

SHOPPING FOR HEALTH

30/07/21

For Consideration

idea

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INTRODUCTION

During February there were two consecutive items of interest on the 10 o'clock news. One, as on so many days, reported from the front line of intensive care and the strain on the NHS. The second reported on the demise of retail and the impact on the high street. High levels of demand in one area, high levels of vacancy in the other.

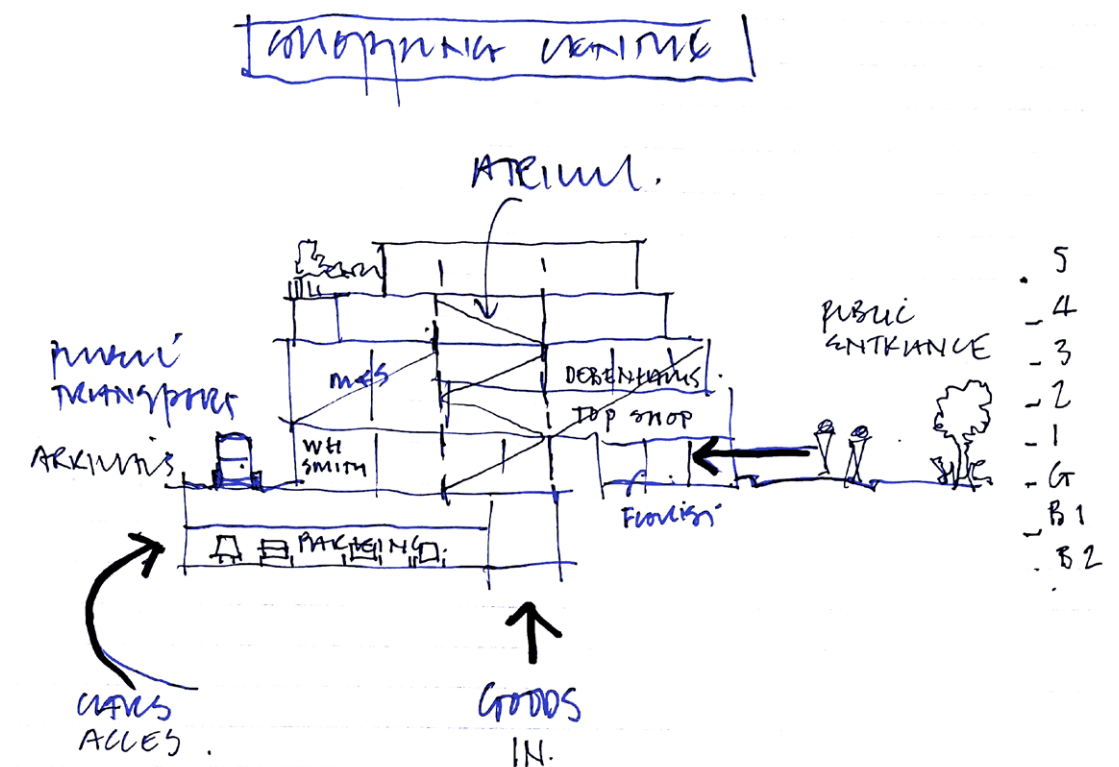
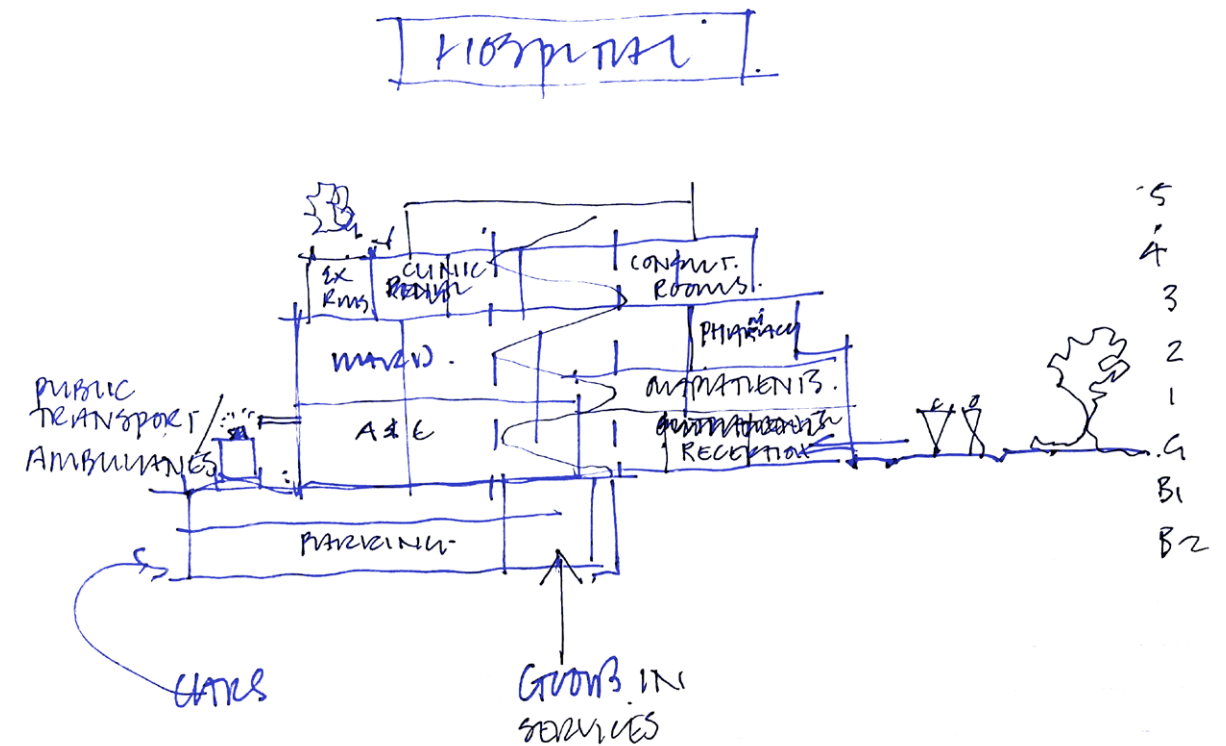
This prompted the sketches opposite and the musing that the physical attributes of a shopping centre; public transport, pedestrian access, separate service access, car parking, multiple unit sizes, plus associated retail, cafes, opticians, chemists etc would make an ideal fit for, at that time of night - hospitals.

In the cold light of day however and with the input of this team, it is evident that shopping centres provide a much better match for the 'lift and shift' of outpatients from acute sites combined with Primary Care services.

This in itself is not a new idea as the case studies in this report will demonstrate. Nor are the opportunities restricted just to shopping centres although we have chosen to initially limit our scope to this sector.

What this team has sought to understand are the opportunities for a national strategy, which we believe is preferable to individual Trust led initiatives at a local level. We therefore set ourselves the exam question:

Can vacant possession within shopping centres be successfully occupied by NHS Healthcare services?



EXECUTIVE SUMMARY

This report concludes there is an estimated projected demand of 1.25 million m² comprising PCN delivered services and a 'lift & shift' of services from acute sites.

On the other side of the equation, Experian GOAD's Q1 2021 data (Appendices, p.52–57), shows a supply of vacant area within English shopping centres of 1.63 million m².

Typical unit size demand ranges between 490m² and 1,680m² (see Fig. 2–5, Concept Layouts, p.12–13). Vacancy within these size bands suggests an availability of circa 1.3million m² in this range (see Fig. 6, Supply Analysis, p.26). Geographically, the areas of highest demand are in areas of highest deprivation which generally have the corresponding highest levels of retail vacancy in North West, West and East Midlands (see Fig 10, Supply Analysis, p.30). Based on these high level statistics this report considers a number of potential opportunities and benefits.

At a practical level 'Shopping for Health' quickly offers shell and core space to lift and shift facilities from hospital sites and release much needed space for the expansion of higher acuity.

An approach which is greener than new build, it also presents an opportunity to deliver integrated health and social care services directly into the heart of communities, into destinations that are readily accessible and have a familiarity recognised by their populations.

Allied retailers already comprise 5% of total shopping centre stock comprising chemists, opticians, dentists etc (see Fig. 11, Allied Retailers, p.31). There is the opportunity for this proportion to increase with footfall driven by 'Shopping for Health'. There are also the benefits of complimentary support and wellbeing services such as Macmillan who are actively looking to provide further support through Macmillan Cancer Information and Support Centres in locations that are relevant, easy to reach and in areas of high deprivation.

Shopping centre rental values are declining (-9% pa. 2018–2021) under pressure of increasing online sales and the impact of Covid. The covenant of NHS nationally rather than of Trusts would be valued by shopping centre owners looking to achieve a more sustainable long term tenant mix. There is also some evidence of Local Authorities buying shopping centres both for income but also as levers for re-generation. An initiative that could also be driven nationally by government.

It is important to recognise that the conclusions of this report are not theoretical. The case studies provided demonstrate that this is a practical, deliverable solution.

This report presents an opportunity to elevate 'Shopping for Health' from **local initiatives** to a **national strategy**.

DEMAND VS SUPPLY

England

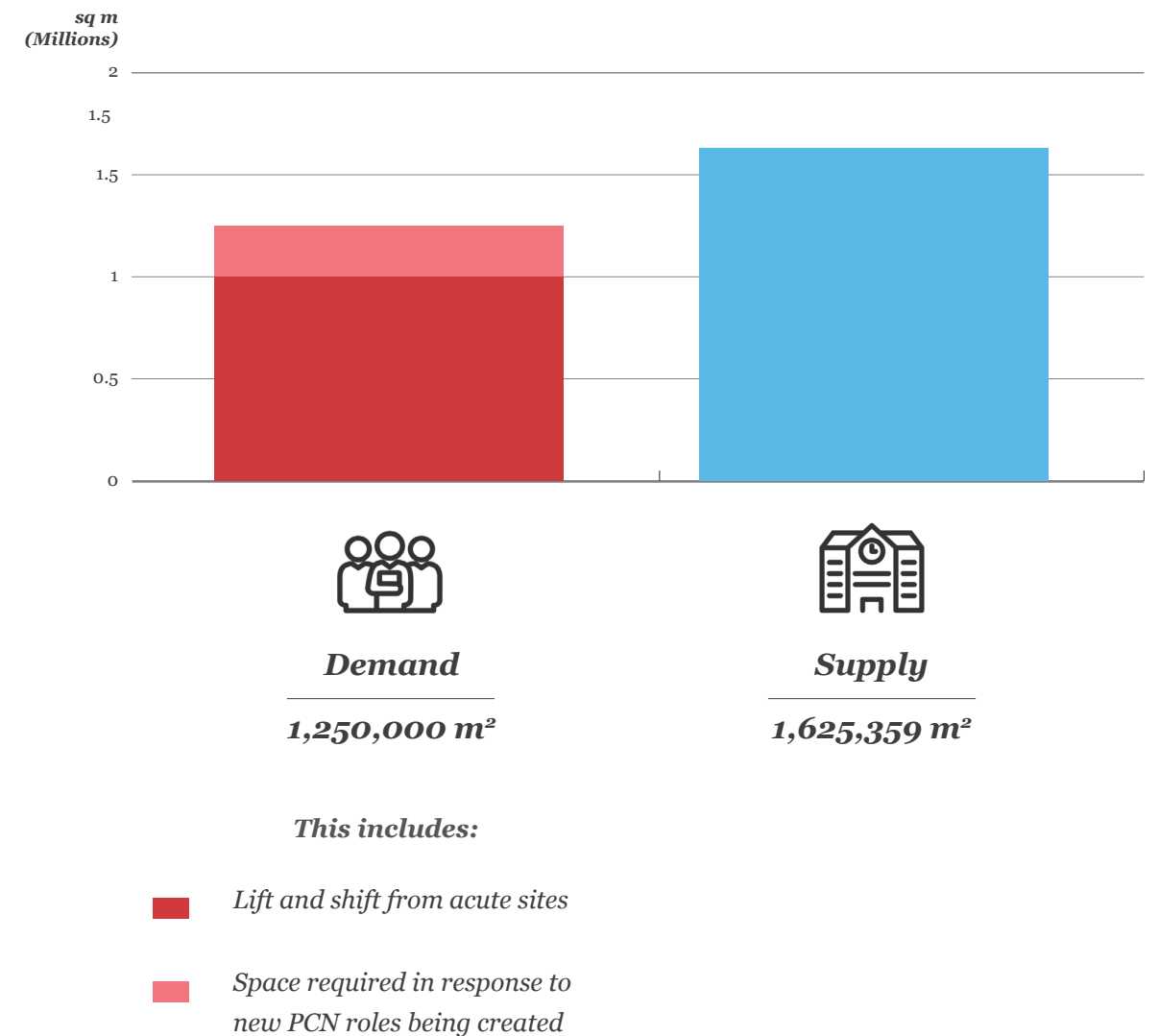


Figure 1: Estimated projected demand and total supply across vacant units (all size bands)



“We are living through the greatest challenge our health and care system has ever faced. Yet even in crisis conditions, everyone working in our health and care system has continued to deliver excellence. Critically, collaboration across health and social care has accelerated at a pace showing what we can do when we work together, flexibly, adopting new technology focused on the needs of the patient.”

www.gov.uk/government/publications/working-together-to-improve-health-and-social-care-for-all/integration-and-innovation-working-together-to-improve-health-and-social-care-for-all-html-version

1.0 CORE DEMAND

Larger retail units, shopping centres and department stores are suffering a similar fate to high streets up and down the UK, struggling to survive in the online shopping, Covid-stricken era. Whilst councils, landlords and developers plan to convert empty department stores into flats, or fill vacant shops with community pop-ups there is also an opportunity to blend retail with new centres for preventative health and wellbeing.

Key Considerations

What are the key services that could be accessed within shopping centres?

It is recognised that several key services can be located within a community based setting using vacant retail premises in shopping centres and similar locations. Accessibility is key for patients and the potential to provide a blend of services across a broader health and social care sector, offering a greater utilisation of space outside of a traditional clinical outpatient healthcare setting.

The integration of Primary Care Networks (PCNs) widens the range of services available to patients and a central location offers excellent access to these potentially diverse services, covering populations of around 30,000–50,000 people.

PCN's are designed to support collaboration in primary care and help develop more integrated health and care services.

The PCN agenda is being encouraged, with manifesto commitments to create 30,000 new roles, and the potential to improve local services and contribute to better population health.

There is an opportunity to provide a more holistic offering in the shopping centre and high street setting – complementary services that are ‘wellbeing’ health as opposed to purely ‘clinical’ health e.g., Citizens Advice Bureau, Mental Health support services, charity-based services such as Macmillan information & support services.

“Looking beyond healthcare provision, the NHS has a wider role to play in influencing the shape of local communities, showing what we can do when we work together, flexibly, adopting new technology focused on the needs of the patient.”

www.longtermplan.nhs.uk/online-version/appendix/health-and-the-environment/

The ‘lift and shift’ of services from acute sites is positive. There is recognised potential and advantages to move suitable physical space into a primary care community-based setting, some moving to a virtual service and some to support self-care at home. Complemented by other services, as a result of the new PCN roles, these facilities can broaden the range and offer of what can be provided, within a local area, and support and participate in the design of healthy communities and places, moving towards more person-centred care.

Whilst there is a push for diagnostic centres, the level of investment and suitability of available accommodation would need a longer-term commitment and more bespoke works to create suitable facilities.

What size is the total demand?

DoH advice is that 250,000m² of space is required purely as a result of the PCN manifesto and the 30,000 additional clinical roles to be created. This ranges in requirement but a lot of the spaces required here are the smaller 8m² spaces providing flexibility for virtual clinic rooms, social prescribing spaces, counselling rooms and support services.

Similarly, 1,000,000m² of space requirements are identified as a result of lift and shift / decant of services from acute sites. The spaces required here are the larger 16m², multi-use flexible clinical room for consult/exam and treatment.

What are the typical unit sizes per service delivery/facility?

Standard hubs of accommodation offer flexibility and provide a scalable model for a variety of clinics:

1. ***Small*** – 490m² base model, minimum viable to staff and operate efficiently. Broadly based on a typical small GP Practice 400 – 500m²
2. ***Medium*** – 895m² two hub model allowing greater flexibility and a wider range of services.
3. ***Large*** – 1680m² offering more hubs and the potential to introduce more specialist complimentary services such as minor procedures.



Concept Layouts

Figure 2: Small Scale Clinic

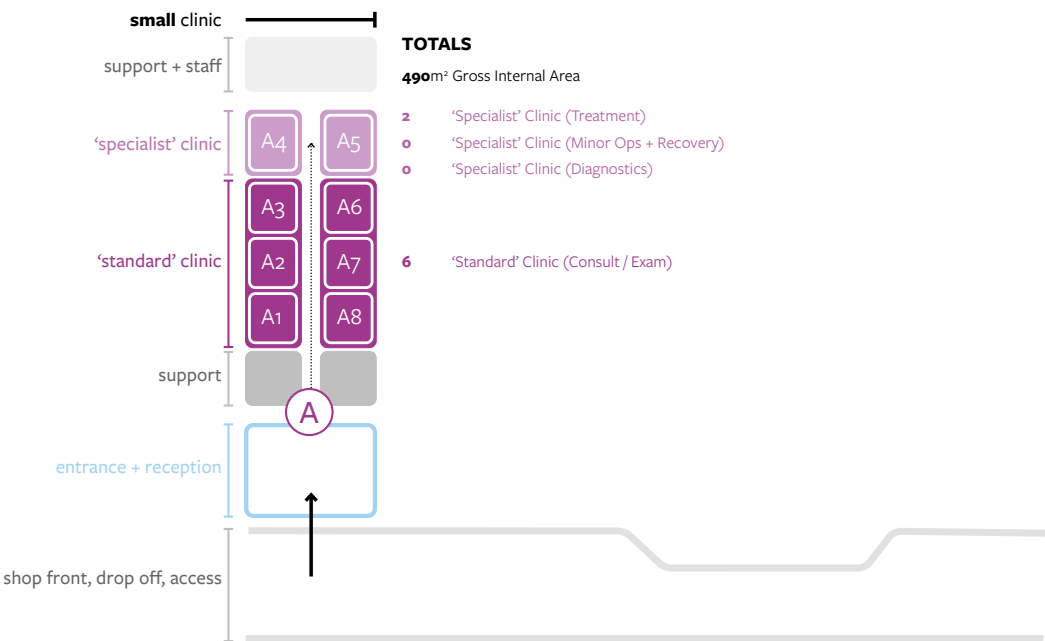
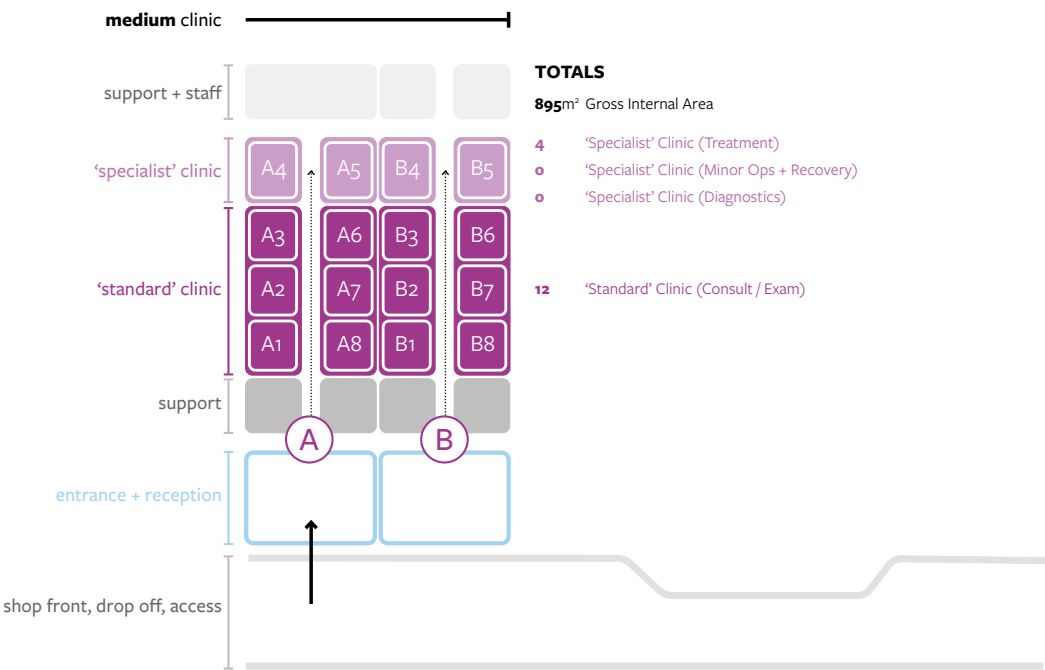


Figure 3: Medium Scale Clinic



Concept Layouts

Figure 4: Large Scale Clinic

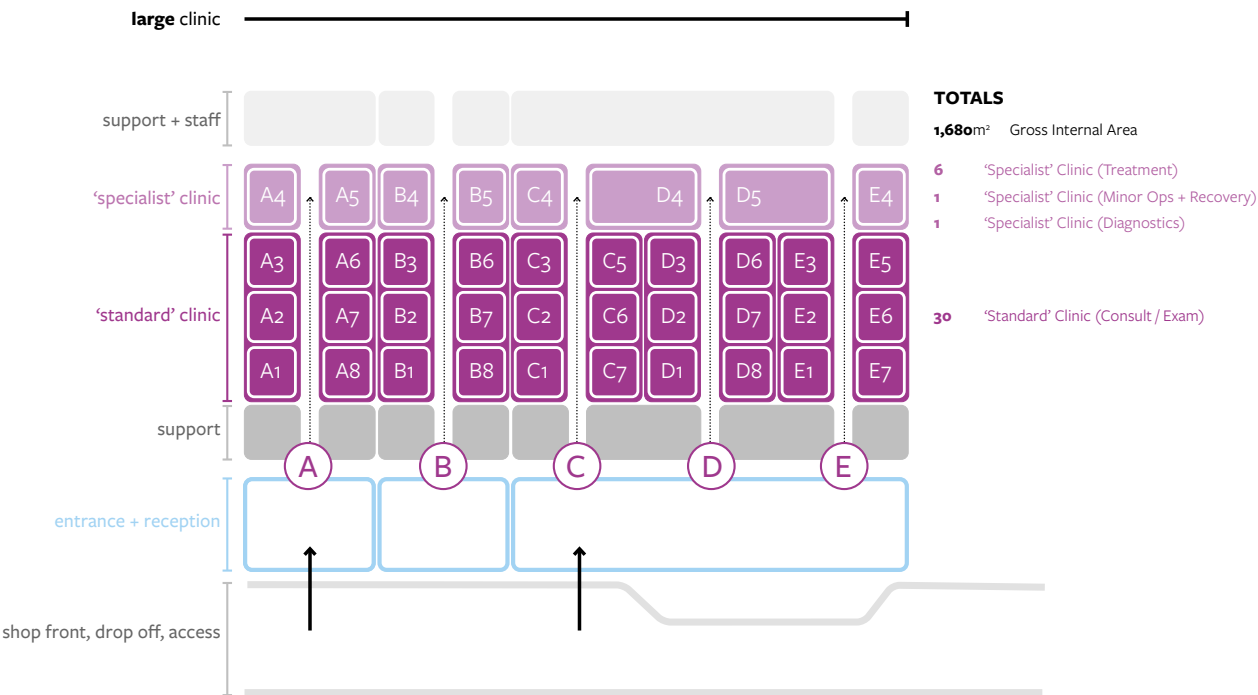
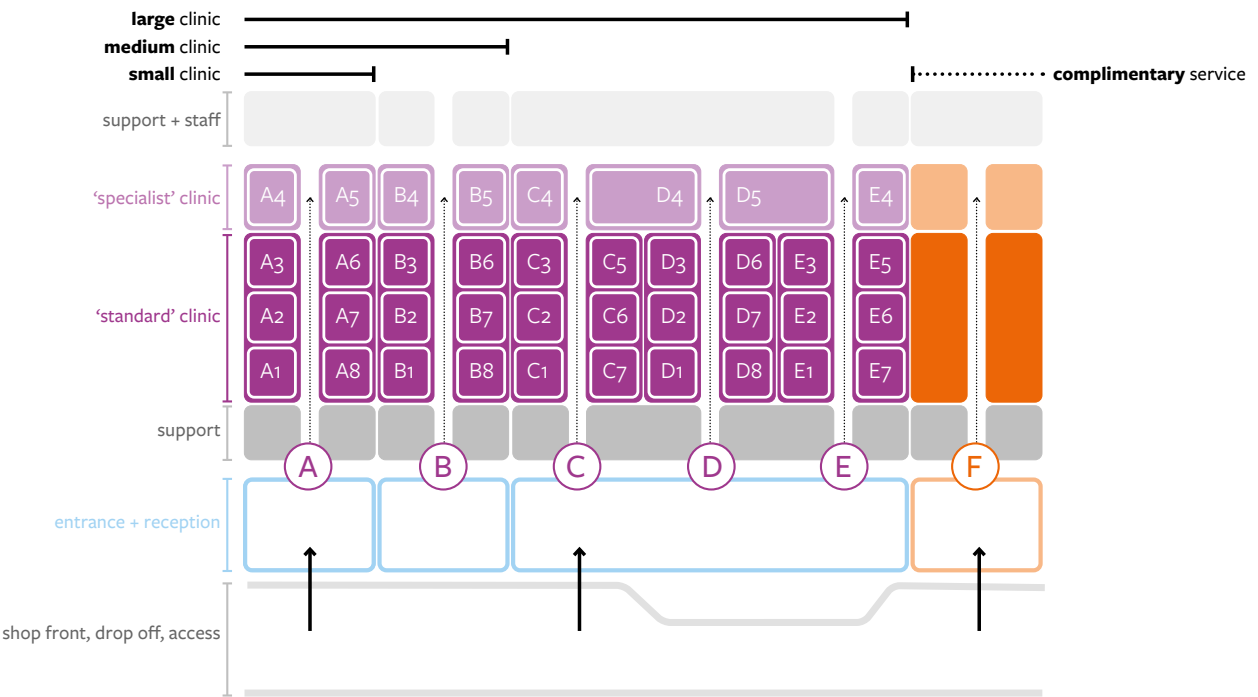


Figure 5: Compiled Clinics and Complimentary Services



Community Diagnostics Facilities including audiology need a core of around 2000m² and generally include 2 of each of MRI, CT, X-ray and DEXA Scanners.

1. **Standard** – everything other than endoscopy 2000m²
2. **Hybrid** – everything plus endoscopy 2200m²
3. **Hub + Spoke** – where space doesn't allow varies in size.

Support Services – e.g., Macmillan, could be a standalone facility and operate independently or integrated as part of one or more of the above, providing core information and support services, with the potential to offer access to a café, infusion lounge and complimentary therapies in the larger model.

1. **Small**- 65m² core information facility.
2. **Medium**- 120m² adding group and therapy facilities.
3. **Large** – 450m² offering infusion facilities, café and complimentary facilities.

The larger enhanced models provide efficiencies of grouping and co-locating and offer workforce advantages through a critical mass for operation and supporting a diverse range of services.

What are the occupational criteria required?

Accessibility is key to the success of this approach. Generally, the provision of car parking, public transport, welfare facilities and physical location are advantageous and go hand in hand with the nature of the high street location and shopping centres and provide a 'convenience' as part of the wider destination offering. Extended access and opening along with security control will allow greater utilisation and flexibility.

The ability to service delivery and pick up on a regular basis is required in most cases to provide support from acute sites. Access to acute sites is not necessarily measured in terms of physical distance but in ease of accessibility terms and the tolerance of this.

The ability to respond to the NHS agenda to prioritise sustainability (Net Zero Carbon) and modern methods of construction (MMC) is limited in this situation, but digital transformation, standardisation and flexibility can be exploited and combined with 'repeatable rooms' in standard hub models-offering financial, maintenance and life cycle advantages. There is an overriding sustainable approach in the retrofit of existing premises.

“The role of communities in improving health is receiving increasing, and long-overdue, attention in health policy and practice – the need for this focus has been underlined by experiences during the Covid-19 pandemic. Stronger recognition of the role communities can play and their greater involvement in efforts to improve health and wellbeing are needed if there is to be a successful move to a population health approach and a reduction in health inequalities.”

www.kingsfund.org.uk/publications/communities-and-health

How does demand vary geographically?

The current quality of primary care provision varies geographically, and the wider correlation is evidenced in deprived areas where there is higher need and less access to the services and support required, and in the context of this paper, more availability of empty premises. This underpins the need to target areas of under provision and pockets of deprivation.

Areas where New Hospital Programme (NHP) schemes are located do not necessarily correlate with this, so this approach offers great opportunity to fulfil a need and demand.

A population health management approach can be instigated through this model, supporting health and care leaders to tackle health inequalities. Population health management aims to reduce health inequalities across an entire population, promote health and wellbeing, and improve both physical and mental health outcomes. Integrating health services into local centres can generate economic, social and health benefits for local communities. This supports the NHS in seeking to reset its services and priorities in light of COVID-19, with an increasing recognition of the role it could have in wider community issues, such as influencing the social determinants of health and building sustainable communities.

Is demand increasing?

The move to increase higher acuity services on acute sites with the New Hospital Programme (NHP) and the impact of the wider range of PCN services combined with COVID recovery indicates demand is increasing for this type of space and the services provided. In the short term the impact of COVID, Long COVID and the resulting backlog of NHS Services has created high demand. Published figures identify 21 to 23 million GP appointments per month pre COVID and 31 million GP appointments per month now. The effects of COVID and social restrictions to control the pandemic are likely to exacerbate chronic conditions and create additional health needs to be managed over the long term. Analysis shows that 40 to 60% of virtual appointments lead to a face-to-face appointments – with a need to improve space utilisation to support this model.

Again, published data reinforces the demand in the general healthcare context: -

- Social care has seen activity grow. In 2019/20, there were 1.9 million requests for adult social care support from new clients, an increase of 6% since 2015/16
- A growing and ageing population. Over the next 20 years the population in England is expected to grow by almost 10%. The number of people aged 75+ is expected to grow by almost 60% – an additional 2.7 million people
- Growing morbidity and complexity of disease. Around 20% of our lives are spent in poor health, which has been increasing in recent years and is likely to continue in future. The proportion of people aged 65+ with four or more diseases is set to almost double by 2035, with around a third of these people having a mental health problem
- Medical care advancements and technological innovations. As medical care advances there are more treatments available, and more conditions can be treated
- COVID-19. COVID will continue to cause innumerable short, medium, and long-term effects to healthcare in the UK and has shone a spotlight on inequalities
- NHS activity has grown every year since records began (an average of 3.3% a year). Over the last 9 years (between 2009/10 and 2018/19) the number of attendances in A&E increased by 4.3 million; the number of GP appointments have risen from 222 million in 1995 to 308 million in 2018/19; and the number of outpatient attendances has increased by almost 36 million since 2009/10

www.gov.uk/government/publications/working-together-to-improve-health-and-social-care-for-all/integration-and-innovation-working-together-to-improve-health-and-social-care-for-all-html-version

1.1 Complimentary Demand

Being able to access reliable information and support reduces stress and helps people living with cancer take back control of their lives. Macmillan Cancer Support's Information and Support Services enable people living with cancer to talk through what is happening to them with trained professionals who have time to listen. This means that people get emotional support and information in a way that meets their needs as individuals.

Information can reduce anxiety, help people develop coping skills and enhance recovery. Providing people with high-quality, accessible health information improves their physical and mental health. When people are well informed about their cancer, such as understanding possible side-effects and treatment options, they can make well informed choices that reflect what is important to them.

Services are delivered within dedicated Macmillan Cancer Information and Support Centres located in hospitals, hospices, libraries and other community locations, and aim to provide 'time-out' from more formal clinical appointments. All local Cancer Information and Support Services provide information and support on a wide variety of medical and non-medical issues, ranging from coping with treatment and care, complimentary therapies, and emotional counselling, to getting financial support.

Over the last 25 years Macmillan has funded the capital development of over 250 environments in partnership with the NHS. This includes clinical environments such as chemotherapy day units, outpatients' departments and diagnostics units, and non-clinical environments in the form of Information & Support centres, the majority of which are in acute hospital settings.

Strategically we want everyone to know that they can turn to Macmillan and how we can help them from the moment they are diagnosed, and we want everyone to have a conversation about all their needs and concerns, and get the support that's right for them, with a focus on personalised care in line with the NHS Long Term Plan for Cancer. To enable us to do this we are currently carrying out a UK-wide analysis of the provision of support services for people living with cancer to understand where there are gaps in services, particularly in areas of deprivation and hard-to-reach communities, and exploring new settings for those services.

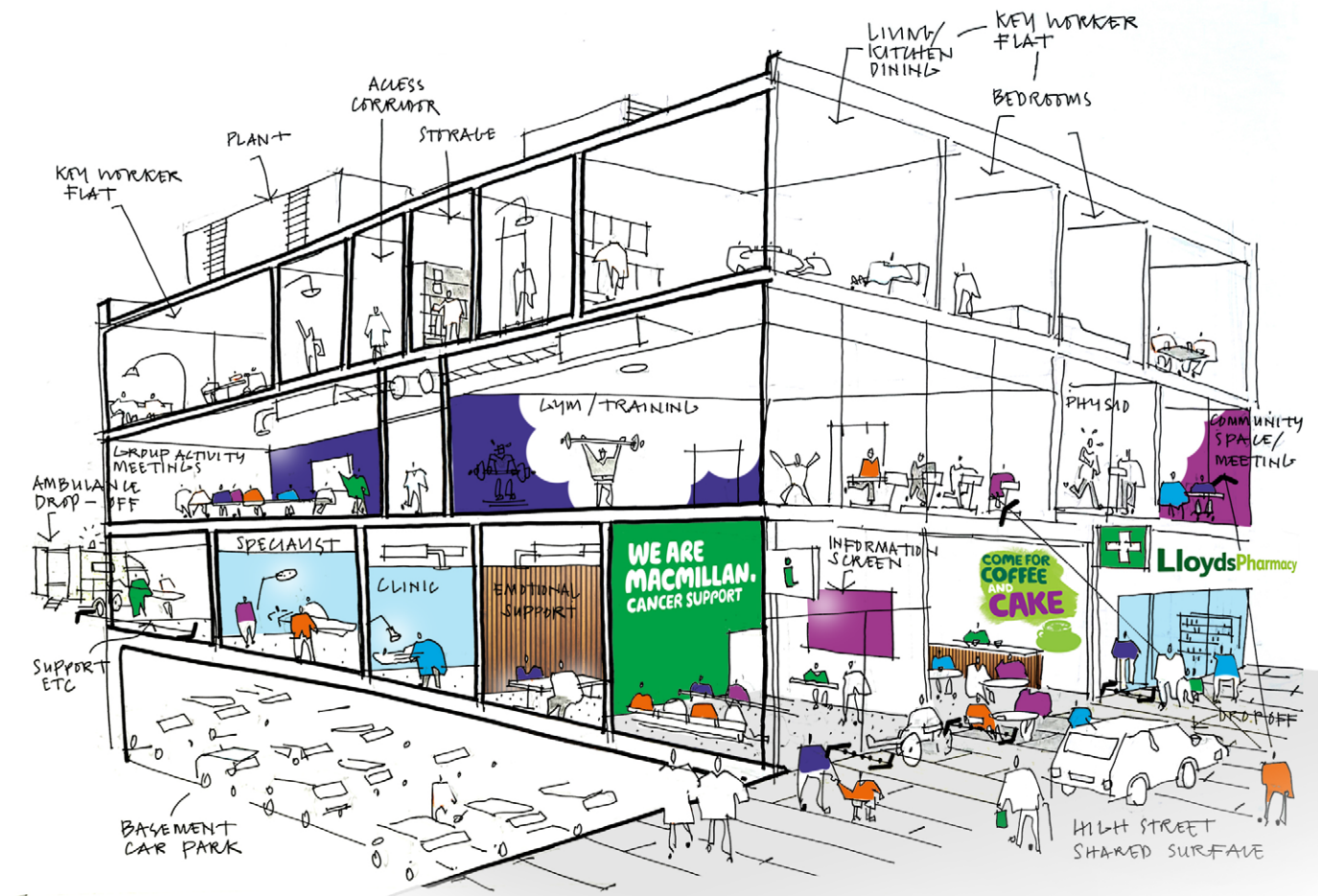
Macmillan is looking to deliver services in a broad range of community settings and would welcome the opportunity to work with the NHS to explore the synergies created by a potential shift of non-acute services such as outpatients, dermatology, audiology, etc. from acute sites into the community.

By developing a hub and spoke model supported by our large network of existing centres and services, and working in partnership with the NHS, Local Authorities, CCGs, PCNs and other 3rd sector providers, community and high street settings will enable Macmillan to better engage with people living with cancer in locations that are more relevant to them and easier to access, including those harder to reach communities in areas of high deprivation that are so important.

High street locations will provide an opportunity to explore creating a new type of Macmillan environment that:

Forms a physical touch-point for the charity around the UK in strategic community based locations combines service delivery for people living with cancer (including clinical, such as infusion centres) with a whole range of other public-facing activities, including health and wellness, gym, event support, fund raising, Macmillan café, etc.

In this way we could not only provide support to those harder to reach communities but also build Macmillan as a movement at a local level.





2.0 SUPPLY

The demand for specialist and more acute accommodation on Hospital sites means there is demand complimenting opportunity to focus less acute outpatient services in the community.

“The high street needs to evolve to become a community itself: a place where people are able to live, work and play in one highly connected, adaptable, long-life, sustainable environment.”

This benefits the acute hospital sites in creating valuable space in the heart of complex facilities where it is needed to create much needed resilience and expansion. Similarly moving services into the community and high street makes them more accessible and convenient for patients, staff and users, and uses empty or hard to occupy premises, which in turn brings the community back to the high street. Large retail and department store premises are ideal for conversion to clinical use:

- High floor to floors and structural grids which allow the flexibility needed for health services.
- The space available allows flexible clinic zones or pods which can provide standardised accommodation to serve a range of clinical services with a flexible programme.
- This can also divide and join to allow larger and smaller clinics to run.
- Support services exploit the nature of retail premises with a clear ‘front and back’.

Ground floor

- Community information centre
- Community pharmacy
- Coffee shop
- Retail pop-up
- Clinic spaces
- Specialist clinic and day surgery
- Mental health services

Upper floors

- Health and fitness suites
- Physiotherapy
- Key worker housing
- Subsidised trainee housing

The source data in this section has been obtained from Experian GOAD and has been analysed on a regional level to primarily illustrate the ratio between existing total built shopping centre stock in England and current vacancy rates by size band.

Experian GOAD vacancy data is based on regular surveys. Most locations are surveyed 6-monthly or annually, although some smaller centres may be surveyed less frequently. The analyses is in respect of shopping centres only which are defined as purpose built in-town managed shopping centres and excluding data for out of town 'destination' shopping centres.

The analyses does not therefore include standalone high street units although clearly the Shopping for Health model could be applied to high street as well as shopping centre locations.

Shopping centre stock and vacancy in England

The key findings are:

- The total existing built shopping centre floorspace in England totals 10.2 million sq m.
- There are currently 30,374 identified individual units within England's shopping centres. It should be noted that some units will present the potential to be subdivided or combined.
- Vacant space within England's shopping centres totals 1.63 million sq m, accounting for 16% of the total shopping centre floorspace.
- 50% of the total vacant space is available in units of less than 500 sq m
- Comparatively little overall space is vacant in the largest size band (5,000 sq m+) at 75,000 sq m
- There are 6,293 vacant units in England's shopping centres, accounting for 21% of the total units. Vacancy measured in number of units is therefore higher than measured by floorspace, which reflects higher vacancy rates in smaller units.
- 818,000 sq m is available in units of less than 500 sq m which accounts for 50% of the total vacant space.
- Average UK shopping centre rental values peaked in Q1 2018 and have been falling consistently since that date. The rate of decline has accelerated since the start of the COVID crisis. Capital values peaked earlier than rental values, in Q1 2017 and from Q1 2017 to Q1 2021 UK shopping centre values have fallen by -53%.

Shopping centre trends

The shifting and unpredictable nature of lockdowns and social distancing restrictions has severely impacted the physical retail sector since March 2020. The reopening of non-essential retail on 12th April 2021 was hugely significant, and although town centre footfall remains well below pre-pandemic levels, it is still nearly double the levels seen prior to the 12th April. Footfall in many suburban areas has held up well, with more consumers shopping locally.

The physical retailing sector faces significant headwinds, most notably the rise of online purchases. The proportion of online sales has risen from less than 20% pre-COVID to peak at 36.3% in January 2021. It has since fallen back to 27.3% as at May 2021, with the easing of COVID restrictions, but remains well above pre-COVID levels, and the long-term trend will continue to be firmly upwards.

The list of established national operators going into administration, entering into CVAs, announcing store closure programmes or becoming online-only has steadily risen. Key losses over the last year include Arcadia, Gap and Debenhams, with the latter's function as an anchor tenant in many shopping centres being of particular concern. In addition, numerous major retailers have announced store closure programmes, including department store John Lewis, another key anchor tenant. Further administrations and store closure programmes appear inevitable across the sector.

With the retrenchment of many national retailers in recent years, town centre letting activity had become increasingly focused on local independent operators. Whilst these do not have access to the same resources or management experience as the national operators, many appeared to have weathered the COVID storm, and indeed some have been seizing the opportunity to occupy previously unattainable units.

The problems within the UK shopping centre sector are apparent in the performance of rental and capital values, which have fallen sharply according to the MSCI Quarterly Index (the MSCI index is based on the valuation of the property portfolios held by most of the UK's major institutional investors and property companies).

Average UK shopping centre rental values peaked in Q1 2018, and have been falling consistently since that date. The rate of decline has accelerated since the start of the COVID crisis. Rental values have fallen by a total of -24% (an annual average of -9%) to Q1 2021 (the latest data available).

The fall in shopping centre capital values has been much sharper than rental values, as the decline in rental values has been compounded by investors repricing the sector. Capital values peaked earlier than rental values, in Q1 2017, and from Q1 2017 to Q1 2021, UK shopping centre values have fallen by -53%, according to the MSCI Quarterly Index. This is a much steeper fall than the -28% recorded for standalone high street shops. The fall in shopping centre capital values averaged -17% per annum since 2017, but has been much steeper since the start of the COVID crisis, falling by -28% from March 2020 to March 2021.

Despite the overall figures, many local shopping centres have performed comparatively well, boosted by the increase in shopping locally during the lockdowns. The analysis of vacancy rates provides an average across all shopping centres but there are very significant differences between centres. Some centres continue to have high occupancy rates whilst some have vacancy rates in excess of 50%.

In higher value urban locations, the conversion of poorly performing shopping centres into residential-based, mixed-use schemes are likely to become more commonplace. For most shopping centres, a much broader tenant mix is likely to be required to ensure a successful future, incorporating not only retail but also food & beverage, leisure, and essential services including locally accessed health care facilities forming part of a wider integrated care system. Significantly, a number of local authorities have purchased shopping centres in recent years, partly as a source of income, but also as a tool to achieving regeneration objectives through strategic land assembly objectives. Previously, local authorities were not amongst the key holders of shopping centre assets when this sector was performing well as an investment asset base although this profile is changing and gives a very interesting dynamic to a more joined-up approach to health and social care under ICS partnerships.



Analysis

Total vacant shopping centre floorspace by size band

Figure 5 illustrates the amount of vacant floorspace across five size bands. This shows that 818,000 sq m is available in units of less than 500 sq m. This accounts for 50% of the total vacant space.

The next three size bands (500-999 sq m, 1,000-2,499 sq m and 2,500-4,999 sq m) all have a broadly similar amount of total vacant space (between 200,000 sq m and 300,000 sq m). Comparatively little overall space is vacant in the largest size band (5,000 sq m+), at 75,000 sq m

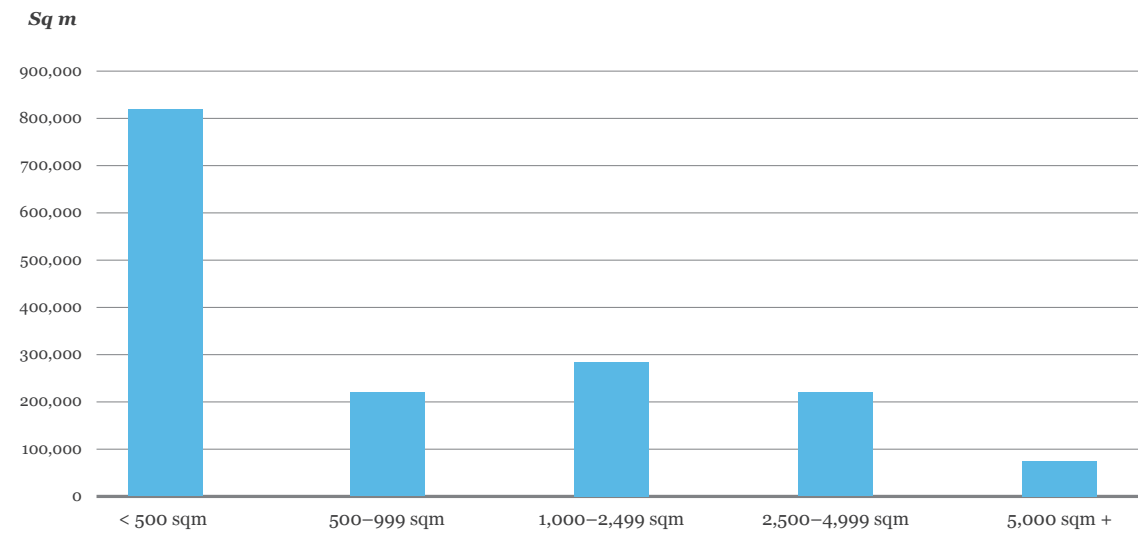


Figure 6: Vacant floorspace in England by size band

Total vacant shopping centre floorspace by unit size

In terms of the number of vacant units in each size band, almost all the supply (91%) is to be found in units of below 500 sq m, as Figure 6 illustrates.

Of the remaining 9%, there are 591 units of more than 500 sq m, of which 263 are more than 1,000 sq m, only 79 are more than 2,500 sq m, and just 12 are over 5,000 sq m.

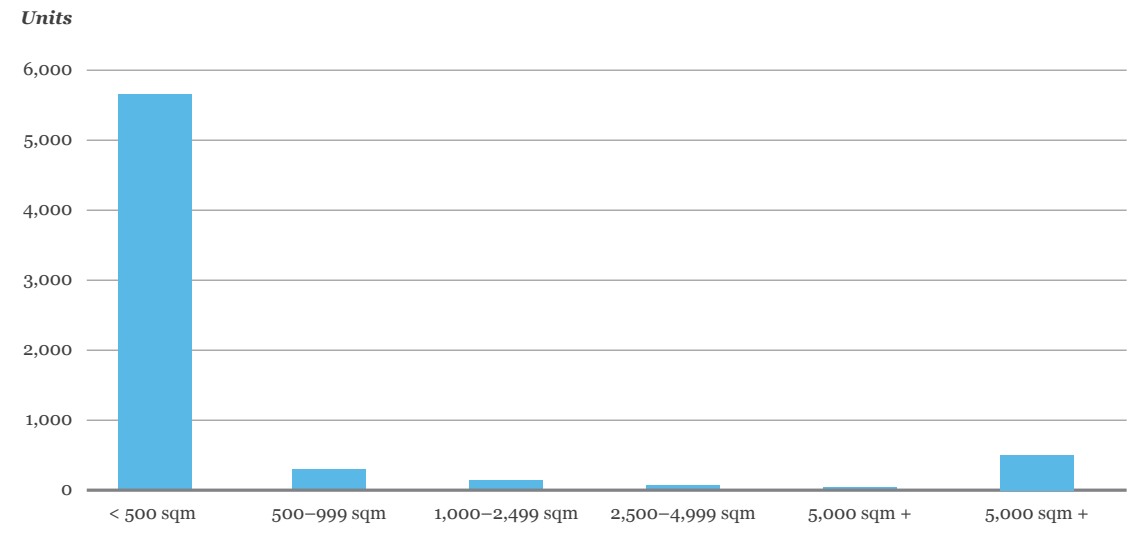


Figure 7: Number of vacant units in England by size band

Vacancy rates by size band (total stock vs vacancy)

Another useful metric, showing the supply/demand dynamics in the market. Figure 7 shows the proportion of stock available in each size band across England. Whilst the smaller units have the highest vacancy, the differential between the size bands is less marked than vacancy in overall terms.

Units below 500 sq m have a very high vacancy rate of 21%, falling to 17% for units of 500-999 sq m. This falls further in the 1,000-2,499 sq m and 2,500 -4,999 sq m size brackets (14% and 13% respectively), whilst the very large units of 5,000 sq m above have a comparatively low vacancy of just 6%.

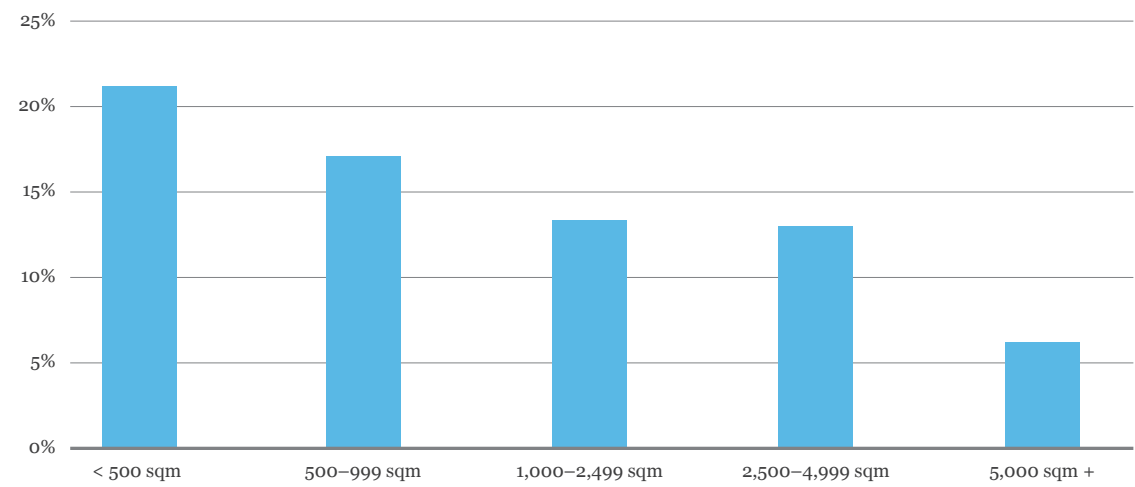


Figure 8: Vacancy Rate (by floorspace) in England by size band

Regional analyses

Shopping centre stock by region

The amount of shopping centre stock in each English region is shown in Figure 8 and reveals a considerable variation in stock levels. The South East contains the largest amount of stock, at 2 million sq m, whilst at the other end of the spectrum, the East of England contains only 377,000 sq m, less than one sixth of the stock in the South East.

This partly reflects differentials in population. A detailed table of the stock by region and size band is contained in Appendix 1, and a list of counties contained within each region is contained in Appendix 3. The regions are standard defined regions for statistical purposes.

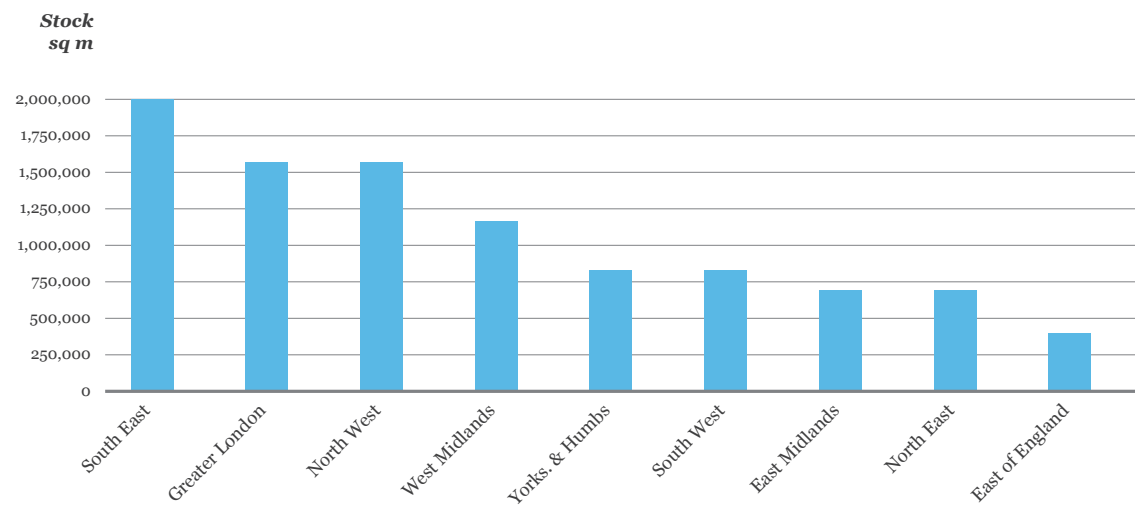


Figure 9: Shopping centre stock by region

Vacant shopping centre floorspace by region

Figure 9 illustrates the level of vacant shopping centre floorspace by region, together with the vacancy rate. The South East contains the most vacant space at 377,000 sq m, with the East of England containing the least vacant space at just 62,000 sq m. The vacancy rate also shows considerable variation between regions.

Greater London has the lowest vacancy of any region at 11%, with the South West second-lowest at 13%. Most regions have vacancy ranging from 14% to 16% (North East, Yorkshire & the Humber, South East and the East of England). The highest vacancy rates, above the average for England as a whole, can be found in the East Midlands (18%) and in the West Midlands and the North West (both at 20%).

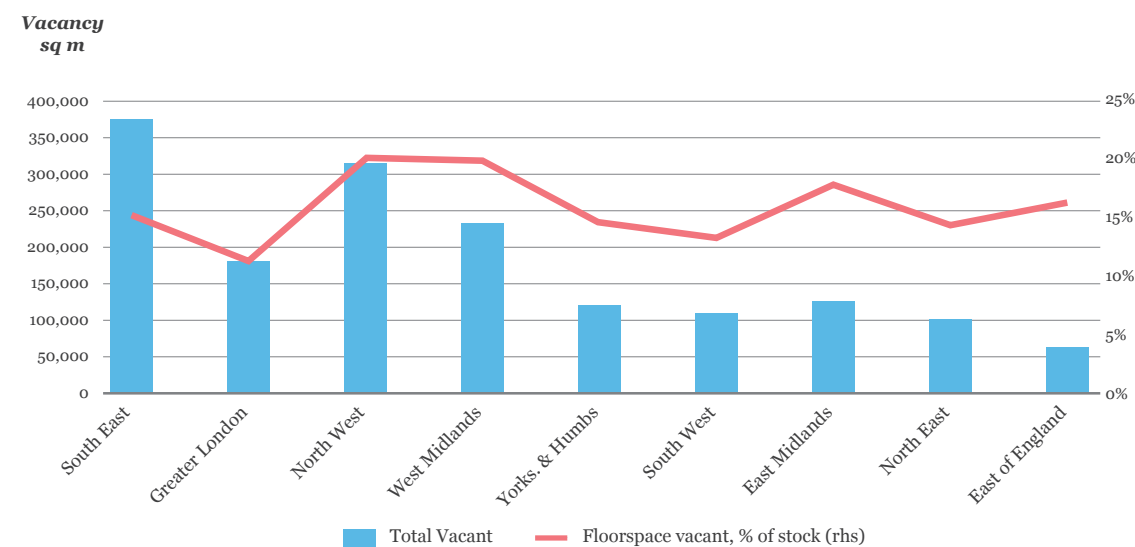


Figure 10: Vacant shopping centre floorspace by region

Allied retailers

Floorspace occupied by retailers that may be aligned with the NHS/healthcare use has also been assessed. These allied retailers include chemists, health food retailers, opticians, osteopaths, chiropodists, dental and doctors surgeries, existing health centres and specialist medical-related suppliers. A full list of allied retailer types included within the analysis is contained in Appendix 2, together with the proportion of space accounted for by each retailer type in England.

Allied retailers occupy 499,000 sq m across England's shopping centres, accounting for 5% of the total stock. There is little regional variation, ranging from 5.7% of the stock in Greater London to 4.1% of the stock in the North West.

Allied retailers also occupy 5% of the stock in terms of the number of units. Figure 10 shows the breakdown of allied retailers by number of units (omitting those less than 2%).

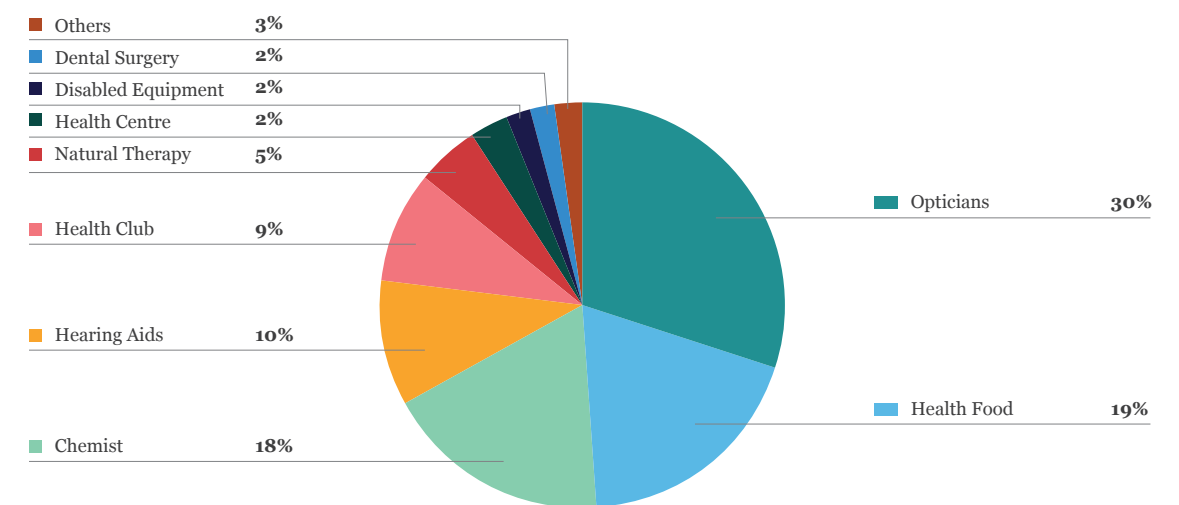


Figure 11: Breakdown of allied retailers by number of units

Thoughts on Delivery

The top 10 owners of shopping centres in England by built floor space are as follows.

- Capital & Regional plc
- Hammerson
- Landsec
- Intu Properties PLC
- Grosvenor
- LaSalle Investment Management
- InfraRed Capital Partners
- NewRiver REIT (UK) Ltd
- Canada Pension Plan Investment Board
- Unibail-Rodamco-Westfield

A suggested strategy for progressing the Shopping for Health strategy would be to progress dialogue with this group (and others as required) to explain the concept further and understand the degree of buy-in for the idea from a property owners' perspective. As noted, local authorities are taking an increasingly active presence in the sector and this group should also be targeted for discussion. A coordinated rather than piecemeal approach is recommended, and a suggested methodology would be to progress an initial engagement exercise to understand those shopping centre owners that would be most interested in working with the Shopping for Health initiative. Identifying a short-listed group with ownerships in target locations could then yield early engagement with the idea and see space delivered into use.

It is anticipated that shopping centre owners approached will see the initiative as an important contributor in securing a more sustainable long term tenant mix for shopping centres with less reliance on traditional retailing and more emphasis on sustainable alternative uses. Market and social changes are forcing this position and the opportunity to deliver the initiative on a multi-location basis will, we anticipate, appeal providing there is support from the NHS at national level. The ideal scenario would be if owners could be offered 'the NHS' (as a national covenant, not a NHS Trust) as tenant on a long term commercial lease term thereby allowing most potential for landlord incentives. The covenant position of NHS Trusts is not easily understood by all market participants in our view and a national level covenant would give improved outcomes. Rent reviews on a regular index basis are very attractive to the market also and will maximize the position of the tenant if these can be agreed.

We do not anticipate that planning permission will be a significant factor particularly since the recent relaxations within the Use Classes Order. There may be potential where existing leases have user clause restrictions and/or restrictive covenants exist and our strategy suggestion of approaching property owners direct will be the most productive route forwards, rather than approaching existing or prior tenants.

The property owners approached will, in summary, be interested in understanding the following key facets of the Shopping for Health initiative:

- Level of national support
- How the initiative fits in with national, regional and local strategic health planning
- Which body will take the overriding position of tenant
- Suggested typical lease terms including lease length, rent basis and review basis – consider preparing model heads of terms.
- Visualisation of the functioning space (information pack suggested with graphics and support text potentially with highlighted case studies of existing facilities)
- What is expected in terms of the delivered space in terms of physical arrangements, building services supply and health services offered
- How to best engage

The research in this section has focussed on existing shopping centres only as noted although a wider base of opportunity will be produced if property beyond this group is also considered, for example, existing non-shopping centre vacant retail premises and new build regeneration opportunities. Our recommendation however is to focus initially on the shopping centre basis only but also to allow for the potential where specific non-shopping centre opportunities arise.



<https://www.pexels.com/photo/crown-group-modern-motion-374894/>

3.0 CASE STUDIES

The following projects demonstrate the application of design principles to small, medium and large scale developments.



Counselling room interior

RUNCORN SHOPPING CITY

Project Scale: Small

This project is a collaboration between Warrington and Halton Teaching Hospitals NHS Foundation Trust, Halton Haven Hospice and Citizens Advice Bureau, and part funded by the Liverpool City Region’s Town Centre Commission, in line with the Halton Healthy New Town Strategy.

Key Facts

Client: Warrington and Halton Teaching Hospitals NHS Foundation	Size: 500m ² (NHS); 600m ² shell space for 3rd Party use (Haven Hospice and Citizens Advice Bureau)
Architect / Lead Designer: ADP	Value: £1.2m

Accommodation: relocation and expansion of NHS outpatient services from an acute hospital setting into the community and co-located with complimentary clinical and wellbeing facilities, implemented across 3 main phases of work.

Overview

Halton Lea was selected by NHS England as one of ten ‘Healthy New Town’ sites to take part in the national ‘Healthy New Towns Programme’, to deliver a range of NHS outpatient services within the local community in Runcorn Shopping City, a local shopping centre, and meet key ‘Healthy New Town’ objectives to: provide health and care services within easy walking distance of people’s homes; and ensure people are supported and empowered to look after their own health and well-being and helped to stay independent for as long as possible.

Although conceived prior to the COVID pandemic this project aligns with recent recommendations from the NHS Confederation Health on the high street (Aug 2020) – that health be integral in supporting economic and social recovery, through bringing healthcare closer to the communities it serves, encouraging foot fall on the local high street and making positive use of the available space within vacant lots.

“The aim of the Healthy New Towns Programme is to develop new and more effective ways of shaping new towns, neighbourhoods and communities to improve health and wellbeing, prevent illness, reduce social isolation and promote independence.”

<http://www.healthynewtown.org.uk/about/>

Brief & Accommodation



Existing Vacant Unit

The proposed unit for occupation is approximately 1,100m², located in the Runcorn Shopping City on the main shopping floor (level 4), with a 10m wide frontage onto the shopping street allowing for a prominent public entrance and front door.

The unit has 4.5m structural floor zone and a current ceiling height of 3.6m floor providing ample space for services routing. There is a lift in the centre of the space serving the basement floor allowing for delivery and service access.

A protected stair provides a fire escape and access to the basement. The unit is column free and provides a large clear open space to be remodelled to suit the accommodation required.

The site benefits from both good public transport links and vehicular access with free public car parking, thereby improving patient access to services by being in a more central and accessible location.



CGI concept visual for a typical clinic room

The new facility will locate Dietetics, Ophthalmology, and Audiology Outpatient services, currently provided on the main Warrington and Halton Hospital sites.

The project will both enable the increase in service provision to meet demands, through the provision of additional clinical space, not available on the acute hospital site, and importantly in turn free up acute hospital space to be repurposed to meet higher acuity needs.

The size of the available unit is somewhat larger than the NHS clinical service required (approx. 500m²) but this has presented an opportunity for a collaboration of complimentary services and for the NHS Trust to work with Halton Haven Hospice and the Citizens Advice Bureau.

The NHS clinical accommodation provided includes a main reception and waiting area, 7 clinic rooms, staff and clinical support space. Clinic timetabling has been carefully reviewed as part of the design with standardised clinical rooms to ensure flexibility and efficient sharing of space.

The whole 1,100m² floor space has been designed in collaboration with all key stakeholders with a single public entrance and front door, but in such a way that it allows the project to be delivered as part of a phased programme of works with the NHS clinical services being the first to be delivered and operational.

THE MALL, LUTON

Project Scale: Medium

The Emergency Department (ED) at Luton + Dunstable Hospital, part of the Bedfordshire Hospitals NHS Foundation Trust, is undergoing a much needed and significant expansion with the key drivers being to improve flow through the ED by increasing capacity and capability (including changes to ED patient pathways), consisting of the provision of increased waiting room capacity, a secure paediatric ED area, increased adult cubicle capacity and increased capacity for ambulatory care.

Key Facts

Client: Bedfordshire Hospitals NHS Foundation Trust

Size: 1,500m²

Value: £2.45m

Architect / Lead Designer: ADP

Accommodation: lift and shift of outpatient services from a main hospital site to enable the expansion of core acute services, implemented across a single phase of work.



The Mall Shopping Centre – Existing



The Mall Shopping Centre – Existing

“The Emergency Department at the Luton and Dunstable site is a national leader in delivering performance against the emergency care standards, having met the 4 hour target every single week since February 2011. Despite this, the current department is severely compromised both in its current configuration and ability to expand to meet demand or to develop new models of care”

Strategic Outline Case, Luton + Dunstable Hospital Emergency Department

Overview

A feasibility study was undertaken to explore different solutions to achieve this brief which included options to relocate the ED entirely on the site as part of a new build development, and various expansion and remodelling configurations by freeing up surrounding areas. At all times options were considered alongside the longer term vision for emergency care on the site and connectivity with a new planned helipad and essential access to supporting services such as intensive care and theatres.

The resultant preferred solution required the decant and subsequent relocation and reprovision of ENT and Ophthalmology outpatient services, occupying key space adjacent to the ED, much needed to expand core emergency acute services into.

These outpatient services were identified as areas which could feasibly be located elsewhere, and importantly away from the main acute site, offering benefits for both the patient in terms of where the care is delivered and the Trust in allowing acute services to expand.

Following the previous success of Bedfordshire Hospitals NHS Trust having decanted other outpatient services, including Sexual Health, Dermatology Outpatients, and adult GP Phlebotomy and Anticoagulation services, to a vacant unit located in The Mall shopping centre in 2018, a further vacant unit was identified as a suitable location and size to accommodate the ENT and Ophthalmology services and provide capacity to accommodate expansion and other similar services.

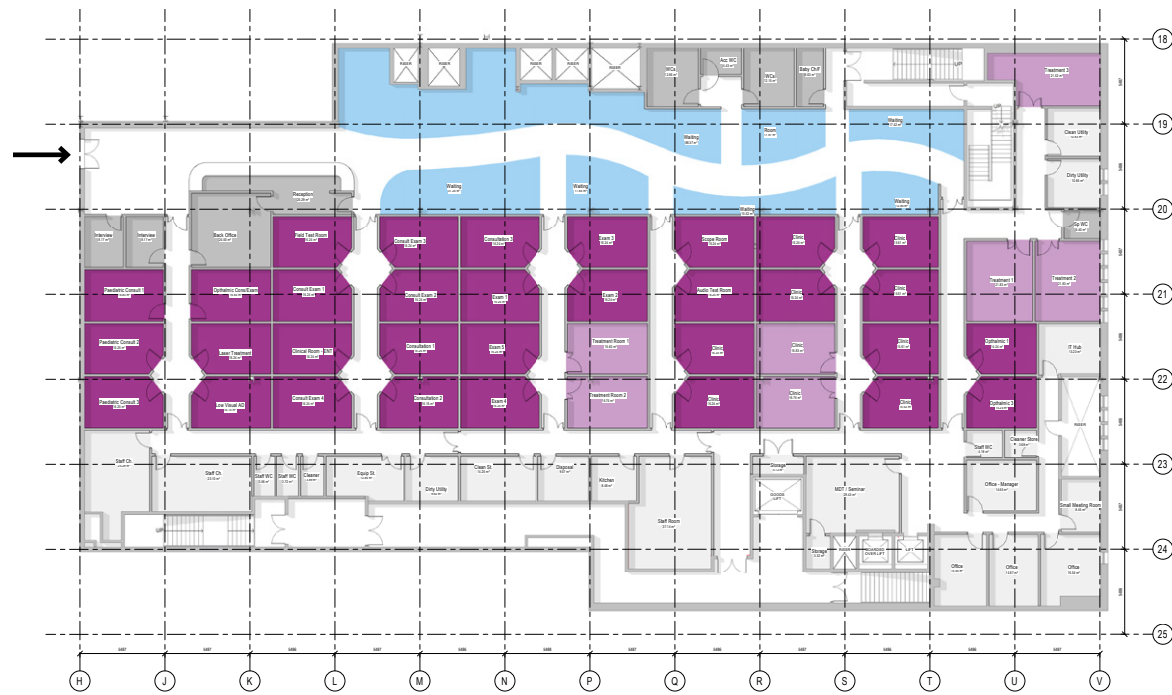


Proposed Concept Design – Outpatient Clinic Reception’

Brief + Accommodation

The proposed unit for conversion and occupation by the ENT and Ophthalmology is located in The Mall, an existing shopping centre in the heart of Luton. It is approximately 1,500m², on the upper gallery level and previously occupied by the retailer M+S, providing shop floor space and an associated M+S Cafe. The unit has a frontage onto The Mall gallery space, and key proximity to lifts and escalators in the shopping centre atrium, providing direct access to the main public car parks.

It was recognised by the Trust that for a proportion of patients (those living close to the hospital and in the Dunstable catchment) there would be an increase in travel time as a result of the proposed move. The Mall is 3.8 miles by road from the Luton + Dunstable site, but is well served by public transport and has the advantage of a town-centre location, with proximity to other public services and a range of car parking options, which outweighed any negative impact.



The Mall Luton ENT + Ophthalmology OPD

The layout for the facility is based on a flexible arrangement of clinic hubs or zones with patient access to these fed from a centralised waiting area. Staff and shared support areas are located to the rear of the layout and connected to basement service areas via existing goods lifts.

Overall 34 clinic rooms are provided along with patient reception and waiting areas and clinical and staff support. All clinic rooms are based on a consistent standardised design to allow for future flexibility and maximise opportunity for use and scheduling of other outpatient services.



GLOUCESTER DEBENHAMS

Project Category: Large (over 10,000m²)

The iconic Debenhams department store building, in the heart of Gloucester city centre, has been purchased by the University of Gloucestershire and is set to become a new city centre campus for teaching, learning and community health and wellbeing partnerships, with the largest stakeholders being the School of Health + Social Care and Education + Humanities.

Key Facts

Client: University of Gloucestershire

Size: 20,000m²

Architect / Lead Designer: ADP

Value: £70m

Accommodation: relocation and expansion of Higher Education facilities including clinical education training and simulation integrated and co located with patient facing NHS services and community-based support and care, in a city centre location, implemented across 2 main phases of work.

Overview

The University has a 10-year ambitious plan for growth across all Schools both in terms of student numbers and the range of higher education courses offered. Current student numbers on campus are just under 8,000 FTE and it is anticipated that this will grow to just over 12,000 student FTE through the course of this projected period.

Demand for health and care services is only going to grow and Gloucester has a chance to become a major centre of Health Skills, which will benefit not only local NHS Trusts and the Gloucestershire Royal Hospital, but the broader healthcare workforce – attracting,

supporting, and retaining people into the profession. Ultimately this will benefit, and support residents and the local population and to stay fit and well and provide more accessible community-based care.

It is part of the University's mission to support the growth and development of the local community - economically, socially, and culturally.

The project represents a further big step forward and major boost to the regeneration and post COVID recovery in the historic centre of the city of Gloucester.



“We want to explore a range of potential partnerships for accommodating services of value to the public, taking advantage of this prime city centre location to offer local people access to services they value. This is all part of the wider ambition, working with partners to bring new life and vibrancy to the high street.”

Stephen Marston, Vice-Chancellor at the University of Gloucestershire

Brief & Accommodation

The existing building is a 1930's Art Deco style, currently sitting empty following the closure of the Debenhams brand through administration. It is an L shaped building offering 20,000m² of space across five floors, with key elevations fronting onto King's Square and The Oxbode. It is the largest commercial retail building in the heart of the city and provides a substantial opportunity to enable the creation of the additional space required to support expanding student and staff numbers for the University, in a location with excellent transport links, connectivity and local services, while boosting the city centre economy.

Extensive stakeholder consultations are underway, working with educational course leads, estates teams, students, local patient and community groups and 3rd party providers as part of the detailed development of the brief. The building will be fully and extensively refurbished and remodelled to create attractive, modern spaces for teaching and learning.

The School of Health + Social Care will provide a range of clinical education training and simulation facilities covering a wide range of course programmes including Paramedics, Mental Health, ODP's, Occupational Therapy, Social Work + Social Care, Physio and other Allied Health Professionals. The school works with NHS patients both in a volunteering capacity but also providing treatment and clinical services. The University are also exploring options for working with other local partners to allocate part of the ground floor space for dual-use facilities for the community and the University, offering welcoming, attractive, and inclusive city-centre access for the public to a range of complementary and holistic services, including an Arts, Health + Wellbeing Centre and Diagnostic Radiology services to sit alongside and work in an integrated way with the School of Health + Social Care.



COLLABORATORS

iDEA

iDEA work in marrying the requirements of people and property both national and internationally. We provide strategic spatial analysis and accommodation masterplanning across Central Government, in the specialist areas of Defence and Higher Education and also within the Corporate sector.

+ idea.eu

Carter Jonas

Carter Jonas is a national, multi-disciplinary chartered surveying practice operating from 33 offices across the UK and London with a staff of 832 and 96 Partners. The firm is ranked 12th largest UK property consultancy with a turnover of £66.88 million and acts for clients across the public sector estate, commercial developers, investors, funders and owner occupiers.

+ carterjonas.co.uk



ADP is an employee-owned architecture practice, founded more than 50 years ago. Our healthcare projects are driven by partnerships with clinicians, patients and visitors. This allows us to design environments that have a positive effect on patient and staff wellbeing, clinical delivery, and create efficient and better connected spaces.

+ adp-architecture.com



Macmillan Cancer Support is one of the largest and most trusted British charities and provides specialist health care, information, and financial support to people affected by cancer. It also looks at the social, emotional and practical impact cancer can have, and campaigns for better cancer care. Macmillan Cancer Support's goal is to reach and improve the lives of everyone who has cancer in the UK.

+ macmillan.org.uk

APPENDICIES

APPENDIX 1

Floorspace and vacancy by region and size band

Region	Size Band	By Floorspace			By number of units		
		Total Vacant Space, sq m	% of floorspace vacant	Total stock sq m	Total Vacant units	% of units vacant	Total stock, units
England	<500 sq m	817,538	21%	3,831,678	5,702	22%	26,458
	500-999 sq m	220,032	17%	1,293,044	328	17%	1,897
	1000-2,499 sq m	286,811	14%	2,124,342	184	14%	1,352
	2,500-4,999 sq m	225,541	13%	1,748,353	67	13%	514
	5,000 sq m+	75,437	6%	1,205,688	12	8%	153
	Total	1,625,359	16%	10,203,105	6,293	21%	30,374
East of England	<500 sq m	30,082	22%	139,624	199	22%	897
	500-999 sq m	9,755	18%	54,413	14	18%	79
	1000-2,499 sq m	7,423	10%	73,421	5	11%	47
	2,500-4,999 sq m	9,225	14%	65,413	3	16%	19
	5,000 sq m+	5,286	12%	44,333	1	17%	6
	Total	61,771	16%	377,205	222	21%	1,048
East Midlands	<500 sq m	73,598	27%	275,114	461	25%	1,840
	500-999 sq m	14,614	16%	93,321	21	15%	137
	1000-2,499 sq m	18,516	13%	141,705	12	13%	91
	2,500-4,999 sq m	18,599	17%	111,391	5	15%	33
	5,000 sq m+	0	0%	79,720	0	0%	11
	Total	125,326	18%	701,251	499	24%	2,112

		By Floorspace			By number of units		
Region	Size Band	Total Vacant Space, sq m	% of floorspace vacant	Total stock sq m	Total Vacant units	% of units vacant	Total stock, units
Greater London	<500 sq m	95,319	18%	518,855	683	18%	3,711
	500-999 sq m	23,811	13%	189,615	38	14%	278
	1000-2,499 sq m	13,164	5%	264,291	10	6%	170
	2,500-4,999 sq m	16,964	5%	345,665	6	6%	101
	5,000 sq m+	32,200	12%	261,634	4	12%	33
	Total	181,458	11%	1,580,059	741	17%	4,293
North West	<500 sq m	145,533	23%	622,600	1,040	24%	4,272
	500-999 sq m	33,622	18%	183,642	48	18%	263
	1000-2,499 sq m	85,666	23%	366,503	55	23%	236
	2,500-4,999 sq m	45,773	21%	217,403	13	21%	63
	5,000 sq m+	5,110	3%	170,459	1	5%	21
	Total	315,703	20%	1,560,605	1,157	24%	4,855
North East	<500 sq m	57,070	22%	254,034	394	23%	1,733
	500-999 sq m	12,124	12%	100,159	18	12%	146
	1000-2,499 sq m	16,676	12%	136,818	12	14%	84
	2,500-4,999 sq m	14,168	11%	127,547	4	11%	37
	5,000 sq m+	0	0%	75,066	0	0%	9
	Total	100,038	14%	693,624	428	21%	2,009
South East	<500 sq m	178,318	19%	947,677	1,209	19%	6,373
	500-999 sq m	54,757	18%	308,884	83	18%	460
	1000-2,499 sq m	53,382	11%	497,180	32	10%	309
	2,500-4,999 sq m	63,917	14%	442,646	19	15%	130
	5,000 sq m+	26,719	9%	286,820	5	14%	36
	Total	377,094	15%	2,483,208	1,348	18%	7,308

		By Floorspace			By number of units		
Region	Size Band	Total Vacant Space, sq m	% of floorspace vacant	Total stock sq m	Total Vacant units	% of units vacant	Total stock, units
South West	<500 sq m	63,778	20%	321,556	454	20%	2,236
	500-999 sq m	17,206	15%	111,196	25	15%	163
	1000-2,499 sq m	25,994	14%	184,952	17	14%	120
	2,500-4,999 sq m	2,546	2%	115,051	1	3%	37
	5,000 sq m+	0	0%	82,600	0	0%	12
	Total	109,523	13%	815,355	497	19%	2,568
West Midlands	<500 sq m	107,573	24%	445,508	780	25%	3,163
	500-999 sq m	35,814	25%	145,793	54	25%	214
	1000-2,499 sq m	35,526	14%	250,086	22	14%	160
	2,500-4,999 sq m	47,650	23%	203,792	14	23%	60
	5,000 sq m+	6,122	5%	122,288	1	6%	16
	Total	232,685	20%	1,167,467	871	24%	3,613
Yorkshire & Humberside	<500 sq m	66,268	22%	306,710	482	22%	2,233
	500-999 sq m	18,330	17%	106,021	27	17%	157
	1000-2,499 sq m	30,463	15%	209,385	19	14%	135
	2,500-4,999 sq m	6,698	6%	119,446	2	6%	34
	5,000 sq m+	0	0%	82,767	0	0%	9
	Total	121,759	15%	824,329	530	21%	2,568

APPENDIX 2

Allied Retailers

The following table shows the type of occupiers included within the allied retailers analysis. It also shows the proportion accounted for by each type within the allied retailers total, as a proportion of units and as a proportion of the total floorspace:

		% of units	% of floorspace
Retail	Chemist	18%	45%
	Disabled Goods & Equipment	2%	1%
	Health Club	9%	21%
	Health Food	19%	9%
	Hearing Aids	10%	3%
Retail Services	Natural Therapy	5%	1%
	Optician	30%	14%
	Wigs	1%	0%
Health & Medical Services	Osteopath	0%	0%
	Chiropodist	0%	0%
	Dental Surgery	2%	1%
	Doctors Surgery	1%	1%
	Emergency Services	0%	1%
	Health Centre	3%	3%
Total		100%	100%

Source: Experian GOAD

APPENDIX 3

Government office regions

Our analysis has segmented the market by Government Office Region. The counties contained within the nine English regions are:

East Midlands

- Derbyshire
- Leicestershire
- Lincolnshire
- Northamptonshire
- Nottinghamshire

East of England

- Bedfordshire
- Cambridgeshire
- Essex
- Hertfordshire
- Norfolk
- Suffolk

Greater London

- The 32 London Boroughs and the City of London

North East

- Cleveland
- Durham
- Northumberland
- Tyne & Wear

North West

- Cheshire
- Cumbria
- Greater Manchester
- Lancashire
- Merseyside

South East

- Berkshire
- Buckinghamshire
- East Sussex
- Hampshire
- Isle of Wight
- Kent
- Oxfordshire
- Surrey
- West Sussex

South West

- Avon
- Cornwall & Isles of Scilly
- Devon
- Dorset
- Gloucestershire
- Somerset
- Wiltshire

West Midlands

- Hereford & Worcester
- Shropshire
- Staffordshire
- Warwickshire
- West Midlands County

Yorkshire & the Humber

- Humberside
- North Yorkshire
- South Yorkshire
- West Yorkshire

iDEA

The Mill, Longnor,
Shropshire SY5 7PZ
+44 (0)1743 719070

West Wing, Somerset House,
London WC2R 1LA
+44 (0)207 6130273

@designedbyidea
idea.eu