

Trust Board Report

Meeting Date:	25 th March 2013
Title:	TCS – Property Transfers
Executive Summary:	This report details those properties transferring from Wolverhampton City Primary Care Trust to The Royal Wolverhampton NHS Trust on 1 st April 2013
Action Requested:	To note and endorse
Report of:	Head of Estates Development
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Resource Implications:	Revenue and Capital funding are associated with this property transfer
Public or Private: (with reasons if private)	Public Session
References: (eg from/to other committees)	Trust Management Team 22 nd May 2013 Trust Board Report February 2013
Appendices/ References/ Background Reading	
NHS Constitution: (How it impacts on any decision-making)	In determining this matter, the Board should have regard to the Core principles contained in the Constitution of: <ul style="list-style-type: none"> ✚ Equality of treatment and access to services ✚ High standards of excellence and professionalism ✚ Service user preferences ✚ Cross community working ✚ Best Value ✚ Accountability through local influence and scrutiny

Background Details

1	See Attachment 1.
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Transforming Community Services (TCS) – Transfer of Property

Background

In accordance with the Health and Social Care Act 2012, a number of properties will transfer from Wolverhampton City PCT to the Trust on 1st April 2013. The basis of the transfer arrangements was laid down in guidance published by the DH *'Future ownership and management of estate in the ownership of Primary Care Trusts'*. This guidance indicated that "NHS Trusts ... are to be given the opportunity to acquire part(s) of the PCT estate deemed 'service critical clinical infrastructure' in relation to the provision of community services". As such, the properties to transfer to the Trust have been determined by the 'majority clinical service provider' rule and are outlined below.

Site	Ownership Status	Notes
West Park Hospital	Freehold	Black Country Partnership currently occupy two listed buildings on the site.
Primrose Lane Health Centre	Freehold	1 x GP Practice
Warstones Health Centre	Freehold	2 x GP Practice
Snowhill Sexual Health Clinic	Leasehold	Property owned by Private Landlord
Maltings Mobility Centre	Leasehold	Property owned by Wolverhampton City Council

Discussions are ongoing in relation to land at Pond Lane and will be resolved post April 2013.

All other properties formerly owned or managed by the PCT will transfer to either the Black Country Partnership, under the same majority occupier rule, or to NHS Property Services Ltd. The PCT shareholding in the Lift Properties such as the Gem and Phoenix Centres in Wolverhampton will transfer to the local Community Health Partnership. The Trust will continue to provide services in approximately 15 properties owned or managed by others, primarily NHS Property Services.

Plans for Transfer

Over the last 18 months the Trust has been putting plans in place for the transfer. We initiated a joint Project Board with the PCT and BCMHP and also set up an internal Property Transfer Group and an Operational Transfer Group, led by the Divisional Manager (Estates & Facilities) which has been meeting on a regular basis and has maintained contact with PCT Estates Managers.

Property Condition

The Trust has commissioned physical condition surveys of the properties which are transferring and as part of our 'due diligence' process, has also commissioned surveys of those properties where the Trust will continue to be a tenant. The purpose of these surveys is to:

- establish the current condition and therefore any liability left with the Trust on transfer;
- enable any concerns to be raised with the PCT regarding outstanding issues before the PCT is dissolved
- identify any issues in properties where the Trust is a tenant which could present risks to clinical service delivery, so that these can be raised with the respective Landlord at the earliest opportunity.

We have not identified any major issues at this stage and discussions are continuing with the PCT.

Legal Implications

The legal transfer of the PCT property will take place by the way of a Statutory Transfer Scheme and the Trust will subsequently lodge such transfers with the Land Registry to update titles. Restrictions have been placed on the use and disposal of the properties, so that Trusts are unable to make decisions without Secretary of State for Health approval. This includes an option to take back or transfer property to a third party should we wish to dispose of it. The Secretary of State for Health will have the option to re-acquire individual properties in the event that we fail to retain a service contract or vacate a property. Under these circumstances we will be required to offer the property back to the Secretary of State. We will not be able to pursue disposal of a property until the option to acquire process has been completed. In the event that we are free to dispose of a property, 50% of any gain achieved will be payable to the Secretary of State.

The Trust has instructed the solicitors, Browne Jacobson to act in relation to:

- reviewing titles of freehold premises;
- reviewing leases of leasehold premises and identifying restrictions and responsibilities;
- preparing Heads of Terms (to form the basis of future leases) to be agreed with tenants of properties owned or leased by the Trust;
- reviewing and agreeing (in liaison with the Trust) new lease documents provided by other organisations for those properties where the Trust is tenant only.

It is anticipated that whilst some of this work will take place before 1st April 2013, the majority of this work will take place post transfer.

Resources and Revenue Accounting Treatment

The Trust will follow national guidance on accounting treatment which sets out currently that the transfer date is 1st April 2013 and the property will transfer at Net Book Value (NBV) as defined in the PCT accounts.

There are ongoing discussions with the PCT/CCG with regard to the revenue stream to support the property transfer which including the non-transferred properties totals £4.2m