1.0 Summary

1.1 This report is intended to provide details to Members with respect to NHS LIFT (Local Improvement Finance Trust), being a new form of Private Partnership. The purpose of this new initiative is to attract a much needed capital investment into primary and community care by setting up a joint venture company called LIFTCo.

1.2 The company will be partly owned by the public sector and will be a partner in the delivery and maintenance of purpose designed buildings for local primary care and community health and social care services.

2.0 Recommendations

2.1 That Members formally endorse the Council’s continuing commitment to the LIFT. That officers continue to assist in the procurement process in the appointment of a partner, and that in particular, agree to continue with officer involvement with the LIFT Project Board in all its activities.

2.2 That members agree in principle to participate in the LIFT in future years subject to further reporting to Cabinet on the level and extent of the Council’s participation.

2.3 That members agree that the Council continue to pursue the possibility of releasing LBTH sites into the lift programme with consideration to the Council’s commitment to the community plan and its accommodation strategy subject to further reporting to Cabinet.

2.4 That Members note options with respect to the Council’s future involvement in LIFTCo and to agree to support the LIFT project board in the successful implementation of the East London and City pilot.

2.5 That Members formally delegate to the Corporate Director of Social Services authority to take such action as is necessary to progress matters in the interim pending a further report to Members setting out a detailed analyses of the options set out at (para 3.5.)
2.0 Background

2.1 The NHS Plan committed the NHS to entering into a new form of public private partnership within a new equity stake company to improve primary care premises in England. This is now being taken forward through Partnerships for Health which is a 50:50 joint venture between the Department of Health and Partnerships UK plc (PUK).

2.2 Partnerships UK plc was launched in June 2000 as the successor to the Treasury Taskforce. In 2001 HM Treasury sold a 51% share of PUK to a number of private sector investors, representing a cross sector of the market place which included banks, financial institutions and service providers. The Treasury and the Scottish Executive retain a minority shareholding of 49%.

2.3 Partnerships for Health was established in September 2001 and is a private limited company. Both parties have committed an initial £5m to the company and the Department of Health has earmarked a total of £195m to help develop the new NHS LIFT initiative.

2.4 For Tower Hamlets, NHS LIFT will help improve primary care facilities in an area where a large element of the NHS estate is not suitable for the provision of modern healthcare.

2.5 A rigorous tendering and selection process, is underway, following which a local LIFTCo will own and lease premises to Stakeholders. These will include, GPs as well as dentists, chemists, and other primary care practitioners and will include elements of social care co-provided by THPCT (Tower Hamlets Primary Care Trust) and LBTH if the Council wishes to participate

2.6 The NHS Local LIFTs are designed to empower and assist the regeneration of local communities by providing better healthcare facilities and helping local businesses to deliver local solutions using common approaches.

2.7 To assist members in understanding this initiative, the question and answer sheet (Appendix A.) is intended to provide details on how NHS LIFT will work, as well as responding to the most common queries.

3.0 Detail

3.1 There are six national LIFT pilots currently running, one of which is the East London and City pilot. The OJEC notice for the first wave of LIFT schemes was placed by East London and City on 28 February 2002. Newham PCT are leading in this respect and have 4 schemes identified, Tower Hamlets PCT have 5 Schemes identified.

3.2 Under the terms of the OJEC and in order to participate in a private partnership such as LIFT, Local Authorities must have an audit trail of their involvement regarding the selection of the proposed LIFT partner. LBTH have been represented by Social Services during the procurement process with the selection of the successful bidder programmed for the 26th November 02.

3.3 Each LIFT area has a LIFT project board being a high level decision-making group covering the procurement process and other technical issues. The East London and City project board being one of these, represents the key stake-holder organisations. As Tower Hamlets is a named party in the OJEC it has secured an option to participate more fully in the LIFT without imposing any obligations on it to do so.
The role of the project board is:

- To be accountable for the delivery of the LIFT project and procurement of the private sector partner and establishment of LIFTCo.
- The maintenance of ownership of the aims and objectives of the LIFT across all participants and stakeholders and the delivery of the pilot programme.

3.4 **The LIFT Company (LIFTCo)**

3.4.1 LIFTCo will provide services as directed by the LIFT project board which will be in the form of buildings and hard FM (facilities management) services.

3.4.2 LIFT companies across the country will be joint venture companies between the NHS, the private sector and Partnerships for Health (PfH). Each company will be expected to bring specialist knowledge to the NHS and its partners covering building design, income generation, and a full range of property management and procurement skills. The company will invest in new buildings and provide purpose designed space under lease-plus (*leases including the provision of facilities management services*) arrangements.

3.4.3 Each LIFTCo company board will comprise the private sector, partnerships for health, and one representative from the local health economy. It is envisaged that the shareholding ratio will be:

- Private Sector 60%
- NHS 20%
- PfH 20%

3.4.4 The Department of Health and Partnerships UK plc (PUK) have standard documentation for LIFTCo projects across the Country, the main documents comprise:

- **Strategic Partnership agreement**
- **Shareholders agreement**
- **Lease-plus Agreement**
- **Supply Chain Agreement**

3.4.5 *The Strategic Partnering Agreement* (SPA) when signed, is a legally binding agreement between LIFTCo, local primary care trusts, the health authority and local authority stakeholders. LiftCo will run for a period of 25 years, during which time it will have exclusive rights to take-up any projects proposed by the local project board under the terms of the SPA. However, LIFTCo may decline a project and / or the Project Board will have the right to refuse a LIFTCo proposal.

3.4.6 *The Shareholders Agreement* regulates how LIFTCo is managed.

3.4.7 *The Lease-plus agreement* will be set up for business tenancies primarily for GPs, dentists and other social health care partners for a term where the tenant will grant back a licence to LIFTCo to undertake construction / refurbishment.

3.4.8 *The supply chain agreement* comprises two main elements, (1) an agreement to work in partnership for periods of 5 – 8 years between market testing arrangements. (2) Project specific arrangements.
3.5 **Options for London Borough of Tower Hamlets in LIFTCo**

3.5.1 Tower Hamlets have joined in the OJEC for the procurement of the private sector partner for the East London and City LIFT and are participating in the evaluation process. Interested private sector parties have now been short listed to three companies, these being Amey, Group 4 and Primaria. The LIFT project board will receive responses for invitation to negotiate from the short listed bidders on 28th August 2002. The appointment of the preferred bidder is programmed for 26th November 2002.

3.5.2 Bevan Ashford (Legal Advisors) for the Health Authority bodies and Partnership UK. have compiled the legal documentation for the first wave of the LIFT initiative and have assisted in the facilitation of the procurement process with the involvement of all East London and the City stakeholders.

3.5.3 Bevan Ashford have prepared the following (Italicised) for each LA Council’s consideration with respect to future involvement. Members are asked to note that Beven Ashford are not acting for the Local Authorities involved, but Nabarro Nathanson, who have provided initial advice for the 3 authorities have said that they are in general agreement with the advice given by Beven Ashford.

**Options for Noting and future consideration**

i. No involvement (do nothing)

ii. To take up lease plus agreements in respect of individual premises without signing the SPA (Strategic partnering agreement)

iii. To agree to be a participant in the SPA (Strategic partnering agreement) without exclusivity

iv. Agree to be a full participant in the SPA (Strategic partnering agreement) with exclusivity.

v. Take up shares in the joint venture company established to take the East London and City LIFT forward (LIFTCo.) This option can either be combined with options ii and iii or can be a stand alone option.

3.5.4 **To take up lease plus agreements in respect of individual premises without signing the SPA (Strategic partnering agreement)**

1. If the lease plus agreements are in the early years of the project, the council should be able to argue that for procurement purposes, the arrangement falls within the original procurement in which the Council is a contracting party.

2. However, as the Council has not signed the SPA, the Council will not be committed to giving the LIFTCo ‘first refusal’ on new builds or refurbishment of new premises. Therefore as time elapses, the Council may become more vulnerable to a claim that the original procurement and audit trail is time expired. This is particularly the case if the Council does not take up any lease plus agreements in the early years and therefore has in affect retained a long term option to take up the lease plus agreement with no proactive involvement in the interim.

3. The counter argument to this is that the original process envisages long term arrangements therefore later schemes are complicated by the original procurement. However, this argument is weakened by the fact that the Council has not committed to this by signing the SPA.
4. Please note that it is still possible that the Council would be able to enter into the traditional forms of leases of specific properties at a later stage since traditional property transactions are not caught by the EU procurement rules. However, this would be dependant upon:

- Establishing the transaction as a property arrangement. This may be difficult where the Council have any real input into the specification of the premises they are leasing and certainly the expectation of the lease plus documentation (that forms part of LIFT) is that they should. The more the Council control the nature of the premises the greater the risk that the transaction will be regarded as the procurement of works caught by the EU Regulations.

- Furthermore the nature of the lease plus agreement means that the arrangements may also be regarded as a procurement of services rather than a traditional property arrangement.

- Satisfying Local Authority probity and best value requirement. It is of course possible that these could be met by valuation advice on the rent and other terms of the lease.

3.5.5 **To agree to be a participant in the SPA (Strategic partnering agreement)** without exclusivity.

1. Under this option the Council would largely be, giving itself the right to include future arrangements for social care premises in the LIFT but without an obligation to do so. If the Local authority were willing to investigate this as an option, it would probably require a more detailed view of the SPA to assess whether other more general comments contained in the SPA may need to be either accepted by the local authority or possibly diluted in respect to their participation.

2. Since the Council would not be obligated to offer schemes to LIFTCo the time elapse argument referred to above may apply, making later schemes vulnerable to the claim that the original procurement is time expired. However, the council may have stronger counter argument since by signing the SPA it has set out a framework for a longer term relationship with LIFTCo. The relationship includes committing to participating in the Strategic Partnering Board and reserving the right to require LIFTCo to enter into lease plus arrangements, without a commitment to do so.

3.5.6 **Agree to be a full participant in the SPA (Strategic partnering agreement) with exclusivity.**

1. This would commit the Council to the terms of the SPA, including involvement on the strategic partnering board.

2. The exclusivity obligations in the SPA as currently drafted cover new build and capital projects for the enhancement of facilities required for primary and community based health and social care in the area. The Council would need to clarify the exact extent of exclusivity in relation to its social services premises and in particular what exclusions (if any) are to apply.

3. The exclusivity provisions mean that the Council will be obliged to put new schemes to LIFT through the life of the SPA and therefore should not be subject to arguments that the original procurement time is elapsed when entering into schemes in later years.
4. This would offer the greatest commitment to LIFT in terms of establishing a long term partnership with LIFTCo, in the delivery of a more integrated health and social care provision. It will also attract a greater commitment from LIFTCo partners both in terms of bidding interest and commitments towards the partnering services to develop participants future requirements. It is desirable but not essential in terms of delivering the overall aims of LIFT.

3.5.7 Take up shares in the joint venture company established to take the East London and City LIFT forward (LIFTCo). This option can either be combined with options 2 and 3 or can be a stand alone option.

1. The shareholders agreement envisages local health and social care stakeholders being able to be shareholders in the company, whether or not they are participants to the SPA. Any shareholding that the Council or other local health economy stakeholder took is envisaged to be a minority shareholding that has influence over the companies operations and planning of future requirements, but is within the context of a private sector controlled company.

2. Shareholding may be acquired, for example in return for assets transferred to LIFTCo at the best consideration for value. This to the extent that the value of assets transferred exceeded the shareholding, the excess value could be taken in cash or in other forms of investment in the company.

3.5.8 The legal and financial implications for each of the above options will be set out in the next report to cabinet.

4.5 Tower Hamlets LIFTCo

4.5.1 Schemes identified by Tower Hamlets Primary Care Trust (PCT) in the first wave of the LIFT are:

<table>
<thead>
<tr>
<th>Scheme Description</th>
<th>New or Refurbishment</th>
<th>Estimated Capital Cost</th>
<th>Sites being transferred to LIFTCo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barkantine Primary Care Centre</td>
<td>New</td>
<td>£2.25M</td>
<td>Barkantine Clinic</td>
</tr>
<tr>
<td>Steel Lane Clinic</td>
<td></td>
<td>£3M</td>
<td>Steels Lane</td>
</tr>
<tr>
<td>Bethnal Green Health Centre</td>
<td>Refurbishment</td>
<td>£0.5M</td>
<td>Bethnal Green Health Centre</td>
</tr>
<tr>
<td>Newby Place Health Centre</td>
<td>Refurbishment</td>
<td>£0.35M</td>
<td>Newby Place Health Centre</td>
</tr>
<tr>
<td>Gill Street Health Centre</td>
<td>Refurbishment</td>
<td>£0.8M</td>
<td>Gill Street Health Centre</td>
</tr>
</tbody>
</table>
4.6 Example Scheme under LIFT

4.6.1 For the purpose of this report, the detail of Barkantine Clinic Primary Care Trust scheme follows as an example project under the terms of a Lease Plus agreement. Members are not asked to make a decision on this example now as this will be the subject of a future report.

4.6.2 A business case was prepared for submission to the Tower Hamlets Primary Care Trust Executive Board to seek approval for the re-development of the Barkantine Clinic. The key aims of the scheme are to re-develop the Barkantine Clinic site to house PMS (Personal Medical Services) premises and other primary health and social care services in the North Millwall area of the Isle of Dogs locality of Tower Hamlets.

4.6.3 The scheme has been designed to meet the objectives of the PCT (Primary Care Trust) and major national initiatives in primary care by:

- Creating modern and purpose designed primary care premises
- Creating facilities for complementary voluntary services to facilitate improved access to health and social care services.

4.6.4 The scheme will embrace the first wave of the NHS LIFT in order to fund and re-develop the Barkantine site. This will include space for the re-provision of the Tower Hamlets Isle of Dogs area Mental Health team services currently accommodated in Jack Dash House, subject to members approval to participate.

4.6.5 Members will recall a report from the Central Property Services at June Cabinet entitled London Borough Tower Hamlets Accommodation Strategy. In the report, Jack Dash House is listed as one of those buildings up for disposal in support of the strategy and Town Hall re-provision.

4.6.6 The proposal to re-locate the Isle of Dogs Mental Health Team into the new Barkantine facility will offer early assistance in the re-provision of services to facilitate the disposal of Jack Dash House. In doing so however, establishment costs currently associated with the Isle of Dogs Mental Health team would need to be transferred to LIFTCo under a Lease Plus Agreement. The detail of the proposed use of the newly developed premises is set out below.

4.6.7 It is proposed that the total facility will be a habitable area of 1,780 m2 with the space allocated as follows:

- PMS (personal medical services) 764 m2
- Docklands outreach services 435 m2
- ELMHT (mental health team) 300 m2
- Pharmacy 120 m2
- BSHIP resources 90 m2
- Dental Practice 92 m2

4.6.8 The indicative programme for the completion of this re-provision is currently mid 2004.
4.6.9 It may be seen from the above example how this Council may participate in the LIFT by means of entering into a Lease plus agreement with LIFTCo. However, whilst Tower Hamlets LA would be moving closer to partnership working with the NHS LIFT, consideration needs to be given to the legal points made (para 3.5.4).

4.6.10 In addition to the above lease plus example there will be other opportunities under the LIFT to assist the Council’s proposed accommodation strategy process, through direct property disposals at full market value to the LIFT programme.

4.6.11 An example of this is that currently, early negotiations are underway with TH PCT (Primary Care Trust) for a LIFTCo redevelopment of the Bow Community Hall. This would result in a market value disposal of circa £2.5M subject to further investigation by officers and a subsequent full report to Cabinet.

5.0 Recommendations

5.1 That Members formally endorses the Council’s continuing commitment to the LIFT. That officers continue to assist in the procurement process in the appointment of a partner, and that in particular, agree to continue with officer involvement with the LIFT Project Board in all its activities.

5.2 That members agree in principle to participate in the LIFT in future years subject to further reporting to Cabinet on the level and extent of the Council’s participation.

5.3 That members agree that the Council continue to pursue the possibility of releasing LBTH sites into the lift programme with consideration to the Council’s commitment to the community plan and its accommodation strategy subject to further reporting to Cabinet.

5.4 That Members note options with respect to the Council’s future involvement in LIFTCo and to agree to support the LIFT project board in the successful implementation of the East London and City pilot.

5.5 That Members formally delegate to the Corporate Director of Social Services authority to take such action as is necessary to progress matters in the interim pending a further report to Members setting out a detailed analyses of the options set out at (para 3.5.)

6.0 Concurrent Report of the Head of Legal Services

6.1 Members are asked to agree the recommendations set out in this report in relation to the Council’s participation in the NHS LIFT pilot.

6.2 A more detailed legal and financial risk analysis will be undertaken regarding the nature and extent of the Council’s involvement in the pilot. This will involve consideration of the options set out in para. 3.5 and their risk for and impact on the Council. At this stage general legal implications are referred to in order to assist Members in considering the recommendations in this report. There are a number of relevant legal powers and restrictions which are set out below.
6.3 S.2(1) Local Government Act 2000 (“The Act”), (“The Well-being Power”) provides power for the Council to promote or improve the economic, social and environmental well-being of its area. Explicit powers are to:

- New expenditure;
- Give financial assistance to any person;
- Enter into arrangements or agreements with any person;
- Co-operate with, or facilitate or co-ordinate the activities of any person;
- Exercise on behalf of any person any functions of that person and
- Provide staff, goods, service or accommodation to any person

6.4 S.2(5) of the Act states

“the power … includes a power for a local authority to do anything in relation to, or for the benefit of, any person or area situated outside their area, if they consider that it is likely to achieve the promotion of improvement of the economic and/or social and/or environmental well-being of its area”.

6.5 Members should note that the LIFT is an initiative which is in accordance with the Council’s Community Plan and its strategic objectives thereunder. The Community Plan says that “by 2010 Tower Hamlets will support healthier communities with quicker and more convenient access to health services”

6.6 Government guidelines indicates that this is a “key power in relation to the local authorities’ partnership with the health sector” so by supporting and participating in the LIFT the Council is complying with central government guidance.

6.7 There are a number of other provisions and restrictions which are relevant to the Council’s possible involvement in the LIFT project. These include provisions in the Local Government Housing Act 1989, the Local Authorities Companies Order 1995 and the Local Authorities (Capital Finance) Regulations 1997 which regulate a local authority’s involvement in companies.

6.8 The Local Government Act 1999 provides a requirement for local authorities to achieve “best value” assuming the recommendations are agreed, further analysis will be required to ascertain how far involvement in the scheme will achieve this aim. Whilst the Council may further transfer assets to LIFT Co it must ensure that it receives “best consideration” unless the Secretary of State’s Consent is obtained.

6.9 Local Authority members and officers may be appointed as directors of companies. Any member or officer appointed as a director to Lift Co will be subject to fiduciary duties (a duty of care), owed to the company. Additionally the Code of Conduct sets out obligations on members in relation to conducting authority business and in acting as a representative of the authority. Should the Council wish to proceed with appointing a member or officer to act on behalf of the Council any appointee will be made fully aware of their duties and obligations in respect of their duties as a director to LIFT Co to minimise any possible conflict.

6.10 Members should note that more detailed consideration of the options set out in this Report, in particular the terms of the SPA, will probably result in additional legal resources being required. Initial legal advice has been obtained by Newham, with Hackney and Tower Hamlets contributing to the cost. It may be that the costs of any further advice can be shared in the same way.
6.11 **Procurement Process**

6.11.1 The Council’s legal services has examined the proposed procurement route to appoint the private partner to join in the NHS Lift company. Legal Services has taken the view that the most appropriate route was the competitive negotiated route. The Council is therefore identified as a possible participant in the Lift in the OJEC but is not bound to participate and as stated in para. 3.5 above, the options set out within this report are to be discussed more fully in a further report if members agree the recommendations set out herein.

7.0 **Comments of the Chief Finance Officer**

7.1 This report recommends that members formally endorse the council's continuing commitment to the LIFT; that officers continue to assist in the procurement process in the appointment of a partner, and that in particular, agree to continue with officer involvement with the lift project board in all its activities in delivering the first wave of LIFT in the borough; that members agree in principle to participate in the lift in future years subject to further reporting to cabinet on the level and extent of the councils participation; that members agree that the council continue to pursue the possibility of releasing LBTH sites into the lift programme with consideration to the councils commitment to the community plan and its accommodation strategy subject to further reporting to cabinet; that members formally delegate to the corporate director of social services authority to take such action as is necessary to progress matters in the interim pending a further report to members setting out a detailed analyses of the options set out at (para 3.5.)

7.2 The report states that this is one of six National LIFT pilot schemes. For LBTH, the scheme has potential to promote integrated working with the PCT and provides an opportunity for property disposals at full market value as described in paragraph 4.6.10. A more detailed financial / legal / risk appraisal would be required in a future report re the options in paragraph 3.5 as the lease arrangements may have implications under the Capital control regime

7.3 All Corporate accommodation, such as Jack Dash house, are the responsibility of Customer Services Directorate. Costs are recharged to Directorates at the end of the financial year. The accommodation costs become an overhead for the relevant teams that occupy the space; this forms part of the Councils best value accounts and is reflected in relevant performance indicators.

8.0 **Equalities and Anti-Poverty Implications**

8.1 Care will be exercised in the implementation of any action arising from the East London and City LIFT with respect to Equalities and Local Labour in construction.

9.0 **Sustainable Action for a Greener Environment**

9.1 Scheme design under Lift will involve full consultation with respect to current environmental issues.
10.0 Risk Assessment

10.1 This project is at present in the initiation phase and on that basis, no significant risks are logged. There will however, be the need for a full risk analysis following the next stage of legal and financial input due to be incorporated in the next detailed report to Cabinet. (Risk analysis matrix as below)

RISK MANAGEMENT IMPLICATIONS

<table>
<thead>
<tr>
<th>Project/issue</th>
<th>Pen picture</th>
<th>Value £m's</th>
<th>Risks/Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>LBTH LIFT Participation</td>
<td>The project’s first phase is to evaluate the extent to which the Council participates in the East London and City LIFT. The first phase will be initiated if Members agree the recommendations as set out in this report</td>
<td>Project value has yet been assigned. However, Legal Services have stated that there are likely to be resource implications which will become abortive if the Council does not participate in LIFT</td>
<td>RISK Current risk factors are negligible on the basis of no current commitment having been made with respect to participation in LIFT. If the Council agree to some or all recommendations in this report there will be no tangible risk to the Council up to second stage reporting. OPPORTUNITY There exists due to this initiative, a valuable opportunity for the Council to participate in this National framework for the provision of accelerated, purposes designed primary care and social care facilities for all our residents.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Probability</th>
<th>Impact</th>
<th>Recommended mitigating action</th>
<th>Risk owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>L = Low</td>
<td>L = Low</td>
<td>Care will be take in the interim leading to the next report through the identification of potential risks in collaboration with the East London and City Project Board, LBTH Legal Services and LBTH Financial Services</td>
<td>John Mitchell X 2113</td>
</tr>
</tbody>
</table>
Appendix A

NHS LIFT in the National Context

Q&A

Q. What are the investment targets within the NHS Plan?
   - The NHS Plan stated that NHS LIFT and public capital will lever £1 billion into reinvigorating the primary care estate
   - This level of investment will deliver substantial upgrades or replace up to 3,000 primary care premises
   - The investment will also fund development of 500 one stop primary care centres
   - These new buildings will enable the co-location of GP and community services, and wherever possible the location of social care agencies

Q. What exactly is NHS LIFT?
   - NHS LIFT stands for NHS Local Improvement Finance Trust
   - A local LIFT will build and refurbish primary care premises which it will own
   - It will rent accommodation to GPs on a lease basis (as well as other parties such as chemists, opticians, dentists and other community care practitioners).

Q. How will NHS LIFT be set-up?
   - A new PPP has been established, Partnerships for Health, between Department of Health and Partnerships UK. PfH will invest money into NHS LIFT and also help attract additional private funding
   - A local LIFT will be a public private partnership (PPP). It will be set up as a limited company with the local NHS (potentially including individual practitioners) PfH and the private sector as share-holders
   - As a shareholder the NHS will be better placed to direct investment to the areas of greatest need

Q. Why as a company (limited by share capital)?
   - A company is relatively simple and efficient way to structure a Public Private Partnership
   - It offers the potential for GPs or groups of GPs to become part-owners
   - The NHS (and GPs) will have the key role in determining where investments are made (and will share in any profits - which it can then reinvest in healthcare)
   - Shares can be sold, This is not a long-term investment - it is a catalyst for change

Q. Why do we need NHS LIFT?
   - To help address the legacy of under investment in the NHS (for example many primary care premises are over 30 years old)
   - Current private sector investment is piecemeal and not concentrated in the areas of greatest need (particularly in the inner-cities)
   - A large number of the current premises are too small and cramped to provide modern primary care
Q. Where will NHS LIFTs be developed?
   The Department has so far approved the development of 18 LIFT sites.
   o 6 first wave schemes: Newcastle and North Tyneside; Barnsley; Manchester, Salford & Trafford; Sandwell; Camden & Islington and East London and City.
   o 12 second wave schemes: Barking and Havering; Birmingham and Solihull; Bradford; Cornwall and Isles of Scilly; Coventry; East Lancashire; Hull; Leicester; Liverpool and Sefton; West Kent (Medway); North Staffordshire; Redbridge and Waltham Forest.

Q. Why were these specific areas chosen?
   o The intention was to focus initially on deprived inner city areas
   o these are the areas where health need is greatest
   o these areas have a disproportionately high number of sub-standard premises

Q. What about traditional public capital?
   o public capital funding will be available for areas where NHS Lift will not operate
   o this includes £30m of badged capital for larger local developments
   o in addition improvement grants, cost rent, notional rent and other PMS mechanisms for small scale redevelopment and improvements continue to be available

Q. What is the condition of existing primary care premises?
   o only just over 40% of premises are purpose built
   o almost half are based in either (a) adapted residential buildings or (b) converted shops
   o many GPs work in converted residential buildings, which have poor access for patients

Q. How many premises will be built as a result of NHS LIFT?
   o NHS LIFT aims to invest a total of up to £1billion in the primary care estate
   o existing arrangements (eg. badged capital and unified allocations) will deliver the rest

Q. What are the additional benefits of the "NHS LIFT" approach?
   o flexibility: NHS LIFTs will offer GPs flexible lease arrangements (currently GPs are often tied into long leases). This should help attract more GPs to work in inner city areas
   o scale and speed: NHS LIFTs will help deliver a significant number of new premises in a short period of time
   o integration of services: Patients expect to find as many of the services they need in one place as possible. NHS LIFTs will actively seek to co-locate additional services and facilities (for example space can be used by a range of related health care professionals as well as social services)
   o common approach: avoiding individual GP practices or local teams having to develop an approach and all the documentation for each scheme, PfH is establishing a common approach that LIFT schemes across the country can adopt
Q. Will NHS LIFT force GPs to move/sell-up?
   o No GP will be forced to be part of a LIFT scheme if they don't want to. Improvement grants and other arrangements which enable GPs to improve current premises - will continue to be available, and GPs who want to stay as owner occupiers, or rent premises from other landlords can do so
   o NHS LIFT is about providing improved primary care facilities - not - about determining where GPs are located
   o NHS LIFT will provide incentives to GPs wishing to relocate. For example, many GPs are tied into long-term leases that they cannot easily terminate. NHS LIFT will be able to "buy-out" these leases enabling GPs to move out

Q. Will this initiative ignore single-handed GPs?
   o all GPs -including single-handed GPs- will be welcome to participate in the NHS LIFT initiative

Q. Is this initiative linked to the introduction on the PMS scheme?
   o the objective of NHS LIFT is to improve the quality of the physical primary care estate
   o it is not linked to other developments, such as the PMS scheme

Q. What is wrong with the current investment process within primary care?
   o it can be both fragmented and piecemeal
   o it sometimes does not concentrate on those areas with the greatest need
   o it is also inflexible, particularly for those GPs who do not wish to own their practice property

Q. Who will run local LIFTs?
   o at a local level, a management board comprising private sector partners, local NHS nominees and PfH will work together to agree and develop investment programmes

Q. Is this simply "privatising the NHS"?
   o No. NHS LIFT is an additional PPP to provide primary care facilities to GPs and other primary care professionals, (chemists, opticians, dentists, etc)
   o primary care premises are provided under a range of ownership models. Most are privately owned by individual GPs (63%), some are rented from private sector landlords (21%), and the remainder are provided by the NHS (16%) in health centres