



Vacant Space Handback Scheme

How can we help you cut the cost of empty space in your buildings?

Tuesday 10th September

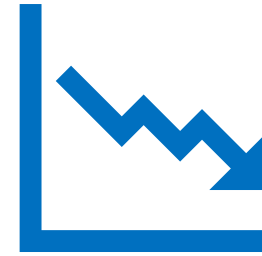


Leo Grunhut,
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NHS Property Services

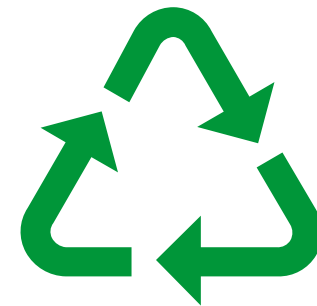


Restricted capital and funding, what can we do?

- Prescriptive Commissioning, early consideration of property needs
- Effectively use and recycle existing properties, intensify use of space
- Understand the space you have and what it costs - utilisation vs occupation
- Leverage shared facilities, partner networks and sessional space



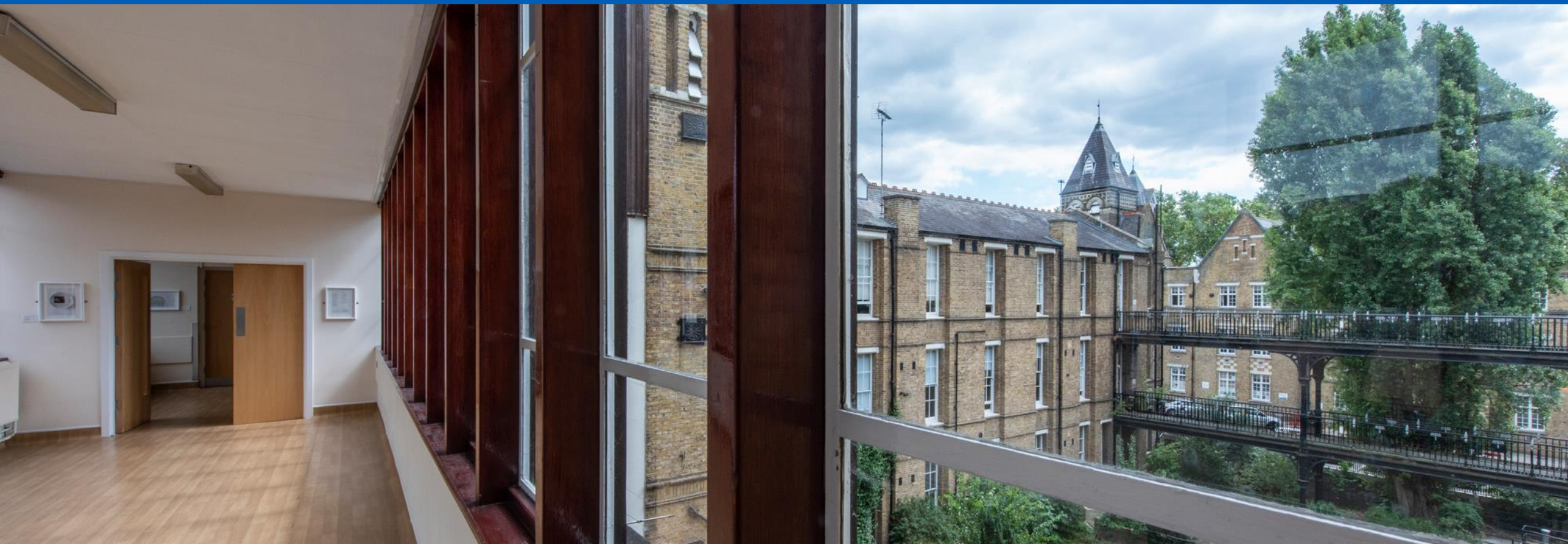
Reducing operating costs



Recycling space

Our programmes

How we can work with you to find solutions








Creating value from the NHS estate

Our core purpose:

Transforming the NHS estate to improve patient care, increase capacity and release value for investment

 <p>Improving space utilisation</p>	 <p>Efficiencies and cost transformation</p>	 <p>Safety and operations in your building</p>	 <p>Occupying space</p>
<p>Increasing space utilisation for customers and the NHS to drive down property costs, freeing funds for patient care</p>	<p>Transforming the NHS through efficient estate management and cost transformation</p>	<p>Making the estate safe and compliant for staff and patients utilising the latest technology and through investment</p>	<p>Ensure customers occupy only the space they need, with clarity over services and costs</p>

Vacant Space Handback Scheme





The challenge

Although the costs of vacant space in the NHS are kept as low as possible, some costs are unavoidable because rent, business rates and some service charges remain payable.

Commissioners are looking to reduce the cost of maintaining space that they have decided is no longer needed for clinical services, cutting the cost of empty space in their buildings and freeing up more of their budgets for frontline care.

We are looking to support Commissioners with this endeavour.





The solution

We started the Vacant Space Handback Scheme in August 2017 to recycle and optimise the use of vacant NHS property.

Enables Commissioners to pass on the liability for eligible vacant space to NHSPS and eliminate unnecessary cost after paying a final vacating payment.

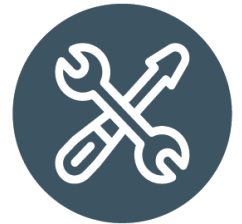
Once handed back, NHSPS will then use its property expertise to repurpose the space, via re-letting, disposal or development.



Re-letting



Disposal



Development



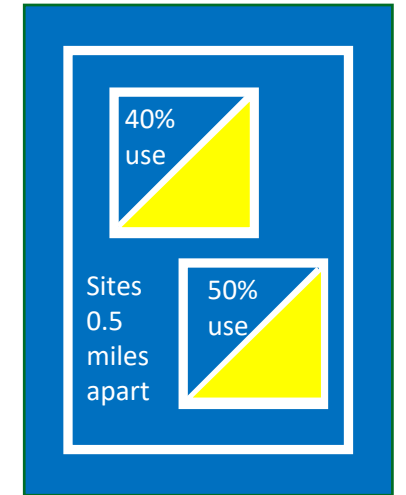
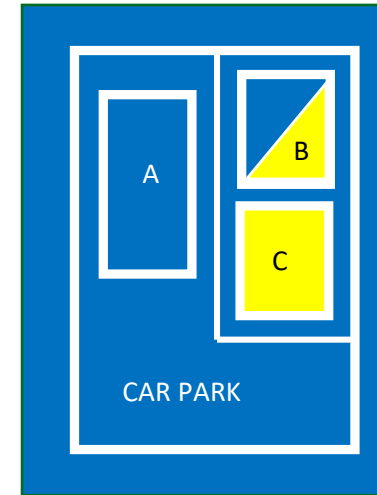
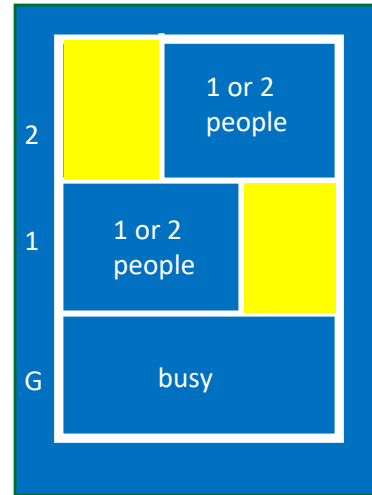
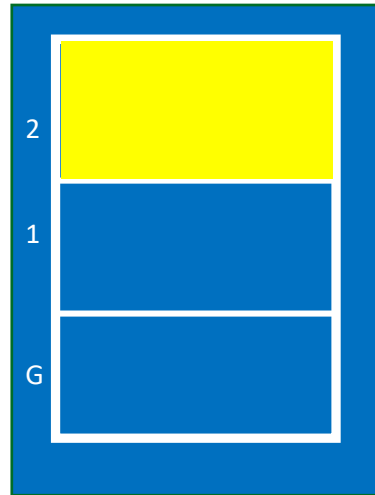
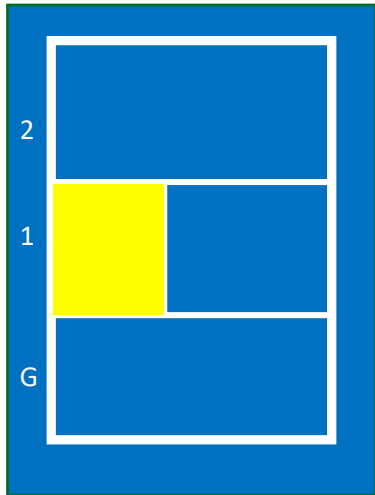
Who can apply?

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.



What spaces 'count' as vacant?





Is your space eligible?

To qualify, vacant space must meet the following criteria:

- Part of a property transferred to NHSPS on 1 April 2013 under the Health and Social Care Act 2012.
- Property in which NHSPS has a legal interest.
- Not a Private Finance Initiative or subject to an onerous lease.
- Is deemed to be:
 - Marketable and lettable (i.e. contiguous space and separately accessible)
 - Declared surplus to requirements by Commissioners
 - Vacant at the time of handback
 - 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/>).

If you are unsure your space qualifies for the scheme, please speak to the vacant space team by contacting: vacantspace@property.nhs.uk

Expanding access to the scheme

Following feedback from customers some tweaks have been made to the policy earlier in 2019.

1. Reduction in vacating payment for whole freeholds from 6 months to 3 months
2. Vacating payment based on current accommodation charges
3. Realisation lists best practice but not essential





How to apply



Engage with NHSPS to review estate and identify opportunities.

Submit Property Vacation Notice (PVN) on our website.

NHSPS assess the PVN, determine if the space is eligible. Calculate the Vacating Payment (VP).

NHSPS respond with offer letter stating qualification status, any conditions and the VP.

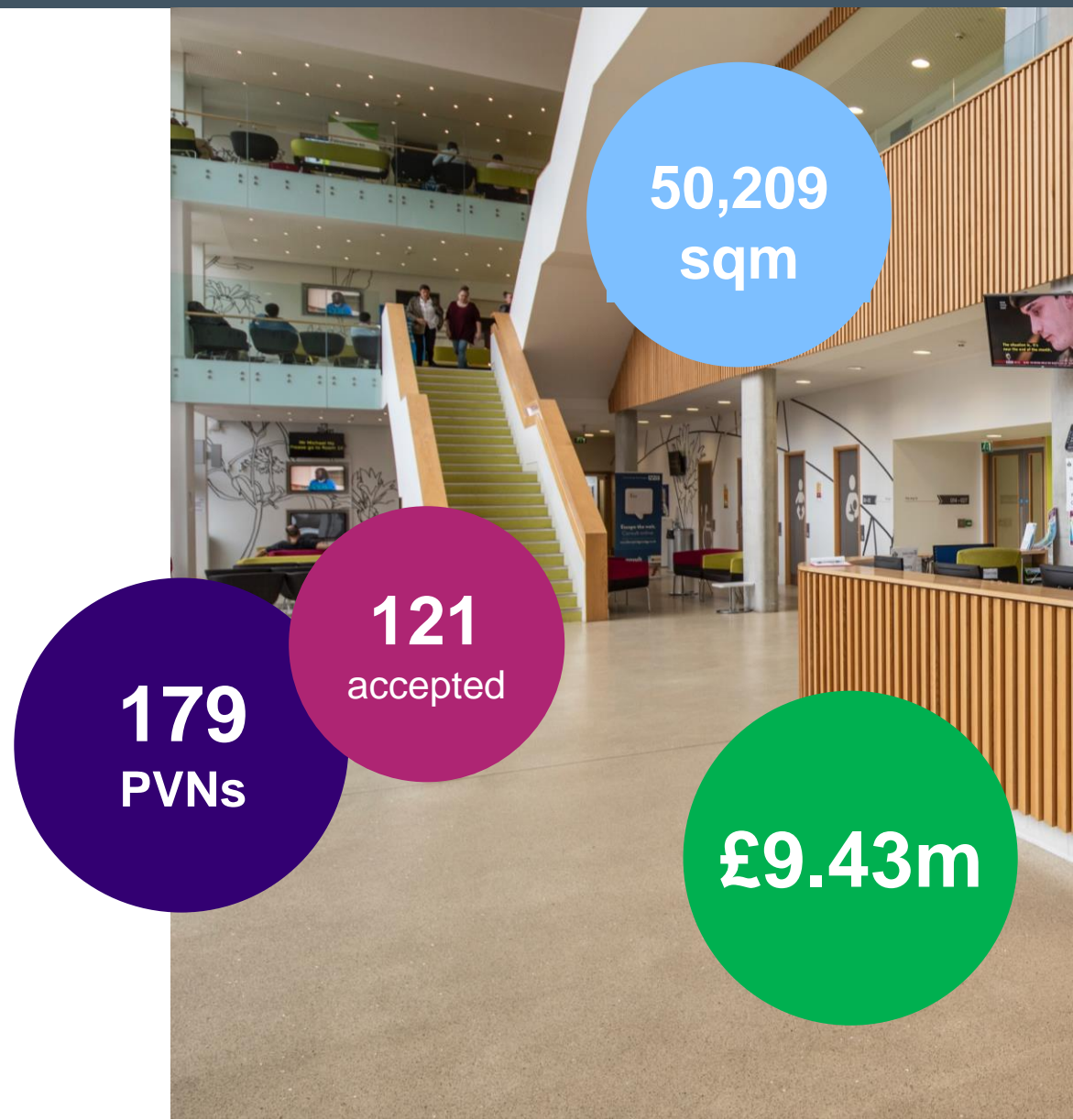
Commissioner accepts and the invoice is issued.
Handback effective on receipt of VP.

NHSPS identify and deliver best option to repurpose the space.

Success so far

Since its inception in August 2017:

- **75 CCGs, 1 CSU** and **NHSE** have submitted Property Vacation Notices (PVNs) to take part in the scheme
- Resulting in **179 PVNs**, from which **121 offers have been accepted**
- To date, **63** properties have been handed back to NHSPS (totalling **50,209 sq m**)
- Estimated income to the system to redistribute: **£9.43 million**



179
PVNs

121
accepted

50,209
sqm

£9.43m



Examples of success



Torbay and South Devon CCG

Unit 3, Riviera Park

400sqm of office space handed back, saving CCG £550,000.

We also found a new tenant for this site relieving the NHS of all future costs and liabilities.



Lewisham CCG

Goodwood Road

500sqm of clinical space handed back, saving the CCG £100,000 in running costs.



Leeds CCG

Shaftsbury House

A former GP practice and health centre handed back, saving the CCG £48,000 in running costs.

We also sold this property in 2019, generating further funds for the NHS.



Alternative options for managing your space

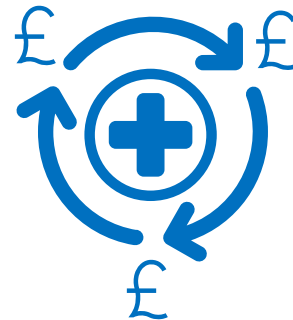
In addition to the Vacant Space Handback Scheme, Commissioners can work with NHSPS to manage their space via:



Sessional space

Currently live at 20 sites, expanding in 2020.

openspace.nhs.uk



Disposals

Once you declare property surplus to requirements, NHSPS can dispose.

property.nhs.uk/property/disposing-of-properties



Re-letting

If part of a building is declared surplus, NHSPS may market the space and seek alternative occupiers.



Help us keep your property data up to date

Let us know when you plan to:

- Change how you use space (e.g. clinical to non-clinical)
- Swap space in your building, or move to a different building
- Reduce the amount of space you currently use
- Expand the size of space you occupy
- Vacate your current space

You can find the Occupancy Change Notice form on our website:

<https://www.property.nhs.uk/property/help-us-keep-your-property-data-up-to-date/>

Occupancy Change Notice

ABOUT YOUR ORGANISATION

Your organisation * Property name *

What part of the building do you currently occupy? * Your Clinical Commissioning Group (CCG) *

CHANGE REQUESTED

What is the change you would like to request? *

REASON FOR CHANGE

Why are you making these changes? *

Please include details of previous discussion held with any NHSPS representative as well as current areas occupied.

SKETCH PLANS

Do you have any sketch plans of the site? *

If yes, please sent to ocn.admin@property.nhs.uk


Yes

No

YOUR CONTACT DETAILS

Name * Email address *

Phone number *

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Contact

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[@NHSPProperty](https://twitter.com/NHSPProperty)

[Property.nhs.uk](https://www.property.nhs.uk)

