

06 December 2012

Gateway Ref: **18487**

*Quarry House
Quarry Hill
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Dear Colleague

Primary Care Trust estate programme - update December 2012

I am writing to provide an update on some of the key policy areas that have not previously been communicated to our NHS colleagues and may require action from you. This includes:

- Finalisation of property transfer scheme schedules, including the destination of LIFT properties and other interests
- Clarification of the relationship between the PCT estate programme and the wider transition in respect of transfer schemes

Finalisation of property transfer scheme schedules, and PCT interests in LIFT

The Department is currently reviewing the 'annex A' property transfer schedules submitted by PCTs in September this year. This has given rise to a number of queries which will be taken up by the PCT estate programme team with the relevant PCTs, leading to the firming up and finalisation of the transfer scheme schedules for property and property-related contracts as soon as possible.

PCTs should note that any interests they hold in NHS LIFT – which were to be dealt with separately from other property according to the guidance published on 04 August 2011 – are to be transferred to Community Health Partnerships (CHP), a limited company wholly owned by the Department of Health, from 01 April 2013. As the Department's LIFT delivery arm, CHP has specific expertise in managing these public/private partnerships, has developed strong relationships with the private sector partners in the LIFT companies, and already holds a 20% shareholding in each of the 49 LIFT companies.

PCTs that have interests in LIFT will need to update their draft 'Annex A' property transfer schedules, as part of the 'planning for property transfers' exercise set out in David Flory's 'Dear Colleague' letter of 31 May 2012, as follows:

- LIFT properties where the PCT holds either a 'Lease Plus Agreement' or 'Land Retained Agreement' must be included in the transfer schedule and in each case the recipient must be recorded as 'Community Health Partnerships Ltd'

- Associated LIFT documents, e.g. the Strategic Partnering Agreement, the Shareholders Agreement, and any other PCT held documents related to their subordinated debt, must also be scheduled in 'Annex A', and the recipient recorded as 'Community Health Partnerships Ltd'

NHS Property Services Ltd will assume responsibility for the day to day running of the PCT LIFT estate, under a service contract with CHP. Associated staff will therefore still transfer to NHS PS, along with any staff that work on properties that will be transferred to NHS PS.

Relationship to the wider transfer scheme

In recent weeks, it has become apparent that there is further clarity required on the type of assets and liabilities that should be recorded on the 'annex A' property transfer schedules as set out in the 'planning for property transfer' letter on 31 May 2012, and those that should be recorded in the 'annex 2' and 'annex 3' documents contained the 'Handover and Closedown' guidance published by the Department on 25 October 2012.

The PCT estate programme team have been working with colleagues from the Integrated Programme Office to review the requirements and further instructions, which will clarify the relationship between the property schedules and other schedules of assets and liabilities, will be issued directly to those NHS colleagues and their legal advisers involved in the provision of transfer information in the next few days.

Yours Sincerely



Peter Coates
SRO, PCT Estate Programme