

Government response to the Naylor review

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The Government under James O'Shaughnessy has published its response to the Naylor review. It has broadly welcomed the Review's recommendations and says that while it accepts them all in principle, it is not necessarily accepting the recommended delivery method. It outlines the measures it is taking as follows:

- The Government has created an NHS Property Board under the Department of Health, chaired by Stephen Barclay, Health Minister.
- At the same time it will create an arm's-length independent strategic estates planning team to provide support to STPs, progress capital projects and ensure estate strategies are credible.
- NHSE and NHSI will support provider and commissioner organisations in rebuilding expertise in preparing rigorous and robust business cases to support capital projects.
- The Government has committed to over £3.9bn of capital investment for the NHS, as outlined in the Autumn Budget. This will assist with estates transformation and align such work with the wider sustainability and transformation agendas.
- The Government will look to incentivise local NHS organisations and Sustainability and Transformation Partnerships (STPs) to take a more strategic approach to estates planning, principally by allowing NHS organisations to retain receipts from land sales, which will be ring-fenced for reinvestment in the NHS estate. Where surplus land is used to develop affordable housing, NHS trusts will be given the opportunity to offer a right of first refusal to NHS staff.
- Naylor's 'two-for-one' suggestion of match-funding by the Treasury has unsurprisingly been rejected; however there is a statement that there will be what the Response calls a new arrangement enabling NHS and Foundation Trusts disposing of former community estate to apply to the Department to dispense with the overage to which the Department is entitled on such a disposal. This may be a case of something for nothing, however, given that the overage entitlement only kicks in where the Department has chosen not to exercise its right of pre-emption, enabling it to direct that property should be transferred to its nominee (NHSPS) for disposal.

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