

Stafford Education & Enterprise Park
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Date: 25/07/2022

LPA	Staffordshire Moorlands District Council
App Ref	SMD/2022/0249
Development	Full Planning Application for residential development of 67 houses with a mix of two and two and a half storey dwellings, consisting of new access to Cheadle Road, new public open space, sustainable urban drainage, landscaping, pumping Station and associated works
Address	Land Off, Cheadle Road, Upper Tean, Staffordshire
Case Officer	Jane Curley
e-mail	jane.curley@staffsmoorlands.gov.uk

Dear Jane,

Thank you for your consultation in respect of this application for a major housing development.

In this case the applicant has submitted viability evidence to suggest that the development cannot be realised with the imposition of any developer contributions whether related to 'community facilities' as referenced within adopted Policy C 1 or Affordable Housing as set out within Policy H3.

It is of course for the local planning authority to exercise their planning judgement in reaching a decision in this case, but on further analysis it would appear evident that the development does not entirely conform with the adopted development plan. This is due to the conflict the ICB has identified with policy C 1, which has not been highlighted within the submitted planning statement. This could well be an oversight while preparing the submission but at present it has not been clearly demonstrated that this policy played any part in concluding (as the statement does) that the *'proposal is considered to comply in principle with the Development Plan'*.

Having reviewed the submitted viability statement it is also worth highlighting that this statement asserts at section 4 that the site has housing allocation status (despite the planning statement making clear that this is not the case at paragraph 6.4) and goes onto assigning a 20x multiplier as a reasonable premium to incentivise the landowner to release this site for development resulting in a fixed acquisition value (or benchmark land value) of £1,780,000.

This position on benchmark land value is taken despite there not being a clear case that the development would fully comply with development plan policies (a degree of conflict identified herein). Whilst it is understood that the site has previously benefited from an outline permission, this can no longer be implemented and there have been changes in both local and national planning policies since the grant of that permission.

Chair: Prem Singh

Interim Chief Executive Officer: Peter Axon

The viability statement notes the national PPG content relating to viability, which confirms that an EUV+ should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land and that such premium should provide a reasonable incentive (compared with other options)...*'while allowing a sufficient contribution to comply with policy requirements'*.

A number of constraints have been noted (although being within the setting of a heritage asset and in proximity of a public right of way may not necessarily be viewed as a constraint to a purchaser) in the form of some abnormal costs to develop the site. However, the ICB would ask the planning authority to consider whether it is indeed necessary to agree that a 20% developer profit (the higher end of the range) should be accepted at the expense of allowing for *'a sufficient contribution to fully comply with policy requirements'* particularly when noting the limited supply and high demand for housing in Staffordshire Moorlands as noted within the adopted local plan and SHMA. More importantly the LPA should consider whether the 20x multiplier over the existing land use value is indeed reasonable, particularly when no other obvious options have been submitted for comparison.

The PPG suggests, inter alia, that for the purposes of defining costs for a viability assessment:

- *'the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure... should be taken into account when defining benchmark land value'* and;
- *'Landowners and site purchasers should consider policy requirements when agreeing land transactions'*.

It is clear that these considerations should be part of formulating a benchmark land value, they are not to be usurped in favour of providing a value that incentivises a landowner and similarly it is made clear that local market evidence should be based on developments that are fully compliant with emerging or up to date plan policies or where such evidence is not available *'applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time'*.

It is made clear that ***'the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and where relevant, any CIL charge should be taken into account'***.

In this case the ICB would suggest that the LPA satisfy themselves that such cost implications are accounted for and that the reasonableness of the 20x multiplier is negotiated and tested against other reasonable options available to the landowner to ensure maximum benefits in the public interest through the grant of any planning permission.

Aside from examining the viability matters associated with the case the ICB wish to confirm the position in respect of community health and preventive and primary care services, which the ICB would suggest fits within the ambit of 'community facilities' as described within the wording of policy C 1 as confirmed in the glossary of terms within the plan.

In this case a request is made under s106 of the Act for developer contributions to mitigate for the impacts of additional patient demand upon local primary care services, which would be expected to serve this development.

Strategic Planning and decision-taking:

Aside from the adopted plan policy C 1, Section 8 of the NPPF 'Promoting healthy and safe communities' makes clear that policies and decisions associated with development should aim to achieve healthy, inclusive and safe places.

At paragraph 93 b) it is also made clear that policies and decisions should *"take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community."*

In determining applications for development, the ICB wish to work with local planning authorities and create awareness of local strategies to improve health and I would draw your attention to the advent of primary care networks (PCN). In brief the model seeks to ensure equality of service for patients by ensuring that all patients within England are covered by a PCN, which should help to integrate primary care with secondary and community services. Since 2019 General practices have been organising themselves into local networks to provide care at this greater scale.

The NHS Long Term Plan supports a vision of care delivered at system, place and neighbourhood level and supports NHS organisations to have more of a proactive focus on improving population health. Accordingly, there needs to be a shift away from considering pressures solely at single practice level, a paradigm shift which should be equally applicable to decision-taking by local planning authorities.

The development outputs:

Having reviewed the application details and after considering key facets associated with practices that fall within influencing distance of this site the CCG would request a contribution which would support the development of primary care services in the area.

The table set out below provides the relevant calculations for the sum requested to support local health infrastructure in this case.

The outputs are derived from the Department for Health guidance 'Health Building Note 11-01: Facilities for Primary and Community Care Services', which provides best practice guidance on the delivery of new healthcare buildings and adaptation and extension of existing facilities. It is applicable to a range of building types including GP premises, Health centres, Primary care centres and Urgent care centres.

The development site sits within Moorland and Rural PCN within which there is an overall shortfall of GIA to serve the existing patient population together with a shortfall of clinical rooms. In respect of the Lower layer super output area (LSOA) in which the application site is situated it is evident that approximately 50% of the patient population are registered with the Tean Surgery, which is closest to the application site and as stated has a shortfall in both GIA and clinical rooms to serve the current patient population, which currently stands at 6,101 for this practice.

The request made herein is related in scale to the proposed development and is aligned to the costs of providing additional clinical rooms as set out within HBN 11-01 with the requested sums to be utilised within the Moorlands and Rural PCN to mitigate for additional patient population arising from housing growth.

Housing Numbers	67
Household Average	2.4

Consulting / Examination Rooms	
Population Increase	160.8
Access Rate (5260 per 1000 population)	5.26
Anticipated Annual contacts	846
Assume 100% patient use of C/E room: Patient accessing a C/E room:	846
Assume surgery open 50 weeks per year - Patients Per Wk	17
Appointment duration (minutes)	15
Patient appointment time per week	4.23
Building Operational Hrs Per Week	52.5
Room Utilisation - Per Week	60%
Rooms Available - Per Week	31.5
Number of CE Rooms Required	0.13
Number of C/E Rooms Required	0.13
C/E Room size (m2)	16.00
Net space required	2.15
Ratio of clinical space to non-clinical space 30/70 - Increase factor	2.33
Total space requirement (m2)	7.16

Treatment Rooms	
Population Increase	160.8
Access Rate (5260 per 1000 population)	5.26
Anticipated annual contacts	846

Anticipated annual contacts Assume 20% patient use of room: Patients accessing a treatment room:	169
Surgery open 50 weeks per year	3.38
Appointment duration	20
Patient appointment time per week	1.13
Building Operational Hrs Per Week	52.5
Room Utilisation	60%
Rooms Available - Per Week	31.5
Number of CE Rooms Required	0.04
Number of C/E Rooms Required	0.04
C/E Room size (m2)	18.00
Net space required	0.64
Ratio of clinical space to non-clinical space 30/70 - Increase factor	2.33
Total space requirement (m2)	2.15

Total Cost	
Total floor area required (m2)	9.31
Cost per m2	4679
Total cost / Contribution required	£ 43,549

Contribution per property	£ 650
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The total sum (£43,549) would be targeted towards supporting the future adaptation/refurbishment/expansion of premises within the Moorlands and Rural PCN as appropriate and would be informed by strategic estates plans.

It is requested that further assessment and negotiation with the developer is undertaken with suitable testing of the assumptions made within the viability evidence.

However, should the planning authority be minded to support the development in the absence of contributions (i.e. support the viability case as submitted) it is requested that an overage

clause with the developer is devised via s106 that requires the submission of a Development Account at the completion of the scheme. Any recovered additional profit is to be capped to the sum hereby requested (subject to indexation linked to the Construction Tender Price Indices).

Yours sincerely

Philip Murphy
Planning and Development Lead
Staffordshire & Stoke-on-Trent ICB