



The London Estates Delivery Unit

Progress Report

July to September 2018

Summary

Devolution work in support of London's estates transformation is progressing well. The Director of the London Estates Delivery Unit (LEDU), Sue Hardy, commenced in post at the beginning of July 2018 and has focussed on building the team (both core and virtual), strengthening governance arrangements, supporting London's Sustainability and Transformation Partnerships (STP) to meet immediate deadlines, establishing key relationships across the partnership and placing the London Estates Board (LEB) in the best possible position to move to phase 3 of devolution by April 2019.

The hosting and co-location of the LEDU by the Greater London Authority (GLA) creates strong alignment between the LEDU and the GLA Housing and Land Team; positive working relationships are forming, and joint working is taking place in respect of a number of key programmes (One Public Estate and Homes for NHS Staff) and on a number of major site opportunities.

Progress update

The London Estates Board has convened twice within this period and the LEDU Steering Group has also met twice. Each STP submitted its draft estate strategy by the deadline of Monday, 16 July 2018 along with bids for the wave 4 STP capital funding. Collectively across London the gross value of submitted bids was £3 billion (the national budget is set at £1.4 billion). The LEDU core and virtual team (comprising of Strategic Estate Advisors, NHSE strategic finance team and Healthy Urban Development Unit) have been instrumental in supporting this work.

A detailed capital pipeline for London is now being prepared and includes around 500 projects. Arrangements are being put in place to appoint an interim Programme Manager to create and put in place systems for the effective management, development and delivery of this complex and varied programme of projects. In the meantime processes have been put in place to support the oversight of major projects currently underway across the capital, with a large focus on surplus land opportunities.

Details from the five London STP strategies have enabled the completion of the next draft of the London Health and Care Estate Strategy which has been widely circulated to partners and stakeholders for comment and contribution. The draft strategy includes a

summary of the London capital pipeline, proposed prioritisation process for future investment and states the readiness of the LEB to move to the next phase of devolution.

The LEDU Director has worked with members of the wider devolution team to prepare an outline proposal for formally progressing the LEB to phase 3 (shadow decision making) by April 2019. This proposal will be shared with key partners throughout the autumn. In the meantime, draft legal and governance documents are being prepared to support the formal transition. This due diligence process will include a review of the LEB membership and clarity on those members with decision making powers.

A LEDU leadership team has been established, including both the core and virtual team members. The leadership team will support the Director in setting the strategic direction of the LEDU, monitor delivery and performance and take remedial action as required. Additional office space has been secured at Union Street offices to enable co-location of the LEDU core team, HUDU, Homes for NHS Staff pilot and London Strategic Estate Planning team, further reinforcing the partnership commitment to operate as one team.

Building the LEDU core team has commenced; the fixed term secondment of a Programme Manager is anticipated from October and an advert should be placed shortly for a Data Analytics Manager. Administrative support is provided via the GLA housing and land team and project support on a part time basis is provided from Healthy London Partnership (HLP). The hiring of graduates and apprentices is also being explored for some of the technical support roles.

Engagement with other key forum involved in capital decision making has been established with the LEDU Director now being a member of both the NHS England London Estates Primary Care Capital Panel (LEPCCP) and the newly formed London Regional Procurement and Capital Panel (LPaC).

The LEDU Director has been welcomed into both the GLA Health and GLA Housing and Land teams and attends regular meetings with the GLA's Assistant Director of Health, Education and Youth and Assistant Director of Strategic Projects and Property and their respective teams.

Risks and sensitivities

Forming the core and virtual teams is the key priority to delivering the aims and objectives of the LEB and successfully achieving the next phase of devolution.

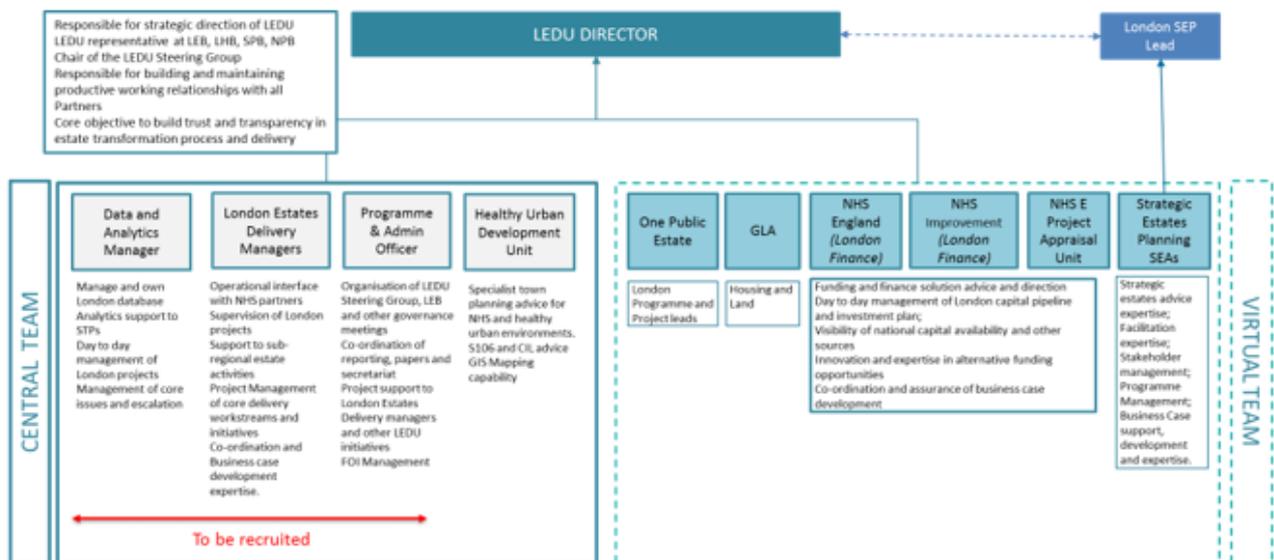
Recruitment to the core and virtual teams is paramount. The London SEP team is currently recruiting to four vacancies and the reported response has been positive; interviews will take place in early October. The GLA process for formalising posts and recruitment has been protracted and the ability to bring in support via secondments or fixed term consultancy arrangements must follow the same process. It has been confirmed that an additional technical post to support the LEDU has been included in the Strategic Projects and Property team structure in the GLA Housing and Land team,

however recruitment is also subject to internal processes being concluded. The ability to recruit to the two LEDU Programme Manager, Data Analyst and two Estates Advisor posts at pace is now critical to the successful delivery of the LEDU work plan and LEB progression to phase 3 of the devolution gateway.

Clarity is needed over budget and budgetary control. The LEB/LEDU budget is split across HLP and the GLA and managed as part of the wider partnership budgetary arrangements. This makes it very difficult to track commitments and expenditure and ideally should be held by one host organisation (preferably the GLA) and managed by the LEDU Director. Adding further complication, the budget for the HUDU team is held separately by Tower Hamlets CCG.

In respect of the LEB progression to shadow decision making phase by April 2019, the departure of two key devolution team members will have a significant impact on the ability to progress at pace. Professional support and expertise will have to be procured to fulfil the invaluable role both team members undertook.

In summary, good progress has been made but the ability to continue at pace is fragile due to the lack of resources across the LEDU core and virtual teams and also the wider London devolution team. The diagram below details the proposed LEDU team establishment and those posts that are currently vacant.



The co-location of the LEDU and SEP teams will help to mitigate this in part and is viewed as a key enabler to delivery.

On the horizon

Over the next six months the work of the LEDU will focus on the following key areas:

- Completion of the London Health and Care Estate Strategy – the deadline for comments and feedback was Monday, 14 September 2018. A formal response has

been received from national partners and time will be given to reviewing and considering all the feedback received. A target date of end of November has been set to have the final draft version of the document ready for review by the LEB at its meeting in December.

- Recruitment to key posts – over the next month endeavours will be made to appoint a Programme Manager, recruit to the vacant SEA posts and the Data Analyst role. Dependant on the response to the SEA advertising campaign and the GLA targeted marketing campaign the opportunity to appoint to the two LEDU estates advisor posts will be realised. In the meantime the option of securing temporary resource will continue to be explored.
- Wave 4 STP Capital Bids – a decision on the successful bids is anticipated in the autumn. Support will be provided to STPs with bids receiving funding, namely to establish how schemes can be progressed at pace. Support will also be given to those schemes that were not successful, namely to review how priority schemes may be delivered via alternative funding routes.
- LEB shadow decision making phase – work will continue to develop the governance required to support the next phase of devolution which will include the LEB assuming responsibility for business case approval (up to agreed delegated financial limits), a devolved capital budget and retention of capital receipts for reinvestment.
- Robust programme management – processes will be put in place to ensure we are proactively and effectively managing key projects and that we are able to identify risks to delivery at an early stage to avoid delay or waste resource.
- NHS Charities – the NHS charities as both land owners and holders of substantial capital funding present an interesting alternative route to the potential delivery of STP estate investment priorities. Over the upcoming months a closer working relationship with charities will be established and scenarios will be used to test the viability of working with these organisations to project delivery.
- Homes for NHS Staff – the Homes for NHS Staff London pilot will commence production of a toolkit.
- Primary care – closer integration between the LEB/LEDU and the HLP/NHSE London primary care leads will take place to ensure strategic alignment and joint working opportunities. This will build on work already underway and include a workshop in the autumn.

Contacting the London Estates Delivery Unit

For further information please contact the London Estates Delivery Unit via Healthy London Partnership: england.healthylondon@nhs.net.