

**Letter to all NEL GP Contract  
Holders & Practice Managers**

London IG Team  
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**\*\* By Email \*\***

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Dear GP / Practice manager

**Launch of NEL ICB's Improvement Grant Application Process for 2025/26**

**SUMMARY OF KEY POINTS**

- **Applications for improvement grant funding must be submitted by 6pm on Friday 13 June 2025 via <https://forms.office.com/e/pAWpCJYiJ5>**
- ICBs will review submitted applications and confirm support to the London Improvement Grant team
- Applications for funding must be for eligible works with a total value greater than £7,500 inclusive of any fees and VAT
- Funding will be for items eligible for funding in accordance with the current NHS (General Medical Services – Premises Costs) Directions 2024 only
- Funding is for schemes to be delivered in the 2025/26 financial year.
- Successful applications will be awarded funds at 100% of the cost of eligible works.
- Items that can be funded under the new Premises Cost Directions 2024 have changed so it is important the practice familiarises itself with the new list of eligible/ineligible items. Compliance works relating to Minimum Standards are no longer eligible for funding.
- The Primary Care Capital Grants Policy impacts Freehold premises only. It is important freeholders note the new requirement for a Grant Agreement with Legal Charge (sealed) on schemes above £144,000 or a Restriction on Title for schemes under £144,000

**INTRODUCTION**

The London ICB's Improvement Grant Programme is inviting applications from GP contractors for schemes to be delivered in the 2025/26 financial year.

The process for successful applications to proceed to the award of funding is detailed in this letter and accompanying attachments, which together make up the London ICB's IG 2025/26 application pack. The Eligibility Criteria and Conditions for Funding are also detailed. Practices are therefore advised to read this letter and the accompanying attachments carefully and in full before applying for funding.

London ICB's Improvement Grant application is via the online portal only. **No other application forms will be accepted.**

Please find attached:

- An example of the questions asked within the online form for information purposes only. Applications will only be accepted via the online portal
- A document listing some examples of items that are eligible for funding and some that are not. This document will help check that your application fits within the eligibility criteria for improvement grants to save time, effort and subsequent disappointment.
- A link to the NHS (General Medical Services – Premises Costs) Directions 2024 with which all funding must comply. You are advised to read this document in accordance with the declaration in the Improvement Grant application form:  
[https://assets.publishing.service.gov.uk/media/663cd8d2bd01f5ed32793867/nhs\\_general-medical-services-premises-costs\\_directions-2024.pdf](https://assets.publishing.service.gov.uk/media/663cd8d2bd01f5ed32793867/nhs_general-medical-services-premises-costs_directions-2024.pdf)
- A link to the Primary care capital grants policy which is relevant to Freehold premises <https://www.england.nhs.uk/long-read/primary-care-capital-grants-policy/>

Practices are advised to take note of items that are not eligible for funding. These are highlighted within the online form and evidenced within the example document attached.

You are encouraged to read the Directions and refer to the example list of eligible and non-eligible items to understand the works that cannot be funded when making your application to avoid submitting applications that will be declined.

All practices are advised to take note of the conditions of funding set out in the Directions, which contain clauses that require premises to remain in use by the NHS for a minimum number of years, dependent on the size of the improvement grant awarded.

Leasehold premises should have a valid lease or Agreement for Lease for the minimum term. The current requirements are as follows:

- (a) grant less than £144,000, 6 years;
- (b) grant of £144,000 or more but less than £360,000, 9 years;
- (c) grant of £360,000 or more but less than £660,000, 12 years;
- (d) grant of £660,000 or more but less than £1,200,000, 15 years;
- (e) grant of £1,200,000 or more, 18 years

Freehold premises should read the capital grants policy linked above which details the requirement for a sealed Grant Agreement with Legal Charge on schemes above £144,000 or Restriction on Title for schemes under £144,000. Key headlines relating to this agreement are summarised below:

# **GRANT AGREEMENTS AND LEGAL CHARGE FOR FREEHOLD PREMISES ONLY**

**A Grant Agreement with Legal charge will be required for all funding of works in freehold premises exceeding a grant value of £144,000 inclusive of VAT and fees.**

- If the GPs own the property, then as a condition of receiving the grant the GPs are required to enter into a grant agreement and legal charge with NHS England.
- The purpose of the legal charge is to ensure that if the GPs later sell the property, NHS England will secure repayment of the grant.
- The GPs are obliged by the grant agreement to register the legal charge against the title of the property.
- The registration of the charge against the title notifies anyone proposing to take an interest in the property (such as a prospective buyer) that NHS England also has an interest and needs to provide its consent to the registration of any further interests in the property.
- The existence of the charge on the title also instructs the land registry not to register any dealings without NHS England's consent. This means that the Land Registry will notify NHS England if it receives an application for registration without a consent.
- The legal charge is in place for the duration of the guaranteed period of use as specified in the Premises Cost Directions 2024
- Further details on the Capital Grants Policy can be found: [NHS England » Primary care capital grants policy](#)

**A Restriction on Title will be required for schemes under £144,000 (inclusive of VAT and fees) in Freehold properties.**

Professional fees and support costs will be in line with the funding specified under paragraphs 14 – 15 of the NHS (General Medical Services – Premises Costs) Directions 2024 and will be reimbursed to GP practices as part of individual non recurrent revenue scheme costs.

## **THE LONDON ICB's IMPROVEMENT GRANT PROCESS 2025/26**

The process for applications for London ICB's Improvement Grant funding for schemes to be funded for delivery in 2025/26 comprises several stages. An indicative timeline of the process is provided below.

Stage	Indicative Timeline
Applications for funding submitted online by practices	13 June 2025
Review of bids submitted by London Improvement Grant team and consideration and prioritisation by ICBs	Mid-July 2025

Stage	Indicative Timeline
Practices notified if their scheme has been supported in principle and can move to due diligence	End-July 2025
Schemes recommended for the award of funding are notified	Mid-Late September 2025

Please note that the indicative dates given in the table above are intended to be for guidance only and may be subject to change. Any key dates relevant to each stage of the process will be communicated to all practices progressing through these stages.

In terms of the application process, **completed applications should be submitted via the online form <https://forms.office.com/e/pAWpCJYiJ5> no later than 6pm on Friday 13 June 2025.**

**The online form will be inaccessible after this date therefore practices are advised to submit their applications as soon as possible and not leave it to the last day to prevent any technical issues impacting on your ability to submit your application.**

Where a scheme is likely to have ongoing revenue consequences, for example the installation of a lift or a scheme that brings into use rooms that were not previously used that would result in an increase in rent reimbursements, your ICB will want to understand the financial implications of this before confirming their financial support. In this case you will receive **conditional support** for your scheme. They will be expected to confirm their unconditional support for your scheme later on during the due diligence stage of the process, which will enable your scheme to proceed. At this point, the ICB will be presented with a District Valuer (DV) report containing more accurate financial information regarding ongoing revenue implications arising from relevant schemes and they may either support the scheme for the award of funding or withdraw their support if they do not accept the ongoing revenue implications of a scheme. In the case where the ICB withdraws its support, a practice will be eligible to claim reasonable and evidenced abortive costs it has incurred in providing the detail required to commission a DV report.

The London Improvement Grant team will review all applications submitted in order to identify bids that are either wholly or partially eligible for funding. Eligibility is based on the requirements set out in the NHS (General Medical Services – Premises Costs) Directions 2024. Practices are advised to download a copy of this document using the link provided above.

**Please note that any applications must be for eligible works with a total value greater than £7,500 inclusive of any fees and VAT. This is to comply with capital funding requirements and any applications for funding less than this amount will be rejected.**

All bids that are either wholly or partially eligible for funding will be confirmed to NHS England (London), on behalf of your ICB, to finalise the capital funding for the 2025/26 financial year. Once the capital allocation is confirmed, practices that have submitted eligible applications and completed the due diligence stage of the process will be recommended for the award of funding.

Practices are not entitled to any funding for works that have already started or have completed. Funding where a contract has been entered into or work has commenced without prior agreement will not be granted.

The due diligence stage of the process will require the practice to submit more detailed information regarding their scheme. The information required at this stage is specific to the scheme and includes such information as; 3 competitive quotes, site plans, photographs of the premises, detailed drawings, planning permission, and, for leasehold properties, evidence of leases and landlord's consent. Detailed guidance will be provided for any scheme progressing to this stage of the process. Practices submitting applications that require planning permission are strongly advised to ensure their submissions are as complete as possible when applying for funding.

Should there be more schemes that can be approved than funding available, which is likely, your ICB reserves the right to either agree a prioritisation process over a two-year period or reduce their level of improvement grant contribution for approved schemes. Representatives from your LMCs and ICB will be consulted regarding any prioritisation criteria.

## **SUMMARY**

- The closing date for applications is **6pm on Friday 13 June 2025.**
- Funding is for schemes to be delivered in the 2025/26 financial year and applications for funding must be for eligible works with a total value greater than £7,500 inclusive of any fees and VAT.
- Funding will be to a value of 100% of the cost of eligible works

Yours sincerely,

London Improvement Grant Team

### **Copies to:**

ICB Estate Leads and PC leads