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Evidence in Support of Previous Contribution Request.

In June 2022, the LLR ICB commissioned The Wilkes Partnership LLP to provide an evidence base that could be used to strengthen its S106 application process and to support any challenges that might arise from developers.
The specific detail about the local plan policies, the housing development itself, the analysis of local practices and the cost to extend those facilities are details added by officers working in the Strategic Estates Team at the LLR ICB.

Application Reference: P/20/2380/2 APP/X2410/W/23/3316574

Application Description: Barkby Road, Queniborough

Introduction

1. This document provides a summary of the impacts of new housing developments on the primary care's capacity to provide health services, as well as a calculation of the contribution sought to mitigate the impact of the development on the local primary care infrastructure. It explains:
   - The role and responsibility of Integrated Care Boards (ICBs) and Health & Wellbeing Boards;
   - How GP facilities are funded;
   - The planning policy context and decision making process;
   - The Impact created by the proposed development; and
   - How the impact on the capacity to provide primary healthcare services can be mitigated by way of developer contribution and CIL compliance.

Integrated Care Boards (ICBs)

2. Integrated Care Boards (ICBs) have now replaced the Clinical Commissioning Groups (CCGs)[1]. In Leicester, Leicestershire and Rutland this means that Leicester City CCG, West Leicestershire CCG and East Leicestershire and Rutland CCG are now the Leicester, Leicestershire and Rutland Integrated Care

[1] Health and Care Act 2022

Board (ICB). ICB's function is to arrange for the provision of services for the purposes of the health service in England. Their purpose is to improve population health and establish shared strategic priorities within the NHS in addition to taking over the functions currently previously performed by the CCGs. The ICB has now a duty to secure the provision of primary medical services.

Integrated Care Partnership and Health & Wellbeing Board

3. The Integrated Partnership consists of the ICB and the local authority who have a duty to prepare plan how the assessed needs in relation to the local authority's area are met.
4. A responsible local authority and each of its partner integrated care boards must, in exercising **any** functions, have regard to the assessed health needs and the health and wellbeing strategy.

Commissioning health care services/facilities through NHS funding

5. In a given year, central government through the Comprehensive Spending Review process sets the level of NHS funding. The process estimates how much funding the NHS will receive from central sources. The NHS receives about 80% of the health budget, which is allocated in England to NHS England (NHSE), the governing body of the NHS in England. In turn, NHSE is responsible for determining allocations of financial resources to the ICB.
6. NHS-funded primary care services are delivered by independent contractors, usually GP partnerships, through GMS (General Medical Services), APMS

(Alternative Provider of Medical Services) or PMS (Personal Medical Services) Contracts. GMS and PMS contracts are in perpetuity whereas APMS are a fixed term, generally 5-10 years.

7. General Practices are funded using a weighted capitation formula based on existing registered patients. This is updated quarterly in arrears. In addition, practices get income from achieving quality indicators as part of the Quality Outcomes Framework (QOF) and participating in nationally commissioned Enhanced Services (DES) and ICB commissioned Locally Commissioned Services (LCS).

8. The projected ICB allocations by NHS England makes an allowance for growth in number of people registered with GP practices. This population growth is based on midyear estimates from the ONS age-sex specific population projections. Local housing projections, local housing land supply or existing planning permissions are not taken into consideration. The population projections only consider natural trends based upon births, deaths and natural migration and make a number of assumptions about future levels of fertility; mortality and migration based previously observed levels. The funding for ICB is still currently reactive and the funding received from the Central Government is limited. In the case of patient movement the funding does not follow the patient in any given year.

Infrastructure Facilities Funding

9. NHS England does not routinely allocate any standard additional funding in the form of capital or revenue towards infrastructure projects to cater for the impact from new residential developments. This means that any impact created by a development on its own or cumulatively on primary care will not receive central funding for the purposes of increasing capacity to provide health services.
10. Within the GP contract with the ICB, practices are required to provide premises which are suitable for the delivery of primary care services and meet the reasonable needs of patients in their catchment area.
11. The Regulations governing GP contracts require ICBs to reimburse the practices for their premises through rents payable for lease property or pay a "notional rent" (a market rent assessed by the District Valuer on the assumption of a "notional" 15 year lease) in respect of a GP-owned building[2]. For new builds or extensions, the ICB needs to agree the additional rent from a limited revenue budget. If the ICB has no ability to reimburse then the project to increase the capacity by way of alteration extension, or building a new facility will be at risk.

Premises development in primary care

12. Delivering GP services in a new location represents a challenge for the ICB as no new GMS service contracts are now available. Therefore, for the new location to operate, either:
    - the existing GMS service providers will have to relocate/expand; or

[2] https://www.kingsfund.org.uk/publications/gp-funding-and-contracts-explained

- a new (APMS or PMS) contract will need to be created and procured for the new premises location.

13. The ICB has an option to either own the new premises required or to secure new premises either by:

- a Third Party development (where a third party developer funds the capital to build a new building, owns it and charges a commercial rent via a normally 25-year lease that represents the developer's return on capital, with the ICB reimbursing that rent); or
- a GP owner-occupied scheme (where the GPs own and develop but receive a notional rent, as described above, to fund the cost of the build.

Either way, such developments are most likely to occur for occupiers who hold an existing GMS or PMS contract, as APMS contract holders will not have a sufficient contract term to either enter a 25 year lease or invest in a new GP premises development.

The decision-making process and planning policy context

Decision-making

14. The starting point for the determination of planning applications is the development plan. Section 70(1) of the Town and Country Planning Act 1990 ("TCPA 1990") provides that a local planning authority (LPA) may grant planning permission unconditionally or subject to such conditions as it thinks fit. Section 70(2) of the TCPA 1990 provides that in determining an application for planning permission, the LPA; "shall have regard to the provisions of the development

plan, so far as material to the application, and to any other material consideration. Section 38(6) Planning Compulsory Purchase Act 2004 states that applications for planning permission should be determined in accordance with the Development Plan unless material considerations indicate otherwise.

15. Whether or not a particular factor is capable of being a material consideration is a matter of law albeit that its factual context and weight are matters for the decision-maker. The health of communities has been a key element of Government policy for many years and is reflected in adopted development plan.

Development plan policy

16. Strategic Objective 3 of the Charnwood Local Plan 2011-2028, adopted 9th November 2015, requires the promotion of health and well-being and states:

"SO3: to promote health and well-being, for example by ensuring that residents have access to health care, local parks, greenspaces and natural environment, the countryside and facilities for sport and recreation, creative and community activities."

NPPF

17. Paragraph 2 of the NPPF states:

The National Planning Policy Framework must be considered in preparing the development plan and is a material consideration in planning decisions. Planning policies and decisions must also reflect relevant international obligations and statutory requirements.

18. The ICB is delivering primary care services at the point of demand through General Practice, under the statutory requirement. Paragraph 2 of the NPPF contains an imperative upon the decision makers to reflect statutory obligations.
19. In addition, the health of communities has been a key element of Government policy for many years and is as stated above reflected in adopted development plan. Please see NPPF Section 2 paragraph 8, Section 8 paragraphs 91 and 93.
20. The developer contributions are only sought from new development applications proposals where the contribution requested complies with the Community Infrastructure Levy (CIL) Regulation 122 tests:

    (1) This regulation applies where a relevant determination is made which results in planning permission being granted for development.

    (2) A planning obligation may only constitute a reason for granting planning permission for the development if the obligation is—

    (a) necessary to make the development acceptable in planning terms;

    (b) directly related to the development; and

    (c) fairly and reasonably related in scale and kind to the development.

    (3) In this regulation—

    "planning obligation" means a planning obligation under section 106 of TCPA 1990 and includes a proposed planning obligation

The Impact created by the proposed development

21. The proposed development is for 150 **dwellings**. This will create an estimated population of 363 **new residents** within the development based an average household size of 2.42.

22. The closest GP surgeries to the proposed development are:

- **The County Practice, Syston Health Centre**
- **The Jubilee Medical Practice, Syston Health Centre**

It is envisaged that the majority of residents of the proposed development will register as patients of these practices.

23. The current medical centres providing primary care are up to their capacity. They are unable to absorb the increased patients arising from the proposed development.

24. The only way to mitigate the impact is to increase the physical capacity of the existing surgeries. The ICB has carefully calculated the space needed to mitigate the impact by using the Department of Health calculation in HBN11-01[3] which includes carefully calculated space requirement /x population for number of consulting/examination rooms and number of treatment rooms required for general medical services. The detailed calculation is attached to this document as Appendix 1. The calculation is directly linked to the proposed development and is fairly and reasonably related in scale and kind to the development.

25. The contribution requested is necessary. Without the contribution to increase the physical capacity, the proposed development will put too much strain on the said

[3] Health Building Note 11-01: Facilities for primary and community care services updated 19 August 2021

health infrastructure, putting people at risk. Waiting times would increase and access to adequate health service would decline, resulting in poorer health outcomes and prolonged health problems. Such an outcome is not sustainable as it will have a detrimental socio-economic impact.

26. In addition, having no or limited access to the primary care will have a knock-on effect on secondary healthcare, in particular on A&E services, as those people who cannot access their primary care usually will present themselves at the A&E adding additional pressure on the already stretched secondary care.

27. The development directly affects the ability to provide the health service required to those who live in the development and the community at large. Without securing such contributions, the ICB would be unable to support the proposals and would object to the application because the direct and adverse impact that the development will have on the delivery of primary health care.

The Leicester, Leicestershire and Rutland Integrated Care Board

Lorna Simpson
Head of Strategic Estates
LLR ICB
23rd May 2023

Appendix 1: Detailed Calculation

<table>
<tr>
<td>Impact of new development on GP practice</td>
<td>
We acknowledge your letter for the above development, which identifies a proposed housing development of 150 dwellings. We note that based on census data 2021, a household averages at 2.42 patients per dwelling. The housing development will result in a minimum population increase of 363 patients. This figure would evidently be higher depending on the number of bedrooms in each dwelling.
The calculation below shows the likely impact of the new population in terms of the number of additional consultations. This is based on the Department of Health calculation in HBN11-01: Facilities for Primary and Community Care Services.
The calculation below shows the likely impact of the total increased population in terms of the number of additional consultations and treatment rooms, at the practice which will be required by local general practice healthcare.
<table>
<tr><th></th><th>Consulting Room</th><th>Treatment Room</th></tr>
<tr><td>Proposed Population</td><td colspan="2">363</td></tr>
<tr><td>Access Rate</td><td colspan="2">5260 x 1000 patients</td></tr>
<tr><td>Anticipated Annual Contacts</td><td>1909.38</td><td>1909.38</td></tr>
<tr><td>Assume 100% patient use of room</td><td>1909.38</td><td>381.876</td></tr>
<tr><td>Assume surgery open 50 weeks per year</td><td>38.1876</td><td>7.63752</td></tr>
<tr><td>Appointment Duration</td><td>15 mins</td><td>20 mins</td></tr>
<tr><td>Patient appointment time per week</td><td>9.5469</td><td>2.54584</td></tr>
</table>
</td>
</tr>
<tr>
<td>GP practice most likely to be affected by growth and therefore directly related to the housing development</td>
<td>
The practices that are close to this development:
The County Practice
Syston Health Centre
Melton Road, Syston
Leicester
LE7 2EQ
List Size 12,658
The Jubilee Medical Practice
Syston Health Centre
1330 Melton Road, Syston
Leicester
LE7 2EQ
List Size 12,331
</td>
</tr>
</table>

and Rutland

Commissioner comment on proposed provision of health care facility within the development	The practices listed above have seen significant increase in patient registration and demand for appointments over the past 5 years. We would therefore request S106 healthcare contributions to increase and improve primary care services in the area in order to support the practices supporting this development.
S106 Health care contribution calculation, ensuring fair and reasonably related in scale and kind to the development identified:	For each of the identified practices to expand to meet their share of the population increase, average calculations for health centres, clinics and group practice surgeries from the Building Cost Information Service (BCIS) 2022 have been used which indicate the cost of providing additional accommodation for 363 patients is as follows; Additional patients to be accommodated **363** x Standard area m²/person Based on total list size of approx. = **0.0869 24,989** x Cost of extension including fees £/m² **£2.516** = **Total Cost £79,366.47**
Financial Contribution requested and impact on phased contributions	**The contribution requested would be £79,366.47** The ICB would also like the council to carefully consider the developer occupancy trigger points included in any section 106 agreement. The practices are already experiencing capacity issues in relation to their premises and would need to increase facilities to meet the needs resultant of this development; therefore both the ICB and the practice would wish for any contributions to be released prior to first occupation.