

A guide to Acquisitions and Disposals



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What are property disposals and reinvestment?

Disposing of surplus or underused properties, reinvesting proceeds, or acquiring new space where needed are essential steps in maintaining a modern, efficient and sustainable NHS estate.

By unlocking value through these transactions, we can reduce operating costs, remove maintenance liabilities, and redirect funding into spaces that better support patients and staff. Whether preparing a site for sale, relocating services, acquiring estate or exploring reinvestment opportunities, this guide is designed to **help you navigate the process with confidence**.

Our team is here to support you every step of the way – **ensuring your estate decisions align with your strategic goals and deliver real impact for the communities you serve**.

Why are acquisitions and disposals important for the NHS?

Strategic importance

Acquisitions and disposals are central to the NHS's ability to optimise its estate, reduce costs, and reinvest in patient care. They help ensure that NHS properties are **fit for purpose, aligned with clinical needs, and financially sustainable**.

Financial impact

Disposing of surplus properties generates vital funds for reinvestment. Since 2013/14, our Investment Management team has:



Sold **647** properties



Raised over **£586 million** for reinvestment



Released land for over **8,000** new homes

Operational efficiency

Acquisitions ensure the NHS secures the right properties—often through long leases or head leases—to **support service expansion and transformation**. Whereas disposals help to:



Reduce running costs from underused buildings



Remove backlog maintenance liabilities



Consolidate services into better-used spaces



Improve access for patients by relocating services strategically

Strategic alignment

Acquisitions and disposals can be seen as tools to:



Align estate with clinical strategy and 10-year plan



Maximise estate value



Adapt to changing population needs

Customer and community benefit

By acquiring properties that better meet service needs and disposing of underused or outdated sites, **we help create more accessible, modern environments for care**. Disposals also unlock capital that can be reinvested into frontline services or community developments.

How we can support you

Estate rationalisation: Working with our estate's strategy team to identify surplus properties for disposal.

Strategic asset management: Maximising value and aligning property use with key objectives.

Funding: Supporting our customers to unlock capital via different funding routes such as Section 106.

Disposal and acquisition strategies: Tailored plans to unlock value and secure needed properties.

Transaction management: End-to-end support from business case to legal completion.

Complex transaction management: Handling multi-stakeholder and legally complex deals.

Post-transaction advice: Ongoing support to protect value, through overage and clawback and ensure alignment.



Key benefits of working with NHS Property Services

Area	NHSPS Advantage
Expertise	Deep NHS knowledge and commercial experience
Experience	20 transaction specialists, 500 years of combined property experience, 647 disposals raising £586m, successful acquisition programme
Cost Efficiency	Cost recovery only fee basis
Governance	Mature governance aligned with NHS Guidance & Estate Code
Responsiveness	Integrated teams for fast mobilisation
Stakeholder Engagement	Trusted NHS partner with strong relationships
Social Value	Proven track record of reinvestment and community impact
Flexibility	Scalable support from minor to complex deals
Legal & Technical Support	Access to in-house legal team, and call off frameworks with consultants
Transparency	Reporting aligned with NHS priorities

Our services include:



Strategic asset management:

Maximising estate value by improving space utilisation, aligning property with clinical priorities, and reducing void space.



Utilisation studies: Identifying – and evidencing – underused or vacant spaces to unlock hidden value.



Estate rationalisation: Identifying surplus or underused sites to reduce costs and reinvest in estate improvements that support service transformation.



Disposal strategy: Identifying disposal plans that unlock value, maximise capital receipts, and support reinvestment.



Acquisition strategy: Supporting strategic property acquisitions aligned with system priorities, including funding guidance and deal structuring.



Transaction management:

Providing end-to-end support for acquisitions and disposals—from business case development to legal completion.



Project/programme delivery:

Providing project team support, to our customers to provide expertise and guidance delivery on key priorities such as the New Hospitals Programme.



Development-led transactions:

Facilitating transactions that involve redevelopment or new construction as part of the sale.



End to End transaction management:

Managing acquisitions and disposals from business case development to legal completion.



Complex transaction support:

Navigating multi-stakeholder, legal, and planning challenges to add value from difficult sites and deliver strategic outcomes.



Post-transaction advice: Offering ongoing support to manage contractual variations, protect value, and ensure alignment with estate plans.



Dedicated contact: A single point of contact ensures continuity, transparency, and direct reporting throughout the process.

Enabling strategic estate change to support better care

We unlock estate transformation that directly supports improved healthcare delivery. Our work is aligned with the NHS's strategic shift toward:

Care closer to home

Relocating services into **more appropriate, local settings** by:

- Acquiring leaseholds in community locations.
- Disposing of outdated or poorly located buildings.
- Supporting decant strategies to enable clinical site redevelopment.

Integrated services

Enabling service integration through:

- Rationalising estate footprints to co-locate services.
- Supporting flexible leasing and shared space models.
- Unlocking capital to invest in multi-use facilities.

Improved access to care

Enhancing access by:

- Disposing of surplus assets to reinvest in modern, accessible facilities.
- Enabling refurbishment or new build space or acquisitions through capital receipts.
- Supporting estate strategies that prioritise patient experience.



Why choose NHS Property Services

Our Investment Management team is here to help with your property disposals and acquisitions - freeing up your time to focus on healthcare delivery.

We manage 10% of the NHS estate, more than any other provider. With our national scale and in-house expertise, we're equipped to support you across your estate. Our team of 20 dedicated transaction specialists work across the country, and this is what we do every day.

What sets us apart

Our Investment Management team brings together deep **NHS knowledge** and **commercial expertise** to deliver strategic acquisitions and disposals that unlock value and **support transformation**. We've recently helped deliver Community Diagnostic Centres, demonstrating our ability to turn strategy into impact.

From straightforward to complex transactions, we offer end-to-end support—from identifying sites and planning, through to negotiation and completion.

We take a solutions-focused approach, helping you navigate the NHS system, secure funding, and structure deals that meet both clinical and community needs, such as key worker housing. Our ability to step into transactions, take on headleases, and leverage NHS covenant means we can help you **unlock savings, maximise sale value, and deliver national-scale impact with local relevance**.

Whether you're managing a sensitive disposal or acquiring space to support service growth, **we act as your strategic estates partner**.

We can:

- Unlock savings by reducing costs and maximising sale value.
- Manage complex, split site and politically sensitive disposals.
- Negotiate conditional deals that meet community and clinical needs while maximising value.
- Deliver national scale with local impact through our wide-ranging national team



Case studies



Making a difference across the NHS estate

We're helping to deliver fit-for-purpose buildings through expert partnering and strategic support. At **Sleaford Street in London**, we supported the ICB to secure over **£15M in Section 106 funding**, managing the lease purchase and fit out to enable a new health facility.



National scale, local impact

With national reach and local expertise, we have a solutions-focused approach. In **Greater Manchester**, we've worked with the Integrated Care Partnership to bring forward **three innovative developments** that address primary care estate challenges. We developed a funding route that avoids the need for any CDEL transfer or charges for third-party capital.



Supporting major NHS programmes

We're supporting **County Durham and Darlington Foundation Trust** to deliver a new community hospital in the northeast, as part of the **New Hospitals Programme**. This multi-million-pound scheme involves complex stakeholder engagement, planning, site remediation, and multi-layer business case approvals. Once delivered, it will enable the disposal of **Shotley Bridge Hospital**, unlocking capital for reinvestment.



Responding to system needs

We've worked in partnership with **Dartford and Gravesham Foundation Trust** to deliver a **£19.64M Community Diagnostic Centre** within an existing operational site to help meet growing demand and improve access to care.



Unlocking capital through disposal and repurposing

We help commissioners and other NHS bodies identify void or underused spaces, raising capital for reinvestment. Examples include:

- **Harrow Road land in London** sold for **£5.75M** for DHSC
- **Fenwick Hospital** sold for **£0.8M** for NHS England.

By repurposing space, we help to consolidate services in well-used buildings, making it easier for communities to access care. And if the right space isn't available, we can help you find and manage acquisitions-freeing up surplus sites for reinvestment back into the NHS.



Enabling mixed-use community developments

In **York**, we supported the sale of the former **Lime Trees inpatient unit** to a local care home operator. The site will now deliver a **64-bed care home and community sports provision** following a successful planning application.

We enabled the sale of the greenbelt site, securing a **£3.5M capital receipt** after automatic referral to the Secretary of State deemed "inappropriate development," planning approval was granted.



Delivering strategic partnerships

At **Chiswick**, we led a joint development with **Hounslow Council**, retaining the freehold while granting a long lease to deliver housing and a new health centre. The deal secured NHS worker housing and met a major annual disposal target, alongside managing the sale of the decant site at **Stamford Brook**.

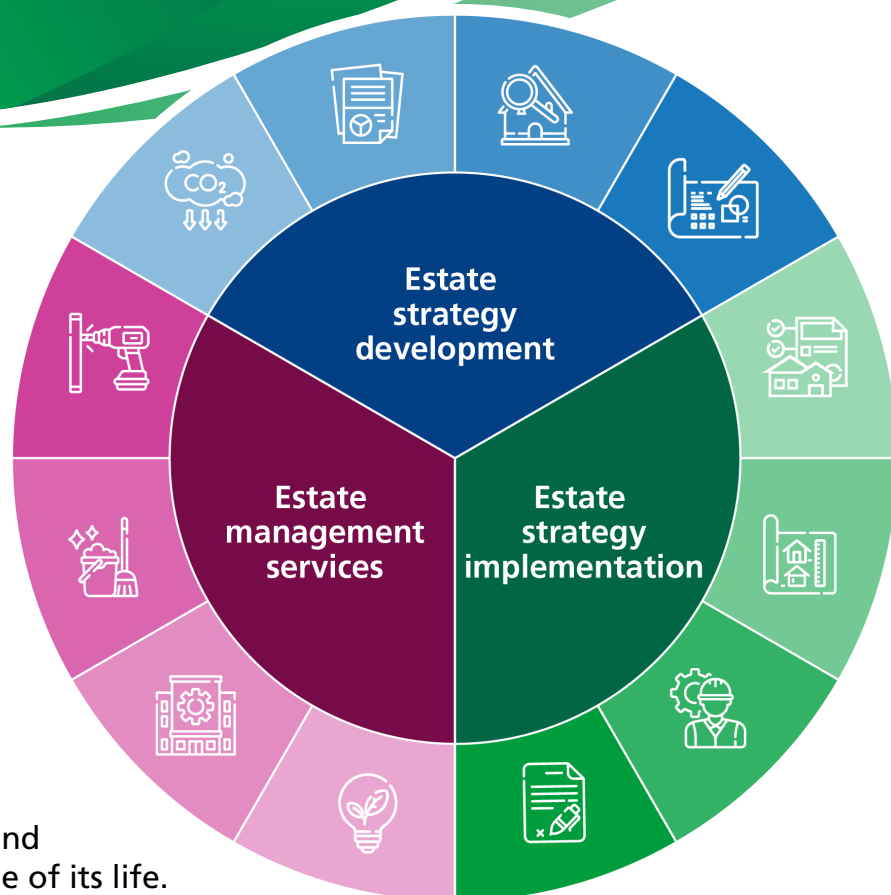


Delivering long-term value

The sale of **St James Hospital in Portsmouth** completed in January 2024, **after eight years of work**. This complex disposal involved site separation, legal and environmental challenges, listed building restrictions, and local politics. Planning permission was finally granted following a successful public inquiry. The former asylum site will now provide **209 homes** and **new community facilities**.

Our full service offer

Helping you better assess, adapt and maintain your estate at every stage of its life.



Estate strategy development

- Strategic estate planning
- Options appraisals and funding solutions
- ICB business case development
- Net zero strategy



Estate strategy implementation

- Estate optimisation and space utilisation
- Town planning
- Property development
- Lease advisory
- Property disposal and re-investment
- Capital project management



Estate management services

- Hard facilities management
- Soft facilities management
- Property management
- PFI management
- Statutory building compliance
- Carbon reduction and energy management



Want to know more?

Disposing of surplus properties and reinvesting proceeds are essential steps in creating a more efficient, fit-for-purpose NHS estate. These actions help reduce costs, support service transformation, and improve patient care.

At NHS Property Services, we offer expert, end-to-end support to help you navigate acquisitions and disposals with confidence. From identifying opportunities to managing transactions, we work with you to unlock value and reinvest in the spaces that matter most.

If you'd like to know more about how we can help you with property acquisitions and disposals, please contact our Customer Service Centre on



0808 196 2045



customer.service@property.nhs.uk



property.nhs.uk



0808 196 2045



customer.service@property.nhs.uk



NHS Property Services



@nhsproperty