Signature
delivering peace of mind

Chigwell Garden Centre, High Road, Chigwell

Full Planning Consent Application

November 2018

Comprehensive Planning Need Assessment

By

Carterwood

Contents

EXECUTIVE SUMMARY

T1 Background

Carterwood Chartered Surveyors has been commissioned to prepare a need assessment on behalf of Signature Senior Lifestyle in support of a planning application for the development of a purpose-built 100-bed care home for the elderly and those living with dementia.

T2 National demand drivers for new elderly bedspaces

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 31 per cent of existing elderly 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 within the catchment area – 2019

Demand	Ref.	Market catchment
Estimated demand for elderly care beds	1	3,364
Supply		
Current supply of elderly market standard bedrooms	2	2,330
Beds pending decision	3	0
Beds granted permission but not under construction	4	133
Beds granted permission and under construction	5	72
Total planned and existing market standard beds	-	2,535
Balance of provision (excluding the proposed home)		
Estimated shortfall including all planned beds (Supply equates to the sum of references 2, 3, 4 and 5)	-	829
Estimated shortfall including beds under construction (Supply equates to the sum of references 2 and 5 only)	-	962

T4 Conclusions and recommendations

- Our assessment of the balance of provision in 2019, within our circa 4- to 5-mile 'market' catchment area, indicates a significant shortfall of 829 market standard bedspaces (assuming all planned beds are developed).
- Our more realistic assessment of the balance of provision, where only planned beds under construction are included, indicates an even larger level of unmet need of 962 market standard bedspaces.
- Furthermore, our calculations indicate a serious lack of specialist dedicated dementia provision in the area.
- We consider there to be a significant unmet need for additional elderly care home beds within the market catchment area.

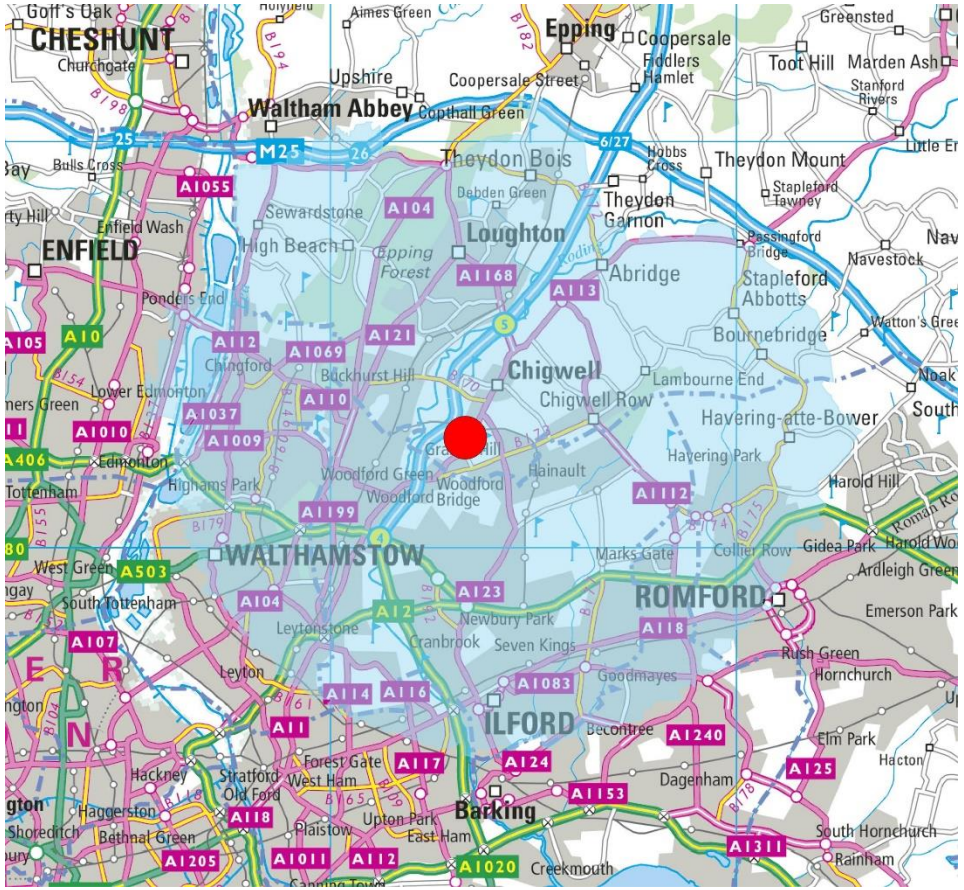

Figure 1: Location of the proposed scheme and its catchment area

Notes: The proposed scheme is shown by the red dot. The market catchment area we have adopted is a circa 4- to 5-mile radius from the proposed care home, indicated by the area shaded in blue.

T5 Definition of market standard beds

A market standard bed is defined as a bedroom providing en-suite facilities and comprising of a minimum of WC and wash hand basin. There is no stipulation of minimum size, suitability for purpose or incorporation of shower/wetroom facilities in this wide definition adopted.

INTRODUCTION

1. Introduction

1.1. Carterwood Chartered Surveyors has been commissioned to prepare a need assessment on behalf of Signature Senior Lifestyle (SSL) in relation to the erection of a 100 bedroom, high quality care home at Chigwell Garden Centre, High Road, Chigwell, Essex, IG7 5BL.

1.2. The proposed home will be modern in design and capable of flexibly adapting to meet the needs of all aspects of elderly care provision. It will include physical adaptations and an environment suited towards the provision of specialist dementia care, to meet a growing need in this area.

1.3. In this report, we have considered the national context, together with a detailed study of the market catchment area.

2. Sources of information

2.1. We have utilised the following sources of information:

- Census 2011 population statistics;
- Government actuarial 2016-based population projections;
- LaingBuisson Care Homes for Older People UK Market Report (29th edition);
- LaingBuisson Dementia Care Services 2012;
- *A–Z Care Homes Guide 2018*;
- www.housingcare.org;
- www.cqc.org.uk;
- Relevant planning departments;
- Barbour ABI;
- EGi;
- Alzheimer's Society: *Dementia UK The full report 2007*;
- Alzheimer's Society: *Low expectations: Attitudes on choice, care and community for people with dementia in care homes*, February 2013;
- Epping Forest District Council;
- Essex County Council.

3. Carterwood

3.1. In almost 10 years, 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.

3.2. Examples of private sector clients who have commissioned need assessments or site feasibility studies include:

- Porthaven Care Homes
- Gracewell Healthcare
- Hallmark Healthcare
- Care UK
- Caring Homes
- Signature Senior Lifestyle
- Barchester Healthcare
- MedicX
- Retirement Villages
- LifeCare Residences
- Richmond Villages
- Ranc Care Homes
- Four Seasons Health Care

3.3. Not-for-profit providers include:

- Anchor
- The Royal British Legion
- Mencap
- 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

3.4. Carterwood's client base represents the majority of operators currently seeking to develop new care homes aimed at the privately funded care home market.

3.5. Accordingly, we are in an almost unique position in the sector, having assessed over 2,000 sites in the past 10 years for a range of different providers and a range of different scheme types and care categories.

4. Our approach

4.1. Our report is split into sections as follows:

National context and key definitions

4.2. 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 sector, 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

4.3. A description of the proposed scheme and the operator.

Establishing need

4.4. We provide a full methodology of our approach, which underpins the research and findings of this report.

Local demand and supply analysis for elderly care

4.5. We analyse the demand and supply position for a market catchment area of the proposed scheme, as well as within the council boundary. Our market catchment is based upon our own empirical research into catchment areas for new-build care homes. We present detailed research into the demographic profile and competing homes, as well as looking at planned provision to determine the current and future levels of unmet need. We review Essex County Council's own Market Position Statement and comment where appropriate.

Conclusions

4.6. We present our empirical, evidence-based assessment of the balance of provision for care home bedspaces as at 2019, together with our assessment of wider qualitative issues over quality of provision and market expectations and demand over the coming decades.

4.7. We also consider a number of key issues that are commonly raised in our experience of recent applications. These issues, whilst not directly related to need *per se* (and therefore irrelevant in terms of determining the planning application), remain important to the relevant stakeholders. Therefore, we consider that this section should assist the reader and adult social care teams, who are often consulted in the planning process, to make an informed decision in respect of need for the proposed scheme.

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 2018*.

Personal care and nursing

5.4. To assist the reader, we provide below an explanation of the difference between personal care and nursing care, both of which can be provided within registered care facilities. The subject community will be seeking to cater towards elderly frail, in a self-contained nursing facility, and dementia sufferers, in a personal care setting.

5.5. Personal care, or residential elderly 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.

5.6. 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.

6. Elderly population trends

6.1. The elderly UK population is set to grow dramatically over the coming years. Government population projections from the 2011 census show the over-85-years age band, from which the bulk of care home referrals are drawn, set to increase by 40 per cent between 2011 and 2021, as illustrated in Figure 2 below, a trend that is set to continue. The 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.

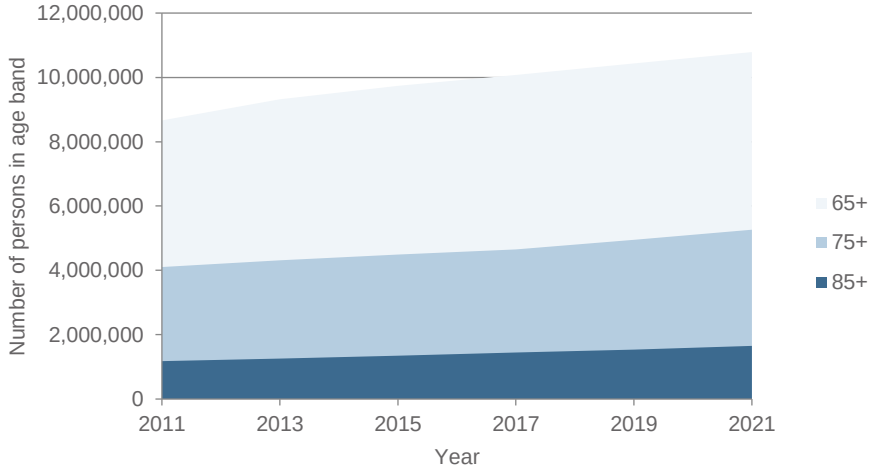

Figure 2: UK population growth, 2011–2021

Source: 2011 Census, government population projections.

6.2. 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).

6.3. The demand for care rises dramatically with age. Approximately 0.59 per cent of persons aged 65 to 74 live in a care home or in a long-stay hospital setting, rising to 14.80 per cent for the over-85s.

7. National provision

7.1. 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, and since 2007 the reduction in overall capacity has ceased and capacity has remained broadly static or marginally increased.

7.2. Capacity is actually down from a 1996 peak of 573,700, but 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.

7.3. According to the *A–Z Care Homes Guide 2018*, approximately 390,000 of these beds have en-suite provision, meaning that around 27 per cent of current registered bedspaces do not conform to the current market standard of providing a bedroom with en-suite facilities.

8. The growing need for dementia care

8.1. '*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).

8.2. Both personal care and nursing homes can provide care to persons suffering from dementia and/or Alzheimer's disease. Whilst the preference is always to try to maintain an individual's independence at home, this is not always possible, given the nature of the condition.

8.3. 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.

8.4. As with the need for care in a residential setting, dementia prevalence increases rapidly with age. In the 65–74 years age group, dementia prevalence ranges between 1.3 and 2.9 per cent, but rises steeply to between 20.3 and 32.5 per cent for those aged 85 years and above. Thus, with more people living longer, the number of people with dementia is also increasing significantly. Already two-thirds of people living in elderly care homes have dementia; an issue that *the National Dementia Strategy 2009* stated had *'not been planned for'*.

8.5. 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 supporting someone with dementia save the UK economy £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 people 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.

8.6. 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).

8.7. 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. 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).

8.8. It also 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).

'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).

8.9. 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.

9. Paying for care

9.1. According to LaingBuisson, as of March 2017, 56 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.

9.2. According to LaingBuisson, as at March 2017, an estimated 44 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.

9.3. The remaining proportion of funding is driven from NHS or Continuing Healthcare referrals for high-acuity placements.

10. Key issues for the sector

10.1. 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 2014;
- National Living Wage and its implications on staff retention and recruitment and sustainability of some current business models.

10.2. 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

11. Signature Senior Lifestyle Ltd

11.1. Signature Senior Lifestyle launched in 2006 with a vision to create an alternative to the existing offering of residential and nursing care homes in the UK. The company is a unique elderly care provider in that the amount and type of care provided within each home is tailored to the individual needs of each resident, with the resident only paying for the care they need. The homes are therefore able to provide care to a wider number of older people than a traditional care home, including those with low dependency personal care needs, nursing needs and those living with dementia within a specialist community. Couples are also able to stay together.

11.2. Signature Senior Lifestyle currently operates services in Buckinghamshire, Essex, Hertfordshire, Kent, Surrey and London Borough of Merton, most of which are registered nursing homes, and plan to develop a number of further care homes in the coming years.

11.3. The care homes offer single occupancy bedrooms or apartment-style units, equipped with en-suite wetroom facilities, all finished to an exceptional standard. Such a standard of accommodation is future-proof and caters towards the increasing demand amongst care home residents for high quality services within a building tailored to meet the current and future requirements of the residents. The homes also provide stimulating activities and amenities, excellent meals, reliable high-quality daily services such as housekeeping and laundry, and the best possible care.

12. Description of application proposal

12.1. The planning application will be for the demolition and removal of existing dwelling, storage buildings, associated commercial structures and car park, and the erection of a 100 bedroom, high quality care home with associated access, vehicle parking, hard and soft landscaping, structural landscaping and site infrastructure.

12.2. The proposed scheme is to comprise a 100-bed care home in which, while single occupancy, the large one-bedroom suites can accommodate couples, with each bedroom equipped with an en-suite wetroom. Unlike traditional care homes, the home will provide a range of bedroom types, from typical care home bedrooms to deluxe one-bedroom apartment-style units with a separate living area that can accommodate couples as well as single individuals. The proposed home will also include a 24-bed dedicated dementia community.

12.3. A comparison between Signature Senior Lifestyle's bedroom and apartment sizes and that of a typical care home bedroom, which resembles much of the existing purpose-built provision, is provided in Figure 3, opposite.

12.4. It is anticipated that as a result of this development, in excess of 100 full and part time jobs will be created at the proposed care community across a range of job types, from higher grade management positions to care workers and ancillary staff. Further detail in respect of the proposal can be found in the planning statement accompanying the application.

Figure 3: Typical Signature Senior Lifestyle bedroom and apartment layouts compared to a standard care home bedroom

Source: Signature Senior Lifestyle Ltd

13. The proposed care home - its position in the local market

Elderly care spectrum

13.1. Following our earlier review of the social care sector, to illustrate where we consider the proposed community lies within the various models of care provided in the UK long-term elderly-care market, we have compared the proposed home against other accommodation types in respect of care provided, cost of care, accommodation type and regulation. Table T6 below shows the range of options available within this "spectrum of care".

13.2. 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 demands 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 increasingly shorter, and residential care at this higher level of dependency may be the only short-term option.

13.3. A substantial variant to the provision elements 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 homes, particularly when the support is alongside home care and/or day care. The effect of the above is to delay the older person's move into a care home, maybe even to the extent of bypassing care homes altogether and only moving into a nursing home or hospital when dependency is very high. Thus, a range of care needs and a range of services co-exist, sometimes with considerable overlapping.

The proposed care home

13.4. The proposed care home will be capable of providing care to residents of all dependency levels, including the capability of providing care to those with higher dependency levels who require nursing care or dementia care within a specialist unit specifically designed to cater to their needs. Without this capability a number of very high-dependency residents would otherwise require an enforced hospital stay.

T6 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				Planned needs in the proposed care home		

ESTABLISHING NEED

14. Methodology for assessing need for general elderly care

14.1. Our methodology for the demand and supply analysis of the catchment area is provided below, with the analysis and results in relation to the catchment area of the proposed community contained within Sections 16 to 21 of this report.

14.2. 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.

14.3. 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

14.4. We assess demand based upon Census 2011 population statistics and have applied elderly population growth rates to determine the current and future demand for beds.

14.5. 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.

14.6. 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

14.7. We assess supply by calculating the number of market standard elderly care home beds currently registered within the assessed area.

14.8. We have also provided a detailed analysis of the existing competing care provision. We have analysed the quality of accommodation, total number of bedspaces and market distribution between private operators, groups, local authority and voluntary operators.

14.9. In the event of any anomaly in our subscribed data source*, A–Z Care Homes Guide 2018*, we have cross-referenced against the CQC website and, where necessary, we have reviewed the home's/operator's website or telephoned the home directly to confirm the query.

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

Planned supply

14.11. 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, Barbour ABI ("ABI") and Estates Gazette Interactive ("EGi"), we have reviewed all planning applications for new care home beds (both new-build and extensions) 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.

14.12. 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 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.

14.13. We have searched for planning applications submitted over the past 3 years. 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. 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.

14.14. 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.

14.15. We then differentiate the planned schemes depending on whether construction has commenced or not.

Estimating shortfall of elderly care home beds

14.16. We combine the results of our demand analysis with our assessment of the existing supply and planned provision to provide a measure of the balance of provision position within the catchment.

14.17. The measure provides a 'worst-case' scenario assuming all planned beds are developed and operational, regardless of the construction status or long-term deliverability.

14.18. We consider that this methodology is a logical, industry-recognised, means of establishing whether there is demand for additional elderly care home beds in any given area.

14.19. 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.

14.20. We have provided an indication of the estimated balance of provision between the years 2019 and 2029 in Section 22, 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.

15. Market standard beds

15.1. In calculating the current supply of beds, we assess the total provision of market standard beds. We define market standard beds 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.

15.2. 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 persons confined to a wheelchair;
- Bedrooms accessed without a shaft lift – a significant challenge in the provision of any care, but particularly the provision of high dependency nursing care;
- Bedrooms of an inappropriate size and shape that prevent 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.

15.3. 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 market standard, the total registered capacity should be the appropriate basis of assessment of market supply.

15.4. 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 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.

15.5. 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 several 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);
- 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 façade, 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 two-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 four 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.

15.6. 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.

15.7. We are also aware of an appeal case with a similar result, where we were not acting for the appellant; in Sevenoaks under planning reference 11/01878/FUL granted on the 3 June 2014.

15.8. We have adopted 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.

15.9. 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 2,000 site feasibility and/or need assessments over the past 10 years, all of which adopt the market standard bed approach.

15.10. 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; 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 upon which to assess need.

LOCAL DEMAND AND SUPPLY ANALYSIS FOR ELDERLY CARE

16. Shaping Futures Market Position Statement: Designing services for the future 2015–2025

16.1. We have not had the opportunity to speak with the adult social care team to discuss the proposals prior to submission of this application, although we would be happy to do so, if and when required.

16.2. We have, however, conducted a full review of the *Shaping Futures Market Position Statement: Designing services for the future 2015–2025* prepared by Essex County Council in partnership with the Clinical Commissioning Groups (CCGs).

16.3. We are aware of other adult social care strategies prepared by Essex County Council (ECC), although we assume these have been superseded by the Market Position Statement. We would be happy to review these documents should this not be the case.

16.4. We have provided, verbatim, relevant extracts from this document in relation to elderly care below.

Market Position Statement

Demographic trends

16.5. *'There are currently 286,600 older people living in Essex. 2014 data indicates that 45% of people 65 and over are male and 55% female. The population aged 65+ is projected to increase 25% to 357,400 by 2024.*

'There is likely to be a particular increase in the older age groups with a 22% increase in people 85-89 and a 33% increase predicted in people aged 90+' (page 37).

Older people and support needs

16.6. '*61,325 people (25% of the population) have an illness which limits day to day activities. Older people are likely to have difficulties with personal care tasks such as bathing, showering and washing, taking medicines, dressing and feeding.*

'95,194 older people (33%) are unable to manage at least one self-caring activity on their own and 115,913 older people (40%) are unable to manage at least one domestic task on their own. Jobs involving household shopping, cleaning windows, dealing with personal affairs and opening screw tops are amongst the most difficult tasks.

'Overall there are estimated to be 89,390 older people in Essex with social care needs, 31% of the population.

'19,935 older people are estimated to be living with dementia, which is 7% of Essex's population aged 65 and over' (page 39).

Long term nursing and residential care

16.7. *'The number of care home beds for older people in Essex has increased from 9,846 beds in 2009 to 11,556 beds in 2014. The number of older people financially supported in registered care by ECC has remained static from 2005/06, unlike the national picture, which has decreased by 16% over the same period.*

'The 2014 satisfaction survey of service users in residential and nursing care found that 70% of those surveyed were "very" or "extremely satisfied" with the care and support they received.

'Around 70% of respondents to the residential and nursing care survey felt that their home meets their needs very well, and a further 25% felt it met most of their needs. 71% of those surveyed stated that they do not currently buy any additional care or support privately' (page 46).

Conclusions

16.8. The council's strategy is in line with the majority of councils' commissioning strategies across the country in that it is seeking to reduce the amount of residential care it commissions and to increase community-based services, with older people living in their homes for as long as possible.

16.9. However, the market position statement also clearly identifies a number of key demand drivers for new care home bedspaces, as the demographic pressures of an ageing population become manifest over the coming decade.

16.10. The strategy also states that there is a current shortage of capacity, particularly nursing dementia, which is something all beds within the proposed scheme will be able to offer.

17. Basis of assessment

17.1. We have based our quantitative assessment of the demand and supply position of the proposed scheme based upon a market catchment area, shaded blue opposite.

17.2. We have previously analysed resident data provided by a number of private care home operators for high-quality operational schemes that target the top of the private fee paying market, akin to that of the proposed community. From this information, we have calculated the mean distance travelled by each resident from their previous place of residence into their respective care home. The headline results of our research are provided below:

T7 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
Location 4: Edge-of-town location close to motorway network	5.2
Location 5: Urban location close to motorway network	5.7
Overall average	5.4

Source: Carterwood.

17.3. The location of the proposed care home accords with Locations 3 and 4, hence we have adopted a circa 4- to 5-mile radius from the proposed care home, although this varies, given the constraints of the available data.

17.4. All care homes will inevitably also 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 affordable homes.

17.5. Given the subject scheme's location towards the southern edge of the Epping Forest District Council local authority area boundary, we consider that the local authority area does not resemble where referrals will be drawn from and have, therefore, run the analysis solely upon a market catchment area.

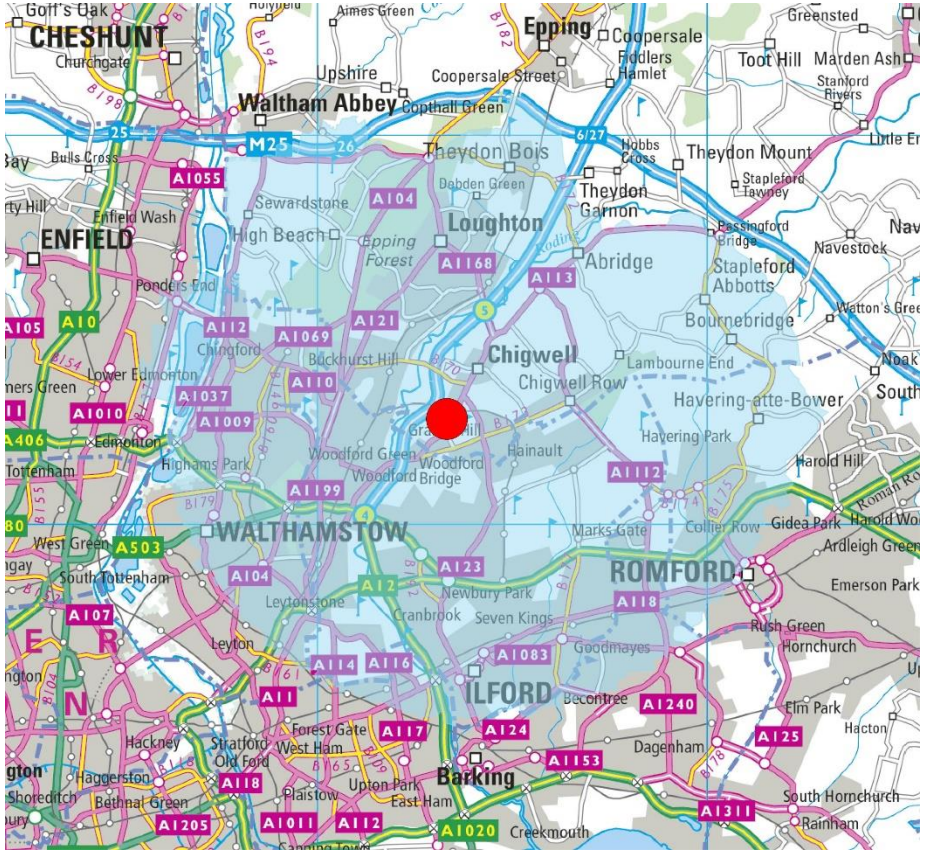

Figure 4: Basis of assessment

The red spot shows the approximate location of the site. The blue shaded area illustrates the market catchment area.

18. Demographics

18.1. We have assessed demand based upon Census 2011 population statistics and have extrapolated expected elderly population growth rates for the council local authority area to determine current and future demand for beds. The total projected population for the market catchment area as at 2019 is 651,132.

18.2. The graph opposite shows the growth of the population over the next 12 years within the market catchment area.

18.3. Table T8 shows the number of persons that are at risk of requiring care in a residential setting as at 2019. Our assessment of demand for residential care is therefore 3,364 within the market catchment area.

18.4. This is calculated 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.

18.5. The need for care home beds is expected to rise by c. 35 per cent within the catchment between 2019 and 2031, assuming all other things remain equal, further indicating an increased demand for additional market standard bedspaces.

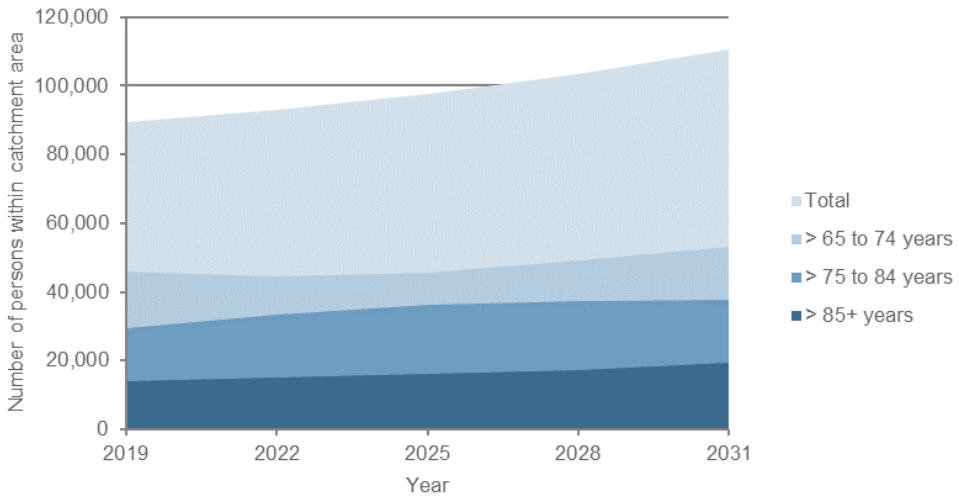

Figure 5: Projected population by age within the market catchment area

T8 Key demographic indicators - 2019	
Catchment area	Market catchment area
Population	
Total population	651,132
Total population aged 75 years and above	43,199
Percentage of persons aged 75 years and above (%)	6.6
Demand	
Predicted need for residential care beds	3,364

Source: Census 2011, government population projections, LaingBuisson.

Source of figures opposite: LaingBuisson Care Homes for Older People UK Market Report (29th edition).

19. Supply of existing care homes

19.1. 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.

19.2. Within the market catchment area, there are 58 homes, providing 2,940 registered bedspaces, 2,330 of which are equipped with an en-suite. This equates to 79 per cent of registered bedspaces meeting the criteria of 'market standard', which is in line with the national average.

19.3. Figure 6 shows the competition in the market catchment by geographical distance to the subject site. There are no care homes within 0.5 miles of the subject site, and the majority of the provision is located in excess of 3 miles from the subject site.

19.4. Although a large majority of bedspaces are equipped with an en-suite within the catchment area, for both personal care and nursing care, most are likely to be WC and wash hand basin only, with few offering bedrooms with en-suite wetrooms of the same size and specification to that proposed by the subject scheme.

T9 Nursing and personal care provision

Care category	Number of homes	Registered beds	Market standard beds	Percentage of market standard beds (%)
Personal care	33	1,217	762	63
Nursing care	25	1,568	1,568	91
Overall	58	2,940	2,330	79

Source: A-Z Care Homes Guide 2018, CQC, Carterwood.

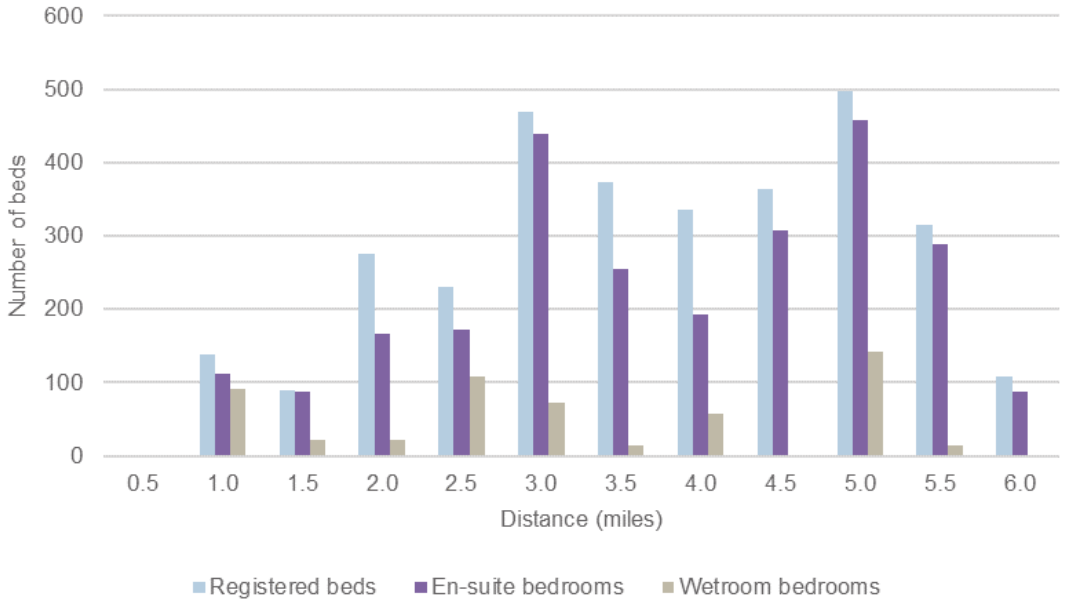

Figure 6: Existing registered capacity by distance from the subject site (market catchment).

20. Dementia

Methodology

20.1. 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 persons requiring an elderly nursing 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 elderly nursing home or a dedicated dementia unit within a mixed-registration home, available within the catchment area.

Demand

20.2. Our measure is based upon research carried out within Bupa elderly nursing homes in 2012 and indicates that 45.6 per cent of residents within the surveyed elderly nursing 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. The results of which are shown in Table T10 opposite. Best practice states that people living with dementia should be cared for within a specialist, dedicated dementia environment.

20.3. 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 may 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

20.4. We have provided a summary of the total number of market standard bedspaces within dedicated dementia elderly nursing homes or units within mixed-registration homes in Table T10 opposite. 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.

20.5. 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. In this instance, no such information is available, which is not unusual as it is possible that the categories of care within a new care home will not be finalised until shortly before opening. Therefore, we have assumed the proposed Schemes A and E will each provide a floor of dedicated dementia care (24 and 11, beds respectively). All the planned beds, regardless of their likelihood of development, are included within our analysis below.

Demand vs. Supply

20.6. Our analysis shows a significant undersupply of 699 market standard, dedicated dementia beds within the market catchment area. Therefore 46 per cent of people living with dementia as a primary cause of admission to an elderly care home are unable to be cared for within a specialist, dedicated dementia elderly home or unit within the market catchment area. Even if all the planned beds are developed and provide dedicated dementia care, which is highly unlikely, there is still a substantial shortfall within the catchment. The subject home will address this need by providing a dedicated dementia unit within the home.

T10 Indicative need for dedicated dementia bedspaces (2019)

Bases of assessment	Market catchment area
Total demand for elderly care home beds	3,364
Demand for dedicated dementia beds based upon Bupa survey	1,534
Supply of market standard dedicated dementia beds	811
Planned supply of market standard dedicated dementia beds	24
Shortfall of market standard dedicated dementia beds	699
Shortfall as a percentage of demand	46

Sources: A-Z Care Homes Guide 2018, Bupa: The changing role of elderly nursing homes 2011, Census 2011, Population Projections, LaingBuisson Care Homes for Older People UK Market Report, Carterwood.

20.7. 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.

21. Planned supply

21.1. We have made enquiries with our planning databases, Barbour ABI and EGi, and cross-checked planning applications for new elderly care home beds against the relevant planning departments' online planning registers for applications submitted within the last 3 years. This research was carried out on 6 September 2018.

21.2. We have identified four planning applications for additional care home beds within the market catchment, all of which have been granted.

21.3. From a site visit we note that construction of the proposed 72 bed care home at Woodview (Scheme A) has now commenced.

21.4. There is no indication that development has commenced at any of the schemes B, C or D although we are aware that The Chestnuts Nursing and Residential Care Home (Scheme C) has now been closed to facilitate its redevelopment.

21.5. We are also aware of a planning permission that was granted with conditions in 2011, for the development of a 40 bed care home at 120 Goodmayes Lane, Ilford IG3 9PX (ref: 0667/11). This site is approximately 4.4 miles from the subject scheme. We understand work commenced on site prior to the discharge of conditions and a separate application (ref 4242/16) was made to the London Borough of Redbridge to provide confirmation that planning permission 0667/11 had lawfully commenced. The decision notice dated 9 December 2016 stated that 'having regard to the fact that condition 5 of the planning permission (ref:0667/11) is a condition precedent and that the condition was not discharged within the requisite time period, the planning permission has not been lawfully commenced. It was therefore confirmed to be unlawful. For this reason it has not been included in our planned provision table below.

21.6. We have been unable to confirm definitively if the applications detailed below are the only current applications in the area for C2 elderly care use.

T11 Details of planned provision

Map ref.	Site address	Applicant	Scheme	Net elderly beds	Has construction commenced?	Distance from subject site (miles)	Planning reference	Notes
Granted								
A	Woodview, Lambourne Road, Chigwell, IG7 6HX	Longprime Limited	72-bed care home and two three-storey blocks containing 40 apartments, comprising six one-bed and 34 two-bed, together with parking and landscaping.	72	Under construction	1.5	EPF/2473/16 - 03/05/2017	A site visit on 21 September 2018 confirmed that the proposed care home is currently under construction.
B	Forest Place, Roebuck Lane, Buckhurst Hill, IG9 5QL	Abbey Total Care Group Limited	Demolition of two-storey building fronting Roebuck Lane, single-storey detached building and detached house adjoining boundary with Linders Field Nature Reserve. Redevelopment comprising a two-and-a-half--, three- and four-storey development with basement to create 165 total care units, with ancillary medical and recreational facilities, and single-storey courtyard development. Creation of 57 parking spaces including two-level car parking for 40 vehicles in north eastern corner of site and 17 spaces within redesigned frontage area adjacent to Roebuck Lane. .	52	No indication of development	1.6	EPF/1957/15 - 26/02/2016	The existing care home, Forest Place, is registered for 90 residents and provides 68 en-suite bedrooms. The planning application indicates that the existing care home will be re-developed to provide a total of 165 bedspaces, of which 45 will cater for individuals who require rehabilitation. Therefore, there is a net gain of 52 elderly market standard bedspaces.

T11 Details of planned provision

Map ref.	Site address	Applicant	Scheme	Net elderly beds	Has construction commenced?	Distance from subject site (miles)	Planning reference	Notes
C	The Chestnuts Nursing & Residential Care Home, 63 Cambridge Park, Leytonstone, E11 2PR	Westgate Healthcare Limited (Head Office)	Redevelopment to create a 63-bedroom care home with associated communal rooms, offices, staff facilities, kitchen, dining room, toilets, parking and landscaping works, following demolition of existing care home building.	63	No indication of development	3.5	5952/16 03/07/2017	The Chestnuts Nursing Home which provided 49 en-suite rooms is now archived on CQC is to be demolished to provide a new 63-bed care home.
D	Abbey Care Home, Collier Row Road, Romford, RM5 2BH	Abbey Care Home	Application for outline planning permission: Demolition of existing care home and erection of replacement two-storey (with accommodation in the roof) 38-bedroom care home.	18	No indication of development	3.7	14/00786/OUT - 06/11/2015	The existing home provides 20 en-suite rooms, so there is a net gain of 18 en-suite rooms.

Sources: Barbour ABI, EGi, Relevant planning departments, Carterwood.

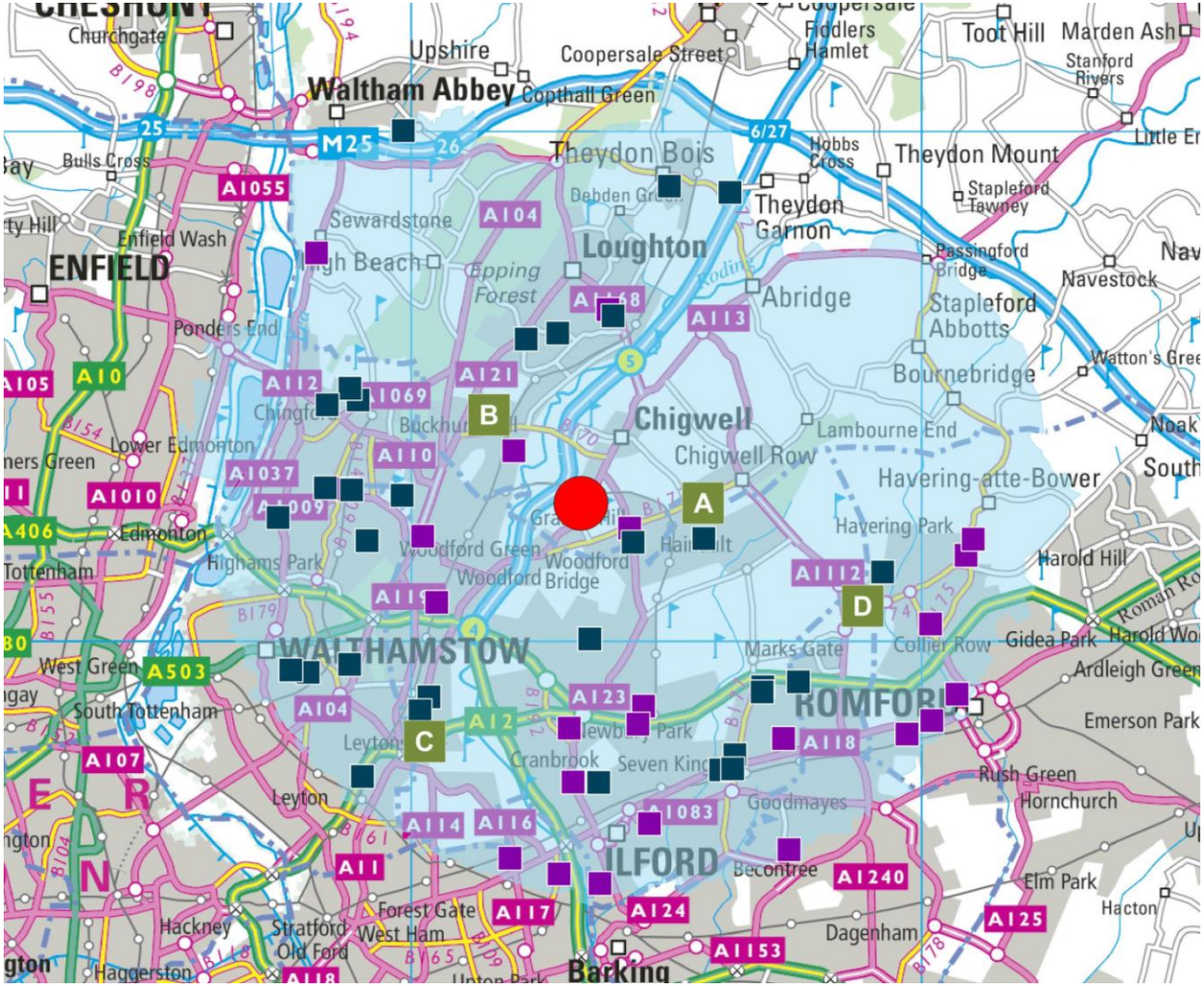

Figure 7: Existing and planned provision map

Key:

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

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

Due to the concentration of homes within urban areas, several of the icons for the homes may overlap.

CONCLUSIONS

22. Estimated shortfall of elderly care home beds

22.1. Our assessment of the balance of provision in 2019, within the market catchment area, assuming that the planned schemes have been developed and are operational, regardless of whether the development has progressed, indicates a significant level of unmet need equivalent to 829 market standard bedspaces.

22.2. However, only one of the four planned schemes is currently being developed and a more realistic measure of demand and supply sees this shortfall increase to 962 market standard bedspaces.

22.3. Should the proposed 100-bed scheme be developed, it will fill only 10.4 per cent of the unmet need within the market catchment area, based on our more realistic assumption where only planned bedspaces likely to be developed are included.

22.4. The need for care home accommodation is not simply a quantitative exercise about bedspace provision. It includes often-overlooked qualitative aspects and the provision of a choice of homes to very frail residents and those living with dementia, as well as raising industry standards.

22.5. People living with dementia are poorly catered for, with only a handful of dedicated specialist dementia units in the catchment area offering living environments that accord with best practice in caring for people with such needs. Our analysis indicates there is a significant unmet need for dedicated dementia provision in the catchment, which the subject home will address by providing a dedicated dementia unit within the scheme.

22.6. We, therefore, conclude that there is both a strong quantitative and qualitative need for the proposed development to provide high-quality accommodation for the frail elderly and people living with dementia in this location.

T12 Indicative need for elderly care within the catchment area- 2019

Demand	Ref.	Market catchment area
Estimated demand for elderly care beds	1	3,364
Supply		
Current supply of elderly en-suite (market standard) bedrooms	2	2,330
Beds pending decision	3	0
Beds granted permission but not under construction	4	133
Beds granted permission and under construction	5	72
Total planned and existing market standard beds	-	2,535
Balance of provision		
Estimated shortfall including all planned beds (Supply equates to the sum of references 2, 3, 4 and 5)	-	829
Estimated shortfall including beds under construction (Supply equates to the sum of references 2 and 5 only)	-	962

Sources: Census 2011 population statistics, A-Z Care Homes Guide 2018, LaingBuisson, Barbour ABI, EGi, relevant planning authorities.

23. Future demand for care home beds

23.1. Shortfall growth in the future is based on the 2016-based ONS-projected population figures for older people until 2029. This assumes that the demand for care home beds, which is based upon LaingBuisson's ASD rates, will remain the same rate in the future.

23.2. However, the ASD figures have generally declined for the 65- to 74-, 75- to 84-, and 85+ age bands, with some minor fluctuations. By applying the 2016/17 and 2017/18 rates to the current England and Wales population, overall demand is broadly equivalent between the two time periods.

23.3. As alternative forms of care, for example improved home-care, extra care, etc. increase in availability and quality, the ASD rates in the future are likely to fall further. This 'absorption' into alternative forms of accommodation needs to be weighed against the rapidly rising elderly population.

23.4. The actual balance between the increase in demand, due to demographic pressures, and a reduction in bed demand, due to alternatives to residential care, will be dependent upon a host of national variables, as well as site-specific factors, and is, therefore, impossible to predict with absolute certainty.

23.5. The chart opposite shows the projected demand for new care home beds on two bases. The first being based on the somewhat unrealistic assumption that the need for care home beds will remain constant over time, with the second on the basis that 50 per cent of future demand is 'absorbed' by alternatives to traditional residential care, for example home care, extra care, etc.

23.6. Even on this conservative basis, the level of undersupply within the catchment area is currently large, and is likely to remain so, given the scale of the changes to demography over the coming decades and beyond.

23.7. A substantial increase in planning and construction activity would be needed in order to reduce the shortfall of provision.

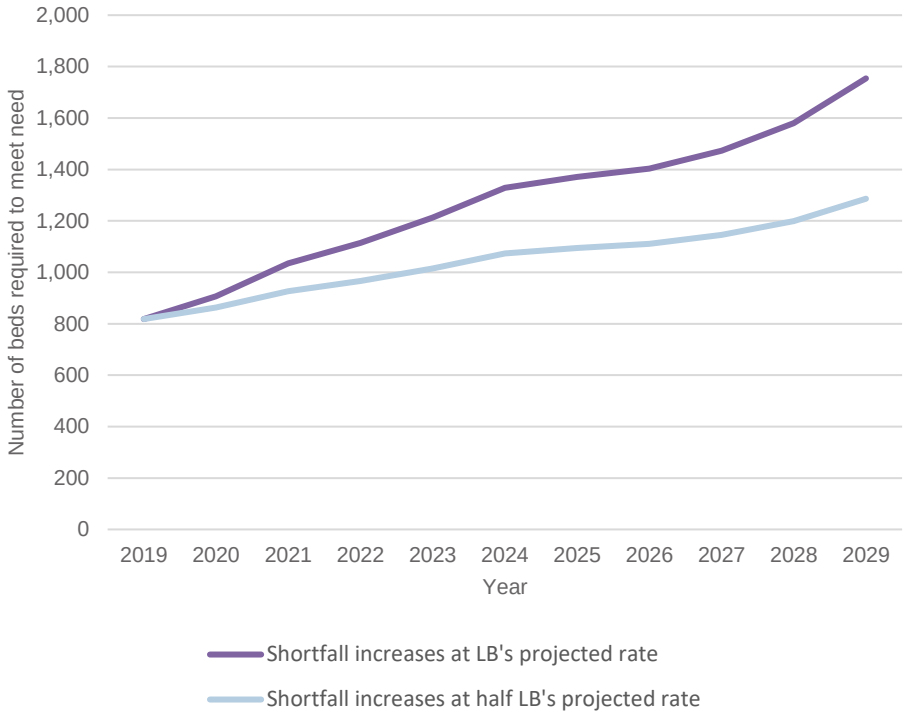

Figure 8: Potential unmet need of market standard beds in the market catchment area over time

24. Impact of the proposed development – commonly raised questions

24.1. 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 several 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.

24.2. 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

24.3. An area of the new home will be made available for a visiting practitioner to hold an in-house surgery for the residents, if required. This may limit the number of visits to GP surgeries significantly and the visiting GP can combine multiple visits into one trip. The presence of on-site care staff also potentially reduces the number of unnecessary trips to GPs, thereby reducing waiting lists rather than increasing them.

24.4. The concentration of individuals within one place should also assist in reducing the burden on community nurses, and there are obvious advantages of having residents within one geographic location.

24.5. However, notwithstanding the above, the key issue is that the people who will be resident within the home have needs, and their needs are not manufactured through the provision of the facility that they require, more that they will have a local facility within which their needs can be met.

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

24.6. 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.

24.7. There is no doubt that a number of referrals will move into an area when a new home is developed; however, there are many new schemes that we are aware of in neighbouring boroughs that will have the same effect and draw residents away. 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 borough, and these two factors effectively cancel each other out.

24.8. We are also aware of the challenge faced by local authorities in funding long-term care to the elderly who do not meet current savings 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.

24.9. In enquiries we have conducted with other 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 (while we have not been able to confirm the exact proportion for Epping Forest District 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).

24.10. 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 2 years.

24.11. Notwithstanding all of the above, it is inappropriate for financial considerations and viability to be confused during consideration of a planning permission. We set out below an extract from an appeal decision from Cheshire East planning authority (reference: APP/R0660/A/12/2188195) in respect of a care village scheme in Handforth. Paragraph 62 of the appeal decision (for which planning permission was granted) is as follows:

24.12. "*The Council has suggested that, due to a lack of need, new residents from outside Cheshire East could have to enter the home to ensure its viability. They would then represent a risk that the Council could be responsible for their future care. The financial concerns of the Council are however not material considerations in this case, as has been found on many other occasions including in the Health and Safety Executive v Wolverhampton City Council & Victoria Hall Ltd [2012] UKSC 34 case. This is the situation notwithstanding an annual increase in those needing*

Council support in care homes and the Council's 2011/12 expenditure of some £2.2m of support to those unable to afford fees previously met privately."

24.13. The above is clear that these types of issues are not considerations that should be material in the planning decision-making process and should therefore be disregarded.

Issue – utilisation of domiciliary care as an alternative to the subject scheme

24.14. National policy is seeking for people to remain in their own homes for longer, with any care to be provided by an external domiciliary care company. This outcome has two specific advantages; firstly, a positive outcome for the resident, who can remain in their own home and receive care; secondly, reduced spending for any local authority-supported placements, as, on average, domiciliary care costs less than residential care.

24.15. However, whilst care at home as a policy should be supported as an objective wherever possible, it is economically unviable for the provision of 24-hour residential care, where the marginal costs of nursing support necessitate a residential environment.

24.16. For dementia sufferers, specialist accommodation is also required to cater for this service user group's specialist needs. Where informal care by family or friends is not on hand, or where the demands of the individual become too great, moderate and severe dementia sufferers, more often than not, require care in a residential setting, where 24-hour care and support is on hand in a safe and secure environment.

Issue – extra care/independent living as an alternative to the subject scheme

24.17. As part of recognising these shortcomings and limitations for high-dependency residents, many local authorities seek to support the development of extra care facilities that provide the residents "with their own front door" whilst providing 24-hour on-site security and support. The concept is also being viewed more positively by the private sector, with the development of a range of older people's housing alternatives. Although, since the economic downturn in 2008, significant new developments over the past 5 years have generally been limited.

24.18. The supply of extra care accommodation should be expanded to enable many elderly people to continue to live rewarding and independent lives for longer. This is not in dispute.

24.19. However, simply increasing extra care provision is not a panacea for the accommodation needs of all elderly people. Given the forecast demographic changes, which will increase the number of very elderly people, and the prevalence rates of dementia, it is clear that a large number of elderly people will not be able to live rewarding and independent lives in extra care housing and will need 24-hour care home accommodation for the same reasons as identified above.

24.20. In addition, most new extra care schemes in the private sector are aimed at the lower end of the acuity spectrum, as it is difficult, if not impossible, for private purchasers to go through the sale of their own home at the point at which they are frail enough to be considered for entry into a long-term care establishment.

24.21. Dependency levels and lengths of stay continue to rise and fall, respectively, within the residential care sector. The subject development is proposing to meet the highest level of acuity for older people where 'choice' is replaced with a 'needs-based' decision for themselves or their family/friends/key decision-maker.

APPENDICES

A: LIST OF TABLES AND FIGURES

Tables

Figures

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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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.

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