

Transforming community services and the efficiency agenda: *implications for future ownership and management of PCT estates?*

Alan Couzens

Project Director

Partnerships UK plc

Topics

- Policy context
- TCS - key milestones and activities
- Future operating context for estates
- PCT estates delivery options
- Key issues for PCTs to consider
- Wider opportunities

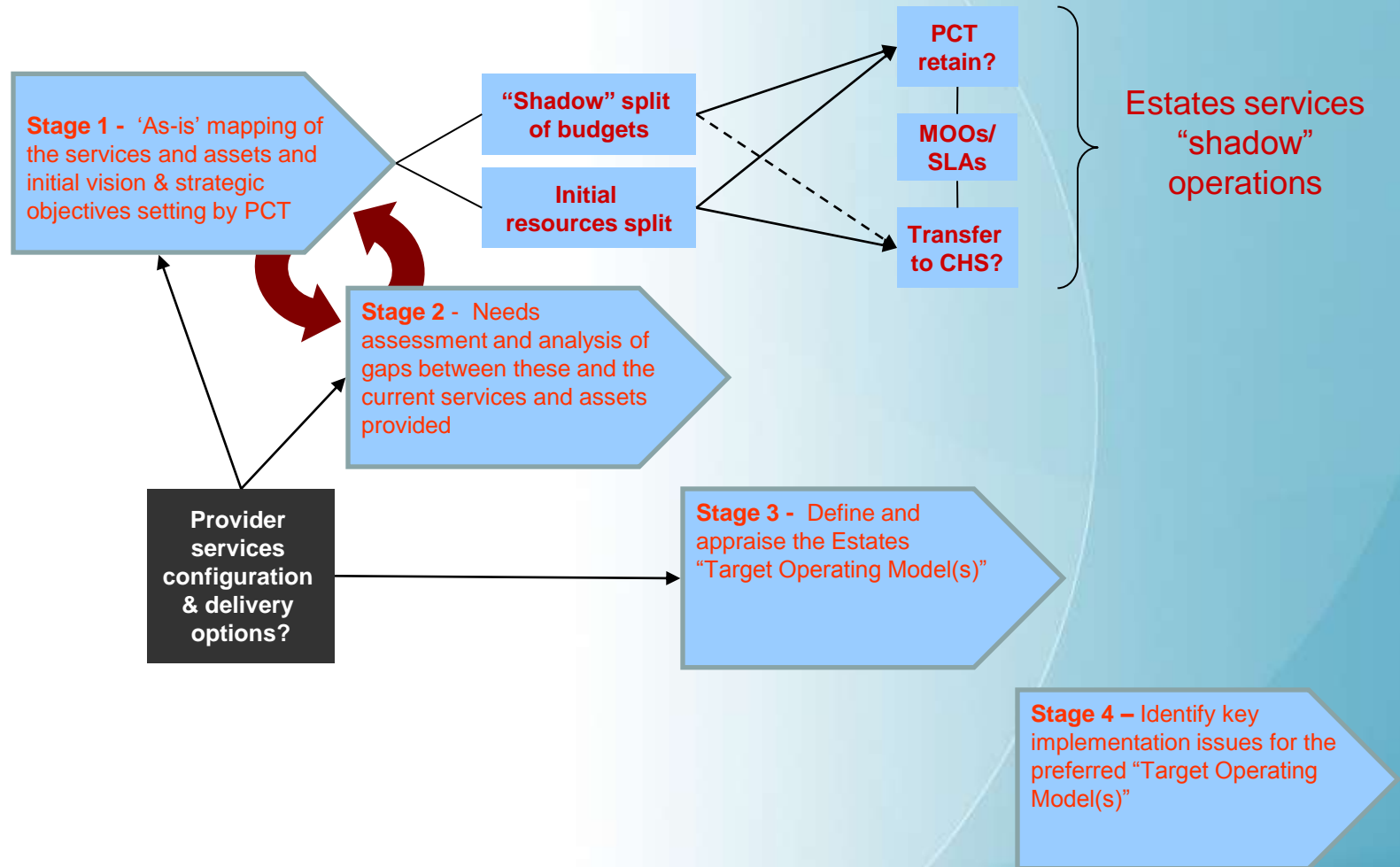
Policy context

- World Class Commissioning and Transforming Community Services (TCS)
- Wider policy interventions driven by a combination of four overlapping factors:
 - **efficiency** – and the need to make more effective use of public assets and the public estate;
 - **co-location** – in order to provide users of services with more convenient one-stop access to a range of public services;
 - **the role of place in public policy** – the recognition of the need to respond to the overall needs of a population and a place in an integrated way; and
 - **environmental policy** - requirement to reduce carbon footprint as part of the government's commitment to cut carbon emissions and the introduction of the Carbon Reduction Commitment

Specific policy interventions

Policy Interventions	Descriptions
<i>Transforming Community Services</i>	Commissioners will eventually need to establish new models for asset ownership and management.
<i>NHS LIFT and BSF programmes</i>	Aims to join up health and social services to provide integrated co-located services, in which multi-agency teams operate.
<i>Property rationalisation</i>	<p>£20 billion in receipts from property disposals (excluding council housing) over the next 10 years.</p> <p>Savings in running costs of up to £5 billion a year by the end of that period.</p>
<i>Co-location funding</i>	<p>£60 million per year in PFI credits to promote better joint working Initiatives.</p> <p>£200m for joint bids for capital projects that will “enable the co-location of two or more services for children, young people and families”.</p>
<i>Regional Improvement Efficiency Partnerships (RIEPs)</i>	Helping agencies to work together to integrate services, pool capital spending and share the use of expensive assets.
<i>Total Place</i>	Pilots to look at redesigning public services and to break down the barriers between organisations that result in poor value for money or make it difficult for the public to access and use services.
<i>IDeA Front of Office Shared Services project (FOSS)</i>	Single integrated points of contact for local public service users. Cumbria County Council, for example, is working with the county’s six district councils, the Lake District National Park, the PCT and the Police to join up local services by opening 12 face-to-face one-stop shops – ‘Local Links’
<i>Carbon Reduction Commitment</i>	The CRC provides a further incentive for agencies to share premises and/or invest jointly in energy initiatives that result in lower CO2 emissions.

TCS key milestones & activities



TCS key milestones & activities

No later than April 2010...

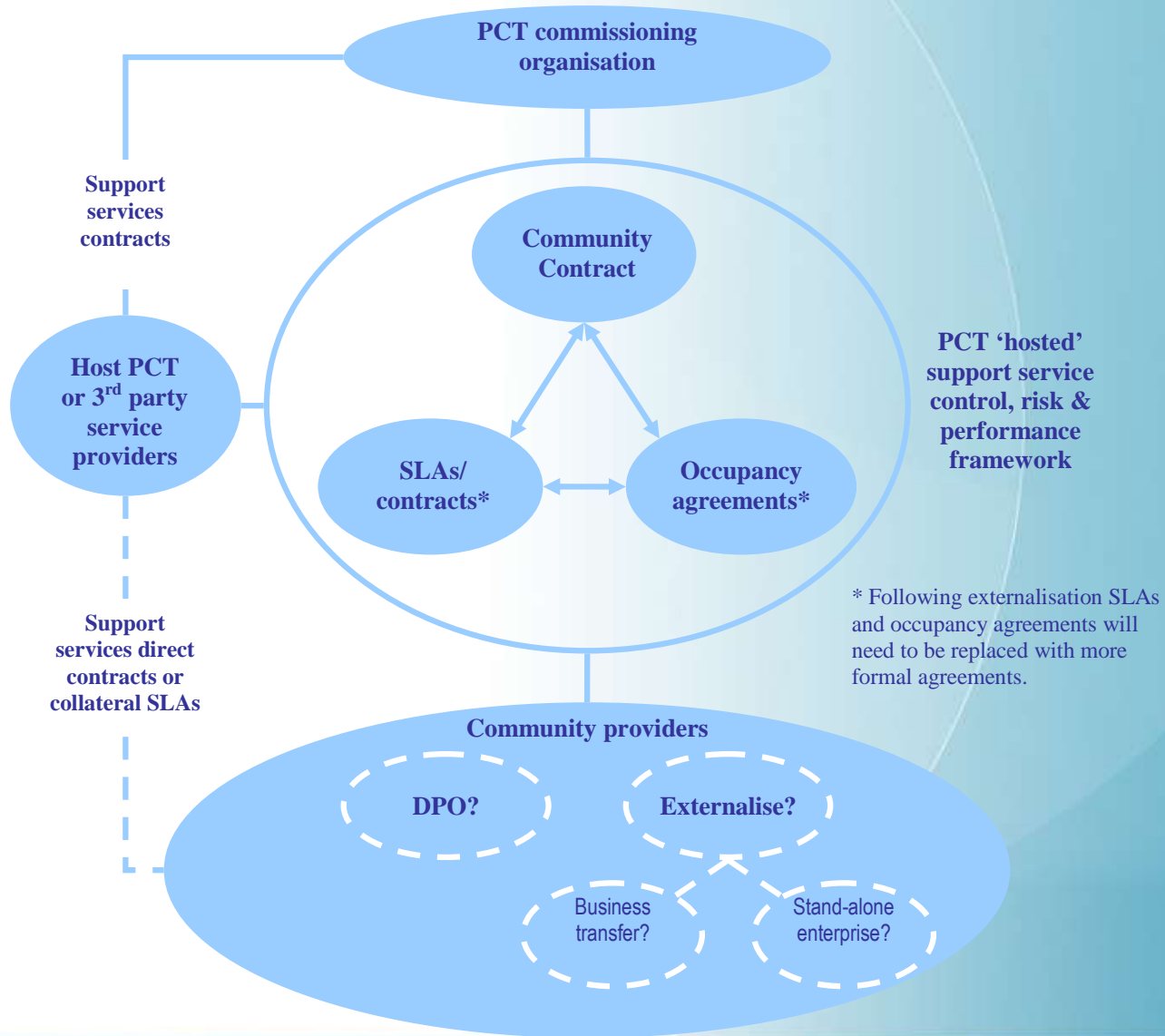
“PCTs will have agreed with their SHAs a clear and realistic strategy for the future of the community estate that will ensure that the estate’s fitness for purpose is assessed in the light of current and future commissioning intentions, exploring options to ensure that the estate is managed on an efficient and flexible basis to accommodate future changes in need”

TCS short-term tactical decisions?

- Business Readiness pressure to achieve a certain level of preparation for a split in a short time frame:
 - Service level agreements
 - Memorandum of occupation
 - Overhead and budget allocations
 - Status of existing shared services alliances
- Need for tactical split based on what is seen to be the least effort / cost within the timeframe available
- Need for further planning phase to develop a strategic configuration and target operating model

Potential for some of the short term actions to contradict what may be needed in the longer term

Future operating context for PCT estates?



Future PCT infrastructure models

Ownership and delivery options?

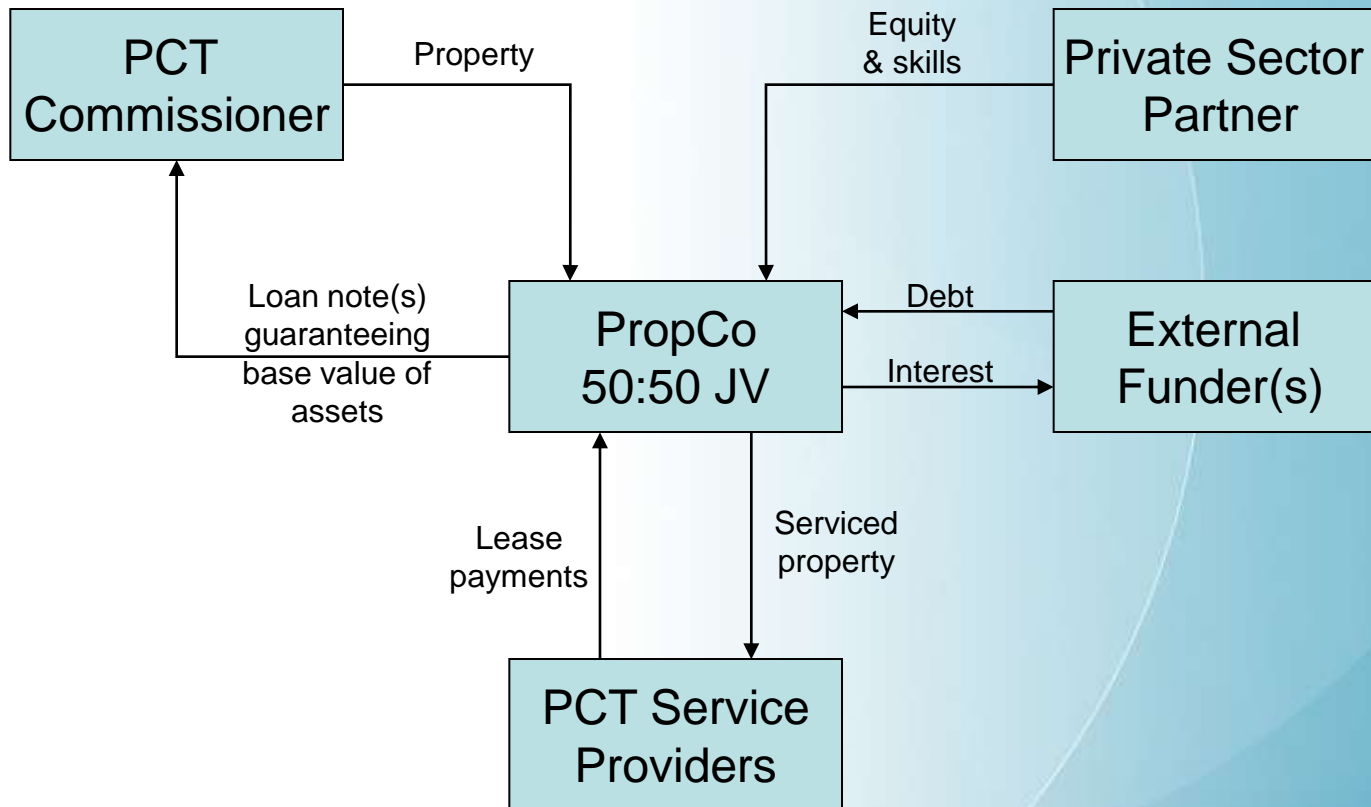
- Commissioner owned property assets:
 - Licence or memorandum of occupation
 - Full repairing and insuring (FRI) leases
 - Regus style serviced offices
- Provider organisation owned property assets
- Majority tenant takes ownership
- Actual or virtual transfer of assets to third party:
 - LIFTCo
 - Management contracts
 - New property partnerships

Future PCT infrastructure models

Key issues/decision criteria:

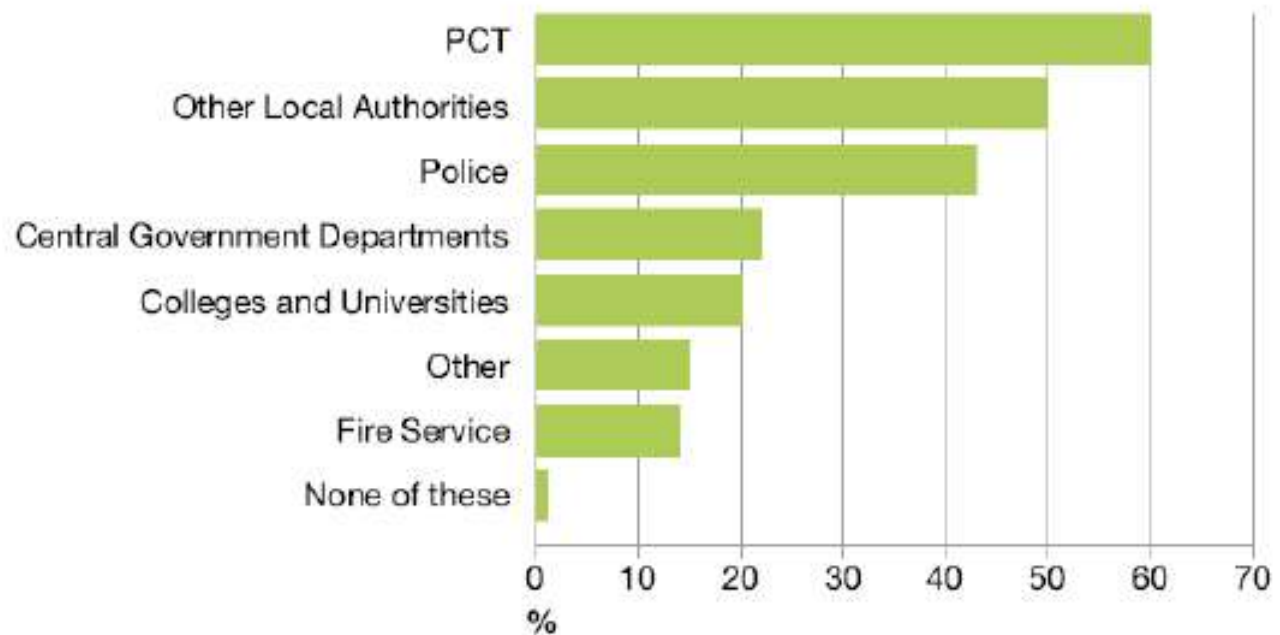
- Governance and control:
 - Location decisions and planning
 - Standards
 - Branding issues
- PCT corporate risk position
- Value for money and cost considerations
- Funding and investment issues
- Competition and level playing field issues
- Market capability

Property joint venture partnerships



Wider collaborative asset management

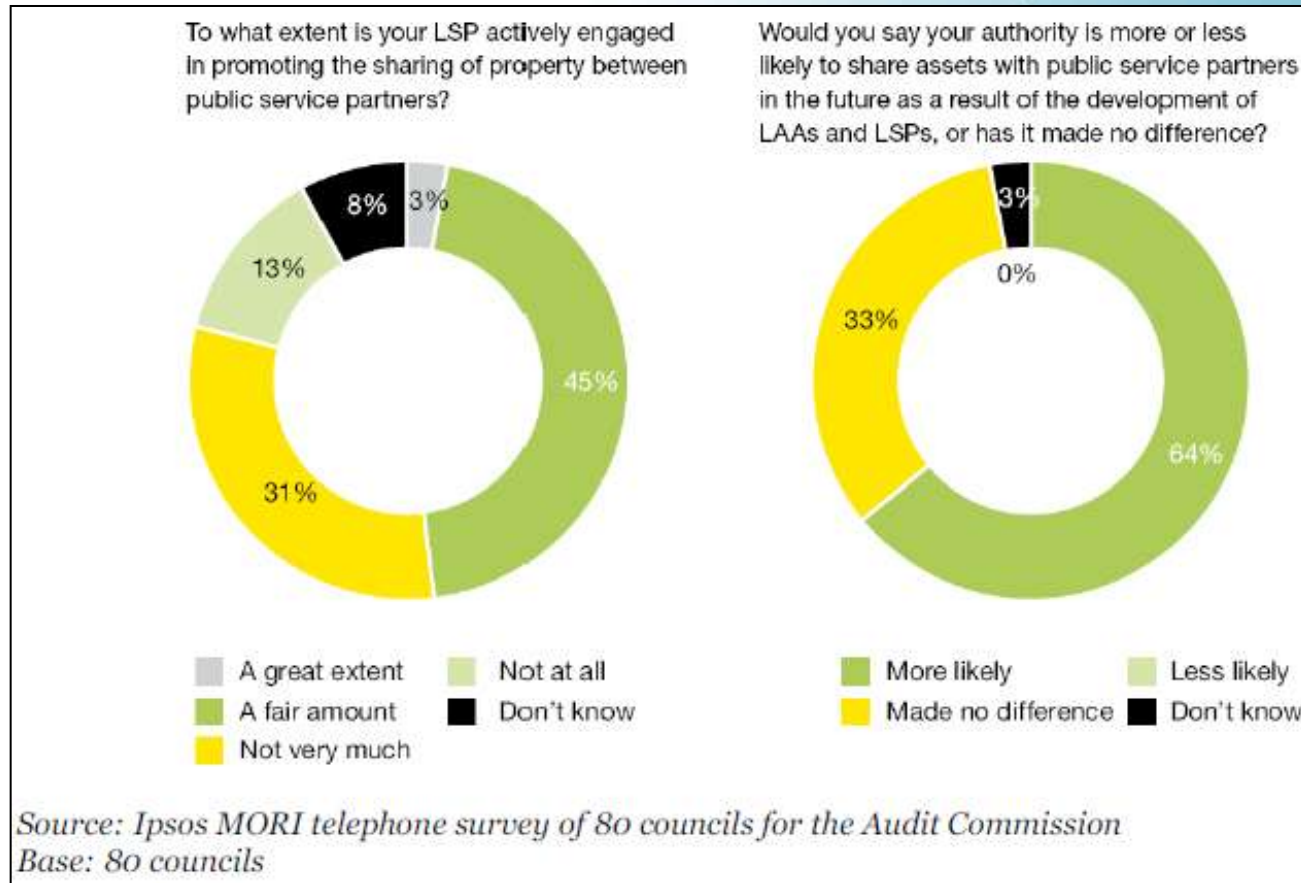
Which, if any, of the following does your authority share assets with?



Source: Ipsos MORI telephone survey of 80 councils for Audit Commission

Base: all those who share with other public sector bodies (57 councils)

LAAAs and LSPs starting to have an impact



...however, much of this activity is ad hoc rather than arising from a joint and systematic approach towards asset management.

Questions?