Health Contributions Approach: GP Provision

Development Contribution Methodology

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1 Introduction

1.1 In order to better integrate planning and health across the county and to efficiently plan for health through the local plan and development management processes, a robust, evidence based methodology for agreeing required health infrastructure and identifying developer contributions should be established. The first stage of this process considers contributions to GP provision.

1.2 Any approach to calculate and request contributions is required to be in accordance with Regulation 122 of the Community Infrastructure Regulations and paragraph 204 of the NPPF by ensuring that any contributions should only be sought where they meet the following tests:

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

1.3 In order to ensure that requests meet these tests, a robust, evidence based method of calculating contributions needs to be developed. This will be achieved through using:

- Occupancy rates indicating the expected population increase;
- Current patient list sizes
- Size and space standards; and
- Cost guidance

1.4 The following sections outline the reasoning and evidence used to identify where contributions are required and the method behind how contributions towards expansion of GP surgeries are to be calculated.

2 Occupancy rates

2.1 The first stage of calculating an appropriate contribution is to calculate the expected increase in population to be generated by development. This can be achieved through using average occupancy rates taken from DCLG Household Projections data[1].

2.2 The most recent occupancy rates available (2014) for Devon as a whole and for the District Authorities within the County are outlined Table 1.

Table 1: Average occupancy rates (persons per household) across Devon (adapted from DCLG Household Projections)

	Average Occupancy
Devon	2.24
East Devon	2.19
Exeter	2.28
Mid Devon	2.33
North Devon	2.26
South Hams	2.20
Teignbridge	2.23
Torridge	2.24
West Devon	2.25

[1] https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections

3 Current Patient List Sizes

3.1 NHS England and the Clinical Commissioning Groups (CCGs)[2] hold data on the locations of catchments and the capacity of and current patient list sizes of GP surgeries within these catchments across the county. At the point of consultation with healthcare providers during the planning process, healthcare providers will be able to provide the surgery capacity and patient list sizes for the catchment(s) within which proposed development is located.

3.2 Contributions will be sought only where the population generated by the development, or the allocation of which the development is part, is unable to be accommodated within the existing surgery capacities.

4 Size and Space Standards

4.1 NHS England has published 'size and space standards' which set out the appropriate size of GP premises (m^2 Gross Internal Area) in relation to the number of patients to be accommodated at the premises[3]. These standards are given in Table 2. The table also shows the corresponding Gross Internal Area per patient (in m^2).

4.2 Although existing GP surgeries may not comply with the space standards set out, the evidence based standards are used within this methodology to determine the Gross Internal Area (dependent on the number of existing patients and the number of patients to be generated) to which developments will be required to contribute.

Table 2: NHS size and space standards

No. of patients	GIA	GIA per patient
0 - 2000	199m^2	0.1m^2
2001 - 4000	333m^2	0.08m^2
4001 - 6000	500m^2	0.08m^2
6001 - 8000	667m^2	0.08m^2
8001 - 10,000	833m^2	0.08m^2
10,001 - 12,000	916m^2	0.08m^2
12,001 - 14,000	1000m^2	0.07m^2
14,001 - 16,000	1083m^2	0.07m^2
16,001 - 18,000	1167m^2	0.06m^2
18,001 - 20,000	1250m^2	0.06m^2

[2] NEW Devon CCG and South Devon and Torbay CCG

[3] The size standards have been produced by the NHS as part of a document entitled 'Premises Principles of Best Practice Part 1 – Procurement and Development' which is yet to be published. The space standards are used with Health Building Note 1-01 which is used within this methodology to determine costs.

5 Cost Guidance

5.1 A Healthcare Premises Cost Guide (HPCG) published by the Department of Health provides a cost per square metre for building and engineering services for different healthcare departments based on real, built schemes based on overall gross internal area. The methodology for costings can be found in the HPCG[4] (2010).

5.2 Table 3 below identifies the 2010 HPCG costs per m^2 for 'Facilities for primary and community care services' (as covered by Health Building Note 11-01[5]). Costs are based on new-build, two-storey premises operating independently on a greenfield site. The figures given are based on a Median Index of Public Sector (MIPS) of 480.

Table 3: 2010 Healthcare Premises Cost Guidance for 'facilities for primary and community care'

Type	2010 HPCG (based on a MIPS index of 480) per m^2			
	Public Space	Staff Space	Clinical Space	Overall Space
Primary Care*	£2060	£1820	£2160	£2040
Extended Primary Care	£1870	£1650	£2210	£1990
Community Hospital	£1840	£1620	£2440	£2200

*Including GP surgeries

5.3 The MIPS index upon which these figures are reported is no longer published. In lieu of this, it is recommended by the Department for Business Innovation and Skills (now the Department for Business, Energy and Industrial Strategy) that the PUBSEC index should be used as an alternative. Using a conversion factor[6] of 2.778, MIPS 480 is equivalent to PUBSEC 173.

5.4 In September 2016 it was reported by the Building Cost Information Service (BCIS) that the PUBSEC 'reporting level' is 195 (a 12.7% increase from the 2010 index)[7]. Taking this increase into account, figures adjusted from the HPCG 2010 figures are presented in Table 4.

Table 4: Adjusted Healthcare Premises Cost Guidance for 'facilities for primary and community care'

Type	Adjusted HPCG (based on a PUBSEC index of 195) per m^2			
	Public Space	Staff Space	Clinical Space	Overall Space
Primary Care*	£2322	£2051	£2434	£2299
Extended Primary Care	£2107	£1860	£2491	£2243
Community Hospital	£2074	£1826	£2524	£2479

*Including GP surgeries

[4] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/144106/Healthcare_premises_cost_guides.pdf
[5] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/148509/HBN_11-01_Final.pdf
[6] The conversion factor from MIPS(1975=100) to PUBSEC(1995=100) is 2.778 (i.e. MIPS=PUBSEC*2.778)
[7] http://www.rics.org/Global/NHS%20Newsletter_september_2016.pdf

5.5 GP surgeries are included within the HPCG under the 'Primary Care' category. Although the HPCG identifies between different types of specific spaces (i.e. public, staff and clinical), it is unlikely that, at the time of requesting contributions, any detail will be known as to how the space required would need to be split between these types. Therefore, it is considered most appropriate for calculations to be based upon the 'Overall Space' cost as highlighted.

6 Methodology for Calculating Contributions

6.1 As previously discussed, contributions will be calculated using occupancy rates, current patient list sizes, size and space standards and cost guidance using the following methodology. Text box 1 demonstrates the methodology using a simple example. Variances in this methodology will be under different circumstances (see 6.6 onwards).

6.2 In order to determine the expected increase in population to be generated by a development, the number of dwellings proposed should be multiplied by the appropriate districts average occupancy identified in Table 1. Affordable housing is to be included in the calculation calculations as it generates a need for additional GP provision within a specific locality.

6.3 Once the expected population increase has been identified, this should be added to the relevant current GP patient list to give an overall expected patient size list. If the expected patient list size is within the existing capacity of the relevant surgery, then a contribution is not required. In cases where an application forms part of a wider allocation, existing capacity will be shared proportionately and contributions sought to reflect this. Similarly, if a development is located within the catchments of more than one surgery, the patient list sizes will be considered as a whole and contributions shared proportionately.

6.4 Using the expected patient size list, the appropriate space requirement per new patient can be identified from Table 2. The space requirement per new patient can then be multiplied by the expected population increase to give the total space (m^2) required.

6.5 The total space (m^2) required can then be multiplied by the premises cost identified from Table 4 to give the final contribution calculation.

Text Box 1: Methodology Example

Example: Development proposal for 100 homes within South Hams in the catchment of a GP surgery (2500 capacity) with current patient list size of 2500 and no spare capacity:

Number of dwellings * Average occupancy rate = population increase
*100 * 2.20 = 220*

Current GP patient list + Population increase = Expected patient list size
2500 + 220 = 2720 (220 over capacity)
**If expected patient list size is within the existing capacity, a contribution is not required*

Using expected patient list size, select appropriate space requirement per patient from Table 2
2720 = 0.08m² per patient

Population increase * space requirement per patient = total space (m^2) required
*220 * 0.08 = 17.6m²*

Total space (m^2) required * premises cost = final contribution calculation
*17.6 * £2299 = £40,462.40 (£404.62 per dwelling)*

6.6 When assessing the appropriate contribution from each planning application, any current spare capacity in relevant GP provision within the locality will be considered. In the case of a single standalone application for development, where there is sufficient spare GP capacity at the relevant surgery to accommodate the arising population increase, a contribution will not be sought.

6.7 In more complex cases where an allocation is likely to come forward in multiple applications across a period of time, or where multiple allocations are located within a single catchment, spare capacity (frozen at the point of receipt of the first application for the relevant allocation(s)) will be shared proportionately between applications to reflect the number of additional dwellings within each application or across each allocation.

6.8 For example, if an allocation is to come forward over three separate applications for equal numbers of dwellings, each application would receive one third of the existing spare capacity upon receipt of the first application. Each developer would be expected to pay contributions for any additional patients generated above this irrespective of the order or timings of the applications. Capacity will be considered accounted for upon receipt of an application (or, in the case of multiple consents making up an allocation, receipt of the first application).

Text Box 2: Methodology Example

Example: Application for 500 homes as part of an overall allocation for 1500 homes in West Devon in the catchment of a GP surgery (5000 capacity) with current patient list size of 4400 and spare capacity of 600.

(The allocation is expected to be covered by 2 applications: one for 1000 dwellings and one for 500 dwellings).

Number of dwellings * Average occupancy rate = population increase

*1000 * 2.25 =* ***2250***

*500*2.25 =* ***1125***

TOTAL = ***3375***

Current GP patient list + Population increase = Expected patient list size

4400 + ***3375*** *=* ***7775*** *(****2775*** *over capacity)*

Existing spare capacity (frozen at the point of receipt of the first application for the allocation) is shared proportionately between applications

Spare capacity = ***600 patients***

1000 dwellings = 2/3 of allocation = 2/3 of spare capacity = ***400 patients***

500 dwellings = 1/3 of allocation = 1/3 of spare capacity = ***200 patients***

Proportion of spare capacity is deducted from the population increase of each application

*2250-400=****1850***

*1125-200=****925***

Using expected patient list size, select appropriate space requirement per patient from Table 2

7775 = 0.08m²

Population increase * space requirement per patient = total space (m^2) required

*1850*0.08 =* ***148m²***

*925*0.08 =* ***74m²***

Total space (m^2) required * premises cost = final contribution calculation

*148*2299 = £340,252 = (£340.25 per dwelling)*

*74*2299 = £170,126 = (£340.25 per dwelling)*

7 Requesting Contributions

7.1 Contributions will be requested during the consultation period for planning applications where Devon County Council Strategic Planning Team, as part of their existing role, will liaise with and respond on behalf of healthcare providers.

7.2 Devon County Council will, in discussion with healthcare providers, calculate and request appropriate contributions when responding to consultations on planning applications for 300+ dwellings or applications in which the County Council has had previous interest or involvement (such as those subject to Masterplans). The County Council does not have capacity to engage in any applications outside of this. However, using the methodology outlined in this document, the NHS may wish to request contributions in their independent responses to any applications outside of this threshold to which they see fit to respond.

7.3 The method presented looks solely at the expansion of existing GP surgeries and does not account for situations where provision of new surgeries is required, or where provision will be included within development of a building for wider community use. Further work is required to determine how contributions for these scenarios will be calculated and whether the same methodology can be applied.

Appendix 1: Methodology Flow Chart