

Homes for Londoners Board

Date of meeting: **27 February 2018**

Title of paper: **NHS London Estates Board Update**

To be presented by: **Will Tuckley, Chair of the London Health and Care Strategic Partnership Board and
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Cleared by: **James Murray, Deputy Mayor for Housing and Residential Development and
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Classification: **Public**

1. Executive Summary

- 1.1 The new Health and Care Devolution deal in London has led to the establishment of the NHS London Estates Board (LEB). The LEB aims to provide greater transparency and oversight of NHS estate plans, activities and decisions within London. Synergies exist between the objectives of the LEB and Homes for Londoners Board, especially as opportunities exist to identify NHS sites for release for new housing. The LEB has progressed into Phase 2 of operation and is prioritising the development of a London Estates Strategy alongside a London capital pipeline.
- 1.2 At this meeting the Board will receive a presentation highlighting the strategic objectives of the LEB and proposed steps to develop a London Estates Strategy, followed by a discussion of the opportunities and challenges for the two Boards to work collaboratively.

2. Recommendation

- 2.1 That the Board notes the report and presentation.

3. Introduction and Background

- 3.1 London's health and care estate faces quality and utilisation challenges of a scale unparalleled elsewhere in the country. Addressing London's estates challenges requires capital investment in times of unprecedented financial challenge. London has identified surplus NHS estate which could provide an opportunity to release some capital and land that may deliver wider value. System challenges and structural barriers have, to date, prevented the potential of London's health and care estate from being realised at the necessary pace. London and local government have significant planning, development and financing expertise that could be brought to bear when considering the NHS estate in London.
- 3.2 The LEB establishes a single collective forum where London health and government partners will come together to discuss London-wide estate challenges and opportunities. This will ensure that London government partners are engaged early

in the process and in turn, will facilitate more joined up strategic decision-making for London. The Health and Care Devolution Memorandum of Understanding (MoU) with government agreed that all health and care capital cases that would be best considered jointly within the London system - covering both NHS and local government investments - will ultimately be considered and determined by the LEB or (for lower financial limits) local or sub-regional estates boards. In other words the LEB will take decisions on NHS capital investment through delegated business case approvals (so far as statutory powers permit). By mitigating the need for the sequential approval process through regulators and different organisations, the LEB will enhance the effectiveness, efficiency, quality and transparency of process and decisions.

3.3 National partners, via the MoU have also agreed in principle to NHS Trusts and Foundation trusts in London retaining capital receipts from surplus land release, on the basis that the LEB will identify how to reinvest these receipts to support agreed system-wide health priorities.

3.4 The LEB was formed in December 2016 and has been meeting in an advisory capacity to date. In January 2018, the LEB received formal approval to progress to the second phase of operation, taking on strategic functions. Membership includes representatives from the GLA and London Councils.

3.5 Through the LEB, work is underway to galvanise efforts to deliver estates transformation and enable wider public-sector benefits through substantially increasing the engagement with local authorities through the One Public Estate programme and the GLA'S Housing and Land Team.

3.6 As the LEB progresses to Phase 2 work is being prioritised to bring together the collective technical and professional expertise of the constituent organisations across NHS London via the London Estates Delivery Unit (LEDU). The LEDU will lead in the development of a London Estates Strategy and supporting Capital Pipeline. Bringing together the 5 sub-regional areas the LEB Estates Strategy will enable clear strategic direction and motivation to the LEB and London Health and Care Devolution partners. It will set out the strategy and approach to deliver a health and social care estate that is fit for purpose in terms of configuration, cost, specification and location across London, meeting local, sub-regional and national policy objectives.

4. Objectives & Expected Outcomes

4.1 A presentation at the meeting will highlight the strategic objectives of the LEB, progress to date and steps to develop a London wide NHS Estates strategy.

4.2 The presentation will be followed by a discussion of the opportunities and challenges that the LEB presents for public sector land release and housing delivery in London and how this can be incorporated into the London wide strategy. This will also provide an opportunity for the Board to discuss how the two Boards can be mutually supportive.

5. Key Risks and Issues

- 5.1 London's five sub-regional areas have identified the requirement for an additional £4 billion by 2020/21 to support health and care estate. However, this is unlikely to be met by the national capital available to the NHS. A key issue for the LEB will be to ensure there is sufficient up-front capital investment into the London system to enable the future release of surplus assets and land to generate the additional capital needed to deliver acute, primary, community and social care facilities across the five sub-regions as well as releasing land to support much needed housing delivery.

6. Equality Comments

- 6.1 One of the Board's key aims will be to increase the supply of housing in London. This will help to address problems such as overcrowding and homelessness, which evidence indicates disproportionately affect specific groups, including Black and Minority Ethnic groups and women. The delivery of high-quality housing will also promote improved health and wellbeing, given evidence of an association between poor housing conditions and poor health.

7. Financial Comments

- 7.1 No direct financial implications arising from this report.

8. Next Steps

- 8.1 Progress will be reported to the Board periodically.

Appendices:

None