Health and Housing – building for the future
Patrick Vernon OBE
Health Partnership Coordinator
Housing associations manage two and a half million homes for more than five million people in England.

Between 2011 and 2015, we built over 170,000 new affordable homes, generating almost £18.4 billion in the economy and supporting over 390,000 jobs.
A single, clear message

that all political parties commit to end the housing crisis within a generation

Homes for Britain
Building our future
Housing Sector Challenges

- 1% Rent reduction over the next four years
- Local Housing Allowance (LHA)
- Welfare Reform
- Extension of The Right To Buy
- Further cuts and reductions in social care budgets
- Introduction of the Living Wage
- Role of housing association in community social investment and regeneration schemes.
The Housing Crisis

- Predicted shortfall of 2.5 million homes by 2030
- Housing associations are working hard to tackle the housing crisis, with an ambition to add another 2.5 million homes to the supply by 2033

But this is significantly constrained by the availability and affordability of suitable land.
System Leadership/Policy Drivers

• NHS England Five Year Forward View
• Treasury and Cabinet Office Public Land Targets
• NHS England and PHE Health Town Programme
• MOU between health and housing sector
• Devolution Agenda
• One Public Estate
• Lord Carter Review
The National Housing Federation is a strategic partner for NHS England, Department of Health and Public Health England. We are developing models and perspectives around social value with NHS trusts, primary care estates around surplus land to develop affordable housing and delivering better health outcomes.
• Strategic Partners Network (DH, NHS England & PHE along with 20 national voluntary orgs/networks)
• MOU members
• DCLG, HCA, DH & Treasury & One Public Estate
• NHS Property Company,
• Community Health Partnerships
• Dalton Review Implementation Team
Challenges

- Single Voice and Point of access
- Evidence Base
- Making the Business Case
- Language and communication with the NHS
- Getting the right people in the room
- Housing can contribute to all dimensions of devolution agenda and not ‘a one trick pony’
- Retreat to our caves and silos due to cuts and efficiency savings
Housing Offer

- System Leadership and Transformational Change
- Health & Care Priorities and Planning
- Information Sharing/Research
- Models of Care
- Workforce Development
- Integration
- NHS Land & Estates
With NHS spending in England almost doubling since 1999/2000 and the annual funding gap expected to reach around £30 billion by 2021 thus selling off surplus land to the highest bidder on the open market can be appealing to NHS trusts.
The Federation believes a more creative approach to land disposal could achieve better value for the NHS in the long term and contribute to tackling the housing crisis of affordable homes and a range of supported housing schemes.
Best use of NHS Land and Property Identify inward investment opportunities to achieve outcomes

NHF produce guidance/advice note on how local systems can use their assets and lever in funding to best effect for housing-related schemes

• Promoting integrated care models that make use of NHS land to deliver health outcomes;
• Ensuring these health outcomes are factored into value for money considerations when the NHS sells land;
• Recognising housing associations to be the preferred partner working with the NHS to develop its land and deliver integrated care on estates; and
• Formally recognising that housing associations can be part of the supply chain for NHS providers in delivering health outcomes.
• Exploring cost savings across different stakeholders and beneficiaries
• An elderly couple moving from a poorly insulated private sector home to a good quality, well insulated affordable home would be less at risk of suffering from excess cold and related illnesses. This could save the NHS an estimated £8,000 per patient per year (EC Harris).
9 million of hectares of land owned by the NHS:

• NHS Property Company (former PCT property)
• Community Health Partnerships (LIFT and primary care)
• Foundation Trusts (independent)
• NHS Trusts (land owned by Trust Development Agency).
Figure 1: NHS Land Disposal Process

Start of 50 days

1. Land surplus to requirements
   - Lodge with public land registry for 50 working days
     - Interest from another NHS provider
       - YES: Transfer at NPV*
         - Money dispensed
       - NO: Seek planning brief from local authority
         - YES: Local authority interested
           - Money dispensed
         - NO: Marketing agent produces package and seeks sealed bids
           - Money dispensed

End of 50 days

- Sold at NPV
  - Bids received and assessed by district valuer
    - Highest bid no conditions
      - Sold
    - Highest bid with conditions
      - Decision whether or not to go for highest bid without conditions

* Net Present Value
Surplus land

• Looking beyond maximising upfront receipts

• Best consideration and social value

• Alternative models
  – Deferred payment
  – Long leases
  – Packaging of land.
Housing Offer for NHS surplus land

- Care pathway supported housing for learning disability and mental health, dementia, older people, step down/ extra care
- Workforce for NHS and front line workers (key worker housing / residential accommodation)
- Affordable Housing (shared ownership and rent)
- Market consideration (market rent/ outright sale)
- Health and Community facilitates (health centre, GP surgeries, leisure, community halls, environmental projects)
- Other strategic considerations (e.g. public land strategies, DevoManc, NHS Property Services/Community Health Partnership, DH/DCLG/HAC)
Proposed plans to work with 2/3 potential NHS pilot sites to do some economic modelling exploring different housing options
• Test models in NHF briefing on NHS land
• Explore opportunities and challenges in working in partnership with the NHS Trusts, NHS Property Services and Community Health Partnerships
• Explore how current rules and processes around how NHS land is declared surplus and the relationship with Commissioners and local government
• Explore how housing associations can develop a relationship with NHS trust providers in the development of their estates and regeneration plans
• Explore business and financial models in maximisations NHS land creatively and as part of a joint venture with housing associations
patrick.vernon@housing.org.uk
020 7067 1040