Questions from our primary care helpdesk - Do you know the answers?

December 2025

Premises

We have a practice that has recently signed a new lease as the partner who owned the practice premises retired and became the landlord. Are there stamp duty land tax implications (SDLT)?

SDLT is a tax payable on property transactions in England and Northern Ireland, including leases of non-residential property such as GP surgeries. The amount payable is determined by the value of the lease, any premium paid (where relevant) and the length of the lease. It is more likely to be payable with medium to longer term leases or when rents are higher. It is the tenant's responsibility to calculate and pay the SDLT on time. Landlords bear no responsibility for SDLT on the lease. PCC always recommend to contractors that they may wish to seek professional advice as SDLT calculations can be complex. Further information can be found on the gov.uk website.

Direction 31 of the National Health Service (General Medical Services Premises Costs) Directions 2024 (PCDs) sets out the powers around SDLT. It notes that the integrated care board (ICB) must consider any application for financial assistance where there is SDLT incurred, but only in relation to an acquisition of land, relocation or additional occupation of premises. This change of premises must be in line with ICB priorities and results in an improvement in the range and quality of services. In this case we are talking about a lease put in place due to a change in ownership and the former GP becoming the landlord. This is not covered for reimbursement under Direction 31.

Where there is a lease renewal, this is deemed as usual business requirements and ICBs are not required to reimburse any professional fees or SDLT applications in respect of lease renewals.

My practice has been awarded a capital grant to fund a premises extension. I have been advised that my notional rent will be abated. What does this mean?

Where any NHS capital funding has been used to fund premises improvements and this funding creates an increase in the ongoing rent reimbursement, then there will need to be a

www.pcc-cic.org.uk © 2025 PCC

reduction in the reimbursable rent that the practice receives. This is to recognise that public funds have paid for (or contributed) to the development.

The level of the abatement is calculated based on a formula set out in Direction 44 of the National Health Service (General Medical Services Premises Costs) Directions 2024 (PCDs). This applies to owner occupier practices who are in receipt of notional rent reimbursement. The level of abatement is proportional to the value of the contribution. For example, if the NHS funded 66% of the cost, the abatement would be less than if the NHS had funded 100% of the cost.

The abatement does not last forever. The PCDs set out the abatement periods which link to the value of the grant. For grants awarded after 10 May 2024 these will be in line with the 2024 PCDs, and are as follows:

Value of grant	Abatement period (2024)
Up to £144k	At least 6 years
£144k to £360k	At least 9 years
£360k to £660k	At least 12 years
£660k to £1.2m	At least 15 years
Over £1.2m	At least 18 years

Once the abatement period ends the full rent reimbursement is payable to the practice.

Dental

When there is a sudden or unexpected closure of a dental practice, what can I do with its activity allocation?

The Annex: Supplementary guidance for arranging primary care services which accompanies the provider selection regime (PSR) regulations has included this scenario. Which states:

“In these situations, the decision for the relevant authority is either to disperse activity to the surrounding dental practices, in which case no provider selection takes place, or to choose a new provider – to provide either temporary cover or as a permanent long-term solution.

If a new provider must be appointed immediately, then the urgent provisions in the regime may be used to secure immediate needs, for example to establish caretaker arrangements. However, as this will be a temporary arrangement, provider selection must subsequently take place to establish a new permanent arrangement. For this the relevant authority may use the

www.pcc-cic.org.uk © 2025 PCC

most suitable provider process or the competitive process if the number of providers available to patients is restricted by the relevant authority."

This allows a commissioner to allocate activity on a recurrent basis directly without needing to undertaken any PSR processes, including contract modifications.

Our contracting helpdesk is open to commissioners who are annual contract holders with helpdesk included in their contract. For details on annual contracts visit https://www.pcc-cic.org.uk/annual-contracts/ or contact [enquiries@pcc-cic.org.uk.](mailto:enquiries@pcc-cic.org.uk)

www.pcc-cic.org.uk © 2025 PCC