

Vacant Space Handback Scheme



Estate Optimisation and Space Utilisation



Vacant Space Handback Scheme:

A Guide for Commissioners

Reduce the cost of maintaining space you no longer need by handing back empty space in your properties

Commissioners are encouraged to utilise void space for commissioning purposes, but the Vacant Space Handback Scheme enables them to hand back space to NHSPS Property Services (NHSPS) that they deem surplus to their future commissioning requirements, subject to qualification criteria and a vacating payment.

This helps ICBs to ensure their estate fits their current and future commissioning requirements.

Using the handback process enables ICBs to ensure they only retain vacant space for which they anticipate a future commissioning need.

Once handed back, NHSPS will use its property expertise to mitigate the cost of the vacant space to the system by:



Re-letting



Disposal



Development



"We value the opportunity to work with our ICB and ICS colleagues to optimise the NHS estate and reduce the inefficiencies, liability and costs associated with vacant space."

Trish Stephenson
Chief Operating Officer,
NHS Property Services

Eligibility Criteria

Who can apply?

- All Integrated Care Boards (ICBs)
- NHS England
- Commissioning Support Units (CSUs)

Who cannot apply?

- Other Arm's Length Bodies (ALBs)
- Local Authorities
- Providers and GPs
- Commercial tenants

Providers and GPs who are unable to apply directly should liaise with their Commissioners.

Is your space eligible?

To qualify, vacant space must meet the following criteria:

1. Part of a property transferred to NHSPS on 1 April 2013 under the Health and Social Care Act 2012.
2. Property in which NHSPS has a legal interest.
3. Not a Private Finance Initiative or subject to an onerous lease.
4. Is deemed to be:
 - a. Marketable and lettable (i.e. contiguous space and separately accessible)
 - b. A self-contained unit
 - c. Declared surplus to requirements by Commissioners
 - d. Vacant at the time of handback and clear of furniture and equipment
 - e. Free of debt due from the Commissioner

For more information on eligibility, see the [Charging Policy 2017/18](#) which contains the full terms and conditions.

Commissioners are encouraged to familiarise themselves with these details to fully understand their rights and obligations under the scheme.

How to apply

To qualify to take part in the scheme, Commissioners should review the eligibility criteria carefully before submitting an application form, called a Property Vacation Notice.

Through the development of infrastructure/estate strategies (on which our Estate Strategy team can support), ICBs will categorise property as either:

"Core" aligning with the LTP and clinical strategy;

"Flex" providing unique access to services but does not fully fit with the LTP; or

"Tail" poor quality to be phased out when alternative estate is available.

This will support the effective management of the vacant space scheme, as well as to help actively anticipate and plan options for vacant space in the future.



"Provided the space meets the handback criteria, ICBs have a great opportunity to relinquish surplus space to NHSPS for re-letting or disposal, reduce cost, and right-size their estate in line with their future commissioning requirements."

Alan White
Head of Property & Policy

Application process

Next steps for eligible space

When space qualifies for the scheme, the NHSPS team will guide customers through the process to hand it back.

The handback will complete once the premises are vacated and cleared, and the vacating payment has been received.

Until this time, ongoing accommodation costs remain the responsibility of the Commissioner.

Vacating payment

A vacating payment will be charged to customers which covers liabilities for a fixed transition period.

The payment is dependent on tenure (freehold or leasehold).

It covers 3 months accommodation costs for whole freeholds, 6 months for part freeholds and 12 months for other leaseholds. There is a 50% discount where the property has been vacant since 1 April 2016.

Handback

Once these steps are achieved, NHSPS will take responsibility for the costs, risks and opportunities associated with the space.

Next steps for ineligible space

If your space does not meet the eligibility criteria for this scheme, we are happy to discuss alternative options for managing your space more effectively.



Alternative to property handback

If handing back a property to NHS Property Services (NHSPS) is not a option for you, there are several other routes you can explore to make better use of the estate while supporting service sustainability and community needs.

Reducing or Reconfiguring Service Provision

If you anticipate a prolonged void period before a newly commissioned provider is ready to occupy the space, you can speak to their Strategic Estates Manager (SEM) about reducing service provision during the interim. This can help manage costs and avoid unnecessary estate usage while maintaining essential services.

Alternatively, if capital investment is required to support the recommissioned provider's future occupation, you should talk to your Regional Strategy Lead to explore funding options and estate planning support. This approach ensures the space remains viable and ready for future use, without defaulting to handback.

Utilising NHS Open Space

Another route is to convert underused areas into bookable rooms by working with the [NHS Open Space team](#). We can work with you to promote

your space to other healthcare providers, community groups, or even NHS teams to book space on a flexible basis. It's a practical way to generate income from vacant rooms while maintaining NHS control of the property. It also supports integrated care by enabling multi-disciplinary teams to work from shared locations.

Marketing to Commercial Healthcare or Wellbeing Providers

If the space doesn't qualify for the NHSPS handback scheme—such as properties within a Private Finance Initiative (PFI)—and you have no future commissioning plans for it, you can speak to the Vacant Space Team. They can support by marketing the space to commercial healthcare or wellbeing providers on the commissioner's behalf. This option helps to reduce the financial burden of holding vacant space while potentially bringing in services that complement local health priorities.



How to get in touch

If you are unsure your space qualifies for the scheme, please contact:



vacantspace@property.nhs.uk

To learn more about the scheme and submit a Property Vacation Notice, visit:



property.nhs.uk/contact/vacant-space-handback-scheme/



property.nhs.uk



0808 196 2045



customer.service@property.nhs.uk



NHS Property Services



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