



SCOTTISH EXECUTIVE

CONSULTATION ON THE USE OF JOINT VENTURES TO DELIVER PRIMARY CARE / JOINT PREMISES

*Consultation
Summary Report*

**Scottish Executive Health Department
September 2004**

1. INTRODUCTION

Background

1.1 In July 2003 the Short Life Working Group on Joint Premises Development published and consulted on a report which examined recent joint premises developments and made a wide range of recommendations aimed at promoting solutions and opportunities to progress joint premises development between local authorities and NHS Scotland and other players in primary and community care.

1.2 Following the conclusion of the consultation on the Report of the Short Life Working Group on Joint Premises Development the Executive wishes to continue the momentum in taking forward positive proposals to address the problems identified in the previous report and provide mechanisms to deliver improved public services.

1.3 The consultation was carried out to seek views on the introduction of legislation which will give Scottish Ministers and Health Bodies appointed by them powers to form and participate in forming companies for the provision of facilities and services. These powers are being sought to address a number of issues centred around required future investment in primary care premises and, in a wider context, more effective joint working within the public sector. It is the Executive's belief that the application of these powers will greatly enhance the effective planning and delivery of client focused primary care services that recognise the distinct needs of local communities across Scotland.

Acknowledgements

1.4 The Scottish Executive is grateful for the responses made by respondees to the Consultation on the use of Joint Ventures to deliver primary care/joint premises.

Consultation

1.5 The consultation document was issued on 16 February 2004 and the consultation period lasted from 20 February to 14 May 2004. The recipients are listed at Annex A.

1.6 The document was also published on the Scottish Executive website and copies were available from The Stationery Office Bookshop at 71 Lothian Road, Edinburgh, EH3 9AZ.

1.7 There were 44 responses (see Annex B). Of these 6 wished responses to be considered as private. The remaining responses are lodged in the Scottish Executive Library. One response (from EC Harris) reflected the views of attendees at a seminar held on 20 May 2004. The seminar, "Would LIFT work in Scotland" was organised by EC Harris and attendees included representatives from Local Authorities, Health Boards, housing associations, enterprise agencies, property developers, funders, consultants, contractors, "Communities for Scotland" and the "Scottish Health Partnership Forum". As this response presented the **collective** views of a wide range of public and private sector organisations it has not been included in the response analysis at Annex C.

1.8 The consultation invited comments on:

- The scope and definition of the proposed powers to allow Scottish Ministers and Health Boards to form, or take part in forming, companies to provide facilities to persons and bodies exercising functions under the National Health Service (Scotland) Act 1978. Scottish Ministers and Health Boards should also be able to hold shares in such companies.
- How the formation/operation of joint ventures established under such powers should be regulated by Scottish Ministers.
- The application of Community Planning Partnerships and their planning processes as vehicles to establish joint premises developments delivered by joint ventures.
- The methods to ensure that all appropriate stakeholders are fully engaged in the planning process.
- The appropriate coverage and size of joint ventures (recognising that there has to be a viable critical mass of capital investment).
- Any aspect of the proposed structure of joint ventures as companies limited by share capital.
- The possible governance arrangements for those in the public sector acting as directors of joint venture companies.
- The structure and governance arrangements for any proposed alternative models that satisfy the benefit criteria established.
- The suitability of the LIFT model for roll out in Scotland.
- Any unique conditions in Scotland that would merit variation in the model adopted in England and what these variations would be.
- The likely interest in a Scottish LIFT by the private sector currently involved in LIFT and what changes, if any, they would propose.

2. SUMMARY OF RESPONSES AND PROPOSED EXECUTIVE POSITION

This section will provide a synopsis of the consultation responses, the conclusions drawn and the Executive's proposed position on each of the issues.

2.1 The scope and definition of the proposed powers.

2.1.1 The majority of the respondents welcomed the proposals, agreeing that they were necessary and that the scope and definition seemed appropriate. It was felt that the general principle appeared sound and such powers would allow consistency and show commitment to long term development. The responses also pointed to further private partner investment in services with a major beneficial aspect of such empowerment being the positive "message" given to the market. The approach was felt by the majority of respondents to enhance partnership working and support and encourage developments already in place via the joint future agenda and implementation of joint working arrangements under the Community Care and Health (Scotland) Act 2002.

2.1.2 The proposals were recognised as providing a genuine new alternative to existing approaches and seen as likely to increase the options to provide more effective service delivery. If provided, the powers were viewed as a complimentary opportunity to provide an additional option in determining how to more effectively deliver facilities and services while still allowing NHS Boards to continue to pursue more traditional PFI/PPP structures.

2.1.3 Most respondents felt it unnecessary to be prescriptive in the availability of these powers. If provided, they should be available to all areas of health activity with scope to deliver more specialist healthcare such as day surgery or outreach specialist activity. They should also include services provided by other agencies such as police, the voluntary sector, education, social work, leisure, the private sector and community pharmacists. Some respondents suggested that in addition to the creation of PPP's, powers should be available for the creation of public-public joint ventures to facilitate joint working arrangements.

2.1.4 A small minority of respondents remained opposed to the government's continued promotion of PFI and PPP, expressing some reservations about the requirement of public sector partners to hold shares and become members of boards of directors of profit making companies.

Executive Response

2.1.5 The Executive considers that the powers required to create joint ventures should be sought and that the scope and definition of powers set out in the consultation should be the basis for such powers. The Executive further considers that concerns raised by some respondents regarding the role of public sector partners in private profit making companies can be adequately addressed in the structuring of the joint venture model. The suggestion made by a number of respondents for public-public joint ventures will be explored further.

2.2 How should the formation/operation of joint ventures established under such powers be regulated by Scottish Ministers?

2.2.1 A large number of respondents suggested that local and/ or national regulation would be required in some shape or form. It was suggested that a guidance and approval framework similar to that presently operated for capital investment projects would be appropriate. This would allow projects to be developed within an appropriate framework of guidance but give Scottish Ministers appropriate approval rights. It was suggested that regulation/ operation of joint ventures could be conducted through plans subject to review as well as through internal and external audit scrutiny. It was felt that there would need to be a degree of flexibility around approval processes to allow project specifics to be accommodated.

2.2.2 Respondents also suggested that practical issues of clarity of role, conflict of interest, accountability, transparency, openness, probity, robust value for money assessment of appropriate procurement routes, long term financial and operational risk assessment, affordability and viability and cost benefit analysis of a Joint Venture as the best procurement route would need to be addressed in the development of any model. It was further suggested that the same rights that exist within the NHS LIFT model in England could apply in general, with due consideration given to its application in Scots law.

Executive Response

2.2.3 The Executive expects that regulation of the use of joint ventures will be required and at a national level can be addressed through a standardised approvals mechanism. The Executive further considers that standardised structures and governance arrangements would be applied to such joint ventures that fully address the issues raised by respondents and detailed at paragraph 2.2.2 above.

2.3 The application of Community Planning Partnerships and their planning processes as vehicles to establish joint premises developments delivered by joint ventures.

2.3.1 The majority of respondents were in favour of this and felt that the use of Community Planning Partnerships and their planning processes seemed logical as they embrace all the key players, bring together a wide range of stakeholders in the local community including the health service and other organisations with functions of a public nature to plan the provision of public services. Such an approach was also seen as being consistent with Scottish Executive policies to date and would make use of existing networks. It was suggested that, in consequence, Community Planning Partnerships should be well placed to initiate and drive forward the proposed initiative. Respondents commented that the legal status of Community Planning Partnerships under the Local Government Act 2003 and would place a duty on all Local Authorities and healthcare bodies to evaluate the opportunities to provide joint services through integrated and co-ordinated working. They were seen to be in a position to understand the healthcare requirements of the local community and from this a substantial role in the establishment, location, integration, proportion of services and necessity of the joint premises should stem.

2.3.2 A small number of respondents had some reservations, commenting that the likely need for large geographical areas to generate a critical mass might involve too many Community Planning Partnerships which could be unwieldy and counterproductive. It was also suggested that there might be an inherent danger in assuming that all Community Planning Partnerships were at a similar stage of maturity and have indeed involved the full range of planning partners. It was also thought important to consider whether Joint Ventures were intended to deliver primarily on Health. If so, then perhaps Community Planning - which is led by the Local Authority - might not be the appropriate planning vehicle.

Executive Response

2.3.4 The Executive considers that appropriate planning arrangements are required to support the effective use of the joint venture model. The Executive is further convinced that existing planning frameworks should be utilised where possible. Given the possible application of the joint venture models across a large number of community planning partnership boundaries, it is considered that some flexibility will be required. This issue will be taken forward as part of the workplan supporting the development of the joint venture model.

2.4 Methods to ensure that all appropriate stakeholders are fully engaged in the planning process.

2.4.1 The early, full and open engagement of stakeholders was seen as essential to the development of facilities that met the needs of both service providers and users. Respondents suggested this might be best achieved by adopting the method used in planning consultations i.e. obtaining a wide view from those individuals and organisations who might be affected and consulting the widest audience possible

2.4.2 Respondents recognised the complexity of this stakeholder group particularly where facilities combine a wide range of public services. As a result, access to the right mix of stakeholder groups at the right times must be well planned and well thought through, that stakeholders should be consulted at all stages and realistic timescales implemented which would allow full consultation and impact assessments to be undertaken.

2.4.3 It was also suggested that it might be necessary to establish appropriate management groups with clearly defined and agreed terms of reference, scope, remit and membership, each with appropriate representation across all personnel (staff partnership and trade union), including elected members, senior officers of all represented organisations, community and patient representatives.

2.4.4 A number of respondents commented that Community Planning Partnerships might be an obvious framework as they already have the structures in place to involve stakeholders in the community planning process. Methods of engagement would depend on the users and interested parties concerned with the premises in question and what forums already existed within the area.

Executive Response

2.4.5 The Executive is committed to full, open and meaningful consultation in the planning of services and in this context the development of facilities through joint venture models. The Executive will ensure, and require, that appropriate consultation processes are integral to the planning of services to be delivered through the joint venture model.

2.5 The appropriate coverage and size of joint ventures.

2.5.1 A number of respondents felt that sizes and boundaries would need to reflect, geography, critical mass (in terms of capital investment), likely customers/users and existing organisations and their boundaries. It was felt that the size of the Joint Venture may be quite variable throughout Scotland. It was suggested therefore that using Health Boards as the main grid reference and co-opting local government areas that cover that particular Health Board locale would seem sensible.

2.5.2 It was thought that flexibility would be required to reflect the diversity of potential proposals and that there should be a balance struck between the area being large enough to deliver the desired number of projects and yet be of a size to minimise organisational/ stakeholder complexity. In order to allow smaller companies to invest and create a sense of local involvement the participants in joint ventures should be kept as local as possible.

2.5.3 It was suggested that if a NHS LIFT type structure is to be replicated utilising project finance arrangements then individual schemes will need to have sufficient “critical mass” to attract funders and this was seen as particularly important as bid costs may be higher during the implementation period until the process becomes familiar. In monetary terms, views on the size of a Joint Venture varied from a minimum value of £5m to a maximum of £200m. The relative level of initial capital investment to bid and set up costs are a key determinant of the viability of the joint venture model.

Executive Response

2.5.4 The Executive is clear that a commercially acceptable long term critical mass of capital investment is key determinant to the viability of joint ventures. The Executive stated clearly in the consultation paper that the joint venture model is one of a number of procurement routes that would be available to support premises development and is not seen as a universal model. It would therefore only be possible to apply the model where such conditions can be satisfied. The Executive is committed to minimising the development and bid costs of any joint venture model and would advocate the use of a standardised approach to development and procurement of facilities through joint venture arrangements.

2.6 Any aspect of the proposed structure of joint ventures as companies limited by share capital.

2.6.1 Most respondents agreed that companies limited by share capital would be the correct structure. Views supported this as providing a clear corporate structure within which defined activities would take place, creating a limitation on the financial liabilities of the Joint Venture principals (including the Health Boards). This type of structure would effectively cap financial liability at the value of share capital contributed plus any subordinated or other shareholder debt or loans made to the Joint Venture. It was also seen as a well understood and proven vehicle for business activity both within the public and private sectors.

2.6.2 Respondents stated that issues such as how/when funds would be invested, shareholders rights and obligations and robust public sector strategic planning would be needed. Flexibility within the structure would be required to allow other partners (public & private) to join or leave during the tenure of the company. The structure and operating arrangements must be open and transparent for all the partners and the organisation might require a greater degree of disclosure than was currently required for limited companies.

2.6.3 It was suggested that in determining the possible structure, cognisance and recognition would have to be given to proposed role of the Joint Venture. Careful consideration would have to be given to the associated risks born by the entity in performing its role. This would require including both financial and non-financial risks by all partner agencies, involvement of a private sector entity or entities in the Joint Venture, ability of the Joint Venture to invest in PPPs and its ability to obtain a return compatible with its risk exposure.

2.6.4 A small number of respondents expressed concerns about the proposal for public sector partners to hold shares and become members of boards of directors of profit making companies. Their concern was that this could bring a new and different set of responsibilities and liabilities with potential conflicts of interest.

Executive Response

2.6.5 The Executive contends that the company limited by share capital is the appropriate model on which our joint venture proposals should be based. The Executive is committed to an open and transparent joint venture model that provides a basis for long term viability, clarity on the roles, responsibilities, rights and obligations of participants. The Executive is committed within the model to address issues around potential conflicts of interest and believes that the joint venture can be structured to achieve this through the Articles of Association of the joint venture company.

2.7 Possible governance arrangements for those in the public sector acting as directors of joint venture companies.

2.7.1 Most respondents felt that duties and responsibilities would have to be clearly defined and appropriate training was deemed essential. It was commented that advice and support would have to be provided for those in the public sector being asked to act as

directors of Joint Venture companies, with which they might not be familiar, for example, in relation to the fiduciary responsibilities to act in the best interests of the company while at the same time balancing their public accountability responsibilities. It was suggested that it might be worth appointing a body to ensure streamlined decision making and to undertake monitoring roles to compare practice across projects and potentially provide support should difficulties arise. Clear guidance on how to identify and resolve any areas of uncertainty and how to react should a conflict of interest arise would be required.

2.7.2 It was also suggested that there should be a clear separation of the role of individuals within the public sector acting as provider or commissioner of public services. It was believed that this separation of roles would facilitate balanced decision making, for example, in relation to risk management. There was a suggestion that a constitution defining the powers, objectives and reporting obligations of those individuals with Scottish Executive power of appointment and dismissal would be needed.

2.7.3 Some respondents commented that parameters for reinvestment of the proceeds derived from Joint Ventures should be clearly laid out and it would be imperative to demonstrate transparency and audit ability in all transactions.

2.7.4 It was suggested that corporate governance arrangements would be essential and should be established to minimise the risk of conflict of interest and give reassurance to key stakeholders in the public sector over the propriety of arrangements. Such arrangements could include non-executive steering groups, advisory councils, audit committees, internal audit and could form part of the annual reporting cycle and normal review mechanisms.

Executive Response

2.7.5 Whilst the issue of public servants acting as Directors of private companies is new to the health sector in Scotland but it is not new or unique in other areas of the public sector. The Executive is fully committed to open and transparent governance arrangements which protect both the interest of the public sector and those individuals engaged in the process. The Executive contends that the Articles of Association can be framed to ensure that the aims of the joint venture and public bodies participating are consistent and the principles applied in other sectors can be applied in a health context.

2.7.6 The issue of training and appropriate skills is an area that the Executive would wish to support. The joint venture proposals are founded on the creation of long term sustainable and viable companies. The skills and experience required to run such ventures are different from those required to develop and deliver capital schemes. The Executive will seek to ensure that appropriate staff are involved in the development and operation of joint ventures and that they have adequate training and support in the short and longer term.

2.8 Proposals as regards structure and governance arrangements of any alternative models that satisfy the benefit criteria established.

2.8.1 While the majority of respondents agreed with the proposals laid out in the document, some alternative models were suggested. These included:

- Utilising the freedom of local authorities to borrow money under the prudential regime at market rates and lease premises to the NHS,
- Contractual arrangements based on the existing PPP model where a single authority or a number of authorities were acting under the Community Care and Health (Scotland) Act 2002 for single facilities or bundled schemes,
- Using a traditional procurement route and reporting to a joint board (similar to a Police or Fire Board),
- A more autonomous, but similarly funded, arms length organisation with Board members from the constituent bodies,
- An incorporated body as suggested in the Local Government Scotland Act, 2003,
- A rental agreement with a private sector property company, a joint venture or contract with a voluntary sector organisation,
- The Non Profit Distributing Organisation (NPDO) for Education PPP as piloted by Argyll & Bute Council (if it proves successful),
- The building schools for the future (BSF) LEP Integrator model which offers again a long term partnership arrangement, with the ability to encompass traditional PFI contract terms for larger projects, a design and build framework agreement for smaller refurbishment work and revenue driven ICT provision covering the project region,
- A contractual arrangement predicated on the NHS Board and Local Authority agreeing a strategic service development plan and having compatible corporate asset management plans designed to deliver joint premises which are functionally suitable to deliver primary/community care. The contractual arrangements could comprise a development agreement and a series of leases from the owner to the developer/landlord and subleases to occupiers. Governance arrangements would be specified in the contracts.
- A small number of respondents suggested that the use of conventional borrowing by the public sector is preferable to the use of PFI/PPP.

Executive Response

2.8.2 A large number of the routes put forward by respondents are already available to public service providers and will continue to be so. The Executive fully supports a range of delivery options being open to develop facilities. The development of a wide range of alternative models will be limited by their cost, limited application, legislative requirements and contractual complexity. In addition new or novel proposals will need to gain market acceptance which will take time and resources to develop and implement.. The Executive therefore contends that if a new model is to be developed a co-ordinated approach is preferable which is recognisable and which simplifies counterparty and governance arrangements.

2.9 The suitability of the LIFT model for roll out in Scotland.

2.9.1 Most respondents felt that the LIFT model would be suitable for roll out in Scotland but may need some streamlining. It was felt that it could be adapted to meet the very individual needs of Scotland, given its specific requirements in terms of geography and population spread. As a method to develop PPP within the primary healthcare the LIFT model was seen as a way to encourage participation from the main stakeholders in local health and social care and it has been shown that successful solutions to existing problems can be achieved by different agencies and organisations working together.

2.9.2 The LIFT model was also seen as having the advantage of bringing together all of the relevant stakeholders with a private sector partner skilled in property work. It was felt that it would enable the public sector to work closely with a private sector expert in the development of strategic accommodation for the area, over a long period, with one of the aims of the scheme being to move away from the traditional PFI contractors to a more specialist property developer input.

2.9.3 It was commented that the LIFT model approach would be of potential interest because the opportunity for investment would also include local stakeholders. There would therefore be a more direct benefit in the success of the project, this benefit being in direct correlation to the share capital invested, with an entitlement to a share of the profits being reinvested in improved service delivery as the stakeholders would not be solely private sector partners.

2.9.4 A few reservations were expressed about perceived bureaucracy and over complexity of the LIFT model and the fact that it was still early days. It was also seen, by a few respondents, to be more expensive to the public purse than other funding opportunities.

2.9.5 A small number of respondents commented that although they endorsed joint working between public sector organisations where it improved the effectiveness of public services, when joint working referred to working with the private sector through joint ventures and NHS LIFT, they found it unacceptable. They also expressed opposition to private business taking over the ownership, financing and management of any public sector infrastructure and services and tying the public sector into exclusive long term contracts with private sector companies.

Executive Response

2.9.6 The Executive contends that the NHS LIFT model is a robust basis on which to develop the joint venture model in Scotland. There are certainly issues around the procurement process that we would wish to develop on and learn from the experience in England to date. These lessons can be learned and applied before any procurement in Scotland would be implemented.

2.10 Are there any unique conditions in Scotland that would merit variation in the model adopted in England? If so what would these variations be?

2.10.1 Most respondents agreed that the LIFT model would be suitable for use in Scotland but there would be some variations which would have to be addressed. Differences mainly centred around the geography of Scotland, the structure of the NHS, national and local government and in the legal system in Scotland e.g. land issues would have to be addressed.

2.10.2 It was suggested that due to the relative size and distribution of the population of Scotland there may be a need to consider the development of strategic development plans across NHS Board areas. It was deemed critical to encourage Local Authorities to be involved because of the need to gain “critical mass” in remote areas and their involvement was also seen to be crucial if the joint working agenda for Community Health Partnerships in terms of improving community health overall was to be progressed.

2.10.3 Respondents commented that outwith the geography and demographics of Scotland, which it was anticipated would be addressed by each health community in their strategic service plans, the main variation aspect might be in respect of the technicalities and the requirement to comply with the Building (Scotland) Regulations.

2.10.4 It was suggested that possibly a Scottish arm of the national joint venture created in England under LIFT proposals would need to be established.

Executive Response

2.10.5 The Executive is committed to the development and application of a joint venture model that meets the needs of public services in Scotland. The Executive also fully recognises and supports the early engagement of local authorities and the role that joint ventures can play in supporting the community health improvement agenda.

2.11 What would be the likely interest in a Scottish LIFT and what changes, if any, would be proposed by the private sector currently involved in LIFT?

2.11.1 Respondents indicated that there would be substantial interest but consideration would be required on issues such as high bid costs, realistic timescales, cash flow and funding to financial close, the speed of financial close and the time allowed for full impact assessments and consultation with all affected partners.

2.11.2 Some companies were uninterested on geographical grounds. Others expressed interest where the public sector already owned key land and property interests which required development. Interest was expressed if Scottish LIFT would be more focussed on community and primary care. It was suggested that the robustness of future programmes of work would be a factor which would influence the private sector interest in Joint Ventures.

2.11.3 A number of respondents suggested that NHS LIFT standard documentation would benefit from being reviewed for the Scottish market taking into account allocating the

project risks fairly amongst the various parties and creating true bespoke agreements for LIFT rather than carving up existing PFI/PPP documents. Property aspects would have to tie in with Scots law and might need to be significantly redrafted. Consideration should also be given to whether standard documents could be adapted for other types of projects, in this way time and money invested in drafting the documents could be offset against various projects. They would need to reflect a fair balance of risks and be user friendly.

2.11.4 The size of a LIFT area combined with its medium to long term development potential during the life of the LIFT scheme was seen to have a direct bearing on the initial commercial attractiveness to the private sector. Due to multiclient interface the process to design freeze was found to be lengthier than the norm. It was suggested this could be avoided by the appointment of a single point of contact with responsibility for procurement and informed decision making.

2.11.5 It was commented that bidders in England have invested a significant amount of time and money in bids and might not be prepared to invest similar sums in Scotland without greater security of reward. This would be particularly significant where foreseeable profits may be lower than in England due to increased costs as a result of the rural nature of the surgeries and the smaller number of projects in Scotland leading to reduced scope for spreading bid costs over multiple bids.

Executive Response

2.11.6 The Executive is encouraged by the level of interest shown by the public and private sectors to the development of a joint venture model. The issues raised by respondents to the consultation will be fully considered to ensure that the model adopted addresses such issues and makes the concept of joint ventures an attractive proposition for both the public and private sectors.

3. Conclusion

3.1 The respondents to the consultation covered a wide range of issues and the Executive is grateful to those who responded. Whilst the majority were supportive of the scope and definition of the proposed powers to allow Scottish Ministers and Health Boards to form Joint Ventures and to hold shares in such companies (72.1% responded positively, 18.6% were neutral and only 9.3% were negative) there were a number of issues raised which will be fully considered in taking forward the joint venture concept. There were a wide range of mixed views on the applicability of the NHS LIFT model for roll out in Scotland but it was generally felt that it provided a good basis on which to move forward. There are some issues raised regarding the Scottish context that will be explored further in development of the Scottish joint venture model.

4. Next steps

4.1 To make the necessary legislative changes to enable Scottish Ministers and NHS bodies to enter into Joint Venture agreements with contractors, Local Authorities and

private sector providers to support primary and community care and joint working premises and other infrastructure development.

4.2 A Joint Premises Project Board (JPPB) has been established to take forward the implementation of the recommendations of the Short Life Working Group on Joint Premises which reported in July 2003. The JPPB will include the recommendations on the development of joint ventures within its workplan.

4.3 The legislative announcement made by the First Minister on 7 September 2004 for the coming year included the Health (Miscellaneous Provisions) Bill. It is intended that this Bill will contain the provisions required for the establishment of joint ventures.

ANNEX A

LIST OF CONSULTEES

NHS Boards	Royal College of Psychiatrists
NHS Trusts	Royal College of Physicians of Edinburgh
NHS/Local Authority Estates & Planning Officers	Royal College of Physicians & Surgeons of Glasgow
Community Planning Partnerships	Royal College of Midwives
Special Health Boards	Royal College of General Practitioners
Mental Welfare Commission	Royal College of Nursing
Central Legal Office	British Medical Association
Local Health Councils	British Dental Association
Local Authorities	National Board for Nursing, Midwifery & Health
Department Committee Liaison Officer	Visiting in Scotland
Scottish MEPs	COSLA
The British Library	General Medical Council
Copyright Libraries	UNISON
Scottish Executive Library	GMB
SPICE	Transport & General Workers Union
Scotland Civic Forum	Amicus
Scottish Council for Voluntary Organisations	Scottish Trade Union Congress (STUC)
Voluntary Issues Unit	Equal Opportunities Commission
WRVS	DRC Helpline
Voluntary Health Scotland	CRE Scotland
SECTA	Disability Action Scotland
Scottish Public Services Ombudsman	Medical & Dental Defence Union
Scottish Joint Consultants Committee	Scottish Funding Councils for Higher & Further Education
Department of Health	Addictions Manager, Greater Glasgow NHS Board
Institute of Healthcare Management	
HFMA	
Medical Research Council	
Association of Directors of Social Work	
Audit Scotland	
Scottish Users Network	
BASW Scotland	
The Scottish Community Care Forum	
Convention of Local Authorities	
Scottish Partnership Forum	
RCN Scotland	
Law Society of Scotland	
The Institute of Chartered Accountants in Scotland	
Insolvency Practitioners Association	
Pharmaceutical Liaison Group	
Royal Pharmaceutical Liaison Society of Great Britain	
Scottish Pharmaceutical General Council	
Scottish Joint Consultants Committee	
Academy of Royal Colleges & Faculties	
	Private Sector
	Skanska Construction Group
	Oxford Magnet Technology
	Taylor Woodrow Developments
	United Medical Enterprises Ltd
	ABN AMRO Bank NV
	Bank of Ireland
	Dresdner Kleinwort Wasserstein
	Financial Security Assurance (UK) Ltd
	Heleba
	Innisfree Ltd
	Investec Bank UK Ltd
	M & G House
	MBIA Insurance Group
	SCRA
	Shepherd & Wedderburn

Partnerships UK
 Miller Ventures
 RMJM Scotland
 McLure Naismith
 Morrison Facility Management
 PricewaterhouseCoopers
 Anderson Strathern WS
 Bucknall Austin
 Dundas & Wilson
 Cornelius McClymont Architects
 Keppie Designs Ltd
 Grampian Enterprise
 Morven South Giat
 Fishers Services
 Young & Gault
 Deloitte & Touche
 Bullen Consultants
 GJW Scotland
 Lovells
 Reiach & Hall Architects
 Eversheds Solicitors
 James Walker (Leith) Ltd
 Hunter & Partner
 Morgan Sindall
 Apollo Capital Projects
 Equion Plc
 Carillion Prime Partnership
 The William Pears Group
 Chiltern Securities Ltd
 Quintain Estates & Development Plc
 Bradford & Northern Group
 CMC Group
 Midas Head Office
 Matrix Securities Ltd
 General Practice Investment Corporation
 Scotland Ltd
 Ernst & Young
 KPMG
 Halifax Bank of Scotland
 Barclays Bank PLC
 Barclays Private Equity Limited
 British Linen Bank Ltd
 Charterhouse Bank Limited
 Deutsche Bank AG London
 European Investment Bank
 Lombard North Central Plc
 Ballast Wiltshier
 Alfred McAlpine Construction Ltd
 Amec Construction Scotland Ltd
 Babcock & Brown
 Balfour Beattie Construction
 Barr Holdings Ltd
 Jetro
 HBG Construction
 Jardine Construction Services
 John Laing Construction
 John Mowlem & Company Plc
 Primary Healthcare Centres Ltd
 Morrison Construction
 Raynesway Construction
 Scottish Construction Industry Group
 Tarmac Services
 Babbie Group
 Civil Engineering Construction Association
 Scotland
 Cuthbertson Environmental Ltd
 Hyder Consulting Ltd
 Institute of Civil Engineers
 Keller Group Plc
 Laing Hyder
 Trinity Medical Properties
 Mott MacDonald
 Parkman Ltd
 Pell Frischmann Group
 Scott Wilson Kirkpatrick
 PMP Plus Ltd
 Abbey National Treasury Services
 Barclays Capital
 Capital Data
 Capital Value & Risk Ltd
 Hyder Investments
 Noble & Company Ltd
 The Portfolio Partnership
 (Association of) Scottish Chambers of
 Commerce
 Canmore Partnership
 CCTA
 CIBC Woodgundie Oppenheimer
 Gehe UK
 Entech UK Ltd
 J & H Marsh & McLennan (UK) Ltd
 Jet Risk Solutions Ltd
 Montague Evans
 Northern Developments Co
 CBI
 Quayle Munro Ltd
 RMD
 Norton Rose
 Bovis Lend Lease (Scotland) Ltd
 Constain Group Plc

Sir Robert MacAlpine
Securicor Plc
Laing Investments
Scottish Council Development & Industry
Stuart Milne Group
Chesterton
Malkyn Capital
Barnett Alexander
Biggart Baillie Solicitors
Hammond Suddards
Ledingham Chalmers
MacRoberts Solicitors
Masons
McGrigor Donald
Robson Mclean WS
W & J Burness Solicitors
Armour & Partners
Currie & Brown
EC Harris
Gardiner & Theobald
Gerald Eve Chartered Surveyors
Gleeds
King Sturge & Co
Medical Centres Scotland Ltd
Thomas & Adamson
Babtie Shaw & Morton International
Slaughter & May

Dawn Construction Ltd
Harper Macleod Solicitors
MSF
Association of Consulting Engineers
Confederation of British Industry Scotland
Prime Plc
RIAS
Bull Information Systems
Capital Project Consultancy
Faithful & Gould
Gordon Medical Investments
British Health Enterprise
MPM Capita Ltd
Group 4 Falck Global Solutions Limited
Jarvis Primary Health Ltd
Galliford Try Plc
Infracare Fujitsu
Ryhurst Limited
Eric Wright Group
Clarson Goff Management
The Mill Group Limited
Mount Anvil Healthcare
The Vinden Partnership
Jones Lang Lasalle UK
Robertson Group
Sewell Group PLC

ANNEX B

LIST OF THOSE WHO RESPONDED

Aberdeen City Council
Academy of Royal Colleges & Faculties in
Scotland
Argyll & Clyde Local Health Council
BMA Scotland
Falkirk Council
Fife Council
Highland Council
Institute Members in Scotland – The Institute
of Chartered Accountants in England &
Wales
Inverclyde Council
NHS Ayrshire & Arran
NHS Grampian
NHS Greater Glasgow, Primary Care
NHS Lothian
North Ayrshire Council
North Ayrshire Ventures
North Lanarkshire Council
Royal College of Nursing
Royal College of Physicians & Surgeons of
Glasgow
Scottish Pharmaceutical Federation
Scottish Trade Union Congress (STUC)
SECTA
South Lanarkshire Council
UNISON Scotland
West Dumbartonshire Council

Private Sector

Anderson Strathern WS
Apollo Capital Projcetcts (PMP Plus)
AWG Construction
Barclays Bank Plc, PFI Unit
Boots The Chemists Ltd
Canmore Partnership Ltd
Currie & Brown
EC Harris
General Practice Investment Corporation
Scotland Ltd
GSL UK Ltd
Hornagold & Hills
King Sturge
Medical Centres Scotland
Miller Construction (UK) Limited
Montagu Evans
PricewaterhouseCoopers
Prime (UK) Developments Ltd
Robertson Capital Projects
Shepherd & Wedderburn
Young & Gault Architects

ANNEX C

SUMMARY OF RESPONSES (COUNTED)

Table 1 - Numbers

	Fully agree/ support/ approve	Agree with some comments / suggestions	Strong reservations/ negative comments	Against	No comment	Unclear
Consultation Point 1 <i>Comments are welcomed on the scope and definition of the proposed powers in paragraphs 2.1 and 2.3.</i>	9	22	3	1	7	1
Consultation Point 2 <i>Comments are sought on how the formation/operation of joint ventures established under such powers should be regulated by Scottish Ministers.</i>	4	22	4	0	13	0
Consultation Point 3 <i>We are seeking views on the application of Community Planning Partnerships and their planning processes as vehicles to establish joint premises developments delivered by joint ventures.</i>	10	17	4	0	12	0
Consultation Point 4 <i>Views would also be welcomed on methods to ensure that all appropriate stakeholders are fully engaged in the planning process.</i>	12	21	2	0	8	0
Consultation Point 5 <i>There are a large number of possible sizes and boundaries for joint ventures (recognising that there has to be a viable critical mass of capital investment). Comments are welcomed on the appropriate coverage and size of joint ventures.</i>	0	32	3	0	8	0

	Fully agree/ support/ approve	Agree with some comments / suggestions	Strong reservations/ negative comments	Against	No comment	Unclear
Consultation Point 6 <i>Comments are welcomed on any aspect of the proposed structure of joint ventures as companies limited by share capital.</i>	6	15	6	1	15	0
Consultation Point 7 <i>Please provide views on possible governance arrangements for those in the public sector acting as directors of joint venture companies.</i>	2	21	2	1	17	0
Consultation Point 8 <i>If you consider that there are alternative models that you would propose that satisfy the benefit criteria established, please detail your proposals as regards structure and governance arrangements.</i>	3	19	0	0	21	0
Consultation Point 9 <i>Comments are welcomed on the suitability of the LIFT model for roll out in Scotland?</i>	6	24	2	3	8	0
Consultation Point 10 <i>Are there any unique conditions in Scotland that would merit variation in the model adopted in England? If so, what would these variations be?</i>	0	25	4	0	14	0
Consultation Point 11 <i>Comments are welcomed specifically from the private sector currently involved in LIFT as to their likely interest in a Scottish LIFT and what changes, if any, they propose?</i>	2	12	0	0	29	0

Table 2 – Percentages

Note:

- “Positive comments” comprise those that are listed under “Fully agree/support/approve” or “Agree with some comments/suggestions” in Table 1.
- “Negative comments” comprise those that are listed under “Strong reservations/negative comments” or “Against” in Table 1.
- “Neutral comments” comprise those that are listed under “No comment” or “Unclear” in Table 1.

	Positive comments	Negative comments	Neutral comments
Consultation Point 1 <i>Comments are welcomed on the scope and definition of the proposed powers in paragraphs 2.1 and 2.3.</i>	72.1%	9.3%	18.6%
Consultation Point 2 <i>Comments are sought on how the formation/operation of joint ventures established under such powers should be regulated by Scottish Ministers.</i>	60.5%	9.3%	30.2%
Consultation Point 3 <i>We are seeking views on the application of Community Planning Partnerships and their planning processes as vehicles to establish joint premises developments delivered by joint ventures.</i>	62.8%	9.3%	27.9%
Consultation Point 4 <i>Views would also be welcomed on methods to ensure that all appropriate stakeholders are fully engaged in the planning process.</i>	76.7%	4.7%	18.6%
Consultation Point 5 <i>There are a large number of possible sizes and boundaries for joint ventures (recognising that there has to be a viable critical mass of capital investment). Comments are welcomed on the appropriate coverage and size of joint ventures.</i>	74.4%	7.0%	18.6%
Consultation Point 6 <i>Comments are welcomed on any aspect of the proposed structure of joint ventures as companies limited by share capital.</i>	48.8%	16.3%	34.9%
Consultation Point 7 <i>Please provide views on possible governance arrangements for those in the public sector acting as directors of joint venture companies.</i>	53.5%	7.0%	39.5%
Consultation Point 8 <i>If you consider that there are alternative models that you would propose that satisfy the benefit criteria established, please detail your proposals as regards structure and governance arrangements.</i>	51.2%	0.0%	48.8%

	Positive comments	Negative comments	Neutral comments
Consultation Point 9 <i>Comments are welcomed on the suitability of the LIFT model for roll out in Scotland?</i>	69.8%	11.6%	18.6%
Consultation Point 10 <i>Are there any unique conditions in Scotland that would merit variation in the model adopted in England? If so, what would these variations be?</i>	58.1%	9.3%	32.6%
Consultation Point 11 <i>Comments are welcomed specifically from the private sector currently involved in LIFT as to their likely interest in a Scottish LIFT and what changes, if any, they propose?</i>	32.6%	0.0%	67.4%