

WG - No. 20-27

**THE NATIONAL HEALTH
SERVICE (WALES) ACT 2006**

**The National Health Service
(General Medical Services –
Premises Costs) (Wales)
(Amendment) Directions 2020**

Made 03 June 2020

Coming into force 04 June 2020

The Welsh Ministers in exercise of the powers conferred on them by sections 45, 203(9) and (10) and 204(1) of the National Health Service (Wales) Act 2006⁽¹⁾, and after consulting in accordance with section 45(4) of that Act with the bodies appearing to them to be representative of persons to whose remuneration these Directions relate, give the following Directions.

Title, application and commencement

1.—(1) The title of these Directions is the National Health Service (General Medical Services – Premises Costs) (Wales) (Amendment) Directions 2020.

(2) These Directions are given to Local Health Boards.

(3) These Directions are made on 03 June 2020 and come into force on 04 June 2020.

**Amendments to the National Health Service
(General Medical Services - Premises Costs)
(Wales) Directions 2015**

2.—(1) The National Health Service (General Medical Services – Premises Costs) (Wales) Directions 2015⁽²⁾ are amended as follows.

(2) After direction 41, insert—

(1) 2006 c. 42.
(2) 2015 No. 9.

“Notional rent review assessments between 1 April 2020 and 31 March 2021

41A. A review assessment of the contractor’s notional rent by a LHB as required by direction 41 which takes place in the period beginning with 1 April 2020 and ending with 31 March 2021 must be undertaken in accordance with Parts 1 and 4 of Schedule 2.”.

(3) In sub-paragraph 3(d) of Part 1 of Schedule 2, for “visual inspection by” substitute “visual, or where possible remote, inspection”.

(4) In Schedule 2 after Part 3, insert—

“PART 4

**FACTORS WHICH APPLY IN
RELATION TO NOTIONAL RENT
REVIEWS BETWEEN 1 APRIL 2020
AND 31 MARCH 2021**

6. If the premises are owner-occupied premises, the following assumptions are to be made by the appointed valuer about the nature of the notional lease upon which the notional rent payments are to be based. The notional lease—

(a) is to be a new lease for a term of 15 years, with rent reviews every 3 years when—

(i) where there is no material change in the GMS eligible floor area of the premises used for service delivery or the number of car parking spaces since the previous market rent valuation, the reviewed rent will be the greater of—

(aa) the market rent at the date of the review, or

(bb) the rent that was being paid immediately before the relevant rent review date; or

(ii) where there has been a material change in the GMS eligible floor area of the premises used for service delivery or the number of car parking spaces since the previous market rent valuation, the reviewed rent may rise or fall,

and is reflective of market conditions at the review date;

(b) includes a covenant that the tenant undertakes to bear the cost of internal

repairs and decoration and the landlord undertakes to bear the cost of insuring the building and of carrying out external repairs and maintenance;

- (c) does not include a service charge, or like payment for such items as upkeep, maintenance (including lift maintenance where appropriate), cleaning and heating of common parts;
- (d) is for vacant possession;
- (e) is exclusive of rates;
- (f) includes a right for the tenant to assign or sublet the whole premises, subject to landlord's consent which is not to be unreasonably withheld; and
- (g) allows the premises to be used for practice purposes only.”.



Signed by Alex Slade, Deputy Director, Primary Care Division under the authority of the Minister for Health and Social Services, one of the Welsh Ministers

Date: 03 June 2020