

Healthcare and New Housing Development

Supplementary Guidance SG11

November 2015



Falkirk Council
Development Services

Supplementary Guidance

A suite of supplementary guidance (SGs) is currently being produced by the Council. Most of these SGs are updated versions of previous Supplementary Planning Guidance (SPG) whilst others cover new topic areas (*denotes new SGs). There are 17 SGs in the series, all of which seek to provide more detailed guidance on how particular local development plan policies should be applied in practice.

These SGs form a statutory supplement to the Local Development Plan, and are intended to expand upon planning policies and proposals contained in the proposed plan.

A full list of the supplementary guidance available in this series is found below.

- SG01 Development in the Countryside ***
- SG02 Neighbourhood Design**
- SG03 House Extensions and Alterations**
- SG04 Shopfronts**
- SG05 Biodiversity and Development**
- SG06 Trees and Development**
- SG07 Frontiers of the Roman Empire (Antonine Wall) World Heritage Site**
- SG08 Local Nature Conservation and Geodiversity Sites ***
- SG09 Landscape Character Assessment and Landscape Designations ***
- SG10 Education and New Housing Development**
- SG11 Healthcare and New Housing Development ***
- SG12 Affordable Housing**
- SG13 Open Space and New Development**
- SG14 Spatial Framework and Guidance for Wind Energy Development**
- SG15 Low and Zero Carbon Development ***
- SG16 Listed Buildings and Unlisted Properties in Conservation Areas ***
- SG17 Renewable Energy ***

Healthcare and New Housing Development

1. Introduction



2. Planning Policy Context



3. Objective



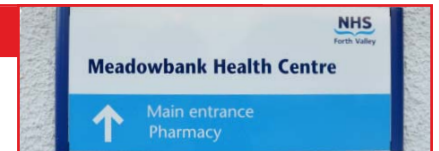
4. Key Principles



5. Rates and Procedures



6. Further Information and Contacts



1. Introduction

General Principles

- 1.1** The development strategy of the Falkirk Local Development Plan (LDP) is one of Sustainable Growth commensurate with the population reaching 168,000 in Falkirk Council area by the end of the plan period in 2034. To support this strategy the LDP makes provision for nearly 8,000 new houses in the first 10 year period, distributed across the Council area, principally in 12 Strategic Growth Areas where co-ordinated infrastructure provision is likely to be required. The development strategy takes into account the physical and environmental capacity and social and economic needs of each community, in order to ensure their future viability and a healthy level of self-containment.
- 1.2** The Council is committed to ensuring that developers provide for the physical, environmental and community infrastructure which is required to serve new development and make it sustainable. This is particularly important in the context of a strategy of growth, where the impact of new households may place a serious burden on existing infrastructure in some areas. Such provision will normally be secured either through conditions or legal agreements.
- 1.3** This Supplementary Guidance (SG) note is one of a suite of SGs on developer contributions which the Council has prepared. SGs are intended to elaborate on key policies contained in the LDP and to provide advice to developers and others on issues to take into account when approaching the Council with proposals for development.



2. Planning Policy Context

- 2.1** The Town and Country Planning (Scotland) Act 1997, Section 75, as amended by the Planning etc (Scotland) Act 2006, contains provisions for planning authorities and developers to enter into planning obligations. Scottish Government Circular 3/2012 sets out government policy with regard to the use of such obligations. Obligations can be used to overcome obstacles to the grant of planning permission. In this way development can be permitted or enhanced and potentially negative impacts on land use, the environment and infrastructure can be reduced, eliminated or compensated for. Planning authorities may request a financial contribution, to be used towards the provision of infrastructure which they would not otherwise have had to provide. Where a planning obligation is considered essential, it must have a relevant planning purpose and must always be related and proportionate in scale and kind to the development in question.
- 2.2** Scottish Government advice also encourages planning authorities to make their requirements known at an early stage in the planning process, through identification of needs and the adoption of policies in the development plan. In this way site requirements may be reflected in land values prior to planning permission being granted. Provisions in the Planning etc (Scotland) Act 2006 require that planning obligations are publicised by Planning Authorities and that there is greater transparency in negotiating developer contributions. This SG should assist with these objectives.
- 2.3** The Proposed Falkirk Local Development Plan was approved by Falkirk Council and submitted to Scottish Ministers in February 2014. Policy INF02 Developer Contributions to Community Infrastructure sets out the strategic rationale for seeking developer contributions in appropriate circumstances. The accompanying Figure 5.2 of the LDP lists the circumstances where developer contributions may be sought and this is reproduced here for guidance.

Figure 5.2 Examples of Developer Contribution Requirements

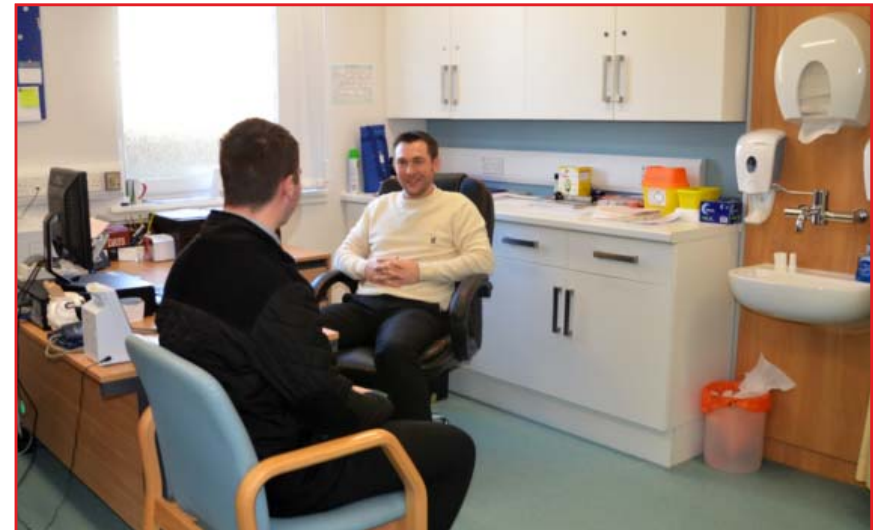
Type of Provision	Circumstances Where Provision May Be Required
Environmental Infrastructure	
Woodland Planting & Management	Sites relating to Green Network locations, where opportunities exist to enhance/reinforce the network, to integrate a site into its landscape setting, or otherwise to mitigate its visual impact.
Habitat Creation & Management	Sites relating to existing wildlife sites or corridors, especially loss of habitat requiring mitigation/compensation or enhancement.
Sustainable Flood Management	Sites where opportunities exist to provide sustainable flood management measures as identified through flood risk assessments.
Outdoor Access Provision	Sites relating to Green Network locations and where opportunities exist to enhance the local access network.
Archaeological Investigation/ Interpretation	Sites containing archaeological remains.
Historic Building Repair/Conservation	Sites containing buildings of historic or townscape importance.
Physical Infrastructure	
Road Improvements	Sites where improvements will be necessary as demonstrated by Transport Assessment in order to ensure mitigation of impact, including cumulative impact, of the proposed development.
Public Transport Facilities & Services	Larger sites where access by public transport needs to be secured to meet sustainability objectives.
Pedestrian/Cycling Facilities	Sites where pedestrian/cycle links into the wider network and to key community/public transport nodes need to be established.
Sewerage Improvements	Sites where additional sewerage infrastructure must be provided in order to serve the development.
Community Infrastructure	
Open Space Provision/Maintenance	All housing sites must provide for, or contribute to, open space on- or off-site, as well as maintenance.
Play Area Provision/Maintenance	All housing sites must provide for, or contribute to, play facilities on- or off-site, as well as maintenance.
School Capacity	Sites where school capacity/facilities are inadequate to cope with the proposed development.
Community/Sports Halls	Sites in areas where there is a recognised deficiency in the quantity or quality of provision.
Health Care Facilities	Sites in areas where there is a recognised deficiency in the quantity or quality of provision.

2. Planning Policy Context

- 2.4 The issue of capacity in health care facilities is indicated in the Community Infrastructure section and specific policy on primary healthcare facilities related to new housing is contained in LDP policy INF06 Healthcare and New Housing Development, which states:

Policy INF06 Healthcare and New Housing Development

In locations where there is a deficiency in the provision of health care facilities identified by NHS Forth Valley, developer contributions will be sought to improve the quality and quantity of such provision commensurate with the impact of new development. The approach to the improvement of primary healthcare provision will be set out in Supplementary Guidance SG11 'Healthcare and New Housing Development'.



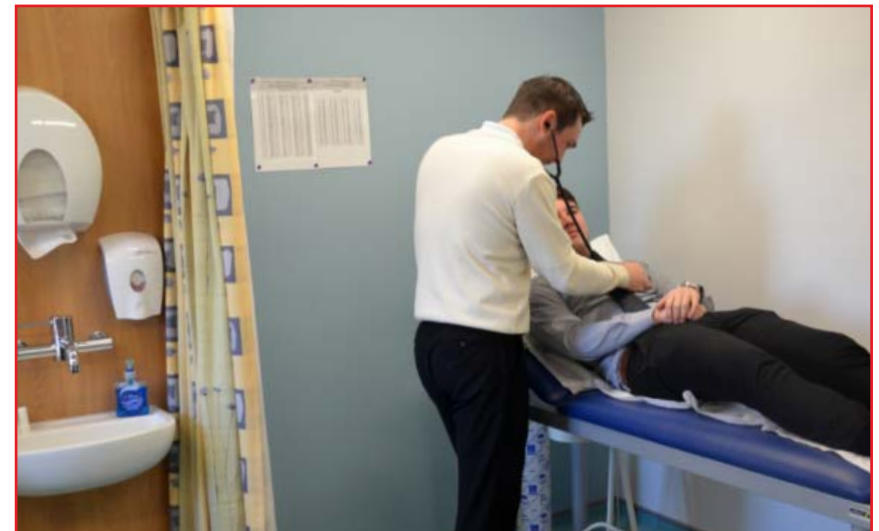
3. Objective

- 3.1** As indicated earlier Falkirk Council has adopted a development strategy of Sustainable Growth with a projected total population of 168,000 by 2034 for the district. In most localities it is anticipated that there will be adequate primary healthcare provision to cater for projected population change. However, in particular, pressured, locations such as Bonnybridge, Denny and Polmont, capacity at doctors' surgeries may have to be augmented. It is Falkirk Council's policy that, where this is directly related to the impact of new residential development, the developer should make a financial contribution.
- 3.2** The objectives of this Supplementary Guidance are:
- To provide detailed guidance on the implementation of local development plan policies relating to developer contributions to healthcare provision; and thereby
 - To assist in the delivery of the Council's sustainable growth strategy
 - To set out the Council's approach so that it is applied in a consistent and transparent manner, and
 - To explain the reasoning and the technical basis upon which impacts on primary healthcare are judged.



4. Key Principles

- 4.1 Falkirk Council will seek to secure developer contributions towards the cost of meeting primary health care infrastructure necessary as a consequence of new development. Contributions will only be sought where additional pressure on existing facilities is a direct or cumulative result of new development.
- 4.2 The type of health care facilities that requires capital investment from NHS Forth Valley is primarily GP practices. Through working with NHS Forth Valley (NHSFV), Falkirk Council has identified a number of locations where there is insufficient capacity for existing facilities to provide an adequate service for the level of proposed development within the area.
- 4.3 The level of contribution that will be expected will clearly depend on the scale and type of improvement required to address any predicted shortfall in capacity at local GP facilities. There will be differing solutions for each of the practices affected. Some will be able to expand on their existing sites, while some may require new buildings if their current properties are unable to accommodate the necessary expansion. Further analysis of the likely solutions will be required and this will be led by NHSFV's team.



4. Key Principles

4.4 In the following Table 1, the settlements where there will be capacity problems as a result of new development are highlighted, the scale of the additional impact is stated and conclusions are put forward on whether additional services could be accommodated within local health centres' existing sites or where new sites may be required. In the remaining settlement areas, Bo'ness, Falkirk, Grangemouth, Larbert/Stenhousemuir and the rural areas NHS FV has not currently identified any locations where GP services' capacity would be pressured by new housing development.

LDP Settlement Area	GP Practice Area	Proposed Housing on sites without consent (Units)	Potential Additional Patients @ 2.24 per household (by 2024)	GMS Assessed Capacity	Proposal	LDP Implications
Polmont	Polmont	295	661	1693 spaces at Polmont Park Surgery	Capacity exists within Polmont Park practice to absorb additional 661 patients being generated in Polmont area by additional housing allocations.	Capacity exists. No site/expansion required.
Denny	Denny	927	2077	64 Spaces	Insufficient existing capacity to accommodate 2076 additional patients. Additional space and consultants will be required at either of Denny Cross or Carronbank practices.	Site provision or contributions towards health service provision is required through planning obligations.
Bonnybridge & Banknock	Bonnybridge & Banknock	473	1060	8 spaces	No existing capacity to accommodate 1060 additional patients. Additional space and consultants will be required.	Site provision or contributions towards service provision required through planning obligations. Condition on minded to grant consent at Banknock North is that site is reserved for the relocation of the existing health centre. This issue will require revisiting with NHS FV.

4. Key Principles

- 4.5** The majority of housing developments by themselves will not warrant a new facility or even an extension to an existing facility. However, a number of developments are likely to have a cumulative impact on the provision of existing health care facilities. The above table highlights the initial assessment by NHSFV of the physical resources impact on particular facilities (based on an assessment of these facilities in 2013) of the allocation of new housing.
- 4.6** For the Polmont area, although it will experience considerable growth, there is spare capacity currently at one medical practice, Polmont Park, to absorb the expected number of new patients. In the Denny area both practices are close to capacity and some additional space will be required at one or both practices to absorb the expected number of new patients from new housing. Initially attention is expected to centre on the Carronbank practice, where the possibility of securing additional accommodation within Carronbank House is being explored. In Bonnybridge/Banknock there is insufficient capacity at both practices to absorb new patients and new capacity will be required. Expansion options for the satellite surgery serving Banknock are being explored within the context of the provision for a new site for a health centre being included in the 'minded to grant' planning consent for the Banknock North site (M03).
- 4.7** In each case, the optimum solution, be it expansion on the site of existing surgeries or the development of a new standalone surgery, will require further exploration with NHS Forth Valley. The preferred solution will take into account the condition of existing GP surgeries, the availability of land within the surgeries to expand into and the availability and suitability of alternative sites within the catchment area.



5. Rates and Procedures

Safeguarding sites and provision of new facilities

- 5.1** Where the scale of the impact of new development and the lack of capacity to expand requires the provision of new healthcare facilities, land should be safeguarded within the relevant masterplans for the provision of a new healthcare facility, as illustrated by the example of an allowance made for the provision of a new health facility at Banknock North.
- 5.2** The selection of potential sites for any healthcare facility must be done in consultation with NHS Forth Valley as details of the development proposals come forward.
- 5.3** Where a new site is required for a healthcare facility, in addition to the provision of land, there may be a residual requirement for developer contributions to assist in meeting the demand for healthcare facilities that arise as a direct consequence of these developments.

Expansion of existing facilities

- 5.4** In the Bonnybridge/Banknock and Denny settlement areas, new housing allocations will have a direct impact on existing facilities where NHSFV may have the option to expanding existing healthcare accommodation. Where expansion is an option, developer contributions will be sought to enable the provision of health care facilities to residents of the new development.

Cumulative impact on existing facilities

- 5.5** Where the cumulative impact of new development is such that it places pressure on the capacity of existing GP practices, requiring them to expand to serve new patients generated by new housing, Section 75 contributions may be sought to address this in future years. No pressured locations where cumulative impact is likely to be felt have been identified by NHSFV at the time of this SG's publication. NHSFV will be consulted as planning applications come forward in order to establish the impact they will have on existing practices.

Method of calculating contributions

- 5.6** Infrastructure requirements have been calculated with NHSFV on the basis of national health standards and by estimating the likely number of new patients generated by each proposed development. Contributions will be calculated using nationally recognised space standards and build costs, based upon the population requirements for GP surgeries.
- 5.7** As discussed earlier new build solutions may be required in the Denny and Bonnybridge/Banknock settlement areas in order to meet the need for increased capacity arising from new development. It is possible to provide guidance on the potential cost of this using cost metrics devised by the Scottish Futures Trust. This allows the profile of a new health centre to be developed and modelled to demonstrate an indicative cost per unit for developer contributions. An illustrative cost formulae is provided in Table 2 below for guidance only.

Table 2: Illustrative Example for Denny Settlement Area

Additional non-consented housing requirement 2014-24 = 927 units	927 houses generates $2.24 \times 927 = 2077$ new patients (note 1)
Each GP handles 1500 patients so 2077 patients will require $2077/1500 = 1.4$ GPs	The space requirements for a GP are 130 ² sq. m so 1.4 GPs will require $130 \times 1.4 = 182$ sq. m of clinical space (note 2)
Ratio of clinical space to support space is 1:3 (note 3)	182 sq m of clinical space requires $3 \times 182 = 546$ sq. m
Total clinical and support space required	$546 + 182 = 728$ sq. m
SFT cost metric for new build health facility of less than 1000 sq. m is £2550 per sq.m (note 4)	Project costs of a new facility would be $£2550 \times 728 \text{ sq.m} = £1,856,400$
Cost per housing unit = £1,856,400/927	= £2,002 developer contribution

- Note 1: Area Metric B from Hub Programme Delivery Office, Guidance Note on Implementation of Performance Metrics for Primary Healthcare, October 2013.
- Note 2: 2012 Q4 prices which will inflate over time and exclude land purchase, VAT, fit out and DBFM costs.
- Note 3: Area Metric B from Hub Programme Delivery Office, Guidance Note on Implementation of Performance Metrics for Primary Healthcare, October 2013.
- Note 4: 2012 Q4 prices which will inflate over time and exclude land purchase, VAT, fit out and DBFM costs.

5. Rates and Procedures

- 5.8** It should be noted that the cost shown above are estimates based on guidance from Scottish Futures Trust. The actual costs will reflect the specific circumstances of individual GP facilities, and the actual audited cost which will take into account inflation. In addition should the site capacities of housing allocations change substantially this will have a corresponding impact on costs per unit.
- 5.9** Policy INF06 and this SG will apply to any planning application for housing on sites of 4 units and above in the pressured areas identified in para 5.4. Any financial contributions due will be set out in a Section 75 (S75) Obligation accompanying any planning permission. This will include the actual amount of contribution that is due, the time that is should be paid, and the specific purpose for which it is being sought. All of this will be agreed in negotiating the S75. NHSFV will be a party to the S75 and will be under an obligation to use the contribution for the agreed purpose within an agreed time period - see paragraph 5.13.
- 5.10** The precise need for infrastructure and the process for delivery will need to be discussed and agreed with NHSFV at the earliest opportunity in the preparation of proposals for development. Masterplans and planning applications for development will need to reflect the infrastructure requirements identified as well as the means of delivering such infrastructure. Any financial contributions will need to be agreed with the Council, in consultation with NHSFV, before an application can be determined and any requirement to safeguard land will also be specified in S75 obligations for specific sites. The land required for health care provision will be transferred to NHSFV at a cost negotiated through the S75 process. NHSFV will be a party to the S75 obligation.
- 5.11** The Council has a procedure for handling developer contributions which involves Development, Law and Administration, and Finance Services working closely to monitor the receipt of contributions' monies and its transfer to the service or agency which is to benefit, in this case NHS Forth Valley. Monies transferred to NHSFV will be distributed through their capital budget for investment in relevant projects. All payments are to be made to Law and Administration Services, with Development Services responsible for monitoring the trigger points for staged payments.
- 5.12** It is anticipated that a Section 75 Obligation will be the usual arrangement for securing developer contributions. However Section 69 agreements, under the Local Government Act, may be the preferred legal instrument when the developer agrees to make full payment prior to planning permission being issued.
- 5.13** It is also recognised that the demand for health services increases only as the developments are phased in. Time limits for payment and capital investment will be introduced in the S75 to account for this, including any payments to be returned should investment in additional facilities not take place within the time agreed. Developers are advised to have early discussions with Development Services prior to the submission of planning applications to understand and resolve any difficulties before design work has reached an advanced stage.
- 5.14** In some cases, it may be necessary for NHSFV to forward fund the capital investment required for each practice and receive the payment of developer contributions in a phased manner as development take place. This approach will minimise the impact of developer contributions and ensure it does not act as a barrier to development.
- 5.15** Developers should also be aware that there may be other issues affecting particular sites that will require development contributions for community infrastructure in addition to healthcare provision, and these should be discussed with Development Services at an early stage.
- 5.16** **It will be for the developer to demonstrate to the Council's satisfaction that other developer contribution requirements, abnormal development costs and/or the prevailing economic circumstances in conjunction with the required healthcare developer contribution will render the development unviable. These should be set out through a Development Viability Statement. The terms of the Development Viability Statement will be taken into account as a material consideration in determining the planning application.**

6. Further Information and Useful Contacts

Further Information

- 6.1 Advice on the use of planning obligations to secure developer contributions is provided by the Scottish Government in Scottish Government Circular 3/2012,
<http://www.scotland.gov.uk/Publications/2012/12/1885>

Contacts

- 6.2 For matters of planning policy in relation to healthcare provision or to discuss the principle of development proposals contact:

Development Plans Team
Planning and Environment Unit
Development Services
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For issues relating to specific planning applications contact:

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For issues relate to NHS primary care provision contact:

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