

<b>1. Do you feel that the proposed rates are suitably informed by the viability evidence provided in the Local Plan and Community Infrastructure Levy Viability Study (August 2013) and Viability Study Post Consultation Update (November 2013) produced by HDH Planning &amp; Development?</b>	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>

NHS Property Services Ltd has no comment on the assessment of viability.

<b>2. Do you believe the evidence on viability is correct? If not, please set out alternative evidence to support your view.</b>	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>

NHS Property Services Ltd has no comment on the assessment of viability.

3. Do you think the rates proposed strike an appropriate balance between helping to fund infrastructure through CIL and the potential effects of imposing CIL on the viability of development needed to deliver the aspirations of the Local Development Plan?	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>

NHS Property Services Ltd has no comment on the assessment of viability.

4. Do you think the Council should introduce an instalments policy?	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>

NHS Property Services Ltd has no comment on the need for an instalments policy.

<b>5. Do you think the Council should include discretionary relief from CIL for charitable investment or 'exceptional circumstances' as outlined in section 2.5 of the CIL Preliminary Draft Charging Schedule consultation document?</b>	Yes	<input type="checkbox"/>
	No	<input type="checkbox"/>

NHS Property Services Ltd has no comment on the need for discretionary relief for charitable investment or 'exceptional circumstances'.

<b>6. Do you have any other comments on the Preliminary Draft Charging Schedule or supporting evidence?</b>	Yes	<input type="checkbox"/>
	No	<input checked="" type="checkbox"/>

Please see the attached Evidence Base submitted in respect of the healthcare charge to be included in the District Council's CIL Charging Schedule.



## MALDON DISTRICT COUNCIL PROPOSED COMMUNITY INFRASTRUCTURE LEVY CHARGING SCHEDULE

### EVIDENCE BASE SUBMISSION ON BEHALF OF NHS PROPERTY SERVICES LTD IN RESPECT OF THE HEALTHCARE CHARGE TO BE INCLUDED IN THE DISTRICT COUNCIL'S CIL CHARGING SCHEDULE

#### Introduction

1. On behalf of the NHS England: Essex Local Area Team (NHSE), the NHS Property Services Ltd: Essex Local Area Team (NHSPS) has instructed Lawson Planning Partnership Ltd (LPP) to engage in, and assist with, the development of Maldon District Council's Community Infrastructure Levy (CIL) Charging Schedule.
2. The role of NHS England (NHSE) is to commission all healthcare services, incorporating the provision of primary care facilities within its administrative area, including within Maldon District. NHS Property Services Ltd (NHSPS) is responsible for advising NHSE and local Clinical Commissioning Groups (CCGs) on all NHS estate related matters.
3. The NHS is seeking to ensure that the plan making and development management processes take full account of existing healthcare capacity and the need for housing led growth to be supported by necessary healthcare infrastructure and funding.

#### Background

4. The CIL procedures, as outlined within The Community Infrastructure Levy Regulations 2010, as amended (CIL Regulations) enable local authorities to impose a standard charge on "*development*" to fund new or improved strategic or area wide infrastructure required to support development, where this is not being specifically provided as part of the development.
5. Part 11 of The Planning Act 2008 sets out the legislative arrangements for CIL and Section 216 (2)(d) includes "*medical facilities*" within the definition of "*infrastructure*" to which CIL charges would apply.

#### Baseline Healthcare Context for Maldon District

6. Table 1 below sets out the baseline position of primary healthcare facilities within the District Council's administrative area and identifies the existing floorspace capacity position. This shows a floorspace and funding 'deficit', associated with the capital cost of bringing existing floorspace provision up to a standard suitable to manage 'natural population growth'. A plan showing the location of GP surgeries in the District Council's administrative area is *attached* for information.

**Table 1: Maldon District - Patient List Size and Floorspace Capacity with Costs to bring GP Surgeries up to Required Standards to Manage Natural Population Growth**

	Premises	List Size (Jan 2014)	No. GPs (WTE) <sup>1</sup>	Capacity <sup>2</sup>	Spare Capacity <sup>3</sup>	Existing Floor space (NIA, m <sup>2</sup> )	Current Provision of Floor space per GP (WTE) (m <sup>2</sup> ) <sup>4</sup>	Floor space Capacity (m <sup>2</sup> ) <sup>5</sup>	Capital Required to Meet Standards (£) <sup>6</sup>
1.	Blackwater Medical Centre, Princes Road, Maldon, CM9 5DF	14,258	6.7	11,725	-2,533	360	53.73	-444	£1,235,383
2.	The Burnham Surgery, Foundry Lane, Burnham-on-Crouch, CM0 8SJ	9,359	4.75	8,312.5	-1,046.5	423	89.05	-147	£437,520
3.	Longfield Medical Centre, Princes Road, Maldon, CM9 5DF	14,373	7.25	12,687.5	-1,685.5	587	80.97	-283	£797,154
4.	Maylandsea Medical Centre, Imperial Avenue, Maylandsea, CM3 6BY	1,700	1	1,750	50	276	276	156	£0
5.	The Surgery, Bentalls Complex, Heybridge, CM9 4TU <sup>7</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6.	The Surgery, Goldring House, Rowan Drive, Heybridge, CM9 4BW <sup>7</sup>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7.	Tillingham Medical Centre, 61 South Street, Southminster, CM0 7TH	2,700	1	1,750	-950	193	193	73	£130,286
8.	Tollesbury Surgery, Tollesbury, Maldon, CM9 8RG	3,905	2	3,500	-405	199	99.5	-41	£137,543
9.	Trinity Medical Practice, 1 The Drive, Maylandsea, Chelmsford, CM3 6AA	2,853	1	1,750	-1,103	124	124	4	£143,269
10.	William Fisher Medical Centre, High Street, Southminster, CM0 7AY	5,942	3	5,250	-692	246	82	-114	£322,903
	<b>Total</b>	<b>55,090</b>	<b>26.7</b>	<b>46,725</b>	<b>-8,365</b>	<b>2,408</b>	<b>90</b>	<b>-796</b>	<b>£3,204,057</b>

**Notes:**

1. Number of whole time equivalent GPs based at the practice.
2. Capacity based on optimum list size of 1,750 patients per whole time equivalent GP.
3. Based on current list size.
4. Existing floorspace divided by number of whole time equivalent GPs.

5. The floorspace shortfall/ surplus against the required provision of 120m<sup>2</sup> per GP for existing staff.

6. The cost of providing the floor space required to meet the standard of 120m<sup>2</sup> per GP for existing staff and additional staff required to meet patient list size deficit.

7. Branch surgery - no additional capacity is provided by branch surgeries.

7. As shown in Table 1, there is a patient list size capacity deficit of **-8,365** and a GP floorspace capacity deficit of **-796m<sup>2</sup>**. A total estimated cost of **£3,204,057** is therefore required to bring the GP surgery premises up to a baseline standard suitable to manage natural population growth arising as a result of births, deaths and migration, even before the effects of planned growth are factored in.

### Planned Growth in Maldon District

8. The level of growth proposed for Maldon District over the period 2014 to 2029 is set out in Table 2 below and has been informed by the Council's *'Pre Submission Local Development Plan 2014-2029'* document (January 2014).
9. It is noted that the Council has identified a number of 'reserve sites' to provide flexibility and contingency to adequately provide for a 5 year housing land supply. It is noted that the Council will review and determine the need and timing to release these reserve sites on a five year interval and, therefore, they are not included in Table 2 below. However, the capital funding implications of planned growth would need to be updated at such a time as the Council's objectively assessed housing need is reviewed and any reserve sites are 'released' for residential development.

**Table 2: Maldon District Proposed Growth Areas and Anticipated Level of Growth (2014-2029)**

No.	Growth Area	No. Houses <sup>1</sup>	Population Arising <sup>2</sup>
1	Existing commitments across the District (including suitable sites identified in the SHLAA)	400	960
2	South Maldon Garden Suburb	1,375	3,300
3	North Heybridge Garden Suburbs	1,235	2,964
4	Maldon and Heybridge Strategic Allocations	220	528
5	Burnham-on-Crouch Strategic Allocations	450	1,080
6	Rural Allocations	420	1,008
7	Windfall Allowance	330	792
	<b>Total</b>	<b>4,430</b>	<b>10,632</b>

**Notes:**

1. Taken from the Maldon District *'Pre Submission Local Development Plan 2014-2029'* document (2014).
2. Calculated using the Maldon District average household size of 2.4 taken from the 2011 Census: Rooms, bedrooms and central heating, local authorities in England and Wales (rounded to nearest whole number).

10. This growth is likely to have a major impact on the capacity of healthcare services, which would require appropriate developer-led mitigation in the form of funding for upgraded and new healthcare facilities and associated infrastructure.

### Capital Cost Implications of Planned Growth

11. The capital funding implications of the proposed level of growth is set out below in Table 3. This includes the additional staffing and floorspace required to build in further capacity to meet the increased healthcare needs, along with an estimate of the costs for providing refurbished, reconfigured, new and/ or re-equipped floorspace, and related health facilities infrastructure.

**Table 3: Capital Cost Calculation for the Provision of Additional Health Services Arising From the Proposed Growth in Maldon District (2014-2029)**

Premises	Population Growth (4,430 homes) <sup>1</sup>	Additional GPs Required to Meet Growth <sup>2</sup>	Additional Floor Area Required to Meet Growth <sup>3</sup>	Capital Required to Create Additional Floorspace <sup>4</sup>
Blackwater Medical Centre, Princes Road, Maldon, CM9 5DP	1,329	0.76	91.2	£182,400
The Burnham Surgery, Foundry Lane, Burnham-on-Crouch, CM0 8SJ	1,329	0.76	91.2	£182,400
Longfield Medical Centre, Princes Road, CM9 5DF	1,329	0.76	91.2	£182,400
Maylandsea Medical Centre, Imperial Avenue, Maylandsea, CM3 6BY <sup>5</sup>	1,279	0.73	87.6	£175,200
The Surgery, Bentalls Complex, Heybridge, CM9 4TU	n/a	n/a	n/a	n/a
The Surgery, Goldring House, Rowan Drive, Heybridge, CM9 4BW	n/a	n/a	n/a	n/a
Tillingham Medical Centre, 61 South Street, Southminster, CM0 7TH	1,329	0.76	91.2	£182,400
Tollesbury Surgery, Tollesbury, Maldon, CM9 8RG	1,329	0.76	91.2	£182,400
Trinity Medical Practice, 1 The Drive, Maylandsea, Chelmsford, CM3 6AA	1,329	0.76	91.2	£182,400
William Fisher Medical Centre, High Street, Southminster, CM0 7AY	1,329	0.76	91.2	£182,400
<b>Total</b>	<b>10,632</b>	<b>6.05</b>	<b>726</b>	<b>£1,452,000<sup>6</sup></b>

**Notes:**

1. Taken from Table 2.
2. Additional growth divided by GP list size capacity (1,750 patients).
3. Based on 120m<sup>2</sup> per GP x additional GPs to meet growth (rounded to 1d.p).
4. Based on standard m<sup>2</sup> cost multiplier for primary healthcare facilities in the East Anglia Region from the BCIS Q1 2014 Price Index, adjusted for professional fees, fit out and contingency budget (£2,000/ m<sup>2</sup>), rounded to nearest £.
5. Maylandsea Surgery currently has patient list size capacity to accommodate some growth.
6. This equates to a standard charge of £328 per dwelling (based on £1,452,000 divided by 4,430 units).

12. The overall level of developer-led funding required to mitigate the impacts of the increased population arising from proposed growth in Maldon District equates to a total of **£1,452,000**.

### **Mitigation of Healthcare Impacts Arising from Planned Growth**

13. In light of the limits imposed by the CIL Regulations 2010 (as amended) on the use of planning obligations for securing the provision or funding of ‘relevant infrastructure’ (incorporating medical facilities), NHSE determines that it would be appropriate to secure necessary healthcare infrastructure and funding principally through CIL as an alternative to planning obligations.
14. NHSE determines that the impacts arising from the planned growth identified in Table 2 need to be mitigated by the (CIL) funding of new healthcare facilities – this would encompass the refurbishment and reconfiguration of primary care floorspace and new build floorspace provision, (including re-equipping floorspace) and associated infrastructure provision, to increase GP surgery capacity.

### **Calculation of Maldon CIL Charge Relating to Healthcare**

15. The CIL contribution of £1,452,000 required to mitigate the healthcare impacts of the increased population arising from planned growth in Maldon District, equates to a charge of £328 per dwelling. As the CIL Regulations require CIL charges to be set at pounds per square metre, the overall cost is disaggregated by using the average property size of 92m<sup>2</sup> cited in CLG’s “*English Housing Survey: Homes 2010*” (July 2012). The CIL charge applicable for healthcare infrastructure is therefore set out in Table 4 below.

**Table 4: Maldon District Council CIL Charge for Healthcare**

A	No. Dwellings Proposed	4,430
B	Average Dwelling Size	92m <sup>2</sup>
C	Total Residential Development (A x B)	407,560m <sup>2</sup>
D	Total Developer Contribution Required to Mitigate Healthcare Impacts of Planned Growth	£1,452,000
E	Charge per m <sup>2</sup> (D ÷ C)	£3.56

16. A charge per square metre of £3.56 would be required to mitigate the healthcare impact of the population arising from planned growth in Maldon District, to be incorporated within Maldon District Council’s overall CIL Charging Schedule. NHSE therefore considers that the Council’s CIL Regulation 123 list should incorporate a charge of £3.56 per square metre for “Increased Capacity for Existing Healthcare Provision”.
17. The NHS investment and expenditure priorities for CIL (and planning obligation) funding are to be identified as part of the NHS Primary Care Strategy for the Maldon District area, which would assist future funding bids submitted to the Council for CIL funding.
18. It is recommended that measures are put in place for notifying the NHS of planning applications and development commencements to assist its monitoring and management of new housing growth. CIL healthcare bidding and funding procedures also need to be agreed, to ensure that the impacts of planned growth can be effectively mitigated through CIL funding, and taken into

account by the NHS in its healthcare prioritisation and procurement strategies and expenditure programmes.

## **Conclusion**

19. Within Maldon District there is currently a patient list size capacity deficit of -8,365 and a GP floorspace capacity deficit of -796m<sup>2</sup>. A total estimated cost of £3,204,057 is therefore required to bring GP surgeries up to a suitable standard to manage 'natural population growth', which may need to be funded by NHS sources.
20. For mitigating 'planned population growth', the NHS evidence base identifies a CIL-liable funding gap for healthcare infrastructure of £1,452,000. This would need to be met by developer-led financial contributions to fund supporting infrastructure linked to planned growth in Maldon District to 2029.
21. A resulting CIL healthcare charge of £3.56 per square metre of residential development is therefore identified to increase existing GP capacity and meet the impacts arising from increased growth within Maldon District. It is therefore requested that this charge be incorporated into the Council's Draft Charging Schedule.
22. NHS England and NHS Property Services Ltd welcome the opportunity to engage in the District Council's CIL charge setting process and LPP would be pleased to clarify any matters arising on their behalf.

*Lawson Planning Partnership Ltd, 7<sup>th</sup> March 2014*

*Consultant to NHS Property Services Ltd and NHS England*