

Introduction

1. Blackpool Teaching Hospitals NHS Foundation Trust (“the Trust”) currently provides acute, emergency and secondary healthcare across Blackpool, Wyre and Fylde.
2. The impact of non-recurrent (capital) and recurrent (service provision) infrastructure costs as a direct result of new housing development are very significant and as such a contribution is now sought in respect of **20/01296/OUTMAJ** to address the direct impact which the application will have on the Trust.

Policy Framework

3. Section 38(6) of the Planning and Compulsory Purchase Act 2004 states:
“If regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise.”
4. Section 70(2) of the Town and Country Planning Act 1990 makes clear that:
“In dealing with an application for planning permission or permission in principle the authority shall have regard to the provisions of the development plan, so far as material to the application, and to any other material considerations.”
5. **Wyre Council**

SP8 Health and Well-Being

The Council will support development which promotes healthy communities and will promote the health and well-being of local communities. Development should help maximise opportunities to improve quality of life and to make it easier for people in Wyre to lead health, active lifestyles.

Where a proposal has the potential to impact on public health, the Council will require the developer to demonstrate how public health issues have been taken into account in formulating the development proposal and how any impacts are to be mitigated. The Council may require the developer to carry out a Health Impact Assessment which will identify the potential health effects on new and existing residents within the community and the potential for public services to meet existing and new demand.

Development with the potential to adversely impact on public health will only be permitted where it is demonstrated that it will not, in isolation or in conjunction with other planned, committed or completed development, contribute to an unacceptable impact on the health of the Borough's population. In assessing the likely health impact of new development, the Council will take into account evidence indicating the expected effect of the development on individuals' behaviour and choices.

Material Considerations

6. The National Planning Policy Framework (February 2019) sets out at paragraph 8 three overarching objectives to be pursued to achieve sustainable development, including the social objective – *“to support strong, vibrant and healthy communities...by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being.”*
7. It goes on at paragraph 20 to make clear that strategic policies should make sufficient provision for *“community facilities (such as health, education and cultural infrastructure)...”*.
8. The National Planning Practice Guidance and has a specific section which deals with Health and Wellbeing which makes clear that:

“Local planning authorities should ensure that health and wellbeing, and health infrastructure are considered in local and neighbourhood plans and in planning decision making. Public health organisations, health service organisation, commissioners and providers, and local communities should use this guidance to help them work effectively with local planning authorities in order to promote healthy communities and support appropriate health infrastructure.”¹

9. It goes on to add:

“The National Planning Policy Framework encourages local planning authorities to engage with relevant organisations when carrying out their planning function. In the case of health and wellbeing, the key contacts are set out in this guidance. Engagement with these organisations will help ensure that local strategies to improve health and wellbeing) and the provision of the required health infrastructure ... are supported and taken into account in local and neighbourhood plan making and when determining planning applications.

The range of issues that could be considered through the plan-making and decision-making processes, in respect of health and healthcare infrastructure, include how:...

- *the healthcare infrastructure implications of any relevant proposed local development have been considered;”²*

10. It continues by setting out the importance of engaging with local healthcare service providers (e.g. the Trust) in relation to planning policy.

“The local Clinical Commissioning Group(s) and NHS England are responsible for the commissioning of healthcare services and facilities which are linked to the work of the Health and Wellbeing Boards and the local

¹ Reference ID: 53-001-20140306

² Reference ID: 53-002-20140306

Director of Public Health. These bodies are listed as consultees for local plans. These bodies in consultation with local healthcare providers will be able

to assist a local planning authority regarding its strategic policy to deliver health facilities and its assessment of the quality and capacity of health infrastructure as well as its ability to meet forecast demand. They will be able to provide information on their current and future strategies to refurbish, expand, reduce or build new facilities to meet the health needs of the existing population as well as those arising as a result of new and future development.”³ (emphasis added)

11. It then sets out the importance which government places on taking account of the views of local healthcare providers in terms of the consideration of individual planning applications:

“Similarly, the views of the local Clinical Commissioning Group and NHS England should be sought regarding the impact of new development which would have a significant or cumulatively significant effect on health infrastructure and/or the demand for healthcare services.

Information gathered from this engagement should assist local planning authorities consider whether the identified impact(s) should be addressed through a Section 106 obligation or a planning condition. These need to meet the criteria for planning obligations.”⁴

12. It is therefore clear that there is a sound local plan policy basis which is supported by both the National Planning Policy Framework and the National Planning Practice Guidance to secure financial contributions through section 106 obligations to mitigate the impact on health services and facilities which will arise from development.

³ Reference ID: 53-003-20140306

⁴ Reference ID: 53-004-20140306

Impact of the Application

13. Planning application **20/01296/OUTMAJ, Land off School Lane (South of Shireshead Cricket Ground), Forton, Preston, Lancashire, PR3 0AS** is seeking to secure permission for the construction of **41** new dwellings. These dwellings will support a population increase of **90** new residents (assuming an average of 2.2 people per dwelling⁵) all of whom will need to access health services.
14. It follows that without the provision of additional facilities and services it will not be possible to accommodate the health impact of the development within the existing provision which is available.
15. Whilst the Trust will, in due course, be able to obtain funding to meet the needs of the population which arises from the development, this funding will not be in place for approximately three years. Once in place, the funding will not be provided retrospectively, and as such the impact on the Trust for the initial period will not be met from any alternative source of funding⁶.
16. We therefore request a contribution for this development in the sum of **£72,253.00** a breakdown for which you will find at Appendix 2.

Performance Trajectory

17. The Trust is asked to submit monthly performance data in relation to certain waiting time standards in order to receive money from the Sustainability and Transformation Fund. One such standard relates to the 4-hour A & E waiting times. Failure to deliver services in accordance with the performance trajectory agreed, results in withdrawal of an element of the STF.
18. Operational Pressures Escalation Levels are a way for Trusts nationally to report levels of pressure consistently. Under OPEL, there are 4 escalation levels, where Level 1 shows the Trust is maintaining patient flow and able to

⁵ This is the figure recorded in the 2011 Census:
<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesfortheunitedkingdom/2011-03-21>

⁶ A more detailed explanation as to how the Trust is funded is attached at Appendix 1.

meet anticipated demand. In contrast, escalation to Level 4 shows the Trust is unable to deliver comprehensive care and there is a greater risk on patient care and safety being compromised. Please see Appendix 3 which demonstrates how the Trust are performing against the OPEL framework.

Community Infrastructure Levy Regulations 2010

19. In accordance with the Community Infrastructure Regulations (2010) (as amended) this request has been considered in the context of Regulation 122.
20. Regulation 122 states:

“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.”*
21. It is considered that the contribution which has been sought in respect of the application meets the tests contained within Regulation 122.

Conclusion

22. It is therefore concluded that the request complies with relevant planning policies and is necessary to make the development acceptable in planning terms, is directly related to the development and is fairly and reasonably related in scale and kind to the development.

23. We would request such a contribution should be paid to the Council under the terms of the s.106 agreement, and should then be paid to the Trust. We would ask that any contribution be paid in full prior to first occupation of the development to allow for the necessary service provision to be in place to meet the demand which will arise as soon as the development is occupied.

18 January 2021

Appendix 1

Under law, the Trust has an obligation to provide healthcare services. The Trust is a public sector body which is funded through central government funds, which are administered through NHS Blackpool Clinical Commissioning Group (“CCG”). The contract for the provision of services with the CCG is complex, but in essence the CCG procure healthcare services for the existing population within their catchment area from a number of healthcare providers, including the Trust.

Since 2008, patients have been able to choose which provider they use for particular services. The 2014/15 Choice Framework makes clear that patients have a legal right to choose about treatment and care in the NHS (albeit this right does not extend to all healthcare services (e.g. emergency care), and for hospital healthcare it only applies to first outpatient appointments, specialist tests, maternity services and the ability to change hospitals if waiting time targets are not met. The financial request in this submission is based on the percentage of the population within Wyre who use the Trust for the provision of these services.

As noted above, the Trust is obliged to treat all patients who attend, however, they are only funded for those persons who are within catchment at the point at which the services are commissioned by the CCG. This does not account for any planned or unplanned development which will facilitate an increase in population.

In due course (typically three years) the funding model is updated to reflect any increase in population which has arisen. As such, there is always a three year delay in funding being provided for new development from the date on which it is occupied.

The Trust is paid for activity in line with the National Tariff Payment by Results System (“PbR”). The scope of services covered by this activity-based payment approach of setting prices for specified treatments includes Outpatient, Elective, Emergency, Diagnostic and A&E activity. Under PbR the Trust is paid at a set rate for each PbR activity it undertakes, subject to quality and access time standards being met. Failure to deliver on-time interventions puts the Trust at risk of financial penalties being imposed.

For emergency admissions, payment is set at expected levels with any activity over and above this level attracting funding at 20%. This means that for every additional patient over the agreed activity level, the Trust will only receive 20% of funding towards the cost of the services delivered. Therefore any increase in this activity leaves the Trust having to bear 80% of the cost.

The Trust has an agreed level for emergency admissions which has already been agreed with the CCG. For every service provided over and above this level, 80% of the cost will not be funded.

The contribution sought on behalf of the Trust reflects that for any PbR activity, only 80% of the costs should be met by the applicant, as the remaining 20% will be funded by the CCG.

For any activity not within the PbR system, the Trust is required to meet 100% of the cost over the agreed set level.

The Trust is currently operating at full capacity, and as such does not have the resources to accommodate any additional increase in population which is not already provided for within their existing contract.

Any additional attendances which the Trust is required to provide for impact the ability of the Trust to meet the required service standards (e.g. hospital waiting times). This increases the risk of the Trust failing to meet the required standards, and as such could lead to penalties being incurred, which results in reductions in their funding. This in turn leads to a reduction in the ability of the Trust to meet the existing need, which means the Trust is caught in a vicious circle. The only solution to this is for additional funding to be provided in time to accommodate additional demand which will arise from new development.

Whilst the Trust is typically unfunded for three years following population growth as a result of new development, the additional funding requested on behalf of the Trust in this submission is based on the additional cost of providing one year of healthcare for the development. This represents the minimum level of funding which is required by the Trust.

Appendix 3

