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Lansley's reforms could prove a boon to the property sector

The days of Dr Finlay, it seems, are over. For the fictional Scottish doctor, a GP's sole task in life was to provide cradle to grave care to his or her population. In the brave new world of Andrew Lansley's NHS, however, general practitioners are required to be all-singing, all-dancing, all-commissioning agents of reform. The decision to scrap primary care trusts and strategic health authorities and hand over the bulk of the NHS's budget to GPs raises myriad questions. Not least, will it work? But there is one area where answers have been even less forthcoming than others: the primary care estate.

Current programmes such as NHS Lift (Local Improvement Finance Trust) depend on long-term partnerships with primary care trusts. Will GP consortia, in their nascent states, be expected to inherit complicated long-term contracts with private sector consortia, or will these deals be centralised? Most primary care landlords negotiate long-term leases for GP facilities with primary care trust. Will GP consortia now be expected to perform this function?

If you're looking for answers, don't start with the white paper. "The government has two challenges to address, and the paper is silent on both," says Bruce Potter, partner at law firm Morgan Cole, who spent time on secondment at the Department of Health. "The narrow question is what will happen to the GP estates that are currently being supported by Lift and other initiatives," he says. "And then there is the broader question of what will happen to the PCT [primary care trust] estate?" The issue, unsurprisingly, has the potential to be extremely complex, says Potter, and is tied to questions over how estates of foundation trusts will function in the new health landscape.

The situation has certainly caught the imagination of the advisory community. Adam Dalgliesh, co-founder of Medical Property Advisers, says the government faces a number of options for the PCT estate. "It could come under the control of the GP commissioning groups," he says. "But I don't think this is likely as they just aren't set up to be able to deal with it." One possibility, he adds, is that it could come under the control of local authorities, "but I'm not sure they would want to take on responsibility for the healthcare estate". Alternatively, Lansley could be forced to create regional NHS estate management bodies, but this could be politically awkward given his views on the necessity of PCTs and SHAs [strategic health authorities].

Regardless of the details, the general direction of the reforms have been welcomed by the independent sector. Forcing GPs to work together will, one hopes, bring with it a more professional approach to how practices are run – and this could extend to the facilities themselves. "I think that we will see more opportunities," Tim Walker-Arnott, property director at Primary Health Properties. "If the government is to make the budgetary cuts that it needs to, they will have to move things like diagnostic services and non-major trauma into the primary sector. The only way they can do this is if they create some space."

This is all well and good, but for the independent sector companies involved in NHS Lift, the lack of detail is casting a shadow over what had been a relatively vibrant market place. There are, however, those that are taking an optimistic view. "It's not been cancelled," reasons Jonathan

Holmes, chief executive at Ashley House – one of the providers heavily involved in the programme. "This could be a very positive thing for it and could allow it to grow and take off, which it hasn't really been able to do before."

The theory goes that Lift, which has until now been mostly used in primary care, could see its role expanded to deliver other community services. Chris Whitehouse, chair of the Lift Council lobby group, argues that as the Lift companies are already well-established they are best placed to assist in the transformation of public health services. The reforms, he believes, could be the best thing that ever happened to NHS Lift. Others, however, care to disagree. In this new age of austerity, can the government afford to support a programme that is "hugely expensive", asks Walker Arnott.

Whether it is through Lift or traditional means, though, there remains a consensus that the white paper is positive news for the independent sector. If the government is serious about reforming healthcare, then it will have to be prepared to overhaul the creaking NHS estate, argues Mike Adams, chief executive of The MedicX Fund. "There is a massive problem at the moment," he claims. "Many of the premises just aren't fit for purpose. GPs are in small buildings where they can't work together or rely on each other. What we are seeing now is a need for space to be used more effectively so that different types of people can use the premises."

There may well be a rationalisation of the NHS estate, but braver politicians have tried to divest the NHS of its property assets in the past and have failed. Closing hospitals in favour of community centres might make good sense, but it makes terrible politics. It doesn't help that in the run-up to the election Andrew Lansley campaigned against the closure of a health facility in his own constituency.

For Adams and the rest of the industry, though, too much politicking could have significant consequences. "We need clarity, because otherwise there is the chance that things slow down and stall," he says. "The sooner we know about change the sooner we can deal with it and adapt."

Indeed, informing PCTs that they will no longer exist in three years has a number of effects. One of these, inevitably, is that managers are not about to push ahead with building projects that are at an early stage. There is a danger, says Dalgliesh, that if the reforms lead to a loss of momentum in the primary care estate, then investors who have favoured the sector might consider alternatives. "If projects are put on hold, and there is no certainty as to what is going to happen to them then investors looking for places to put their money may well find opportunities elsewhere," he says "and it would be a shame for the sector to miss out on that third party investment."

Further guidance on the white paper is to be published on 15 September, and market anxiety will no doubt heighten if information on the primary care estate is not forthcoming. But Morgan Cole's Potter is confident that the long term trends in the primary care property market is positive. "The question isn't whether GPs will need new premises because we know that they will," he says. "The questions are over the funding structures and over the types of property they will need."