<ul style="list-style-type: none"> <li>Continue to provide <b>single forum for NHS estates</b> discussions and enable whole system strategic estates planning, building a London view from local and sub-regional estates strategies</li> </ul>	Established business case support function
Gain clarity on London's total capital availability and expectations for release	Partial			<ul style="list-style-type: none"> <li>Support local and sub-regional areas to <b>develop clear estates strategies</b> aligned to clear commissioning strategies.</li> </ul>	Clear local and sub-regional estates strategies aligned to clear
Strategic oversight of London activity to enhance utilisation, taking on Healthy London Partnerships (HLP) estates accountabilities.	Complete	Full assumption of strategic functions from other London-wide bodies, including HLP estates programme.	<b>Met:</b> Any pre-existing London-wide strategic functions (e.g. the HLP estates programme) have come together through the LEB and LEDU Steering Group.	<ul style="list-style-type: none"> <li>Develop a <b>clear capital plan for London</b>, drawing from local and sub-regional estates strategies and ETTF bids. Supported by a clear list and status of <b>prioritised capital cases</b> under development.</li> </ul>	Clear capital plan for London
Engage with local and sub-regional groups within London to ensure the LEB adds value and is complementary to local priorities and emerging governance arrangements.	On-Going	A signed MoU which sets out the agreement of national partners to the estates devolution proposals.	<b>Due to be met:</b> The MoU is due to be signed imminently therefore meeting this criteria. This paper is drafted on the assumption the MoU is signed.	<ul style="list-style-type: none"> <li>Develop a prioritisation framework for decisions.</li> </ul>	Pipeline of sites and agreed prioritisation framework
Engage with London and national partners to ensure that the LEB adds value and is complementary to the wider London system and national priorities.	On-Going	Agreed and published LEB Operating Framework	<b>Met:</b> LEB Operating Framework to be published alongside MoU. The OF is a live document and will be subject to further iterations as the LEB progresses through future phases.	<ul style="list-style-type: none"> <li>Develop a <b>robust and professional business case support function</b> within the LEDU to support local and sub-regional areas.</li> </ul>	Agreement from national partners for the LEB to commence shadow running.
Engage with the Department of Health (DH), NHS Improvement (NHSi) and NHS England (NHSE) on wider devolved and delegated powers, including business case approvals, capital allocations and the application of capital receipts generated within the London system	On-Going	London Estates Delivery Unit (LEDU) established and operational (Director, hosting arrangements and formalised governance arrangements at min)	<b>Due to be met:</b> Hosting and governance arrangements in place. Interim posts filled and job advert to be published post-MoU for substantive Director	<ul style="list-style-type: none"> <li>Support sub-regional and pilot estates boards to take on <b>robust governance and accountability</b> functions to a sufficient standard to enable delegations and devolutions from national partners to be made to sub-regional level.</li> </ul>	Evidenced collaborative working
Review the Operating Framework (OF) in light of national policy implications (for example, the Naylor review).	Complete			<ul style="list-style-type: none"> <li>Consider <b>the recommendations of a London report on NHS estate utilisation.</b></li> </ul>	Agreed governance and key appointments
				<ul style="list-style-type: none"> <li>Work with <b>national partners</b> to explore how <b>incentives</b> for the health and care system to release surplus land can be optimised.</li> </ul>	Signed MoU relating to internal delegations.
				<ul style="list-style-type: none"> <li><b>Work with DH, NHSPS and CHP</b> to develop an approach for NHSPS and CHP investments and sales, which balances national and London needs and priorities.</li> </ul>	LEB membership review
				<ul style="list-style-type: none"> <li>Work with DH and sub-regional areas to ensure that when <b>surplus NHS sites are released</b>, this is done with due consideration of wider local health economy and public sector opportunities.</li> </ul>	



\*full Phase 2 Functions considered slide 4 and 5.

# Readiness of the LEB and LEDU to take on phase 2 functions

<b>High</b>	Resource and expertise available within LEDU Preparatory work and engagement via LEDU Steering Group and LEB complete
<b>Medium</b>	Limited expertise within LEDU at present. Partner support required. Preparatory work and engagement via LEDU SG & LEB underway
<b>Low</b>	No expertise within Interim LEDU and full partner/external support required Preparatory work and engagement via LEDU SG & LEB not commenced.

Theme	Phase 2 Function	Readiness*	LEB/LEDU Capability
STP STRATEGIC ESTATES PLANNING	<ul style="list-style-type: none"> <li>Provide a single forum for discussions regarding NHS estates, and a forum for wider discussions around the public estate.</li> </ul>	High	Function met via LEB and LEDU Steering Group
	<ul style="list-style-type: none"> <li>Support local and sub-regional areas to develop clear estates strategies aligned to clear commissioning strategies (including primary, community, mental health, secondary and tertiary), particularly across the STP footprints. The LEB will work with the five sub-regional estates boards to support the development of a clear, affordable capital and estates plan for each sub-region that is aligned to clear commissioning strategies.</li> </ul>	High	The LEDU is working with three STPs [SWL,NWL,NEL] to establish a baseline project list. The LEDU currently has sufficient capacity to work with these STPs to support the development clear and aligned strategies.
	<ul style="list-style-type: none"> <li>Enable whole system strategic estates planning, building a London view from local and sub-regional estates strategies and taking a wider one public sector approach.</li> </ul>	Medium	Through the steering group, the LEDU is establishing a whole system estates planning function with the ability to draw on skill and resource from within the GLA and OPE.
UTILISATION	<ul style="list-style-type: none"> <li>Consider the recommendations of a London report on NHS estate utilisation.</li> </ul>	Medium	The London report is currently being drafted in collaboration with STP areas.
SUPPORT FUNCTIONS	<ul style="list-style-type: none"> <li>Develop a robust and professional business case support function within the LEDU to support local and sub-regional areas with the preparation of “right first time” capital investment/disposal business cases, which satisfy national standards of business case preparation, and to provide confidence as to the experience and competence available to support shadow and formal business case approval decision-making at the LEB.</li> </ul>	Medium	High quality business cases are predicated on the prior development of clear and aligned local and STP estates.
	<ul style="list-style-type: none"> <li>Enable high quality business case development by ensuring early input and leveraging expertise from constituent organisations.</li> </ul>		The LEDU is undertaking preparatory work to assess the resourcing need to support business plan development and has proposed practitioner training for all Steering Group members.

# Readiness of the LEB and LEDU to take on phase 2 functions

Theme	Phase 2 Function	Readiness	LEB/LEDU Capability
PRIORITISATION AND CAPITAL PLANNING	<ul style="list-style-type: none"> <li>Develop a clear capital plan for London, drawing from local and sub-regional estates strategies and ETTTF bids.</li> </ul>	Medium	STP estates strategies are a pre-requisite to enabling an aggregated London picture. Agreement of a the scope and criteria of a London Capital plan has been identified as a priority action for the LEDU.
	<ul style="list-style-type: none"> <li>Develop a prioritisation framework for decisions.</li> </ul>	High	This is not an isolated task and must be connected to local and sub-regional estates governance and emerging estate plans. Pilot frameworks are currently being tested across 3 STP areas.
	<ul style="list-style-type: none"> <li>Work with STP areas and devolution pilots to develop a clear pipeline of capital projects, including prioritisation of schemes.</li> <li>Develop a clear list and status of capital cases under development.</li> </ul>	High	The LEDU has established a baseline list of capital projects in partnership with 3 STPs. Work is underway to assess the status of projects in development and level of progress. This will relate to all projects including. ETTTF & s106 funded schemes.
LOCAL AND SUBREGIONAL GOVERNANCE	<ul style="list-style-type: none"> <li>Agree governance and accountability requirements for sub-regional areas to draw down national powers.</li> </ul>	Medium	STPs are developing estates governance within wider STP governance arrangements.
	<ul style="list-style-type: none"> <li>Support sub-regional and pilot estates boards to take on robust governance and accountability functions to a sufficient standard to enable delegations and devolutions from national partners to be made to sub-regional level.</li> </ul>		
PARTNERSHIP WORKING AND CAPITAL RECEIPTS	<ul style="list-style-type: none"> <li>Work with DH, NHSPS and CHP to develop an approach for NHSPS and CHP investments and sales, which balances national and London needs and priorities.</li> </ul>	Medium	Discussion planned at the December LEB.
	<ul style="list-style-type: none"> <li>Work with DH and sub-regional areas to ensure that when surplus NHS sites are released, this is done with due consideration of wider local health economy and public sector opportunities.</li> </ul>	High	The LEDU meets monthly with the DH, GLA, and OPE. The meeting focuses on how we can work together more proactively to unlock issues holding up land release. This includes taking a wider public sector view, recognition of marriage value with wider public sector land, early access to planning, development and delivery expertise.
	<ul style="list-style-type: none"> <li>Work with national partners to explore how incentives for the health and care system to release surplus land can be optimised.</li> </ul>	Medium	The MoU describes some incentives for capital release through retention. There are further options available through collaborative approaches but further discussions will occur through phase 2.

# Progression to Phase 2 will enable priority workstreams to commence.

Priority* Workstream within Phase 2	Key Actions
<b>STP STRATEGIC ESTATES PLANNING</b>	<ul style="list-style-type: none"> <li>▪ Host a NWL Shaping a Healthier Future SoC workshop and feedback session for other STPs.</li> <li>▪ Work with new data analytics and management lead to agree appropriate London wide system.</li> </ul>
<b>UTILISATION</b>	<ul style="list-style-type: none"> <li>▪ Complete London Utilisation Paper in collaboration with LEDU Steering Group</li> </ul>
<b>SUPPORT FUNCTIONS</b>	<ul style="list-style-type: none"> <li>▪ Arrange alternative delivery models workshops</li> <li>▪ Arrange better business case training to provide confidence as to the experience and competence within the STP estates support teams.</li> </ul>
<b>PRIORITISATION AND CAPITAL PLANNING</b>	<ul style="list-style-type: none"> <li>▪ Agree framework for LEB London capital plan in advance of completed local and sub-regional estates strategies</li> <li>▪ Support STPs to establish base case local prioritisation framework. This is already underway across 3 London STPS.</li> </ul>
<b>LOCAL AND SUBREGIONAL GOVERNANCE</b>	<ul style="list-style-type: none"> <li>▪ Support STPs to formulate draft Governance structures.</li> </ul>
<b>PARTNERSHIP WORKING AND CAPITAL RECEIPTS</b>	<ul style="list-style-type: none"> <li>▪ Continue Monthly meetings with OPE, DH and GLA</li> <li>▪ Establish arrangements for regular discussions between LEDU, NHSi and NHSE</li> <li>▪ Develop report with NHSPS on approach to investments and sale for the December LEB</li> </ul>

In order to strengthen the LEDU and ensure that it has sufficient capacity and expertise to deliver the Phase 2 functions the following actions must also be progressed as a priority:

- **Recruitment of an LEDU Director to provide leadership and oversight of all LEDU workstreams and chair the LEDU Steering Group.**
- **Recruit full time data analytics and management lead to lead on development and ownership of a central estates database for London.**