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Planning need assessment
for Hampton Care Home Ltd

Former Police Station, Station Road, Hampton
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Contents

Page

EXECUTIVE SUMMARY

INTRODUCTION

1. Introduction	5
2. Carterwood	5
3. Our approach	6
4. Sources of information	6

NATIONAL CONTEXT AND KEY DEFINITIONS

5. Definition of a care home	8
6. Definition of extra care	8
7. Elderly population trends	9
8. National provision	10
9. The growing need for dementia care	10
10. Paying for care	11
11. Integration of health and social care (integrated care)	11
12. Key issues for the sector	12

THE PROPOSAL

13. Description of proposal	14
14. The proposed care scheme – its position in the local market	15
15. Tangible benefits for the wider community	16
16. Empirical research into benefits of a retirement scheme for its residents	18

COMMISSIONING ENQUIRIES

17. Documentation review	21
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NEED ASSESSMENT FOR PROPOSED CARE HOME

18. Methodology for assessing need for general elderly care	28
19. Market standard beds	29
20. Care home bases of assessment	32
21. Demographics	33
22. Supply of existing care homes	34
23. Planned supply	35
24. Dementia	37
25. Care home competition map	38

NEED ASSESSMENT FOR PROPOSED EXTRA CARE

26. Difficulties in assessing demand for extra care	40
27. Methodology to determine shortfall of extra care	40
28. Extra care basis of assessment	43
29. Existing private extra care schemes	44
30. Planned private extra care supply	45
31. Extra care competition map	47

CONCLUSIONS

32. Need – care home	49
33. Need – extra care	50
34. Need growth	51
35. Impact of the proposed development – commonly raised questions	52
36. Key conclusions	53

APPENDICES

- A: List of tables and figures
- B: Definitions and reservations

EXECUTIVE SUMMARY

T1 Background

Hampton Care Home Ltd is seeking to develop a care scheme to include a care home and care suite units at The Former Police Station, Station Road, Hampton TW12 2AX. Carterwood Chartered Surveyors has been commissioned to prepare a need assessment in relation to both the care home and care suite elements at the proposed development. We have referred to the care suite units as extra care units for the purpose of our needs assessment as they will provide 'housing with care'.

T2 National overview

The population of the UK is set to age dramatically over the coming years, with a substantial increase in the number of people living to over the age of 85, when dependency levels and the prevalence of dementia increase dramatically. Nationally, approximately 30 per cent of existing care home provision is not to the standard required to cope with the needs and expectations of today's elderly care home residents.

T3 Indicative need for elderly care home market standard beds (2020)

Basis of assessment	Market catchment area (c. 4.0miles)	Local authority area
Indicative need incl. all planned beds	263	353
Indicative need incl. planned beds under construction	591	433

T4 Indicative need for private extra care units (2020)

Basis of assessment	Market catchment area (c. 6.0 miles)	Local authority area
Indicative need incl. all planned private units	1,819	221
Indicative need incl. private units under construction	2,228	542

T5 Conclusions and recommendations

- Analysis including all planned beds shows an indicative need of 263 and 353 market standard care home beds (bedroom with en-suite with minimum WC and wash basin) within the market and local authority catchments, respectively. Predicted need rises significantly to 1,164 and 731 beds by 2030 in the respective catchments.
- Our more realistic assumption, including only care beds currently under construction, shows an increased need of 591 and 433 beds in the market and local authority catchments in 2020.
- Our indicative assessment of dedicated dementia provision shows a significant need of 247 and 284 market standard beds in the market and local authority catchments respectively in 2020, equating to 20 and 56 percent of demand in the two catchments.
- Analysis of private extra care provision in the market and local authority catchments shows a substantial indicative need of 1,819 and 221 units respectively, despite including all planned schemes. Projected need increases markedly to 2,744 and 437 units for the two catchments respectively by 2030. This reflects the sustained and escalating nature of the requirement.
- The London Borough of Richmond upon Thames' Market Position Statement and older people's care strategy documents recognise the need for an increase in nursing and dementia care home beds alongside new forms of care accommodation, particularly extra care.
- We conclude there is both a quantitative and qualitative need for the proposed scheme, to provide for a full range of dependency levels within a sustainable community setting.

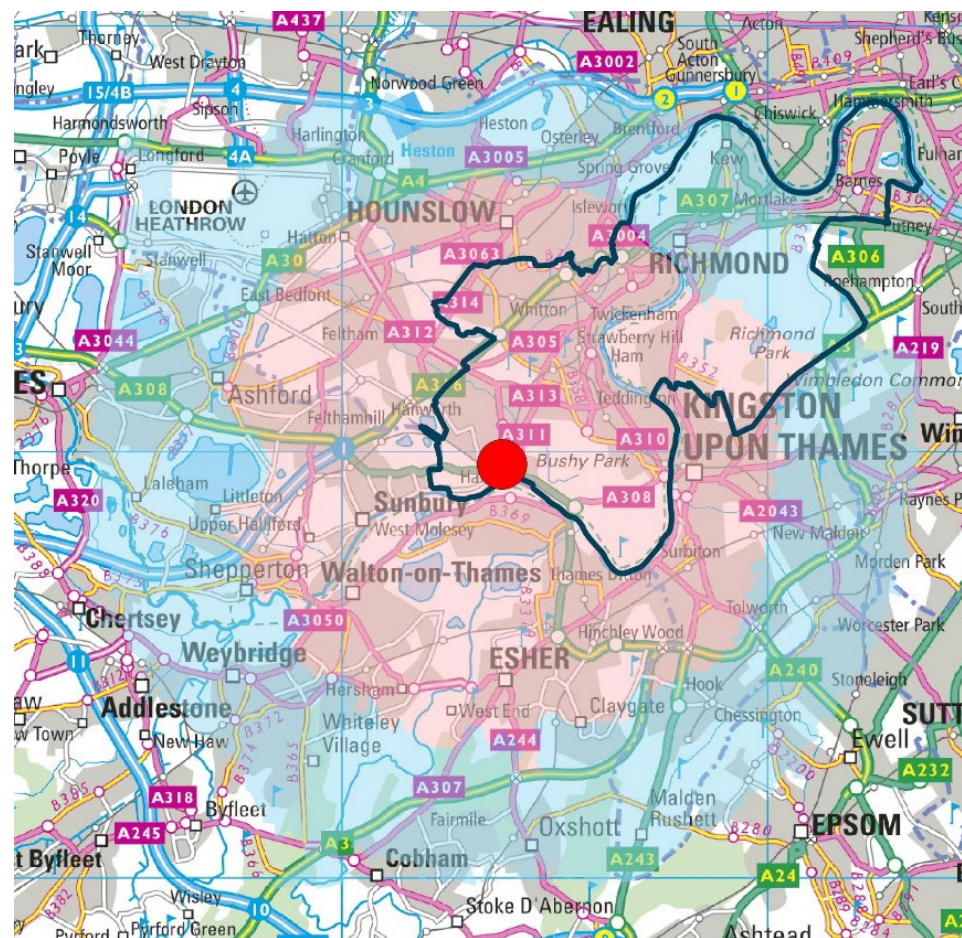


Figure 1: Location of the proposed scheme and our bases of assessment

Note: Proposed care scheme indicated by the red dot. Our assessment of care home need is based on a market catchment extending to circa 4 miles (shaded pink) and need for extra care is based on the larger combined area, circa 6-mile radius (shaded blue and pink). The London Borough of Richmond upon Thames Council area is delineated dark blue.

Full definitions for care home and extra care are provided in sections 5 & 6, on page 8 of the report.

INTRODUCTION

1. Introduction

- 1.1. Carterwood Chartered Surveyors has been commissioned to prepare a need assessment on behalf of Hampton Care Home Ltd in relation to the development of a care scheme to include a care home and care suites at The Former Police Station, Station Road, Hampton TW12 2AX. We have referred to the care suite units as extra care units for the purpose of our needs assessment as they will provide 'housing with care'.
- 1.2. Carterwood has been asked to prepare a need assessment for the subject site based on a market catchment area and The London Borough of Richmond upon Thames area for each of the care home and extra care elements of the proposed scheme.
- 1.3. In this report, we have considered the national context of both the care home and extra care markets, together with a detailed study of the catchment areas of the two elements of the proposed development.

Limitations to advice

- 1.4. Our report does not take account of the United Kingdom's ongoing negotiations to exit the European Union and the advice is applicable as per the date of the report.

T6 Instruction summary	
Client	Hampton Care Home Ltd
Site address	Former Police Station, Station Road, Hampton TW12 2AX
Purpose of advice	Comprehensive planning need assessment
Date of terms of engagement	26 July 2019
Date of planning research	12 August 2019
Date of report	16 August 2019
Prepared by	Jessamy Venables BSc (Hons) MSc MRICS and reviewed by Alex Taylor BSc (Hons) MA MRICS.

2. Carterwood

- 2.1. The company has grown from two founding directors to a team of over 25, with active agency and valuation departments, and provides advice across the care sector to a range of operators, developers and other stakeholders.
- 2.2. Carterwood is the only chartered surveying practice dedicated to the care sector, and has become the market leader in preparing consultancy advice in relation to the feasibility of new elderly care developments for both the private and voluntary sectors.
- 2.3. Examples of private sector clients who have regularly commissioned need assessments or site feasibility studies include:
 - Porthaven Care Homes
 - Gracewell Healthcare
 - Hallmark Healthcare
 - Care UK
 - Caring Homes
 - Signature Senior Lifestyle
 - Barchester Healthcare
 - Octopus Healthcare
 - Retirement Villages
 - LNT Care Developments
 - Richmond Villages
 - Audley Court Limited
 - Four Seasons Health Care
- 2.4. Similarly, examples of Carterwood clients in the not-for-profit sector include:
 - Anchor
 - The Royal British Legion
 - The ExtraCare Charitable Trust
 - Leonard Cheshire Disability
 - Sanctuary Care
 - Jewish Care
 - Brendoncare
 - Care South
 - Healthcare Management Trust
 - Greensleeves Homes Trust
 - Milestones Trust
 - The Orders of St John Care Trust
- 2.5. Carterwood's client base represents the majority of operators currently seeking to develop new care homes and extra care schemes in the South of England. Accordingly, we are in an almost unique position in the sector, having assessed over 2,000 sites since 2008, with the majority located in the South East of England, for a range of different providers across a range of scheme types and care categories.

3. Our approach

3.1. Our report is split into sections as follows:

National context and key definitions

3.2. We outline some key definitions and background explanatory text for the social care sector. We also consider the national overview of the demand and supply factors currently influencing the care home and extra care sectors, with an emphasis on the growing demographic pressures in relation to the United Kingdom's ageing population and the increasing prevalence of dementia.

The proposal

3.3. We provide a description of the proposed scheme, its position on the elderly social care spectrum and research findings in relation to the wider benefits of extra care developments.

Commissioning overview

3.4. We present a review of the relevant strategy documentation from The London Borough of Richmond upon Thames Council.

Care home need

3.5. We undertake a detailed demand and supply analysis of the proposed care home based on the market and local authority catchment areas. We provide a full methodology of our approach as well as the results of our analysis.

Extra care need

3.6. We assess the existing and planned supply of extra care units within the market and local authority catchment areas. We include our methodology and outline the difficulties in assessing the demand for extra care units more generally in the private sector.

Conclusions

3.7. We provide our overall assessment of the extent of the unmet need for market standard care home bedspaces and extra care units within the market and local authority catchment areas. We also provide an overview of the key qualitative and quantitative factors influencing our opinion of need for the proposed scheme.

4. Sources of information

4.1. We have utilised the following sources of information:

- Census 2011 population statistics;
- ONS 2016-based population projections;
- LaingBuisson Dementia Care Services;
- LaingBuisson's Care Homes for Older People UK Market Report (29th edition)
- A-Z Care Homes Guide;
- Carterwood database;
- www.cqc.org.uk;
- Alzheimer's Society;
- Department of Health;
- Relevant planning departments;
- Centre for Policy on Aging: A profile of residents in Bupa care homes: results from the 2012 Bupa Census;
- The London Borough of Richmond upon Thames Council;
- Glenigan;
- Estates Gazette / The Radius Service;
- Planning Pipe;
- LaingBuisson's Extra Care Housing UK Market Report.

NATIONAL CONTEXT AND KEY DEFINITIONS

5. Definition of a care home

- 5.1. Elderly care homes fall within Class C2 ("residential institution") of The Town and Country Planning (Use Classes) Order 1987. Section 3 of the Care Standards Act 2000, defines an elderly care home as '*any home which provides accommodation together with nursing or personal care for any person who is or has been ill (including mental disorder), is disabled or infirm, or who has a past or present dependence on drugs or alcohol*'.
- 5.2. Elderly care homes operate in a highly regulated sector administered by the CQC, which is responsible for registering and monitoring elderly care homes across all sectors as well as other care providers, such as domiciliary care agencies. The regulation of health and adult social care is governed by the Health and Social Care Act 2008.
- 5.3. There are approximately 18,860 care homes in the United Kingdom, around 11,600 of which care for elderly people, according to the *A-Z Care Homes Guide*.

Personal care and nursing

- 5.4. Personal care or residential care homes, as they are sometimes referred to, provide both short-term and long-term accommodation to elderly people. They also offer help with personal hygiene, continence management, food and diet management, counselling and support, simple treatments, personal assistance with dressing, mechanical or manual aids and assistance getting up from or going to bed.
- 5.5. Nursing homes offer the same services as personal care homes, but also provide registered nurses to care for residents with more complex health issues, as prescribed by doctors. These nurses are available 24 hours a day. Potential service users will be financially assessed to contribute towards the cost of care in a residential or nursing home. If assessed as needing nursing home care, the service user will receive a contribution towards the cost of care from RNCC (Registered Nurse Care Contribution, formerly known as "free nursing care").

6. Definition of extra care

- 6.1. Accommodation for older people has traditionally been limited to three options:
 - A. Remaining in the family home;
 - B. Moving into sheltered housing accommodation;
 - C. Moving into a residential care environment.
- 6.2. Extra care accommodation has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence.
- 6.3. As the supply of extra care has expanded, so has the number of models and designs, making it difficult to define this form of accommodation. However, the Department of Health (DoH) has identified three common features. These are as follows:
 - A. It is first and foremost a type of residential accommodation. It is a person's own home. It is not a care home or a hospital and this is reflected in the nature of its occupancy through ownership whether it be lease or tenancy.
 - B. It is accommodation that has been specifically designed, built or adapted to facilitate the care and support needs of its owners or tenants.
 - C. Access to care and support is available 24 hours per day.
- 6.4. Extra care schemes, providing 24-hour on-site care and support, fall within Class C2 ("residential institution") of The Town and Country Planning (Use Classes) Order 1987. This is because they provide both accommodation and care/support on a 24-hour/day basis.

Extra care models

- 6.5. Extra care (often used as a generic term) is frequently referred to as a concept rather than a type of accommodation and the term covers a range of accommodation models.
- 6.6. Extra care housing is referred to by a number of names, again depending upon whether the accommodation is operated by a provider/developer or social services. Current terms used include independent living, extra care, very sheltered housing, assisted living, category 2.5 accommodation and close care.
- 6.7. The accommodation options offered range from flats or housing to a small village model. The accommodation provided is available on a variety of tenures; shared ownership, long leasehold and rent (social and private).

- 6.8. Central to the philosophy of extra care is that it should provide a “home for life”. The accommodation element of the scheme will not be registered by the CQC. The care required by the residents will be provided either by an in-house or external domiciliary care agency.
- 6.9. All of the above are common traits of all forms of extra care accommodation, but similar to current market trends, three specific forms have evolved, which are differentiated as follows:
- Extra care – a standalone development of elderly housing with on-site care not operated in conjunction with a care home;
 - Close care – elderly people’s accommodation linked to a registered care home;
 - Care village/CCRC (continuing care retirement community) – large schemes offering an extended range of services for older people; often providing a range of accommodation types and with many including a registered care home on the site (although this is not compulsory).
- 6.10. The proposed scheme is the third of these models; i.e. ‘care village’ or ‘CCRC’. We have referred to the non-care home element of this scheme as the ‘extra care element’ of the proposed care village.
- 6.11. In addition to the above, within the wider definition of “housing with care” a form of older people’s housing exists called “enhanced sheltered housing”. This is in response to a number of hybrid schemes that have been developed over the years that seek to provide some form of on-site facilities/amenities and/or some form of additional support packages to scheme residents but do not meet the full definition of extra care housing.

Other forms of elderly housing

- 6.12. There are other forms of elderly housing accommodation, which fall outside of this definition.
- 6.13. The vast majority of elderly housing across the UK is made up of traditional sheltered housing. This essentially comprises a flat/apartment, generally one- or sometimes two-bed units in older schemes, where there is limited care and support on site, other than a resident warden and a small communal lounge. The main providers of this accommodation are either housing associations/registered social landlords (RSL) or private developers, amongst the largest of which are McCarthy & Stone and Churchill Retirement Living. These forms of accommodation are not included within our analysis as they do not provide 24-hour on site care and are not comparable to the application scheme. McCarthy & Stone do, however, provide an assisted living type service, which is different to the aforementioned sheltered housing and is more akin to extra care as 24-hour care is available on site.

Typical extra care resident profile

- 6.14. There is a strong wish amongst elderly Britons to remain independent as long as possible. Extra care units appeal to this sentiment, given the style and design of the accommodation, and the creation of a valuable legal interest – i.e. sale on a long leasehold basis.
- 6.15. The decision to move into retirement housing is often strongly influenced by immediate relatives. The more confused the elderly person, the more this applies. Aspects such as accessibility and convenience for visiting relatives play a major role. Elderly people generally seek to move to care facilities either close to their own homes or close to relatives’ homes. Sometimes, therefore, this may involve the resident moving away from his or her own area.
- 6.16. In operational extra care developments of which we are aware, the residents typically range in age between 70 and 90 years, with an average resident age of around 80 years.
- 6.17. Typically, single females occupy 65–70 per cent of units, married couples 20–25 per cent, and single males 10 per cent of the units.
- 6.18. The key issues leading people to move into extra care are health and care needs, often prompted by the death of a spouse or partner.

7. Elderly population trends

- 7.1. The elderly UK population is set to grow dramatically over the coming years, and the predicted rapid increase in numbers of 65- to 84-year-olds is likely to continue to drive demand for both non-residential care, such as extra care schemes and other accommodation options, as well as care home beds.
- 7.2. LaingBuisson’s *Care Homes for Older People UK Market Report (29th edition)* states that the percentage of the UK population over the age of 85 is projected to multiply more than five times, from 1.6 million in 2018 (2.4 per cent of the population) to c.8.5 million in 2111 (10.0 per cent of the population), while the 75- to 84-year-old segment will rise from 4.054 million in 2018 (5.9 per cent of the population) to 7.9 million in 2111 (9.3 per cent of the population).
- 7.3. The demand for care rises dramatically with age. Approximately 0.59 per cent of people aged 65 to 74 live in a care home or in a long-stay hospital setting, rising to 14.8 per cent for the over-85s.

8. National provision

Care homes

- 8.1. LaingBuisson's Care Homes for Older People UK Market Report (29th edition) states that as of March 2018 there were approximately 464,800 registered nursing and personal care bedspaces for the elderly and physically disabled in the United Kingdom. There was a general reduction in capacity from the mid-1990s until approximately 2007, since capacity has remained broadly static or marginally increased.
- 8.2. While capacity is down from a 1996 peak of 573,700, evidence now indicates that a new phase of essential expansion is underway across the country, as the number of very old people at risk of entering a care home rises significantly.
- 8.3. According to the *A–Z Care Homes Guide*, approximately 390,000 of these beds have en-suite provision, meaning that around 30 per cent of current registered bedspaces do not conform to the current market standard of providing a bedroom with en-suite facilities.

Extra care

- 8.4. Determining the size of the extra care market is dependent on the definition of 'extra care', which we discussed in detail in Section 6 of this report. According to LaingBuisson's Extra Care Housing UK Market Report 2010, there were approximately 25,000 to 35,000 units within England. In 2009, RSLs in England owned 27,000 units within the category 'Housing for older people', many of which could be considered extra care housing. There are an additional circa 7,000 extra care units owned by local authorities, whilst in 2010, the Elderly Accommodation Counsel identified a further 44,000 dwellings in England that met its loose definition of extra care.

9. The growing need for dementia care

- 9.1. *'The term "dementia" describes a set of symptoms that include loss of memory, mood changes and problems with communication and reasoning. There are many types of dementia, the most common being Alzheimer's disease and vascular dementia. Dementia is progressive, which means the symptoms gradually get worse'* (source: Alzheimer's Society website). Both personal care and nursing homes can provide care to people suffering from dementia and/or Alzheimer's disease. Whilst the preference is always to try and maintain an individual's independence at home this is not always possible, given the nature of the condition. Nationally there are a large number of mixed registration homes caring

for both elderly frail and dementia sufferers; this is acknowledged to be operationally challenging as most homes lack the specialist design and layout to meet the complex needs of the service users' requirements.

- 9.2. The following statistics have been sourced directly from the Alzheimer's Society website, which provides useful background on the condition and its growing importance in the UK social and health care sector:
- There are currently 850,000 people with dementia in the UK, with numbers set to rise to over 1 million by 2025;
 - 225,000 people will develop dementia this year, that's one every three minutes
 - One in six people over the age of 80 have dementia;
 - More than 40,000 below 65 years of age and 25,000 from black, Asian and minority ethnic groups in the UK are affected;
 - 60,000 deaths a year are directly attributable to dementia;
 - Delaying the onset of dementia by 5 years would reduce deaths directly attributable to dementia by 30,000 a year;
 - The financial cost of dementia to the UK was £23 billion in 2012
 - Unpaid carers of people with dementia save the UK over £11 billion a year;
 - 70 per cent of people living in elderly care homes have a form of dementia;
 - Two-thirds of people with dementia live in the community while one-third live in an elderly care home; 40 per cent of those with dementia receive a diagnosis.
 - Dementia is one of the main causes of disability later in life, ahead of cancer, cardiovascular disease and stroke. As a country, we spend much less on dementia than on these other conditions.
- 9.3. An article published in the Lancet medical journal in March 2018 supports the above statistics, saying: 'Dementia is a devastating disease that brings fear, confusion, and loneliness to the lives of patients and their families. Today, around 850 000 people in the UK are living with dementia, costing the National Health Service (NHS) and UK society more than £26 billion annually. By 2025, it is estimated that over 1 million people in the UK will be affected, with the prevalence and costs of care for these patients expected to double by 2050' (source: The Lancet March 2018).
- 9.4. The Alzheimer's Society's report *Low expectations: Attitudes on choice, care and community for people with dementia in care homes*, February 2013, sets out quantitative and qualitative research on dementia provision in the UK, which recognises that for people with moderate and severe dementia needs an elderly care home placement may be the safest and most sustainable option available.

- 9.5. Their report states that: *'While there has been significant focus on delivering care to people in the community in recent years, care homes remain often the most appropriate place of care for many people with dementia, especially those with more advanced dementia'* (page 5).
- 9.6. It goes on to state that: *'There is significant evidence that the environment that people with dementia live in can have profound implications for their quality of life. Dementia can make it difficult for people to negotiate environments, potentially increasing the risk of accidents. Furthermore, many people with dementia are prone to walking about, and need environments which can enable this while remaining safe and secure'* (page 26).
- 9.7. *'The focus on new-build care homes should be on how environments can support good quality of life for residents, and existing good practice design guidance should be considered early on in building processes'* (page 29).
- 9.8. Whilst the document also considers other outcomes in a very positive light (including domiciliary care and other alternatives), the above illustrates that provision of residential care is an important part of the approach required to tackle the increasing demographic pressures and increased levels of acuity in care home placements.

10. Paying for care

- 10.1. According to LaingBuisson, as at June 2018, 55 per cent of care home residents were having their fees paid, in part or in full, by local authorities. Consequently, the resources that government makes available to local authorities to fund community care are very important to the care home sector, particularly in less affluent areas of the country.
- 10.2. LaingBuisson state that, as at June 2018, an estimated 45 per cent of older or physically disabled residents in care homes were self-payers, receiving no funding from the state across the whole of England. Currently if a prospective resident has assets of over £23,250 (for England and Wales), they will have to pay the full accommodation and personal care costs as a 'self-funded' service user. In many circumstances, an individual's own home is taken into account and the sale proceeds used to fund their ongoing care needs. In the more affluent counties of the South East, we have been advised by the commissioning teams that the proportion of private funders is closer to 80 per cent.
- 10.3. In addition, a proportion of funding is driven from NHS or Continuing Healthcare referrals for high-acuity placements.

11. Integration of health and social care (integrated care)

- 11.1. The combination of funding pressures, putting an emphasis on moving care out of acute (hospital) settings, and tightening social care eligibility criteria has resulted in:
- Complexity of conditions increasing and greater co-morbidities;
 - Pressure on 'traditional' home care provision models and increasing barriers to entry;
 - Focus on high-quality care for complex needs;
 - Additional care worker support and skill-sets required.
- 11.2. As such, government long-term policies are steering towards a person-centred, more cost-effective, integrated health and social care environment that would see better collaboration between local authorities (adult social care) and clinical commissioning groups (health) to:
- Pre-empt and provide better care upfront to minimise the number of cases that reach hospital settings;
 - Move the provision of care for service users from hospitals into the community;
 - Provide intermediate care post-hospital treatment (intermediate care);
 - Aid in rehabilitation to reduce the level of dependency and re-admissions.
- 11.3. To achieve this initiative, in the summer of 2013, ministers unveiled the Better Care Fund budget, initially of at least £3.8bn, which subsequently rose to c. £6.4bn.
- 11.4. Pilot initiatives have been carried out and early signs show that areas that have well-developed, integrated services for older people have lower rates of hospital bed use.
- 11.5. Our current view is that it is highly doubtful, given the scale of the task and timeframe allowed, that anything close to full integration is possible, and measures are likely to be watered down to a greater or lesser degree over the coming years.

12. Key issues for the sector

- 12.1. The national requirement for the development of new elderly care home beds is growing. This is due to a number of factors, including:
- The increasing dependency level of service users;
 - Increasing expectations from regulators and the marketplace;
 - Many existing elderly care homes are converted, and are unsuitable for use in their current configuration without physical adaptation of the property;
 - Constantly changing population demographics leading to a much older and more dependent population;
 - The significant and growing increase in the incidence of dementia in older people;
 - Impact of older people on the NHS and wider healthcare policy as levels of dependency increase and the burden of this age group on NHS facilities increases. This is also linked to the impact of social care funding and responsibility for paying for social care over the coming decades;
 - The increasing requirement for extra care and other alternative forms of housing accommodation as an alternative to residential care, where suitable for the needs of the residents;
 - The Care Act;
 - National Living Wage and its implications on staff retention and recruitment and sustainability of some current business models;
 - Impact of Brexit on the healthcare sector.
- 12.2. In response to these changing demographics, market-based and regulatory factors, the subject scheme will meet a wide variety of needs for the elderly population in the area.

THE PROPOSAL

13. Description of proposal

- 13.1. The proposed scheme includes a 67-bed care home and 22 extra care suites within a new build scheme set over lower ground, ground, first and second floors.
- 13.2. The care home element will provide a total of 67 single occupancy bedrooms, all with en-suite wetroom facilities. The care home will be situated on the lower ground, ground and first floors of the proposed development.
- 13.3. The scheme will also include 22 extra care apartments, designed for varying degrees of dependency for older people who need care. This is beneficial because as the level of acuity generally increases with age, individuals will be able to receive the amount of care they require, administered easily within their own home. The extra care units will comprise a mix of one- and two-bed units which will be located on the ground, first and second floors of building.
- 13.4. The proposed scheme will also provide a café/bistro, hair salon, multi-purpose room and roof terrace.
- 13.5. It is anticipated that as a result of this development, significant full- and part-time jobs will be created across a range of job types, from higher grade management positions to care workers and ancillary staff.
- 13.6. Further details in respect of the proposal can be found in the planning statement accompanying the application.

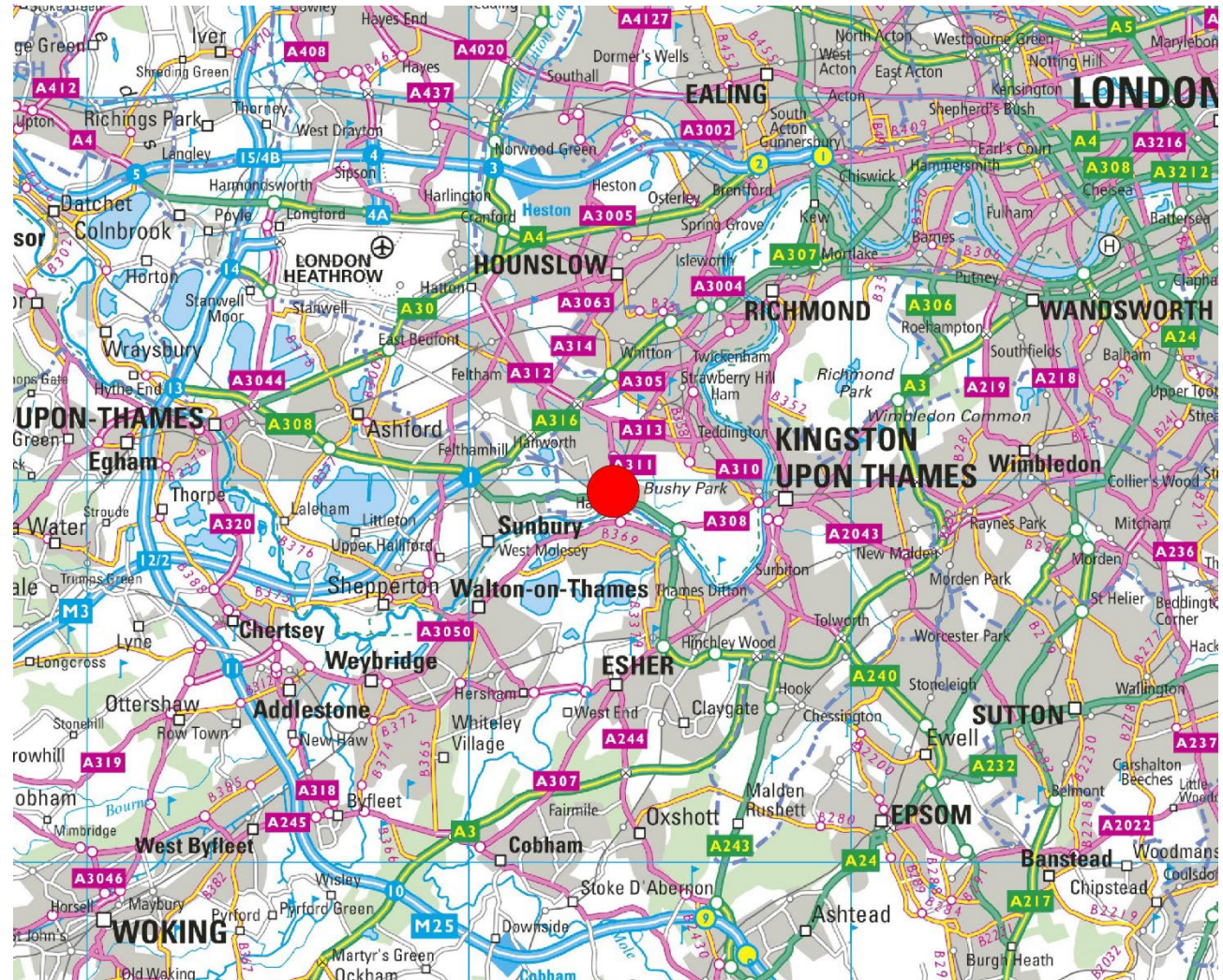


Figure 2: Aerial map of the subject site – site boundary approximate

14. The proposed care scheme – its position in the local market

Elderly care spectrum

- 14.1. To illustrate where we consider the subject scheme lies within the various models of care provided in the UK long-term elderly care market, we have compared the proposed scheme against other accommodation types in respect of care provided, cost of care, accommodation type and regulation. Table T7, below, shows the range of options available within this 'spectrum of care'.
- 14.2. Increasingly, prospective service users are delaying their decision to move into residential care until later in life and sometimes the catalyst for a move is a fall or illness causing a short-term hospital stay. Due to the increasing needs placed upon the NHS and hospital beds, as well as the introduction of delayed discharge legislation, which imposes fines for 'blocked beds' upon local authorities, hospital stays are becoming progressively shorter and residential care at this higher level of dependency may be the only short-term option. Conversely, an increasing number of older people are choosing sheltered housing and extra care schemes as a middle ground between living in their own homes and full 24-hour residential care.
- 14.3. A substantial addition to the care provision element of the care spectrum below is informal/family care. An estimated six million people provide significant support to elderly relatives, neighbours and friends. This allows many thousands of people to remain in their own home, particularly when the support is alongside home care and/or day care. The effect is to delay the person's move into a care home, maybe

even to the extent of by-passing care homes altogether and only moving, when dependency is very high, into a nursing home or hospital. However, the burden placed upon the spouse or primary carer can be phenomenally high and there is very little, if any, accommodation available across the UK to meet these needs. Thus, a range of care needs and a range of services co-exist, sometimes overlapping considerably.

The proposed care home

- 14.4. The proposed care home will be capable of providing care to those with higher dependency levels who require nursing care or dementia care within a specialist service specifically designed to cater to their needs. With this ability a number of very high-dependency residents, who would otherwise have to have an enforced hospital stay, could be accommodated on a continuing-care basis.

The proposed extra care units

- 14.5. The extra care units will cater for older people with lower dependency levels than the care home beds but with the provision of care that is flexible and adaptable as additional care is required, with support being available 24 hours a day. The units create an environment that allows people with care needs to maintain their independence for as long as possible.

T7 Elderly care spectrum						
Accommodation	Standard housing	Sheltered housing	Extra care/independent living/assisted living	Care homes	Care homes with nursing	Hospitals
Care provided	Domiciliary care			Personal care	Nursing and medical care	
Cost of care	Low to medium and highly variable			Medium to high	High	Very high
Accommodation type	Standard housing	Specialist elderly housing		Residential setting		
CQC regulation	Regulated only if care provided			Highly regulated – all care and accommodation		
Proposed community			Needs met in the proposed extra care apartments	Needs met in the proposed care home		

15. Tangible benefits for the wider community

Benefits to the housing chain

- 15.1. The proposed care scheme offers a unique combination of independence and security of lifestyle within a socially active and supportive community. Here, older people will be able to continue to live in their own space, supported by a comprehensive and flexible network of personal care services and activities.
- 15.2. People moving into such a care scheme will release large family homes back into the community, which is key to offering more options for families living locally.
- 15.3. A report (“The top of the ladder”, prepared in September 2013) by Demos, the leading cross-party think tank, has considered the above issue in significant detail. We have considered some of the key issues and findings raised as part of this research and reproduced below:
- 15.4. *‘Retirement properties make up just 2 per cent of the UK housing stock, or 533,000 homes, with just over 100,000 to buy. One in four (25 per cent) over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally.*
- 15.5. *‘More than half (58 per cent) of people over 60 were interested in moving. More than half (57 per cent) of those interested in moving wanted to downsize by at least one bedroom, rising to 76 per cent among older people currently occupying three-, four- and five-bedroom homes. These figures show that 33 per cent of over 60s want to downsize, which equates to 4.6 million over 60s nationally. More than four in five (83 per cent) of the over 60s living in England (so not Scotland, Wales or Northern Ireland) own their own homes, and 64 per cent own their home without a mortgage. This equates to £1.28 trillion in housing wealth, of which £1.23 trillion is unmortgaged. This is far more than the amount of savings this group has (£769 billion). Therefore the over 60s interested in downsizing specifically are sitting on £400 billion of housing wealth.*
- 15.6. *‘If just half of the 58 per cent of over 60s interested in moving (downsizing and otherwise) as reported in our survey were able to move, this would release around £356 billion worth of (mainly family-sized) property – with nearly half being three-bedroom and 20 per cent being four-bedroom homes.*
- 15.7. *‘If those wanting to buy a retirement property were able to do so, this would release £307 billion worth of housing.*
- 15.8. *‘Combining New Policy Institute (NPI) analysis of current market chain effects of older people dying and moving each year with our own analysis of ELSA, we can estimate that if all those interested in buying retirement property were able to do so, 3.5 million older people would be able to move, freeing up 3.29 million properties, including nearly 2 million three-bedroom homes.*
- 15.9. *‘If just half of those interested in downsizing more generally were able to do so, 4 million older people would be able to move, freeing up 3.5 million homes.’*
- 15.10. The report goes on to suggest a number of national policy recommendations to assist in overcoming these problems:
- 15.11. *‘Giving retirement housing special planning status akin to affordable housing, given its clear and demonstrable social value.*
- 15.12. *‘Tackling S106 and community infrastructure levy (CIL) planning charges, which make many developments untenable and affect them disproportionately compared with general needs housing developments.*
- 15.13. *‘Quotas and incentives for reserving land for retirement housing, and linking this to joint strategic needs assessment and health and wellbeing strategies for local areas.’*
- 15.14. Whilst, to our knowledge, the above have yet to be implemented through any national or other local government policy, they serve to illustrate some of the hurdles faced by developers of retirement housing across the UK. The report’s key conclusions are summed up in the following statement:
- 15.15. *‘We conclude by reflecting on the fact that the housing needs of our rapidly ageing population (the number of over 85s will double by 2030) is the next big challenge this government faces. And yet the costs associated with overcoming this are far lower than those related to the effects of the ageing population on health or social care. The money is there already – locked up in over a trillion pounds’ worth of assets across the country. Hundreds of millions of pounds could be released to stimulate the housing market if (low-cost) steps were taken to unlock the supply to meet the demand already there – let alone if demand were further stimulated. While there must always be a place for social housing and affordable tenancy for older people, the vast majority of older people can be helped into more appropriate owner-occupied housing without any direct delivery costs incurred by government or local authorities.’*

A social hub for older people

- 15.16. At a time when financial constraints are forcing some day care facilities to close, the central core or 'hub' will fulfil an increasing need for a welcoming community where older people living locally, who may well be lonely or bored, can enjoy a variety of pursuits and experience activity, friendship and a sense of belonging.
- 15.17. These facilities will be available for use by healthcare professionals delivering post-operative, rehabilitation and respite care to anyone within the local community needing such services, enabling local healthcare professionals, both NHS and private, to prescribe or advise attendance at falls prevention, stroke rehabilitation, assessment clinics, physiotherapy, long-term conditions management and the promotion of self-care, including expert patients' programmes, cognitive stimulation and pulmonary and cardiac rehabilitation programmes. GPs and other healthcare professionals will use the treatment room to provide surgeries and consultations both for residents and those living in the wider community.

A new concept in care

- 15.18. Government and local policy is driving the provision of care and support firmly away from traditional residential care home settings towards new alternatives where the individual can remain in their own home unless their care needs progress to very high levels of dependency. A proportion of the proposed scheme is the provision of extra care accommodation that is fully in line with this strategy, providing care and support within an individual's own home.
- 15.19. However, the proposed retirement concept goes further and allows highly trained staff to offer unparalleled support to those with even the highest dependency needs in small friendly family groups, so that residents, secure in an environment where family involvement is actively promoted, feel encouraged to engage, participate and be independent where possible, and to benefit from quality care that directly responds to their needs when necessary.
- 15.20. Provision of domiciliary care and support to occupants of the extra care units can be provided in much smaller time segments than is possible to achieve in someone's own home in a traditional way. Often visits in traditional home care within a person's own home are limited to a minimum of 30 minutes or even an hour, which is very impractical to meet the needs of the person concerned if they require a more bespoke service. In the subject scheme, escorting duties and home visits can be offered in time intervals of as little as 15 minutes, to offer a tailored approach to care provision and fully meet the social as well as care-driven needs of the residents across the care dependency spectrum.

The transport service

- 15.21. Residents will benefit from on-site transportation, and an on-site activities coordinator will also arrange trips to galleries, historic houses, exhibitions and places of interest.

16. Empirical research into benefits of a retirement scheme for its residents

- 16.1. The primary purpose of the recent literature on care schemes has been to evaluate the success of existing schemes, including care villages. In addition, while the volume of literature has gradually increased, to date there remain only a handful of papers that document and evaluate primary research from UK schemes. We have extracted the text below verbatim from a report prepared by Tetlow King, published in 2011, which summarises the empirical evidence available in respect of the benefits of a care village to the individuals who are cared for within the development. We have also reviewed a report prepared by CASS Business School, entitled 'Does Living In A Retirement Village Extend Life Expectancy?'

Planning and Delivering Continuing Care Retirement Communities (CCRC) (Tetlow King, 2011)

- 16.2. *'There are two recent large scale longitudinal studies of CCRCs, one by Bernard et al. (2004) of Berryhill Village operated by the ExtraCare Charitable Trust and the other by Croucher et al. (2003) of Hartrigg Oaks, operated by the Joseph Rowntree Housing Trust.*
- 16.3. *'Both of these studies offer in depth accounts of living in retirement communities. More recently an evaluation of the first 10 years of Hartrigg Oaks has been produced by the residents and staff (JRF 2009). The other UK based studies cover smaller time frames (e.g. Evans and Means 2007) and so adopt different methods and sample sizes, ranging from around 15 participants to over 100. Another approach by Biggs et al. (2001) adopts a comparative analysis, comparing those within a CCRC to a sample from the wider community. This produces an effective analysis of life within a retirement community as it enables direct comparisons to be drawn. Across these evaluations a number of key themes can be identified.*

'Safety and Security

- 16.4. *'A number of sources refer to the sense of safety and security experienced by residents (e.g. Phillips et al. 2001, Baker 2002, Biggs et al. 2001). This is most often related to knowing that care staff are available on site day and night, and knowing that help is available across a range of domains, including home maintenance (Croucher 2006). It is also acknowledged that being in such a community reduces the risk of being a victim of crime or harassment.*

'Health

- 16.5. *'Within a CCRC, the onsite care provision ensures that all residents are fully cared for and supported. Hayes (2006) acknowledges that this provides residents with peace of mind from knowing that they can stay at home even if their care needs change. Throughout their comparative studies both Croucher (2006) and Biggs et*

al. (2001) found that the self-reported health status of residents within the village tended to remain much higher than those living outside.'

'Impacts on the wider community

- 16.6. *'There are also wider community benefits of such provision. These include much faster discharges from hospital as well as lower admission rates (Idle 2003). Some literature sources describe a negative impact on local GP surgeries with the influx of older people; however in evaluating such evidence, Croucher (2006) expresses that such concerns may be overstated. The benefits to families are also important in terms of relieving them of the pressure to provide care and in particular freeing up for the younger generation larger units of family housing (Phillips et al. 2001; JRF 2009).*

'Social Inclusion

- 16.7. *'The issue of social inclusion is commonly cited as an important reason for moving into such a community. Social inclusion is a key theme throughout government policy and it is widely recognised that older age groups with reduced mobility increasingly suffer from social exclusion (Battersby 2007; OCSI 2009). It is well documented that CCRCs offer opportunities for companionship and social interaction. This occurs both formally within organised clubs or activities and informally within communal areas (see for example Bernard et al. 2007; Croucher 2006; JRF 2009; Evans and Means 2007 and Phillips et al. 2001). Some authors report instances of conflict or marginalisation of those who don't fit in with the norm (Croucher et al. 2006; Phillips et al. 2001). In general, however this is heavily outweighed by the volume of evidence documenting the mutual support that exists between residents, creating a true sense of place and community spirit.'*

Does living in a retirement village extend life expectancy?

The case of Whiteley Village

- 16.8. *'The increasing number of people we expect will require residential care at some point in their lives provides a new impetus to examine how retirement village communities can cater for the needs of their residents. This report is particularly commendable because it examines the records of residents of Whiteley Village, covering 100 years of its existence including their longevity experience.'*
- 16.9. *'It finds that Villagers, particularly females, live longer than the average for England & Wales and this advantage was especially pronounced when pensioner poverty was higher than it is today. This is particularly remarkable since eligibility to become a resident of Whiteley, usually at around normal retirement age, is based on having limited financial means, i.e. people who would be expected to die sooner on average.'*
- 16.10. *'This advantage continues today if one compares the longevity of Whiteley Villagers with the poorest 20% of pensioners in England & Wales. The key message therefore is that as well as increasing quality of life, housing with care communities such as Whiteley Village can also extend life expectancy.'*
- 16.11. *'As the residential care sector continues to respond to the needs of our rapidly ageing society, I hope that policymakers and the social care sector can take heart in knowing that, whilst socio-economic inequalities in life expectancy sadly still exist, the right housing with care community might just be able to ameliorate the effects of deprivation and address those inequalities in later life' (page 4).*
- 'Executive summary*
- 16.12. *'The benefits or otherwise of communal living in later life are of considerable interest in the context of a growing and increasingly elderly population because of the continuously rising cost pressures on health and social care and the need to provide more suitable accommodation. Such establishments have the capacity to provide in one location all the needs of residents whilst providing a stimulating and high quality living environment which insulates residents from the day-to-day problems of growing old.'*
- 16.13. *Whiteley Village, currently celebrating its 100th anniversary, is one of the main forerunners of this kind of retirement living anywhere in the world. The aim of this study is to investigate the possible benefits of retirement village life with respect to life expectancy, i.e. whether Villagers live longer on average than the general population. Our results show that there is strong statistical evidence that female residents, in particular, receive a substantial boost to their longevity when compared to the wider population – at one point in time reaching close to five*

years. Whiteley's longevity advantage is even greater once we take account of the fact that the resident population is drawn from the poorest pensioners, who would be expected to experience higher mortality rates. Although we were unable to find sufficient statistical evidence that the male residents of Whiteley outlive their counterparts in the wider population, there was certainly evidence that the majority lived at least as long on average (i.e. the effects of living at Whiteley appears to combat the inequalities caused by social deprivation)' (page 5).

- 16.14. The research document concludes that there are significant benefits of living at Whiteley that help to combat the inequalities caused by social deprivation. The report concludes that as well as increasing quality of life, housing with care communities such as Whiteley Village can also extend life expectancy.

The Joseph Rowntree Foundation

- 16.15. In addition to the above commentary, we have considered the Joseph Rowntree Foundation paper, published in April 2006, called "*Making the Case for Care Villages*". Drawing on previously published studies and data from an on-going comparative evaluation of seven different housing with care schemes for older people, they found that evidence shows very clearly that older people see Care Villages as a positive choice.
- 16.16. We have extracted a few examples of the research that underpins the key observations made on the benefits.
- 16.17. *'Care Villages also play an important role in promoting health and well-being. Increased opportunities for social interaction and engagement can reduce the experience of social isolation, with consequent benefits to health, well-being, and quality of life...'*
- 16.18. *'...Living in a purpose-built, barrier-free, efficiently heated environment removes many of the difficulties and dangers of living in inappropriate accommodation, in particular the risk of falls. Resident groups can be effectively targeted for health promotion initiatives... On-site catering services can promote healthy eating, and cater for particular dietary requirements and ensure that everyone has the opportunity to have a hot, nutritious meal every day.'*

COMMISSIONING ENQUIRIES

17. Documentation review

- 17.1. We have conducted an evaluation of the relevant strategy documentation prepared by the London Borough of Richmond upon Thames and Greater London, and have provided relevant extracts verbatim below, together with our own review of the documentation.

Extra Care Housing Evidence Base, December 2015

- 17.2. *'At a regional level the Revised London Housing Strategy (2014) sets out (Policy 33) the need for increased provision of older people's housing including the need to deliver a range of products (including shared equity), in mixed tenure developments. The strategy also highlights the benefits of new supply to the London housing market, in encouraging down-sizing.'*
- 17.3. *'Richmond has the highest proportion of older people living alone in Greater London and the JSNA estimates numbers of older people aged 75+ will increase from 6,397 in 2014 to 7,259 in 2020. Extra care housing has been shown to meet the needs of and provide a good quality of life for many people with dementia, enabling them to live in a community setting and retaining their independence as long as possible' (page 7).*
- 17.4. *'Whilst the majority of older people in Richmond upon Thames are owner occupiers, demand for extra care is likely to be slightly higher from the housing associations and slightly lower from the owner occupied sector. As such it is recommended the tenure split of 40% shared equity and 60% rented units be used for extra care schemes rather than the existing 20% (intermediate) and 80% (rented) affordable housing tenure ratio. Extra care schemes should provide two-bedroom as well as one bedroom units' (page 12).*
- 17.5. *'Taking a pragmatic approach to assessing the need for new extra care provision locally, there is an estimated need for at least an additional 81 extra care units in Richmond upon Thames provided over two to three areas. Again, a pragmatic timescale for provision is the period 2015 to 2020' (page 19).*

Older Londoners and the London Plan: Looking to 2050 (2015)

- 17.6. *'For the first time, the 2015 London Plan introduces indicative requirement benchmarks for the provision of housing for older people which it requires Local Plans to translate into specific targets. The plans identify that the population of over 64s is set to increase by two thirds to 1.5 million by 2036, including almost 90,000 who will be over 90 and notes an insufficient supply of purpose built older people's housing.'*

- 17.7. *'The London Plan sets out a target for purpose built housing for older people comprising: 2,600 market, 1,000 shared ownership and 300 affordable homes per annum. Boroughs are required to demonstrate in their Local Development Framework (LDF) and other plans and strategies how they have addressed their benchmarks for market, shared ownership and affordable requirements for older persons housing as set out in Annex 5 of the London Plan.'*

- 17.8. *'Linked to both the level and type of older persons' housing is the issue of downsizing. The majority of older people will remain in their own homes as they get older but the provision and availability of specialist accommodation for older people may provide opportunities for people to downsize to more manageable homes, which could, in turn, free up larger properties thus enabling mobility within the wider housing market to make better use of housing stock in a city with a constrained land supply. The Mayor's Housing Strategy seeks to encourage downsizing by improving the choice and quality of such products.'*

Retirement Housing Review – Adult Social Care (October 2016)

- 17.9. *'The majority of older people in Richmond upon Thames are homeowners. 76.6% of people who are 65 and over in LB Richmond are owner occupiers compared to just 16.3% who are in the social rented sector and 7.1% in the private rented sector or living rent free' (page 9).*
- 17.10. *'A recent report on the self-funding population in care homes in London Borough of Richmond upon Thames further demonstrates the relative affluence of the Borough. Self-funders are people who arrange and fund their own care and support. When the report was written in 2014, 51% of the occupied beds in care homes in Richmond were occupied by self-funders. This is noticeably higher than the figure projected for the UK by healthcare researchers LaingBuisson of 41%. Although the sheltered housing and residential care home markets are not directly comparable, these figures again reflect the relative affluence of older people in Richmond upon Thames and indicate that a substantial proportion of older people will most likely be able to pay service charges related to retirement accommodation' (page 11).*
- 17.11. *'Richmond Borough has 1,404 units of retirement housing, including almshouses, sheltered, age-exclusive and extra care housing. The majority of this stock is sheltered housing, some of which is not up to the standards against which retirement housing is now measured' (page 16).*

- 17.12. 'According to EAC's Housing Care website and information collected from providers of retirement housing, there are 272 units of retirement housing for intermediate and market sale in the Borough. This equates to approximately 19 per cent of all retirement housing in the Borough' (page 17).
- 17.13. 'The GLA's paper estimates that there are approximately 1,210 units of older people's housing in Richmond Borough. The GLA's recommendations also assume that 50% of stock is currently unfit for purpose and discounts this proportion from its calculations. This figure is short of the 1,404 units identified by our paper. The GLA's paper estimates there to be 1,692 older households wanting to live in retirement housing in LB Richmond in 2015 rising to 2,234 by 2025 as this is 15% of households aged 75 and over and 2.5% of households aged 65-74' (page 21).
- 17.14. 'Based on predicted population growth and the assumptions outlined above, the GLA paper recommends that 135 units of older people's housing is built in the London Borough of Richmond per year in order to match the growth in the population of older people and address the current deficit. It estimates this figure by calculating the supply which is fit for purpose (50% of affordable rented units and 100% of for sale units) and deducting it from the demand in 2015 and 2025 (15% of households aged 75 and over and 2.5% of households aged 65-74). It then takes an average of the surplus or deficit to derive an annual target for the provision of housing for older people. The GLA's paper then calculates the required tenure types by assuming that 80% of owner occupiers will want a unit for market sale, 20% of owner occupiers will want a home for intermediate sale and every household which is renting would move to affordable rented accommodation' (page 21).
- 17.15. 'As the London Borough of Richmond has the highest house price in Outer London, this paper recommends that 30% of retirement housing for sale is available for intermediate sale, with 70% for market sale. This policy consideration will suitably increase the range of housing available for older people' (page 22).
- 17.16. 'Utilising the methodology outlined by the GLA, this paper recommends that 145 additional units are delivered across 3 or 4 schemes in the Borough and sets a timeframe of 2020 for the delivery of these units. This figure addresses both the current shortfall and predicted increase in demand for retirement housing driven largely by a forecast growth in the population of older people' (page 25).
- 17.17. 'Of these 145 units, 76 should be sold at market rates, 35 units for intermediate sale and 34 social rented units factoring in policy considerations' (page 25).
- 17.18. 'This is a different approach to the methodology outlined in the Borough's Draft Strategic Housing Market Assessment (SHMA). This is because the SHMA uses an adapted version of alternative methodology SHOP@. This means the SHMA estimates the population growth in people aged 75 and over and recommends that housing for older people is built at a rate in line with that recommended in the SHOP@ methodology. This does not, however, address any deficit which currently exists. This is why this paper's recommendations are slightly higher than the potential need outlined of 50-65 units per year as outlined in the SHMA' (page 23).
- 17.19. 'Due to the relatively high proportion of older owner occupiers in the Borough and national research indicating that older owner occupiers prefer units with more than one bedroom, providers of for sale units should ensure that the majority of these homes are two bedroom units' (page 25).
- 17.20. 'Developers of retirement housing should engage with the Council to ensure that they bring forward retirement housing products which are viable and meet local needs in relation to housing and infrastructure' (page 26).
- Strategic Housing Market Assessment (December 2016)**
- 17.21. 'In regard to specialist accommodation for older persons, a need for between 61-75 units per annum is identified. A constrained housing delivery position is likely to see a significant ageing of the population and indeed population losses in younger age groups (particularly people aged under 50). Providing appropriate housing for older households to downsize may also release larger family homes within the existing stock' (page 166).
- 17.22. 'The London Plan 2015 set indicative requirement benchmarks for specialist housing for older people 2015-2025 to inform local expression of strategic needs. For Richmond the annual indicative benchmark is 135 - of which 105 private and 30 intermediate sale' (page 167).
- 17.23. 'The Council expressed concern that the Assessment of Potential Demand has fundamental limitations including the assumption that 50% of affordable housing stock is not fit for purpose and that a specific proportion of elderly will choose this type of housing when there is a wide choice of accessible easy to run flats available' (page 167).
- 17.24. 'We have used 2011 Census data to explore in more detail the characteristics of older person households in Richmond-upon-Thames (based on the population aged 65 and over). The data shows that in 2011 around 17% of households were comprised entirely of people aged 65 and over. This is notably above the figure for London (14%) but some way below the equivalent figure for England (21%). The

data for Richmond also identifies a particularly high proportion of single older person households.'

- 17.25. *'Given that the number of older people is expected to increase in the future and that the number of single person households is expected to increase this would suggest (if occupancy patterns remain the same) that there will be a notable demand for affordable housing from the ageing population. That said, the proportion of older person households who are outright owners (with significant equity) may mean that market solutions will also be required to meet their needs.'*
- 17.26. *'In the private sector many older households may be able to afford a larger home than they need (and thus under-occupy housing). Some may look to downsize to release equity from homes to support their retirement (or may move away from the area); however, we would expect many older households to want to retain family housing with space to allow friends and relatives to come to stay. Data about household ages and the sizes of homes occupied in the previous section does indicate that some households do typically downsize, however, a cautious view should be taken about the willingness of households to move to smaller homes and the extent to which this can be influenced through policy.'*
- 17.27. *'The current supply of specialist housing for older people is at present estimated to be just under 1,200 units; this is equivalent to 94 units per 1,000 people aged 75 and over. The analysis shows a higher proportion of the stock is in the affordable than the market sector (80% vs. 20%).'*
- 17.28. *'A toolkit has been developed by Housing LIN, in association with the Elderly Accommodation Council and endorsed by the Department of Health, to identify potential demand for different types of specialist housing for older people and model future range of housing and care provision. It suggests that there should be around 170 units of specialised accommodation (other than registered care home places) per thousand people aged over 75 years. The analysis shows a potential need for 1,154–1,418 units – 61–75 per annum, depending on the base projection used for analysis.'*
- 17.29. *'Moving forward we would suggest that additional specialist housing should be split roughly 50:50 between the market and affordable sectors. This reflects the likely 'market' for specialist housing products as well as the current tenure profile of older person households (including the likely increase in the number of single person older households where levels of home ownership are slightly lower).'*

London Borough of Richmond upon Thames – Joint Health and Wellbeing Strategy 2016–21

- 17.30. *'Richmond has the highest proportion of people aged over 75 and living alone in London (51% in Richmond vs 35% for London). A survey found that just under half of adult social care users feel they have as much social contact as they would like' (page 21).*
- 17.31. *'Of the 85 years and over population, only 34% received a council funded service at home and 7% in a care home, meaning that approximately 2,400 (59%) people aged 85 and over are either not receiving care or are arranging care themselves' (page 21).*
- 17.32. *'It is estimated that 2,072 Richmond residents have dementia. Around 64% of the estimated number has received a formal diagnosis, which is higher than the national average but lower than the London average, and below the target of 66%. Of those with dementia, 70% (840 people) have one or more other long term conditions, and it is estimated that two thirds of those with dementia live in the community (outside of a residential care or clinic setting)' (page 21).*

London Borough of Richmond – Integration and Better Care Fund 2017–2019

- 17.33. *'The overall market picture across the homecare and care home market sectors in Richmond is one of stability. Over the last ten years there has been a realignment to maintain the care of people in their own homes as opposed to traditional care models' (page 13).*
- 17.34. *'The market for residential care is also stable with residential care commissioned mainly via a long standing PFI agreement with Care UK. The capacity of Care UK commissioned by the Council is 175 beds' (page 13).*
- 17.35. *'In 2016–17 there were 96 admissions into residential and nursing care (336.2 per 100,000 pop) against the annual target of 105 admissions). This is a notable improvement on the 110 admissions in 2016/17 and progresses Richmond to the top quartile of the London comparator group. Richmond has been successful in ensuring a low level of admissions into residential and nursing care, due to an increased focus on enablement through Rapid Response Rehabilitation Team (RRRT), extra care provision' (page 19).*
- 17.36. *'By the end of 2017/2018, we would expect the BCF plan to have contributed to positive impacts on Non-Elective Admissions, Delayed Transfers of Care and to continue to protect social care services, support carers and keep admissions to nursing and care homes to a minimum' (page 16).*

Older People's Housing Questionnaire Report, October 2017

- 17.37. *'This small research project is part of a wider project of work addressing the accommodation needs of older residents and should be considered as part of a broader comprehensive evidence base alongside the Council's Extra Care Evidence Base and Retirement Housing Review. Additional insight into housing need in the Borough is also available in the Council's Strategic Housing Market Assessment and the Council's Local Plan which sets out the planning policy position.'*
- 17.38. *'This paper provides a useful snapshot of the views of some older residents, despite not being a representative sample of the estimated 51,300 people aged 55 and over in the Borough' (page 1).*
- 17.39. *'Respondents were surveyed on whether they were planning to move currently or in the future and whether they would ever consider moving to retirement housing. Only 18% said that they were currently considering moving home, with 35% indicating that they were planning to move at some point in the future. This means that 44% had no plans to move from their current accommodation and 3% were unsure' (page 2).*
- 17.40. *'Only 15% said that they would not consider moving to retirement housing at some point and nearly two-thirds saying that they would consider a move to sheltered, extra care or age-exclusive housing (61%). This indicates that of those surveyed, people would consider moving to retirement housing in certain circumstances even if they are not currently planning to do so' (page 3).*
- 17.41. *'All respondents were asked what they found most and least appealing about housing for older people and could select multiple responses. The majority of respondents (53%) said that the location of the scheme would be of paramount importance and would favour retirement housing near to the local community, amenities and transport. The other factors that people said were most appealing were the social facilities (38%) and the lower cost of living (38%)' (page 3).*
- 17.42. *'The importance of remaining nearby their current home was also evident when respondents were asked how far they would move from where they currently live. Nearly two-thirds (62%) said that they would not consider moving from their current neighbourhood, with 26% saying they would move between two and five miles away and only 12% saying they would consider moving more than five miles from their current home' (page 4).*
- 17.43. *'Respondents were asked what the minimum number of bedrooms they would consider and over half said two bedrooms (56%), with 30% saying one. This question also highlighted that 61% of respondents would consider a downsizing*

move, which rises to 73% when including those currently living in one bedroom properties and would move to another one bed' (page 4).

- 17.44. *'The location of schemes was also something that respondents highlighted. The least appealing factor about retirement housing was that respondents liked their current home and surrounding neighbourhood, with the majority of respondents also saying that they would be reluctant to move from their current neighbourhood. Continuing to review where retirement housing schemes are located and developed across the Borough will support meeting choice in terms of location' (page 5).*

Richmond Housing and Homelessness Strategy 2018–2023

- 17.45. Objective to *'Support opportunities which will improve the housing offer for older people, including those with care and support needs and extra care housing'.*
- 17.46. *'As set out in the Council's Extra Care evidence base there is a demand for affordable extra care accommodation, providing rented and shared equity housing in the Borough. The research identified that many older people with care needs want to remain in their own home but would consider moving to an extra care scheme especially if it is near where they currently live and was well designed to meet their needs including, where appropriate, wheelchair access.'*
- 17.47. *'The Retirement Housing Review also confirmed the growing need for a range of suitable housing for older people across a mix of tenures. The research estimates that 145 additional units of retirement housing are required to address the shortage, in addition to the 81 units of extra care housing by 2020. The research notes that some of these additional retirement units can be achieved through re-modelling existing sheltered accommodation that is no longer fit for purpose. In the case of Extra Care Housing the research also recognises that where this is located within the Borough it is important to ensure there is a geographical spread.'*

Market Position Statement 2018–2019

- 17.48. *'There are 28,900 people aged 65+ in Richmond-upon-Thames (15% of total population). This is predicted to increase by 55% to 46,800 people by 2035 (19% of total predicted population). This is a major area of demographic change' (page 15).*
- 17.49. *'The council will continue to explore alternative accommodation options to minimise placements in residential care settings (where appropriate), to support independence. The council anticipates that demand for home care will continue to increase as people receive community-based support rather than residential care' (page 16).*

- 17.50. *'Between 2014/15 -2016/17, the total number of service users in care homes reduced by 4%, whilst those receiving community based services has increased by 5%' (page 18).*
- 17.51. *'The market for residential care is stable with this being commissioned mainly via a long standing PFI agreement with Care UK. The council commissions 175 beds from Care UK. Self-funders are estimated to account for 57% of the local care home market. This is the third highest proportion of self-funders among London local authorities. In terms of absolute numbers, the self-funder estimate for Richmond-upon-Thames is only the 12th highest out of the 32 London boroughs' (page 18).*
- 17.52. *'The CQC reports a 0-10% reduction in the number of nursing beds between April 2015 – April 2017 in the borough' (page 18).*
- 17.53. *'The council will be working with Care UK to continually review and ensure that bed configuration is proportionate to the dementia needs of service users' (page 19).*
- 17.54. *'We will support older people to remain independent for as long as possible so that our older residents can stay active in both their decision making and in terms of their lifestyle. The council wishes to see a general move away from intensive support models such as residential care to care packages that encourage greater independence and delay the requirement for more intensive support. We are also committed to supporting more people to live at home for longer. However, it has been noted that demand for residential and nursing care may increase further in the future due to demographic changes. Therefore, the council will ensure that provision of these services meets demand levels going forward' (page 23).*
- 17.55. *'In 2016/17 service users aged 65 and over had placements funded by the council in 16 care homes in the borough and 118 homes outside of the borough. The total number of people aged over 65 who were supported in residential care reduced between 2014/15 and 2016/17 (by 21% over the period). Between 2014/15 and 2016/17 there was a 20% reduction in the number of service users over 65 living in nursing care homes. There was however a slight increase in service users aged between 65 and 84 living in nursing care homes in 2016/17 compared to 2015/16 (3%)' (page 25).*
- 17.56. *'If future uptake of residential and nursing care is in line with projected population increases then there will be a 5% increase in the number of older people living in residential and 6% increase in numbers living in nursing care by 2020' (page 25).*
- 17.57. *'In Richmond-upon-Thames, the council is actively promoting extra care housing as an alternative to residential care. The aim of residential care is to promote independence with people being able to access support for personal care needs whilst living in a self-contained flat. There are currently two extra care schemes within Richmond-upon-Thames comprising a total of 66 self-contained flats' (page 25).*
- 17.58. *'Between 2014/15 and 2016/17 there was an 8% decrease in the number of service users aged over 65 living in extra care accommodation. However, there was 13% increase in the number of people aged between 65 and 84 accessing this service, suggesting that demand for extra care accommodation is relatively stable. If future uptake of extra care accommodation is in line with projected population increases the number of older people living in extra care accommodation by 2020 will remain fairly static' (page 26).*
- 17.59. *'Richmond-upon-Thames has a high proportion of older people within its population (15% aged over 65), compared to London as a whole (12% aged over 65). However the proportion of older people in Richmond-upon-Thames is lower than levels for England as a whole (18%). The amount of people aged 65 and over is expected to increase in the coming years and by 2035 older people are predicted to make up 19% of the borough's population (equating to 55% increase in the number of over 65s)' (page 28).*
- 17.60. *'In 2017, it was estimated 2,180 people aged over 65 in Richmond upon Thames had dementia. By 2035 it is estimated this figure will be 3,835, a 76% increase' (page 30).*
- 17.61. *'The number of service users who receive dementia care within a residential or nursing home remained relatively static between 2014/15 and 2016/17, suggesting the demand for this type of service is stable. If future uptake of residential and nursing care is in line with projected population increases then there will be a 6% increase in the number of people with dementia living in residential and 7% increase in numbers living in nursing care by 2020' (page 31).*

Review

- 17.62. Our review of the London Borough of Richmond upon Thames strategy documentation provides evidence that additional care home beds and extra care accommodation is required to meet increasing demand. Whilst extra care provision is considered a more cost effective alternative to residential care, those with high dependency nursing or dementia care needs will continue to require well designed care home accommodation.
- 17.63. The Borough has a clear strategy to maintain or reduce its existing level of referrals to residential and nursing care and make use of a block contract with a specific care provider. This is in line with the majority of councils' commissioning strategies

across the country in that it is seeking to reduce the volume of residential care it commissions and increase community-based services, with older people living in their own homes for as long as possible.

- 17.64. Despite the nature of local authority funded provision, it should be remembered that self-funders account for over 50 per cent of those living within care homes in the borough and therefore the strategic comments with regard to local authority funded beds relate to a smaller proportion of the local population.
- 17.65. A significant number of those who would occupy the proposed care home would be self-funded and make their own decision as to when to enter a care home setting. These numbers will continue to grow and the quality of care and accommodation, along with location and proximity to family and friends, will therefore be the major drivers in the decision making process, rather than the commissioning intentions of the local authority.
- 17.66. Extra care accommodation enables elderly people to remain independent for as long as possible within a safe and secure community where care provision can be increased from the minimum care package as requirements increase.
- 17.67. The volume of extra care provision expected to be required in Richmond upon Thames varies considerably. While the London Borough of Richmond upon Thames was concerned that 50 per cent of older people's affordable housing was not considered fit for purpose within the Strategic Housing Market Assessment, this should not detract from the fact that there is a significant undersupply of older people's 'market housing' and the requirement is expected to increase significantly by 2030.
- 17.68. The Housing Strategy appears to favour additional older people's accommodation being within affordable rent and shared ownership provision. Although it mentions the outright purchase of accommodation to meet elderly needs, it states that it 'may be included' in a mixed tenure scheme 'where justified' on the basis of local evidential need/where required to cross subsidise the council's priorities. It is therefore not considered a priority, even though this would enable downsizing and thus assist the council's target to increase the availability of family housing
- 17.69. With the majority of older people in Richmond (76.5 per cent) owning their own home, the provision and availability of quality older people's extra care accommodation, along with choice with regard to facilities and care provision, will promote downsizing. What is evident is that there is increasing need for well-designed accommodation suitable for the provision of care as an alternative to a move into a residential care home.
- 17.70. The form of new provision is recommended to be decided at local level and take account of specific needs and existing supply. In addition, homeowners comprising the bulk of households in the borough will not meet housing list criteria and will not be eligible for 'affordable' housing developments. It is therefore critical that additional private supply is made available to meet such needs across the borough to enable older people to remain in their local communities.
- 17.71. The Retirement Housing Review considers there could be a need for an additional 145 retirement housing units across three or four schemes in the borough, with at least 50 per cent for private sale, which we consider, given the other evidence bases presented and our own assessment using Housing LIN methodology, to be a significant under-estimate of the actual requirement.
- 17.72. It is not in doubt that the London Borough of Richmond upon Thames has a requirement for additional older people's housing and care. The question that the above documentation raises is the quantity that needs to be developed to satisfy both current and future need. The subject scheme will seek to address this by providing additional extra care as well as seeking to address national concerns over the lack of specialist housing for older people.
- 17.73. The subject scheme would provide older homeowners within the borough with a high quality extra care accommodation option to facilitate downsizing from their existing home. The extra care will provide a local, more cost effective alternative to a residential care home, and an environment where residents can maintain their independence for as long as possible. Should 24-hour care become necessary then residents can move into the care home element of the scheme, which is designed to provide specifically designed accommodation suitable for high dependency nursing and dementia care.

NEED ASSESSMENT FOR PROPOSED CARE HOME

18. Methodology for assessing need for general elderly care

- 18.1. Our methodology for the demand and supply analysis of the market catchment area is provided below.
- 18.2. Current and future demand for elderly care is influenced by a host of factors. These not only include the balance between demand and supply in any given area but can also be influenced by social, political, regulatory and financial issues.
- 18.3. In our opinion, taking all factors into account, the most appropriate means of assessing whether a particular area or proposed development has sufficient demand to warrant additional beds seeks to measure the difference between demand for elderly care home beds and the current and future supply; below we provide a fuller explanation of the process used.

Demand

- 18.4. We assess demand based upon ONS-based 2016 population statistics and have applied elderly population growth rates to determine the current and future demand for beds.
- 18.5. We have adopted LaingBuisson's measure of "Age Standardised Demand" (ASD). ASD is a tool used to predict the risk of an elderly person being in a residential setting at a given age.
- 18.6. The methodology involves taking population statistics by age (65–74, 75–84 and 85+ years) and applying standard UK patterns of care home admission. It must be understood that ASD is, therefore, a function of population; it is not a direct measure of demand for care services and is only an indicator of them. It is, however, the industry-recognised approach to determining demand for care in a residential setting.

Current supply

- 18.7. We provide a detailed analysis of the existing competing care provision, which analyses the quality of accommodation, total number of bedspaces and market distribution between private operators, groups, local authority and voluntary operators.
- 18.8. In the event of any anomaly in our subscribed data source, *A–Z Care Homes Guide*, we cross-reference against the CQC website and, where necessary, we review the home's/operator's website or telephone the home directly to confirm the query.

- 18.9. In our assessment, we include both personal care and nursing homes, as there is no industry-recognised measure of assessing the need for solely nursing care or solely personal care, as yet.

Planned supply

- 18.10. We assess planned supply by conducting a review of all new care home beds that have been granted planning permission within the catchment area. From our data sources, we review all planning applications for new care home beds (both new-build and extensions) that have been granted, refused, withdrawn or are pending decision. This is cross-referenced against the online planning website for the relevant local authority and, where an anomaly exists, we contact the planning officer, if required.
- 18.11. We undertake enquiries with the relevant local authority and utilise our own data information sources and market knowledge to determine the number of planned beds, either with planning permission or under construction. Additional bedspaces in the area are of key importance as they are likely to be of a high standard and provide significant competition to the proposed community once completed and trading.
- 18.12. We search for planning applications submitted over the past 3 years. Where an application has been refused or withdrawn we enter the postcode into the local authority online planning facility to identify if a subsequent application or appeal application has been submitted. We would note that the planning registers that we subscribe to are not definitive and may exclude some applications as they rely upon each local authority for provision of the information.
- 18.13. A significant proportion of planned care home beds are never implemented; however, we include all planned bedspaces regardless of their deliverability. It should be noted that beds granted permission, but not yet under construction, have potential for alternative residential C3 schemes to take their place.
- 18.14. We then differentiate the planned schemes depending on whether construction has commenced or not.

Estimating shortfall of elderly care home beds

- 18.15. We combine the results of our demand analysis with our assessment of the existing and planned supply to provide a measure of the balance of provision position within the catchment.
- 18.16. The measure provides a 'largest planned supply' scenario, assuming all planned beds are developed and operational, regardless of the construction status or long-term deliverability.
- 18.17. We consider that this methodology is a logical, industry-recognised means of establishing if there is demand for additional elderly care home beds in any given area.
- 18.18. Going forward, it is harder to predict future industry trends and there are other factors that may influence the longer-term demand for care services, which include:
- Political and regulatory change;
 - Funding constraints;
 - Increase in adaptive technology and "telecare", prolonging the ability for people to remain in their own homes;
 - Medical advancement.
- 18.19. We provide an indication of the estimated balance of provision between the years 2020 and 2030 in Section 34 and these estimates assume that all other factors remain equal, with the only variance being the increased demand for care based upon the rise in the number of elderly people.

19. Market standard beds

- 19.1. In calculating the current supply of beds, we assess the total provision of market standard beds, defined as the total number of bedrooms operated by each home that provide en-suite facilities. An en-suite is defined as providing a WC and wash hand basin, and does not necessarily provide shower/bathing facilities.
- 19.2. We do not assess the shortfall of bedspaces based upon the total registered capacity. A care home's total registered capacity is often greater, as it includes the maximum number of bedspaces that the care home is registered to provide by the sector's regulator, the Care Quality Commission (CQC). This registered provision will therefore include:
- Market standard bedrooms;
 - Under-sized bedrooms;
 - Homes with internal or external stepped access – which therefore limit the level of physical acuity that a resident must have in order to occupy the room;
 - Bedrooms accessed via narrow corridors – making them unsuitable for people confined to a wheelchair;
 - Bedrooms accessed without a shaft lift – a significant challenge in the provision of any care, but particularly when providing high dependency nursing care;
 - Bedrooms of an inappropriate size and shape – preventing two care assistants from being able to assist a person into and out of their own bed;
 - Historic shared occupancy rooms – now only 'marketable' as single occupancy bedrooms, as market expectations and commissioning standards rise;
 - Bedrooms that lack en-suite facilities – which for the last 20+ years have been actively encouraged wherever possible in new developments by the government's regulator as well as by the market. Both are trying to drive increased quality and meet basic expectations that current referrals and their next of kin see as mandatory.
- 19.3. We are aware of some local authorities previously arguing that, as the CQC continues to register existing care homes that do not comply with the definition of a market standard, the total registered capacity should be the appropriate basis of assessment of market supply.
- 19.4. However, this argument fails to take account of the rising levels of acuity and dependency levels of referrals into residential care. The profile of care home occupants has changed markedly over the past 5 to 10 years, and failure to address the shortcomings in the existing standard of care home supply will mean inadequate accommodation for those most at need over the coming years, as the well-publicised rapidly ageing population starts to take effect.

- 19.5. In our opinion it is the local authority and not the government's regulator that holds the ability to influence developments and drive environmental quality forward. In this respect, Carterwood has been involved in numerous successful planning applications and has submitted needs arguments using an identical methodology to that prepared as part of these submissions, where the need case has been accepted by the relevant local authority. Recent examples are:
- Land at Parklands, Bittams Lane, Chertsey, Surrey, KT16 9RG (planning reference: RU.14/0085): Development to provide a two-and-a-half-storey building for use as a 70-bed care home and a three-and-a-half-storey building for use as 50 extra care apartments (revised description 22/01/14);
 - Land west of Banbury Road, Adderbury, Oxfordshire, OX17 3PL (planning reference: 13/01672/HYBRID): Phase 1: Construction of a 60-bed elderly nursing home. Phase 2 - Construction of extra care facility of up to 3,450 sq. m. (GIA);
 - Old Silhillians Association Ltd, Warwick Road, Knowle, Solihull, B93 9LW (planning reference: 2013/867): Development of a 60-bedroom care home with car parking/servicing area and landscaped grounds;
 - 50–54 West Street, Reigate, RH2 9DB (planning reference: 13/01592/F): Development of a registered residential care home for the frail elderly, following demolition of three existing dwellings;
 - The Old Bell House, Sunninghill, SL5 9JH (planning application reference: 13/01207): Development of a registered residential care home for the frail elderly, following demolition of four existing dwellings;
 - Princess Alexandra House, Stanmore, HA7 3JE (planning application reference: P/4071/14): Development of a new retirement community to replace an existing care home not meeting market standards.
 - Grays Farm Production Village, Grays Farm Road, Orpington, BR5 3AD (planning reference: 14/00809/FULL1): Demolition of the existing buildings and redevelopment to provide a 75-bed care home with landscaping and associated car parking.
 - Brethrens Meeting Room, West Street, Farnham, GU9 7AP (planning reference: WA/2015/0641): Erection of a care home with nursing (Class C2) with related access, servicing, parking and landscaping following demolition of existing place of worship (as amended by plans and documents received 02/07/2015 and 16/07/2015 and as amplified by additional information received 08/05/2015);
 - Farthings, Randalls Road, Leatherhead, KT22 0AA (planning reference: MO/2016/0594): The erection of 62-bed care home, 35 assisted living units, 26 family houses and 17 affordable dwellings, together with access, parking, public open space including a Locally Equipped Area of Play (LEAP) and landscaping following the demolition of Farthings.
- Former Preston Cross Hotel, Rectory Lane, Little Bookham, Surrey, KT23 4DY (planning reference: MO/2014/0918): Erection of a 70-bedroom elderly nursing home including three close care units, with the erection of a new single-storey outbuilding to provide a further close care unit, with creation of associated access, circulation, parking and landscape, including new footpath and boundary treatment, following the demolition of all buildings with the exception of the facade retention of the original house on three sides and flint outbuilding for conversion to an additional close care unit.
 - Grove Place Village, Grove Place, Upton Lane, Nursling, Southampton, SO16 0XY (planning reference: 14/01899/FULLS): Erection of 2 storey 54-bed care home to provide specialist nursing and dementia care facilities with ancillary cycle store, servicing, amenity space and landscaping, including woodland management and tree planting, provision of 28 car parking spaces plus relocation of 4 existing car parking spaces; construction of access drive from Upton Lane.
 - Plot B Of Plot 1, Andover Business Park, Hawker Siddeley Way, Andover, SP11 8BF (planning reference: 14/01649/FULL): Erection of three storey 66 bedroomed care home for older people with associated car parking and landscaping, bin store, garden store/electric meter storage and cycle shelter.
- 19.6. In each instance the adult social care team accepted that whilst the total registered capacity was greater than the number of market standard bedspaces, the issue of quality, design and type of bedspace could not be ignored, and the premise of assessing bedspaces on a market standard basis was accepted by each respective council.
- 19.7. We adopt market standard beds due to the rising expectations of quality required by service users as well as previous regulatory requirements to provide en-suite facilities and best practice. We consider that, going forward, homes that do not provide adequate en-suite facilities will fast become obsolete.
- 19.8. This method of assessing supply, utilising market standard beds, is accepted market practice by all of the operators we currently undertake feasibility work for when considering the development of new facilities. We have prepared over 800 site feasibility/need assessments over the past three years, all of which adopt the market standard bed approach.
- 19.9. All new care homes provide en-suite facilities, and many provide larger en-suite wet/shower rooms to enable the service user to be bathed without the need for larger communal bathrooms, and therefore all new beds are classified as market standard. It should be noted that the quality of en-suite provision in existing homes may vary significantly, from large wetroom facilities to small converted cupboards

with a WC and wash hand basin. There are also other factors that influence what determines a market standard bedroom, including room size, layout and configuration, as well as a host of factors not related to the physical environment, most importantly the quality of care being provided to service users. However, with the information available, and without making qualitative judgements as to the calibre of any home, we consider it the most appropriate measure of elderly care home provision available.

- 19.10. The type of en-suite within the proposed community will be market leading in both its quality and size, with each care bedroom equipped with a very large wetroom, and superior to the vast majority of existing and planned en-suites.

20. Care home bases of assessment

- 20.1. We have undertaken our detailed assessment of the demand and supply position of the proposed care home by adopting a market catchment area, shaded pink in the map opposite.
- 20.2. We have previously analysed resident data provided by a number of care home operators for modern purpose-built operational homes akin to that of the proposed care home. From this information, we have calculated the mean distance travelled by each resident into the respective home. The headline results of our research are provided below:

T8 Average distance travelled to a care home	
Comparable location	Average distance travelled by resident (miles)
Location 1: Rural location	5.7
Location 2: Rural location with good A-road links	5.4
Location 3: Urban location	4.3
Overall average	5.2

Source: Carterwood.

- 20.3. The location accords most closely to Location 3 in the table above; however, the catchment adopted extends from 3.4 to 4.9 miles and is broadly based upon an average 4-mile radius. This catchment reflects the high levels of accessibility and proximity to the M3. The market catchment area is shaded pink in Figure 3 opposite, whilst the local authority area is edged dark blue.
- 20.4. All care homes will inevitably draw service users in some instances from substantially further than a typical catchment. If the family is the key decision maker in the placement decision, then sometimes the service user may move significant distances, which can distort catchment area analysis. Conversely, if the local authority is the key decision maker, then the service user's choice can be highly constrained to vacant beds in a small number of local more affordable homes.

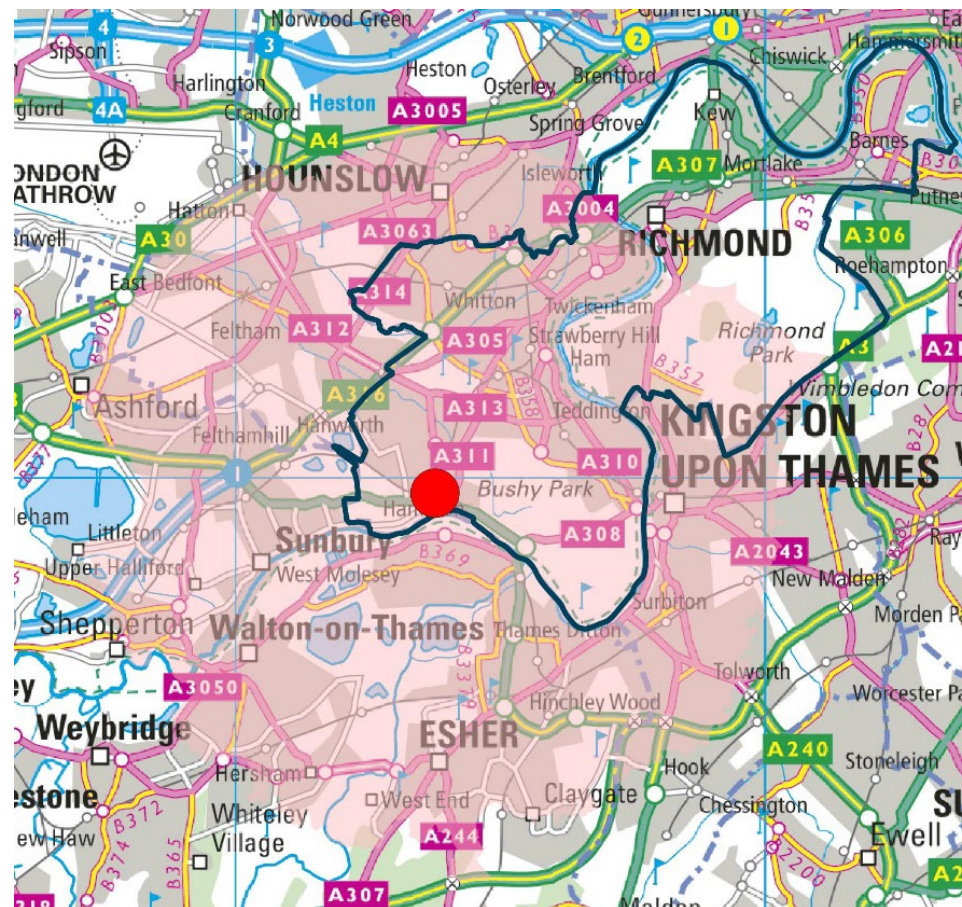


Figure 3: Catchment areas

The red spot shows the approximate location of the subject site. The area shaded pink comprises our market catchment area, whilst the local authority area is edged dark blue.

21. Demographics

21.1. We have assessed need based upon ONS based 2016 population statistics and have extrapolated expected elderly population growth rates for The London Borough of Richmond upon Thames Council (the local authority in which the site is located) to determine current and future need for care home beds.

21.2. The total projected population for the care home market catchment area (c. 4 mile) as at 2020 is 505,373, whilst the total population for the local authority area is 201,800.

21.3. The graph opposite shows the growth of the population aged over 65 years during the 12 years to 2032 in the market catchment. The market catchment reflects a below average proportion of older people due to its encroachment into the wider densely populated area, although there is an evident increase in numbers in the projection.

21.4. Table T9 shows the number of people at risk of requiring care in a residential setting by year. Our assessment of need for residential care, as at 2020, is therefore 2,668 within the market catchment and 1,121 in the local authority area.

21.5. This calculation is based upon LaingBuisson's Age Standardised Demand rates for determining the risk of entering a residential care establishment. The current percentages adopted by age band are as follows:

- 65–74 years – 0.59 per cent;
- 75–84 years – 3.80 per cent;
- 85+ years – 14.80 per cent.

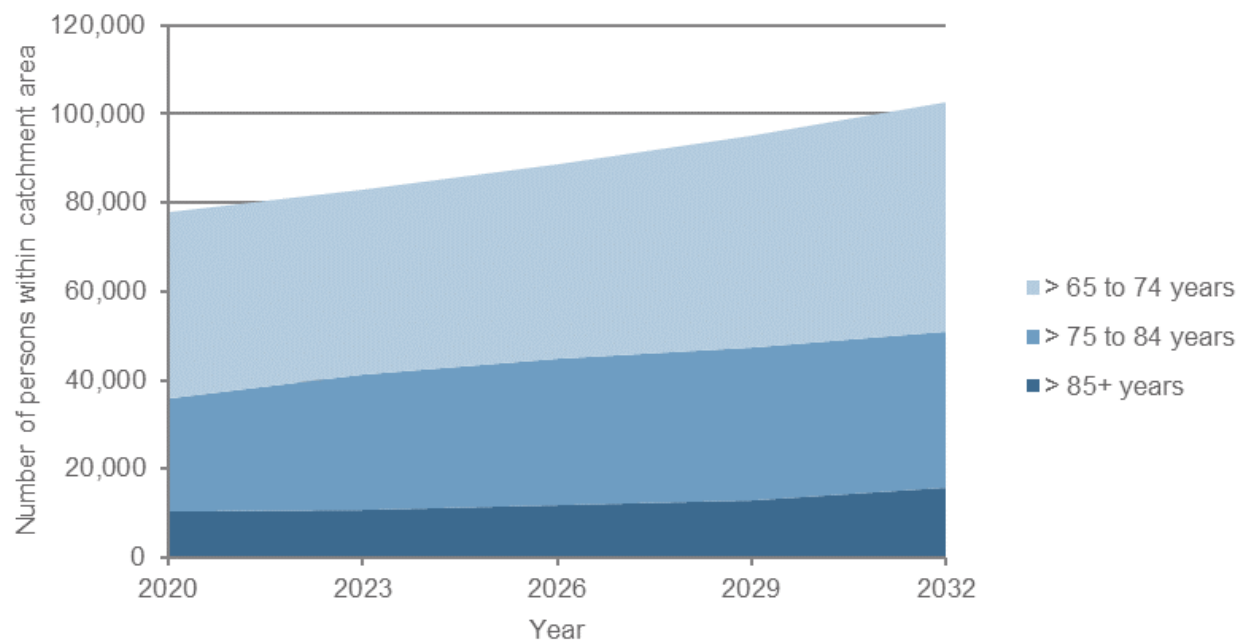


Figure 4: Population of older people by age band within the market catchment area

T9 Key demographic indicators (2020)		
People	Market catchment area	Local authority area
Population indicators		
Total population	505,373	201,800
Total population aged 75 and above	35,724	14,500
Percentage of people aged 75 years and above (%)	7.1	7.2
Need		
Predicted need for residential care beds	2,668	1,121

Source: Census 2011, ONS Population Projections.

22. Supply of existing care homes

- 22.1. We have assessed supply based upon market standard bedspaces, which we define as any registered bedroom providing a minimum of en-suite WC and wash hand basin.
- 22.2. Within the market catchment area, there are 49 care homes, providing 2,462 registered bedspaces, 2,077 of which are equipped with an en-suite. This equates to 84 per cent of registered bedspaces meeting the criteria of 'market standard', which is above the national average of 70 per cent.
- 22.3. The quality of existing provision is similar within the London Borough of Richmond upon Thames catchment area, with 89 per cent equipped with an en-suite, which is also above the national average rate.
- 22.4. Although a large majority of bedspaces are equipped with an en-suite within both catchment areas, for both personal care and nursing care, many are likely to be WC and wash hand basin only, with a lower proportion offering bedrooms with en-suite wetrooms of the same size and specification to that proposed by the subject scheme.
- 22.5. Figure 5 shows the competition in the market catchment by geographical distance to the subject site. There is a limited supply of care homes providing wetrooms, which the subject scheme will comprise, within 1 mile of the subject site.

T10 Nursing and personal care provision				
Care category	Number of homes	Registered beds	Market standard beds	Percentage of market standard beds (%)
Market catchment area				
Personal care	22	863	690	80
Nursing care	27	1,599	1,387	87
Overall	49	2,462	2,077	84
Council boundary area				
Personal care	10	307	244	79
Nursing care	7	468	444	95
Overall	17	775	688	89

Source: A-Z Care Homes Guide, CQC, Carterwood.

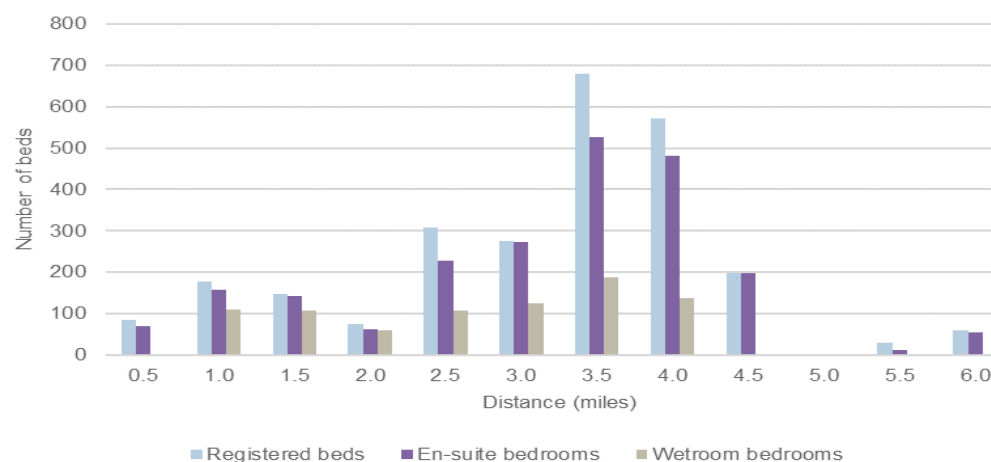


Figure 5: Existing registered capacity by distance from the subject site (market catchment)

23. Planned supply

- 23.1. We have reviewed all planning applications submitted for new care home beds, with the relevant local authority planning department online planning registers. We have looked at all planning applications submitted within the last 3 years. This research was carried out on the 12 August 2019.
- 23.2. We have identified six planning applications within the market catchment and one within the local authority catchment for additional care home beds. The details of these applications, together with our notes, where applicable, are set out in T11 and locations shown in the competition map in Section 25 below.

- 23.3. We have provided our opinion of the likelihood of imminent development based upon publicly available documentation and our own knowledge of the schemes. We have graded a scheme as having a 'yes' for construction commenced if there is some indication, either through an operator's or developer's website, that the scheme is progressing or, naturally, if construction has commenced on site. Schemes with a 'no' may still be developed, but there is no indication that construction is due to commence in the near future. To our knowledge construction has not commenced on any of the granted developments set out below.
- 23.4. We have been unable to confirm definitively if the applications detailed are the only current applications in the area for a C2 elderly care use.

T11 Details of planned provision											
Map ref.	Catchment	Site address	Applicant	Scheme	Net elderly beds	Dementia beds	Under development?	Distance from subject site (miles)	Planning reference	Notes	
Granted											
A	Market catchment only	Sherwood House, Severn Drive, Walton-On-Thames, Surrey, KT12 3BH	Asprey Healthcare Ltd	Two-storey side/rear extension to west side of building, two-storey rear extension to east of building, alterations to existing parking and new access and associated landscaping following demolition of existing plant room.	30	15	No	2.8	2017/3822 - 05/09/2018	Sherwood House currently has 35 en-suite bedrooms with WC and wash hand basin. The application proposes a net gain of 30 en-suite rooms.	
B	Market catchment only	Eldridge House, 104-106 Hounslow Road, Feltham, TW14 0BD	Gold Care Homes	60-bedroomed care home, following demolition of existing building.	60	30	No	3.2	00631/M/P2 - 01/03/2012	This application was originally granted in 2012 but further details of the application have been approved in 2017 so we consider it still to be active.	
C	Market catchment only	12-14 Langley Avenue, Kingston-On-Thames, London, KT6 6QL	LRH Homes	Demolition of existing Southborough Nursing Home and replacement with a new nursing home.	50	22	No	3.4	17/16196 - 19/12/2017	The proposed 66-bed home will replace the existing Southborough Nursing Home, which currently contains 16 en-suite bedrooms.	

T11 Details of planned provision											
Map ref.	Catchment	Site address	Applicant	Scheme	Net elderly beds	Dementia beds	Under development?	Distance from subject site (miles)	Planning reference	Notes	
Pending											
D	Market catchment only	Lancaster House/Esher Care Home, 45 More Lane, Esher, Surrey, KT10 8AP	B & M Care	Redevelopment of site to provide a 46-bed care home including new access, associated parking, amenity, landscaping and tree retention.	46	13	No	2.6	2019/0215	This is a subsequent app to 2018/1215, which is currently subject to appeal for a 61-bed care home.	
E	Market catchment only	Bugle Nurseries, 171 Upper Halliford Road, Shepperton, Surrey, TW17 8SN	Angle Property & Construction	Outline application for the demolition of existing buildings and structures and the redevelopment of the site for a residential-led development comprising up to 43 residential homes and 62-bed care home.	62	31	No	2.9	19/01022/OUT	-	
F	Market catchment only	Newent House, 8 Browns Road, Kingston-On-Thames, London, KT5 8SP	Royal Borough of Kingston-Upon-Thames	Demolition of existing buildings and construction of a new 80 bedrooms, three-storey dementia nursing home (use class C2) with associated gardens, pedestrian and vehicle access, car parking and servicing area including natural ventilation, MVHR.	80	80	No	3.5	19/00582/FUL		
G	Local authority catchment only	Mortlake Road, Richmond-Upon-Thames, London, SW14 7ET	Reselton Properties Ltd	A hybrid application to include [...] nursing and care home (up to 80 en-suite rooms) with associated facilities [...].	80	26	No	5.7	18/0547/FUL	This is a large mixed-use scheme that includes 150 assisted living units and an 80-bed care home.	

Sources: subscribed data sources and relevant planning departments, Carterwood.

24. Dementia

Methodology

24.1. Estimating the prevalence of dementia within a given population is difficult, due to the constraints of the available data, the nature of the condition and the range of acuity levels of sufferers. Much of the current research focuses upon existing prevalence rates based upon sample studies. We have assessed demand and supply for dementia by comparing the following:

- The number of people requiring a care home bed with dementia as the primary cause of admission;
- The number of market standard bedspaces providing dedicated dementia care, either within a dedicated dementia care home or a dedicated dementia unit within a mixed registration home, available within the catchment area.

Demand

24.2. Our measure is based upon research carried out within Bupa care homes in 2012 and indicates that 45.6 per cent of residents within the surveyed care homes were admitted with dementia as a primary cause. Therefore utilising this prevalence rate, we have calculated the demand within each catchment area from residents with dementia as a primary cause of admission in Table T12, opposite. Best practice states that people living with dementia should be cared for within a specialist, dedicated dementia environment. This measure, by definition, assumes that a principal reason for admission to care in a residential setting was based upon the dementia condition. However, it should be noted that there might be other physical frailty in addition to this measure. Conversely, there will also be a larger pool of dementia sufferers who would have been admitted due to a physical frailty/disability, but who now also suffer from some form of dementia.

Supply

24.3. We have provided a summary of the total number of market standard bedspaces within dedicated dementia care homes, or units within mixed registration homes, in Table T12. This analysis does not take account of the supply within mixed registration homes, where residents with dementia are mixed with those without dementia and there are no dedicated units. However, whilst such services are capable of accommodating service users with dementia, it is considered best practice to care for residents living with dementia within a specialist dedicated dementia environment.

24.4. Normally, where it is stated by a planning application that a care home is to provide dementia care, we have included the planned beds within our assessment above.

However, in this instance information is only available for Scheme F, which is intended for dementia care only. For the other proposed schemes it is not unusual for the categories of care to be finalised shortly before opening.

24.5. Therefore we have either assumed that half the proposed beds within the planned schemes will provide dedicated dementia beds or alternatively one floor within the care home where it is set on more than two levels. We have included all planned beds regardless of their likelihood of development.

Demand vs. Supply

24.6. Our analysis shows an undersupply of 247 market standard dedicated dementia beds within the market catchment area and 284 in the local authority area, assuming all planned beds are developed.

T12 Shortfall of dedicated dementia bedspaces (2020)		
Year	Market catchment area	Local authority catchment
Total demand for care home beds	2,668	1,121
Demand for dedicated dementia beds based upon Bupa survey	1,217	511
Supply of market standard dedicated dementia beds	779	201
Planned supply of market standard dedicated dementia beds	191	26
Shortfall of market standard dedicated dementia beds	247	284
Shortfall as a percentage of demand	20	56

Sources: A-Z Care Homes Guide, Centre for Policy on Aging: A profile of residents in Bupa care homes: results from the 2012 Bupa Census, Census 2011, Population Projections, LaingBuisson Care Homes for Older People UK Market report 29th edition.

24.7. This measure is an indicative assessment only and should not be used as a definitive measure due to the limitations of assessing demand and supply of dementia provision in isolation of total capacity for all older people's services. However, it does provide an empirical indication of the potential shortfall of specialist dementia beds within the catchment area.

25. Care home competition map

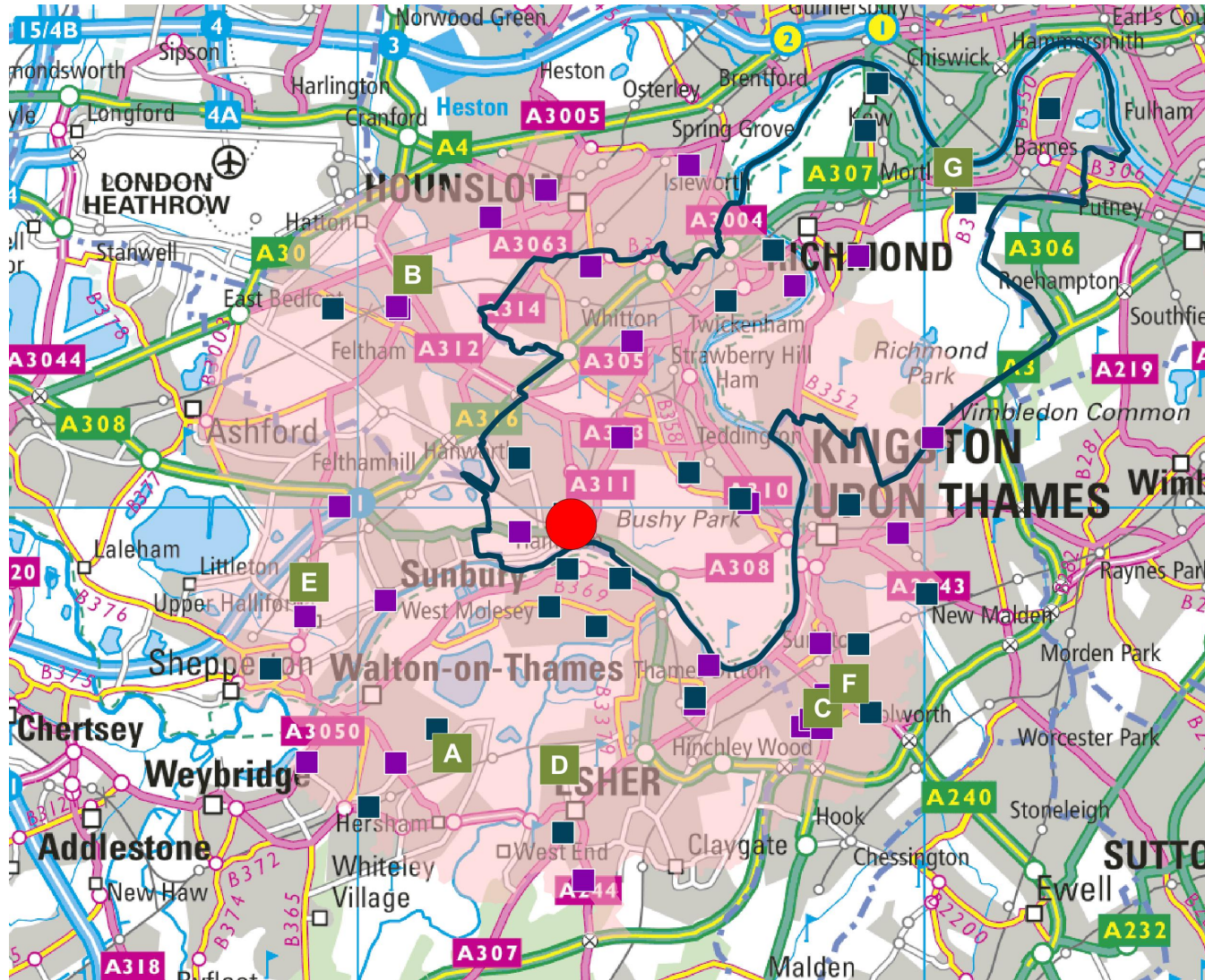


Figure 6: Existing care homes and planned schemes within the catchment area.

Key:

- The proposed care village
- Nursing homes
- Personal care homes
- Planned care home beds

The map references relate to the planned schemes in Table 11 above.

Please note that the locations of all plotted care homes and planned schemes are approximate only.

NEED ASSESSMENT FOR PROPOSED EXTRA CARE

26. Difficulties in assessing demand for extra care

- 26.1. Extra care housing in its current form is a relatively new concept and there is a lack of a suitable measure, equivalent to LaingBuisson's Age Standardised Demand model, of estimating demand for care home beds.
- 26.2. LaingBuisson's own Extra Care Housing UK Market Report does not provide a tool for assessing demand, but instead refers to a number of demographic factors that are likely to influence demand, as follows:
- an expansion of the older population;
 - a reduction in the pool of young adults available for training as nurses or care assistants to work in the community or care homes;
 - an increase in the number of middle-aged people looking after children and a parent;
 - an increase in the proportion of older people with a living child;
 - changes in the health and dependency levels of older people;
 - changes in the patterns of immigration by potential care workers and emigration by trained care staff.
- 26.3. The difficulty in trying to accurately assess demand for extra care housing is that, due to the relatively new nature of the product, there is no position of over-supply upon which to assess a position of balance. Essentially, the additional supply creates "demand" when it is developed.
- 26.4. Notwithstanding the difficulties identified above, in our methodology, following, we utilise a number of key assumptions to identify a potential market size for prospective purchasers of a private leasehold extra care unit.

27. Methodology to determine shortfall of extra care

- 27.1. Taking into account some of the difficulties in assessing demand for extra care we have, in our assessment of need for extra care units, utilised a toolkit for producing accommodation strategies for older people which is detailed below.

Need

- 27.2. In 2011, the Housing Learning and Improvement Network (LIN) first published the Strategic Housing for Older People Resource Pack (SHOP). The SHOP analysis tool is a method used to forecast the demand for specialist housing for older people in England and Wales. It is endorsed by the Department of Health and Care Services and the Welsh Government and provides data on the likely requirement for specialist housing for older people and care home bedspaces. It is used by local authorities' planning and social care teams in order to understand their existing supply and enable informed decisions to be made with regard to current and future need for appropriate care and housing provision for older people.
- 27.3. The approach used in SHOP seeks to balance the conventional estimates of need against the direction of policy (for example, in relation to enhanced sheltered and extra care forms of accommodation) and need in the market (in relation to ownership options) in all forms of specialised provision for older people. The key factors include: the substantial increase in the elderly population demographic, the high proportion of those aged over 65 living in property that they own (although this is not always suitable) and the rapidly increasing cost of caring for the elderly population.
- 27.4. It also considers that understanding the pace and scale of growth of the elderly demographic in a particular locality is not the same as predicting future demand for particular types of accommodation and/or care. Although residential care homes and nursing homes were traditionally seen as the main option for those with increasing care needs, demand for residential care beds has started to decline due to local funding policies and the availability of new forms of accommodation and care.
- 27.5. Until recently, new forms of provision such as 'housing and care' were not widely recognised as providing an alternative to residential care. Such accommodation is becoming more sought after; maintaining an individual's independence within their own, specifically designed property, the provision of a range of services and, most importantly, where increasing levels of care can be bought in as needs change. The report considers the factors involved in this change including: longevity, drugs and treatments, accessibility/availability, wealth, attitude to risk and information about services.

- 27.6. SHOP asks, 'What accommodation do people want?' The report provides a breakdown of people's preferences, should they need care. The highest percentage (62 per cent) chose to stay in their own home with care and support from friends and family. However, it questions whether this decision may have been heavily influenced by limited choice rather than real preference. Furthermore, it cites that an individual's choice is influenced by their care professionals and family and friends, and the choice comes down to what is actually available in the local community, with a decision often taken following an event (a fall, crisis or illness, etc.), when need is greatest.
- 27.7. SHOP suggests indicative levels of provision of various forms of accommodation for older people, including private extra care available for sale on a long leasehold basis. According to this approach, the toolkit indicates the ratio of required units per 1,000 of the population aged 75 years and above for private leasehold extra care is 30 units. Essentially this suggests that a total of 3 per cent of the elderly population will require an extra care housing unit in any given area. It also suggests that a further 10 units per 1,000 of the population over 75 years of enhanced sheltered housing for sale are required (defined as provision with some care needs or provision of on-site amenities/facilities for residents), which we have included within our analysis.
- 27.8. Projections of demand for the various forms of care and accommodation are therefore not easy, and depend on a number of factors in each locality. The estimates of demand for sheltered housing, enhanced sheltered housing and extra care per thousand of the relevant 75+ population used in SHOP were based on evidence of elderly people's preferences in 2011.
- 27.9. During the past 7 years there has been considerable change with regard to the availability of funding, and local authorities are seeking alternative, more cost effective means of providing care and accommodation. There has also been a significant increase in the development of extra care housing and the wider recognition of the many benefits of this form of accommodation and care by the elderly population.
- 27.10. The Housing LIN recently announced that they are in the process of updating their SHOP analysis resource pack as a result of the Government's Social Care White Paper 'Caring for our future'. The paper is committed to providing support to help local authorities develop their market capacity to provide greater choice for users and drive up quality in care standards. Since the first edition of the SHOP toolkit, we consider that the increasing availability and knowledge of new forms of accommodation and care is likely to have increased demand for these schemes set against a decline in demand for residential care.
- 27.11. There are many reasons for promoting the development of a wide range of care and accommodation for older people, and its availability can reduce the demand for community care and support. Research from Aston University has recently shown that the NHS saved more than £1,000 per year on each resident living in the Extra Care Charitable Trust's schemes between 2012 and 2015. It also frees up family housing at the time when the level of under-utilisation is often at its greatest and can enable older people to retain their housing equity whilst benefitting from the improvements in design, economy and security that such schemes can offer.
- 27.12. Given the national and local agendas to support people in the community within their own homes or extra care accommodation, it is expected that the future requirement for extra care provision will increase due to the increasing awareness of the benefits of extra care. We await a response from the Housing LIN with regard to timescales for their review of the SHOP toolkit, which we understand will include future prevalence rate projections that reflect market aspirations and commissioning intent and will also take into account varying leasehold percentages depending upon the relative affluence of the locality.
- 27.13. Please refer to the Strategic Housing for Older People (SHOP) Resource Pack on the Housing LIN website for full details of the methodology.
- 27.14. Carterwood has been involved in numerous successful planning applications and has submitted needs assessments using an identical methodology to that prepared as part of these submissions, where the need case has been accepted by the relevant local authority during the application process. Recent examples are:
- Land at Parklands, Bittams Lane, Chertsey, Surrey, KT16 9RG (planning reference: RU.14/0085): Development to provide a two-and-a-half-storey building for use as a 70-bed care home and a three-and-a-half-storey building for use as 50 extra care apartments (revised description 22/01/14);
 - Former Redwood Lodge Hotel, Beggar Bush Lane, Failand, Bristol, BS8 3TG (planning reference: 15/P/0574/F): Demolition of existing Hotel (Use Class C1) and erection of a retirement care community (Use Class C2 - Residential Institutions) consisting of 124 apartments with associated communal facilities, including restaurant, spa and library. Alterations to landscaping including a significant reduction in the hard landscaping for the car parking area;
 - Land adjacent to Harper Fields, 724 Kenilworth Road, Balsall Common, Coventry, CV7 7HD (planning reference: PL/2014/00602/FULM): Erection of 39 extra care units comprising of four one-bedroom and 19 two-bedroom apartments along with 12 two-bedroom and four three-bedroom bungalows, with associated access parking and landscaping;

- Land adjacent to Penarth House, Otterbourne Hill, Otterbourne, Winchester, SO21 2HJ (planning reference: F/15/77022): Erection of dementia care centre comprising 64 care beds and 20 one- and two-bed extra care apartments with associated access off Otterbourne Hill, car parking, amenity space, boundary treatments and landscaping;

27.15. In each instance the SHOP toolkit was accepted by each respective council. However, this method of assessing demand is a relative rather than absolute measure of demand and therefore cannot be considered as a definitive assessment of demand. This notwithstanding, we consider this method provides as good a basis of assessment as any other indication of the current balance between the potential demand for extra care units and current supply, and have therefore conducted our analysis on this basis. We consider this method to provide the minimum demand within the adopted catchment area.

Existing supply

27.16. We have reviewed the Elderly Accommodation Counsel's (EAC) website www.housingcare.org to determine the current supply of extra care accommodation within the market catchment.

27.17. We have researched all schemes classified as follows:

- Extra care/assisted living;
- Close care;
- Retirement village;
- Enhanced sheltered housing (for sale only).

27.18. We have conducted some additional research to ensure that each scheme conforms to the recognised definition of extra care, namely that 24-hour on-site care is provided or that it meets the definitions of enhanced sheltered housing as per the housingcare.org.uk website. We have not included any registered social landlord schemes and have only included schemes catering to the private market.

27.19. We have specifically not considered any traditional sheltered housing or other similar schemes in our analysis of current supply.

27.20. We have provided some analysis in respect of tenure, age, unit size and distance from the subject site in our analysis of current provision overleaf.

Planned supply

27.21. We assess planned supply by conducting a review of schemes in the planning system with an application submitted for additional extra care units.

27.22. From our data sources, we have reviewed all the planning applications that have been granted, refused, withdrawn or are pending decision. This has been cross-referenced against the online planning website for the relevant local authority and where an anomaly exists we have contacted the planning officer if required.

27.23. We have made enquiries with the relevant local authority and used our own data information sources and market knowledge to determine the number of planned units, either in the planning process or under construction. Additional units in the area are of key importance, as they are likely to be of a high standard and provide significant competition to the proposed development once completed and trading. We have searched for planning applications submitted over the past 3 years.

27.24. Where an application has been refused or withdrawn, we have entered the postcode into the local authority online planning facility to identify if a subsequent application or appeal application has been submitted. The results of this are included within the report.

27.25. Where a planning application has been granted, we have cross-referenced the postcode against our existing supply to ascertain if the scheme is operational. If it is, we have included it within the operational provision and not within the planning table.

27.26. We would note that the planning registers that we subscribe to are not definitive and may exclude some applications as they rely upon each local authority for provision of the information.

27.27. We have excluded any sheltered housing, category II sheltered housing schemes or affordable extra care schemes from our analysis.

28. Extra care basis of assessment

- 28.1. In collaboration with the Associated Retirement Community Operators (ARCO) and its members we conducted a national research project to calculate the distance travelled by extra care housing residents from their last place of residence. The research concluded that circa 69 per cent of residents travelled within 10 miles.
- 28.2. We have based our detailed assessment of the demand and supply position of the proposed private extra care scheme on a market catchment area, shaded blue in the map opposite, extending to a radius of circa 6 miles from the subject site having regard to the localised road networks, and the density of population as characteristics of the surrounding area and the schemes appeal to the wider market.
- 28.3. The decision to enter an extra care scheme is choice rather than need driven. Hence people are willing to travel further to find an extra care scheme that meets their demands than they are to find an appropriate care home.

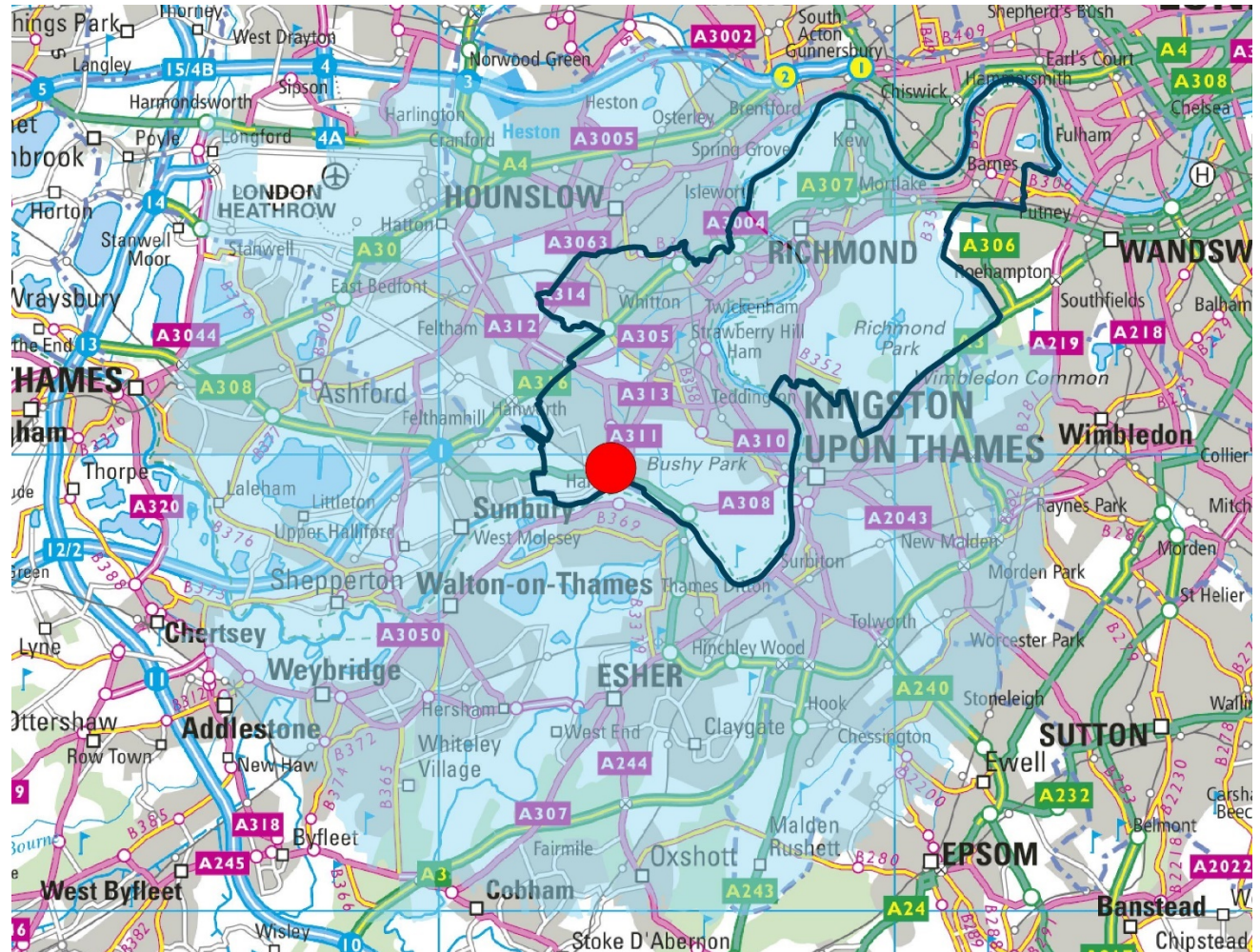


Figure 7: Extra care bases of assessment

The red spot shows the approximate location of the proposed extra care scheme. The light blue shaded area illustrates the market catchment area.

29. Existing private extra care schemes

29.1. We have analysed current supply using the EAC Housing Option website, www.housingcare.org.uk. We have included within our analysis any scheme in the catchment that seeks to provide 24-hour on-site care and support (where the accommodation is not intended to be registered as a care home with CQC) seeking to sell the units on long leasehold basis at market rates. The EAC website breaks down the type of accommodation into three main sub-groups, within the criteria of close care, extra care, and care/retirement villages. These scheme types are summarised below.

29.2. There is one leasehold extra care/enhanced sheltered housing scheme within both the local authority and market catchment and three extra care/enhanced sheltered housing schemes situated in the market catchment area. The details are provided below in T13.

T13 Summary of competing schemes								
Map ref	Catchment	Scheme	Manager / operator	No. of units	Distance from subject site (miles)	Year of construction	Scheme type	Extra care unit tenure
1	Market and local authority catchments	Fullerton Court, 27 Udney Park Road, Teddington, Middlesex, TW11 9BF	Retirement Security Ltd	38	1.8	1998	Enhanced sheltered housing	Leasehold
2	Market catchment only	Edward Place, 14 Churchfield Road, Walton-on-Thames, Surrey, KT12 2TY	YourLife Management Services	54	3.0	2018	Extra care housing	Leasehold
3	Market catchment only	Austin Place, Oatlands Drive, Oatlands Village, Weybridge, Surrey, KT13 9JA	Anchor Hanover	65	3.9	2015	Extra care housing	Leasehold
4	Market catchment only	Wimbledon Beaumont, 35 Arterberry Road, West Wimbledon, London, SW20 8AG	Barchester Healthcare Ltd	20	6.0	1993	Enhanced sheltered housing	Leasehold

Source: EAC Housing Options, Operator websites.

30. Planned private extra care supply

- 30.1. We have reviewed all planning applications submitted for new extra care units, with the relevant local authority planning departments' online planning registers. We have looked at all planning applications submitted within the last 3 years.
- 30.2. We have identified eight planning applications for additional extra care units in the market catchment area, four of which are also located in the local authority catchment. Three of the schemes have been granted planning permission.
- 30.3. We understand that construction has commenced on Schemes B and C although we are not aware when these schemes are likely to be available.
- 30.4. Scheme D is proposed for a total of 107 extra care units; however, half of these are for shared ownership and they have therefore been excluded from our analysis of private extra care planned provision. This scheme currently has an appeal pending against non-determination of the planning application.
- 30.5. Scheme G is for a large mixed-use development that includes 150 assisted living units and an 80-bed care home.
- 30.6. We have provided our opinion of the likelihood of imminent development based upon publicly available documentation and our own knowledge of the schemes. We have graded a scheme as having a 'yes' 'construction commenced' if there is some indication, either through an operator's or developer's website, that the scheme is progressing or, naturally, if construction has commenced on site. Schemes with a 'no' may still be developed, but there is no indication that construction is due to commence in the near future.

T14 Summary of planned provision								
Map ref	Catchment	Site address	Applicant	Scheme	Net extra care units	Construction commenced	Distance from subject scheme (miles)	Planning ref /date granted
A	Market catchment only	2a Marriott Close, Hounslow, London, TW14 9PZ	BeLiving	Demolition of the existing two-storey building and the erection of two buildings (varying between three, four and five storeys in height) to provide 12 extra care units and 18 residential units, together with associated car parking, cycle parking, refuse.	12	No	4.1	P/2017/4915 - 07/12/2018
B	Market catchment only	St Georges House, 24 Queens Road, Weybridge, Surrey, KT13 9UX	McCarthy & Stone Retirement Lifestyles Ltd	Development comprising 43 extra care apartments comprising 17 one-bed and 26 two-bed apartments (C2 use) including sustainable urban drainage system with ancillary landscaping and parking following demolition office building (B1 use).	43	Yes – under development	4.8	2017/2534 - 07/02/2018
C	Market catchment only	Whiteley Village Care Centre, Octagon Road, Hersham, Walton-On-Thames, Surrey, KT12 4EJ	Whiteley Homes Trust	Development comprising 30 residential care suites with communal and ancillary facilities and refurbishment and extension to Whiteley House to provide an extra 44 care home units, including communal and ancillary facilities.	44	Yes – under development	5.1	2016/3472 - 24/05/2017

Pending								
D	Local authority and market catchments	Former Private Ground, Udney Park Road, Richmond-Upon-Thames, London, TW11 9BB	Affordable Housing and Health Care Group	Construction of a new extra-care community, with new public open space and improved sports facilities, comprising 107 extra-care apartments, visitor suites, and associated car parking, 12 general purpose surgery (class D1 use) and associated car parking, new public open space including a public park, and a community orchard, improved sports facilities (class D2 use) comprising a 3g pitch, turf pitch, MUGA, playground, pavilion and community space, and associated parking (68 spaces), paddock for horses, and a new pedestrian crossing at Cromwell road, and all other associated works., Sustainable Information:	54	Pending decision at appeal	1.8	18/0151/FU L
E	Local authority and market catchments	Orione House, 12 - 14 Station Road, 13 & 19-33 Lower Teddington, Hampton Wick, Richmond-Upon-Thames, London, KT1 4HG	The Sons of Divine Providence	Construction of an independent senior living extra care building comprising of 28 units (following demolition of existing care home) at 12–14 Station Road, the refurbishment and renovation of 13 and 23–33 Lower Teddington Road (including the construction of a single-storey rear extension to 23, change of use of 13 from ancillary offices to residential with the retention of the offices elsewhere on the site, and the conversion of houses in multiple occupation to residential apartments at 27 and 29).	28	Pending decision	2.3	19/0111/FU L
F	Market catchment only	Crow Gables, 131 Fairmile Lane, Cobham, Surrey, KT11 2BU	Audley Retirement Villages	Construction of 4 detached two-storey buildings with rooms in the roof space comprising 76 assisted living units including basement under Block M, with associated communal facilities, parking and landscaping, bin store, grounds maintenance store.	76	Pending decision	5.4	2019/0329
G	Local authority and market catchments	Mortlake Road, Richmond-Upon-Thames, London, SW14 7ET	Reselton Properties Ltd	Hybrid application to include demolition of buildings and detailed application for works to the east side of Ship Lane which comprise residential apartments, flexible use floorspace for various commercial uses, community and leisure, and hotel, cinema, gym and office floorspace. Outline application, for residential development of up to 224 units C) nursing and care home (up to 80 en-suite rooms) with associated facilities D) up to 150 units of flexible use living accommodation for either assisted living or residential use	150	Pending decision	5.7	18/0547/FU L
H	Local authority and market catchments	Kew Biothane Plant, Melliss Avenue, Richmond-Upon-Thames, London, TW9 4BD	Melliss Ave Devco Limited	Demolition of existing buildings and structures, and redevelopment of the site to provide a 4-6 storey specialist extra care facility for the elderly with existing health conditions, comprising of 89 units (11 one-bedroom, 78 two-bedroom), communal health care facility.	89	Pending decision	5.8	18/3310/FU L

Source: subscribed data sources and relevant planning departments.

31. Extra care competition map

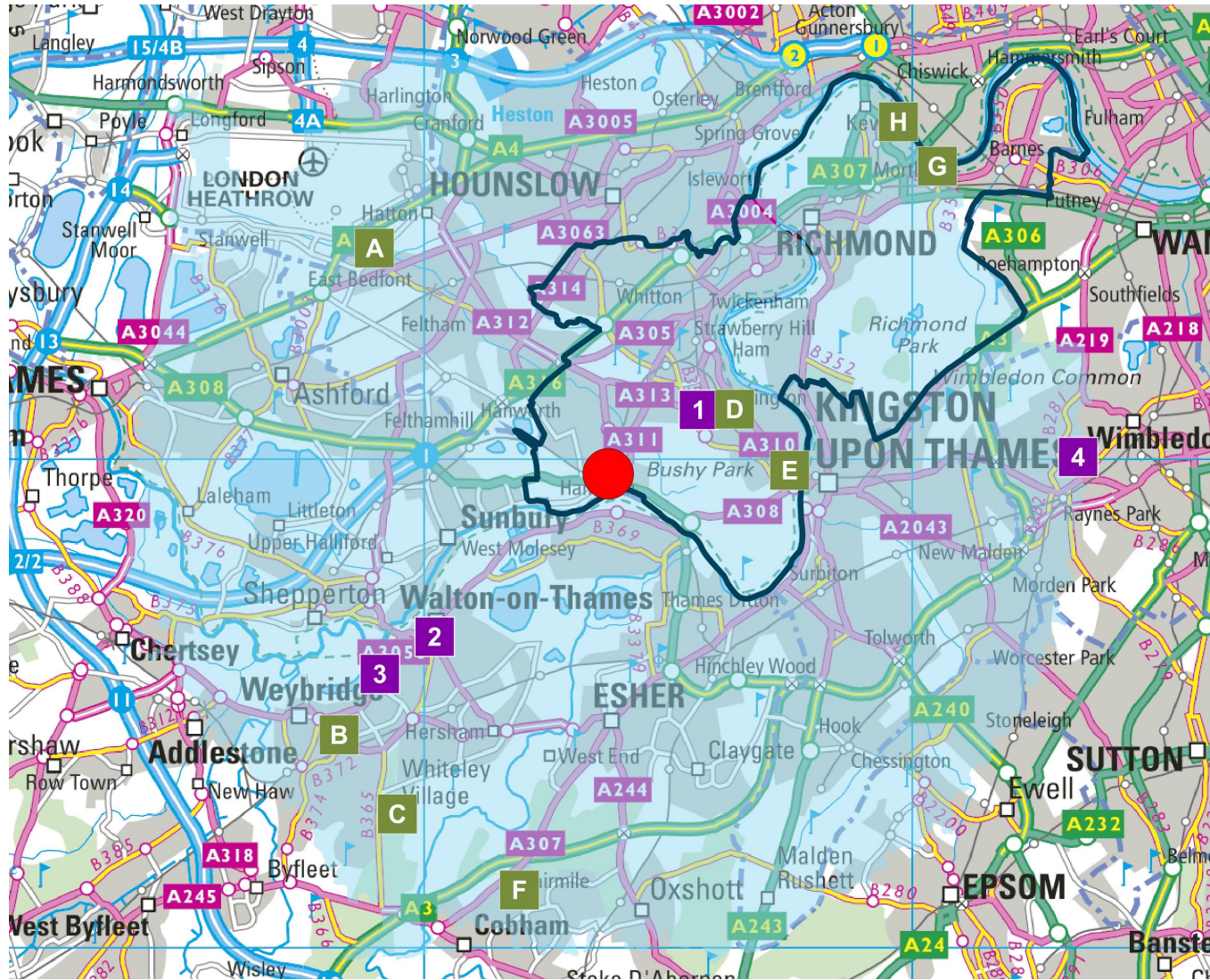


Figure 8: Existing private extra care and planned schemes within the catchment area.

Key:

- The proposed care village
- Existing private extra care schemes
- Planned private extra care schemes

Please note that the locations of all existing and planned schemes are approximate only.

CONCLUSIONS

32. Need – care home

- 32.1. Our assessment of the need in 2020 within the market catchment area, assuming all planned beds are developed and operational, indicates a need of 263 market standard bedspaces. We have also assessed the balance of provision in 2020 in The London Borough of Richmond upon Thames area, which indicates a shortfall of 353 market standard beds.
- 32.2. However, given that none of the planned beds are under construction, our more realistic assessment of the need within the market and local authority catchments indicates significantly larger need of 591 and 433 market standard bedspaces respectively.
- 32.3. Furthermore, many of the planned beds are unlikely to be developed. Based upon our experience, only between 25 and 50 per cent of care home beds that obtain planning permission are ever developed. This is due to a number of factors, including inappropriateness of the site or its design, deliverability, change of planning use on a follow-up application, amongst others.

T15 Indicative need for additional elderly care home beds (2020)		
Demand	Market catchment area	Local authority catchment
Estimated need for elderly care home beds	2,668	1,121
Supply		
Current supply of elderly market standard bedrooms	2,077	688
Beds pending decision	188	80
Beds granted permission but not under construction	140	0
Beds granted permission and under construction	0	0
Total planned and existing market standard beds	2405	768
Need		
Indicative need including all planned beds	263	353
Indicative need only including beds under construction	591	433

Source: 2011 Census, A-Z Care Homes Guide.

33. Need – extra care

33.1. By applying our demand methodology to the catchment area, we have calculated the potential pool of demand for private leasehold extra care units from people aged 75 years and above. Our analysis, assuming all planned units have been developed and are operational, indicates that there is a significant need of 1,819 private extra care units within the market catchment and a need of 221 within the London Borough of Richmond upon Thames area.

33.2. However, given that not all of the planned units are under construction, our more realistic assessment of the balance of provision indicates an increased need of 2,228 and 542 private extra care units within the market and local authority catchments respectively.

33.3. We therefore consider that there is an evident undersupply of extra care accommodation within the assessed area.

T16 Indicative need for extra care units (2020)		
Basis of assessment	Market catchment area	Local authority catchment
Need		
Population aged 75 years and above	62,312	14,500
Need – based upon ratio of 40 people per 1,000 population aged 75 years and above	2,492	580
Supply		
Current provision of private extra care units	177	38
Units pending decision	397	321
Units granted permission but construction not started	12	0
Units granted permission and under construction	87	0
Total supply of private extra care units	673	359
Need		
Indicative need including all planned private units	1,819	221
Indicative need including units under construction	2,228	542

Source: Census 2011, Government population projections, Housing LIN.

34. Need growth

Care home

- 34.1. Need growth in the future is based on the 2016-based ONS projected population figures for older people until 2030. This assumes that the demand for care home beds, which is based upon LaingBuisson's ASD rates, will remain at the same rate in the future. This is unlikely to happen given the historic trend of ASD as alternatives to residential care are developed and expanded upon, but nevertheless it indicates the significant weight of the future demographic trends over the coming years on potential demand.
- 34.2. Our analysis below illustrates the need assuming the existing provision remains equal and that all the planned units are developed. The analysis therefore overestimates the supply, given that a number of the planned schemes are unlikely to be developed.

T17 Indicative need for market standard bedspaces			
Catchment	2020	2025	2030
Market catchment area	263	689	1,164
Local authority area	353	526	731

Source: 2011 Census, A-Z Care Homes Guide

- 34.3. This need is expected to increase to 1,164 market standard beds within the market catchment and 731 beds within the local authority catchment in 2030 (assuming demand prevalence rates remain constant), reflecting the sustained and escalating nature of need in the future.

Extra care

- 34.4. Need growth in the future is determined using 2016-based ONS projected population figures for older people until 2030 and assumes that the demand for extra care units, which is based upon the Housing LIN SHOP tool, will remain at the same rate in the future.
- 34.5. Our analysis below illustrates the shortfall assuming the existing provision remains equal and that all the planned units are developed.

T18 Indicative need for private leasehold units			
Catchment	2020	2025	2030
Market catchment area	1,819	2,383	2,744
Local authority area	221	349	437

Sources: Housing LIN, Census 2011, government population projections, EAC Housing Options

- 34.6. Our analysis estimates that the need will rise to 2,744 private extra care units in the market catchment and 437 in the local authority catchment in 2030, given the demographic profile and growth rates of the area.
- 34.7. The need for private extra care units will therefore continue to grow and create a sustained level of unmet need in both the assessed catchments.

35. Impact of the proposed development – commonly raised questions

35.1. Carterwood is a market leader in the provision of needs and demographic analyses in the social care sector. As part of this expertise we have been involved in a large number of need assessments submitted to support planning applications and there are a number of consistent themes that have been raised by adult social care teams and commissioning departments in respect of new care developments and their impact upon the local area.

35.2. We have therefore summarised below a number of commonly raised queries and issues to pre-empt areas where there may be uncertainty or ambiguity in the needs case:

Issue – the proposed development may impact upon existing health and social services and GPs in particular who are already over-stretched

35.3. The care home will not impact directly who we anticipate will hold periodic surgeries in-house within the care home. This serves to reduce the number of GP visits as the requirement for GP input is heavily controlled by qualified nursing staff understanding the clinical requirements for each service user.

35.4. The visiting GP can also combine multiple visits into one trip. The presence of on-site care staff also reduces the number of unnecessary trips to GPs, thereby reducing waiting lists rather than increasing them.

35.5. The concentration of individuals within one place should also assist in reducing the need for community nurses and there are obvious advantages of having residents within one geographic location.

35.6. Further the pressure on GPs will not be a direct result of the proposed development – demand is not created it is catered for and the new scheme will provide much needed facilities to help battle the rising demographics pressure across the area.

Issue – the proposed development may impact upon already stretched local authority budgets

35.7. Having conducted a plethora of studies across the UK and spoken with a host of social services teams, our general observation is that local authority placements both into and out of any local authority tend to be broadly neutral.

35.8. There is no doubt that a number of referrals will move into an area when a new home is developed. Placements by social services to and from neighbouring and surrounding local authorities compensate for each other. In effect, there are just as likely to be as many people leaving the area as there are migrating into the area, and these two factors effectively cancel each other out.

35.9. We are also aware of the challenge faced by local authorities in funding long-term care to those elderly who do not meet current saving thresholds. A further potential issue relates to prospective self-funding service users who exhaust their funds and are therefore obliged to seek local authority support for payment of on-going care.

35.10. In enquiries we have conducted with neighbouring county councils and social services departments, we have ascertained that this type of funding requirement generally tends to amount to less than 1 per cent of the total social services budget for older people (although we have not been able to confirm the exact proportion for The London Borough of Richmond upon Thames Council in the timescales required for this advice – we would be more than happy to assist the council in analysing this information if required by social services).

35.11. Also, in our experience, the incidence of this scenario developing is very low compared to the vast majority of self-funding service users, who continue to fund their care throughout the duration of their stay. To guard against this potential issue further, operators often allocate a budget within their own financial modelling for this very issue to ensure that residents' needs can be met and the home is genuinely a 'home for life' if required. Also, their admission process and eligibility criteria ensure that any self-funding residents have proof of funds to support themselves financially, normally for a minimum period of two years.

36. Key conclusions

Need for the proposed care home

- 36.1. We consider there to be sufficient need within both the market and local authority catchments of the subject scheme to support the proposed care home.
- 36.2. Our analysis indicates that need in the market catchment will increase significantly during the next 10 years to 2030, with the unmet need for care home beds rising to over 500 beds in the next 3 years and to over 1,100 by 2030.
- 36.3. Our analysis of the London Borough of Richmond upon Thames catchment indicates that need will also increase significantly during the next 10 years to 2030, with the unmet need for care home beds rising to 450 beds in the next 3 years and to over 700 by 2030.
- 36.4. Furthermore, despite a willingness and appetite to reduce residential care reliance, the demographic pressures will make this highly problematic and some additional provision of the quality expected by the current purchasers of care will need to be factored into any global social care decision-making process.
- 36.5. The provision of a care home within the proposed care scheme enables potential residents of the extra care units to rest assured that should their care needs increase to a position where 24-hour care is required, they can remain on site by moving into the care home. This is also particularly important for a couple who may choose to move to the care development when one partner requires specialist dementia care and the other can live within an extra care unit close by.

Need for the proposed extra care scheme

- 36.6. Our market catchment analysis indicates that there is a significant need for private extra care units in the area with more than sufficient demand to support the proposed extra care units, by a considerable distance. It is one of the larger market shortfalls of private extra care/enhanced sheltered housing we have surveyed, driven by the large population base and relatively low level of provision (either existing or in the planning system).
- 36.7. We consider the site to be ideally suited to the development of extra care units and that it will fill a major shortfall of need for such accommodation in the area.
- 36.8. Furthermore, our analysis indicates a strong increase in demand over the coming years.

Qualitative aspects

- 36.9. In addition to the quantitative need identified within our report, the proposed scheme brings qualitative benefits, as follows:
- State-of-the-art facilities;
 - Use of a suitable and sustainable site at the centre of the community;
 - The ability to care for people with all levels of need, covering the full spectrum of care;
 - Community facilities that meet local needs, promote social integration and raise awareness about dementia.
- 36.10. The proposed scheme provides a proportion of its accommodation within extra care housing, which has been identified by the local authority as meeting its future commissioning strategy and requirements – as highlighted in our own review of the commissioning documentation.
- 36.11. We therefore conclude that there is both a compelling quantitative and qualitative need for the proposed development in providing a unique care environment, which is supported by the commissioning strategy of The London Borough of Richmond upon Thames Council. In our view significant weight should be given to this need in the assessment of the planning application by the local authority.

APPENDICES

A: LIST OF TABLES AND FIGURES

Tables

	Page
T1 Background	3
T2 National overview	3
T3 Indicative need for elderly care home market standard beds (2020)	3
T4 Indicative need for private extra care units (2020)	3
T5 Conclusions and recommendations	3
T6 Instruction summary	5
T7 Elderly care spectrum	15
T8 Average distance travelled to a care home	32
T9 Key demographic indicators (2020)	33
T10 Nursing and personal care provision	34
T11 Details of planned provision	35
T12 Shortfall of dedicated dementia bedspaces (2020)	37
T13 Summary of competing schemes	44
T14 Summary of planned provision	45
T15 Indicative need for additional elderly care home beds (2020)	49
T16 Indicative need for extra care units (2020)	50
T17 Indicative need for market standard bedspaces	51
T18 Indicative need for private leasehold units	51

Figures

	Page
Figure 1: Location of the proposed scheme and our bases of assessment	3
Figure 2: Aerial map of the subject site – site boundary approximate.....	14
Figure 3: Catchment areas	32
Figure 4: Population of older people by age band within the market catchment area	33
Figure 5: Existing registered capacity by distance from the subject site (market catchment)	34
Figure 6: Existing care homes and planned schemes within the catchment area.	38
Figure 7: Extra care bases of assessment	43
Figure 8: Existing private extra care and planned schemes within the catchment area.....	47

B: DEFINITIONS AND RESERVATIONS

Timing of advice

Our work commenced on the date of instruction and our research was undertaken at varying times during the period prior to completion of this report.

The report, information and advice provided during our work were prepared and given to address the specific circumstances as at the time the report was prepared and the specific needs of the instructing party at that time. Carterwood has no obligation to update any such information or conclusions after that time unless it has agreed to do so in writing and subject to additional cost.

Data analysis and sources of information

Details of our principal information sources are set out in the appendices and we have satisfied ourselves, so far as possible, that the information presented in our report is consistent with other information such as made available to us in the course of our work in accordance with the terms of our engagement letter. We have not, however, sought to establish the reliability of the sources by reference to other evidence.

The report includes data and information provided by third parties of which Carterwood is not able to control or verify the accuracy.

We must emphasise that the realisation of any prospective financial information or market or statistical estimates set out within our report is dependent on the continuing validity of the assumptions on which it is based. The assumptions will need to be reviewed and revised to reflect market conditions. We accept no responsibility for the realisation of the prospective financial or market information. Actual results are likely to be different from those shown in our analysis because events and circumstances frequently do not occur as expected, and the differences may be material.

Measuring and predicting demand is not an exact science, and it should be appreciated that there are likely to be statistical and market related factors that could cause deviations in predicted outcomes to actual ones.

Our report makes reference to 'Carterwood analytics'. This indicates only that we have (where specified) undertaken certain analytical activities on the underlying data to arrive at the information presented. We do not accept responsibility for the underlying data.

Where we have utilised Carterwood analytics to adapt and combine different data sources to provide additional analysis and insight, this has been undertaken with reasonable care and skill. The tools used and analysis undertaken are subject to both internal and external data-checking, proof reading and quality assurance. However, when undertaking complex statistical analysis it is understood that the degree of accuracy is never finite and there is inevitably variance in any findings, which must be carefully weighed up with all other aspects of the decision-making process.

The estimates and conclusions contained in this report have been conscientiously prepared in the light of our experience in the property market and information that we were able to collect, but their accuracy is in no way guaranteed.

Where we have prepared advice on a 'desktop' or 'headline' basis, we have conducted a higher level and less detailed review of the market. All our headline advice is subject to the results of comprehensive analysis before finalising the decision-making process. Where we have provided 'comprehensive' advice, we have used reasonable skill and endeavours in our analysis of primary (for example, site inspections, mystery shopping exercise, etc.) and secondary (for example, Census, Land Registry, etc.) data sources, but we remain reliant upon the quality of information from third parties, and all references above to accuracy, statistics and market analytics remain valid.

Purpose and use

The report has been prepared for the sole use of the signatories of this letter and solely for the purposes stated in the report and should not be relied upon for any other purposes. The report is given in confidence to signatories of the engagement letter and should not be quoted, referred to or shown to any other parties without our prior consent.

The data and information should not be used as the sole basis for any business decision, and Carterwood shall not be liable for any decisions taken on the basis of the same.

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agreement or other document without prior consent, which will not be unreasonably withheld.

Validity

As is customary with market studies, our findings should be regarded as valid as at the date of the report and should be subject to examination at regular intervals.

Intellectual property

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