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13th March 2020

Dear Sir/Madam,

LAMBETH COMMUNITY INFRASTRUCTURE LEVY (CIL) DRAFT CHARGING SCHEDULE 2020

**REPRESENTATIONS ON BEHALF OF GUYS & ST. THOMAS NHS FOUNDATION TRUST
ST. THOMAS HOSPITAL, WESTMINSTER BRIDGE ROAD, LONDON SE1 7EH**

Please find below representations on behalf of Guy's & St. Thomas NHS Foundation Trust (the Trust) in relation to the Lambeth Community Infrastructure Levy (CIL) Draft Charging Schedule 2020.

The Trust is responsible for providing a variety of healthcare facilities within the London Borough of Lambeth including, of course, St Thomas' Hospital, one of London's best known teaching hospitals. The Trust manages the NHS South East London Cluster area and has positive strategic and operational relationships with local Clinical Commissioning Groups (CCGs) in Lambeth. The Trust is part of King's Health Partners, an academic health science centre that brings together three of the leading NHS Foundation Trusts, world-leading University for health and research education King's College London and other services across central and outer London locations. As pioneers in health research providing high quality teaching and education, the Trust employs over 16,200 staff. We are a major employer and healthcare provider for the Lambeth community

Introduction

The Trust has a keen interest in the Council's CIL Charging Schedule in relation to both funding being directed towards the Trust's projects as a healthcare provider within the Borough and the approach to charges with regards to our own developments. Having reviewed the draft Charging Schedule and the supporting evidence base, the Trust support that healthcare development (D1 Use Class) is not identified as incurring a CIL charge. However, the Trust has concerns regarding the context to which their developments will be liable to CIL and the exclusion of the Trust's assets as part of the Borough-wide infrastructure schedule which will be used to direct funding from CIL contributions.

Representations

Infrastructure Delivery Plan 2020

Thank you for recognising the Trust's campus aspirations as an important regional and sub-regional development, and promoting District Heating Network developments, for which the Trust also has ambitious plans. Despite being essential community infrastructure, the Trust does not receive Community Infrastructure Levy from applicable developments in the Borough to support healthcare service provision, despite businesses, residents and visitors benefiting from the service provided.

The allocation of CIL contributions

The Trust's priority is ensuring that there are no harmful impacts from future development on the clinical operations of the Hospital and its treatment of patients. All new development within the Borough has a direct impact on the capacity, services and operations of St Thomas' Hospital. It is vital that these impacts are appropriately accounted for via planning obligations and CIL so that the Trust can continue to provide sufficient healthcare services to the population of Lambeth.

We note that the Infrastructure Delivery Plan (IDP) was reviewed and updated to meet the needs of the Borough between the financial years 2019/20 and 2034/35. Having reviewed the IDP, there are no projects associated with the Trust or their assets included within the 58 borough wide healthcare infrastructure projects identified for the receipt of CIL. The Trust supports the identification given to St Thomas' Hospital as an infrastructure project that will support growth at the sub-regional level and highlights the Trust's plans to reconfigure and renew its estate to meet future needs. However, no appreciation is given to GSTT projects that could benefit from CIL contributions in the Borough. There is a significant level of development already in progress in the Borough and considerable future growth predicted and encouraged in the emerging Local Plan and London Plan. In this context, the Trust needs to be supported by the Council with regards to securing appropriate remuneration for the expanded population that it has a duty to serve. In the majority of cases, and given the Council's approach to funding for other healthcare infrastructure, we propose that the allocation of CIL funding is the primary and best suited way to do this.

The Trust has been engaging with major applications coming forward in the Borough with regards to the matter of accounting for the impact of new residential and working populations on its services, which expand outside of the acute services provided at St Thomas' Hospital. Many GP referred clinics are held within the Hospital campus and there are also a variety of community health facilities throughout the Borough. It is important that the Trust is able to utilise the appropriate contribution towards its services from development. During committee on 15 October 2019 in relation to development at Elizabeth House (LPA ref. 19/01477/EIAFUL), the Councillors noted contributions would need to be made to the Trust and should be secured through CIL, with the request specifically noting that CIL monies should be directed towards the Trust.

We therefore request that the Trust's projects as a healthcare provider are considered for inclusion within the Borough-wide infrastructure schedule for the receipt of CIL funding to manage the impact of future development within the Borough on health services. We would welcome a meeting with the Council Officers to discuss the best way forward for this and begin a collaborative working practice to ensure the provision of healthcare services in the Borough is protected and appropriately accounted for when dealing with CIL monies.

Development liable to CIL charges

We welcome that healthcare development (D1 Use Class) is not identified as incurring a CIL charge in the Council's draft charging schedule. The Trust support this approach as a healthcare provider within the community to protect the viability of D1 developments.

There is however, the question of ancillary and complementary land uses that may need to be provided within existing healthcare developments that may not be classified as entirely D1 use class. This could include offices, training rooms, residential/staff accommodation or research facilities, for example. We note that office development (B1 Use Class) is identified in the Council's draft schedule, with a charge of £225 per sqm for Zone A, within which St Thomas' Hospital is located.

Whilst the Trust is supportive of the liability of B1 development for CIL charges generally, there are clearly instances alluded to above whereby a charge would not be appropriate in line with the Council's general approach to CIL charging. The Trust, as a public sector non-for-profit organisation, faces pressure on the viability of developments and the impact of a CIL charge would be substantial. There is also the practicalities of such an approach, with regards to cross-funding of assets. Whilst a future development on the Hospital site, for example, may be classed as B1, this will be inextricably linked to D1 operations and the space would be used by healthcare professionals carrying out research and other operations associated with the Trusts remit, therefore forming part of the wider hospital operation and funded by such.

We therefore urge the Council to consider the context within which CIL liability should be applied to applicants. The Community Infrastructure Levy Regulations (2010) (As amended) identifies exemptions from CIL charges, including 'charitable institutions' whereby the land is being used solely for charitable purposes. Whilst the Trust is not classified as a charitable institution, it is not-for-profit and it is tasked with delivering a considerable public service, and therefore benefits, through its operations and developments. The Trust is not a commercial 'developer' in this sense and does not have the same capacity with regards to funding, so CIL charges present a significant risk to implementation of important future schemes. The Council has the autonomy to make decisions about how to charge for CIL within the Borough. We would request that as a healthcare provider, and with consideration to the context under which development proposed as part of the Trusts masterplan would be used, regardless of use class, that the Trust's developments should be exempt from CIL liability.

We request that this is recognised within the CIL charging schedule in order to be clear of the circumstances and context to which CIL liability should apply, particularly

in consideration to the Trust as a healthcare provider who should be a recipient of CIL contributions.

Conclusion

In summary, the Trust support that healthcare development (D1 Use Class) is not identified as incurring a CIL charge. However, the Trust has concerns regarding whether their own developments which are inextricably linked to D1 uses, will be liable to CIL given their status as a not-for-profit organisation. We also request that the Trust's projects as a healthcare provider are considered for inclusion within the Borough-wide infrastructure schedule for the receipt of CIL funding on the basis of the points raised in this letter.

We are seeking to work collaboratively with the Council and, in the first instance, we would welcome the opportunity to meet Council Officers to discuss points raised in this letter.

Yours sincerely



**Director of Essentia
Guy's and St Thomas' NHS Foundation Trust**