Hertfordshire and West Essex Integrated Care System

NHS
Hertfordshire and West Essex
Integrated Care Board

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[redacted]
https://hertsandwestessex.icb.nhs.uk

By email: [redacted]

Claire Westwood
Three Rivers District Council

Dear Claire

Re: Planning Application Consultation: 24/2073/OUT – up to 600 dwellings and mixed-use local centre including a medical facility

Location: Land north of Little Green Lane, Croxley Green

Thank you for consulting the Hertfordshire and West Essex Integrated Care Board (HWE ICB) on the above-mentioned planning application.

Please accept this letter as the HWE ICB's position on primary healthcare capacity and need arising from this planning application and the health financial contribution sought if TRDC is minded to grant planning permission.

The HWE ICB became a statutory body on 1 July 2022 and is the health commissioner responsible for delivering joined up health and social health care to a population of c1.5m. in Hertfordshire and west Essex.

The HWE ICB works in partnership with health providers, local authorities, and other organisations to:

improve the general health and wellbeing of Hertfordshire and west Essex residents and improve health care services in the area.
tackle the inequalities which affect people's physical and mental health, such as their ability to get the health services they need, and the quality of those services help tackle health and wider inequalities.
get the most out of local health and care services and make sure that they are good value for money.
help the NHS support social and economic development in Hertfordshire and west Essex.

A strategic aim of the NHS HWE ICB is the improvement of primary, community and mental health care outside of hospitals. To achieve this, the NHS commissions a number of services from general practices in addition to their "core" activity. On the ground this means more joined up care, for example, primary and community healthcare hubs with co-ordinated multidisciplinary professionals/ teams. Therefore, a doctors' general practitioners' surgery may also include an ancillary pharmacy and ancillary facilities for treatments provided by general practitioners, nurses and other healthcare professionals to provide care to residents.

Primary Care Networks (PCNs)

Within the HWE ICB there are 35 PCNs across the 14 localities, each covering a population of between circa 27,000 and 68,000 patients. PCNs are expected to deliver services at scale for its registered population whilst working collaboratively with acute, community, voluntary and social care services to ensure an integrated approach to patient care.

Patients are at liberty to choose which GP practice to register with, providing they live within the practice boundary. However, most patients choose to register with the surgery closest and/or most easily accessible to their home for the following reasons: walking distance, quickest journey time, accessibility by public transport, parking provision.

Despite premises constraints GP Practices are not allowed to close their lists to new registrations without consultation with, and permission from the HWE ICB. Even when surgeries are significantly constrained, the NHS will seek to avoid a situation where a patient is denied access to their nearest GP surgery, with patient lists only closed in exceptional circumstances.

The HWE ICB keeps up to date PCN patient lists and closely monitors the current and future capacity of GP surgeries against Local Plan allocations/ housing trajectories.

The HWE ICB also ranks PCNs using existing premises data and known development data. This will identify and rank hotspots across the PCN patch where there is a need to explore projects to increase capacity, for example, by either re-configuring, extending or relocating GP practices to provide sufficient space to increase resources and clinical services to keep patient lists open.

Assessment of impact on existing Healthcare Provision

The HWE ICB has assessed the impact of the proposed development on existing primary health care provision in and around the vicinity of Croxley Green. This scheme is expected to deliver 600 homes, which based on an average occupancy of 2.4 will create circa **1,440 new patients.**

These new residents will impact on Grand Union PCN, which is formed of 2 GP practices and has a combined **patient list of 26,388 as of 1 January 2025.**

In terms of premises need and priority, Grand Union PCN is ranked 4th out of 35 PCNs in the HWE ICB. To illustrate their current capacity, individually as well as collectively - on PCN as well as settlement level please see the table below:

				Settlement level			PCN level		
Surgery Name	Settlement/ Area	PCN	Number of patients capacity/ constraint relative to 18 per m2	Number of patients capacity/ constraint	Total NIA capacity/ shortfall	Capital impact of existing capacity/ shortfall	Number of patients capacity/ constraint	Total NIA capacity/ shortfall	Capital impact of existing shortfall
Bridgewater House Surgeries (Meriden	North Watford/ Garston	Bridgewater	-825	-9,836	-546	£3,825,224			
Bridgewater House Surgeries (North		Bridgewater	-1,315						
Garston Medical Centre		Grand Union	-7,697				-11,407	-634	£4,436,118
Baldwins Lane Surgery	Croxley	Grand Union	-152	-3,711	-206	£1,443,034			
New Road Surgery		Grand Union	-3,113						
Church Lane Surgery		Grand Union	-446						
Bridgewater House Surgeries	West Watford	Bridgewater	594	-1,378	-77	£0			
Holywell Surgery		Attenborough	-1,972						

*For the purposes of capacity assessment, we have adopted an alternative calculation to the NHS England "Principles of Best Practice" (referred to below) based on 18 patients per m2, which has regard to national GMS space guidelines but also considers opportunities for economies of scale.

This table demonstrates that both practices – New Road Surgery, including its branch surgeries and Garston Medical Centre - are already constrained and their ability to accept additional patients is limited. The closest practice to the proposed development is New Road Surgery and its branch on Baldwins Lane. Both surgeries are operating out of converted residential buildings which do not meet the needs of the modern General Practice or NHS building guidelines.

In reviewing the PCN data and as explained above, New Road Surgery and its branches will be unable to accommodate the additional patient numbers arising from this development, and indeed potential future housing growth in and around the vicinity of Croxley Green. In reviewing all options, the HWE ICB has concluded that new health infrastructure in the form of on-site provision for a new medical facility will be needed to accommodate additional patient numbers arising from this development.

In the light of the HWE ICB's response to this outline planning application, it would be sensible for the HWE ICB to meet with the Council and the applicant to discuss in more detail the NHS' site and primary and community healthcare requirements, and the draft Heads of Terms.

NHS GP premises and funding

By way of context, GP Practices are independent contractors that deliver NHS services - in most cases through General Medical Services (GMS) contract. In line with their contract, they receive payments for the delivery of GMS services as well as reimbursements of their premises costs.

According to the terms of their GMS contract, GP contractors receive rent from NHS for using their premises (which they either own or lease) to provide NHS services from. In line with NHS Premises Costs Directions 2024, for the premises that the GP's own, NHS pays Current Market Rent (i.e. fair and reasonable rent as determined by the District Valuer). For leased premises, NHS reimburses the lease rent that they pay to their landlord (also as verified by the District Valuer). In addition, NHS reimburses business rates and water rates.

If new and/or extended surgery buildings are required, these can be funded in various ways:

NHS capital investment in the building works – GP practice will sign a Grant Agreement and as a result, their rent reimbursement is abated proportionately to reflect the amount of capital invested for a specified time period in line with NHS Premises Costs Directions 2024.

S106/CIL investment in the building works – as above, treated in the same way as NHS capital investment.

Capital investment by the practice.

Capital investment by the landlord/third party developer.

In the latter two cases, where there is no NHS capital investment, yet the NHS receives the benefit of an increased and/or improved building, there is an increase in either the Current Market Rent (GP owned) or the lease rent (leased building) and the NHS commissioner will be liable for that additional revenue consequence. It should be noted that because all GMS contracts are contracts in perpetuity, the NHS will be liable for these costs indefinitely.

Please note, all NHS health infrastructure improvement projects are subject to the HWE ICB's own governance and scrutiny processes and are assessed against viability, affordability, deliverability

and the ability to be future proofed for any future housing growth, given that new medical facilities present a significant cost pressure to the NHS.

Therefore, in terms of the HWE ICB's formal commitment to the proposal for a new on-site medical facility at **Land north of Little Green Lane, Croxley Green**, at this stage the following points must be considered:

- All projects are subject to Full Business Case approval by the ICB and NHS England.
- A commercial arrangement has to be agreed between the landowner, developer and end user based on a compliant design specification and demonstrate value for money.
- A project identified and costed in response to the planning application may not meet the objectives of NHS current strategies or could have significantly increased in cost, especially if there has been any significant time lapse from the date of the response to the date of implementation of the planning consent.

In the event the HWE ICB cannot support the delivery of a new medical centre at this location for viability, affordability and deliverability reasons, the HWE ICB will seek a financial contribution as calculated below.

Cost calculation of additional primary care healthcare services arising from the development proposal

The financial contribution for health infrastructure that the HWE ICB is seeking, to mitigate the health impacts from this development has been calculated using a formula based on the number of units proposed and does not take into account any existing deficiencies or shortfalls in Croxley Green and its vicinity, or other development proposals in the area.

The proposed development would deliver 600 dwellings, which based on an average occupancy of 2.4 occupants per dwelling will create circa **1,440 new patient registrations.**

1,440 new patient registrations/2000 = 0.72 of a GP *GP based on ratio of 2,000 patients per 1 GP and 199m^2 as set out in the NHS England "Premises Principles of Best Practice Part 1 Procurement & Development"
0.72 x 199 m^2 = 143.28 m^2 of additional space required

143.28 m^2 x £7,000* per m^2 = £1,002,960 (*Build cost; includes fit out and fees)
£1,002,960 / 600 = £1,671.60 per dwelling (rounded up to £1,672 per dwelling)

Total GMS contribution requested: 600 dwellings x £1,672 per dwelling = £1,003,200
(indexed from the date of the planning permission**)**

If planning permission is granted, and in the event the HWE ICB cannot support the delivery of a new medical centre at this location for viability, affordability and deliverability reasons, the HWE ICB propose to focus Section 106 monies on the relocation of New Road Surgery which explores options for a new medical facility within the locality to accommodate additional patient numbers arising from this development and future housing growth in and around Croxley Green.

It is also vital to consider the impact of new development, and the additional residents on community and mental healthcare, as occupiers of the development will also access a variety of healthcare. Based on recent cost impact forecasting calculations, the cost impact on community and mental healthcare is as follows:

Mental Health costs:
600 dwellings x £338.92 per dwelling = £203,352

Community Healthcare costs:
600 dwellings x £352.68 per dwelling = £211,608

Section 106 contributions towards these services support for the Croxley Green area will be focused on the proposed integrated Health Hub at Watford Town Hall Quarter, which is planned to include reprovision of the Avenue Clinic (current building is to be demolished). Contributions would be allocated to the Community Services provider Hertfordshire Community NHS Trust and the Mental Health Services provider Hertfordshire Partnership NHS Foundation Trust.

The HWE ICB therefore requests that these sums are secured through a planning obligation attached to any grant of planning permission.

A trigger point of payment on occupancy of the 1st Dwelling is requested for GMS and community and mental healthcare planning obligations. Please note, the developer contribution figure(s) referred to in this response are a calculation only and that the final payment will be based on the actual dwelling unit mix and the inclusion of indexation.
Subject to securing the healthcare infrastructure and/or the developer contributions, as set out above, to mitigate the health service impacts arising from this development, the HWE ICB does not raise an objection to the proposed development.

The HWE ICB looks forward to working with the Council and the applicant to address the matters raised in this consultation response and would appreciate acknowledgement of receipt of this letter.

Yours sincerely,

Dr Jane Halpin, Chief Executive

Rt. Hon. Paul Burstow, Chair

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Annely Robinson

Premises and Estates Support Manager

NHS Hertfordshire & West Essex ICB