THE SCOTTISH OFFICE

NHS MEL(93)32

National Health Service in Scotland Management Executive

St. Andrew's House Edinburgh EH1 3DG

Dear Colleague

NHS HOUSES AND GARAGES: REVIEW OF RENTS

Summary

1. The purpose of this letter is to advise Health Boards and Trusts of alterations to the rentals of NHS houses and garages for 1993-94.

Action

2. Chief Executives, and General Managers should be made aware of this change and are reminded that the guidance on "Rents for non-NHS employees" (paragraph 5 of 1991(GEN)5) remains valid until further notice.

Background

- 3. Paragraph 7 of NHS Circular No 1975(GEN)69 issued on 3 October 1975 indicated that the rents of health service houses and garages would be reviewed annually, having regard to the levels of rents for local authority houses and garages. This was last confirmed in NHS Circular No 1992(GEN) issued on 27 January 1992.
- 4. The latest available information shows that at 30 September 1992 the average rent of a local authority house was 7% more than at the same date in 1991. Managers, therefore, should review the rents of all staff houses and garages for which they are responsible (including those let to retired staff) so that the basic rent for 1993-94 is increased by 7% ie to 172% of the 1985 gross annual value. The revised rents should be brought into effect from the first complete rental period after 1 April 1993.
- 5. Within the policy set, there may be circumstances, normally short-term and exceptional, where there is advantage in letting to tenants with no connection to the NHS. It is then reasonable to charge the market rent for the property as assessed by the District Valuer.

| March 1993

Addressees

For action: General Managers, Health Boards

Unit General Managers

Chief Executives, NHS Trusts

General Manager, State Hospital

General Manager, Common Services Agency

For information: General Manager, Health Education Board for Scotland

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6. Trusts are responsible for the ownership and management of their assets including houses and garages. Trusts will be guided in their decisions on asset ownership and management by 2 general principles - the need to make best use of public assets and to act in the best interests of patient care. As far as houses and garages are concerned the first consideration is expected to be predominant. Trusts while not bound to follow the detailed instructions in this circular may therefore wish to be guided by the increases charged by local authorities as a means of moving towards economic rents.

Yours sincerely

H R McCALLUM

(Director of Estates)