

## MANCHESTER CITY COUNCIL REPORT FOR INFORMATION

**Committee:** Health and Well Being Overview and Scrutiny Committee  
**Date:** 13 November 2008  
**Subject:** The Local Improvement Finance Trust Initiative (LIFT)  
**Report of:** Director of Manchester Joint Health Unit

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### **Purpose of Report:**

The purpose of this report is to provide Committee Members with an overview of the Local Improvement Finance Trust Initiative (LIFT) and to update members on its ongoing development to support the development of primary care and community facilities in Manchester.

### **Recommendations:**

The Committee is asked to:

- i) **NOTE** the information contained in this report
- ii) **Consider** aspects of this report that members would like to scrutinise further in February 2009.

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### **Background Documents**

- May 2008 PCT Update to Overview and Scrutiny Committee
- Draft SSDP noted by PCT Board 14 May 2008
- June 2008 Strategic Service Development Plan Report to Overview and Scrutiny Committee

## 1. Background

The Local Improvement Finance Trust (LIFT) model is a hybrid initiative that has drawn good practice from traditional Private Finance Initiatives (PFIs) and Public Private Partnerships (PPPs) and what was the traditional primary care model of procuring and delivering major capital schemes. The result is a form of PPP that provides long term contracts for the refurbishment, construction and management of large bundles of GP and Primary Care facilities.

The LIFT initiative was established pursuant to the Health and Social Care Act 2001 as a means to introduce new solutions to the investment needs of community based care services. It is a strategic public/private partnership (PPP) arrangement under which partners take shares in a joint venture known as the LIFTCo, which is set up to deliver primary health care property facilities. There are currently 43 LIFTCo's operating nationally. Each partnership is made up of the following key partners.

- Community Health Partnerships an independent company wholly owned by the Department of Health
- Local health care providers such as Primary Care Trusts and Ambulance Service
- Social Care providers such as local authorities; and
- A private sector partner

LIFT has been designed to support the vision of the NHS Plan for an accessible health service designed around patients' needs, with enhanced integrated primary, community and social care services. LIFT schemes aim to contribute to local regeneration and neighbourhood renewal by ensuring the quality of life of local residents is improved through enhanced public services, and that broader private investment is targeted towards areas of highest deprivation.

## 2. How does LIFT operate

Under a LIFT arrangement a private sector partner is procured and a joint venture company (LIFTCo) is established. At the same time a partnership agreement is entered between the local stakeholders and LIFTCo that provides for the planning and delivery of facilities for the duration of the project term of, typically, 25 years. This agreement is known as the Strategic Partnership agreement.

Under the partnership agreement all parties collaborate to identify future requirements in terms of facilities (both new build and refurbishments). LIFTCo then prepares a proposal that is appraised as to value for money and affordability. If the proposal is approved LIFTCo raises the finance and constructs the new premises.

LIFTCo then recovers the costs from the occupiers of the new (or refurbished) building under a long term lease plus agreement under which the tenants pay both a rental in respect of its occupation (of serviced premises where LIFTCo perform the facilities management service) and a further sum in respect of the costs of procuring the works.

LIFT was initiated as part of the delivery of the NHS Plan. Initially it was intended GPs, chemists, opticians and dentists would be able to acquire premises under the scheme. However, Central Government see LIFT as a favourable procurement method that could be extended to other sectors of the public sector property estate. It is envisaged that in the longer term a broader range of public services including social services, education, housing, leisure and recreation, could also be delivered through LIFT. In particular, LIFT would open the way for City Council participation in future schemes to promote joint working with a broad range of health partners.

### **3. Manchester Salford and Trafford LIFT**

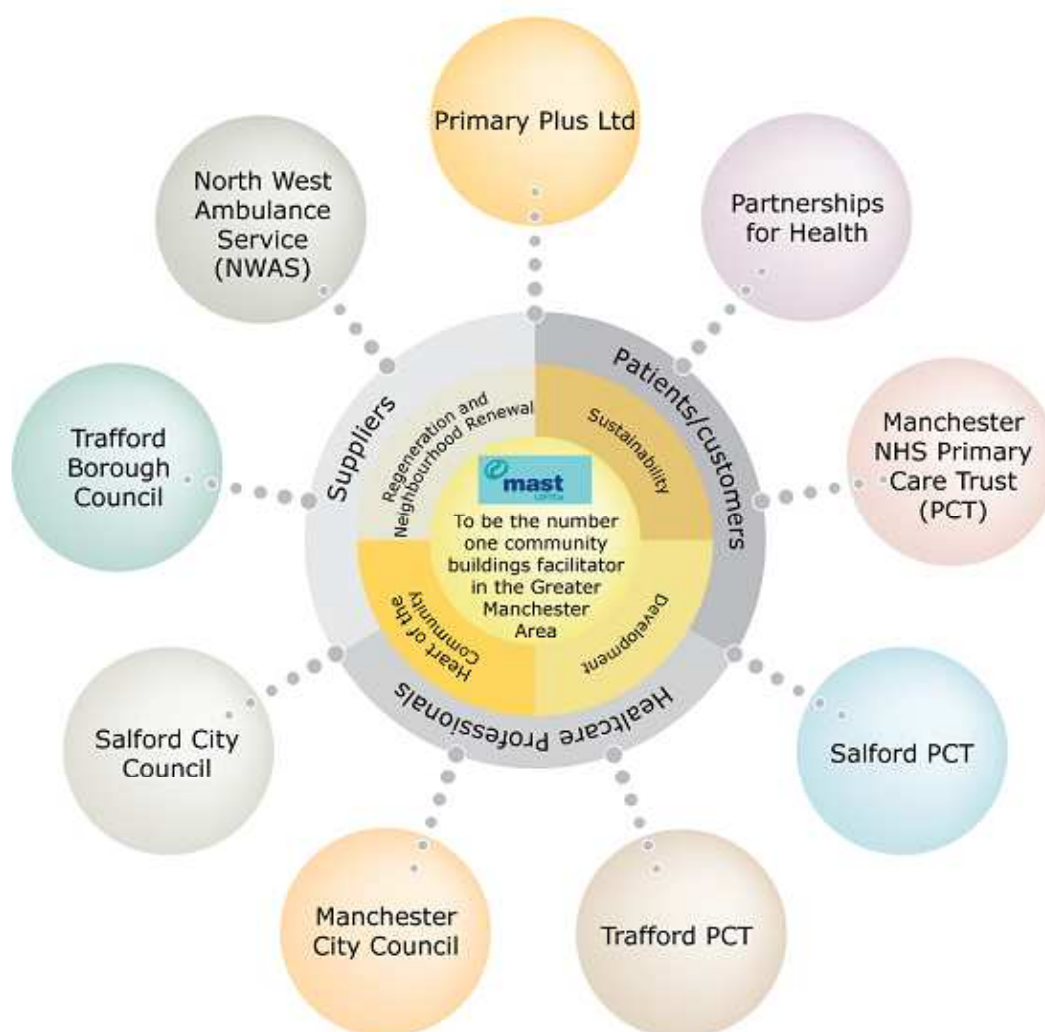
In 2002 Manchester Salford and Trafford was identified as a locality for the purposes of a LIFT Project. The partnership was established to coordinate the planning and delivery of primary health care and potentially other, facilities throughout the administrative area of the three authorities.

Local Stakeholders participating in MAST LIFT are as follows:

- Manchester City Council
- Trafford MBC
- City of Salford Council
- NHS Manchester
- NHS Salford
- NHS Trafford
- Northwest Ambulance Service

The Private sector partners participating in MAST LIFT have formed a joint venture company, which is made up of Bank of Scotland, Laing O'Rourke Construction, and a range of local supply companies providing financial, legal and facilities management services. This partnership is known as Primary Plus Ltd.

The Department of Health is directly involved in the local partnership through the Community Health Partnership. Community Health Partnerships (formerly known as Partnerships for Health) have been established as an independent organisation wholly owned by the Department of Health. The purpose of Community Health Partnerships is to support the public sector partners to make the most of the opportunities that LIFT offers local partners. The partnership structure and broader stakeholders can be seen in more detail in figure 1.



**Figure 1: MAST LIFT Stakeholder Structure**

As members of a PPP partners have the following ownership share in the LIFTCo:

- 20% - Community Health Partnerships (formerly known as Partnerships for Health)
- 20% - Local Stakeholders
- 60% Primary Plus Ltd

The Public Sector Partners have established a Strategic Partnership Board (SPB) to enable the public sector partners to engage with LIFTCo, monitor its performance and identify its future strategic direction. Both NHS Manchester and Manchester City Council are represented on the SPB. In April 2002 the public sector partners agreed a Strategic Service Development Plan (SSDP) for the locality. The 2002 SSDP reflected the vision of the local health economy for radically improved, modern; patient centred services and set out plans to develop premises and facilities to deliver the broader vision of

improving the health and well-being of the local population. In addition to setting out the service strategy for primary and community health care services the 2002 SSDP provided a local estate investment plan for local facilities and identified projects that would be suitable for LIFTCo to deliver. Section four of this report provides details of Manchester LIFT schemes delivered as part of the 2002 SSDP.

#### **4. Manchester LIFT Schemes**

##### **Ancoats Health Centre**

The Ancoats Health Centre opened on Old Mill Street in January 2008. At a cost of £6 million Ancoats is the sixth new centre to open in Manchester as a result of the 2002 SSDP. The Ancoats Centre is an integral part of the New Islington regeneration project. The new facility replaces the Ancoats Clinic previously operating from Carruthers Street and brings together two of the area's GP practices. Additional services include minor injuries, family planning services, podiatry services, mental health services and a community pharmacy, with improved dental services planned. The Ancoats Centre is the largest of the Manchester schemes and demonstrates a strong partnership with regeneration.

##### **Cheetham Hill Health Centre**

The Cheetham Hill Health Centre was completed in May 2007 costing £5 million. The centre replaced a temporary portakabin building that the existing GPs were using. The new centre provides extended primary care services including minor injuries, district nursing, health visitors, podiatry, orthoptics, audiology, speech and language therapy, family planning, diabetic services, paediatrics and pharmacy services.

##### **Brunswick One Stop Centre**

The new two Storey £5.8 million development known as the Vallance Centre replaced the old Brunswick Health Centre in March 2007. The old centre was no longer fit for purpose and the new centre increases the space available to develop modern primary care facilities to treat more people closer to their homes. The new facility has improved the patient experience and the environmental comfort for both staff and service users. The Vallance Centre provides a wider range of services including community nursing, health visitors, baby weight clinic, pharmacy, family planning services, physiotherapy, dietetics, nutrition services, podiatry, orthoptics, audiology, meeting and conference rooms and extended dental services.

##### **Openshaw Health Centre**

The Openshaw Health Centre is a prominent building located on Ashton Old Road. The £3 million centre opened to patients in June 2007. The building operates over two floors. The ground floor contains a large activity room for use with numerous events, including a play area and extensive storage space for use by local community groups. The Openshaw Health Centre provides an extended range of community services including a minor operations facility.

### **Wythenshawe Forum Centre**

The development of a health centre at Wythenshawe Forum has provided an exciting opportunity to link health development with regeneration investment in the Wythenshawe area. The mix of improved health care services, leisure, and library and public access services has had a major positive impact on the local community and has been held up as a model for the development of future joint service centres. The Wythenshawe facility opened in March 2006 at a cost of £5 million. A range of services are provided including a Healthy Living Network, community nursing, optometry, podiatry, walk-in services, dental services and dental training facilities, nutrition and dietetics, speech and language services and mental health services.

### **Benchill One Stop Primary Care Centre**

The Benchill One Stop Primary Care Centre cost £4.9 million and opened in February 2006. The new facility brings together two local GP practices under one roof providing an extended range of primary care services in close proximity to the Woodhouse Park Active Lifestyle Centre. The new facility includes the following services: minor injuries clinic, podiatry clinic, dental services, speech and language therapy, physiotherapy, audio therapy services, dietetics, family planning, primary care mental health and mental health counselling, community health advisors, carers support, welfare advice, sexual health advice, and pre and post-natal education services.

## **5. Future developments through MAST LIFT**

Building on the 2002 SSDP NHS Manchester engaged partners in the development of the 2008 SSDP between May 2008 and October 2008, as part of this process HWBOSC received a paper setting out the draft SSDP in June 2008 for comment. The Board of NHS Manchester approved the 2008 SSDP in October 2008.

The SSDP sets out clear weighted criteria to prioritise primary care developments based upon:

- Inclusion within existing SSDP -20% weighting
- Condition of premises -20% weighting
- Capacity problems -10% weighting
- Index of multiple deprivation -25%weighting
- PCT weighted score – based upon criteria for Equitable Access in Primary care (Access, list size, All age life expectancy, Clinical indicator, Future demand) – 25%weighting

The SSDP criteria has been applied to all 102 GP practices in Manchester and as a result of this a series of priority areas are emerging. NHS Manchester is currently working these priorities in order to develop a scheme of works that will then be offered to LIFTCo where appropriate under the terms of the MAST LIFT exclusivity agreement.

In order to develop a greater synergy between Manchester City Council and NHS Manchester regarding capital developments the Manchester Built

Environment Group was established in September 2007. The group is an officer led group chaired by the Head of Regeneration for Manchester City Council. The group supports a strategic and co-ordinated approach to the development of capital projects that have a direct impact upon the location and delivery of health and social care services incorporating appropriate children's services. The main purpose of the group is to support the development of the Manchester SSDP that fully reflects the requirements to modernise health and social care services and that delivers the wider aims of the Strategic Regeneration Frameworks (SRFs) for the City.

## **6. Conclusion**

The 2002 SSDP has led to the investment of £29.7 million in the Manchester health economy infrastructure with the opening of six purpose built primary care centres.

The 2008 Strategic Service Development Plan sets out the vision for the development of primary care and community facilities in Manchester. It looks at need, premises condition and model of care and then suggests priorities on the basis of these. It will be these priorities that will be taken forward through LIFT or other suitable procurement routes.

The Manchester Built Environment Group will continue to develop a partnership approach to the development of new primary care facilities in Manchester ensuring the best possible strategic fit with SRF's.