

# Vacant Space Handback Scheme



# Vacant Space Handback Scheme:

## *A Guide for Commissioners*

### Cut the cost of empty space in your buildings.

The Vacant Space Handback Scheme allows Commissioners to pass on the liability for eligible vacant space to NHS Property Services (NHSPS).

The scheme has been developed with NHS England and the Department of Health and Social Care, in response to feedback from Commissioners who are looking to reduce the costs of maintaining space that they decide is no longer needed.

Although the costs of vacant space in the NHS are kept as low as possible, some costs are unavoidable due to remaining rent, business rates and some services charges. Therefore, handing the empty space back to NHSPS means Commissioners can avoid some of these costs.

Once handed back, NHSPS will then use its property expertise to repurpose the space, via:



Re-letting



Disposal



Development

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

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

[property.nhs.uk/property/vacant-space-handback-scheme/](https://property.nhs.uk/property/vacant-space-handback-scheme/)

# Eligibility Criteria

Who can apply?	Who cannot apply?
All Clinical Commissioning Groups (CCGs)	Other Arm's Length Bodies (ALBs)
NHS England	Local authorities
Commissioning Support Units (CSUs)	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
  - e) Free of debt due from the Commissioner

For more information on eligibility, see the Charging Policy 2017/18 (<https://www.property.nhs.uk/about-us/policies/charging-policy/>) 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.

Although no longer mandatory to qualify, to follow best practice we encourage Commissioners to produce realisation lists (on which our Portfolio Optimisation team can advise). These lists categorise property as either: currently surplus, likely to be surplus in the next financial year or year after that, or a long-term hold. They enable the effective management of the vacant space scheme, as well as to help actively anticipate and plan vacant space in the future.

**If you are unsure your space qualifies for the scheme, please speak to the vacant space team by contacting:**

**[vacantspace@property.nhs.uk](mailto:vacantspace@property.nhs.uk)**



“We know that Commissioners don’t want to be spending their money on empty space and now we can help them avoid some of those costs. We can then use our property knowledge to put the space back into use as soon as possible, maximising the value of the NHS estate.”

**John Westwood**

*Director of Asset Management, NHS Property Services*

# Application Process

## Next Steps

Eligible

1

### Next steps for qualifying space

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

The actual handback will take place when qualification is confirmed and a vacating payment has been received.

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

2

### 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) and takes in to account that the space is vacant.

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.

3

### Handback

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

Not Eligible

4

### 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 options for managing your space

In addition to the Vacant Space Handback Scheme, Commissioners can work with NHSPS to manage their space via:



Booking sessional space on a flexible basis with NHS Open Space, which is currently live in 20 sites, with expansion to our wider portfolio planned from 2020. Head to [openspace.nhs.uk](https://openspace.nhs.uk) for more information.



Declaring property surplus to requirements, for NHSPS to dispose. Where the property is freehold or long leasehold, this generates funds for reinvestment in NHS. Visit [property.nhs.uk/property/disposing-of-properties/](https://property.nhs.uk/property/disposing-of-properties/) to learn more.



Signing an occupancy agreement, giving security and clarity of occupation. Visit [property.nhs.uk/property/occupation-agreements/](https://property.nhs.uk/property/occupation-agreements/) to find out more about our ongoing Occupancy Programme.



## About Us – NHS Property Services


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NHS Property Services is a property owner and manager, advisor and service provider, helping to shape the NHS estate for the future. As a government-owned company we have one goal: to ensure the NHS makes the right property choices to enable excellent patient care.

## Contact Us – Customer Support Centre

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 [customer.service@property.nhs.uk](mailto:customer.service@property.nhs.uk)

 0800 085 3015

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