

Cogges Surgery
12 Cogges Hill Road
Witney OX28 3FS
Telephone: Witney (01993) 700505
Fax: Witney (01993) 706610

Julie Dandridge
Head of Primary Care, Oxfordshire Clinical Commissioning Group
Jubilee House, Oxford OX4

29th September 2018

Dear Julie

Cogges Surgery premises

Thank you for your letter 4/9/18 regarding our intentions for the above property.

We have now had an opportunity to discuss our future plans in some detail. As you may appreciate, there are several opportunities available to us once the GMS contract ceases on 31/1/19 and we have not excluded any of them at this time.

Whilst we have no objections in principle to renting the premises to a provider of NHS contracted services, there are several issues that may make this financially unattractive to us as landlords- including increased loan interest charges for a commercial mortgage, legal costs of agreeing leases and the ongoing landlord management costs. Therefore, we would be willing to consider offering a long term lease to a primary care provider with a minimum term of 5 years, with the potential to negotiate mutual break clauses if the rental income was agreed at a level to compensate for this additional flexibility. Please be aware that any lease would be required to be approved by our loan provider NatWest and therefore there may be other terms and conditions imposed by them.

We are aware that Notional Rent should be reimbursed to a NHS provider at the current market rent as determined by the District Valuer, however as this review only occurs every 4 years, it may not reflect the real rental potential in Witney at any time. Therefore, it may make it more financially attractive for us to install a non-NHS provider willing to pay current market rent.

We have not excluded the option of marketing the premises for sale, however are willing to await OCCG procurement decision re: provision of primary care services over the next few months before considering committing significant resources to this course of action. However, if there was a buyer interested in purchasing the premises we would be willing to consider selling if the price and timeframes were mutually acceptable.

Yours sincerely
Property owning partners

A large black rectangular redaction box covers the signature and name of the property owning partners.