Shropshire Council: Shropshire Local Plan

Representation Form

*Please complete a separate **Part B Representation Form** (this part) for each representation that you would like to make. One **Part A Representation Form** must be enclosed with your **Part B Representation Form(s).***

*We have also published a separate **Guidance Note** to explain the terms used and to assist in making effective representations.*

Part B: Representation

Name and Organisation:	Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT)

Q1. To which document does this representation relate?

☑ Regulation 19: Pre-Submission Draft of the Shropshire Local Plan

☐ Sustainability Appraisal of the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan

☐ Habitats Regulations Assessment of the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan

(Please tick one box)

Q2. To which part of the document does this representation relate?

Paragraph:		Policy:	DP25	Site:		Policies Map:	

Q3. Do you consider the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan is:

A. Legally compliant	Yes:	☐	No:	☐
B. Sound	Yes:	☐	No:	☑
C. Compliant with the Duty to Co-operate	Yes:	☐	No:	☐

(Please tick as appropriate).

Q4. Please give details of why you consider the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan is not legally compliant or is unsound or fails to comply with the duty to co-operate. Please be as precise as possible.

If you wish to support the legal compliance or soundness of the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan or its compliance with the duty to co-operate, please also use this box to set out your comments.

Please refer to letter of representation dated 25th February 2021

(Please continue on a separate sheet if necessary)

Q5. Please set out the modification(s) you consider necessary to make the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan legally compliant and sound, in respect of any legal compliance or soundness matters you have identified at Q4 above.

Please note that non-compliance with the duty to co-operate is incapable of modification at examination. You will need to say why each modification will make the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan legally compliant or sound. It will be helpful if you are able to put forward your suggested revised wording of any policy or text. Please be as precise as possible.

Our Clients formally requests an amendment to Policy DP25 and the explanatory text as detailed in the enclosed letter dated 25th February 2021. They also request that:

a) Delivery and viability evidence include consideration of the need for developer contributions towards the NHS Trusts' critical infrastructure requirements arising from the growth in population proposed in the Draft Pre-Submission Shropshire Local Plan.

b) The Place Plans, Infrastructure Plan, CIL, and all supporting infrastructure documents rerferred to by Local Plan polices, include reference to the need for the NHS Trusts' infrastructure requirements with regular on-going engagement between the council and the trusts.

Full details of these requests are set out in the accompanying letter.

(Please continue on a separate sheet if necessary)

Please note: *In your representation you should provide succinctly all the evidence and supporting information necessary to support your representation and your suggested modification(s). You should not assume that you will have a further opportunity to make submissions.*

After this stage, further submissions may only be made if invited by the Inspector, based on the matters and issues he or she identifies for examination.

Q6. If your representation is seeking a modification to the Regulation 19: Pre-Submission Draft of the Shropshire Local Plan, do you consider it necessary to participate in examination hearing session(s)?

Please note that while this will provide an initial indication of your wish to participate in hearing session(s), you may be asked at a later point to confirm your request to participate.

☐ No, I do not wish to participate in hearing session(s)

☑ Yes, I wish to participate in hearing session(s)

(Please tick one box)

Q7. If you wish to participate in the hearing session(s), please outline why you consider this to be necessary:

To provide an opportunity to respond to any Matters, Issues and Questions raised by the Inspector and set out any further infrastructyure ned evidence as necessary.

(Please continue on a separate sheet if necessary)

Please note: *The Inspector will determine the most appropriate procedure to adopt to hear those who have indicated that they wish to participate in hearing session(s). You may be asked to confirm your wish to participate when the Inspector has identified the matters and issues for examination.*

Office Use Only	Part A Reference:
	Part B Reference:

Signatu		Date:	23/02/2021

Office Use Only	Part A Reference:
	Part B Reference:

tyler parkes

Planning and Architecture | advice | applications | drawings

Shropshire Council
Planning Policy and Strategy Team
Shire Hall
Abbey Foregate
Shrewsbury
Shropshire
SY2 6ND

Our Reference: 21011 LPA HW

Emailed only: Planningpolicy@Shropshire.gov.uk

23rd February 2021

Dear Sir/Madam

Shropshire Pre-Submission Draft Local Plan: Regulation 19 Consultation

Submission made on behalf of Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT)

Seeking Financial Contributions towards essential Healthcare Infrastructure

We are the Planning Consultants for the Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT) and are instructed to make representations on local development documents as appropriate.

The MPFT and SCHT (also referred to as the 'NHS Trusts' within this letter) are grateful for the opportunity to comment on the Shropshire Draft Pre-Submission Draft Local Plan (SLP). This letter seeks recognition in supporting documents for, and policy reference within the SLP to, the NHS Trusts' requirement for developer funding contributions towards critical and statutory healthcare infrastructure capable of responding to projected levels of growth.

Notwithstanding the Council's acceptance in principle of the relevance of contributions towards healthcare provision associated with the level of growth planned in the area, as a result of the policies in the Draft Pre-Submission Plan, as set out in Policy DP25 Infrastructure Provision, the MPFT and SCHT are concerned that supporting documents referred to in paragraph 3 of the policy (the Shropshire Place Plans, and Local Infrastructure Plan) fail to identify the need for any specific MPFT and SCHT healthcare infrastructure. This is despite the fact that the supporting justification for Policy DP25, paragraph 4.226 states:

'To ensure the viability of development, Policy DP25 provides a clear prioritisation for

the use of CIL funds. In the first instance the statutory and critical needs of a development that are required to make a development acceptable should be met. This includes necessary education provision directly resulting from the development, as well as contributions to local and strategic highway improvements and ***the provision of additional health facilities****. Where the CIL derived from a scheme is not required to meet the needs of that development, the CIL will be used to fund wider priorities identified in the relevant Place Plan.'* (our emphasis)

There is also disappointment and concern, that there was no proactive engagement with the NHS Trusts by consultants, HDH Planning & Development Ltd, responsible for production of the 'Local Plan Delivery and Viability Study', July 2020. Without inclusion of all known critical healthcare infrastructure in the viability modelling, there is a risk that the SLP may not be deliverable. It is our understanding from the report that there is already very little headroom for proposed site allocations to be policy compliant and also viable.

The National planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) are clear in their requirement for the viability of development to be robustly tested at the plan-making stage to provide certainty over deliverability and to clearly set out funding expectations for developers. We contend that it is therefore vital for the significant additional critical NHS Trusts' healthcare infrastructure requirements to be specifically identified within the current the plan-making process.

In addition, and presumably as a consequence of, the omission of critical MPFT and SCHT healthcare infrastructure in the eighteen Shropshire Place Plans and the Local Infrastructure Plan, the various residential and mixed-use site allocation policies also fail to make reference to the NHS Trusts' needs. Our Clients contend that the omission of any reference to the NHS Trusts' critical infrastructure requirements in the documents referred to by Draft SLP Policy DP25, the Shropshire Place Plans and the Local Infrastructure Plan makes the plan unsound as it does not meet the requirements of national policy (as detailed in the body of this letter).

Our Clients accept that this oversight was probably unintentional and may have resulted from difficulties in identifying all the relevant NHS infrastructure delivery bodies operating within Shropshire's local authority area. However, it is worth noting that a representative from the Council has attended the One Public Health (OPH) NHS Trusts' estates meetings to coordinate bids for central funds for development. Whilst matters of future infrastructure needs and the possibility of seeking Community Infrastructure Levy (CIL) and Section 106 contributions were raised at these meetings, no requirements for healthcare infrastructure or funding shortfalls were requested or discussed in detail.

In summary, the MPFT and SCHT formally request that:

- **The 'Local Plan Delivery and Viability Study' be revised to include the estimated MPFT and SCHT unmet infrastructure costs proportional to the scale of growth proposed in the Draft SLP within the study's policy modelling scenarios. This will ensure that all essential strategic infrastructure requirements have been assessed within the study and it will demonstrate whether they can be viably delivered. It is unsound for polices to be based upon evidence which is not proportionate. The Draft SLP policies need to be justified, effective and positively prepared with up-to-date evidence.**

- **The Council's planning department engage with representatives from the MPFT and SCHT to update the Implementation Plan, the 18 Shropshire Place Plans, the Local Infrastructure List, and the Strategic Infrastructure Plan, to ensure that critical statutory healthcare infrastructure needs identified by the MPFT and SCHT are included. This will ensure that these essential infrastructure requirements are prioritised to receive developer funding through CIL and S106 agreements.**

- **The MPFT and SCHT are included within any list of bodies the Council intend to work in partnership with to ensure that essential infrastructure is delivered across the plan period. In order to ensure appropriate infrastructure is provided at the appropriate time throughout the County, the NHS Trusts believe that it is vital that there is timely, regular and effective engagement with them to ensure effective delivery of infrastructure projects required as a result of development growth with formal recognition that the MPFT and SCHT are critical healthcare infrastructure delivery agencies.**

- **Policy DP25 Infrastructure Provision and explanatory text be amended as follows (proposed new wording is shown in bold):**

  '1…. Where a new development would lead to a shortfall in infrastructure provision, the development will be required to fund necessary improvements through a suitable developer contribution, unless the identified shortfall is being addressed by other means. **The infrastructure requirements will be set out in the Local Infrastructure Plan, Shropshire Place Plans, Strategic Infrastructure Implementation Plan, Local Infrastructure List, Site Allocations Policies and masterplans.**

  Explanation
  *'…*4.226. *To ensure the viability of development, Policy DP25 provides a clear prioritisation for the use of CIL funds. In the first instance the statutory and critical needs of a development that are required to make a development acceptable*

should be met. This includes necessary education provision directly resulting from the development, as well as contributions to local and strategic highway improvements and the provision of additional health facilities **including critical healthcare infrastructure identified by the Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT)**…'

The case for seeking amendments to; the Draft SLP, the supporting documentation and the evidence is set out in more detail below.

Background to the MPFT and SCHT

1. The Midlands Partnership NHS Foundation Trust (MPFT) was formed on 1 June 2018 following a merger between South Staffordshire and Shropshire Healthcare NHS Foundation Trust and Staffordshire and Stoke on Trent Partnership NHS Trust. It provides mental health, learning disability, and some physical care services across Staffordshire, Stoke-on-Trent and Shropshire.

2. The Shropshire Community Health NHS Trust (SCHT) provides a range of community-based health services for adults and children in Shropshire, Telford and Wrekin, and some services to people in surrounding areas. Services range from district nursing and health visiting to physiotherapy and specialist community clinics.

3. A reorganisation is currently in progress which will result in a partnership between the Council and Social Care providers. This will mean that there will be shared responsibility between the Council's and the NHS Trusts to ensure sufficient infrastructure is available, accessible, and maintained with sufficient capacity to serve the whole community.

Involvement with the Council to date

4. A representative from the Council has attended One Public Health (OPH) MPFT and SCHT estates meetings to coordinate bids for central funds for development. However, whilst matters of future infrastructure needs and the possibility of seeking Community Infrastructure Levy (CIL) and Section 106 contributions were discussed, no detailed requirements for healthcare infrastructure or funding shortfalls were sought by the council and no details were set out.

National Planning Policy Framework, February 2019

5. The National Planning Policy Framework (NPPF), February 2019, paragraph 2 states that the NPPF must be taken into account in preparing the development plan and is a material consideration in planning decisions. Planning policies and decisions must also reflect relevant international obligations and statutory requirements.

6. Paragraph 7 explains that the purpose of the planning system is to contribute to the achievement of sustainable development. Paragraph 8 identifies three overarching objectives for the planning system: an economic, social and an environmental objective. These objectives include having accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being. Paragraph 9 states that these objectives should be delivered through the preparation and implementation of plans.

7. Paragraph 16 of the NPPF confirms that Plans should be prepared with the objective of achieving sustainable development and should be shaped by effective engagement between plan-makers and local organisations and statutory consultees.

8. Paragraph 20 requires that strategic policies should set out an overall strategy for the pattern, scale, and quality of development, and make sufficient provision for, amongst other considerations, c) community facilities (such as health, education and cultural infrastructure).

9. Paragraph 28 deals with non-strategic policies and states that these should set out more detailed policies for the provision of infrastructure at a local level, this can include allocating sites, the provision of infrastructure and community facilities at a local level, and setting out other development management policies.

10. In Chapter 3 'Plan Making', at paragraph 31, the NPPF provides that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, justifying the policies concerned.

11. As far as development contributions are concerned, paragraph 34 of the NPPF provides that plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure, such as that needed for health. Such policies should not undermine the deliverability of the plan.

12. Paragraph 35(b) of the NPPF states that Local Plans are examined to assess whether they are 'sound', which necessitates an evaluation to determine whether they have been positively prepared, justified, effective and consistent with national policy. In terms of whether a plan is justified, they should be based on proportionate evidence.

13. Paragraph 57 explains that where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. If an applicant wishes to try to justify the need for a viability assessment at the application stage, one consideration will be whether the plan and the viability evidence underpinning it is up to date. All viability assessments should

reflect the recommended approach in national planning guidance, including standardised inputs.

14. Chapter 8 'Promoting healthy and safe communities' identifies, at paragraph 91, that planning policies and decisions should aim to achieve healthy, inclusive and safe places, which enable and support healthy lifestyles, especially where this would address identified local health and well-being needs.

15. Paragraph 92 requires that planning policies and decisions should provide the services the community needs including local services to enhance the sustainability of communities and residential environments. At sub-paragraph b) it states that need to take into account and support the delivery of local strategies to improve health, social and cultural well-being for all sections of the community.

Planning Practice Guidance

16. In terms of viability and plan making, national 'Planning Practice Guidance' (PPG) paragraph 001 Reference ID: 10-001-20190509 requires that plans set out the contributions expected from development, including the need for health infrastructure. These policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of CIL and section 106. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land.

17. Paragraph: 002 Reference ID: 10-002-20190509 explains that the role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan. It states that it is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies informed by engagement with, amongst others, infrastructure providers. Landowners and site purchasers should consider infrastructure requirements set out in local plan policies when agreeing land transactions.

18. In terms of the Community Infrastructure Levy (CIL) Paragraph 011 Reference ID: 25-011-20190901 states that charging schedules should be consistent with and support the implementation of up-to-date relevant plans.

19. Paragraph: 012 Reference ID: 25-012-20190901 provides that the relevant plan is any strategic policy, including those set out in any spatial development strategy. Charging schedules are not formally part of the relevant plan but charging schedules

and relevant plans should inform and be generally consistent with each other.

20. In relation to the levy, Paragraph: 017 Reference ID: 25-017-20190901states inter alia, that charging authorities must identify the total cost of infrastructure they wish to fund wholly or partly through the levy. In addition, the paragraph states that information on the charging authority's area's infrastructure needs should be drawn from the infrastructure assessment that was undertaken when preparing the relevant plan (the local plan) and their CIL Charging Schedule. This is because the Plan identifies the scale and type of infrastructure needed to deliver the area's local development and growth needs (see paragraph 34 of the NPPF). In addition, the Community Infrastructure Levy examination should not re-open infrastructure planning issues that have already been considered in putting place a sound relevant plan.

21. Paragraph: 144 Reference ID: 25-144-20190901 states that the levy can be used to fund a wide range of infrastructure, including healthcare and social care facilities. The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure if that is necessary to support development.

22. Paragraph: 166 Reference ID: 25-166-20190901 confirms that developers may be asked to provide contributions for infrastructure in several ways. This may be by way of CIL or S.106 agreements. Authorities can choose to pool funding from different routes to fund the same infrastructure, provided that authorities set out in their infrastructure funding statements which infrastructure they expect to fund through the levy.

23. Paragraph: 167 Reference ID: 25-167-20190901 confirms that the levy is not intended to make individual planning applications acceptable in planning terms. As a result, some site-specific impact mitigation may still be necessary for a development to be granted planning permission. There is still a legitimate role for development specific planning obligations, even where the levy is charged, to enable a local planning authority to be confident that the specific consequences of a particular development can be mitigated.

24. Paragraph: 169 Reference ID: 25-169-20190901 provides that the levy delivers additional funding for charging authorities to carry out a wide range of infrastructure projects, that support growth and benefits the local community. Authorities can choose to use funding from different routes to fund the same infrastructure. Authorities should set out in infrastructure funding statements which infrastructure they expect to fund through the levy and through planning obligations (Regulation 121A). For example, a local authority may set out in their plan that they will use S.106 planning obligations to deliver a new school to serve additional pupils arising as a result of development on a strategic site.

25. Paragraph: 170 Reference ID: 25-170-20190901 confirms that amendments to the regulations removed the previous restrictions on pooling more than 5 planning obligations towards a single piece of infrastructure. This means that subject to meeting the 3 tests set out in CIL Regulation 122, charging authorities can use funds from both the levy and S.106 planning obligations to pay for the same piece of infrastructure regardless of how many planning obligations have already contributed towards an item of infrastructure.

Shropshire CIL Annual Infrastructure Funding Statement For the reported year 2019-20 (1st April 2019 - 31st March 2020) December 2020

26. The Annual Infrastructure Funding Statement For the reported year 2019-20 states on page 10 that, *'CIL income from new development can be spent on anything that constitutes "infrastructure" as defined by Regulation 216 of the 2008 Planning Act and the CIL Regulations (as amended). This includes but is not limited to roads and other transport facilities, flood defences, schools and other educational facilities, medical facilities, sporting and recreational facilities, and open spaces.'* (our emphasis)

27. It is therefore clear that the local authority accept that medical facilities are legitimate recipients of developer funding, as defined by the CIL regulations.

Planning for Patients: The Role of Section 106 Planning Contributions January 2020

28. The 'Planning for Patients: The Role of Section 106 Planning Contributions', January 2020 prepared by Reform Public Spending, authors Claudia Martinez and Lily Brown explain that as part of the recent reviews of NHS funding mechanisms, there has been increased attention on the role of planning obligations and how developer contributions might be used to help meet the capital needs of the healthcare estate when housing growth places additional pressures on services.

29. The report advises that between 2013 and 2019 thirty six percent of the Local Planning Authorities who responded to a Freedom of Information request had secured funds for healthcare infrastructure via S106 agreements amounting to over £87 million. This clearly demonstrates that there is an acceptance by local planning authorities that healthcare infrastructure is a legitimate recipient of developer funding.

30. The report recognises that planning officers are sometimes uncertain who to contact and liaise with within the NHS regarding healthcare infrastructure and the allocation of S106 funds. However, where meaningful relationships have been established, for example between Tower Hamlets local planning authority and a dedicated NHS estates team, monthly meetings over the last 5 years, have secured almost £16 million through S106 agreements.

Shropshire Strategic Infrastructure Implementation Plan December 2020

31. The 'Strategic Infrastructure Implementation Plan' (SIIP), December 2020, prepared in support of the Draft SLP, provides a table of 'Priority A' infrastructure projects, as identified within the 18 Place Plans for the county - all other more localised projects, reference needs to be made to the 18 individual Place Plans. It also includes a list of infrastructure requirements for the proposed site allocations in the Draft SLP.

32. Healthcare is a critical statutory infrastructure need and therefore it should be included as a 'Priority A' project and be identified in the site allocation policies. However, it is clear that there are 'gaps' in the healthcare infrastructure projects identified in the SIIP. Fifteen of the eighteen Place Plans do not mention the potential need for healthcare infrastructure. Of those that do, the requirements appear limited to hospital and GP services only, with uncertain over exact needs and a lack of information over funding sources and therefore deliverability. The healthcare references are summarised below:

    - Oswestry Place Plan Area - identifies a need for a replacement GP Surgery.

    - Shrewsbury Place Plan Area - recommends a review of healthcare facilities in all parish areas including: reconfiguration of hospital services at Shrewsbury and Telford hospitals; new primary care facilities in Shrewsbury Town; and a review of capacity of doctors surgeries as a result of new housing development in Shrewsbury. It identifies the need for a new enlarged doctor's surgery, dispensary and outpatient clinical services facilities (Baschurch)

    - Wem Place plan Area – a Joint Medical Facility where three GP surgeries are to join together (Whitchurch Town).

33. Of the proposed site allocations in the Local plan, only three mention any potential need for healthcare infrastructure, one of which, Baschurch, Shrewsbury (Site reference BNP024) requires potential financial contribution towards provision of a replacement medical centre (subject to CCG discussions), already mentioned in the Shrewsbury Place Plan Area document. The other two allocations where healthcare infrastructure is mentioned are: Bridgnorth (Site allocation number BRD030) where land for and a new medical centre may be needed if required by the CCG; and Former Ironbrige Power Station Strategic Settlement where land for and a new medical centre may be needed if required by the CCG.

34. There is no mention of any requirements for extensions, redevelopment or new MPFT or SCHT services required to serve the needs of the proposed increased population in the Draft SLP.

The Health Foundation Spending Review November 2020

35. The Health Foundation Spending Review November 2020, which looks at priorities for the NHS, social care and the nation's health highlights one sector of particular concern is mental health. Levels of reported anxiety remain persistently above pre-pandemic levels, driven by a range of factors from economic hardship to loneliness and isolation. Over the next 3 years, the report projects referrals to dedicated mental health services for adults and children could increase by an average of 11%. Funding for mental health services are already under strain.

Department of Health and Social Care Health Infrastructure Plan 2019

36. The Department of Health and Social Care Health Infrastructure Plan, 2019, forward by Matt Hancock, Secretary of State for Health and Social Care, states that, '…*NHS infrastructure is more than just large hospitals. Pivotal to the delivery of more personalised, preventative healthcare in the NHS Long Term Plan is more community and primary care away from hospitals. That requires investment in the right buildings and facilities across the board*…'

37. Paragraph 3 of the report emphasises that, '*Capital spend on NHS infrastructure is essential to the long-term sustainability of the NHS's ability to meet healthcare need, unlocking efficiencies and helping manage demand. It is also fundamental to high-quality patient care, from well-designed facilities that promote quicker recovery, to staff being better able to care for patients using the equipment and technology that they need…'*

The Need for Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT) Infrastructure Developer Contributions

The Scale of Population Growth proposed in the Draft SLP

38. Over the plan period from 2016 to 2038, the Draft SLP proposes around 30,800 new dwellings and around 300 hectares of employment land will be delivered. This equates to around 1,400 dwellings and around 14ha of employment land per annum.

39. The 2011 Census data estimates that the average household size was 2.3 people per dwelling. **On this basis, the increase in population proposed to 2038 would be approximately 70,840 i.e an increase of about 3,220 people per annum from 2016**.

40. Results from the 2011 census showed that there were 306,100 people living in Shropshire. The 2019 mid-year population estimates published by the Office for National Statistics (ONS), estimate that there were 323,136 people living in

Shropshire. This represents an estimated population growth of 5.56% since 2011 i.e. an increase of about 2,130 per annum.

41. Using the approximate increase per annum between 2011 to 2019 of 2,130, it is estimated that at 2016 (the start date for the Local Plan period), the population of Shropshire would have been approximately 316,750 (i.e. 2,130 x 5=10650 + 306,100). Taking this as the 2016 population base starting figure and adding 22 years at an average increase of 3,220 people (to the end date for the Local Plan), this would equate to about 387,590 people in Shropshire. **The estimated population increase between 2016 and 2038 is therefore approximately 22.36%.**

MPFT and SCHT Healthcare Infrastructure requirements arising from the proposed scale of population growth in Shropshire County

42. In order to maintain the current level of healthcare service provision, the MPFT and SCHT would need to build new, extend and/or replace healthcare facilities to provide greater capacity than currently required to serve the existing population numbers. They are therefore seeking a contribution of approximately 10% of the overall cost for the capital projects highlighted below to meet the needs of the healthcare provision associated with the level of growth planned in the area, as a result of the policies in the Draft Pre-Submission Plan.

43. Inevitably, there will to be staff, training, uniform, and equipment costs, associated with the projected growth in population needs and building programme. The implications of the proportional increase in revenue costs have not, as yet, been calculated in detail and is not therefore included in the estimates below, however, it is important that the local authority should be aware that these increased outgoings resulting from the impact of the proposed scale of population growth will need to be incorporated into the developer funding requirement calculation. The NHS Trusts will provide this additional information as soon as it is available.

44. The Midlands Partnership NHS Foundation Trust (MPFT) capital requirements with approximate costs estimates:

    - Replacement of 71, Salop Road – Oswestry (community mental health services) £1.5M +VAT
    - Replacement of 25, Corve Street – Ludlow (mental health clinic) £1.5M +VAT
    - Development at Redwoods Centre – Shrewsbury (residential care for adults with acute mental health problems, dementia, rehabilitation needs, and as a low secure forensic unit) £2.5M +VAT

45. The Shropshire Community Healthcare NHS Trust (SCHT) capital requirements:

- Development of Bishops Castle Community Hospital which has extensive lifecycle issues. £5M +VAT
- Ludlow Community Hospital – known to be past it's life span - replacement £17M +VAT
- Bridgnorth Community Hospital – development works - £3M +VAT
- Whitchurch Community Hospital – development works and upgrades £5M +VAT
- Dental surgeries – compliance and development £2M +VAT

46. The MPFT and SCHT would be seeking developer contributions to cover the additional 10% of costs generated as a direct result of the need to deliver critical additional healthcare infrastructure to serve the people projected to be accommodated in proposed new housing developments over the plan period. **Ten percent of the overall cost for works currently considered necessary over the 22 years of the plan period, as set out above, equates to approximately £3750,000 plus VAT**.

47. Taken as an average annual requirement to fill the funding gap generated by the projected population growth, this would equate to a requirement for approximately £170,454 plus VAT per annum over the plan period. **Given that the average annual housing requirement for the county is 1,400 dwellings, this would mean the NHS Trusts require a developer contribution of approximately £121.75 plus VAT to meet the additional costs resulting from infrastructure needs arising directly from the proposed population growth set out in the Draft SLP.**

48. Existing alternative funding steams do not take account of the proposed scale of growth in population projected in the Draft SLP and therefore, without the necessary contribution from developers either through the Community Infrastructure Levy (CIL) and/or S106 agreements, it would be impossible for the level of service required to be provided and maintained.

49. It is important to be aware that the healthcare requirements and priorities for the communities may change over time and costs may vary following fully detailed project work. Plus, as previously mentioned, there will also be a need to make provision for revenue costs arising from the increased demands on the service generated by the proposed increase in population numbers for the County. Costs may therefore increase, and should, in any event, be index linked.

Do the Healthcare Infrastructure Requirements arising from the proposed scale of growth Satisfy the Tests Set out in the CIL Regulations?

50. The case for MPFT and SCHT healthcare infrastructure contributions is wholly related to the scale and nature of the development as is envisaged in the emerging SLP. Any contribution request would satisfying the 3 tests set out in the CIL Regulations, which are also restated under Paragraph 56 of the National Planning Policy Framework (NPPF), and are:

    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.

51. Taking each of the three tests in turn:

<u>Is the contribution necessary to make the development acceptable in planning terms?</u>

52. The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development (paragraph 7), with paragraphs 20, 28, 34, 91 and 92 together confirming that amongst other things sustainable development means securing a healthy environment through the delivery of health infrastructure to meet the needs of communities.

53. Direct planning harm would result if necessary funding is not forthcoming. Communities would be more vulnerable with access to healthcare facilities and services inequalities as existing resources would be unable to efficiently serve a significantly greater number of people. Without investment, this will inevitably result in a lack of capacity to respond to immediate and preventative health needs, prejudicing the health and well-being of those communities directly affected i.e. in the areas of new residential development arising from SLP allocations and planning permissions.

<u>Is the contribution directly related to the development?</u>

54. The MPFT and SCHT health service demands from the scale of the residential development proposed in the emerging SLP are quantifiable based on the additional capacity and facilities required to meet the projected increase in population and associated capital expenditure required, as set out above.

55. The planning harm caused by insufficient funds for suitable buildings, staff, equipment, training, and associated kit (such as uniforms) could be a reduction in the quality and efficiency of the service with a potential knock-on adverse effect on health and well-being. Without the necessary funding towards the NHS Trusts' infrastructure

to service the increased population in new developments, the new communities would be less sustainable with a potential for a reduction in both physical and mental health among adults and children.

56. Mitigation of the planning harm caused by the proposed scale of housing development can only be delivered by maintaining adequately maintained and equipped healthcare facilities.

57. Delivering the healthcare services directly to new development will only be possible with funding to build or extend or refurbish exiting and new facilities as needed. The requested contributions are specific to the predicted demands arising from the scale of the proposed development.

Is the contribution fairly and reasonably related in scale and kind to the development?

58. The growth proposed in the emerging Draft SLP is, in part, proposed residential development and the healthcare demands it will generate are known by comparison with the demands and needs of existing residential population levels. That can be the only satisfactory way of determining the need likely to arise from as yet unbuilt development. The use of comparative statistics is a common approach used to identify the impact of additional population within an area on most public services.

Local Plan Delivery and Viability Study, July 2020

59. The Local Plan Delivery and Viability Study evidence document should underpin the Draft SLP by testing the deliverability of policies and site allocations. This study is required by national planning policy. Paragraph 34 of the NPPF requires that plans should set out the contributions expected from development. This should include setting out the scale and type of infrastructure needed for health. The NPPF requires that such policies should not undermine the deliverability of the plan. For a plan to be deliverable, paragraph 57 explains that planning applications which are policy compliant with up-to-date policies are assumed to viable with policies having set out the contributions expected from development.

60. In order for the Draft SLP to satisfy the NPPF test of soundness, it must be justified by proportionate evidence. It therefore follows that the evidence needs be 'fit for purpose' fulfilling its objectives and, in the case of the Delivery and Viability Study, including all infrastructure requirements in the modelling to test the deliverability of the polices and the plan as a whole.

61. Appendix 2 of the Study lists the consultees who attended a viability workshop meeting in February 2020. This does not include any representatives from the NHS Trusts, a significant oversight given the emphasis placed on critical healthcare

infrastructure in national and emerging local plan polices. By not involving the NHS Trusts in the evidence gathering process, no opportunity was given to them to highlight the infrastructure funding gap resulting from the need for additional and extended healthcare facilities to serve the increased population arising from the proposed housing site allocations in the SLP.

62. It appears that the Delivery and Viability Study relied upon the Infrastructure Plan and Place Plans, as well as the allocation policies themselves, to draw infrastructure requirement and costing data for inclusion in the modelling scenarios. Given that neither of these supporting documents includes any reference to the MPFT and SCHT's healthcare infrastructure requirements, it is perhaps inevitable that they have not been included in the calculations.

63. **The omission of the MPFT and SCHT infrastructure needs from the Delivery and Viability Study means that the evidence is unsound. Our Clients therefore raise objection to the Draft SLP on the basis that it has not been justified and it has not met the test for soundness. The evidence is not proportionate due to significant critical infrastructure cost omissions and it cannot be relied upon. Our Clients formally request that the study is revisited to include the NHS Trusts' critical healthcare infrastructure requirements.**

Draft Pre-Submission Shropshire Local Plan December 2020

64. Emerging polices in the Draft Pre-Submission SLP and supporting text recognise the need for provision of appropriate levels of infrastructure to support the scale of development and population growth proposed. Introductory paragraph 2.28 states that, '*The availability of sufficient infrastructure underpins good plan making…The Council have worked alongside infrastructure providers in preparing the Plan and these conversations are captured within the Infrastructure Plan which itself draws upon the conclusions of the County's 18 Place Plans. Where there is a known infrastructure constraint from otherwise sustainable development proposals, the individual settlement policies identify these needs.'*

65. Our Client fully supports Policy SP6. Health and Wellbeing which recognises the importance of new development ensuring that the health and well-being of individuals, communities and places is promoted. This will be achieved by, amongst other requirements safeguarding, maintaining and improving community facilities and services, including, '*Supporting the maintenance and delivery of health facilities to serve an expanded population, particularly in the growth areas of the Strategic Centre of Shrewsbury, Shropshire's network of Principal and Key Centres, Community Hubs and Community Clusters…*'

66. However, **in order to achieve these objectives, it is vital that the council have a**

full understanding of the healthcare facilities required to serve an expanded population. Our Clients therefore formally request that the Council engage in regular meetings with representatives from the MPFT and SCHT to identify the infrastructure requirements. Without meaningful engagement, the policy lacks evidence on which to base decision-making.

67. Our Clients support much of Policy DP25 Infrastructure Provision. It is consistent with regulations and national policy that where a new development would lead to a shortfall in infrastructure provision, the development will be required to fund necessary improvements through a suitable developer contribution (unless the identified shortfall is being addressed by other means). Given the many competing infrastructure needs arising from development, our Clients also agree with the council's policy approach to prioritise using developer funds to support critical or statutory infrastructure requirements first.

68. However, the policy states that details of the infrastructure requirements are set out in supporting documents the Shropshire Place Plans and Local Infrastructure Plan. Our Clients are concerned that, because they have not been invited to be involved in these documents, the critical healthcare infrastructure requirements of the MPFT and SCHT may consequently receive little or no CIL/S106/planning obligation revenue. In addition, our Client's consider it is important for the policy to also make reference to details of infrastructure requirements also being identified in the site allocation policies S1 to S20 and in any associated forthcoming masterplan documents.

69. National planning policy and guidance explains that by defining and testing infrastructure requirements and costs against the deliverability of the local plan policies, this will provide some certainty for developers proposing policy-compliant planning applications and ensure that the local plan is soundly based.

70. **Our Clients formally request that the Council's planning department engage with representatives from the MPFT and SCHT to update the:**

- **Local Infrastructure Plan,**
- **Shropshire Place Plans,**
- **Strategic Infrastructure Implementation Plan, and**
- **Local Infrastructure List, and**

to ensure that critical statutory healthcare infrastructure needs identified by the MPFT and SCHT are included. This will ensure that these essential infrastructure requirements are prioritised to receive developer funding through CIL and S106 agreements.

71. To ensure that the policy is sound, our Clients formally request Policy DP25 Infrastructure Provision and explanatory text be modified as follows (proposed new wording is shown in bold):

'1…. Where a new development would lead to a shortfall in infrastructure provision, the development will be required to fund necessary improvements through a suitable developer contribution, unless the identified shortfall is being addressed by other means. **The infrastructure requirements will be set out in the Local Infrastructure Plan, Shropshire Place Plans, Strategic Infrastructure Implementation Plan, Local Infrastructure List, Site Allocations Policies and masterplans.**

Explanation
*'…*4.226. *To ensure the viability of development, Policy DP25 provides a clear prioritisation for the use of CIL funds. In the first instance the statutory and critical needs of a development that are required to make a development acceptable should be met. This includes necessary education provision directly resulting from the development, as well as contributions to local and strategic highway improvements and the provision of additional health facilities* **including critical healthcare infrastructure identified by the Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT)**…'

Summary

72. The Council's recognition in the Draft SLP Policy DP25, Shropshire Places Plans and Infrastructure Implementation Plan of the need to ensure that funding is secured for necessary additional health facilities directly resulting from the development, as well as arising from the scale of development proposed in the Local Plan, through the mechanisms of CIL, S.106 obligations and obligations, is welcomed as an acceptance in principle of the relevance and significance of such issues, in delivering sustainable and healthy communities.

73. The NHS Trusts maintain, however, that in order to be consistent with national policy, it is essential that the need to ensure that proportionate funding is secured to mitigate the impact of development on healthcare infrastructure, arising from the proposed levels of growth, is expressly referred to in the SLP policies and supporting documentation. It is also important to ensure that the Midlands Partnership Foundation NHS Trust (MPFT) and Shropshire Community Health NHS Trust (SCHT) are both referenced within the SLP as stakeholders with whom the council will work in partnership and collaborate with to deliver sustainable development – including when preparing evidence reports, such as the Delivery and Viability Study.

74. The scale of the development proposed during the plan period will inevitably have implications for the delivery of services for physical and mental health, learning disability, adult social care, and community-based health services for adults and children including district nursing and health visiting, physiotherapy and specialist

community clinics. As set out above, there will clearly be a need for additional healthcare infrastructure.

75. The NPPF confirms that sustainable development includes securing a healthy environment through, amongst other initiatives, the delivery of healthcare infrastructure needed by communities. Paragraph 20(c) of the NPPF specifically states policies should deliver development that makes sufficient provision for community health facilities.

76. Paragraph 34 of the NPPF confirms that plans should set out the contributions expected from development, which should include the levels and types of infrastructure. The Draft SLP fails to do so in terms of specifying what is included as critical healthcare infrastructure managed by the MPFT and SCHT.

77. Paragraphs 7, 16, 28, 31, 91, 95 and 127 of the NPPF collectively envisage this being delivered through joint working by all parties concerned with new developments.

78. The Secretary of State and Inspectors have accepted the need to support healthcare infrastructure through CIL and S.106 contributions in the context of a number of recent Local Plan Examinations and appeal decisions with the importance of S106 contributions highlighted in the 'Planning for Patients' reform public spending report.

79. Without modifications suggested by the MPFT and SCHT to Policy DP25, and without inclusion of critical healthcare infrastructure in the Delivery and Viability Study modelling, and as an identified requirement in the Place Plans and Infrastructure Plans, the SLP is inconsistent with the NNPF and is unsound.

80. In addition, the MPFT and SCHT formally requests that they are actively engaged with on an on-going basis in the future reviews of the Place Plans and Infrastructure Plan to ensure that the evolving needs of the NHS Trusts are kept up-to-date and are taken into consideration.

81. The justification for the MPFT and SCHT infrastructure requirements are set out in the main body of this letter, although it should be emphasised that costs and service requirements are constantly under review and may increase however, the reasoning and methodology will remain the same.

Our Clients would be grateful if you could ensure that these representations are forwarded to the Examination Inspector and taken into consideration in the plan-making process.

We would be grateful if you would acknowledge receipt this letter of representation on behalf of MPFT and SCHT.

Yours faithfully,

Helen R Winkler Bsc (Hons), DipTP, MRTPI
Senior Planning Consultant