Topic Paper 6 - Health Care Provision

August 2004

This document is one of the supporting topic papers of West Berkshire Council's supplementary guidance series 'Delivering Investment from Growth – West Berkshire Council's approach to securing developer contributions towards local infrastructure, services and amenities'. It is intended as a guide for landowners, developers and residents and sets out how the Council will deal with planning applications where a contribution towards health care provision will be sought.

1.0 Introduction

- 1.1 The provision of adequate levels of health care is an essential part of any sustainable community; as such developers will be required to make contributions to help meet any new requirements. Within larger new developments land may be allocated for the provision of health care facilities. Alternatively financial contributions may be required to support the needs of new development either to provide new facilities in larger schemes or as a contribution towards improving existing facilities that are needed to meet the additional demand arising from development.
- 1.2 National planning guidance recommends focusing the provision of new public and community facilities in larger settlements where providers can build upon existing provision and there is greater accessibility to the population. Although a local planning authority does not have direct control over the provision of health services delivered in the District, the Council has a responsibility to set out the policy framework to enable those who provide services to make investment decisions.

2.0 Primary Care Trusts

- 2.1 Primary Care Trusts (PCTs) are responsible for the planning and securing of health services and improving the health of the local population. They must make sure there are enough GPs to provide for the population and that they are accessible to patients. Primary care general practitioners (GPs) are not employed by the PCT - they run as independent contractors supported by their PCT.
- 2.2 The Newbury and Community and Reading Primary Care Trusts are the responsible authorities with regards to judging the adequacy or otherwise of community health facilities within West Berkshire.
- 2.3 Newbury & Community Primary Care Trust (PCT) covers the western half of Berkshire, providing care for approximately 106,500 residents. The practices in the east of the District are the responsibility of Reading Primary Care Trust.

3.0 General Practitioners

- 3.1 Everybody who lives permanently in England and Wales is entitled to the services of a general practitioner (GP). Although patients can approach any practice to ask to be registered there, doctors do not have an obligation to automatically accept patients.
- 3.2 GPs are self-employed doctors who have a contract with their local health authority for the provision of general medical services. GPs operate in single-handed practices or in group partnerships, operating from the same premises. Although in theory a single GP can have up to a maximum of 3,500 patients, list sizes are usually far smaller. The 35,000 GPs in the UK have an average list size of less than 2,000.
- 3.3 Information on the number of patients per GP in West Berkshire has been provided by the Thames Valley Primary Care Agency. Based on this information, it is possible to ascertain those GP practices in West Berkshire that are "under pressure" at the current time and which may need to be extended to accommodate further development in the area. The potential for developer contributions for such facilities is identified for those settlements served by an "under pressure" facility.

Practice Name	Average List Size Per Whole Time Equivalent GP
The Bucklebury Practice	1,713
The Burdwood Surgery	2,281
The Downland Practice	1,673
The Eastfield House Surgery	1,981
The Hungerford Surgery	1,661
The Kintbury Medical Practice	2,131
The Lambourn Practice	2,225
The Northcroft Practice	2,025
The St. Mary's Road Practice	2,160
The Falkland Surgery Practice	1,958
The Thatcham Group Practice	2,062
The Burghfield Health Centre	2,096

The Mortimer Surgery	1,840
The Pangbourne Medical Practice	1,838
The Theale Practice	1,957
Average List Size per GP (West Berkshire)	1,958

- 3.4 The average list size for a whole time equivalent GP in West Berkshire is approximately 1,950 patients. A contribution is likely to be required from new developments where the list size of the local GP practice is greater than 1,950.
- 3.5 The following table provides an indication of the number of additional GPs that new developments will generate based on an average occupancy rate of 2.54 new patients per dwelling.

Number of GPs required to serve new housing developments		
Number of New Dwellings	Number of New Patients	Additional GPs required
25	63.5	0.03
50	127	0.07
100	254	0.13
250	635	0.33
500	1270	0.65
770	1956	1.00
1000	2540	1.30

- 3.6 The level of contributions that will be expected will clearly depend upon the scale and type of the development proposed, and the amount, if any, of spare capacity in the local GP practice. Proposals larger that 770 dwellings, or more than 1950 new residents, may require a new facility to be provided as part of the development, to be either funded or constructed by the developer. On smaller residential development sites, and where the new development places demands on community facilities, the need for full provision will be replaced by the requirement for contributions. The Council will consult the appropriate organisations with regard to the need for provision as a direct consequence of development.
- 3.7 As demonstrated in the above table, the majority of developments by themselves will not warrant a new facility or even an extension to an existing facility. However, a number of small developments are likely to have a cumulative impact on the provision of existing medical services. Accordingly consideration will be given to negotiating appropriate contributions to primary health care facilities from all developments where it is likely to generate the need for such services. Contributions will be placed in a fund controlled by the Council or relevant Primary Care Trust, to be used to supplement primary

health care practices within the locality of new developments. The level of contributions required will be based on the estimated number of patients generated by the development.

4.0 Calculation of Contributions

- 4.1 Resources are allocated to GPs working for the NHS, including reimbursement of expenses on practice accommodation, under the Rent and Rates Scheme rules which are laid down in the "Statement of Fees and Allowances" and administered by the relevant Primary Care Trust. The schedule of overall areas and costs provides maximum sizes against which to judge proposed areas for general medical services (GMS) accommodation. These sizes are established in accordance with the number of GPs expected to practice from the proposed premises.
- 4.2 Using information on Gross Internal Areas (GIA) and National Building Cost Allowances from the "Statement of Fees and Allowances" (April 2002), it is possible to attribute the cost of provision of the additional floorspace made necessary by new development. This can then be translated into cost per dwelling using information on average household size.
- 4.3 As there is not a direct relationship between the amount of floorspace required and the number of GPs in a particular practice (larger practices benefit from certain economies of scale), an average floorspace has been calculated. This is based on the Gross Internal Areas of practices ranging from between one and ten GPs. At present there are no GP practices in West Berkshire with more than 10 GPs. The additional floorspace required per additional GP works out at an average of 127 square metres, with the cost of provision equating to approximately £1,000 a square metre.
- 4.4 As primary care practitioners such as GPs are run as independent businesses, an appropriate mechanism is needed to ensure that any facilities paid for by developer contributions remain in community use in perpetuity. It would be inappropriate to seek funding for community facilities without such an agreement being in place.

Number of Dwellings x Average Household Size = Number Additional Patients

<u>Number of Additional Patients</u> = Number of Additional GPs required Average Patient:GP Ratio

Number of Additional GPs x Floorspace Per GP = Additional Floorspace Required

Additional Floorspace Required x Cost per square metre of provision = Contribution

OR

Revised Draft

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¹ Significant changes are expected to be made to the way GP surgeries are funded following the review of the General Medical Services Contract.

770 Additional Dwellings = 1 Additional GP 1 Additional GP = 127 square metres Additional Floorsapce

Cost of Additional Floorspace = £1,000 per square metre 1 Additional GP = £127,000

<u>Cost of Additional Floorspace per GP</u> = Cost per Dwelling Number Additional Dwellings per GP

 $\frac{£127,000}{770}$ = £165 per dwelling

4.5 Based on the above formula, the contribution towards health facilities equates to approximately £165 per additional dwelling. However, this methodology is intended only as a starting point for negotiations; each development must be considered in view of the prevailing local circumstances and its impact assessed in consultation with the relevant health agency.

5.0 Contacts

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Sources/ Documents referred to:

"Statement of Fees and Allowances" (April 2002) – Department of Health Thames Valley Primary Care Agency Newbury & Community Primary Care Trust Reading Primary Care Trust