
Healthcare Impact Assessment

Woodcroft Farm

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Quality management			
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1 Introduction

- 1.1.1 Derwent Developments Ltd ('the Applicant') are in the process of seeking outline planning permission from East Hampshire District Council for the development of 164 dwellings, with associated vehicular access, infrastructure and landscaping at Land North of Woodcroft Farm, James Copse Road, Lovedean, Waterlooville ('the proposed development').
- 1.1.2 Following submission of the planning application for the proposed development, NHS Hampshire and Isle of Wight Integrated Care Board (ICB) requested a healthcare-related Section 106 (S106) contribution for £116,591.
- 1.1.3 The Savills Health and Social Impact Assessment team were asked to review the request to inform and facilitate agreement on a healthcare contribution that meets the regulatory planning test, namely:
- 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.
- 1.1.4 These tests are set out as statutory tests in Reg 122 (as amended by the 2011 and 2019 Regulations) and as policy tests in the National Planning Policy Framework (NPPF).
- 1.1.5 The remainder of this report is structured as follows:
- Section 2 outlines the existing local healthcare capacity using publicly available data on patient to GP ratio, compared against the target list size of 2,000 patients per GP defined in NHS England's "Premises Principles of Best Practice Part 1 Procurement & Development".
 - Section 3 provides context to how healthcare is funded and allocated, introduces the concept of net additionality, and summarises the ICB request for the proposed development.
 - Section 4 presents the results of an independent assessment to establish what the potential impact on healthcare demand would be, considering what population would be net additional, and proposing a directly attributable and proportionate S106 contribution related to this.

2 Existing healthcare capacity

- 2.1.1 The site is located within NHS Hampshire and Isle Of Wight ICB - D9Y0V Hampshire, Southampton and Isle of Wight. Within this Sub-ICB there is a total 56.9 FTE GPs (per 100,000 population), covering a population of 1,728,944. This equates to an average list size of 1,757 patients per GP, which is compliant with the target list size of 2,000 patients per GP defined in NHS England's "Premises Principles of Best Practice Part 1 Procurement & Development".
- 2.1.2 As outlined in the healthcare contribution request, there are three GP facilities within catchment of the proposed development. Table 2.1 shows the number of FTE GPs and patients at each facility, and the resultant calculated patient per GP ratio.
- 2.1.3 Based on the target list size of 2,000 patients per GP, it can be concluded that all three GP facilities have capacity to take on additional patients. In total, there is capacity for an additional 3,402 patients.

Table 2.1: GP facilities within catchment of the proposed development

Name	FTE GPs	Number of patients	Patients per GP	Additional capacity
Oaks Healthcare	8.7	16,657	1,922	676
Vine Medical Group ¹	13.9	25,970	1,867	1,843
The Village Surgery	2.7	4,584	1,677	883
Total				3,402

Source: (NHS Digital, 2024)

¹ Publicly available data only available at the group level rather than just Waterloo Health Centre branch

3 Healthcare planning contribution fundamentals

3.1 Healthcare funding context

- 3.1.1 In simple terms, healthcare is funded through tax, which is then allocated reactively to local healthcare providers (i.e. NHS Hampshire and Isle of Wight ICB) based on the number of people registered with GP facilities, including some allowance for natural population growth, but not considering local housing projections and existing planning permissions. This revenue is then used to commission healthcare services.
- 3.1.2 It is understood that in the case of patient movement, funding does not follow the patient in any given year. However, the reality is that even without new housing developments, populations are dynamic. Therefore, despite everyone paying into the NHS budget through taxation, there is a delay in allocation, which invariably means healthcare providers are typically underfunded for the populations they serve (until the budget allocation catches up).
- 3.1.3 Whilst individuals moving to the proposed development from outside of the ICB area can be considered net additional, it does not negate the fact that these individuals still pay into the NHS budget, and whilst this redistribution of population might result in a net increase in one area, it also results in a net reduction in other areas (with associated savings), reinforcing that this is arguably an NHS allocation of funding issue as opposed to a planning matter.

3.2 Basis of request

- 3.2.1 The Applicant recognises and is highly sympathetic to the demands on NHS resources and considers that adequate healthcare provision is an important factor in delivering sustainable communities. However, any planning contribution must satisfy requirements of the CIL regulations 2010 (as amended), i.e. is necessary in planning terms to make the development acceptable, directly related to the development, and fairly and reasonably related in scale and kind. Put simply, this means that without the planning contribution there would be an unacceptable impact directly attributable to what is proposed.
- 3.2.2 The basis of ICBs contribution request is driven by population growth. Specifically, the ICB states that there will be a total of 447 additional patients associated with 190 dwellings (assuming an average occupancy of 2.35 people per home). However, housing is not the cause of population growth – it is in response to it. If the proposed development is not delivered, this does not prevent or slow population growth, it will only result in higher household densities, or relocating elsewhere. The former tends to compound existing health burdens, and the latter tends to fragment social and family networks that fills a health and social support role, and reduces the need for more reactive social care or clinical intervention.
- 3.2.3 Overall, the request for a contribution to address primary healthcare service requirements of the incoming population fails to satisfy the Reg 122 test, in that the underlying premise to the unacceptable impact is not a planning matter, but an NHS budget allocation issue. This is a function only of the NHS budget allocation system that has existed since its founding, where planning has:
- no influence on how NHS funds are collected through taxation;

- no influence on the reactive NHS budget allocation model;
- no influence on how the NHS commissions its services; and
- no influence on how those services are delivered.

3.3 Net additionality

- 3.3.1 An estimate of the net additional population (i.e. those moving to the proposed development from outside of the NHS Hampshire and Isle of Wight ICB area) can be calculated using household migration statistics published as part of the recent 2021 Census (ONS, 2021), the results of which are provided in Table 3.1 and Table 3.2.
- 3.3.2 While the proposed development is located in East Hampshire Lower Tier Local Authority (LTLA) (Horndean North Middle Super Output Area (MSOA)), it can be considered an extension to the Waterlooville neighbourhood, which is located within Havant LTLA (Cowplain West MSOA). As such, data from both areas have been collected and analysed.
- 3.3.3 As shown in Table 3.1, 8% of movers into Horndean North/Cowplain West MSOAs are from elsewhere in Horndean North/Cowplain West MSOAs. Therefore, it is reasonable to assume that approximately 8% of future occupants would be from the same area and remain registered with their existing GP. This would have no impact on the ICB budget allocation as these occupants would not contribute to any temporary redistribution of patients.

Table 3.1: MSOA migration analysis results

Migration	Total
Moved into/within Horndean North or Cowplain West MSOAs	332
Moved from Horndean North/Cowplain West MSOAs to elsewhere within Horndean North/Cowplain West MSOAs	25
Percentage of people who moved from Horndean North/Cowplain West MSOAs to elsewhere within Horndean North/Cowplain West MSOAs	8%

- 3.3.4 Analysis of LTLA data in Table 3.2 shows that a further 38% of people who moved to East Hampshire or Havant are from elsewhere within East Hampshire or Havant (totalling 46% when including movers within Horndean North/Cowplain West MSOAs). A further 40% of people who moved to East Hampshire or Havant are from elsewhere in Hampshire County (which is wholly located within the NHS Hampshire and Isle of Wight ICB area).
- 3.3.5 While household migration will vary based on tenure, it is reasonable to assume that approximately 86% of future occupants are likely to have moved from within Hampshire County, are not considered to be net additional to the ICB area, and would not have a direct impact on the ICB budget allocation.

Table 3.2: LTLA migration analysis results

Migration	Total
Moved into/within East Hampshire/Havant LTLAs	6,912
Moved from East Hampshire/Havant LTLAs to elsewhere within East Hampshire/Havant LTLAs	3,146
Moved from Hampshire County to East Hampshire/Havant LTLAs	2,731

Migration	Total
Percentage of people who moved from East Hampshire/Havant LTLAs to elsewhere within East Hampshire/Havant LTLAs	46%
Percentage of people who moved from Hampshire County to East Hampshire/Havant LTLAs	40%

3.4 Requested contribution

- 3.4.1 The ICB financial contribution sought is to fund modifications to the three identified GP facilities as part of their long-term plan. However, these modifications have been identified prior to the application for the proposed development and therefore cannot be considered directly related to the proposed development.
- 3.4.2 The letter also states that the identified GP facilities are up to their capacity (operating at 154% of capacity), and will not be able to absorb the increased patients arising from the proposed development (paragraph 4 of the main letter; and paragraph 3 of Appendix 1), going on to state that *“the only way to mitigate the impact of the proposed development is to increase the capacity of the existing surgeries”*.
- 3.4.3 It is noted that new models of healthcare and associated space requirements have been applied to existing healthcare facility stock to establish the apparent deficit in capacity. Our independent analysis undertaken in Table 2.1 provides evidence contrary to this, showing that all GP facilities identified are operating with patient list sizes that do not exceed the recommended amount as defined by the NHS.
- 3.4.4 The request outlines the additional GP space required to support the proposed development based on the number of additional patients anticipated. The costs of such space requirements have not as yet been scrutinised. However, the fundamentals to the contribution request are incorrect, as follows:
- the ICB assumes that all of the estimated 385 occupants are new to the area, are not already considered in the NHS budget, and would result in additional healthcare demand in the ICB (which would not be the case, as detailed in Section 3.3); and
 - based on new models of healthcare, the ICB assumes that there is no spare healthcare capacity locally (which is not the case, as demonstrated in Table 2.1).

4 Healthcare funding offer

4.1 Introduction

- 4.1.1 The following healthcare funding offer utilises an independently calculated population estimation output, and factors in net additionality to reflect the population moving into the proposed development from elsewhere in Hampshire County (i.e. already accounted for within the local NHS budget allocation for Hampshire and Isle of Wight ICB).
- 4.1.2 It should be noted that the output takes into account the amendments to the number of units being provided on-site, as agreed with East Hampshire Council (now 164 as opposed to 190).

4.2 Net additional population

- 4.2.1 The proposed development for 164 dwellings would result in a gross redistribution of approximately 385 people, although the exact number will depend on housing size and tenure. Following a review of 2021 Census migration patterns, it is reasonable to assume that:
- A total of 29 people (8%) are likely to be moving from within Horndean North/Cowplain West MSOAs, are likely to remain registered with their existing GP, and would not contribute to any temporary redistribution of patients.
 - A total of 146 people (38%) are likely to be moving from elsewhere in East Hampshire/Havant (excluding Horndean North/Cowplain West MSOAs) and are therefore already considered within the existing ICB budget allocation and would have no direct impact on funding.
 - A total of 152 people (40%) are likely to be moving from elsewhere in Hampshire County, and are therefore already considered within the existing ICB budget allocation and would have no direct impact on funding.
 - A total of 58 people (15%) are likely to be moving from outside of Hampshire County, are considered to be net additional to the ICB area, and would have a direct impact on funding and capacity, until the NHS budget allocation catches up.

4.3 Calculation

- 4.3.1 On the basis that Table 2.1 shows capacity for 3,402 additional patients based on the target list size of 2,000 patients per GP defined in NHS England's "Premises Principles of Best Practice Part 1 Procurement & Development", and remaining sympathetic to the reactive nature of how ICBs are funded, the Applicant considers it proportionate to provide a financial contribution relating to the net additional population only (i.e. the 58 people likely to be moving to the proposed development from outside of the ICB area).
- 4.3.2 Using the same space and cost parameters outlined in the ICBs contribution request, the following is concluded appropriate:
- The expected m² per patient = 0.073 m²
 - Net additional population increase (from outside of the NHS Hampshire and Isle of Wight ICB area) x space requirement per patient = total space (m²)
 - 58 x 0.073 m² = 4.21 m²

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4.3.3 Total contribution proposed = **£15,069**

4.4 Conclusion

- 4.4.1 The contribution request assumes that all future occupants of the proposed development are new to the NHS Hampshire and Isle of Wight ICB area, with no existing healthcare coverage or allocation in the NHS budget.
- 4.4.2 Analysis of migration statistics clearly shows that while the proposed development would support a total of 385 people, the vast majority of these people will be moving from elsewhere in Hampshire County and are therefore already considered within the existing ICB budget allocation and would have no direct impact on funding. The resultant net additional population (i.e. already accounted for within the local NHS budget allocation for NHS Hampshire and Isle of Wight ICB) would be 58 people.
- 4.4.3 The contribution request further assumes no existing healthcare capacity, stating that the three GP facilities within catchment of the proposed development are operating at 154% of capacity through the application of new models of healthcare. Contrary to this, and based on the target list size of 2,000 patients per GP defined in NHS England's "Premises Principles of Best Practice Part 1 Procurement & Development", analysis of publicly available GP workforce and number of registered patients data shows that there is additional capacity for 3,402 additional patients.
- 4.4.4 Furthermore, it is clear that the modifications planned to be funded by the contribution sought are part of their long-term plan, which have been identified prior to the application for the proposed development and therefore are not directly related to the delivery of the proposed development.
- 4.4.5 Discussion with NHS Hampshire and Isle of Wight ICB is sought in relation to the contents of this analysis and if the ICB wishes to receive the offer of £15,069 based on the net additional population and taking into consideration the additional capacity at the identified GP facilities.

References

NHS Digital. (2024, July). *General Practice Workforce*. Retrieved from NHS England: <https://digital.nhs.uk/data-and-information/publications/statistical/general-and-personal-medical-services>

ONS. (2021). *Household migration by tenure- MIG011EW*. Retrieved from NOMIS: https://www.nomisweb.co.uk/sources/census_2021_mig