

SHEFFIELD LOCAL MEDICAL COMMITTEE

NEWSFLASH

BUSINESS RATES REVIEW

We have received a number of queries from practices with regards to the business rates review letter circulated by the estates department of NHS Sheffield.

The LMC Executive initially felt the same amount of anxiety concerning the link between business rates and future notional rent inspections. We therefore sought guidance from the GPC and the views of other LMCs.

The GPC premises sub-committee advised that business rates were in no way related to notional rent reviews and, therefore, should have no direct impact.

The view of the other LMCs was that a number of other PCTs had undertaken this exercise with the knowledge of their LMCs. Certainly, in other parts of the country, such as Hampshire, this was seen as a win-win situation, whereby the PCT saved money at no expense to primary care. However, a number of LMCs have sought clarification from their local District Valuer that there is no link between business rates and notional rent reviews, and have received reassurance as such. Therefore, Sheffield LMC has contacted the local District Valuer and awaits a reply.

NHS Sheffield sent this communication out prior to this reassurance being received as a result of the deadlines they were working to.

In summary:

1. We have had reassurances from the GPC, other areas of the country and NHS Sheffield with regards to this process.
2. We await the opinion of the local District Valuer.
3. Three yearly notional rent reviews independently may go up or down depending on the current economic climate, notwithstanding any effect that business rates may have.
4. It is the individual practice's decision as to whether or not they wish to undertake this process.

29 January 2010
