

SCOTTISH
FUTURES
TRUST

Business Plan 2010-2011

April 2010

The Scottish Futures Trust (SFT) is an independent company, established by the Scottish Government in 2008, with a responsibility to deliver value for money across all public infrastructure investment. SFT operates at arms' length from the Government but works closely with the public sector to seek and deliver improved value for taxpayers.

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This Business Plan covers the year from April 2010 to March 2011.
The Scottish Futures Trust five-year Corporate Plan (2009-14) was published in October 2009.

This Business Plan was produced in-house by SFT.

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“Improving value for money across the existing public portfolio and finding innovative ways to finance infrastructure investment to enhance economic growth are imperative and are SFT’s primary function.”

1. Executive Summary

This Business Plan sets out the work to be undertaken and the key operational targets for the Scottish Futures Trust (SFT) in the year to 31 March 2011.

The initial objectives of SFT were accomplished within its first few months. The corporate framework, management and governance structures had to be created. The strategic plans, and their practicality, had to be assessed in a world which had changed dramatically from the time that SFT was conceived. The operational functions had to be laid down and their relationship evolved with Government, and the public and private sectors. This required a framework to underpin the operational independence of SFT.

The recruitment of SFT’s executive team, following the appointment of its Chief Executive in May 2009, has enhanced SFT’s operational capability and built on the foundations of the early corporate development. This combination of expertise and independence has enabled SFT to accelerate the development of a range of programmes to bring forward investment in community facilities, schools, affordable housing and regeneration. The financial turmoil of the last 24 months and future public expenditure plans will present challenges but will also reinforce

the necessity of pursuing better value for money.

Since the inaugural Business Plan was published in June 2009 the value of projects SFT is delivering and supporting has more than doubled to £5.5 billion. It is predicted that during 2010/11 our portfolio will increase to over £7.3 billion; of which SFT is leading the financing of £1 billion of investment funded in addition to traditional capital spending. SFT will invest equity, as a shareholder in hub companies, this year.

This growth of SFT’s portfolio reflects its increased operational capacity and also the increasing recognition among Scotland’s public bodies of SFT’s expertise and the greater value for money that it can help to achieve from public infrastructure investment. SFT is actively engaged with all of Scotland’s local authorities and the majority of area health boards.

In its Corporate Plan 2009-2014, published in October 2009, SFT committed to delivering an initial £7 of benefits for every £1 spent on the organisation.

This Business Plan outlines how SFT’s core activities are already adding value for money in existing projects and sets out how we will help to deliver value in new ventures such as the

Aberdeen Western Peripheral Route and the National Housing Trust. Details of all the programmes and projects SFT is leading and supporting are included in Annex 1.

The Scottish Government and other public sector bodies in Scotland invest some £5 billion annually on infrastructure. By any measure this is a substantial amount of money, and is especially important to our economy given that spend on investment is recognised to be a strong contributor to economic growth. In today’s tight financial environment, improving value for money and developing innovative ways to finance infrastructure investment are imperative, and are at the heart of SFT’s contribution towards improving sustainable economic growth in Scotland.

Recommendations from Audit Scotland, the National Audit Office and others have emphasised the importance of commercial skills and strong capital project and programme management; expertise that SFT is providing. The recruitment of its core team during autumn 2009 means SFT is now bringing focused commercial and financial skills in infrastructure financing, procurement and delivery into the public sector. This avoids over-dependence on expensive external consultants whose

“SFT is now bringing focused commercial and financial skills in infrastructure financing, procurement and delivery into the public sector.”

expertise would be repeatedly repurchased by different parts of the public sector. SFT retains and grows this knowledge within the public sector and deploys it for the benefit of infrastructure providers across the whole public sector.

The Scottish Futures Trust has travelled far in the last twelve months and we are making good progress towards our target of £100-£150 million annual benefits. 2010/11 will be a year of consolidating our involvement in projects as well as extending our reach into new areas such as renewable energy and housing. Our work on schools and hub will see construction begin on some projects and clear delivery plans established for many more.

SFT has been successful in building strong partnerships across the public sector giving us firm foundations for driving through improvements in value for money in infrastructure investment. SFT is making strong progress and it will continue to deliver enhanced value for the billions invested in Scotland's infrastructure assets for future generations.

The SFT portfolio of projects

Secondary Schools

- Aberdeenshire - Ellon Academy/Mearns Academy
- Angus - Brechin High
- Dumfries & Galloway - Dalbeattie High
- Dundee - Harris Academy
- East Renfrewshire - Eastwood High
- Edinburgh - James Gillespie's High
- Fife - Auchmuty High
- Highland - Wick High
- Midlothian - Lasswade High
- North Ayrshire - Garnock Academy
- North Lanarkshire - Clyde Valley High
- South Ayrshire - Ayr Academy
- West Dunbartonshire - Dumbarton Academy

Primary / SEN Schools

- Aberdeen City - Bucksburn Primary/ Newhills Primary
- Argyll & Bute - Dunoon Primary/Kirn Primary/St Munn's Primary
- Clackmannanshire - St John's Primary/Claremont Primary
- East Ayrshire - Gargieston Primary
- East Dunbartonshire - Lairdsland Primary
- East Lothian - Haddington Infants School/ St Mary's Primary
- Eilean Siar - Daliburgh Primary
- Falkirk - new primary
- Glasgow - Garrowhill Primary/Glendale Primary/new primary
- Inverclyde - Lilybank/Glenburn Special Schools
- Moray - Kinloss Primary
- Orkney - Evie Primary
- Perth & Kinross - Invergowrie Primary
- Renfrewshire - St James Primary
- Scottish Borders - Duns Primary
- Shetland - Happyhansel Primary
- South Lanarkshire - Spittal Primary

Primary / SEN Schools continued

- Stirling - Riverside Primary
- West Lothian - Pumpherston & Uphall Station Primary

TIF

- Edinburgh
- Glasgow
- Ravenscraig

hub programme

- Aberdeen Health Village
- Ardseileach Cluster Resettlement
- Blackburn Partnership Centre
- Drum Brae Library and Community Hub
- Firrhill Health and Social Centre
- Gullane Surgery and Day Care Centre
- Muirhouse Partnership Centre
- Tain Replacement Health Centre
- Wester Hailes Healthy Living Centre
- Woodside Medical Group

Transport

- Borders Railway
- Forth Replacement Crossing
- Aberdeen Western Peripheral Route
- Edinburgh Glasgow improvement programme

Waste

- Edinburgh/Midlothian Councils
- Glasgow City Council
- East/North/South Ayrshire Councils
- West Lothian Council
- North Lanarkshire Council

Housing

- National Housing Trust
- Social Housing Collaborative initiative

Existing PPP programmes

- Tayside Mental Health
- Western Isles Schools
- Orkney Schools
- Moray Schools

"SFT will work in collaboration with the variety of organisations charged with delivering public sector infrastructure to deliver its objectives."

2. SFT's Market, Role and Strategy

2.1 SFT's Market

The market in which SFT operates is the totality of investment in the public infrastructure of Scotland. This market is fragmented with many sources of funding and infrastructure delivery organisations. SFT will continue to work in collaboration with the variety of organisations with public sector infrastructure responsibilities to deliver its objectives.

2.1.1 Infrastructure Funding

There are several sources of public infrastructure funding in Scotland including Scottish Government capital Delegated Expenditure Limit (DEL) budget, Local Authority funding, sector specific funding such as in the water and universities sector, and private finance. Together these total c£5 billion per annum of investment in our nation's infrastructure.

The major challenges in dealing with future investment include:

- the predicted impact on public spending arising from the UK General Election and subsequent spending plans;
- reduced availability and increased cost of private finance to fund infrastructure projects as a result of ongoing restricted lending conditions in financial markets;
- ongoing uncertainty over the adoption of International Financial Reporting Standards (IFRS) and Eurostat accounting rules being adopted throughout the UK; and
- significant future capital already allocated to major projects, such as the Forth Replacement Crossing and Glasgow Southern General Hospital.

These factors combine to bring increased resonance to SFT's mission of improving value for money. SFT will deliver a co-ordinated strategy that maximises procurement and investment synergies and seeks benefits from economies of scale. SFT will continue to investigate innovative financing structures that have the potential to unlock

additional funding. Progress is being made on initiatives such as Tax Incremental Financing and the National Housing Trust.

2.1.2 Infrastructure Investing Organisations

SFT's primary role is to work collaboratively with budget holders to maximise the efficiency and effectiveness of their planned infrastructure investment, using conventional capital budgets and innovative financing structures to generate the best possible value from available funds.

Organisations in Scotland with infrastructure delivery and asset management responsibilities include:

- Local Authorities and their representative body COSLA;
- Health Boards;
- delivery agencies such as Transport Scotland;
- Government Companies such as Scottish Water;
- Scottish Funding Council and the universities and colleges;
- Government Directorates such as housing / health;
- advisory bodies such as Scottish Procurement Directorate (including CAPD);
- collaborative procurement bodies including Scotland Excel; and
- Local Authority Joint Venture and subsidiary companies.

SFT will seek to support these bodies and add value to their work. This Business Plan sets out where SFT will focus its effort in the next year. SFT will remain open to working with any of these bodies, and will actively seek opportunities to engage where it can see that collaboration could increase value for money.

"The aim of the Scottish Futures Trust is to improve the efficiency and effectiveness of infrastructure investment in Scotland by working collaboratively with public bodies and industry, leading to better value for money and ultimately public services."

2.2 Aims of SFT

The overall aims of the Scottish Futures Trust are as follows:

The aim of the Scottish Futures Trust is to improve the efficiency and effectiveness of infrastructure investment in Scotland by working collaboratively with public bodies and industry, leading to better value for money and ultimately public services.

The SFT will act across all phases of the infrastructure investment cycle: needs identification, options investigation, investment appraisal, procurement, financing, design, construction, life cycle management / maintenance and disposal with a particular focus on planning financing and procurement.

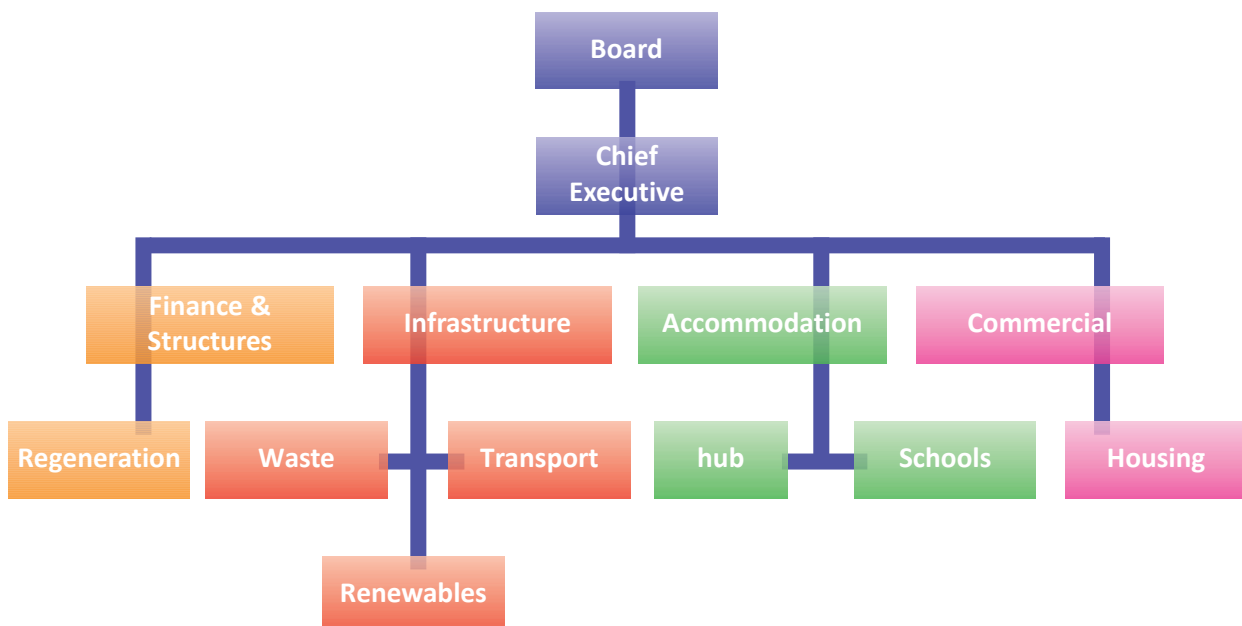
The outcome from SFT's activities is improved value for money. The importance of improving value for money continues to grow as the reality of future public spending emerges.

2.3 SFT Governance and Structure

SFT is a company limited by shares, wholly owned by Scottish Ministers. SFT operates independently of Scottish Government (SG), with the shareholder relationship defined in a Management Statement and Financial Memorandum (MSFM).

SFT's Board has six members: a non-executive Chairman; four non-executive directors; and the Chief Executive. The board was appointed initially on a short term basis to allow the company to be established with the intent of running an Office of the Commissioner for Public Appointments in Scotland (OCPAS) recruitment process. That process will be run in the period covered by this business plan.

SFT's staff, mainly permanent employees supported by secondees or temporary staff, work across four main sectors as shown in the diagram below. Staff details are on SFT's website.



"SFT will focus on areas where it can make the most difference and bring increased value for money by taking actions that are pragmatic, open-minded and independent."

2. SFT's Market, Role and Strategy continued

2.4 Customers and Services

SFT's prime customer is the Scottish Government. As SFT's aims encompass all infrastructure investment in Scotland, any public body with custody of, or a requirement for infrastructure, may be a secondary customer of the Company.

2.5 Developing the Strategy

SFT has identified where and how it can take actions in the short, medium and longer term that will contribute to the delivery of the overall aims. The action plan in Section 3 shows the intended breadth of action to support these priorities. Annex 1 details SFT's role and objectives in regard to specific programmes and projects.

SFT will focus on areas where it can make the most difference and bring increased value for money by taking actions that are pragmatic, open-minded and independent.

SFT is developing in two overlapping phases. Phase 1 is supporting and improving existing and new public sector investment largely using existing funding methods. Phase 2 has already seen the development of new financing models such as Tax Incremental Financing (TIF) and the National Housing Trust (NHT). This work will move into continued development of new means of financing as well as the planned deployment of TIF and NHT.

2.6 Working with Other Public Sector Bodies

SFT has created a positive working relationship with public sector bodies and is already actively engaged with all 32 local authorities and more than three quarters of Scotland Area Health Boards. SFT will continue to seek out opportunities for collaboration, bring rigour and deploy skills that are not always readily available across the public sector.

SFT will work to increase awareness among public bodies of the support that is available. Limits on our capacity do exist and SFT will manage its resources to remain focused on its key tasks. Clear prioritisation and agreed goals, as any engagement begins, will underpin effective support.

2.7 Relationships with the Private Sector

The private sector is crucial to the successful delivery of infrastructure. The public sector benefits from a strong and active private sector to: provide sufficient competition as a driver of value for money; deploy risk management capabilities; develop innovative approaches; and the ability to programme manage and deliver wide ranging projects. The significance of the construction industry to local and national economies is recognised.

SFT will seek to make procurement more efficient to avoid waste of private sector resources. The cost of such waste inevitably flows through to end pricing and helping avoid waste will, in turn, provide a benefit to the public sector through improved value for money.

2.8 Sustainability and Design Quality

Sustainability in the widest sense will be a key driver for SFT when developing infrastructure and delivery solutions. Economic, environmental and social sustainability will be addressed in the early stages of project development and will become an inherent part of procurement and delivery in order to facilitate sustainable economic growth locally and nationally, to minimise adverse environmental impact, and to promote the development of sustainable communities. The positive impact of high quality design will be supported at all stages of procurement, and through to delivery.

2.9 Budget and Accounts

SFT has operated within the budget set out in the 2009/10 business plan. Annual accounts are being prepared for the year ending 31 March 2010. Independent external auditors Scott Moncrieff, have been appointed until the end of 2010/11.

The budget for 2010/2011 is £6.75m; a summary breakdown of this budget is provided in Annex 2. The budget is in line with that set out in the 2009 Corporate Plan with the addition of a transferred budget from the Health Department for running the hub programme.

“SFT is improving value for money... it is committed to delivering an initial £.7 of benefits for every £.1 spent on the organisation.”

3. Core Activities and Action Plan

3.1 The Core Activities

SFT's core activities are:

1. Delivery
2. Aggregation and Collaboration
3. Funding and Financing
4. Validation
5. Centre of Expertise

Through these activities, SFT is improving value for money. In its Corporate Plan 2009-2014, published in October 2009, SFT committed to delivering an initial £7 of benefits for every £1 spent on the organisation.

The action plan below sets out SFT's work and key objectives categorised under the five core activities. These are further developed in Annex 1 on a project by project basis with objectives set against each project heading. These objectives will be used to measure progress by the end of March 2011 and reported on as part of SFT's annual report.



“By putting in place effective programme structures and efficient delivery mechanisms for the £2.2billion projected investment in schools and hub, SFT expects to target minimum benefits of 3% or £66million across the two programmes.”

3.2 Delivery

SFT has a focused delivery role. Taking action and implementing co-ordinated well planned delivery programmes is a major part of SFT's business. The greater the depth of involvement allows the most value to be added. Pragmatism and action are key attributes in supporting delivery.

In its first year SFT was asked to manage the delivery of the hub and schools programmes. Both programmes will run throughout the period covered by this Business Plan. Taken together their value is projected to be in excess of £2.2billion. It is planned that another delivery programme, the National Housing Trust, will be added in 2010/11. Details on all the programmes can be found in Annex 1.

Our delivery role is anticipated to grow as new programmes, where SFT can add value, are identified. SFT has outlined two broad ways in which it will be involved in project and programme delivery dependent on how it can best add value:

- As a participant - in some cases, overall value may be enhanced by SFT taking a structural role in projects or programmes, potentially as an asset owner, aggregation vehicle or financing conduit. This could involve establishing subsidiary companies, investment vehicles, or joint venture entities.
- As an agent - acting for public bodies with an infrastructure requirement as a procuring or potentially finance raising agent, promoting best practice and collaboration between bodies where it is pragmatic to do so.

By putting in place effective programme structures and efficient delivery mechanisms for the £2.2billion projected investment in schools and hub, SFT expects to target minimum benefits of 3% or £66million across the two programmes.

This level of saving could provide an additional three new secondary schools allowing 2,700 schoolchildren to benefit or could provide 27 new GP surgeries. Delivering more for less is a key SFT driver.

Our objectives in this area for 2010/2011 are:

- To achieve financial close on both hub pathfinder territories, North and South East Scotland.
- That at least two projects will commence construction between the two pathfinder hub territories.
- That two additional hub territories will move into procurement.
- To continue to lead the development and implementation of the pilot project for the Schools Investment Programme to enable its completion by 2013.
- To continue to lead the development of the Schools Programme and support Scottish Government and Local Authorities to enable the delivery of the first primary school by 2011.
- To agree with Scottish Government and Local Authorities to proceed with the procurement of NHT.

"On one hand the prospect of acting in a cohesive way offers a significant economic opportunity, on the other hand it is a huge challenge to act in a concerted manner in the area of procurement spending."
John McClelland, Review of Public Procurement in Scotland 2006

3.3 Aggregation and Collaboration

SFT will look for opportunities to broker improved co-operation and collaboration between public bodies that procure or have an interest in infrastructure investment.

Successive reports from a wide range of authors have highlighted enhanced collaboration in infrastructure planning, procurement, financing and management as an important area where value for money can be improved.

SFT believes that appropriate aggregation of procurement, finance and life cycle management can deliver significant economies of scale. These efficiencies will be delivered while respecting the individual needs of different procuring authorities.

The challenges in joint working are considerable but pursuing the potential economic benefit is more critical now than ever as the public sector renews its drive for efficiencies. This drive results from a need to deliver efficiencies rather than a desire.

Sharing skills and experience is an important element of collaboration and SFT will actively seek opportunities to broker exchanges between bodies with a broad range of recent relevant experience.

It is particularly important that taking a central role on a significant infrastructure project is not a 'once in a career' experience for public body employees. SFT will seek opportunities to retain and share skills across the public sector.

Our objectives in this area for 2010/2011 are to :

- Work with the Schools Programme pilot projects teams to develop processes, procedures, and design and supply chain models, that will assist with delivering improvement through the subsequent wider programme.
- Deliver procurement aggregation benefits of at least 3% on the £60million Schools Programme pilot project.
- Work with organisations across the public sector to investigate opportunities for collaboration and innovation to enhance value for money in asset management and surplus asset disposals.
- Assist the development of a social housing collaborative procurement consortium.
- Assist in the development and implementation of the National Renewables Infrastructure Plan.
- Increase the waste volume being actively supported by SFT's waste team from 25% of Scotland's Local Authority municipal waste to 40%.
- Work with Scottish Government and other bodies to assess the potential for the development of strategic waste treatment facilities.
- Continue encouraging collaboration and shared best practice in the waste sector on procurement and commercial issues through the management of the Waste Procurement Forum.
- Investigate and apply lessons from European schools procurement where costs of school building programmes, in otherwise comparable economies, are lower.

"SFT will develop its own investment and funding vehicles to support programmes or individual projects where this provides a clear benefit for the public sector."

3.4 Funding and Financing

Already developing and deploying the financial mechanisms supporting £1billion of non-traditional investment, SFT's work in this area will be directed towards:

- deploying innovative financing techniques using European and worldwide examples of best practice to help inform our work;
- making more efficient use of existing public sector investment; and
- leveraging in additional funds where possible (noting that any debt raised to fund public infrastructure will require repayment in the future).

There are opportunities to increase value for money through implementing innovative financing structures and improving the Non Profit Distributing (NPD) model. Financing of infrastructure has been through a turbulent time with the implementation of new accounting and budgeting rules (International Financial Reporting Standards (IFRS), and Eurostat (ESA95)) and the credit crunch. Emerging from that, and looking across Europe, we will work to develop innovative solutions within the constraints imposed by them.

Across Europe innovative financing is helping to develop infrastructure in new and different ways. Existing bodies, such as the National Development and Finance Agency in Ireland and Partnerschaften Deutschland, have some comparable roles to SFT. SFT is a member of EPEC (European PPP Expertise Centre, funded by the European Investment Bank) which provides a mechanism for sharing of information across Europe. For Scotland, SFT will take a leading role in developing future investment funding.

SFT will review funding and financing approaches that public bodies have developed or have had brought to them. SFT will also act to explore, develop and promote approaches which improve value for money.

Funding and financing structures cannot be separated from delivery structure and risk /

Our objectives in this area for 2010/2011 are to:

- Advance the NPD model, supporting its deployment on existing projects and on the c£650m of investment planned in Borders Rail and on the Aberdeen Western Peripheral Route.
- Develop a financing structure to deliver significant financial benefits over the 25-30 year life of the two transport NPD projects.
- Progress at least one TIF business case with a local authority allowing both Scottish Ministers and the Local Authority to reach a conclusion on viability and replicability.
- Finalise the financing structure of the National Housing Trust and prepare the initiative for procurement, helping to leverage in £130 million of additional housing investment.
- Seek and develop opportunities (in addition to TIF and NHT) for innovative financing approaches within the existing investment constraints.
- Appoint Public Interest Directors as required for NPD projects and instigate structured knowledge sharing between Public Interest / Independent Directors across Scotland.
- Develop financing structures to support capital investment in new sectors such as renewable energy and energy efficiency measures.
- Prepare options for a revolving funding structure for financing enabling infrastructure.
- Work with procuring authorities to examine ways in which innovative approaches can be implemented to deliver better value for money for existing PPP contracts.
- Make initial investments in hub companies.

responsibility and reward allocation. SFT will consider all these elements in its centre of expertise, funding / financing and delivery priority areas.

"...only nine [out of 20] current projects had used the process or any other form of independent testing, reducing the scope for positive assurance."

*"Set a clear plan with regard to the need for independent gateway or similar reviews at key stages in projects "
Audit Scotland*

3.5 Validation

Validation, scrutiny, due diligence and assurance are different terms with the same purpose. They are aimed at ensuring that appropriate planning has been carried out, reviewing that risks are appropriately and actively managed, and thereby improving the probability of a successful outcome.

Scrutiny is applied already but there are significant challenges in how existing activities work. The timing, scope, depth and meaningfulness of scrutiny can be improved.

SFT can add value and confidence in outcomes through validation and third-party assurance on projects and programmes. Meaningful validation requires an active, independent and sceptical mindset. Part of this thrust will come from SFT acting as the provider of "funders" diligence, in effect replicating the risk management processes applied by funders in project finance.

We have identified with the Scottish Government a list of major and strategic projects to be validated by SFT for the year 2010/11; these projects are identified in Annex 1.

We will also deploy the skills and experience available at SFT to enhance the governance structures on significant infrastructure investment projects, in some cases through taking a seat on project or programme boards.

Previously outsourced to consultants, SFT will take ownership of the key stage review process and bring its implementation largely in-house, retaining knowledge and expertise within the public sector.

Our objectives in this area for 2010/2011 are to:

- Include the key stage review process in an integrated approach with the existing gateway process to allow major, strategic and/or complex projects to have increased certainty achieving successful implementation.
- Continue to provide progressive assurance to the £300m Borders Railway project as member of the Project Board.
- Carry out strategic reviews at key stages of the £2billion Forth Replacement Crossing and agree action plans from recommendations.
- Provide progressive assurance to the £350m Aberdeen Western Peripheral Route Project.
- Provide progressive assurance to the £1billion Edinburgh to Glasgow rail improvement Programme.
- Provide support to public bodies developing commercial structures for increased wind energy investment on their estate.
- Continue to validate the current portfolio of Local Authority waste projects as they move into the procurement phase.
- Perform a diligence role on a number of projects - Western Isles and Orkney Schools programmes, Tayside Mental Health project and Moray Schools - and be in a position to recommend acceptance or otherwise, of derogations from standardised NPD contract forms.

“SFT's... expertise, historically bought in by the public sector, will be deployed in a targeted and focused way to support the overall drive for value for money.”

3.6 Centre of Expertise

SFT will develop its role as the centre of expertise in infrastructure investment in Scotland and will collaborate with others to develop new and better ways of doing things, and will not be bound by existing structures or methodologies.

Through developing and retaining knowledge not often easily accessible to the public sector SFT will provide an infrastructure investment centre of expertise that is available to all public sector bodies. SFT's team will have a wide expertise with specialist knowledge of areas such as waste and transport. That expertise, historically bought in by the public sector, will be deployed in a targeted and focused way to support the overall drive for value for money.

SFT has formed and will maintain links with Infrastructure UK - the new HM Treasury centre of expertise on infrastructure planning and investment.

Our objectives in this area for 2010/2011 are to:

- Develop and further enhance the hub website and guidance material to act as a unique source of reference for both the public and private sector participants in the programme.
- Establish a national hub forum to act as a conduit for shared best practice across the hub territories.
- Develop the implementation of the schools programme in a manner to enable the achievement of sustainability targets.
- In collaboration with Scottish Government Capital and Risk Division, give clarity on capital prioritisation following any spending review.
- Ensure that all NPD projects in procurement (Moray Schools, Tayside Mental Health project and Borders Railway) receive central support and oversight of policy adherence.
- Publish TIF guidance, including guidance on Economic Appraisal of potential TIF schemes.
- Continue to develop a centre of expertise resource in waste to assist both the public and private sector.
- Continue to facilitate and encourage best practice and innovation on issues arising in operational PPP projects.
- Support at least one Local Authority in the implementation of a pilot TIF scheme.
- Supporting any major changes in operational PPP contracts.
- Consider options to address impediments to the development and provision of efficient Scottish infrastructure.
- Build on the already formed links with the new HM Treasury centre of expertise in infrastructure, Infrastructure UK.

"We will be a task force loaded with the experience and expertise not normally available within the public sector."

4. Operations and Resources

4.1 Operational Establishment

SFT was established as a limited company on 10 September 2008. The corporate framework, management and governance structures had to be created. The strategic plans, and their practicality, had to be assessed in a world which had changed dramatically from the time that SFT was conceived. The operational functions had to be laid down and their relationship evolved with Government and the public and private sectors. This required a framework to underpin the operational independence of SFT. Much has been achieved but work remains to be done.

The following sections note the status and plans for key aspects of organisational development over the Business Plan period.

4.1.1 Governance

The primary governance document between SFT and Scottish Government is the Management Status and Financial Memorandum (MSFM). The SFT Board is complete and all Board positions are due to be advertised during the period of this business plan.

The Board has formed audit and remuneration sub-committees.

A system of internal control has been established by the Board to ensure probity over public funds under the custody of SFT, including delegated authority limits and bank reconciliation processes.

4.1.2 Accommodation

SFT has established offices in a serviced office complex at 1 St. Colme Street, Edinburgh. A move to a permanent office location will take place during this Business Plan period.

4.1.3 Accounting and Finance

SFT will produce accounts as a Company under International Financial Reporting Standards (IFRS), with the ability to report in the format required by Government Accounts. The financial year end will be 31 March, with the annual accounts being laid

before Parliament and lodged with Companies House prior to 31 December thereafter.

4.1.4 Audit

SFT will be externally audited as required by the Companies Act (not applying the small companies' exemption). Following competitive tender SFT appointed Scott Moncreiff as its auditors.

4.1.5 Human Resources Processes

SFT has established terms and conditions of employment for its permanent staff and has in place an employment handbook and a data security policy.

4.1.6 Website and Openness

SFT's website can be found at www.scottishfuturestrust.org.uk.

SFT is subject to the Freedom of Information (Scotland) Act 2002. A publication scheme has been submitted to the Information Commissioner for approval and the website is used for document publication.

4. *Operations and Resources continued*

4.2 People and Resources

SFT has achieved its initial priority of building a sustainable high-quality team to meet the ongoing requirement for certain skills and experience to deliver core business activities.

SFT, with 21 staff at the time of this business plan, is resourced according to the following principles:

- a) A core team of staff will be maintained to ensure retention of knowledge for the benefit of infrastructure investment in Scotland and will be developed to work across the priority areas of centre of expertise, funding and financing, collaboration and aggregation, delivery and validation. The size of the team will be matched to the increased workload with some selective recruitment from amongst the best in the public and private sector.
- b) SFT will use secondees appropriately from the public and private sectors to augment internal experience and add specific skills and capacity as required to meet specific demands. SFT will specifically aim to build experience in relevant public sector organisations through strategic inward secondments from time to time.
- c) External advisors or consultants may be used for specific tasks where there is not a business case to maintain the breadth, depth or currency of skills internally. SFT has started to recover some of its costs from the users of its service. Some SFT staff have been seconded to public sector procurement teams and their costs have been recovered. This may be used from time-to-time where it is requested to give prolonged, targeted and in-depth support to particular procurements.

4.3 Risks

High-level risks have been identified to delivering the priority activities during this Business Plan period, along with potential mitigating actions. The main risks relate to recruitment and retention of key staff, maintaining relationships with public sector bodies, misunderstanding of SFT's role and the timing/conditions of funding.

Risks will be reviewed regularly by the team and Board.

Annex 1.











































Priority Activity and Objectives

Overview

The major activities detailed below are all in line with the SFT board's priorities. The action plan in Section 3 of the Business Plan highlights other

areas that will be investigated and potentially developed throughout the year. The table below summarises SFT's roles in our major activity areas.

SFT Active Projects

	Delivery	Aggregation & Collaboration	Funding and Financing	Validation	Centre of Expertise
hub Partnership					
Schools programme development (including pilot project)					
Scotland waste management					
National Housing Trust					
TIF (Tax Incremental Financing)					
Spending landscape /IFRS					
Borders Rail					
Forth Replacement Crossing					
Aberdeen Western Peripheral Route					
Edinburgh Glasgow rail improvement					
Renewables infrastructure					
Social Housing Collaborative Procurement					
Tayside Mental Health					
Moray Schools					
Western Isles Schools					
Orkney Schools					

“This high level of activity is extremely positive and will create a buzz around the programme and in the marketplace”

hub Scotland

During 2009/2010 SFT assimilated the role of the Programme Delivery Office (PDO). Our early work in hub is to support delivery of £1billion of investment in first class community and health facilities in a cost effective and co-ordinated manner.

All of our key objectives have been achieved as follows:

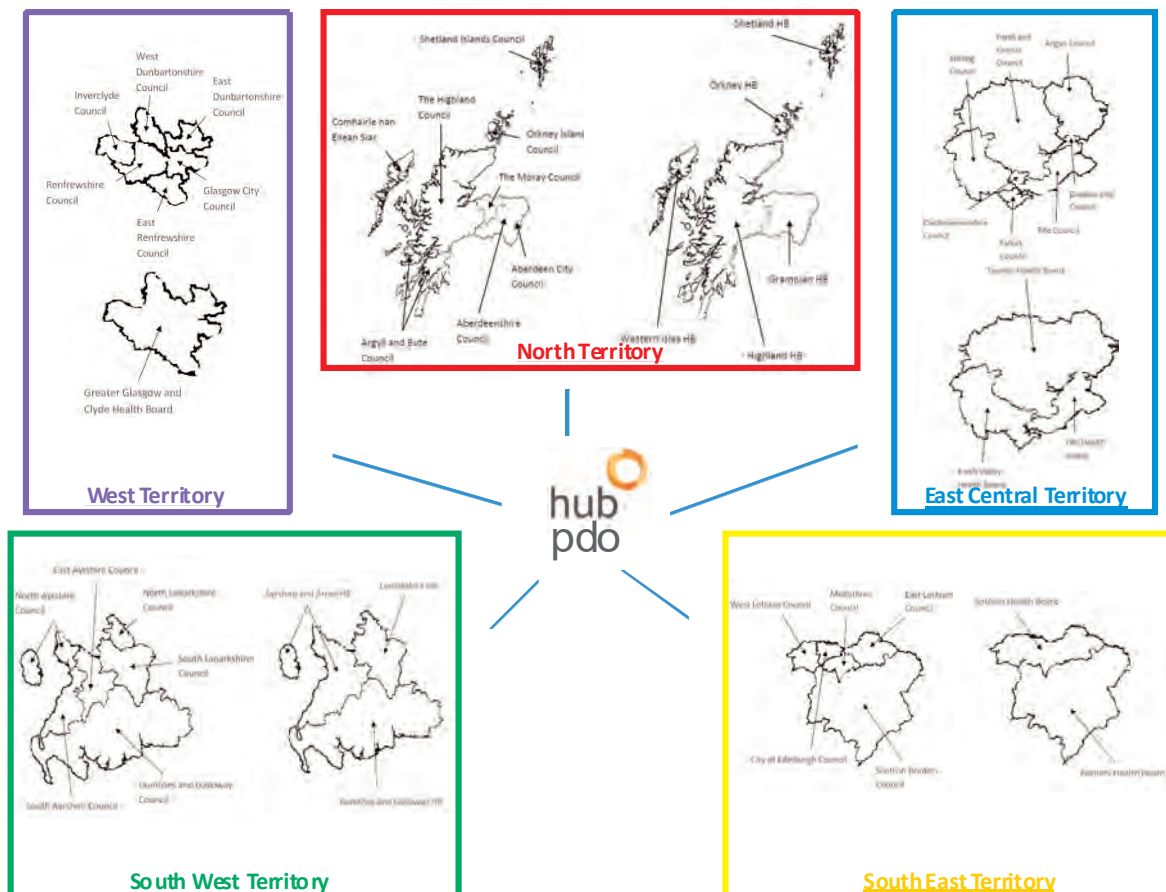
- Development of the hub model
- Engage and manage advisors for the pathfinder territories
- Two pathfinder territories, the south east and the north, in procurement
- Bring forward more than four projects across the two pathfinders - currently 10 projects valued at £130million in to the short to medium term

pipeline have been brought forward (see below and Annex 3 for details)

- Work with other areas preparing them for procurement

This defines significant development of the hub programme.

During 2010/2011 the programme will enter a new and very important phase. The two pathfinder territory hub companies, South East Territory and hub North, will be established and will commence construction. The West Territory and East Central Territory will commence procurement in the period. This high level of activity is extremely positive and will create a buzz around the programme and in the marketplace, requiring an increased level of input and co-ordination by SFT.



“The level of interest by the private sector in the programme has been very encouraging. SFT will continue to promote the programme and engage with the private sector to leverage further interest.”

The Programme Delivery Office (PDO) has the central co-ordinating position on the programme and working in close collaboration with the main participants, it is able to steer and shape the profile and pace of the programme.

The principal functions of SFT's role as programme manager / change agent can be summarised as follows:

- Enable the establishment and development of effective hub groups
- Help motivate change
- Help promote the strategy and disseminate best practice
- Steer the implementation of the procurements
- Develop processes, procedures, supporting documentation and guidance
- Support the drive for continuous improvement
- Manage the administration of the enabling fund
- Develop and implement methodology for benefits evaluation

The level of interest by the private sector in the programme has been very encouraging. SFT will continue to promote the programme and engage with the private sector to leverage further interest. Likewise SFT will assist with the further development of the knowledge and capacity base of the public sector participants to enable them to make full effective an efficient use of the opportunities that are being created.

The hub programme is governed by the hub National Programme Board. The PDO reports to the National Programme Board at its quarterly meetings.

hub's first projects

Enabling funding of £13million has been awarded to support ten projects, worth some £130million, delivering new health and community facilities in the two pathfinder territories. Details of the projects are at Annex 3.

Objectives for 10/11

- Reach financial close on both pathfinder territories.
- At least two projects to commence construction.
- Two more territories in procurement.
- Develop website and populate with further guidance material.
- Establish a national hub forum to act as a conduit for shared best practice across the hub territories.
- Make initial investments in hub companies.

“By driving through procurement efficiencies and encouraging collaboration between education authorities SFT will improve value for money in the delivery of high quality and sustainable schools.”

Scottish Schools Investment Programme

SFT is delivering the £1.25 billion Scottish Schools Investment Programme (SSIP) for the Scottish Government. The strategic goals for implementing the programme are:

- efficient and effective procurement;
- cost efficiency;
- sustainable life cycle solutions;
- improved environmental performance and reduced carbon footprint; and
- implementation of nine guiding principles included in the Schools Estate Strategy.

SSIP will make a difference, by building on the successes and lessons learned from recent school building projects, using the knowledge gained from these and other references, to deliver improvement.

SFT's role, delivered through a Programme Delivery Office (PDO), includes the following tasks:

- develop procurement strategy and enable establishment of effective structure to deliver cost efficiency;
- motivate change;
- promote the investment plan and disseminate best practice;
- steer the implementation of the procurements;
- develop processes, procedures, supporting documentation and guidance;
- support the drive for continuous improvement;
- manage administration of grant funding;
- develop and implement methodology for programme controls and project monitoring; and
- develop and implement methodology for benefits evaluation.

SFT will work in close collaboration with Local Authorities, Scottish Government, Architecture and Design Scotland, and other agencies to deliver the programme.

Through 2009/2010, SFT has, alongside its partners, achieved the following objectives which were set for the period:

Objectives for 10/11

- To continue to lead the development and implementation of the pilot project for the Schools Investment Programme to enable its completion by 2013.
- To continue to lead the development of the Schools Programme and support Scottish Government and Local Authorities to enable the delivery of the first primary school by 2011.
- Work with pilot project to develop processes, procedures, and design and supply chain models, that will assist with delivering improvement through the subsequent wider programme.
- Investigate and apply lessons from European schools procurement where costs of school building programmes, in otherwise comparable economies, are lower.
- Deliver procurement aggregation benefits of at least 3% on the £60million Schools Programme pilot project.
- Develop the implementation of the schools programme in a manner to enable the achievement of sustainability targets.

- developed a delivery mechanism for SSIP;
- developed a pilot schools project and launched its procurement; and
- supported the development of a wider schools investment programme.

The SSIP pilot project is a joint initiative between Midlothian Council and East Renfrewshire Council. This is a ground breaking venture. It is the first time two Local Authorities have collaborated on a schools capital programme in this way. The project will deliver two new secondary schools by 2013 and provide a knowledge platform on the outcomes of tested working practices and end products, for the remainder of the programme.

The first phase of capital funding for the schools investment programme has now been approved by Scottish Government and SFT will work through 2010/2011 towards its implementation.

“SFT will develop financing structures to support capital investment in new sectors such as renewable energy and energy efficiency measures.”

Spending Landscape/ Future Financing

It is generally projected that in the next spending review, anticipated during this Financial Year, the capital budget of Scottish Government, and most likely the great majority of public sector bodies in Scotland, will move from a trajectory of long-term growth to a sharp decline. This would then become the dominant feature of infrastructure investment planning and delivery for the next several years.

In this context, if the Government intends to prioritise infrastructure investment as an enabler of economic growth, the need to implement alternative funding and financing structures that bring investment over and above capital budget allocations will intensify. It will also be necessary to prioritise investment across portfolios and geographies more clearly with "growth from a baseline" no longer being the assumption. SFT will take a leading role in developing and implementing these innovations.

SFT has:

- developed mechanisms for improving the value for money of investment within the constraints of IFRS and ESA95 standards;
- developed innovative financing models such as the National Housing Trust;
- evaluated European investment funding models and tested the application of their principles to improve value for money invested in Scotland; and
- worked with Transport Scotland to evolve the Non Profit Distributing (NPD) model for use in economic infrastructure.

Objectives for 10/11

- Seek and develop opportunities (in addition to TIF and NHT) for innovative financing approaches within the existing investment constraints.
- In collaboration with Scottish Government Capital and Risk Division, give clarity on capital prioritisation following any spending review.
- Maintain oversight of the NPD model ensuring that all projects in procurement (Moray Schools, Tayside Mental Health project and Borders Railway) receive central support and oversight of policy adherence.
- Appoint Public Interest Directors as required for NPD projects and instigate structured knowledge sharing between Public Interest / Independent Directors across Scotland.
- Develop financing structures to support capital investment in new sectors such as renewable energy and energy efficiency measures.
- Work with organisations across the public sector to investigate opportunities for collaboration and innovation to enhance value for money in asset management and surplus asset disposals.
- Develop a financing structure to deliver significant financial benefits over the 25-30 year life of the two transport NPD projects.

“SFT’s role in TIF is to develop the structures and techniques of financing and economic appraisal that can be applied to TIF proposals across Scotland, work with Local Authorities developing proposals for pilot projects and consider the deliverability of any proposals put forward...”

Tax Incremental Financing

Tax Incremental Financing (TIF), in its current form, seeks to capture locally generated, incremental public sector revenues (e.g. non-domestic rates) that would not have arisen were it not for the delivery of "enabling" infrastructure investment that will unlock planned regeneration development, leading to sustainable economic growth.

The key principle is that the public sector would raise finance for such enabling projects by pledging to meet debt repayments from such future incremental revenues and other income created by resultant development by the public and private sectors.

The use of TIF is predicated on a "But-For" test, meaning that the identified enabling infrastructure can only be delivered through the creation of the TIF mechanism, and cannot be wholly funded by finance from the private sector and /or alternative public sector funding.

If it is to be taken forward, a TIF proposal must demonstrate that the enabling infrastructure will unlock regeneration and sustainable economic growth that will generate additional (or incremental) public sector revenues (net of a displacement effect) that are capable of repaying over an agreed timescale the financing requirements of the enabling infrastructure.

SFT's role in TIF is to develop the structures and techniques of financing and economic appraisal that can be applied to TIF proposals across Scotland, work with Local Authorities developing proposals for pilot projects and consider the deliverability of any proposals put forward in the form of Business Cases to Scottish Government.

This work stream will also include developing wider structures to fund, on a re-cycling basis, infrastructure that unlocks private sector investment in development.

SFT has already:

- developed a potential structure for TIF schemes in Scotland;
- prepared guidance for Local Authorities on developing TIF schemes and preparing economic appraisals;
- supported City of Edinburgh Council, Glasgow City Council and North Lanarkshire Council in developing business cases for potential TIF pilot projects; and
- explained TIF model to other interested Local Authorities for their consideration.

Objectives for 10/11

- Publish TIF guidance, including guidance on Economic Appraisal of potential TIF schemes.
- Progress at least one TIF business case with a local authority allowing both Scottish Ministers and the Local Authority to reach a conclusion on viability and replicability.
- Support at least one Local Authority in the implementation of a pilot TIF scheme.
- Prepare options for a revolving funding structure for financing un-locking infrastructure.

“This is a highly innovative scheme projected that would not have otherwise been possible without SFT’s development.”

National Housing Trust

SFT has developed the National Housing Trust with an initial aim to deliver, through an innovative high value-for money solution, around 1000 housing units initially (at a value of c£130million) for mid-market rent in areas across Scotland where there is a high demand for such housing and to aid the recovery of the construction market.

SFT is working with the Scottish Government and local authorities to move the NHT forward into procurement. NHT will use a highly innovative financing structure and has attracted significant market interest demonstrating the need for such innovative projects to deliver housing. SFT, each participating local authority and the private sector will set up individual, special purpose companies (SPC) in relation to each site. The SPC will purchase the completed houses (including the site) from the private sector developer and offer the houses for rent for between 5-10 years.

SFT has already:

- led the NHT initiative and will, in turn, oversee the procurement of the scheme in collaboration with the participating local authorities;
- worked with Scottish Government and Local Authorities to develop the concept; and
- developed a financial model to test the concept and consulted with the private sector to verify the robustness of the assumptions.

Objectives for 10/11

- Agree with Scottish Government and local authorities to proceed to procurement.
- Finalise the financing structure of the National Housing Trust and prepare the initiative for procurement, helping to leverage in c£130 million of additional housing investment.

Social Housing Collaborative Procurement Development

SFT is working with a group of housing associations to assist them with forming a procurement consortium. The participating housing associations are seeking to improve value for money in support of the Scottish Government's strategic objective to achieve more efficiencies in Registered Social Landlord development procurement. By implementing an innovative model of joint working the group sets out to achieve efficiencies through aggregation and collaboration. It is intended that the new consortium will be operational within the period of this Business Plan.

Objective for 10/11

- SFT will assist with support and facilitation to form the housing association consortium and will work with them to develop processes, procedures, new procurement models and documentation.

“SFT is committed to exploring ways in which it can support development in this strategically important renewables sector.”

Borders Railway

Borders Railway is a complex c£300million project encompassing NPD, linking to the existing rail network, interface with a rail operator and improving or replacing a large number of structures along the line. SFT has accepted a seat on the Project Board providing progressive assurance.

Objectives for 10/11

- Continue to support the project and provide progressive assurance as member of Project Board.
- Support the continuing development of the NPD structure for the project.

Forth Replacement Crossing

The Forth Replacement Crossing is the major infrastructure project in Scotland, as well as being one of the largest in Europe, and is of such scale that the successful delivery and maximisation of value for money on that single project will have a substantial impact on overall value achieved from the planned infrastructure investment plan. The project is being procured now with two consortia bidding and the contract is expected to be awarded in

2011. Transport Scotland will continue to take the lead role in this procurement with SFT providing timely and strategic support.

Objective for 10/11

- Carry out strategic reviews at key stages of the project and agree action plans from recommendations.

Renewables Infrastructure

Scotland is currently committed to achieve a headline target of 20% of total Scottish energy use coming from renewables sources by 2020. Specific targets include 50% of electricity demand, a 10% target for renewable transport and 11% target of heat demand. Scotland's Renewables Action Plan sets out a framework for action in the specific area of renewable energy; SFT is committed to exploring ways in which it can support development in this strategically important sector.

Objectives for 10/11

- Provide support to public bodies developing commercial structures for increased wind energy investment on their estate.
- To assist in the development and implementation of the National Renewables Infrastructure Plan.

“SFT has been invited to sit on the project board and to work alongside Council's project teams. Together these projects deal with more than a quarter of Scotland's residual waste.”

Waste Management

SFT has been invited by Glasgow City Council, North, South and East Ayrshire Councils, West Lothian Council, Edinburgh and Midlothian Council and North Lanarkshire Council to support the development and delivery of their residual waste treatment projects.

For Glasgow, the North, East and South Ayrshire collaborative project and the Edinburgh and Midlothian collaborative project, SFT has been invited to sit on the project board and to work alongside the Council's project teams. Together these projects deal with more than a quarter of Scotland's residual waste.

For West Lothian Council, SFT has been invited to undertake independent peer reviews at key milestones during procurement as well as being a centre of expertise resource for the project team. For North Lanarkshire Council, discussions are at an early stage to determine how best the SFT can support the Council's project team.

In addition to the above, SFT is also undertaking a number of actions in partnership with CoSLA, SoLACE and the Scottish Government. With CoSLA, SFT is working on a data collection exercise to enable the public and private sector to have a clearer picture as to the individual waste infrastructure plans of each of the 32 local authorities to meet both landfill diversion and recycling targets. With SoLACE, SFT has been asked to facilitate future discussions as to how best those local authorities, not currently in procurement, could deliver their future waste infrastructure requirements.

Objectives for 10/11

- Continue to support the current portfolio of Local Authority waste projects as they move into the procurement phase.
- Continue to develop a centre of expertise resource in waste to assist in other procurement.
- Increase the waste volume being actively supported by SFT's waste team from 25% of Scotland's Local Authority municipal waste to 40%.
- Work with Scottish Government and other bodies to assess the potential for the development of strategic waste treatment facilities.

SFT has also initiated, as part of the development of its centre of expertise role, a waste procurement forum to share and disseminate best practice and lessons learnt and set up a training session for local authority waste officers on commercial issues relating to residual waste.

There are significant challenges in waste, evolving policy and legislative requirements, planning, and the need for strategic solutions to underpin the significant investment required. It is estimated that a total of c£1billion investment will be required to meet future European targets.

Aberdeen Western Peripheral

The Aberdeen Western Peripheral Route is a new c£350million road project encompassing NPD, being developed to improve travel in and around Aberdeen and the North-east of Scotland. The road is being developed by Transport Scotland in partnership with Aberdeen City and Aberdeenshire councils.

Objectives for 10/11

- Support the continuing development of the NPD structure for the project.
- Provide project assurance.

Edinburgh to Glasgow Rail

The Edinburgh to Glasgow rail improvement programme (EGIP) is a c£1billion programme funded through the Network Rail Regulated Asset Base, to improve capacity on the rail corridor between Edinburgh and Glasgow. It includes an electrified railway between Edinburgh and Glasgow Queen Street, a new station to serve Edinburgh Airport and will facilitate a six trains per hour service between Edinburgh and Glasgow.

Objective for 10/11

- Support strategic reviews at key stages of the project and agree action plans from recommendations.

Ongoing NPD Projects

This covers: Tayside Mental Health Developments and Moray Schools.

SFT has a role advising on the NPD model of infrastructure investment in relation to a number of ongoing procurements. Scottish Government has asked SFT to represent its interests in revenue support funding, maintenance of and derogations from standard NPD structures, and delivery validation through Key Stage Reviews.

Objectives for 10/11

- Perform a diligence role on all projects and be in a position to recommend acceptance or otherwise, of derogations from standardised NPD contract forms.
- Act as the central owner and developer of the NPD model.

Ongoing Schools Projects

This covers: Western Isles Schools and Orkney Schools projects.

Scottish Government has asked SFT to represent its interests in funding, maintenance of and derogations from standard contract structures, and delivery validation through Key Stage Reviews.

Objectives for 10/11

- Review the projects against the funding criteria set by the Scottish Government.
- Provide periodic validation through key stage reviews.

PPP Support and Training

SFT provides support to the public sector in relation to operational PPP projects, by facilitating workshops and seminars and, in some instances, by dealing with individual queries.

In addition, SFT provides training sessions for project managers on contract terms and practical project issues. SFT does not intend to replace technical, legal or financial advisers. However, because it is a centre of expertise it is able to identify issues that are of concern in a range of projects and discuss possible solutions.

With over £4billion of public sector assets being delivered in some form of PPP contract in Scotland good contract management and ensuring ongoing value for money is very important. SFT will look at options to further develop its support to operational PPP projects and to drive through improved value for money.

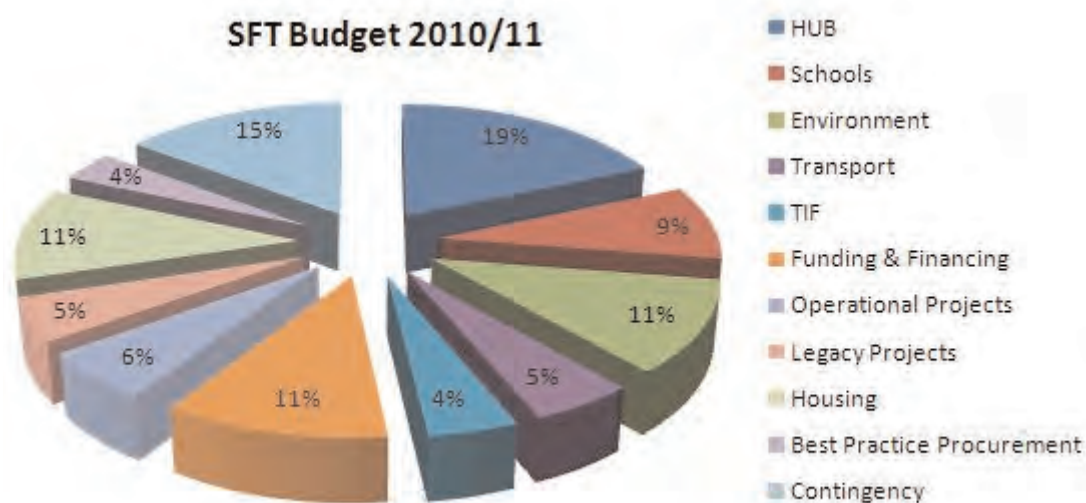
PPP contracts have varying ages, some signed recently, some signed more than ten years ago. Challenging issues are arising in some contracts, such as the recent placing into administration of a company providing services to three Scottish PPP contracts. SFT is supporting the three authorities involved and co-ordinating our activity with that of the other projects affected elsewhere in the UK. SFT is uniquely placed and equipped too provide such support.

Objectives for 10/11

- Work with procuring authorities to examine ways in which innovative approaches can be implemented to deliver better value for money for existing PPP contracts.
- Continue to facilitate and encourage best practice and innovation on issues arising in operational PPPs.
- Provide support to major changes in operational PPP contracts.
- Support any operational PPP projects encountering contract issues.

Annex 2.

Budget Summary



SFT's proposed budget for 2010/2011 is £6.75m. The budget is in line with that set out in the 2009 Corporate Plan with the addition of a transferred budget from the Health Department for running the hub programme.

Sector	Budget allocation	Approximate Overall Project/Programme Value
hub	1,250,000	£1billion of community and health facilities
Schools	600,000	£1.25billion of secondary and primary schools
Environment	750,000	£1billion of waste and renewable energy projects
Transport	350,000	£3.6billion of road, rail and crossings
TIF	300,000	£200million to unlock more than £1billion of regeneration activity
Funding & Financing	750,000	VfM financing for Transport, TIF and Housing
Operational Projects	400,000	Over £4billion of assets in historic PFI/PPP/NPD
Legacy Projects	350,000	£280million of schools and hospitals
Housing	750,000	£130million of housing in its initial phase
Best Practice Procurement	250,000	Social housing collaboration and other initiatives
Contingency	1,000,000	To allow for additional workstreams
TOTAL	6,750,000	
SG SFT Budget	5,900,000	
SG hub budget	850,000	
TOTAL	6,750,000	

Annex 3.

hub Projects

hub's first projects

Enabling funding of £130million has been awarded to support ten projects in the two pathfinder territories. The projects are:

Aberdeen Community Health and Care Village

The proposed aim of Aberdeen Community Health and Care Village is "To create a hub from which the city diagnostic and treatment services will be delivered." The Village facility is strategically located within Aberdeen City to provide a range of services that will be available to the whole city.

There will be accommodation for a range of NHS services as well as services provided in partnership with Aberdeen City Council and Grampian Police and it is possible that further partnerships may evolve with participants including Aberdeen City Council and the Scottish Blood Transfusion Service.

Ardseileach Core and Cluster Resettlement

A resettlement of Ardseileach Care Home involving construction of a new Core and Cluster Resettlement on land adjacent to the Care Home, with connections to the recently refurbished Day Care Facilities. The project will enable a more comprehensive service provision to meet the needs of users as effectively as possible to current and developing Care Commission standards and local needs. The project will deliver improved day care, respite and residential services to adults with learning disabilities.

Blackburn Partnership Centre

The proposed Blackburn Partnership Centre is a joint development between West Lothian Council and NHS Lothian and will seek to bring together a range of services provided by West Lothian Council, West Lothian Community Health and Care Partnership (CHCP) and NHS Lothian. The Partnership Centre will help to provide a range of community facilities and anticipated programmes which will overcome social exclusion, focus on health and well-being, meet the social, recreational and educational needs of the community, and

improve confidence, self-esteem and life skills. It is hoped that suggestions for the final list of services operating from within the Partnership Centre will be drawn from consultation with the local community.

Drum Brae Library and Community Hub

The proposed Drum Brae Library and Community Hub will create a new library and Community Care day centre on one "campus" site. Service available will include: Library, Learning Centre, Community Information and Access Points, Day Care Centre, ICT Access Points, Kiosk Payments – rents, council tax etc, Careers and learning guidance Access Points, Police, Volunteer Support, Councillor and MSP Surgeries, My Health – self health services, Parenting collections and Youth Cafe.

Firrhill Health and Social Care Centre

The proposed Firrhill Partnership Centre is a joint development between NHS Lothian and the City of Edinburgh Council. Services to be provided include: two GP Practices, Community Nursing, Community Mental Health, Paediatric Services, Physiotherapy, Podiatry, Learning Disabilities, Day Services for Older People, Health and Social Care Services.

Gullane Surgery and Day Care Centre

This re-provision of the existing GP Surgery and Day Centre is a joint development between East Lothian Council and NHS Lothian. Proposed services include: GP Practice, Community Nursing, Podiatry and Council Day Services.

Muirhouse Partnership Centre

The project seeks to reconfigure and enhance primary health care services in North Edinburgh. The development will replace a number of facilities in the Muirhouse / Pennywell area of Edinburgh. The proposal will bring together these services on to one site. The complete list of proposed services is: two GP Practices, Community Nursing, Community Mental Health, Community Dentistry,

Annex 3.

hub Projects (continued)

General Dental Practice, Podiatry, Physiotherapy, Community Learning Disabilities, Substance Misuse, Speech and Language Therapy, Learning Disabilities, Paediatric Services, Children and Families Services, Health and Social Care Services, North Edinburgh Drugs Action and Black Community Development Project.

opportunity also exists to share common services with partners such as Aberdeen City Council and Dental Services. Stakeholders include Woodside Medical Group; Aberdeen CHP services; Community Nursing; Common Support areas; Social Work area; Dental Unit.

Tain Replacement Health Centre

To replace the present health centre in Tain with a new larger facility which is fit for purpose and will enable the delivery of an increased range and level of services to patients. The new Centre will bring General Dental services together with other Primary Care services in one facility which is energy efficient and with full disabled access throughout. The Centre will provide a one stop shop for all Primary Health Care needs: Community screening programmes; increased health improvement opportunities; Improved and increased dental services; increased physiotherapy services; Near Patient Testing; Extended Minor Surgery; Provision of a fuller Family Planning Service; Extended Community Nursing services.

Wester Hailes Healthy Living Centre

A joint development between NHS Lothian and the City of Edinburgh Council to replace a social work office, health centre and bring together other services from various locations in South West Edinburgh. Proposed services include: GP Practice; Community Nursing; Community Mental Health; Community Dentistry; Local Drugs Clinic; Physiotherapy; Podiatry; Speech and Language Therapy; Learning Disabilities; Paediatric Services; Children and Families Services; Health and Social Care Services; Criminal Justice; and Wester Hailes Health Agency

Woodside Medical Group

The proposed new medical practice will not only replace the existing health centre, but will also include transfer of services from other clinics. The

Borders Railway
hub Programme
National Housing Trust
Tax Incremental Financing
Forth Replacement Crossing
Aberdeen Western Peripheral Route
Scottish Schools Investment Programme
Edinburgh Glasgow Improvement Programme

SCOTTISH
FUTURES
TRUST

Edinburgh/Midlothian Waste Treatment Project
Glasgow City Council Waste Treatment Project
West Lothian Waste Treatment Project
Ayrshires Waste Treatment Project
Social Housing Collaboration
Tayside Mental Health
Western Isles Schools
Orkney Schools
Moray Schools