A guide to planning contributions and health care provision in relation to primary care services

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Kernow
Clinical Commissioning Group

Document control sheet

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Author(s) name:	Virginia Betts
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1. Introduction

The housing and employment growth requirements proposed for Cornwall will see a further 52,500 dwellings and 38,000 jobs provided in Cornwall by 2030. Growth of this scale will have an impact on the ability to provide and maintain healthcare services across Cornwall.

The levels of growth that are proposed in Cornwall will give rise to an increased impact on primary care services necessitating additional primary care services infrastructure, resources and funding. NHS England and NHS Improvement (NHSEI) are the commissioning body responsible for ensuring access to primary healthcare sand the cost of primary care services falls directly on NHSEI. Where new populations are created or increased as a result of substantial additional housing, it may be necessary for the planning system to mitigate the identified impact, subject to viability testing. This is supported by the expectations of the National Planning Policy Framework (NPPF) and Policy 28 of the Cornwall Local Plan[1].

NHSEI have also produced a guidance note for commissioners and providers.

2. Planning obligations

There are a number of ways in which the planning system may be used to support improved health outcomes and help provide for new primary care infrastructure. This paper illustrates how the mechanism of Section 106 planning obligations could be used to mitigate the impact of development to make it acceptable in planning terms in relation to primary care services only.

Contributions which are secured by planning obligations must meet the statutory requirements provided in Regulation 122 of the Community Infrastructure Levy Regulations 2010.

[1] Policy 28: Infrastructure developer contributions will be sought to ensure that the necessary physical, social, economic and green infrastructure is in place to deliver development. Contributions will be used to provide or enhance local infrastructure that is adversely affected by the development of a site but which will not be delivered on that site. Development will be permitted where it would:
1. Be supported by appropriate infrastructure provided in a timely manner.
2. Provide on-site mitigation measures or make financial contributions for site specific infrastructure provision not in the Regulation 123 list, including maintenance and management contributions, to be negotiated on a site-by-site basis.
3. Where it can be demonstrated that it is not feasible to do this, the council will seek to ensure all 'allowable solutions' or biodiversity off setting payments are invested in projects within Cornwall with priority given to projects which achieve multiple benefits.

Planning obligations may only constitute a reason for granting planning permission if they meet the tests that they are:

- Necessary to make the development acceptable in planning terms.
- Directly related to the development.
- Fairly and reasonably related in scale and kind.

Planning obligations may, for example, be used to mitigate the impact of development on the primary care services by:

- The building of new premises to be used for providing primary care services.
- The purchase of premises to be used for providing primary care services.
- The development/refurbishment of premises which are used or are to be used for providing primary care services which would result in increased capacity within the locality
- The increase of the existing floor area of a premises used for providing primary care services which would result in an increase in capacity of the practice
- The purchase of fixed equipment or furniture which would result in an increase in capacity of the practice
- The transfer of land to provide new primary care facilities

This is indicative and the list not exhaustive.

3. Health care facilities for new development

Although general practices operate as individual businesses, they are contracted to the NHS and publicly funded for the delivery of primary care services. They can seek borrowing to fund new developments or extensions to their existing premises and develop a business case to seek the revenue funding from NHSEI towards the costs of their borrowing. NHSEI and GP practices with an NHS contract adhere to NHS (General Medical Services – Premises Costs) Directions 2013 when they apply for and receive NHS funding for their premises.

Where additional service capacity is required because of new housing, this requirement generates an incremental need for space over time as houses are built and sold. From an infrastructure perspective, the additional premises required to satisfy the full extent of the development may necessitate additional void space built and then utilised gradually during the life of the proposed development until completion. A Section 106 agreement will be sought to mitigate the costs for additional void spaces until a build programme is complete.

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4. Contribution requirement

As a Section 106 consultee, NHS Kernow Clinical Commissioning Group (NHS Kernow), will be contacted by the planning and sustainable development service in Cornwall Council when an application is submitted and they will provide a consultee response to the local planning authority.

Where NHS Kernow, in consultation with NHSEI identify that there would be a deficiency in healthcare provision a contribution will be required from schemes of ≥6 dwellings in the designated rural areas, areas of outstanding natural beauty (AONBs), and ≥ 10 dwellings elsewhere to meet the additional demand.

The contribution will be sought of £672 per new dwelling to improve the primary health care provision in the local area. The methodology is explained below. Larger developments may alternatively be required to provide 'in kind' support or the provision of land as outlined above.

NHSEI applies an evidence-based methodology for assessing the space within proposed practice business cases for additional premises/extensions known as the estates and technology transformation fund which is a key part of the GP Forward View 2015 and NHS Long Term Plan 2019 NHSEI calculates the development impact on GP practices assessing and prioritising the subsequent practice business case(s).

NHSEI use a similar approach in its engagement across the south west region in engaging with local authorities under their duty to cooperate with the NHS. The business case benchmarks stratify the space requirements for proposed premises developments applying a differential rate to reflect relative economies of scale dependent on the overall number of registered patients with practices.

a) Practices with list size <10,000 patients require 500 sq. m per 6,000 people
b) Practices with a list size >10,000 patients equates to space for the first 10,000 patients as per (a) with additional space being allocated at 250sqm per 6,000 patients.

Average household size and the capital cost of £3,500 per sq m have been used to generate an indicative cost per dwelling[2]. Each application will be reviewed for the specific premise's solution required to mitigate the impact of a new development,

[2] Average costs of land, construction, fees and VAT of newbuild GP premises and extensions advised by District Valuation Office Agency (2019)

however the following is illustrative to provide Developers with an initial estimate of any development

	NHS England benchmark (people)	m2/person	£/m2/person	£/average household size(2.30)
Practice list <10,000	500 sq m per 6,000	(500/6000) = 0.08333	£292	£672
Practice list >10,000	250 sq m per 6,000	(250/6,000) = 0.04167	£146	£335

For further information on the design and development of primary care premises please refer to the primary and community care health building note 11-01: facilities for primary and community care services.

5. Capacity and deficiency

Each proposed development will trigger a review of the practice premises' adjacent to the development with a capacity assessment. This will be done on a case by case basis to provide the best possible assessment of mitigations required in order to minimise the impact of new housing on primary care services. A deficiency in healthcare provision will be demonstrated by, but not limited to, factors such as:

- The levels of utilisation of the premises.
- The clinical / non-clinical split of the accommodation.
- The extent to which changes in patient needs are likely to result in additional workload for the practices.

6. Viability

The council will ensure that the combined total impact of requests for community infrastructure does not threaten the viability of sites or the delivery of the scale of development that is identified in the Cornwall Local Plan, in the same way that it does for other financial contributions. Policy 10 of the Cornwall Local Plan explains how the council will manage viability concerns in relation to affordable.

7. Exemptions

The contribution will not be sought against the provision of affordable housing, including starter homes, extra care units, and other temporary residencies limited by a planning condition or residential development that provides an element of care (C2 use class order).

8. Limitations

This paper relates to primary care services provision only. Mental healthcare, community healthcare and acute / specialist healthcare services will also be impacted by population growth and housing. Separate arrangement will need to be made to ensure planning contributions support these healthcare services in moving forwards.