

## LONDON PLAN CONSULTATION FEBRUARY 2018

### Submission to the Mayor of London by Jeffrey Lever

## NHS Land In Greater London

### INTRODUCTION & BACKGROUND

Sir Robert Naylor's report on the future of NHS land<sup>1</sup> revealed that years of careless reorganisation and neglect have left the NHS without a national estate strategy, and lacking the capability to create one.<sup>2</sup> Therefore he recommended setting up a powerful Board to produce such a strategy. We agree with this conclusion, subject to the strategy being exposed to full and meaningful public consultation, including from Local Government and in Parliament.

However, Naylor then proposed the brisk sale of £5.7bn-worth of NHS land, much of it (by value) in London. I consider this conclusion to be unsupportable, given Naylor's logical inference that an estate strategy needs to be in place before one can know what land is surplus to requirements, and why.

Therefore, I am concerned at the damage that would be done to the NHS estate, and to the contribution of planning to London, if any sale of NHS land in London takes place before a strategic framework is in place that has been subject to meaningful public consultation.

Most NHS land and buildings originate from hundreds of years of charitable donations and legacies by local people and institutions. Londoners and their Councils have a strong right to be consulted, and to influence, the future of this valuable public asset that was provided by our forebears.

### MAJOR CONCERNS

I acknowledge the London Plan's aspiration to create thousands of new homes. However, I consider that the concept put forward in the Chancellor's Autumn Statement of 2015, that a sell-off of NHS land<sup>3</sup> be carried out to release land for 26,000 homes, is simplistic and damaging, even if echoed uncritically in other quarters. There exist more nuanced opportunities for NHS land to

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<sup>1</sup> *NHS Property and Estates: Why the estate matters for patients*, an independent report by Sir Robert Naylor for the Secretary of State for Health, March 2017.

<sup>2</sup> Naylor recalls that, in the past, "the various estate functions, particularly building and engineering, were well represented at the senior levels of regional, area and district health authorities ..." However, "successive reorganisations of the NHS have seriously eroded these capabilities to the extent that they hardly exist today. This has resulted in substantial reliance on external services and serious deficiencies in strategic estate planning." Reforms such as the Health and Social Care Act 2012 "removed the last elements of regional and national strategic estates planning as none of the resulting national bodies have this capability." Therefore "there is currently no overarching estates strategy for the NHS: it is not clear where the leadership for NHS estates strategy lies."

<sup>3</sup> *NHS estates: Review of the evidence*, Wenzel et al, King's Fund, October 2016, p. 9. As to the future use of such land, the Autumn Statement posited that the sell-off would release land for 26,000 houses.

deliver housing gain at the same time as providing health and welfare benefit to Londoners, and preserving the estate assets of the NHS.<sup>4</sup>

### **Failure to consider other reasonable alternatives**

In the first place such sales would be irrational unless other reasonable alternatives to sale had been considered and compared. In my view, there are several options that provide better value for money, and more public benefit, as well as housing gain, than a straight sale of NHS land. Some of these alternatives are canvassed abstractly in the Naylor Report, but I positively propose such alternatives, and more, below.

### **The value of co-location**

Since the London Plan is a spacial strategy, it is important that the value of co-location of NHS facilities and other health- and welfare-related uses is given due weight when considering the future uses and ownership of NHS land. Co-locating these uses on NHS land brings significant gains in functionality, efficiency, convenience, sustainability and value for money. Moreover, these gains are captured for the foreseeable future. This means that where there is the potential for co-location, NHS land carries a premium which would be lost upon a sale at market value: such land is of greater value to the NHS and to the public than it is to potential private purchasers for other, non-related uses.

## **PRIORITY USES FOR NHS LAND**

I therefore propose that the following estate priorities should be promoted by the London Plan alongside the Mayor of London's role in the promotion of good health in London.

When any NHS land is identified as not being in clinical use,<sup>5</sup> the Mayor should encourage the NHS to adopt a sequential test to appraise the use options for the land. NHS land should be safeguarded from sale into the private sector unless and until it has been demonstrated that all the following potential uses, listed below in a suggested 6-step priority sequence, have been considered, and rejected for good reason.

### **(1) Buildings currently in clinical use**

The useful life of a healthcare building today is often as short as 30 years. Furthermore, clinical services change frequently, driving frequent internal reorganisation within buildings. Where there is a backlog of maintenance, it will be important in each case to consider, first, whether there is a business case for carrying out that maintenance. This must be compared with a business case for

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<sup>4</sup> There are those who argue that the sale of NHS land would benefit the NHS, by generating sale proceeds to fill the funding gap left by present government's underfunding of the health service. However, a review of the pattern of policies being applied to the NHS discloses a different relationship of causation, which is at least as likely, if not more so. NHS land is not up for sale to remedy underfunding. Rather, the causation is the other way around. The Government is underfunding the NHS in order to drive the wholesale splitting up and reorganisation of the NHS, including the sale and privatisation of NHS land. It is engaged in a stealthy strategy to weaken, asset-strip, and gradually privatise, Britain's health system, and to make it difficult, if not impossible, for a future government to reinstate and develop the nationalised NHS. In the past four decades, about half of all land owned by public bodies has been privatised. This amounts to 2 million hectares, or 10% of the British land mass (Professor Brett Christophers, *The New Enclosure: The Appropriation of Public Land in Neoliberal Britain*, (2018), cite in *The Guardian*, 08/02/2018). Large-scale sales of NHS land are also consistent with this policy.

<sup>5</sup> Including uses ancillary to clinical use, such as administration, laboratories, kitchens, etc.

renovating, adapting or even replacing the building.<sup>6</sup> Until these determinations are known, there can be no responsible decision to sell any NHS land that is available for this purpose.

## **(2) Expansion, replacement, and new facilities**

Where the NHS owns land that is convenient for expansion and replacement of facilities, this should be retained. Those who argue that efficiency will *reduce* the amount of estate required by the NHS are overlooking projected population increase and the ageing of the population. Furthermore, the ongoing specialisation<sup>7</sup> in medicine generates a need for additional specialist equipment and facilities. Moreover, it is far more efficient to preserve the co-location of health facilities by replacing them *on site* than by being forced to rebuild elsewhere.<sup>8</sup> Land in this category should be retained.

## **(3) Step-down care**

Experts consider that it is bad value for money for the government to sell NHS land for private house-building when such land, much of it co-located with hospitals, or in their vicinity, could be used for “step-down” care to relieve acute beds.

The revenue benefit from this, over time, far outweighs the sale proceeds of the land ... The government is saying ‘save money first, in order to invest,’ but the more realistic approach is to invest so as to save—a pump-priming argument.<sup>9</sup>

Land that is suitable for step-down care should be developed by the NHS urgently.

## **(4) Residential units for NHS staff**

Building co-located residential units for NHS staff mitigates many problems in a single sweep.

- Housing: NHS staff, many of whom are on average to low pay, already form a significant proportion of those who are in housing need.
- Sleep: Many NHS staff work 12-hour shifts, which, according to recent sleep research, is a factor in reducing life expectancy.<sup>10</sup>
- Fatigue: By eliminating time spent travelling to work, co-located housing can mitigate the adverse effect of shift work, and reduce staff fatigue, thus increasing patient safety.
- Standard of living: Likewise, by eliminating travel expenses to work, resident NHS workers’ standard of living can be improved.
- Recruitment: The availability of such accommodation can be expected significantly to reduce recruitment problems faced by the NHS. Whether this housing is “social”, “affordable” or at market

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<sup>6</sup> This determination will be different if the existing building is historic and/or listed.

<sup>7</sup> which is an aspect of the inevitable ongoing division of labour discussed by Adam Smith in the first three chapters of his *Wealth of Nations* (1776).

<sup>8</sup> For example, the North London Waste Authority is currently replacing its Edmonton incinerator with a new heat and power facility. The size of the Edmonton site permits the new build to proceed on the same site, without disturbing the ancillary facilities and route network of refuse trucks, etc. None of the available space is squandered, since it can be used for ancillary waste management activities such as composting, sorting and waste transfer.

<sup>9</sup> John Keyes, surveyor and estate expert at MTV Conference, The Kings Fund, 2017

<sup>10</sup> It is acknowledged that other workforces also work shifts, and that some NHS staff do not.

rents, it is clear that the NHS would be left in profit whichever of these terms of letting pertained. Moreover, the age profile of staff means that, today, more family housing is required, beyond the “nurses’ hostels” of yesteryear.<sup>11</sup> This gives us the opportunity to impact the housing shortage significantly and in a targeted way that multiplies the benefits.

#### **(5) Land swaps with other public-sector land**

The Mayor should encourage the NHS not to dispose of land until it has been considered for other public uses by all local stakeholders.

The Mayor should encourage the NHS, the London local authorities and other public bodies to consider land swaps and/or purchases to improve their own estates and assemble required development sites, by securing more convenient sites from other public-sector holders of land.<sup>12</sup>

The Mayor should suggest a moratorium on all sales of NHS land until a clearing house is in place to prioritise the disposal of NHS land into the public sector before it is considered for sale into the private sector. This would ensure that, after NHS land has been considered for priority NHS uses, it becomes available for supported housing for elderly and vulnerable people and social housing at genuinely affordable rents, provided by local authorities.

#### **(6) No unsuitable developments on former NHS land near hospitals**

If, at the end of this sequential test, there is a case for selling any NHS site into the private sector, then the Mayor should favour a planning policy that prevents any type of development that would be unsuitable near any nearby hospital, for example by causing disturbance to patients or congestion preventing access to ambulances.

The proposed sale of NHS land is very unpopular – for example, it was omitted from the manifesto of the Conservative Party in the June 2018 election, even though the Party was committed to implementing the Naylor Report which makes this proposal. For this reason, the public are being coaxed into acquiescence by the idea that such land will be used to build necessary homes.

In this context, and given the present public ownership of NHS land, all such homes should be genuinely affordable, to buy or to rent as social housing, by most Londoners. It would be unacceptable if former public NHS land were to be transferred to purely commercial uses. Equally unacceptable would be if dwellings created on former public NHS land were unaffordable by many Londoners, or were open to acquisition by Buy-To-Let landlords via the exercise of Right-to-Buy, or by international investors, to add to the current 20,000 long-term unoccupied homes in London.

Jeffrey Lever, 02/03/2018

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<sup>11</sup> Today the average age of a student nurse is 29, and the average age of a qualified nurse is 47 years.  
<sup>12</sup> There are other bodies, with whom we should engage, who are also interested in this issue, e.g. New Economics Foundation, <http://neweconomics.org/2017/10/new-map-shows-public-land-sale-brings-people-together-save/>