

## **Why NHS Lease approvals processes are important;**

The issues around decision making on new and amended leases for much needed primary care accommodation were raised a number of times in discussions at the Westminster Health Forum conference on 11 June 2015. A concern around the number and roles of parties involved and the very slow processes was directed at Dr David Geddes, NHS England's Head of Primary Care Commissioning, which produced a response that made it clear that speeding up and improving systems for premises approvals simply wasn't on the NHSE agenda and no assurances could be offered as to when matters would improve.

Clearly NHSE has many important issues that are on its agenda and it was a common theme of several conference speakers that creating "pace" of change/implementation is of paramount importance, so it may be worth reviewing why decision making on its Primary Care operational properties is important and contributes to improving clinical outcomes, cost savings and efficiency.

1. The 5 year plan and recently published review of London's GP offering, amongst several other reports, have highlighted a need to improve a large proportion of the physical estate to allow for such basic needs as disabled access. The BMA survey highlighted that 70% of surgeries are "underinvested" and 40% are "unfit for purpose". Whilst the estate remains substandard attempts to relocate services into the community and into the lower cost base of GP surgeries will be frustrated.
2. GPs continue to own a majority of Primary Health Centres, but the old model of partnership premises ownership is being challenged by;
  - a. Changing working practices amongst GPs who now often work part time and are less content to commit to one practice in the long term.
  - b. The amount of the capital commitment required for new larger premises and lack of flexibility of ownership have made that ownership less attractive to GPs.
3. The NHS does not have spare capital to commit to premises improvement.
4. For the reasons stated it is highly unlikely that the necessary improvements and replacements will occur without 3PD involvement, which has proved to be a quick and cost effective means of creating the required premises for NHS use.
5. The private sector has demonstrated an appetite for investing in the healthcare sector and providing the capital needed to modernise the NHS Primary Care estate.

Whether the investment required is in improving existing assets or creating new ones the 3PD model requires an occupational lease to be entered into by GP Partnerships or NHSPS and, under the terms of the 2013 Directions, all of the necessary lease documentation needs prior approval by NHSE. This is such a fundamental part of the necessary process that a uniform, transparent and speedy approvals procedure is essential.

So what are the current obstacles to creating a quick and efficient system?

- A. 2013 Directions; as currently drafted the directions are exposing GP tenants to the risk of under reimbursement of rents, this alone is proving a disincentive to enter leases.
- B. According to Dr Brian Balmer, the GPC Premises lead, there is no urgency at NHSE to resolve this and other issues with the Directions and he has been waiting 10 months for a meeting on the subject.

- C. NHSPS template lease; there is uncertainty about where this document will apply and again it is not in an approved/agreed form.
- D. There does not seem to be a co-ordinated approach or policy, with LATs negotiating lease terms independently and on different bases and the advisory roles of NHSPS and the District Valuer office (DV) varying from project to project.

## Conclusion

3PD is a cost effective method of delivering primary care premises in a timely fashion and on a value for money basis (as approved by the DV in each case). The private sector needs to be incentivised to maintain momentum by clarity and speed of approvals from NHS, if the “pace” of change, described by commentators and Forum presenters as being of paramount importance, is to be recovered.

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