

Planning Obligations Code of Practice

2. Health (Adopted 2006)

1. INTRODUCTION

- 1.1 Increases in the local population as a result of new housing developments will invariably increase demand for local health services and facilities. In many cases, existing provision will not be sufficient to meet the increased demand. Therefore investment in health services and facilities is required to ensure that standards of provision can be maintained. Developers will be required to make a contribution to mitigate against these impacts and ensure that developments are more sustainable.
- 1.2 This Code of Practice has been prepared in the light of Paragraphs B31 and B32 of Circular 5/05 so as to increase public confidence in the planning obligations system and assist developers by improving speed, predictability, transparency and accountability. The London Plan Further Alterations has a policy requiring Health Impact Assessments for major developments, and a policy of taking a consultative approach to working with Stakeholders including HUDU (the NHS Healthy Urban Development Unit). This Code of Practice explains the context and approach to the HUDU model with a web-site access to the model to assist developers.
- 1.3 Planning guidance is provided regarding the following;
- Planning context of this guidance.
 - Background to health services in the borough.
 - Assessing the health need resulting from development.
 - Planning obligations.
 - Developments which qualify for contributions.
 - What contributions will be used for?
 - Calculating contributions.
 - Management of funds.

2. PLANNING CONTEXT FOR THIS GUIDANCE

2.1 National Government Guidance

- 2.2 Government guidance is contained within Circular 05/05 “Planning Obligations”. This provides that where directly related to the needs created by a new development, it is legitimate to seek health care facilities via the planning obligations process where existing facilities could not cope with the potential increase in population.
- 2.3 It also states that “*Where contributions to the initial support (‘pump priming’) of new facilities are necessary, these should reflect the time lag between the provision of the new facility and its inclusion in public sector funding stream*”. It is therefore legitimate for the S106 process to provide the necessary financial support for primary and acute health care, until mainstream funding is initiated.
- 2.4 It is important that the cumulative impact of smaller developments is taken into account when planning for health. It would be unfair for the first developer in an area to avoid contributing to infrastructure that is likely to be required in the future. The Circular provides that contributions from smaller schemes can be pooled to provide for specific future provision.
- 2.5 The Circular suggests the use of formulae to calculate the likely impact of planning requirements. It states “*Local authorities are encouraged to employ formulae and standard charges where appropriate, as part of their framework for negotiating and securing planning obligations*”.

2.6 The London Plan 2004

- 2.7 **Policy 6A.4** identifies the provision of health facilities and services as key priorities for planning obligations.

2.8 Draft Further Alterations to the London Plan, September 2006

- 2.9 The London Plan is currently being reviewed. The proposed changes are set out in the London Plan Further Alterations.
- 2.10 **Revised Policy 3A.15 Protection and enhancement of social infrastructure and community facilities** states;-

Policies in DPDs should assess the need for social infrastructure and community facilities in their area, and ensure that they are capable of being met wherever possible. These needs include primary healthcare facilities, children’s play and recreation facilities, services for young people, older people and disabled people, as well as libraries, sports and leisure facilities, open space, schools, nurseries and other children provision, training facilities, fire and police station, community halls,

meeting rooms, places of worship and public toilets. Adequate provision for these facilities is particularly important in major areas of new development and regeneration.

Policies should seek to ensure that appropriate facilities are provided within easy reach by walking and public transport of the population that use them. The net loss of such facilities must be resisted and increased provision be sought, both to deal with the increased population and to meet existing deficiencies.

The Mayor will and boroughs should have regard to the additional guidance in the SPG on 'Meeting the spatial needs of London's diverse population'.

2.11 Revised Policy 3A.20 Health Impacts states;-

Boroughs should require Health Impacts Assessments for major development proposals and have regard to the health impacts of development proposals as a mechanism for ensuring that major new developments promote public health within the borough.

2.12 Revised Policy 6A.9 Working with Stakeholders states;-

The Mayor will take a consultative approach to working with stakeholders and will:....

- **work with the NHS and Strategic Health Authorities and HUDU to identify and meet the needs for new health facilities and to improve the health of Londoners.**

2.13 **Haringey Unitary Development Plan**

2.14 Haringey's Unitary Development Plan was adopted on 17th July, 2006 and includes the following policy;-

Policy UD8 PLANNING OBLIGATIONS

The Council, where appropriate, will enter into planning agreements under section 106 of the Town and Country Planning Act. Such agreements will be used to:

- a) offset the relevant adverse impacts that might arise as a result of the development including those on the environment, transport, local economic conditions, social, recreational, health, educational, emergency services, and community facilities that may arise from development; and**
- b) overcome problems associated with a development proposal where planning conditions would not be suitable.**

- 2.15 A table in SPG10 shows the types of benefits the Council wishes to secure from different types of development which includes the provision of health facilities.

3. BACKGROUND TO HEALTH SERVICES IN THE BOROUGH

- 3.1 The Haringey Teaching Primary Care Trust (Haringey TPCT) provides and commissions a range of health care services for people living in Haringey. It is also responsible for improving the health of the local population, and reducing health inequalities in the borough. Key plans for improving the health of the population and developing health care services in Haringey are set out in the Haringey Teaching Primary Care Trust Local Delivery Plan.
- 3.2 Key priorities for Haringey TPCT are the following:
- Improving the health and well-being of the population, promoting health, preventing ill health, and keeping people out of hospital wherever possible.
 - Improving the management of long term conditions by supporting better self-care and treatment in a community setting or in people's homes to avoid hospitalisation wherever possible.
 - Improving the access to services – ensuring people have a fair and prompt access to care.
 - Improving the patient/service user experience by providing information and supporting choice.
- 3.3 The Haringey TPCT Strategic Service Delivery Plan (SSDP) sets out its strategic service development and associated estates development priorities. It identifies four principles for the development of health care services in Haringey, which reflect the need for high quality primary care premises in the borough:
- Ensuring the high quality services are uniformly provided across Haringey Council.
 - Organising services around the patient.
 - Recognising the everyday factors which affect local people's health.
 - Ensuring that patient's are receiving services from the right person, with the right information, in the right environment.
- 3.4 Many primary care premises in Haringey do not reach minimum standards for quality and access, and are in major need of redevelopment. Priority areas are scheduled in the SSDP.

4. ASSESSING THE HEALTH NEED RESULTING FROM DEVELOPMENT

- 4.1 The health needs of the new population will depend in large on their demographic and age profile. While detailed ages and sex characteristics of the new population are seldom known at the planning application stage, the

NHS London Healthy Urban Development Unit has developed a Microsoft Excel based model (HUDU Model), which estimates the revenue and capital cost implications of new residential developments. This is done in terms of providing a range of essential health facilities and services including GP services and admissions to hospital. The HUDU model provides a starting point as to the appropriate level of developer contributions for health services and facilities to be calculated for any given housing proposal. This model and associated need assessment from Haringey TCPT will set the basis for calculating monetary contributions towards health facilities.

- 4.2 Planning applications will be considered on their own individual merits. The works/costs proposed will reflect those attributable to the increase in demand which directly results from the proposed development. The works proposed will directly benefit these new residents.
- 4.3 Contributions will be sought where:
- New premises/facilities are required as a result of the increased needs arising from new development.
 - Current facilities are inadequate for additional users because of their capacity, quality or accessibility for users (based on accepted NHS standards) and therefore needs to be improved or extended.
 - Where there is a time lag between the additional need generated and the provision of mainstream funding to meet this need.

5. PLANNING OBLIGATIONS

- 5.1 Obligations can be made in various forms depending on the circumstances of the health needs in the area and the scale of the development proposed. For example, the contribution could be in kind i.e. the developer donating land and/or a facility, and/or financial contribution.
- 5.2 The Council's Planning, Environment, Policy and Performance (PEPP) Directorate will be responsible for distributing the money to Haringey's Social Services, Haringey TPCT or/and other health service provider as appropriate. Also, PEPP will ensure that the S106 agreement is complied with and any requirement, including the provision of new health facilities or/and spending of any monies received, complies with the legal agreement.
- 5.3 The health facilities required for this new population could be located on the development site, or be an extension to an existing facility in the local vicinity of the development. However, it would not be prudent to provide a health care facility in the form of a building if staff and running costs cannot be met from existing NHS budgets and resources at that time. Where such shortfalls exist the developer will contribute towards 'pump priming' until the mainstream funding is initiated. The duration of this charge will be determined by a number of factors, including:
- The phasing of the new population moving into the development.

- How quickly the new population is reflected in the Office of National Statistics (ONS) population estimates, as funds are allocated on a weighted capitulation formula based on ONS population, and this relates to when the census is held.
- Where this falls in the 3-year financial allocation cycle for Haringey TPCT.

5.4 Financial contributions sought from the Council will relate to the 3 year financial allocation cycle for Haringey TPCT. The contributions will allow financial support until the 3 year time lapse for mainstream funding is allocated. However, the Council will charge for a duration of a **one-year period**. This does not reflect the full revenue costs involved, but is considered to be reasonable, and must be viewed as a contribution.

6. DEVELOPMENTS WHICH QUALIFY FOR CONTRIBUTIONS.

6.1 All developments involving the provision of residential units have the potential to create demand for health provision. The Council will seek contributions from all types of residential developments (change of use, conversions or student accommodation), involving an increase in population that trigger the above criteria and include the provision of **250 or more units**.

7. WHAT CONTRIBUTIONS WILL BE USED FOR?

7.1 Contributions will be sought for the primary costs of healthcare, i.e. the building or redevelopment of facilities, and the necessary financial support for staffing and services until mainstream funding is initiated. This could include the following;

- Primary care: GP Service facilities.
- Acute hospital service facilities.
- Mental health services facilities.
- Social care.
- Revenue contributions to cover running costs of the above.

8. CALCULATING CONTRIBUTIONS

8.1 The Council will use the HUDU model to assess the basic range of services likely to be needed. The outputs of the model may then be adjusted in the light of the specific circumstances that exist at the time in the locality. For larger developments the Council will define the health implications of any proposed development in consultation with the HTPCT.

8.2 As referred to above the NHS London Healthy Urban Development Unit has developed a Microsoft Excel-based model (HUDU Model), which is designed to forecast a substantial proportion of the additional health demand that might

result from a new residential development and to quantify the impact in terms of physical space and subsequently cost. The series of calculations and formulae used are described in detail in the guidance notes, which accompany the model.

- 8.3 The relevant data for Haringey TPCT area have been inputted in the HUDU model so that it is accurate as it can be in predicting the demands and subsequent costs that will arise in Haringey. These figures will be updated on a regular basis to ensure that the model retains its accuracy.
- 8.4 To access the HUDU Model and guidance notes, go to the HUDU website at www.healthyurbandevelopment.nhs.uk

9. MANAGEMENT OF FUNDS

- 9.1 All financial contributions, received by the Council through planning obligations for health, will be distributed to Haringey's Social Services, Haringey TPCT or other health service providers to manage, including land and buildings. However, all health service providers will be required to provide the S106 monitoring officer with evidence of where and when any funds will be spent before any monies are released. The spending of these monies will be monitored to ensure that they comply with the relevant planning agreement and ensure that clear audit trails are maintained.
- 9.2 Smaller developments will have some impact but may not be sufficient to justify the need for new infrastructure. These monies may therefore be pooled until such time as there are sufficient funds to implement the appropriate form of health facilities in accordance with the relevant planning agreements.
- 9.3 The Council will ensure undertakings from the relevant service providers to ensure that revenue funding will exclusively and permanently be applied for meeting local community health needs, in connection with the approved development.