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Bwrdd Iechyd
Aneurin Bevan
Health Board

Representor No. 4553
Accession No. 11
Representation No.

Ref: BB/AG/CW/seg

28 November 2012

Strategic & Development Plans Team
Caerphilly County Borough Council
Ty Pontllanfraith
BLACKWOOD
NP12 2YW

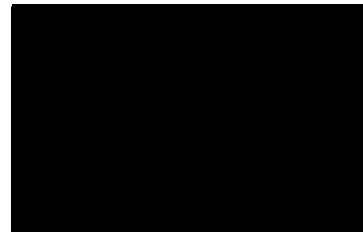
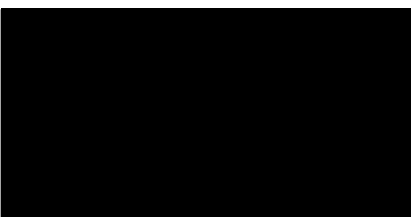
Dear Sir / Madam

Caerphilly County Borough Council Community Infrastructure Levy (CIL) Preliminary Draft Charging Schedule Consultation

I write with regards the Preliminary Draft Charging Consultation process and in particular the proposal relating to D1 Primary Healthcare Developments.

It is understood that the proposal for the level of CIL for Primary Healthcare Developments results from recommendations from the District Valuer. This recommendation follows an evaluation of new public-private healthcare developments defined as private investors constructing new primary care centres for the NHS (3PD) and concluded that the market has remained resilient in the current economic downturn.

We would comment that there has been a marked slowdown in the number of such schemes being progressed. Recent schemes approved by Welsh Government have undergone a robust and vigorous financial appraisal process undertaken by the DV, which has focused on paring back yield/profit margins to the minimum level/viability whilst still allowing these schemes to proceed.



Bwrdd Iechyd Aneurin Bevan yw enw gweithredol Bwrdd Iechyd Lleol Aneurin Bevan
Aneurin Bevan Health Board is the operational name of Aneurin Bevan Local Health Board

The latest scheme approved for ABHB is at £149.50 per m² compared to 4 – 5 years ago when schemes were being agreed at £180 per m². Therefore any proposal to apply a CIL will potentially render schemes economically unviable and consequently reduce investment in health premises developments.

This levy will mitigate against health investment in areas of high deprivation and low economic status if the overall rental values are not supported by the District Valuer or Welsh Government.

For the Rhymney Integrated Health and Social Care Centre with a GIA of some 4200 m² this would add an additional cost of £252,000 to the build cost of the scheme.

As stated above your proposal is predicated on new public-private healthcare developments defined as private investors constructing new primary care centres for the NHS (3PD) schemes. I would be grateful for clarification on how this levy will be evaluated against formal NHS Capital funded projects and GP self funded development schemes which do not attract such profit benefits and external investment.

Given the potential implications of this proposal on the Health Boards ability to invest in future healthcare premises I would welcome a meeting with officials from Caerphilly County Borough Council.

Yours sincerely

A handwritten signature in black ink that reads "Bobby Bolt". The signature is written in a cursive, slightly slanted style.

Bobby Bolt
Divisional Director Primary Care and Networks