

PCPF 2018 – Summary of activity

A brief update on the work your committee have been undertaking over the last year.

With a view of expanding our knowledge of the procedures desires and requirements of the NHS various meeting were arranged.

- The BMA – No formal meeting although we keep in touch with with Ian Hulme BMA GPC Chair and last month I met him at the Best Practice Conference. He is as frustrated as all of us over the delays in the New PCD being published. On the PCD we still have no news of publication. There has however been an interesting development via NHS LA. In recent appeals they have noted that it is not the date of a rent review that determines whether you use the 2004 or 2013 PCD but the date the reimbursement started. Very important on Notional Rent Reviews as amongst other things the 2004 directions allow a valuer to consider alternative use, the 2013 directions do not. I am advised that NHSE are looking into this desision!**
- NHS England – Richard Taylor and I met with Jo Fox on the 18th September specifically to look at the problems members were encountering over ETTF Grants and Rebates being applied to Lease Rents on 3PD Schemes. Basically NHSE were treating Grants as Loans and trying to recoup the money back over the lease term. We have subsequently liaised with Assura, Octopus and PHP and prepared possible solutions based around amortising the rebate over longer lease periods plus lease extensions. A further meeting is being arranged to progress the matter.**

- **RCGP** - Lynne and I had a very positive meeting with Professor Helen Stokes-Lampard, RCGP Chair on 7 March. We are exploring a possible GP advice line linked to the RCGP. Whilst still investigating how this could work we hope to set it up on a pilot basis for three months.
- **BPF** - Lynne met with Jonathan Murphy BPF Healthcare Committee Chair, on 10 April. Their discussions included the issue of lease liabilities and lease lengths seen as a major barrier to further investment in the primary care space, and sharing any proposed formal Naylor response document before it is published.
- **Other Activities** include our Summer Networking Event which was held on 7 June – thanks to John Hargreaves and Penningtons Manches for hosting. We have agreed to hold the event again in 2019. Thursday 16 May is the provisional date for the 2019 event at the offices of Hempsons. Further details to follow.
- **Landlord Members** have noted the difficulties in getting GP Tenants to understand Rent Review procedures and the need to align them with the 2004 or 2013 Premises Cost Directions. We considered putting together guidance for Doctors but the Committee agreed it was more appropriate to consider this once the New Directions are published at which stage it would be combined with general advice on the Directions as a whole.
- **At the beginning of the year** we published an article on Rental Evidence and we will continue to collect details on Rent Reviews from members so that our statistics can be updated.

- **Membership - The Forum continues to grow and we now have 168 members. Renewals letters and invoices will be issued at the beginning of January. We would ask you to settle early as this helps us to forecast our membership numbers and to budget and plan events and activities accordingly.**
- **GN60 - We are in touch with the RICS Working Party reviewing GN60, the guidance note on the Valuation of Medical Centres and Surgery Premises. Somewhat stuck waiting for the NHS Premises Cost Directions!**
- **Service Charge Analysis – We have tried collecting and coordinating service charge data for analysis. Simon Hocken and his colleagues are working on the project with JLL but the information we require has not been forthcoming. At this stage the sample is too small for any meaningful analysis.**
- **As I am sure you are aware this year the BMA have agreed with NHSE to undertake a Review of GP Premises to look at:**
 - **Provide a Better Picture of the Overall Primary Care Estate**
 - **Ensure that Premises are Fit for Purpose in the Future.**
 - **Promote Recruitment & Retention of GP Contractors**
 - **Ensure GP Premises represent Value for Money.**
 - **Allow a better Integration of Services in the Future.**
- **As joint Chairs of the PCPF Lynne Abbess and I were invited to take part in the review and together with Chrissie Neve attended the initial**

Workshops. In our subsequent report to the Review Team of NHSE we highlighted the following;

- **We noted the process and procedures for approval of new funding (particularly ETTF) are overly bureaucratic and complicated. Layers of PID, OBC, FBC with no clear decision making and lack of transparency as to liability.**
- **We pointed out that there is a clear Conflict between the modern Provision of NHS Services via short term contracts and the long term requirements of Primary Care Premises. We emphasised that for the Private Sector's involvement in Primary Care Premises a 20-25 year Lease is the key. But such Leases were becoming harder to secure due to;**
 - **The worry and concern of GPs over committing long term due to the perceived uncertainty of their NHS contract and long term NHS commitment to both their practice and practice premises.**
 - **Other NHS Service Providers getting 3-5 Year short term contracts**
- **Service Providers want short term and flexible forms of occupation via short leases or licences. Landlords and Investors require a Long Term commitment.**
- **We pointed out to NHSE that there is a need for a body or structure to divide the long term requirement and holding of Primary Care Premises from the potential flexibility of short term contracts.**

- **The NHS potentially via the CCGs (or a new NHS guarantee body) need to take Long Term Heads Leases (not easy as unfortunately this will required a resolution to current accounting procedures under CDEL). If the NHS Guarantee Body were able to take leases from GPs it is not suggested that this should be automatic. It just needs to be there in case of partnership/tenant difficulties. Such reassurance would give GP partners the confidence to enter into long term leases or mortgages.**
- **We discussed what alternative backing can be given by the NHS?**
 - **Some form of binding and recognised Legal Commitment (over and above the current “Letters of Comfort” or “Memorandum of Understanding”) for the NHS Funding & Use of the Premises for the period of the Mortgage or Long Term Lease.**
 - **Perhaps similar to the Deeds some Local Authorities are requiring from the NHS providing a commitment to fund and commission services from new Primary Care Centres. Can such backing be given to private landlords giving them the confidence to allow short term lets?**
 - **I believe that NHSE are hoping to avoid the need for the NHS to take leases and the resultant accounting problems by looking at a historic solution where the Old PCTs were able to enter into a “Call & Put Option” with GPs. This could act as the long term binding backing. Your committee will keep their eyes and ears open for any further development on this important topic.**