



Development, Investment and L&T key considerations for Primary Healthcare Premises

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Healthcare Premises Development

Background, Development Options and Key Issues

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Primary Healthcare and LA Estates

Why consider a healthcare development?

- Demand driven (c50% of UK Estate is understood to be unfit for purpose)
- Cost effective treatment and cure
- ESG and Community benefit
- Long term sustainable income from asset
- LA often has options to access land under immediate control
- LA potential to access funding and utilise preferential borrowing rates
- Centralising health and community facilities can release other tied up real estate and free up other opportunities



Townside Primary Care Centre, Bury

Developer: ASK Developments/Bury CC

Options and Delivery

- Capital Development of full specification project e.g. Gorton or a GP self build
- Deliver Shell and core scheme for stakeholders (NHS PS or NHS Trust) to lease and capital fund fit out e.g. Weston Super Mare and Great Jackson Street, Manchester
- Third Party Developer e.g. Aspull Medical Centre - Wigan, Beam Park Health Centre - Rainham and Trinity Medical Centre - Hove
- LiftCo/PPP e.g. Beckenham Beacon Health Centre and Central Canvey PCC



Trinity Medical Centre, Hove

Developer: Medical Centre Developments Limited

Stakeholders

- GPs
- NHS Trusts and Bodies
- NHS Providers and Independents
- PCNs, ICBs and NHS Funders
- Council services (Libraries and community space)
- Other third parties (Pharmacies, charities, day nurseries etc) CAB
- Makeup of stakeholders varies on a project basis



Don't be Put Off...

- NHS terminology, processes, business cases, building specifications and funding can be unusual
- Delivery options developed over many years to suit needs of stakeholders
- There are excellent examples of successful collaborative developments nationally
- Fundamentals of a development align with typical core/mainstream sector projects (lease, rent and costs - financial viability appraisal)
- Specialist design teams, consultants, partners and solicitors can support stakeholder engagement process

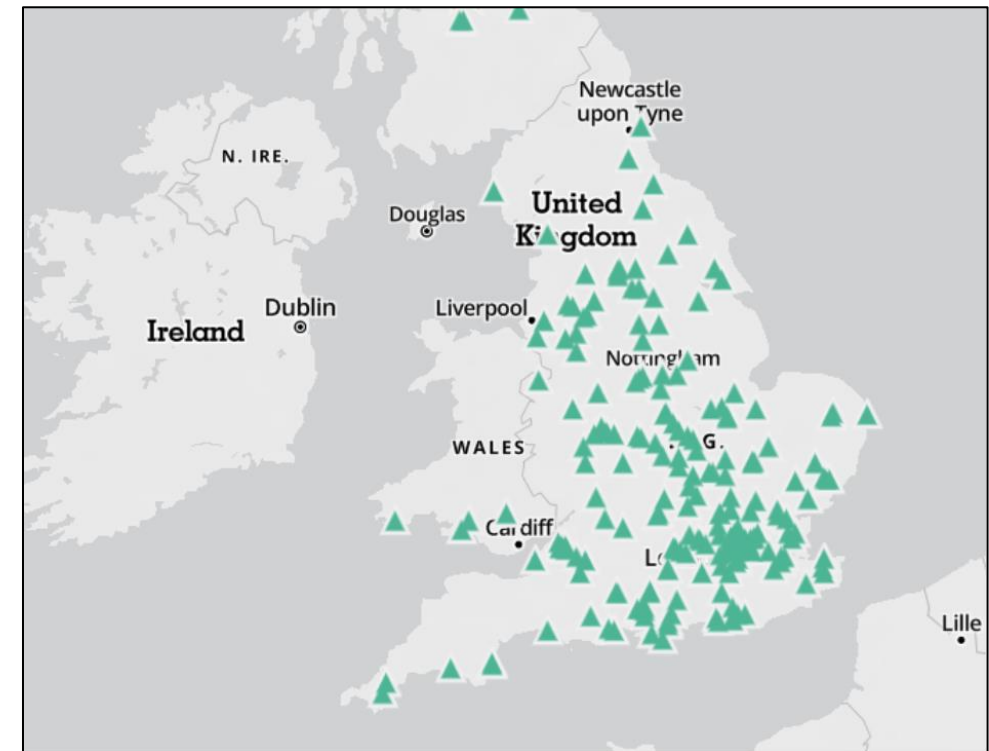


St Martins Medical Centre, Leeds

Developer: Mayfair Group Investments Limited

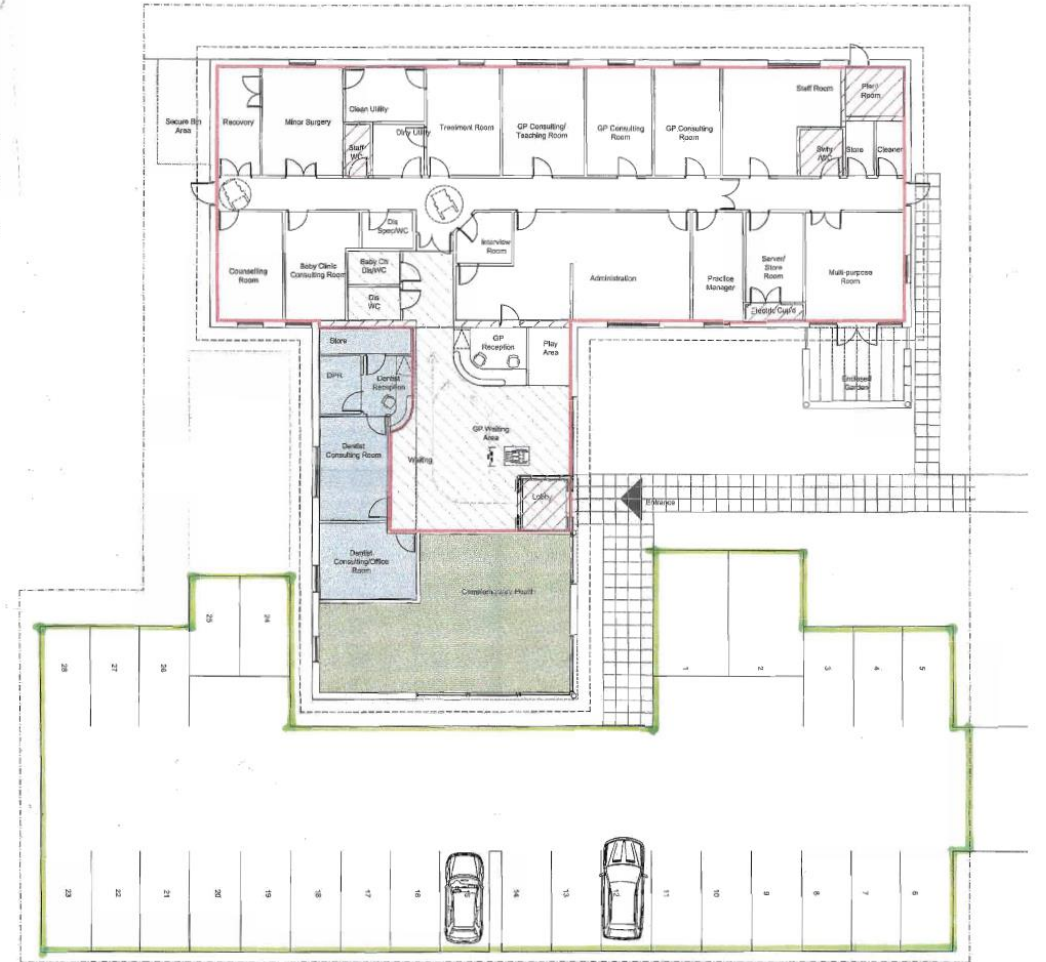
Confirming an Opportunity

- Is there a need?
- What is the makeup of the existing healthcare estate?
- Can you collaborate with multiple stakeholders to assess the options for the locality or site?
 - Timing (relocation)
 - Location (boundaries/catchment)
 - Schedule of Accommodation
 - Funding status (budgets)



Key Considerations and Issues

- Schedule of accommodation – working with stakeholders and specialist design team.
- Design and RIBA Plan of Work Stages assessed in conjunction with a review of value potential and financial viability
- Common issues with multi let assets
 - Efficiency of design
 - Common space
 - Net to gross
 - Service charges
 - Management
 - Institutional leasing and occupational terms
 - Agreements for Lease



Primary Care Premises

The investment sector and the current state of play...

Rob Hearle, Principal, Health

