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**Report to**  
Cabinet  
Scrutiny Co-ordination Committee

**Insert Date of meeting**  
20<sup>th</sup> September 2005  
14<sup>th</sup> September 2005.

**Report of**  
Director of City Development and Director of Social Services and Housing

**Title**  
Strategic Partnering Agreement – Coventry Care Partnership Ltd

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### **1 Purpose of the Report**

- 1.1 This report seeks your authority to participate in the Strategic Partnering Agreement between Coventry Care Partnerships Ltd (the Coventry Lift Co) and the public authorities responsible for delivering health and social care services in the City (the Coventry Teaching Primary Care Trust and the Coventry and Warwickshire Ambulance Trust).

### **2 Recommendations**

The Cabinet are asked to:

- 2.1 Authorise the Council entering the Strategic Partnering Agreement for the Coventry NHS LIFT project, subject to the Director of Legal and Democratic Services being satisfied as to the documentation.
- 2.2 Authorise the Chief Executive to be the Councils representative on the Strategic Partnering Board.

### **3 Information/Background**

- 3.1 Nationally, the NHS LIFT initiative was launched in 2001 to deliver a step change in primary and social care by developing and supplying new and refurbished health and social care facilities, through a public private partnership procurement model. To date 42 Primary Care Trust areas have been awarded LIFT status. The LIFT model of procurement has also been adopted by the Department of Education and Skills as the delivery model for Building Schools for the Future, the programme to replace and refurbish all secondary schools in the Country. The National Audit Office have now published an interim report on the national LIFT initiative, a copy of which is available to Members on line at [www.nao.org.uk](http://www.nao.org.uk).

- 3.2 Coventry was awarded LIFT status in 2002 and Cabinet have previously received reports on the Council's participation in a NHS LIFT company in Coventry (October 2002), the approval of its first Strategic Service Development Plan (October 2002), the allocation of sites to the LIFT project (February 2003), confirmation of the preferred private sector partner to the project (September 2003), disposal of land at Bennets Road South (September 2003) and disposal of land at Russell Street (February 2004).
- 3.3 The Coventry LIFT Company was established in December 2004 and trades under the name of Coventry Care Partnerships Ltd (CCP Ltd). Its shareholders are GB Consortium (a consortium of private organisations), Partnerships for Health (a public – private joint venture) the Coventry Teaching Primary Care Trust.
- 3.4 Coventry Care Partnerships role in respect of the local health and social care estate is to contribute to the formulation of local strategies and delivery plans, to provide innovative and efficient services and buildings (either new or refurbished existing premises) to meet local health and social care requirements through partnering, to ensure long term value for money through market testing and benchmarking and to maintain a high quality estate.
- 3.5 The occupants of any accommodation provided through LIFT (GPs, PCT, Dentists etc) enter into a separate Lease Plus agreement with CCP Ltd. Through the Lease Plus agreement CCP Ltd provide fully serviced and maintained accommodation during the term of the agreement (usually 25 years).
- 3.6 When Cabinet considered its participation in LIFT in 2002 it was recommended to participate in LIFT and engage at a level that approved the Strategic Service Development Plan, but short of becoming a participant in the Strategic Partnering Agreement because of the uncertainties of what this may involve. When Coventry Care Partnerships Ltd was established a Strategic Partnering Agreement was established at the same time between the company and the Primary Care and Ambulance Trusts, and a mechanism incorporated for other public bodies (like the Council) to participate in the Agreement.

#### **4 Proposal and Other Option(s) to be Considered**

- 4.1 It is proposed that the Council enter the Strategic Partnering Agreement.
- 4.2 The Council is working closely with the Primary Care Trust in a number of areas. It has created Partnership Boards and pooled revenue budgets for Children and Young People, Older People, Learning Disability and Mental Health. The creation of a Children's Trust will also bring closer working with Health.
- 4.3 The Council is also developing its policy framework around one stop shops and the co location of services with other agencies and the development of joint service centres. Other local authorities are using LIFT to deliver co located services (eg Burnley co-located sports centre and health centre; Leeds co located one stop shops and health centres; Newcastle co located health and welfare advice centres)
- 4.4 The Strategic Partnering Agreement is a 20 year framework agreement to deliver services and buildings in Coventry to meet health and social care requirements for the participants. It gives the public sector bodies the benefit of an obligation to deliver buildings and services and effective control over their delivery. It gives Coventry Care Partnerships exclusivity (in respect of health care buildings) to supply these buildings during the partnership period.

- 4.5 The Agreement is governed by a Strategic Partnership Board. The Partnership Board monitors the Strategic Partnering Agreement, approves the Annual Strategic Service Development Plan and identifies and initiates schemes and projects. The Partnership Board is made up one representative for each partner plus other stakeholders in the local health economy. Representation from the Primary Care and Ambulance Trusts is at Chief Executive level. It is proposed that the Chief Executive is nominated as the Council's representative. The Board has already been established and the Council represented in a shadow basis. It meets on a 3 monthly basis. To assist the Chief Executive in this role, an officer working group will be established to advise her on opportunities to progress joint initiatives and co-ordinate the Councils inputs to the process.
- 4.6 Decisions to proceed with a project (a stage 2 approval) are taken by the Board on a majority vote basis, after first identifying a project and including it in the Strategic Service Development Plan (planning stage) and secondly, following an outline feasibility approval describing the project, its participants and projected costs (stage 1 approval). Projects worked up to stage 1 level, are done so at the expense and risk of CCP Ltd and any party is able to withdraw without penalty at this stage. Where decisions involve procuring new projects (at stage 2 level), the vote is only amongst the public bodies on the Board, and a public body is only bound to expenditure if it votes in favour of a project and is a participant in it. The Council would not therefore be financially committed to a project unless it voted in favour of it at Board level (at stage 2 level) and the project involved the Council as a participant. Withdrawal after a stage 2 approval will incur abortive costs.
- 4.7 In view of this, and the fact that the Councils representative has the power to initiate expenditure and bind the Council, it is proposed that individual schemes can only be pursued to a stage 2 approval with a qualifying minute from an appropriate Cabinet/Cabinet Member meeting where the policy objectives and financial implications for the Council have been approved.
- 4.8 The Agreement is limited to Coventry as a geographical area and to the provision of health and social care buildings. If the Council decided to be part of an integrated project, accommodation would be provided as serviced accommodation with Coventry Care Partnerships being responsible for repair, maintenance and insurance on a lease plus basis during the term of the lease.
- 4.9 The Council have the discretion about whether to be involved in a project and whether it wanted to put land and or buildings into the financial equation. It would take these decisions on a case-by -case basis. It is suggested that a key decision is taken after consultation internally before a project is put forward at Board level.
- 4.10 Information provided between the parties in respect of cost and services are treated as confidential information.
- 4.11 The benefits of participating in the Strategic Partnering Agreement is
- Formalisation of the existing arrangements
  - An opportunity to ensure integration and consistency of approach to health and social care planning and service delivery in the City
  - Project procurement savings and cost benefits as CCP Ltd worked up feasibility studies at no cost to stage 1 approval level.
  - No obligation on the Council to participate in a project, but the opportunity to do so, and to keep in view the objectives of the other organisations
  - It may be the only practical way to do a joint scheme with the PCT.

- Gaining knowledge of a procurement model that will form the basis for other Central Government renewal initiatives
- The chance to negotiate the precise terms of the Council joining into the SPA , by the Deed of Accession mechanism.

#### 4.12 Disadvantages

- The Council could continue as it presently is , i.e. a community stakeholder, but it would not allow it the opportunity of voting and driving the process. If the Council remains as it presently is , there is no obligation on the Partners to involve the Council in any decision making or long term strategy formulation.

## 5 Other specific implications

### 5.1

	<b>Implications (See below)</b>	<b>No Implications</b>
Area Co-ordination		✓
Best Value	✓	
Children and Young People		✓
Comparable Benchmark Data		✓
Corporate Parenting		✓
Coventry Community Plan		✓
Crime and Disorder		✓
Equal Opportunities		✓
Finance		✓
Health and Safety		✓
Human Resources		✓
Human Rights Act		✓
Impact on Partner Organisations	✓	
Information and Communications Technology		✓
Legal Implications	✓	
Property Implications	✓	
Race Equality Scheme		✓
Risk Management	✓	
Sustainable Development		✓
Trade Union Consultation		✓
Voluntary Sector – The Coventry Compact		✓

## 5.2 Best Value Implications

5.2.1 Value for money principles are enshrined in the Strategic Partnering Agreement. Coventry Care Partnerships need to demonstrate value for money by benchmarking all new projects and every five years market testing all of its suppliers.

## 5.3 Impact on Partner Organisations

5.3.1 Entering the Strategic Partnering Agreement would formalise the Council's role in strategic service planning in respect of the local health and social care economy.

## 5.4 Legal Implications

5.4.1 The Council have sought an independent legal opinion on the Strategic Partnering Agreement. This concludes that the advantages to the Council entering the Agreement, (as it allows the Council to request services from CC Ltd, but does not bind them to do so) outweighs the disadvantages (which are limited to remedies against the Council after it has positively decided to pursue a course of action and subsequently changes its mind). A copy of the opinion is available for inspection by Members in Legal and Democratic Services.

5.4.2 The Council's legal advisors will ensure that appropriate legal documentation is signed to protect the Council as adequately as possible. This will include a review of any warranties the council is required to give, the extent of the exclusivity granted, and the term of the agreement itself.

## 5.5 Property implications

5.5.1 There are no direct property implications from this report. However negotiations are being conducted with CCP Ltd in respect of Council land at Torrington Avenue for a replacement Learning Difficulties centre and joint management office. In addition the PCT have been involved in master planning at Stoke Aldermoor and Mosely to introduce health centres into these developments to improve local services.

## 5.6 Risk Management Implications

5.6.1 The principle risk management implications involve committing to expenditure to project without necessary formal approval. The proposals in para 4.5 above seek to regulate this risk. By not participating in the Strategic Partnering Agreement now the Council will miss the opportunity to participate in projects to co locate.

## 6 Monitoring

6.1 The Council's involvement in the Strategic Partnering Board will be subject to an annual report to the Cabinet Member with Health responsibility.

## 7 Timescale and expected outcomes

7.1 Subject to approval, and the legal documentation being in place, the Council would expect to sign accession to the Strategic Partnering Agreement within 3 months.

	Yes	No
<b>Key Decision</b>	√	

<b>Scrutiny Consideration (if yes, which Scrutiny meeting and date)</b>	<b>14<sup>th</sup> September 2005</b>	
<b>Council Consideration (if yes, date of Council meeting)</b>		✓

List of background papers

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Papers open to Public Inspection

**Description of paper**

**Location**