

A new era for NHS estates?

With the now well-rehearsed lessons learnt through covid on collaboration, and new thinking on how and where care is provided, there is a new focus on the estate and with the strengthening of the estates specialists workforce, the stage is set for the NHS estate to take a leading role in achieving the ambitions for patient centred care.

14 June 2022

Are we witnessing the dawn of a new era for NHS estates? For years now the focus has centred on each NHS body trying to make best use of what it has, often on a 'make do and mend' basis. With the now well-rehearsed lessons learnt through covid on collaboration, and new thinking on how and where care is provided, there is a new focus on the estate and with the strengthening of the estates specialists workforce, the stage is set for the NHS estate to take a leading role in achieving the ambitions for patient centred care.

It is understood that state of the art, fit for purpose healthcare estate in the right locations not only help to ensure that patients receive the best possible care, improving outcomes, but also that staff wellbeing is improved and staff feel valued and motivated. Whilst the importance of property to integration, place partnerships and provider collaboratives is clear, finding the money to ensure that the estate is 'up to the job' is likely to require some creative solutions in addition to the government's stated commitments to new hospitals, hospital upgrades and investment in equipment and technology.

Private sector investors have long been keen to fund new primary care schemes but ideally want a 20 – 25 year commitment from the occupier taking a lease, producing a government backed return to warrant the investment. GP practices have sometimes been nervous to make such a commitment with fears of losing the NHS contract, or individuals being left as the 'last man standing'. There has been lobbying for longer services contracts or for an NHS body to take the 20-25 year lease, effectively guaranteeing that regardless of who the service provider is, it will provide the services from the same site. An Integrated Care Board, bestowed with the ability to hold property, may provide the solution. Additionally, the opportunities to work with local authorities and pool budgets could make investment even more appealing.

We are also seeing institutional investors interested in helping to offer solutions in acute settings such as funding new development in return for a long lease under which they grant an occupational lease to the service provider to obtain a rental income.

With more acute services being provided in local settings, our hospitals are destined to be freed up, not only to be able to focus on services which really can only be provided in such an environment, but also to create efficiencies and opportunities to dispose of surplus estate.

None of these are new ideas but perhaps we will see some fresh innovations providing solutions such as online retailers and logistics operators taking space lockers in surplus hospital catering and retail areas in order to provide secure delivery, paying a rental income in return.

Whatever the solutions might be let's hope this renewed impetus enables the NHS estate to deliver its best performance yet.

Contact

Victoria Thourgood



Partner

victoria.thourgood@brownejacobson.com

+44 (0)330 045 2208

Related expertise

Services

Health law

NHS estates