

12th January 2012

All NHS Chief Executives

Dear Colleague

ACCELERATING THE RELEASE OF PUBLIC SECTOR LAND FOR DEVELOPMENT

The NHS and Department of Health published their Strategy¹ to help support the Government's initiative to deliver up to 100,000 new homes on the 5th October 2011. In support of this and the Government's drive to bring forward land for housing, the recent Housing Strategy² announced by the Prime Minister and Deputy Prime Minister on 21st November 2011 sets out a number of key areas to support the release land for development; links to both these documents can be found at the bottom of this letter.

Our Strategy already identifies enough surplus land to deliver 11,000 new homes. We are working closely with other Government departments and the Homes and Communities Agency (HCA) to look at ways that will enable surplus land to be disposed of more quickly and remove barriers to delivery; in particular, the following assistance is available:

- The Build Now, Pay Later scheme referred to in the Housing Strategy², can help stimulate and incentivise development through the use of deferred receipts or a value risk share model. Guidance and appraisal tool will be available to Trusts shortly.
- The HCA has responsibility for ATLAS (Advisory Team for Large Applications); they provide an independent advisory

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http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_129982

² <http://www.communities.gov.uk/publications/housing/housingstrategy2011>

service to Local Authorities, and support around planning certainty may be available to Trusts in bringing large sites forward for sale;

- The HCA has developed a range of enabling tools which can help with land disposals ranging from development advice, brokering discussions with local partners to more light touch in the form of publications and market intelligence. HCA can also draw on local knowledge through its Operating Area teams and encourage greater alignment with investment decisions and/or adjoining land interests where appropriate.

The HCA has been tasked through No. 10 and the Department of Communities and Local Government, to understand the nature of any blockages that may delay Trusts progressing disposal strategies and would welcome any feedback from you on this. Given the current momentum and high level priority Government is committing to this initiative, it is an opportunity for Trusts to raise any issues that HCA may be able to help with. Should you wish to have an early conversation about potential enabling support, please speak to Tina Hothersall, Senior Manager at the HCA either by email tina.hothersall@hca.gsx.gov.uk or by telephone 01925 644651.

The next annual surplus land data collection is taking place this month and will assist in quantifying the contribution of the NHS to this ongoing initiative

Identifying and disposing of land surplus to the needs of the NHS is a win-win result for all concerned. The NHS reduces its running costs and will receive income from the surplus land sales to re-invest in healthcare. Building new homes reduces unemployment and provides new homes for the public.

We would be grateful if you could draw this letter to the attention of the relevant person in your Trust who has day-to-day responsibility for the Trust's property.

I hope you will continue to support this initiative.

If you have any queries, please either contact Mike Bellas (mike.bellas@dh.gsi.gov.uk, 0113 254 5757) or David Gubb (david.gubb@dh.gsi.gov.uk, 020 7972 5604).

Yours faithfully

David Flory
Deputy NHS Chief Executive