

**The Practice Manager**

Primary Care/Commissioning  
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(Yorkshire and The Humber)  
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10<sup>th</sup> March 2016

Dear Practice Manager

## **GP Surgery Business Rates: Refunds received from Local Authorities**

### Background

You may recall that appeals against rateable values were lodged with the Valuation Office Agency on behalf of many surgery premises. Rateable values (RV) were being assessed on the basis of rental value rather than the cost of rebuild, as has been the case with purpose built health centres historically.

After protracted legal and land valuation arguments, the ruling passed down last year was that RV should be assessed on the basis of rebuild cost rather than rental value. This has seen a substantial reduction in many RV assessments. This has no impact on your notional/current market rent reimbursement.

Local authorities are in the process of issuing business rate refunds, together with supporting paperwork (in the form of credit notes, revised bills, letters, statements etc.). Where the GP Practice is the named ratepayer, these refunds - which in some cases may date as far back as 1 April 2005 - will be sent directly to the Practice (and not to NHS England).

As business rates are reimbursed in full by NHS England (except where apportionment applies for shared use of a building) any refunds received from local authorities will need to be returned to NHS England, where this has not already been done.

NHS England are working with GL Hearn Ltd to collate and verify all business rate refunds. GL Hearn have confirmed the revised rates assessment and calculated the amount of any refund expected for each affected GP Surgery premises.

### Action Required by GP Practices

Some GP Practices have already paid rate refunds to their local NHS England team and provided them with supporting paperwork. Where this is the case, we thank those practices for their assistance, and those practices need take no further action. If any further information is required, either we - or GL Hearn, acting on our behalf - will contact you.

For those practices who have received a refund of rates and are awaiting further guidance, please can you now transfer the refund to the following bank account - which has been set up by GL Hearn for receipt of rate refunds (prior to the verification process):

Account Name:	NHS England Client Account
Account Number:	33118525
Sort Code:	20-37-75
Bank:	Barclays Bank plc
Reference:	<b>[Please use your Practice Code]</b>

Please also send copies of all supporting paperwork, sent by the local authority, to GL Hearn either:

- to their dedicated email address: [NHSEngland.rates@glhearn.com](mailto:NHSEngland.rates@glhearn.com);
- or
- by post to: GL Hearn Management Ltd, PO Box 1610, Southampton SO15 3WX

If paying by cheque, please note that all cheques should be made payable to 'NHS England' and sent to the above address.

It would be helpful if you could please include your Practice Code and the address of the property concerned on any correspondence.

Should you have any queries please contact the team at:

[NHSEngland.rates@glhearn.com](mailto:NHSEngland.rates@glhearn.com)

If for any reason you do not believe NHS England is entitled to the full amount of refund issued to your practice, please can you make this clear in any communication as GL Hearn will be verifying sums for NHS England and will need this information to reconcile the amounts.

### Practices who this letter does not apply to

For those practices that do not pay their rates bills directly (as they are processed and paid directly to the local authority by NHS England), there is no action for you to take.

Authority to Discuss your Rates Account

You will appreciate that, given the sums involved, NHS England must verify all refunds returned by local authorities. Regrettably, mistakes can happen and it may be necessary for NHS England and/or GL Hearn to request further information from the local authority regarding your rates account.

Where your practice is the named ratepayer, and NHS England simply reimburses your practice, your authority for NHS England and GL Hearn to discuss your business rates account is required please.

Accordingly, we would be grateful if you would kindly complete the enclosed proforma granting authority to discuss your account and receive any refund.

Please return the completed proforma to GL Hearn at their dedicated email address:

[NHSEngland.rates@glhearn.com](mailto:NHSEngland.rates@glhearn.com)

We would like to take this opportunity to thank you in advance for your co-operation in assisting with this exercise, which aims to maximise the revenue being returned to the NHS for the benefit of front-line services.

Finally, we would like to reassure all GP practices that:

- neither you, nor your practice, will be liable for the payment of any fees to NHS England or GL Hearn in respect of this initiative; and
- any reduction in your practice's rates assessment (Rateable Value) will not affect the reimbursement of rent agreed under the Premises Cost Directions.

If you have any queries in the interim, please do not hesitate to contact Kevin Costello [kevin.costello@nhs.net](mailto:kevin.costello@nhs.net)



Head of Co-Commissioning

NHS England – North (Yorkshire and The Humber)

**Please complete, scan and send to: [nhsengland.rates@glhearn.com](mailto:nhsengland.rates@glhearn.com)**

Delegation of Authority to Discuss Business Rates Account and Request Refunds

To whom it may concern,

\_\_\_\_\_ [Insert Practice Name]

hereby gives authority for NHS England and its agent, GL Hearn Ltd, to request full disclosure of information in relation to rates account(s), including receiving refunds, in respect of the premises listed below:

\_\_\_\_\_

\_\_\_\_\_

[Insert Practice Address(es) Above]

Practice Code: \_\_\_\_\_

Rates Account No: \_\_\_\_\_

Name of Local Authority: \_\_\_\_\_

Signed: \_\_\_\_\_

Name and title: \_\_\_\_\_

On behalf of: \_\_\_\_\_ [Practice Name]

Date: \_\_\_\_\_