Dear Chair,

**NHS Property Services**

Thank you for inviting me to attend the Public Accounts Committee hearing on NHS Property Services. During the session I committed to provide a note detailing any discussions to write-off the £576m of current outstanding NHS Property Services debt.

As I stated to the committee, I have not been involved in any discussions to-date in relation to writing off the entirety of the debt. Any considerations as to any element of debt write off are made on a case by case basis on the merits of the disputes raised. In some circumstances it may be necessary for NHS Property Services to write off an element of historic charges, and elements of charges have been written off in the past. This could for example include cases where past charges prove to be inaccurate and so the debt is not owed by the provider to NHSPS, or where the go forward position on charging is agreed and there is no value to the health system in incurring additional cost to work through the historic billing.

I understand the company continues to make financial provision for doubtful debt and where the debt is intra group the relevant NHS debtor organisation is responsible for providing the amount of any unpaid charge that it reasonably considers as being due.

Yours sincerely

Julian Kelly
Chief Financial Officer
NHS England and NHS Improvement