

Gateway reference: 18387

13 November 2012

452C Skipton House
80 London Road
London
SE1 6LH
Tel: 0207 972 5586

For circulation to:

Strategic Health Authority Chief Executives and Directors of Human Resources

Sir David Nicholson KCB CBE, NHS Chief Executive
David Flory CBE, Chief Executive, NHS Trust Development Authority

Ian Cumming, Chief Executive, Health Education England

Duncan Selbie, Chief Executive, Public Health England

Richard Douglas, Director-General, Department of Health
Regional Directors and Local Area Directors of the NHS

Commissioning Board

Accountable Officers of Clinical Commissioning Groups

Chief Executives of cluster Primary Care Trusts

Chief Executives of NHS Foundation Trusts and NHS Trusts

Managing Directors of Commissioning Support Units

Dear Colleague

I am writing to update you on our progress in planning for the launch of NHS Property Services Ltd in April 2013. As you are aware, following the close down of Strategic Health Authorities and Primary Care Trusts, this new company will be set up to maintain, manage and develop around 3,600 NHS facilities, from GP practices to administrative buildings.

This note also provides advice on what services are in and out of scope for NHS Property Services Ltd and actions that must be taken to ensure all current functions are picked up by the new system.

The role we play will be a vital one in the day-to-day running of the NHS. Our 3,000 staff will help improve the delivery of clinical services and help enhance the experience of NHS patients by providing safe, efficient and well maintained estate, buildings and facilities.

NHS Property Services Ltd has now put a leadership team in place. The team consists of:

- *Charles Howeson, Chair*
- *Simon Holden, Chief Executive*
- *Caroline Russell, Finance Director*
- *Pamela Chapman, Acting Director of Asset Management*
- *Alan Farmer, Director of Corporate Services*
- *Andrew Millward, Acting Director of Communications and Business Services*
- *Chief Operating Officer, Vacant*
- *Kathryn Berry, Regional Director, North*
- *Martin Royal, Regional Director, Midlands and East*
- *Tony Griffiths, Regional Director, London*
- *James Wakeham, Regional Director, South*

A number of experienced non-executives are also being recruited.

NHS Property Services Ltd will offer a range of services to the NHS. *Core Services* will be offered across England, whilst *Additional Services* will be delivered in areas where these services are currently provided, or contracted for, by Primary Care Trusts.

The range of services to be delivered by NHS Property Services Ltd has been agreed by the Department of Health's Transition Executive Forum. It is currently envisaged that where services are not provided by NHS Property Services Ltd they will be undertaken by Commissioning Support Units or other local providers.

<p>Core Services</p>	<p>Landlord and advisory services that Primary Care Trust estates teams currently provide or manage. These include:</p> <ul style="list-style-type: none"> ▪ strategic estates management ▪ property management advice ▪ the operational delivery of services: <ul style="list-style-type: none"> ○ refurbishment and maintenance ○ emergency/on-call repairs ○ quality assurance ○ compliance with statutory regulations (such as fire, asbestos) ○ non-urgent breakdowns (electrical, mechanical, building) ○ planned preventative maintenance ○ health and safety, fire safety and risk assessment (landlord only) ○ mechanical and engineering services
<p>Additional Services</p>	<p>These will be offered where they are currently provided, or contracted for, by Primary Care Trusts, such as:</p> <ul style="list-style-type: none"> ▪ cleaning ▪ catering ▪ portering ▪ grounds maintenance ▪ waste management ▪ pest control ▪ security services ▪ reception staff/centre management (in an integrated building) ▪ car park management
<p>Services that will <u>not</u> be provided, either in the immediate or longer term</p>	<ul style="list-style-type: none"> ▪ IM&T ▪ telephony ▪ the employment of Chaplaincy Services ▪ management of transport (such as car leasing and Patient Transport Services) ▪ office equipment, stationery and furniture

It is clear that staff who are transferring into NHS Property Services Ltd will not have the experience or facilities to offer all services. As such these services will be delivered locally by those organisations which have the specialist workforce who can deliver them.

Given the tight timetable, we will give priority to agreeing locally how services outside of scope will be provided.

One such area is IM&T, where it is envisaged centrally that it will become the responsibility of Commissioning Support Units. Other services that will not be provided in the future will also pass to the Commissioning Support Units or local providers.

Assets should transfer to organisations which actually require use of them. Items of equipment needed to deliver a particular service should transfer to the service provider. Where NHS Property Services Ltd provides either *Core Services* or *Additional Services*, the company will take ownership of the associated assets. In the case of stationery and furniture, for example, these could be passed to local occupants as is common practice already.

We are making good progress in preparing to launch the new company. We are working with colleagues on a range of important work:

- We are building an accurate picture of the estate, buildings, assets and leases that will transfer. The data required is almost complete, and the Department of Health has recently written to Strategic Health Authorities and Primary Care Trusts to ask for their further support in completing the audit required to gain an accurate and up-to-date picture of what is planned for transfer.
- To date, around 3,600 assets are planned for transfer, but there are still some issues to resolve and we will need support from colleagues in finding rapid solutions.
- We are working on a Memorandum of Occupation to ensure that there is clarity for new NHS organisations on rent, leases and services. We are keen to ensure there is stability in property costs, transparency for occupiers and agreement in how we utilise NHS estate and properties in the most effective way.
- Finally, there will be a small number of specialist skills and experience we need not currently held by transferring staff, and therefore we are advertising for key roles in finance, corporate services, human resources and other areas.

While NHS Property Services will be a limited company, it will remain wholly owned by the Secretary for State for Health. Therefore, staff currently employed by Strategic Health Authorities and Primary Care Trusts, in support of the estate transferring to NHS Property Services Ltd, will transfer under TUPE (Transfer of Undertakings [Protection of Employment]).

We look forward to welcoming all these staff in the coming months – an estimated 3,000 whole time equivalent posts. Our aim will be to firmly retain public sector values with commercial discipline, so that we can deliver the right estate, buildings and facilities for the NHS.

The NHS invests much resource in managing and running the estate, buildings and facilities that will transfer to the new company. Not all of these costs are fully recovered, and we will be working closely with you and other organisations in the reformed NHS to find the most effective ways of managing these costs, as well as finding ways to maximise efficiency and gain real value for money.

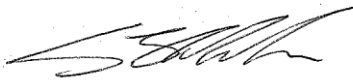
Our focus currently is on ensuring a safe and effective transition towards April 2013. There remains much work to be done on the future strategic direction and decision-making process of the company. We will do this in conjunction with the NHS Commissioning Board, with whom we are building strong working relationships.

I am clear that bringing together a skilled workforce who maintain, manage and develop NHS estate and properties will bring real benefits to the health service, particularly in terms of driving efficiency, releasing facilities that are no longer required and focusing on modernising and improving NHS facilities for patients and staff.

If you have any queries or need further information, please contact me at the address shown or at simon.holden@property.nhs.uk

I hope this update is helpful, and I look forward to working with you and your colleagues in the future as we strive to deliver best quality and value for the NHS estate, properties and facilities.

Yours sincerely



Simon Holden
Chief Executive