Planning Committee: 14th October 2015 **Item Number: 5**

Town/Parish Council: Warwick

Case Officer: Anne Denby anne.denby@warwickdc.gov.uk

Variation of Section 106 Agreement relating to level of Hospital Contribution

FOR Gallagher Estates Ltd

Application Nos: W 14/0661

Site: Land at Lower Heathcote Farm, Harbury Lane, Warwick CV34SL

Proposals: Residential development up to a maximum of 785 dwellings: variation of S106 Agreement

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This application is being reported to Planning Committee because it is recommended that an existing legal agreement relating to the approved application be varied.

RECOMMENDATION

Planning Committee are recommended to resolve to vary the Section 106 agreement to allow the level of Hospital Contribution to be amended in accordance with the revised NHS formula.

PLANNING HISTORY

Outline planning permission was granted in 2014 for residential development of up to 785 dwellings, a mixed use community hub/local centre to include retail development (Class A1 to A5 inclusive) and community buildings (Class D1); potential provision of a primary school; comprehensive green infrastructure, continuous open space network and multi functional open space, including children's play space, potential open space for sport, informal open space and SUDS; potential provision of allotments; potential footpaths and cycle ways; foul and surface water drainage infrastructure, including attenuation ponds; ancillary infrastructure and ground remodelling.

This permission was the subject of a Section 106 agreement which secured a number of obligations one of which was a 'Hospital Contribution'.

The agreement secured the payment of a sum of £1,678.00 (one thousand six hundred and seventy eight pounds) per dwelling to be applied towards the cost of constructing a new ward block at Warwick Hospital and additional outpatient, diagnostic, treatment and inpatient facilities, including hubs for community healthcare teams at Warwick and Leamington hospital sites.

DETAILS OF THE DEVELOPMENT

The developer has requested a variation to the legal agreement to allow the sum per dwelling for the Hospital Contribution to be reduced. This reduction is to reflect the revisions made by the NHS to the formula used in the calculation of this figure arising from the proposed revised use of the funds towards the provision of clinical services for the increasing local population rather than the original proposal towards the capital spend for a new hospital ward.

THE SITE AND ITS LOCATION

The site lies to the south of Warwick and Whitnash and is currently predominantly open farm land. It covers a total of 85 hectares and includes Lower Heathcote Farm buildings, a caravan park and two fishing ponds. To the north, the site is bounded by Harbury Lane, to the west by Europa Way, the southern boundary follows the Tach Brook, whilst to the east the Heathcote Park mobile home site and an existing hedgerow form the boundary.

RELEVANT POLICIES

- National Planning Policy Framework
- SC14 – Community Facilities (Warwick District Local Plan 1996 - 2011)

SUMMARY OF REPRESENTATIONS

NHS: No objection.

ASSESSMENT

The outline application and completed S106 agreement set out the appropriate level of infrastructure investment that was required to offset the effects of this development in terms of acute and community healthcare infrastructure.

The sum per dwelling was based upon calculations by the NHS that showed the additional burden on Acute and Community healthcare facilities of proposed population growth stemming from residential developments in both Warwick and Stratford on Avon Districts would require infrastructure costing c.£33m which was equivalent to £1,678 per new dwelling.

Following that approval the NHS have refined their formula used in calculating the costs of the required infrastructure. The current calculations based upon this revised formula are set out in the table below. This demonstrates there is a reduction in the Sum required per dwelling for this development.

South Warwickshire Population (mid 2013) - Source: Warwickshire Observatory 259229

785 Dwellings Development Population 1806

Activity Type	Activity 2013/14	% Activity rate per annum per head of population	Activity rate per annum per head of population	Delivery Cost per Activity	12 mths Activity for 785 Dwellings	Delivery Cost for 785 Dwellings
A&E Attendances	54229	21%	1 in 5	£ 130.84	378	£ 49,418.26
Admissions	52837	20%	1 in 5	£ 1,365.37	368	£ 502,462.47
Operations	21930	8%	0.8 in 10	*	153	*
Outpatient appointments	287145	111%	1.1 to 1	£ 94.65	2000	£ 189,292.20
Diagnostics	210102	81%	4 in 5	£ 51.39	1463	£ 75,199.77
Total	626243	242%	2.4 to 1		4362	£ 816,372.70

* NB: Operation costs are included in Admission Costs

The reduction in the sum per dwelling will still meet the aims and objectives of the original obligation to provide for the necessary increased demands on the health service arising from the approved development.

SUMMARY/CONCLUSION

On this basis it is considered that the proposed change to the S106 is acceptable, and that this approach would comply with the requirements of the NPPF paragraph 205.