

Case Study

Granting a charity a long-term lease, enabling them to secure funding for investment

THE HARINGTON SCHEME, LONDON

Background

Context:

Site: mostly garden/allotment space, with a few small buildings for classrooms and offices.

Customers:

The Harington Scheme, a charity providing opportunities for young adults with learning disabilities and/or difficulties, delivering individual learning programmes designed to help with into employment, further education and a more rewarding life.

NHSPS representatives:

- Leo Grunhut, Senior Property Manager
- Dan Hotson, Principal Transactions Manager

The Challenge

The Harington Scheme has occupied this land for approx. 30 years, on a short-term contract. This short-term contract made it difficult for them to secure the funding they needed to invest and improve the site.

NHS Property Services (NHSPS) wanted to support this whilst also retaining ownership of the land, in case there was a healthcare need (or development opportunity to look after the NHS asset) in the area in the far future.

The Solution

NHSPS Transactions and Town Planning teams assessed options for the site, considering the planning constraints and future uses.

As a compromise, NHSPS has granted The Harington Scheme a 50-year lease. We jointly appointed a valuer with the charity to facilitate an open conversation on the true financial value of the site providing the charity with two options for either a one-off premium or annual rental.

The Result

This long-term lease will enable the charity to secure the funding they need for investment on the site, upgrading buildings and better serving their community. This also means we have secured a consistent income on a site for the NHS, on land that currently doesn't have any healthcare requirements, and have retained our ownership on the site to allow any value to be realised for the benefit of the NHS in the future.

We signed the new lease in November 2019 and look forward to seeing the improvements onsite when funding is secured.

Customer Feedback

"This long lease will make a massive difference to our ability to capital fundraise for much needed improvements to our site and buildings and was therefore essential to secure the long-term future of the charity. All of us at Harington are extremely grateful to you and your team for supporting us and enabling it to happen. I'd particularly like to thank Leo Grunhut who was instrumental in the project's success, always answering my queries quickly and courteously and assiduously chasing down every issue."

Rachel Allison
Chair of Harington Trustees