HUDU Planning for Health

Planning Contributions for Health – Case Study Examples

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Contents

Introduction .................................................................................................................................................. 1
Section 106 Developer Contributions ..................................................................................................... 1
Community Infrastructure Levy (CIL) ...................................................................................................... 2
The Case Studies ....................................................................................................................................... 2
Summary List of Case Studies ................................................................................................................ 4
Case Study Descriptions ........................................................................................................................ 5
Introduction

There are a number of ways in which the planning system can be used to support improved health outcomes and help provide for new health infrastructure where needed. This paper illustrates how the mechanism of **S106 Planning Contributions** can be used to do this through a series of brief case studies.

HUDU has developed a range of tools and guidance to help assess and provide for the health impacts of new development and works with health organisations and local planning authorities to maximise the opportunities that an integrated approach to health and planning can bring.

In particular, the HUDU Planning Contributions model gives health organisations and local planning authorities a way of assessing the possible health infrastructure requirements and financial impacts arising from new residential development and related population changes.

Section 106 Developer Contributions

Section 106 (S106) of the Town and Country Planning Act 1990 (as amended) allows a local planning authority (LPA) to enter into a legally-binding agreement with a landowner in association with the grant of planning permission. These agreements are referred to variously as S106 or planning obligation agreements. Planning contributions (or obligations) can include financial contributions or in kind contributions – such as the provision of land or floor space within a building for a new health facility. However, they do need to satisfy certain tests to ensure they are necessary, directly related to the development and fair (Regulations 122 and 123 of the Community Infrastructure Levy Regulations 2010 as amended).

Local planning authorities set out their policy approach to S106 in their Local Plans (which, in London, need to be in general conformity with the London Plan) and in detailed supplementary planning guidance. The approach varies across London - some boroughs operate a S106 tariff, some prefer in kind contributions, whilst a couple of boroughs do not prioritise health contributions. Most boroughs promote the use the
HUDU model to negotiate contributions or have used the model to set a S106 tariff for health.

**Community Infrastructure Levy (CIL)**

S106 is being replaced by **Community Infrastructure Levy (CIL)** as the main means whereby community infrastructure needs arising from new development will be funded. As at 1 September, almost half of all London Boroughs had introduced or adopted CIL and it is expected that all Boroughs will have introduced CIL by April 2015. After this date, the use of S106 will be scaled-back to deal with site specific issues. Nevertheless, the NHS will still need to assess both the cumulative impact of development in an area and site specific impacts and requirements in order to secure CIL funds and to secure facilities as part of development proposals.

**The Case Studies**

The 17 case studies outlined in the report illustrate the different ways in which the planning system and S106 financial and in kind contributions have been used to support the provision of new health infrastructure.

The examples range from the provision of land and buildings to provide large new health facilities to the use of financial contributions for small-scale improvements to GP surgeries. They include the following:

- The transfer of land to provide new primary care facilities
- The construction and fit-out of in kind primary care facilities
- Securing S106 contributions to fund secondary care services
- The use of pooled S106 financial contributions to fit out new health facilities
- The use of ‘fall back’ S106 financial contributions to fund alternative new facilities or expand existing premises in the area
- The use of S106 contributions to fund small-scale improvements to GP premises

**The use of S106 contributions**

The provision of new health facilities has enabled existing GP practices to relocate into modern purpose-built premises and accommodate an additional demand for services. Larger health facilities have enabled GP practices to co-locate and have widened the range of services provided, for example extended hours of opening, the provision of community healthcare services and the integration of health and social services.

Financial contributions have allowed existing GP practices to modernise their premises and provide capacity for expansion of services to meet population growth.

S106 contributions have been mainly used to deliver new and improved primary care facilities. However, S106 contributions have also been secured for secondary care
services. Increasingly, Health and Wellbeing Boards and borough public health teams are looking to widen the use of S106 contributions to cover public health projects. In Hillingdon, the concept of a ‘health zone’ has been explored to equip space in a health centre to provide health check assessments and health advice. In Waltham Forest, it has been agreed that part of a S106 health contribution could be spent on public health projects as identified by the Council’s Health and Wellbeing Board. Consequently, the s106 agreement was varied to refer to expenditure on ‘services or buildings which contribute towards the enhancement of health in the Borough’. The contribution will be spent on improving a school community hall to promote healthy cooking, eating and exercise classes and providing other specific health services when necessary.

The Map below shows the approximate location of each of the 17 case studies; and Table 1, which follows, contains a summary listing of the schemes.

The report concludes with a brief description of each case study example.

Figure1 Location of the case studies listed in Table 1
### Summary List of Case Studies

**TABLE 1**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Borough</th>
<th>Use of S106 Obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Akerman Health Centre, Patmos Road, SW9</td>
<td>Lambeth</td>
<td>Land swap to provide new health centre</td>
</tr>
<tr>
<td>Grand Union Village, Northolt</td>
<td>Ealing</td>
<td>Transfer of land for new primary care centre</td>
</tr>
<tr>
<td>Greenwich Square, East Greenwich</td>
<td>Greenwich</td>
<td>Re-provision of primary care centre on former hospital site</td>
</tr>
<tr>
<td>Goodman's Fields, Aldgate</td>
<td>Tower Hamlets</td>
<td>Provision of a primary care facility in mixed development with contribution towards fit out and peppercorn rent for three years.</td>
</tr>
<tr>
<td>Haringey Heartlands</td>
<td>Haringey</td>
<td>Provision of a primary care facility and a contribution towards improve service capacity in the area.</td>
</tr>
<tr>
<td>Hackbridge</td>
<td>Sutton</td>
<td>Provision of a primary care facility with pooled S106 contributions for construction and fit out.</td>
</tr>
<tr>
<td>Southall Opportunity Area</td>
<td>Ealing</td>
<td>Construction and fit-out of a new health facility.</td>
</tr>
<tr>
<td>New GP premises in Mitcham</td>
<td>Merton</td>
<td>Provision of new GP premises to enable practices to relocate into modern purpose-built premises.</td>
</tr>
<tr>
<td>West Middlesex University Hospital, Isleworth</td>
<td>Hounslow</td>
<td>Release of surplus hospital land for housing and use of S106 to fund urgent care on the new hospital site.</td>
</tr>
<tr>
<td>Mill Hill East, Area for Intensification</td>
<td>Barnet</td>
<td>Contribution to acute and intermediate healthcare at nearby community hospital.</td>
</tr>
<tr>
<td>Blithehale Health Centre, Bethnal Green</td>
<td>Tower Hamlets</td>
<td>Pooling S106 contributions towards cost of new health centres.</td>
</tr>
<tr>
<td>St Andrew’s Health Centre, Bromley by Bow</td>
<td>Tower Hamlets</td>
<td>Pooling S106 contributions towards cost of new health centres.</td>
</tr>
<tr>
<td>Bermondsey Spa</td>
<td>Southwark</td>
<td>Pooling S106 contributions to equip new health centre.</td>
</tr>
<tr>
<td>Hesa Primary Care Centre, Hayes</td>
<td>Hillingdon</td>
<td>Pooling S106 contributions to contribute to expansion of primary care centre.</td>
</tr>
<tr>
<td>Highams Park</td>
<td>Waltham Forest</td>
<td>Use of ‘fall back’ S106 contribution to improve neighbouring health centre.</td>
</tr>
<tr>
<td>Drayton Garden Village / Yiewsley Health Centre</td>
<td>Hillingdon</td>
<td>Use of ‘fall back’ S106 contribution to fund alternative premises.</td>
</tr>
<tr>
<td>Improving GP premises in Hillingdon</td>
<td>Hillingdon</td>
<td>Use of S106 contributions for small scale improvements to GP premises.</td>
</tr>
</tbody>
</table>
Case Study Descriptions

**Akerman Road Health Centre, Lambeth**

*Land swap to provide new health centre*

The regeneration of Myatts Field in north Brixton includes the construction of new and refurbished homes, retail units and new green spaces. The 25-year housing Private Finance Initiative project includes the construction of 808 new build homes and the modernisation and refurbishment of 172 existing homes. A key element of the regeneration project was the development of the Akerman Road Health Centre which opened in 2012.

The centre has been built by the local LIFT company, Building Better Health and has replaced the existing Myatts Field health centre following an exchange of land with the London Borough of Lambeth. The land swap allowed a new larger health centre of 5,200 sq.m. to be built, meeting the anticipated population growth in the area, consolidating three GP practices in the area and providing a range of community based health services. An adult social care team is also based in the centre.

**Grand Union Village, Northolt**

*Transfer of land for primary care centre*

The Grand Union Village Masterplan was granted permission in 2002 and included a primary health centre as part of mixed use development of 705 homes. The S106 agreement required the landowner to offer to Ealing PCT the sale of land to prior to the occupation of 50 dwellings for the provision of the health centre. The 2,500 sq.m. health centre was delivered and is managed by West London Health Partnership.
(Building Better Health) LIFT company. The health centre opened in January 2011 and accommodates three local GP practices which relocated and expanded and community health services.

**Greenwich Square, East Greenwich**  
**Re-provision of a primary care centre on former hospital site**

The Greenwich Square (formerly the Heart of East Greenwich) development will provide 645 homes on the site of the former Greenwich District Hospital site as part of the Homes and Communities Agency’s Public Land Initiative. The development also provides a new civic centre - the Greenwich Centre, which includes a leisure centre, library, Council service centre and health centre, all set around a new public square. 50% of the new homes will be affordable and the development aims to be London’s first major carbon neutral development.
The new primary care centre is located above the new library and will replace the Vanbrugh Health centre currently operating at the southern end of the site. Pooled s106 financial contributions from other developments totalling £400,000 have been used towards the capital costs of providing the new health centre. The new facility will open in spring 2015 and the whole development should be completed by 2018.

**Goodman’s Field, Aldgate, Tower Hamlets**

Provision of a primary care facility with contribution towards fit out and peppercorn rent for three years.

Goodman’s Field is identified by the Council and the NHS Tower Hamlets as a strategically important site providing an opportunity to deliver a new primary care facility to meet the existing needs of the local population and future population growth in the Aldgate / City Fringe area.

Planning permission was granted for a mixed use scheme and the accompanying legal agreement provides a ‘shell and core’ health centre of up to 1,630 sq.m, with a ‘peppercorn’ rent for the first three years. In addition a developer contribution of £211,900 has been secured to assist with the costs of fitting out the centre. Overall, the build costs and developer contributions to establish the health centre totals £4.5m. The development is under construction.

**Haringey Heartlands, Wood Green, Haringey**

Provision of a primary care facility and a contribution to improve service capacity in the area

Up to 1,080 new homes are to be built at Haringey Heartlands close to Wood Green town centre, to be known as Clarendon Square. Haringey Heartlands/Wood Green is designated as an Area for Intensification identified in the London Plan. In response to
the planning application, NHS Haringey and HUDU submitted a rapid health impact assessment which identified the need to increase the capacity of primary healthcare provision in the area to cater for the demand generated by the development and the needs of the wider Wood Green area.

The S106 legal agreement secures a healthcare facility of up to 1,000 sq.m which would address the cumulative demand from development in the area and allow for the relocation of GP practices. The agreement also provides a financial contribution of £500,000 which can be spent on the new facility or to improve service capacity in the surrounding area. The removal of gasholders from the site and associated works will start on site in 2014 and development should commence in 2016.

Clarendon Square, Haringey Heartlands, Haringey

**Hackbridge, Sutton**

**Provision of a primary care facility with pooled S106 contributions for construction and fit out**

The provision of a new health centre in Hackbridge is supported in the borough’s Local Development Framework where over 1,100 dwellings are planned. Development of the Felnex Trading Estate and adjoining Kelvin House site will create an enlarged district centre with a community ‘hub’ and a new health centre.

Planning permission on the Felnex Trading Estate site includes a 565 sq.m health facility. The costs of construction and fit out come from a variety of sources. The developer will partly fund the costs (40%) with a contribution from the PCT (recycling existing GP cost reimbursements), capitalised rent linked to a reduced rent and the pooling of s106 contributions from neighbouring Hackbridge developments. The adjoining Kelvin House development will contribute £59,660 based on a capital cost calculation from the HUDU model. Phase 1 of the development is expected to commence in 2014.
Southall Opportunity Area, Ealing
Construction and fit-out of a new health facility

Southall Gas Works is a key development site located in the Southall Opportunity Area where 6,000 new homes and 3,000 jobs are planned. It is also the location of a proposed Housing Zone.

A major planning application, which was determined by the Mayor of London in 2010, proposed 3,750 new homes and a mix of commercial and community uses over a 15 year period. The planning application was accompanied by a health impact assessment. The development site is close to Southall’s new Crossrail station which is due to open in 2018.
The scheme includes the construction and fit-out of a 2,550 sq.m health facility in a building shared with a proposed new primary school. It is intended that the health centre could act as a hub for primary care services, serving the wider Southall area, with good access to the town centre and to Hayes in the London Borough of Hillingdon to the west. The legal agreement includes a ‘fall back’ contribution equal to the cost of providing the facility for alternative provision. Work is expected to start on the site by 2015, with the first new homes due to be completed in 2019.

**New GP premises in Mitcham, Merton**

**Provision of new GP premises to enable practices to relocate into modern purpose-built premises.**

The development of the former Roan Industrial Estate in Mitcham has provided 55 new homes and a 305 sq.m GP surgery. The S106 legal agreement provides ‘shell and core’ space at a peppercorn rent. It is intended that a local GP practice will relocate to the development. A third party investor will fit out the premises and take on the lease.

Another development in Mitcham, at 75-79 Miles Road included a fitted-out 730 sq.m health centre on the ground floor. A change of use from offices to D1 health use on the upper floors allowed the Cricket Green Medical Practice to relocate into the development in 2009.

![Cricket Green Medical Practice, Mitcham](image)

**West Middlesex University Hospital, Isleworth, Hounslow**

**Release of surplus hospital land for housing and use of s106 to fund urgent care on new hospital site**

As part of the redevelopment and refurbishment of West Middlesex Hospital a new £50 million main building opened in May 2003, funded by a Private Finance Initiative.
Approximately half of the original site was sold to create a compact, modern hospital. On part of the site, permission was granted in 2010 for 280 new homes, including 62% affordable homes.

A legal agreement secured the sum of £283,500 for the investment in healthcare services, calculated using the HUDU model. Following completion and occupation of the housing development, the S106 contribution was received and invested in urgent care on the West Middlesex hospital campus. The Hounslow Urgent Care Centre opened in March 2012 and is run by Hounslow and Richmond Community Healthcare NHS Trust. The centre is open 24 hours a day, 365 days of the year and treats a range of minor illnesses and minor injuries that require urgent and immediate attention.

![Image of Hounslow Urgent Care Centre at West Middlesex University Hospital](image)

**Mill Hill East Area for Intensification, Barnet**  
Financial contribution towards acute and intermediate healthcare services

Mill Hill East has been designated by the Mayor of London in the London Plan as an 'Area for Intensification' and Barnet Council has adopted an Area Action Plan for the area focused around the Inglis Barracks, a former operational base for the Ministry of Defence. Planning permission was granted for 2,174 dwellings, a primary school and retail and employment uses. The development, known as Millbrook Park, started in December 2011 with the first occupied in early 2014.

The development includes a new GP surgery of 530 sq.m. In addition, the s106 legal agreement provides for an ‘acute and intermediate healthcare contribution’ of £700,000, calculated from the HUDU model. Once received, it is intended that the financial contribution will contribute to the provision of intermediate care and outpatients services at the new Finchley Memorial Hospital which opened in October 2012.
Location of Inglis Barracks, Mill Hill East and Finchley Memorial Hospital – a distance of approx. 1.5 miles.

**Blitheha Health Centre, Bethnal Green/St Andrew’s Health Centre, Bromley by Bow**

Pooling S106 developer contributions to deliver new health facilities

Tower Hamlets has experienced considerable housing growth and the borough and NHS Tower Hamlets have been very successful applying the HUDU model to secure S106 developer contributions for health. A Health and Wellbeing Strategy seeks to create a network of new facilities to provide better access to primary and community healthcare services for existing residents and to meet the needs of a rapidly growing population.

To help implement the Health and Wellbeing Strategy, £19.9m of S106 developer contributions have been received and £12m has been spent. These contributions have been pooled to help deliver new health facilities.

Blitheha Health Centre
Blithehale Health Centre
The new Blithehale Health Centre was secured through a change of use from offices and opened in September 2011. The project costs were partly funded by £1.6 million of pooled S106 health contributions. The new centre (of 1,020 sq.m) has enabled an existing GP practice to relocate from premises which were no longer fit for purpose and additional community health services to be provided to meet the needs of an expanding local population.

St Andrews Health Centre
A new Health and Wellbeing Centre has been built on the site of the former St Andrews Hospital in Bromley-by-Bow as part of a mixed use scheme including 960 residential units. The 2,000 sq.m. centre has being built as a ‘core and shell’ facility (worth an estimated £4.65m in build costs) and £5.2 million of pooled S106 contributions has been used to fund the fit-out of the new centre. It has replaced an outdated existing GP surgery and walk-in centre. The Centre opened in June 2012.

St Andrews Health Centre, Bromley-by-Bow

Bermondsey Spa, Southwark
Pooling S106 contributions to equip new health centre

In October 2000, Southwark Council adopted a masterplan for the Bermondsey Spa regeneration area to provide 2,000 new homes, community facilities, offices, shops, open space and play facilities across 15 development sites. NHS Southwark identified the need for improving primary healthcare in the area. Phase 2 of the masterplan (Site E) included a new 1,400 sq.m medical centre on the lower floors of building developed by Hyde Housing Association.
The centre opened in December 2011 and incorporates facilities for GPs and child health facilities on the ground floor, with a mix of office accommodation and further clinic rooms on the first floor. Developer contributions from two developments in the area totaling £120,000 calculated from the Council’s s106 tariff based on the HUDU model have contributed to the purchase of furniture and equipment for the new medical centre. The centre opened in December 2011. The release of s106 funds was achieved through an agreed protocol between Southwark Council and NHS Southwark.

**Hesa Primary Care Centre, Hayes**

**Use of pooled s106 contributions to contribute to expansion of primary care centre**

Work is underway to extend the Hesa Primary Care Centre in Hayes. Permission was granted in 2009 to change the use of the adjoining post office to Class D1 use to allow the health centre to extend into the post office space.
The scheme will allow the GP practices to expand creating additional consulting rooms and storage space, with a larger reception and waiting space. A range of community services will also be accommodated.

Three S106 contributions, totalling £265,000 have been pooled and allocated towards the project, which is being delivered by Brent, Harrow and Hillingdon LIFT Company. The works are expected to be completed in early 2015.

**Highams Park, Waltham Forest**

**Use of ‘fall back’ s106 financial contribution to improve neighbouring health centre**

A mixed use development comprising a new Tesco store and residential units initially proposed a primary care health facility. However, no agreement was reached between the PCT and Tesco to take up the facility and a ‘fall-back’ payment of over £1m was received by the local authority (calculated using the HUDU model).

It is anticipated that part of the contribution (£470,000) will be spent on improvements to the neighbouring Handsworth Avenue Health Centre to increase capacity and provide greater patient access in the area. It has been agreed that the rest of the S106 contribution could be spent on wider health projects as identified by the Council’s Health and Wellbeing Board.

![Location of Highams Green development and Handsworth Medical Practice, Waltham Forest](image)

**West Drayton / Yiewsley Health Centre, Hillingdon**

**Use of ‘fall back’ contribution to fund alternative premises**

The development of the former National Air Traffic Services (NATS) Headquarters at Porters Way, West Drayton (known as Drayton Garden Village) is underway providing 773 dwellings and a care home. As part of the proposals, a primary healthcare facility of 1,085 sq.m. was secured, but is no longer required. Instead, the S106 ‘fallback’
contribution of £337,570 (derived from the HUDU model) will be used to contribute to alternative provision in the West Drayton area, towards the fitting-out of the new Yiewsley Health Centre, built on the site of the former Yiewsley Swimming Pool.

Yiewsley Health Centre

Hillingdon Council will construct the health centre (at a cost of £7m) and lease it to the NHS. The centre will accommodate three existing GP practices in Yiewsley allowing them to increase and enhance their services in one location. The building should be completed by November 2015.

**Improving GP premises, Hillingdon**

**Use of S106 contributions for small scale improvements to GP premises**

In Hillingdon, relatively small S106 contributions have been used to increase the capacity of GP surgeries, involving the extension and internal alteration of premises. A process was agreed to allow GP practices to bid for s106 funding for premises improvements. An invitation to submit applications for eligible premises improvements was coordinated by the Local Medical Committee. The bids were assessed and four projects, totalling £400,000, have been allocated S106 funds.

- the provision of an additional GP consulting room at King Edward Medical Centre, Ruislip (£20,000).
- the extension of Wallasey Medical Centre, Ickenham to provide two additional GP consulting rooms and a clinical training room (£193,300).
- the extension of Southcote Clinic, Ruislip to provide an additional treatment room and a new office/training room. The existing office has been converted into an additional consulting room (£184,600).
- the conversion of a meeting room into a GP consulting room at Pine Medical Centre, Hayes (£1,800).