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## To Share or Not to Share Accommodation

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There is an interesting contradiction between what is detailed in the NHS Premises Directions and the direction of travel for the provision of healthcare services in the community.

The number of other healthcare providers being based in the community in doctors' surgeries, is increasing. This has historically been the community staff, e.g. practice nurses and health visitors, and the accommodation used by such staff was always treated in the same way as GMS accommodation, i.e. being included within notional rent and rent reimbursement. The amount of accommodation at stake has typically been one or two rooms and therefore it hasn't been much of an issue.

However, recently I have come across instances of the community staff accommodation being excluded from notional rent/rent reimbursement which can cause problems. If premises are owned and subject to a mortgage, this may adversely affect how the practice is able to service the mortgage. Likewise, if practices lease the premises it may affect their ability to pay rent to the landlord.

A consequence of community staff accommodation not being included with notional rent/rent reimbursement will be for the practice to then put the provider Trust on to a lease. This will incur both surveyor's fees and legal fees in implementing such a lease. Furthermore, there may be a period of time between the notional rent/rent reimbursement being reduced and the lease being completed and rent then being received.

I have also come across instances relating to part-time occupation of rooms such as by sexual health and phlebotomy services. In my opinion, this change of approach by some CCGs is excessive and is causing more problems for practices. This goes against the direction of travel of healthcare services and there seems to be quite a lot of administration and headaches to resolve, disproportionate to the extent of accommodation and/or time that the rooms are utilised. Hopefully common sense will prevail.

## Health Centre Leases

I have written previous articles about the proposed leases for the practices who occupy all or part of health centres, now owned by NHS Property Services Limited.

Such practices do not occupy health centres by way of formal lease agreements, although there have been various efforts made in times gone by for leases to be implemented. With the abolition of the PCTs and the properties being transferred to NHS Property Services Limited (NHSPS) it has always been the stated intention for a

programme to be instigated to regularise the occupation of health centres by leases. In recent weeks e-mails have been received by practices commencing this programme. Attached to the e-mails are draft heads of terms and floor plans showing the accommodation allocated to the practices. Having reviewed the heads of terms, the proposed lease terms have both positive and negative connotations. The positive points include the lease being flexible and allowing the practice to terminate the lease in the event they decide to terminate their service contract. The onerous part of the lease is that it is for a term of 25 years, but with the practice paying for the external and structural parts of the property via a service charge.

From advising practices who currently occupy health centres, it is well known that the service charges can be onerous and the liability to pay such a service charge for 25 years is likely to be prohibitive. Furthermore, the premises are generally dated in age and there is uncertainty as to the condition of the premises, therefore to be exposed to the liability to pay for such repairs and defects is, to my mind, too great a risk.

Within the heads of terms there are numerous points that will need to be discussed and negotiated. The more consistency there is as to the areas to be rebutted, hopefully the more inclined NHSPS will be to soften their position. These negotiations are going to be interesting and will no doubt go on for a while.

This needs to be considered against the GP forward view in which it states that for those practices who enter into leases by 31 October 2017, NHS England will reimburse Stamp Duty Land Tax (SDLT) costs in entering into a lease. Whilst this immediate incentive is tempting, I would caution against rushing into a lease too hastily to have your STLT reimbursed, which could pale into insignificance compared to the liability for a service charge over the term of the lease.