

Comprehensive planning need assessment
Private housing-with-care

Site at Carpenders Park, Oxhey Lane, Watford WD19 5BA

Prepared for:
Burlington Property Group

Carterwood Report – March 2025

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- Sector specialism
- Data quality
- Innovation

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T1 Planning need assessment summary	
Site	<ul style="list-style-type: none"> Site at Carpenders Park, Oxhey Lane, Watford, WD19 5BA
Proposed scheme	<ul style="list-style-type: none"> Proposed 60 units of market housing-with-care (Class C2) with associated communal facilities.
Need Assessment	<ul style="list-style-type: none"> This report provides an assessment of need for private/market housing-with-care based on the market catchment for the proposed development and the Three Rivers District Council local authority area. The assessment is based on 2028, the earliest the proposed scheme could start to be made available. The subject market housing-with-care scheme is not included in the 'planned supply' figures.

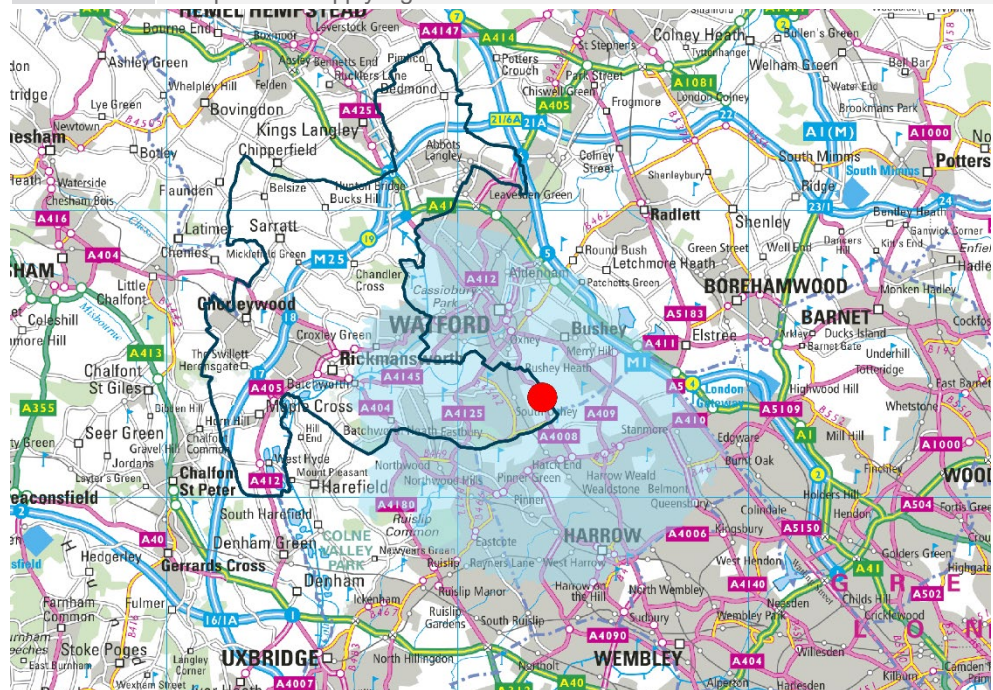


Figure 1: Location of the proposal scheme and its assessed catchment areas

The proposed scheme is shown by the red dot, with the market catchment area shaded light blue and the Three Rivers District Council local authority area outlined in dark blue.

T2 Need analysis (2028) for market extra care		
Catchment	Market (circa 4-mile radius)	Three Rivers District Council
Gross need		
Total 75+ population	35,063	9,245
Estimated need for private extra care (4.0%)	1,403	370
Supply		
Current supply of private extra care	426	21
Planned supply by operational year	24	48
Total supply (units)	450	69
Net need		
Private extra care need (units)	953	301

For assumptions see T28 on page 33

T3 Need for private extra care units – medium to long term			
Catchment area	Year	4 – mile market catchment	Three Rivers District Council
		2025	904
Net need for private extra care	2028	953	301
	2033	1,100	328
	2038	1,288	367
	2043	1,473	412

T4 Carterwood need assessment	
<ul style="list-style-type: none"> Our assessment of net need for private housing-with-care (assuming 4 per cent of population aged 75+) concludes that there is shortfall of 953 units in the 4-mile market catchment and 301 units in the Three Rivers District Council local authority area, as at 2028, the earliest the proposed development could be made available. We consider the prevalence rate adopted most closely accords with the requirements outlined in recent government literature and studies citing the importance of additional private housing-with-care, where existing availability is lower, despite high levels of elderly home ownership. By 2038, the shortfalls are expected to increase to 1,288 private housing-with-care units in the 4-mile market catchment and 367 in the Three Rivers District. They assume the prevalence rate and existing provision remain unchanged and all currently planned supply (both with extant permission and pending a decision) is developed within our anticipated timeframe. 	

T5 The proposed scheme

- The proposed private housing-with-care would provide 60 purpose-designed, extra care apartments together with a range of communal facilities and provide a housing-with-care option for older people living within Carpenders Park.
- Care provision will be flexible and adaptable as required, with support available 24 hours a day, should this be necessary. The development will provide an environment beneficial to the health and wellbeing of older people with care needs, where they can maintain their independence for as long as possible, ageing in place with a physically and socially active lifestyle.
- We consider the scheme will provide an attractive opportunity to downsize or 'right size', providing an alternative to those who would otherwise remain in their own, underoccupied existing homes in the local area and reduce the need for a move to a care home.

T6 National Context

- There is no statutory definition of housing-with-care or extra care (the terms are interchangeable in PPG), which often leads to ambiguity for key stakeholders, including planners, potential or existing residents, and adult social services teams.
- For the avoidance of doubt, we have included extra care and enhanced sheltered housing within our definition of 'housing-with-care' in our need assessment.
- The subject scheme will provide private/market housing-with-care/extra care.
- The elderly UK demographic is projected to grow dramatically in the coming years. This will continue to drive demand for care home beds as well as housing-with-care and other specialist accommodation options,.
- The vast majority of existing private specialist accommodation in the UK comprises 'sheltered housing', with just 16.7 per cent of total stock meeting our definition of private housing-with-care, where care/support is available on-site, amounting to 31,995 units.
- Housing-with-care has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence. With approximately 12.8m people aged over 65 years, and approximately 6.3m people aged over 75 years, this equates to a supply of private extra care for only 0.25 per cent and 0.5 per cent of these age cohorts, respectively.
- Homeownership levels of older people are important in the analysis of private extra care, as those that own their own home unlikely to be eligible for registered social landlord (RSL) operated affordable rental options. Instead, they will need to access private leasehold or market rent alternatives.
- The COVID-19 pandemic had a significant impact on the social care sector. Research shows how extra care allowed residents to self-isolate effectively within their own homes where, crucially, they could receive trained on-site care and support. This not only meant residents were cared for, but also that the debilitating damage caused by loneliness and social isolation was mitigated and so, on this basis, we consider the future need for extra care will continue to increase.

T6 National Context

- A wealth of studies predict that significant additional specialist housing for older people is required now and in the future, particularly in the private market, where the proportion of extra care is lower despite high elderly homeownership levels.
- The independent report of the Government's Older People's Housing Taskforce, published in November 2024, includes many recommendations to increase and improve the supply of housing designed for later life. Importantly, that planning policy is revised to better facilitate new development and deliver an urgently required long-term National Housing Strategy for an Ageing Population. This will better prepare the county for the multifaceted impact of an ageing society.
- The Government recognise the importance of increasing supply and improving housing options for older people in later life and is committed to helping older people live comfortably and independently in their own homes for as long as possible.
- The proposed housing-with-care development at Carpenders Park is closely aligned with the current national focus on increasing the supply and variety of specialist care accommodation for older people.

T7 Commissioning and local authority review

- Our review of Hertfordshire County Council's (HCC) Adult Social Care commissioning and Three Rivers District Council strategy provides compelling evidence of the need for housing-with-care.
- The *Ten Year Supported Accommodation Strategy (2017-2027)* proposes a fundamental change to the existing model (which focusses on care homes) with a move towards enabling older people to live independently but connected to their local communities. It states that by 2027, HCC want all people that need supported accommodation to have a choice of high quality housing. To facilitate this the council will, amongst other initiatives, '*encourage private development*'.
- HCC's *Developing Extra Care Housing in Hertfordshire* (2019) report states that the council is ambitious to ensure a suitable and sustainable pipeline of accommodation for older people with care and support needs and sets *out the key outcomes of the Extra Care Development Programme, which includes the provision of new extra care housing of all tenures. It advises that there is a demand for 251 units of market extra care in the Three Rivers District by 2030.*
- The South West Hertfordshire Local Housing Needs Assessment (LHNA) Update (March 2024) provides two scenarios for specialist older persons housing provision. Based on existing and planned provision in 2022, the net need for *the supply of market housing with care to 2041 ranges from 473 units in the first scenario, to 693 units based on the Extra Care Focus Scenario.*
- *Older people who need care cannot afford to wait until appropriate provision is made available. PPG is clear that 'where there is an identified unmet need for specialist housing, local authorities should take a positive approach to schemes that propose to address this need'.*

T7 Commissioning and local authority review

- *Older homeowners*, comprising approximately 74 per cent of older households in the Three Rivers District, are unlikely to be eligible for 'affordable' housing-with-care developments. It is therefore critical that private supply is made available to meet requirements, promote downsizing and enable all older people to remain in their local community in an environment where they can maintain their independence for as long as possible.

T8 Qualitative need assessment

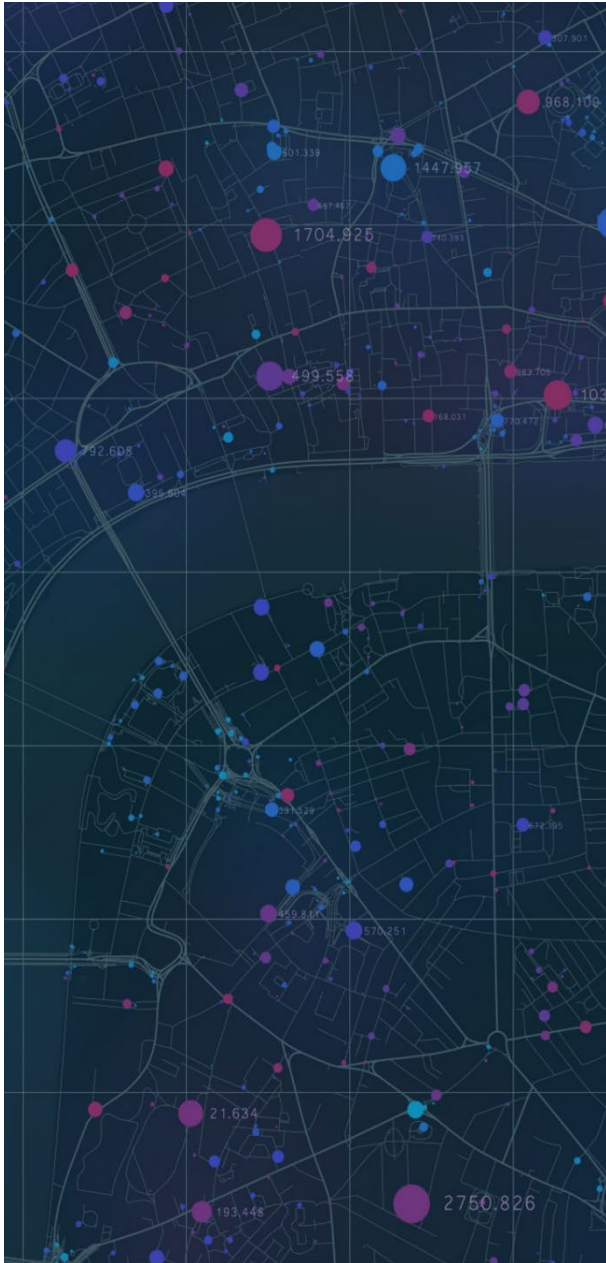
- The proposed housing-with-care scheme at Carpenders Park is intended to provide an appealing option to enable older people with care needs to downsize or 'right size' to a development providing safety and security combined with care and support. This in turn will result in a variety of benefits:
- To the housing chain – older people moving into extra care will release under-occupied larger family homes back to the market.
- Employment and economic benefits – the retirement community will provide a range of full-time and part-time roles, in order to fulfil its obligations to residents and provide care and support services.
- It also eases the issue of staff recruitment and retention by having a concentration of older people with care needs on one site rather than dispersed in the local community.
- The scheme will have an economic contribution in terms of job creation during the construction phase, the use of local workers, expenditure in the local economy and additional council tax payments.
- Health and wellbeing benefits for residents – these include improvements to personal health, psychological and social wellbeing through social interaction, community facilities on-site and the provision of tailored, consistent care and support.
- Cost savings to the NHS include fewer visits to local GPs and a reduced likelihood of overnight stays in hospital.

T9 Conclusions

- In the national context, there is a critical need for specialist housing for older people, based on the significant growth in the elderly demographic. The Government recognises the importance of increasing specialist housing options and supply.
- The independent report of the Government's Older People's Housing Taskforce, published in November 2024, includes many recommendations to increase and improve the supply of housing designed for later life. Importantly, that planning policy is revised to better understand need, facilitate new development and deliver an urgently required long-term National Housing Strategy for an Ageing Population.
- The Carterwood assessment of net need concludes that there are substantial shortfalls of 953 private housing-with-care units in the 4-mile market catchment and 301 in the Three Rivers District Council local authority area, as at 2028, the earliest the proposed private housing-with-care at Carpenders Park could be made available.

T9 Conclusions

- Our assessment includes all planned provision (both with extant permission and pending a decision) and therefore the undersupply could well be greater, on the basis that some schemes may not be delivered. The shortfalls are projected to increase significantly in line with the ageing demographic.
- It should be highlighted that there are currently just 21 existing units of private/market housing-with-care in the Three Rivers District and planned supply of only 48 units.
- The Adult Social Care strategy provides strong evidence of the need for housing-with-care in Hertfordshire where, to meet need, significant growth is required. The Council is ambitious to ensure there is a suitable and sustainable pipeline of accommodation for older people citing an estimated demand for 251 units of market extra care in the Three Rivers District by 2030.
- The *South West Hertfordshire Local Housing Needs Assessment (LHNA) Update (2024)* provides two scenarios for specialist older persons housing provision. Based on existing and planned supply in 2022, it advises that the net need for market housing with care to 2041 in the Three Rivers District ranges between 473 and 693 units.
- The qualitative benefits of the subject scheme are numerous: improvements to the health and wellbeing of residents, reduced reliance on, and costs to, the NHS, benefits to families having difficulty meeting the care of loved ones, a reduced overall need for care staff with care being provided on one site (compared with domiciliary care in the wider community), together with the freeing up of family sized housing.
- Most importantly the subject scheme will enable older people to 'right size' from their existing homes (which may no longer be suitable for their needs), into a welcoming, attractive, specifically designed extra care scheme where they can benefit from social interaction and improved wellbeing and remain close to family and friends. While this is intangible, it is an important benefit of the proposal.
- The subject development would assist in addressing the existing significant shortfall and the increasing future need for private housing-with-care in both the 4-mile market catchment and the Three Rivers District.



Key findings

Background and proposal

Introduction

Carterwood

Description of proposal

The proposed scheme – position on the care spectrum

National context and key definitions

Commissioning and local authority review

Need assessment – local market quantitative assessment

Need assessment – qualitative assessment

Data tables

1. Introduction

- 1.1 Carterwood has been commissioned to prepare a planning need assessment on behalf of Burlington Property Group, relating to the proposed development of private/market housing-with-care/extra care (Class C2) comprising 60 one- and two-bedroom units with associated communal facilities, hard and soft landscaping, bin storage, cycle and car parking, at a site at Carpenders Park, Oxhey Lane, Watford, WD19 5BA.
- 1.2 In this report, we have considered the national context, together with a detailed study of the market catchment and the local authority area.

Limitations to advice

- 1.3 The trading environment of the care sector in Great Britain, which impacts upon market conditions, remains in a volatile state. Contributing factors include political and economic pressures resulting from some ongoing limitations of post-Brexit trading conditions, operating with the legacy and future risks of COVID-19 and the effect of the conflict in Ukraine.
- 1.4 Our reports are prepared using high-quality data and expert analysis from our experienced team. Any recommendations made are based upon the market and financial climate as at the date of the report, but do not take into account future economic or market fluctuations caused by the events outlined above or other unforeseen events.
- 1.5 This report contains data relating to the 2021 census for England and Wales. The Scottish census was delayed, with the collection phase taking place between 28 February and 1 June 2022. We are monitoring the census data release schedule, reviewing new data as it is released and ensuring the data is embedded into our analysis as quickly as possible.

T10 Instruction summary	
Purpose of advice	Planning need assessment
Research date	29 January 2025
Prepared by	Jessamy Venables BSc (Hons) MSc MRICS
Reviewed by	Sam Sefton BSc (Hons)
Report date	20 March 2025

2. Carterwood

- 2.1 Carterwood is a multi-award-winning property adviser dedicated to social care. We provide market analysis services and software to investors, developers, and operators within the elderly care home and retirement living sectors.

- 2.2 We combine sector-specialism with unparalleled data quality and a commitment to innovation, to help our clients make better decisions. Carterwood acts for 85% of the top 20 care home group operators and 80% of the top 10 retirement living operators in the UK, and our commercially-focused team is one of the largest dedicated to health and social care.

- 2.3 We work with the leading operators, investors and developers in our markets.



T11 Elderly care home



T12 Retirement living



- 2.4 Carterwood's client base represents many operators currently seeking to develop new care homes and extra care schemes. Accordingly, we are in an almost unique position in the sector, having assessed over 4,000 sites since 2008, for a range of providers across a range of scheme types and care categories.

3. Description of proposal



Figure 2: Aerial map showing the site, for identification purposes only

- 3.1 The site is located on the eastern side of the A4008 Oxhey Lane, adjacent to Carpenders Park Care Home, to the west of Carpenders Park, approximately 1.5 miles from the town centre. The town is accessible via Oxhey Lane and Carpenders Avenue, with Watford town centre, around 3.5 miles to the north west.
- 3.2 The proposed development will comprise 60 private extra care apartments (for leasehold sale or market rent) set around a landscaped central courtyard, with associated communal facilities and care support services.
- 3.3 Communal facilities will include, *inter alia* a café/bistro, lounges, activities room, library, and hair salon/treatment room. The scheme will provide opportunities for social interaction within a welcoming, vibrant environment with good access to local facilities to enable residents to live healthy and active lifestyles to boost their physical and mental wellbeing.

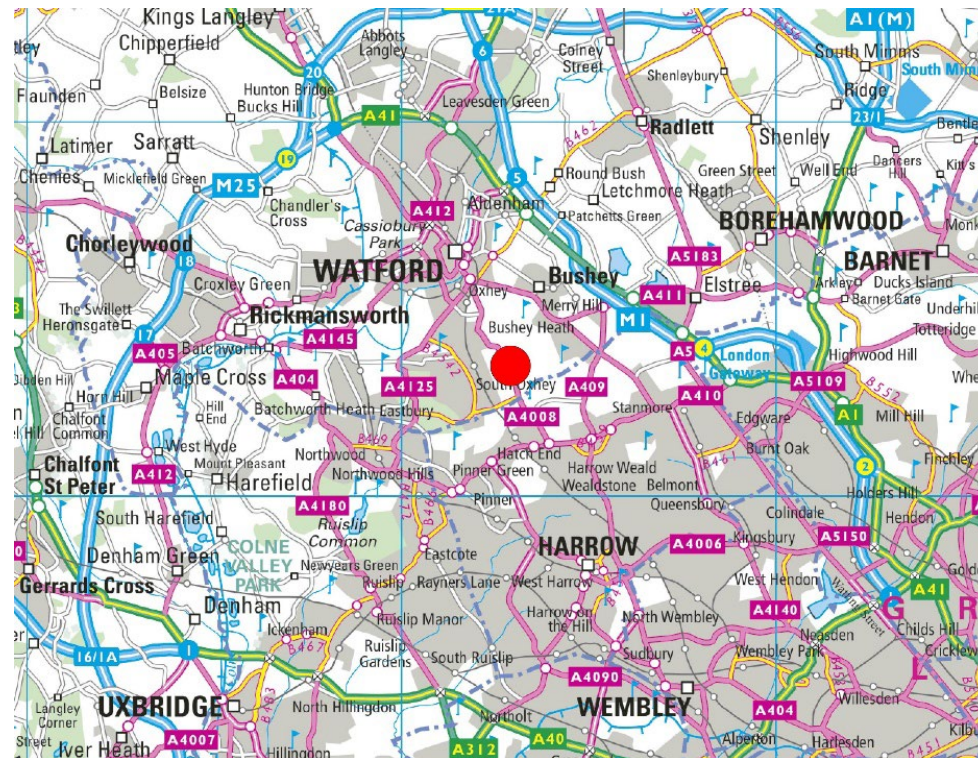


Figure 3: Location of the subject site

- 3.4 As residents' support needs increase, a variety of services, including domiciliary care registered with the Care Quality Commission (CQC), will be available to assist them within their own homes, ensuring they can continue to live independently and age in place for as long as they are able.
- 3.5 Further details in respect of the proposal can be found in the Planning Statement that accompanies the planning application.

4. The proposed scheme – position on the care spectrum

- 4.1 We have compared the private housing-with-care accommodation within the proposed scheme against other forms of care and accommodation in respect of care provided, cost of care, accommodation type and regulation. Table T13, below, shows the range of options available within this ‘spectrum of care’.
- 4.2 Due to the growing requirements placed upon the NHS and hospital beds, as well as the introduction of delayed-discharge legislation, which fines local authorities for ‘blocked beds’, hospital stays are intended to be kept to a minimum and a stay in a care home servicing this higher level of dependency may be the only short-term option.
- 4.3 This has presented opportunities for alternatives that fall between traditional sheltered housing and care homes. These are referred to by a number of terms, which we define as ‘housing-with-care’ or ‘extra care’ generically in this report, but meet the definition of providing housing with on-site care support and/or on-site amenities and facilities. A full description of model types is provided in Section 6.
- 4.4 The improvements to general health and wellbeing realised by a timely move to housing with on-site care and support can also have associated benefits for the NHS, in terms of a reduction in GP/nurse visits and a reduced likelihood of, or shorter length of stay should admission to hospital be required (see Section 17.). The initial reduction in care needed and the proximity of residents on one site means a significant reduction in staffing requirements, particularly when compared with domiciliary care provided over a wider geographical area, where much of the time is spent travelling between appointments.

- 4.5 A variant to the provision elements of the care spectrum below is informal/family care. An estimated 8.8 million or more unpaid carers provide significant support to elderly relatives, neighbours and friends (Age UK, 2019). This allows many thousands of people to remain in their own homes, particularly when the support is alongside home care and/or day care. Thus, a range of care requirements and a range of services coexist, sometimes with considerable overlap.
- 4.6 We consider that, within the model proposed, the private extra care units will be able to cater for a proportion of residents who would otherwise, either at the point of their move or at some future point, have required a care home placement.

Key findings – proposed scheme and position in the care spectrum

- The proposed private housing-with-care would provide 60 purpose-designed, extra care apartments together with a range of communal facilities and provide a housing-with-care option for older people living within Carpenders Park.
- Care provision will be flexible and adaptable as required, with support available 24 hours a day, should this be necessary. The development will provide an environment beneficial to the health and wellbeing of older people with care needs, where they can maintain their independence for as long as possible, ageing in place with a physically and socially active lifestyle.
- We consider the scheme will provide an attractive opportunity to downsize or ‘right size’, providing an alternative to those who would otherwise remain in their own, underoccupied existing homes in the local area and reduce the need for a move to a care home.

T13 Elderly care spectrum						
Accommodation	Standard housing	Sheltered housing	Housing with care Extra care/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 types	Standard housing	Age-restricted, age-exclusive or sheltered housing	Extra care, assisted living, very sheltered housing	Residential setting		Acute hospital
Accommodation styles	House, cottage, flat, bungalow, suite, apartment			Bedroom, suite		Bedroom
CQC regulations	Regulated only if care provided			Highly regulated – all care and accommodation		
Proposed development			Proposed Carpenders Park scheme			

5. UK elderly population trends and market size

Population

- 5.1 The elderly UK population is set to grow dramatically over the coming years, and this predicted rapid increase is likely to continue to drive demand for both non-residential care, such as extra care schemes, integrated retirement communities and other accommodation options, as well as care home beds.

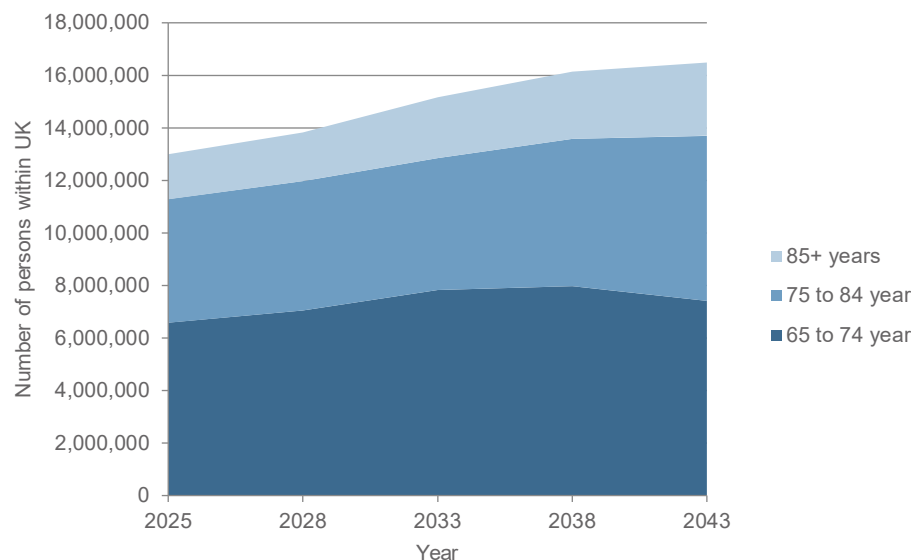


Figure 4: UK population growth 2025 to 2043

Source: 2021 Census, government population projections.

- 5.2 LaingBuisson's *Care Homes for Older People UK Market Report (33rd edition)* states that the percentage of the UK population over the age of 85 is projected to multiply more than four times, from c. 1.68 million in 2020 (2.4 per cent of the population) to c. 7.09 million in 2111 (8.7 per cent of the population), while the 75- to 84-year-old segment will rise from c. 4.17 million in 2020 (6.3 per cent of the population) to c. 7.69 million in 2111 (9.4 per cent of the population).¹

- 5.3 It should be noted that the National Planning Policy Framework glossary² refers to 'Older People' as:

'People over or approaching retirement age, including the active, newly retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs.'

Home ownership

- 5.4 The levels of home ownership among older people are very high in England and Wales, as illustrated by the data from the 2021 Census, below.

T14 Household tenure (2021) where HRP is aged 65+ years or older		
Tenure	GB	
	No.	%
Owned: Owns outright	5,102,152	71.2
Owned: Owns with a mortgage or loan or shared ownership	455,778	6.4
Rented: Social rented	1,123,965	15.7
Private rented or lives rent free	486,795	6.8
All households	7,168,690	100.0

Source: 2021 Census.

- 5.5 Home ownership levels of older people are important for the analysis of private extra care accommodation, as those property occupiers who own their home are less likely to be able or choose to access affordable rental options and instead will need to find alternatives that are available on a private leasehold or market rental basis.
- 5.6 Home ownership levels vary considerably across Great Britain, with higher levels generally found in areas of higher affluence and vice versa. T14 above shows the household tenure percentages where the 'household reference person' (HRP) is aged 65 years and older; this sets out a level of 71.2 per cent of owner occupied households are owned outright in England and Wales.

¹ (Laing, 2023)

² (Department for Levelling Up, Housing and Communities, 2021)

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 As the supply of specialist housing has increased, so have the number of models and designs. Knowledge and availability of the various options enable choices to be taken at an appropriate time, with the aim of preventing an unnecessary or inappropriate move into institutional care.

6.3 Planning Practice Guidance (PPG) Housing for Older and Disabled People³ sets out the following general types where either support or care is provided, in addition to residential care homes and nursing homes:

- **Retirement living or sheltered housing:** *usually comprises purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.*
- **Extra care housing or housing-with-care:** *usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages – the intention is for residents to benefit from varying levels of care as time progresses.*

6.4 PPG⁴ also sets out that *'the health and lifestyles of older people will differ greatly, as will their housing needs, which can range from accessible and adaptable general needs housing to specialist housing with high levels of care and support. For plan-making purposes, strategic policy-making authorities will need to determine the needs of people who will be approaching or reaching retirement over the plan period, as well as the existing population of older people.'* (emphasis added)

6.5 In the December 2023 update to the National Planning Policy Framework (NPPF), the Department for Levelling Up, Housing and Communities expanded upon the previous assessment of housing needed for different groups in the community, including older people (by 'size, type and tenure'), by breaking down the established

need between three specific types: 'retirement housing, housing-with-care and care homes' (para 63). These changes should assist in ensuring that sufficient new provision is brought forward for each form of specialist housing for older people.

6.6 The Elderly Accommodation Counsel (EAC) HousingCare⁵ directory provides a comprehensive listing of all forms of retirement housing together with definitions of the types of elderly specialist housing⁶ as follows:

- **Sheltered and retirement housing** usually provides a scheme manager (warden) and an emergency alarm service. There are many types of sheltered/retirement housing, both to rent and to buy. Schemes usually consist of between 15 and 60 self-contained homes, which may be bedsits (studios), flats, bungalows or luxury apartments. The minimum age for residents is usually 60, sometimes 55 and occasionally 50. Scheme managers generally do not provide personal care for residents or carry out tasks like shopping or housework.
- **Housing with care** is housing designed with the needs of frailer older people in mind and with higher levels of care and support on-site. It is a newer form of specialist housing for older people and is still relatively uncommon in many parts of the country. Properties can be rented, owned or occasionally part owned/part rented. The services and facilities provided may vary considerably but typically they may include 24-hour staffing, some personal care, domestic help, an assisted bathroom, a restaurant or dining room and residents' lounge.

6.7 Retirement housing/sheltered housing is a more mature market, with a similar national supply as care home beds. It generally falls within Class C3 (Dwelling-house) of the Town and Country Planning (Use Classes) Order 1987.

6.8 Extra-care housing or housing-with-care has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence. It also enables friends, siblings or couples who have different care needs to continue living together. Central to the philosophy of extra care is that it should provide a 'home for life'. The accommodation element of a scheme is self-contained and is not regulated by the Care Quality Commission (CQC); instead, the care required by the residents will usually be provided by an in-house domiciliary care agency, which is registered with, and regulated by, the CQC.

6.9 There is, however, to date, no statutory definition of housing-with-care, which often leads to ambiguity for key stakeholders, including planners, residents and social services departments. Extra care schemes, providing 24-hour on-site care, support and a variety of communal facilities, typically fall within Class C2 ('residential

³ (Planning Practice Guidance, 2019) Paragraph: 010, Reference ID: 63-010-20190626

⁴ (Planning Practice Guidance, 2019) Paragraph: 003, Reference ID: 63-003-20190626

⁵ (Elderly Accommodation Counsel, 2022)

⁶ (Elderly Accommodation Counsel, 2022)

institution’) of The Town and Country Planning (Use Classes) Order 1987 because they provide both accommodation and care on a 24-hour/day basis.

- 6.10 Housing-with-care is (and has been) referred to by various names, depending upon whether it is operated by the private sector, a charitable organisation, the local authority or a housing association. Other terms used include ‘independent living’, ‘very sheltered housing’, ‘enhanced sheltered housing’, ‘flexicare’, ‘assisted living’, ‘category 2.5 accommodation’, ‘supported living’ and ‘close care’.
- 6.11 Within the definition of ‘housing with care’ is a form called ‘enhanced sheltered housing’ which originally provided some on-site facilities/amenities and/or additional support packages to residents. We include this form of specialist housing within our global ‘housing-with-care’ definition as enhanced sheltered housing now rarely referenced as a form of provision, however its prevalence is still included in the assessment of gross need, given that the toolkits utilised in our assessment date from around 2012.
- 6.12 In addition to these definitions are further sub-definitions of specialist older people’s housing, also referenced by EAC, as follows:
- Close care – a small group of flats and/or bungalows adjacent to, and that can enjoy the facilities of a registered care home;
 - Retirement/care village, Continuing Care Retirement Community (CCRC) or Integrated Retirement Community (IRC) – large schemes (typically over 100 properties) offering an extended range of services for older people; often providing a variety of accommodation types and with some including a registered care home on the site (although this is not compulsory).
- 6.13 In 2021, the Associated Retirement Community Operators (ARCO),⁷ the main body representing the housing-with-care sector, announced the new term ‘Integrated Retirement Community’ (IRC) in response to research on the views of older people that led to calls for clearer definitions. Its description of an IRC is that it:
- ‘combines high quality housing options for older people with tailored support services. They allow residents to rent or own a property and to maintain their privacy and independence, with the reassurance of 24-hour on-site staff, communal facilities, and optional care and support as needed.’*
- 6.14 Accommodation options for housing-with-care range from schemes offering solely apartments, bungalows or housing to a full village model, available on a variety of tenures depending on the type of development, including shared ownership, long leasehold and rent (social and private/market). According to ARCO, provision of housing-with-care in IRCs is still limited in the UK, standing at roughly 70,000 units (cross tenure), providing homes for approximately 90,000 older people, compared to

456,000 care home beds (our up-to-date figures suggest this is now circa 443,000) and 444,000 retirement housing units (cross tenure).

- 6.15 To clarify, the subject scheme comprises private or market housing-with-care.

Key findings – extra care definition

- There is no statutory definition of housing-with-care or extra care (the terms are interchangeable in PPG), which often leads to ambiguity for key stakeholders, including planners, potential or existing residents, and adult social services teams.
- For the avoidance of doubt, we have included extra care and enhanced sheltered housing within our definition of ‘housing-with-care’ in our need assessment.
- The subject scheme will provide private/market housing-with-care/extra care.

GB provision of private extra care

- 6.16 We have utilised our dataset, which is sourced from EAC and updated to include our own research to determine the size of the private housing-with-care market, as set out in T15, below. We have classed accommodation either as ‘with care/support’ or ‘without care/support’.

T15 Private specialist retirement living housing supply (UK)

Scheme type	Total schemes	Private units for sale or rent	% of private units
Without care/support			
Age-exclusive	1,221	25,115	13.1
Sheltered	3,601	134,316	70.2
Sub-total	4,822	159,431	83.3
With care/support			
Enhanced sheltered	274	10,840	5.7
Extra care	378	21,155	11.1
Sub-total	652	31,995	16.7
All schemes			
Total	5,474	191,426	100.0

Updated May 2024

- 6.17 The vast majority of existing private specialist accommodation in Great Britain comprises ‘retirement living’ (with no care provision), with just 16.7 per cent of total stock meeting our definition of housing-with-care, where care/support is available on-site, amounting to 31,995 units. With approximately 12.8m people over the age

⁷ (Associated Retirement Community Operators, 2020)

of 65 years, and approximately 6.3m people aged over 75 years, this, however, only equates to a supply of private housing-with-care for circa 0.25 per cent and 0.5 per cent of these age cohorts, respectively.

- 6.18 T16, below, shows the percentage of private specialist older people’s housing by year of development, with over a third of all supply having been completed during the 1980s. The majority of development at that time comprised age-exclusive and sheltered housing, which does not incorporate any care provision on-site

Year of development	Total schemes	Private units for sale or rent	% of private units
Unknown	392	7,728	4.0
Prior to 1970	70	1,498	0.8
1970s	71	1,569	0.8
1980s	1,808	63,215	33.0
1990s	876	29,296	15.3
2000s	941	35,767	18.7
2010s	969	37,725	19.7
2020s	347	14,628	7.6
Total	5,474	191,426	100.0

- 6.19 The supply of new housing for older people in the UK is growing, with, according to Knight Frank (Q2 2024), over 9,160 units built in 2023—up 20% from 2022 and the highest number since 2016. Despite this increase, supply remains well below demand with annual completions representing just 3% of all new homes, even though the older age group is the fastest-growing segment of the population. Delivery of new housing for older people in 2023 was heavily weighted towards Integrated Retirement Communities (IRC), which accounted for 58% of the new units with 183 new schemes, a 17% increase from the previous year. Not only are more IRCs being delivered, but their size is also growing with schemes averaging 117 units per development in 2023, a 30% increase compared to five years ago.

Typical extra care resident profile

- 6.20 There is a strong wish among older people in the UK to remain independent for as long as possible. Housing-with-care units appeal to this sentiment, given the style and design of the accommodation and, for the majority of supply, the creation of a valuable legal interest – i.e. sale on a long leasehold basis. Similarly, ‘market rent’ options are becoming an increasingly popular option, as they enable potential

residents to move into a scheme and experience living there before they decide whether to sell their own home.

- 6.21 The decision to move into housing-with-care is often strongly influenced by immediate relatives, and a shortfall in supply may mean that older people have little alternative but to remain in their existing, often family-sized homes at a time when they may require increasing levels of support and care, particularly following a life-changing event such as the loss of a partner or a fall. Remaining in a property that is larger than required can present problems in terms of access, location of bathrooms, differing levels, safety and security together with sourcing suitable assistance with property and garden maintenance, all of which can lead to anxiety, and isolation, particularly if there are no relatives living close by to provide support. There can also be issues accessing reliable domiciliary care.
- 6.22 Extra care schemes usually provide accommodation and services for people aged between 70 and 90, with an average resident age of around 80 years. However, there will be a mix of ages outside this typical range. For example, the study, *Village Life, independence, loneliness and quality of life in retirement villages with extra care 2015* by the International Longevity Centre – UK gained feedback from residents across a number of schemes where 15 per cent were aged below 70, 75 per cent were aged between 70 and 89 and 9 per cent were 90 or over.⁸
- 6.23 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. 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.

COVID-19 pandemic - market impact

- 6.24 During the pandemic, specialist retirement housing kept many older people safe. The RE-COV⁹ Study provides evidence of the response and effectiveness of 38 retirement village/extra care operators during the pandemic, which resulted in a lower proportion of residents within participating survey respondents’ schemes having died from COVID-19, when compared with older people living in the general population in England, despite their care needs being higher.
- 6.25 Housing-with-care and retirement communities provide an ideal compromise between traditional housing and a care home for looking after the most frail or those who require 24 hour dementia care and support. Care villages and extra care developments allow residents to self-isolate effectively within their own homes, but crucially they can also have trained on-site care and support if required. This not only means residents will be looked after effectively but also that debilitating damage caused by loneliness and social isolation is mitigated.

⁸ (Beach, Village Life, Independence, Loneliness and Quality of Life in Retirement Villages with Extra Care. The International Longevity Centre – UK (ILC-UK), 2015)

⁹ (Dutton, 2021)

- 6.26 With the benefit of hindsight following the pandemic, we consider that local authorities and social services teams should be re-assessing their policies and expanding any previous estimate prepared for need for these types of accommodation rather than reducing or maintaining supply at pre-pandemic levels.

Key findings – UK market trends

- The elderly UK demographic is projected to grow dramatically in the coming years. This will continue to drive demand for care home beds as well as housing-with-care and other specialist accommodation options,.
- The vast majority of existing private specialist accommodation in the UK comprises 'sheltered housing', with just 16.7 per cent of total stock meeting our definition of private housing-with-care, where care/support is available on-site, amounting to 31,995 units.
- Housing-with-care has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence. With approximately 12.8m people aged over 65 years, and approximately 6.3m people aged over 75 years, this equates to a supply of private extra care for only 0.25 per cent and 0.5 per cent of these age cohorts, respectively.
- Homeownership levels of older people are important in the analysis of private extra care, as those that own their own home unlikely to be eligible for registered social landlord (RSL) operated affordable rental options. Instead, they will need to access private leasehold or market rent alternatives.
- The COVID-19 pandemic had a significant impact on the social care sector. Research shows how extra care allowed residents to self-isolate effectively within their own homes where, crucially, they could receive trained on-site care and support. This not only meant residents were cared for, but also that the debilitating damage caused by loneliness and social isolation was mitigated and so, on this basis, we consider the future need for extra care will continue to increase.

7. National requirement for extra care housing

7.1 The national requirement for the development of new extra care schemes is growing. This is due to several factors, including:

- highly publicised ageing population demographic leading to a much older and more dependent population that will require an alternative approach to the previous ‘norm’;
- national policy drive towards keeping people in their own homes for as long as possible with a move away from residential care (where practicable and in the best interest of the individual) – extra care housing allows the perfect accommodation option to meet this policy objective;
- National Planning Practice Guidance (PPG Housing for older and disabled people) identifies that the need to provide housing for older people is ‘critical’, given the projected increase in the number of households aged 65 and over accounts for over half of all households;¹⁰
- paragraph 63 of the National Planning Policy Framework (NPPF) advises that planning policies should assess and reflect the size, type and tenure of housing needed for different groups in the community, including older people.¹¹

7.2 The House of Commons Communities and Local Government Committee (Commission for Long Term Care) ‘Housing for Older People Second report of Session 2017–19’ (February 2018), states:

- *‘We believe that, in the face of demand, there is a shortfall in supply of specialist homes in general and particularly for private ownership and rent and for the “middle market”. This limits the housing options available to older people and the opportunity to derive the health and wellbeing benefits linked to specialist homes.’¹²*

7.3 The development of extra care housing schemes and the national policy support to increase this provision is based on strong evidence of the benefits to the residents but also the social benefits, reducing the pressure on health and social care services. A series of studies have proved the impact of good quality, well designed independent accommodation combined with a range of facilities and flexible and responsive on-site care and support services. Some of these studies have been commissioned by housing providers but they have worked with academic institutions to give weight to the results.

7.4 *‘Too little, too late? Housing for an ageing population’¹³ (Mayhew 2020), with the Centre for the Study of Financial Innovation, ARCO and Cass Business School, sets out the following reasons for concern about the retirement housing shortfall:*

- *‘The increasing under-occupation of the housing stock caused by a rapidly ageing population has created a dysfunctional housing market’;*
- *‘Far too few homes are being built that cater for older people. Retirement housing has only accounted for about 125,000, or 2%, of all new homes built since 2000, but each year around 700,000 people turn 65 years of age’;*
- *‘The number of households will continue to grow at a faster rate than the population and average household size will continue its long-run decline, resulting in increasingly inefficient use of the housing stock’;*
- *‘With care homes charging high fees to cater for people with high needs, the provision of age-appropriate housing, with flexible access to communal services and personal care, must become part of mainstream housing policy’ (page 37).*

7.5 The above points to a huge market for retirement housing that would help correct these imbalances.

7.6 At present, the majority of older people’s housing-with-care provision caters for those eligible for social/affordable rent. It is heavily subsidised through the housing benefit system and charitable foundations. Some 1.2m households aged 65+ receive housing benefit, of which 80 per cent are local authority tenants or registered social landlord tenants. Most of the older home-owning population fall into the ‘middle market’ bracket and are ineligible for social rented accommodation – for them, retirement housing needs to be attractive as well as affordable.

7.7 Surveys show downsizing is popular in theory but less so in practice. The main reasons for downsizing are that the family home has become too big for the needs of one or two people, too expensive to run or is otherwise unsuitable. One such survey commissioned by Legal & General (2014) found that 33 per cent of over-55s would consider moving but only 7 per cent actually did.¹⁴ Key reasons were the lack of availability of suitable properties and price. The latest edition of Legal & General’s Last Time Buyers Report posits that 26 per cent of older households are amenable to downsizing, affecting 3.1m properties. This could release 6.2m beds, assuming two spare bedrooms per property, suggesting huge potential.¹⁵

7.8 In its vision for the future, ARCO, the trade body for integrated retirement communities, envisages an expansion across the sector from the current population of 75,000 living in retirement communities to 250,000 by 2030. With around two-

¹⁰ (Planning Practice Guidance, 2019)

¹¹ (Department for Levelling Up, Housing and Communities, 2021)

¹² (House of Commons, Communities and Local Government Committee, 2018)

¹³ (Mayhew L. , Too Little, Too Late? Housing for an Ageing Population, 2020)

¹⁴ (Legal and General, 2014)

¹⁵ (Legal and General, 2018)

thirds of residents living alone, this would translate into roughly 15,000 new properties a year.¹⁶

7.9 The think tank Demos (Demos, Unlocking the housing market) suggests that annual demand for new homes purpose-built for older people is in fact over 30,000 new homes a year.¹⁷

7.10 The HAPPI 2 Inquiry by the All Party Parliamentary Group on Housing and Care for Older People found that it is vital to offer older people choice and opportunity in old age, including the right housing and care solutions at the right time. The majority of older people choose to stay put, adapting their home as they grow older, but many choose to move somewhere more accessible and/or with a level of care and support provided.¹⁸ The HAPPI 3 report (2016) estimates that 8 million people over 60 years of age, occupying 7 million homes, are interested in 'downsizing'.¹⁹

7.11 The long-awaited Social Care White Paper, People at the Heart of Care, was published in December 2021 and outlines the government's 10-year vision for adult social care. It states:

- *'For some of us, the nature of our care and support needs will mean we need a home that is specifically designed to support independent, healthy living. These homes are generally known as supported housing. There is evidence that for both working age adults and older adults, supported housing can be the best model of care to provide better health and greater independence, as well as closer connection with our friends, family and community. In addition, supported housing can be better value than institutional care (such as residential care) which is often more intensive, and so there is the potential to reduce costs to the health and social care system.'*

7.12 The paper asserts that, in planning to support the provision of outstanding quality care and a move towards the choice, control and independence that people want, every decision about care will be a decision about housing:

- *'A lack of suitable housing options results in too many people staying in hospital unnecessarily or moving to residential care prematurely, even if that is not what they want, instead of recovering at their own home'.*

7.13 The 'Levelling Up' white paper²⁰ (2022) went one step further. It proposed a new government task force to specifically address the issue for older people:

- *'A new Task Force will be launched shortly to look at ways better choice, quality and security of housing for older people can be provided, including how to*

address regional disparities in supply of appropriate and where necessary specialised housing.'

7.14 The *Mayhew Review* (2022)²¹, completed by Professor Les Mayhew, provided an independent review of the retirement housing sector. It advises that with the anticipated demographic changes in the population aged over 65, expected to increase from 11.2 million in 2022 to 17.2 million in 2040, *'a fundamental change is needed in the way we provide care to older people and in their housing options'*.

7.15 The review focussed on the impact increasing levels of under-occupation have on other generations as older people remain in their own homes for longer. It made the case for more retirement developments with access to care and facilities that enhance wellbeing on the basis that these help older people stay healthier for longer, and round-the-clock care *'reduces the burden on the NHS, delays transfers into care homes and frees up housing lower down the ladder. It also takes the stress out of later living'*.

7.16 If everyone lived in homes that were appropriate in size to their needs, the review estimated 50,000 fewer homes would need to be built each year and that as many bedrooms are being decommissioned through under-occupation as replenished by new homes. Specialist retirement housing currently only accounts for approximately 10 per cent of all older households in the UK with an average of about 7,000 retirement homes being built annually out of a total new-build of approximately 200,000. Three scenarios are evaluated with the third assuming that as much as a quarter (50,000 units) of all new housing should be specialist retirement accommodation. This, the report considers would *'provide a radical departure from present housing policy which focusses on first-time buyers'* and displace more expensive nursing and residential care as people would be healthier and supported in their own home for longer, easing the care crisis and freeing up homes.

7.17 A lack of consistency in the planning system is highlighted with anecdotal evidence that local planning authorities discourage such development; potentially due to the split responsibilities for housing and planning at district level, and for adult social care at County Council level.

7.18 The Review provides a number of recommendations, including:

- An accelerated programme of retirement housing construction with up to 50,000 new units per year;
- A significant expansion in the number of integrated retirement communities built each year and that all regions should benefit from their introduction;
- More integrated retirement living developments in town centres as part of the levelling up process and local regeneration programmes;

¹⁶ (Associated Retirement Community Operators, 2020)

¹⁷ (Wood C. V., 2017)

¹⁸ (Best & Porteus J, Housing our Ageing Population: Plan for implementation., 2012)

¹⁹ (Best & Porteus, Making Retirement Living a Positive Choice, 2016)

²⁰ (Presented to Parliament by the Secretary of State for LevellingUp/Housing/Communities, 2022)

²¹ (Mayhew L. , Future-proofing retirement living: Easing the care and housing crises, 2022)

- Closer working between planning and social care departments;
- The availability of financial advice to last-time buyers and a review into financial incentives to increase down-sizing;
- The Government’s Older People’s Housing Taskforce should be mandated to implement recommendations and report on the outcomes.

7.19 In April 2023 the Government announced that the new Older People’s Housing Taskforce, intended to boost housing options for older people and work across the housing, health and care sectors, would be chaired by Professor Julianne Meyer. The panel included 18 members with expertise from the social and private retirement sector, local government, adult social care, and from investors and developers. The task force ran for 12 months and concluded in May 2024. The final independent report for the Ministry of Housing, Communities and Local Government and Department of Health and Social Care entitled ‘*Our Future Homes: Housing that promotes wellbeing and community for an ageing population*’ was published on 26 November 2024.

7.20 The report includes a raft of recommendations to incentivise and expand supply, to improve design, strengthen planning policy and build consumer confidence, with some of the most pertinent points in terms of increasing supply, as follows:

- Ensure more housing is designed for later life. We have a growing ageing population and housing stock that does not meet their needs. We need to optimise all forms of Older people’s housing (OPH) including mainstream housing, community-led housing, service- led housing (supported living and assisted living) and, though not the focus of this report, care homes.
- Mandating Homes England to support the expansion of OPH to accelerate provision as an enabler and direct funder to enable the market to reach maturity;
- Offering incentives for older people to ‘rightsize’ and move into age-friendly and inclusive housing and communities i.e. changes to stamp duty for ‘last time buyers’;
- Completing an in-depth analysis of international business models for the delivery and operation of OPH for the lower to middle-affluence market;
- Introduction of a planning policy presumption in favour of OPH, revising the use class definitions and guidance to local planning authorities (LPA) on planning obligations given the significant viability challenges of provision;

- Establishing a common standardised methodology for local assessment of minimum need for each form of OPH which is transparent, universally recognised and freely available to LPAs;
- Requiring LPAs to co-produce OPH strategy in consultation with senior citizens and a range of local community groups based on a robust assessment of local need and supported by the Integrated Care Board and local Social Care funding body;
- Requiring LPAs to allocate sufficient land (including town centre locations, greenfield sites and potentially green belt sites) for OPH to be developed at a scale that allows viable and affordable OPH options.
- Create a collective leadership to drive change, to deliver an urgently needed long-term National Housing Strategy for an Ageing Population, to enable the country to be better prepared for the multifaceted impact of an ageing society

7.21 In his response to the report, Matthew Pennycook MP, Minister for Housing, advised that the Government recognised the importance of increasing supply and improving housing options for older people in later life and would give careful consideration to the recommendations set out in the report. He acknowledged that providing a range of safe, suitable housing for older people helps them to live independently, safely and well for longer, enhancing their wellbeing and reducing demand for adult social care services and the NHS. The issue of older people’s housing would be considered as part of the long-term housing strategy together with the provision of more clarity regarding the application of planning use classes. He concluded that the Government is committed to helping older people live comfortably and independently at home for as long as possible.

7.22 The proposed housing-with-care development is closely aligned with the current national focus on increasing the supply and variety of specialist accommodation for older people.

UK and international comparisons

7.23 The Policy Exchange’s 2018 publication *Building for the Baby Boomers* illustrated the wide gulf between the UK and other countries in terms of specialist housing for older people.²²

- ‘The majority of older people in the UK live in ordinary mainstream housing with only a small percentage living in tailor-made specialist housing. Estimates range from 1% to 7% depending on definitions and how the data is calculated. By comparison, 17% of over 60s in the USA and 13% among that age group in Australia and New Zealand are living in tailor-made retirement properties.’

²² (Airey, 2018)

- *‘When it comes to provision of housing for older people, the UK is clearly lagging behind other developed countries, and there is a vast opportunity for an increase in provision to meet the growing demand and need.’*

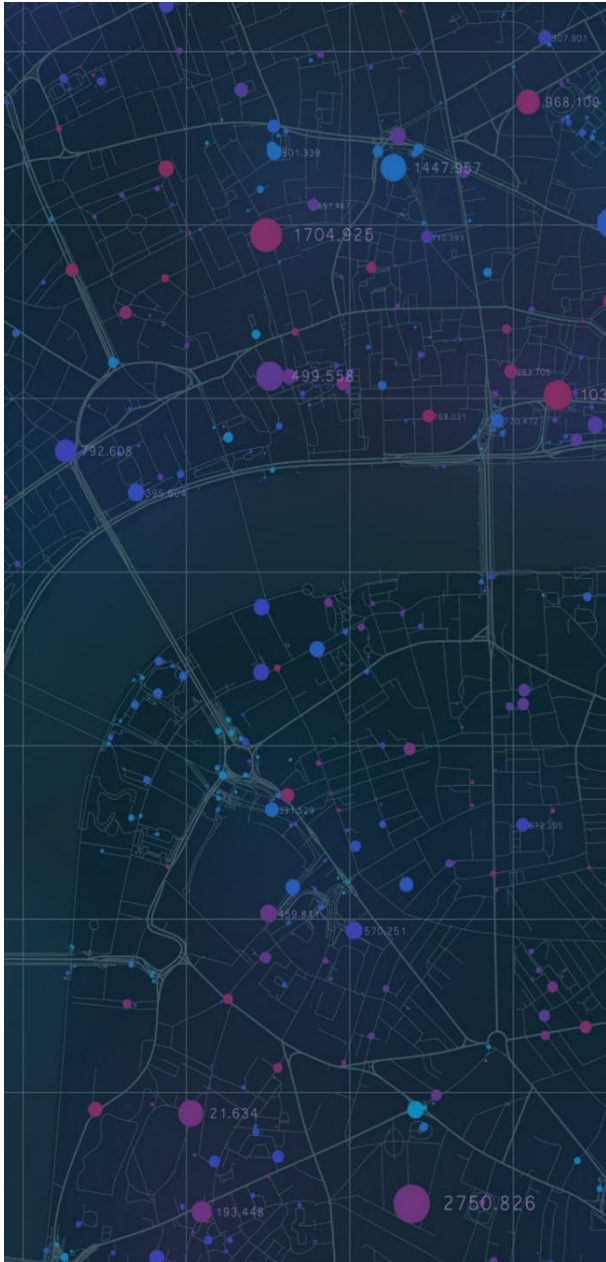
7.24 The Social Care White Paper, People at the Heart of Care also refers to the fact that the UK has a far smaller proportion of people living in supported housing (housing-with-care) than other countries (0.6 per cent of over 65-year-olds compared with between 5 and 6 per cent in the United States, New Zealand and Australia).

‘An important priority for the government in achieving our 10-year vision is therefore to grow investment in both grant-funded and private supported housing to incentivise their supply.’

7.25 The recently issued Older People’s Housing Taskforce report also makes reference to the fact that *‘only 6% of over 65s live in service-led housing with support (supported living) and 0.6% live in assisted living, which is almost 10 times less than in more mature OPH markets such as the USA and Australia, where over 5% of over 65s live in service-led housing with care (assisted living)’*.

Key findings – national requirement for extra care

- A wealth of studies predict that significant additional specialist housing for older people is required now and in the future, particularly in the private market, where the proportion of extra care is lower despite high elderly homeownership levels.
- The independent report of the Government’s Older People’s Housing Taskforce, published in November 2024, includes many recommendations to increase and improve the supply of housing designed for later life. Importantly, that planning policy is revised to better facilitate new development and deliver an urgently required long-term National Housing Strategy for an Ageing Population. This will better prepare the county for the multifaceted impact of an ageing society.
- The Government recognise the importance of increasing supply and improving housing options for older people in later life and is committed to helping older people live comfortably and independently in their own homes for as long as possible.
- The proposed housing-with-care development at Carpenders Park is closely aligned with the current national focus on increasing the supply and variety of specialist care accommodation for older people.



Key findings

Background and proposal

National context and key definitions

Commissioning and local authority review

Commissioning and local authority strategy
Review

Need assessment – local market quantitative assessment

Need assessment – qualitative assessment

Data tables

8. Commissioning and local authority strategy

8.1 The subject site is situated within the Three Rivers District Council local authority area and falls under Hertfordshire County Council Adult Social Care Commissioning. We have therefore conducted a review of the following documentation with regard to the proposed housing-with-care development:

- *Integrated Accommodation Commissioning – Ten Year Supported Accommodation Strategy 2017-2027. Hertfordshire County Council*
- *Developing Extra Care Housing in Hertfordshire – strategic business care. Adult Care Services (2019). Hertfordshire County Council.*
- *South West Herts Local Housing Needs Assessment Update (March 2024). Icen Projects on behalf of SW Herts Local Authorities.*

8.2 We have provided, verbatim, relevant extracts from the above documents (in chronological order and with emphasis in bold) relating to housing-with-care for the elderly, below, together with our review.

Ten year supported accommodation strategy (2017-2027)

8.3 *‘Supported accommodation’ means any scheme where accommodation is combined with a support and/or social care service, provided with the purpose of enabling a person to live as independently as possible. This could range from nursing and residential care homes through to supported living schemes, Flexicare Housing [Carterwood note: Flexicare is the name given by Hertfordshire County Council to housing with care] or short-term accommodation to help people back to independence.’ (page 1).*

8.4 *‘By 2027 we want all people that need supported accommodation to have a choice of high quality housing. Hertfordshire County Council is looking for partners who want to help deliver this. This strategy sets out the way that the County Council will work with new and existing partners to develop both large scale supported accommodation schemes and local initiatives that will benefit smaller communities.’ (page 1).*

8.5 *‘It is well evidenced that a lack of access to the right accommodation causes avoidable costs to public bodies such as the National Health Service (NHS) and County/District or Borough Councils. These costs often relate to [inter alia]: i) Delayed hospital discharge and avoidable hospital admission ii) Avoidable and permanent admission to care.’ (page 3)*

8.6 *‘The Care Act emphasises that housing is key to meeting people’s needs and means that local authorities must: i) Promote wellbeing including around people’s accommodation. ii) Treat housing not just as ‘bricks and mortar’ but include the support that is needed to access housing (such as housing related support) iii) Consider housing access as part of an assessment process to prevent, reduce or*

delay in adult social care need iv) Include information and advice around housing options as part of a universal service offer (including self-funders) v) Ensure that care and support is delivered in an integrated way with cooperation with partners, including health, housing and family carers.’ (page 3).

8.7 *‘We know the population is ageing, that disabled people’s life expectancy is increasing and that people’s expectations of independent living are higher. These demographic pressures in Hertfordshire, like the rest of the country, are set to create challenges for local authorities both financially and with regard to increasing numbers in the care workforce to meet people’s needs in the future. Projected demographics will create a surge in demand for support services for older people (specifically within the 85+ age range, which will more than double in the next 10 years).’ (page 6).*

8.8 *‘This strategy proposes a fundamental change to our current service models. People say they want to see more accommodation that supports them to live independently but connected to their local communities. The following table shows the alternative commissioning intention for Hertfordshire County Council funded services to achieve that ambition:’*

Care group	Predicted growth need for
● Older people	153 additional nursing beds by 2029
	89 less residential beds by 2029
	At least 1700 additional flexi care units by 2029/30
	146 more older people supported in their own homes by 2029

Figure 5: Ten -year supported accommodation strategy: predicted growth need

8.9 *‘District and Borough Councils are developing their Local Plans and strategic housing plans. **Future accommodation needs for those people who require care and support will feed into these plans. This may result in growth in some areas and reductions in other areas and will be based on the requirements for mixed markets, catering for social and private needs, as well as affordable housing.**’ (page 7).*

8.10 *‘Flexible accommodation schemes will be developed in close partnership with district and borough councils, taking into account local strategic housing plans. Locally, developments will be supported if they meet both County and local council needs around care provision and housing, providing mixed tenure models to develop local communities.’ (page 9).*

8.11 *'The principles to underpin this strategy will be to make best use of and work in partnership to maximise opportunities for:*

- *Developing county council and district and borough council owned or purchased sites*
- **Encouraging private development and mixed tenure schemes**
- *Exploring sites owned or purchased by developers*
- *Using existing schemes to realise full potential*
- *Re-modelling of older schemes to realise full potential*
- *Developing supported accommodation in partnership with the NHS*
- *Securing S106 funding.'* (page 12)

Developing Extra Care Housing in Hertfordshire (2019)

8.12 *'Extra Care housing is a specific housing offer to people over 55 with low to moderate care needs. Unlike a residential care facility, people live in individual homes, with a tailored care package which is linked to the person, not the accommodation. Schemes often have communal and community facilities to encourage socialising, and 24/7 on-call care provision, either on-site or delivered through a hub-and-spoke model, where care is delivered when it is needed from another base, and provides care out to the community as well as to its residents. For over a decade, extra care has enabled older people to remain independent, reducing care needs and improving quality of life.'* (page 5)

8.13 *'The Council aspires to be a 'Leader of Place', building inspiring and inclusive communities where people feel they can age well while remaining connected to their friends, families and social networks. Within this context, in 2017, Hertfordshire County Council adopted a new 10 year Supported Housing Accommodation Strategy which outlines its ambitions for ensuring a suitable and sustainable pipeline of accommodation for adults who have care and support needs, including that designed specifically for older people.'* (page 5)

8.14 *'Extra care housing contributes significantly to these aspirations, as it combines independent living with community facilities and invites local people in, as well as encouraging residents to reach out to family and friends in the wider community. Research shows that people generally do better in the enabling environment of an extra care home, which can help reduce, delay and prevent additional care needs arising, and is more cost effective for both self- or partially funding residents and the Council. This is better for individuals, better for their families and carers, and better for the public purse. Extra care offers residents in Hertfordshire a real housing alternative, where they can grow older in a safe, secure and attractive environment, supporting their care and health needs, and maintaining their independence and community connections.'* (page 5)

8.15 *'The key outcomes of the Extra Care Development Programme are to:*

- **Increase the provision of new or refurbished extra care housing in Hertfordshire of all tenures, which is fit for purpose and provides attractive, enabling places for people to buy or rent;**
- *To deliver IP savings through preventing or delaying people needing to be cared for in residential care home settings;*
- *To help balance the wider health and care economy by reducing pressure on health services as people remain healthy, independent and engaged, and to assist with discharge and reablement when people do have to go to hospital;*
- *To help balance the wider care and housing market, by encouraging people to move out of homes that are unsuitable for them (including through under occupation), freeing these up for people in housing need.'* (page 6)

8.16 *'Extra care housing is not a new housing proposition, but it is one that is gaining more widespread acceptance of its importance in helping people remain healthy, engaged and independent, and it is now well established that good housing affects the whole health and care economy, as well as other social determinants. Public health is increasingly involved in housing issues, as well as wider place shaping, and the Care Act 2014 specifically references accommodation and planning as part of the preventative activity that local authorities should be considering. In its 2017-19 inquiry into Housing for Older People, the cross-party House of Commons Communities and Local Government Committee recommended, among other things, that: **The social care green paper should consider the range of housing for older people, in particular the potential for extra care housing to play a greater role in providing social care alongside home care and residential care.'** (page 7)*

Future requirements

8.17 *'Demand for older people's housing can be assessed in a number of ways, using nationally recognised models such as Housing LIN @SHOP tool and Sheffield Hallam Housing for Older People Supply Recommendations (HOPSR) tool, and using existing local data gathered from services currently being delivered by the Council. ACS Commissioners have done considerable work, supported by the Council's Community Intelligence Team and Growth and Infrastructure Unit, to quantify how this will look in relation to demand for council services and development demand.'* (page 13)

8.18 *'For the purposes of this Business Case, the modelling below has primarily utilised the Sheffield Hallam tool, coupled with internal modelling based on current levels of demand for care services.'* (page 14)

8.19 *'A principal limitation for this Programme, is that HOSPR projections are given for people aged 75 and over, where extra care is directed to those aged 55 and over. The Council has not added a projection for this 'missing' age group at this stage, but*

it is noted that future demand calculations will need to be adjusted to account for this.’ (page 15)

8.20 *‘Extra care housing demand to 2030 – County Total: 3,539 all tenures (estimated fully funded social care demand shown in pink below).*



Figure 6: Extra care housing demand to 2030 (page 15)

8.21 *‘For people who are supported by local authority care provision, we would normally expect affordable rents, but we know **‘self-funding’ provision is more than 50% of the care market in Hertfordshire.** With 66.83% of people owning outright or with a mortgage recorded in the 2011 census (East of England: 66.96%) home ownership is the tenure of choice for many people, and this is likely to remain so for older people looking to downsize into more manageable homes. It is reasonable to expect, therefore, that people will want to retain some form of ownership in their property rather than move into rented accommodation, and thereby also retain equity in their home which may increase over time. If this assumption is correct, we would need to ensure the mix of extra care tenure types reflects people’s aspirations.’ (page 17)*

Local Housing Needs Assessment Update (March 2024)

8.22 *‘Whilst there are no definitive or standard prevalence rates, the PPG [63-004] notes that ‘the future need for specialist accommodation for older people broken down by tenure and type (e.g. sheltered housing, extra care) may need to be assessed and can be obtained from a number of online tool kits provided by the sector, for example SHOP@ for Older People Analysis Tool)’. The PPG does not specifically mention any other tools and therefore seems to be indicating that SHOP@ would be a good starting point for analysis. Since the PPG was published the Housing Learning and Information Network (Housing LIN) has removed the Shop@ online toolkit although the base rates used for analysis are known.’ (para 9.23)*

8.23 *‘The prevalence rates used should be considered and assessed taking account of an authority’s strategy for delivering specialist housing for older people. The degree for instance which the strategic approach within the area seeks to grow extra care housing as an alternative to residential care provision would influence the relative*

balance of need between these two housing types. This is an important element in the approach which is envisaged by those who have developed each ‘model’;’ (para 9.26)

8.24 *‘There is a degree to which the model and assumptions within it may not fully capture the growing recent private sector interest and involvement in the sector, extra care in particular is impacted by this. Equally, funding and viability challenges to delivering certain types of schemes, and how the market has moved on in recent years is not fully captured.’ (para 9.26)*

8.25 *‘HCC’s 10 Year Supported Accommodation Strategy sets out its ambition to give first priority to supporting people at home, but alongside this it recognises the need to develop the choice of accommodation available to provide access to the right accommodation – and in particular expanding the provision of flexicare (extra care) across the County, working with partners, in order to slow growth in residential care bed spaces for long-term patients. Need for nursing care is expected to grow. These ambitions are reiterated in the Adult Care Services Plan.’ (para 9.28)*

8.26 *‘The Strategy recognises that accommodating older people who need higher levels of support in extra care housing rather than residential care can help to mitigate the financial impacts of a growing older population on social care budgets which are under significant pressure. Households who own property or have more than £23,500 in savings (rising to £100,000 from Oct 2025) self-fund their care provision, however costs can be incurred by the County Council where savings fall below these levels. The nature of housing with care provision can therefore have direct financial impacts for HCC.’ (para 9.29)*

8.27 *‘Iceni has worked for Hertfordshire County Council in 2022 to develop a model for assessing the needs of specialist housing in the County. The modelling approach used takes into account these factors. It recognises that specifically-designed homes for older people can help older residents to live into their own homes for longer (rather than needing to move into a care/nursing home), are less likely to have a fall or trip, and that specialist housing provision can help address wider social issues such as loneliness.’ (para 9.30)*

8.28 *‘On this basis, this report sets out two scenarios for specialist older persons housing provision:*

- *SHOP@ Scenario: which takes the base prevalence rates in the SHOP@ 2008 toolkit and models achieving these levels of provision over the plan period;*
- *Extra Care Focus Scenario: which takes a lead from Hertfordshire County Council’s Strategy for enhanced delivery of extra care housing as an alternative to residential care, as it is both more cost effective and supports independence. In this scenario we have therefore increased the Housing with Care target figures by 20 per 1000, with a reciprocal reduction in residential care units.’ (para 9.31)*

8.29 'The data on the current supply position is shown below. This was drawn from EAC data in 2022. In addition, pipeline development schemes with planning consent (based on the position in March 2022) are included in the modelling.' (para 9.34)

Type	Tenure	Dacorum	Herts-mere	St Albans	Three Rivers	Watford	SW Herts
Housing With Support	Affordable	1929	581	201	583	580	3,874
	Market	518	427	683	399	484	2,511
	Total	2447	1,008	884	982	1064	6,385
Housing with Care	Affordable	0	134	113	0	68	315
	Market	0	126	50	21	253	450
	Total	0	260	163	21	321	765
Care/Nursing Home Bedspaces	Nursing	277	577	361	324	392	1,931
	Residential Care	665	545	475	320	461	2,466
	Total	942	1,122	836	644	853	4,397

Source: EAC Database

Figure 7: Current supply of specialist housing, SW Herts (Table 9.17, page 172)

8.30 'The SHOP@ Scenario shows a need for market housing with support (and some limited affordable provision in St Albans). It shows a need for housing with care in all areas besides Watford, where there is sufficient existing market provision; and overall identifies a need for 2,200 housing with care units to 2041.' (para 9.36)

Net Need to 2041		Dacorum	Herts-mere	St Albans	Three Rivers	Watford	SW Herts
Housing With Support	Affordable	-1,282	-178	116	-281	-287	-1,913
	Market	1,509	1,144	1,253	975	445	5,326
	Total	227	965	1,369	693	158	3,413
Housing with Care	Affordable	233	11	14	109	37	404
	Market	413	443	688	473	-203	1,814
	Total	646	454	702	582	-166	2,218
Care/Nursing Home Bedspaces	Nursing	686	133	511	279	66	1,675
	Residential	734	280	612	399	201	2,226
	Total	1,420	413	1,123	678	267	3,901

Source: Icen Modelling

Figure 8: Need Net for Specialist Housing to 2041 – SHOP@ Scenario (Table 9.19, page 174)

8.31 'The Enhanced Extra Care Scenario seeks to more strongly develop the provision of specialist housing in line with the County Council's strategic ambitions. This sees a higher market need for housing with support in all areas, but in particular results in a larger housing with care need for 3,800 housing with care units to 2041 focused towards market provision. If this enhanced extra care provision is achieved, the result is of no net additional need for residential care bedspaces (as households can

be accommodated in extra care schemes); albeit that this does not mean that some modern schemes could be delivered whilst some smaller and older, outdated care homes are lost/redeveloped.' (para 9.38)

Net Need to 2041		Dacorum	Herts-mere	St Albans	Three Rivers	Watford	SW Herts
Housing With Support	Affordable	-874	-146	144	-257	-264	-1,397
	Market	1,671	1,270	1,419	1,084	524	5,968
	Total	797	1,124	1,563	827	260	4,571
Housing with Care	Affordable	337	75	71	157	84	724
	Market	737	696	1,019	693	-46	3,099
	Total	1,074	771	1,090	850	38	3,823
Care/Nursing Home Bedspaces	Nursing	686	133	511	279	66	1,675
	Residential	-229	-434	-260	-204	-257	-1,384
	Total	457	-301	251	75	-191	291

Source: Icen Modelling

Figure 9: Need Net for Specialist Housing to 2041 – Enhanced Extra Care Scenario (Table 9.20, page 174)

8.32 'The provision of a choice of attractive housing options to older households is a component of achieving a good housing mix. The availability of such housing options for the growing older population may enable some older households to downsize from homes which no longer meet their housing needs or are expensive to run. The availability of housing options which are accessible to older people will also provide the opportunity for older households to 'rightsize' which can help improve their quality of life and could in turn release some larger family sized homes into the market.' (para 9.40)

8.33 'It should also be noted that within any category of need there may be a range of products. For example, many recent market extra-care schemes have tended to be focused towards the 'top-end' of the market and may have significant service charges (due to the level and quality of facilities and services). Such homes may therefore only be affordable to a small proportion of the potential market, and it will be important for the Councils to seek a range of products that will be accessible to a wider number of households if needs are to be met.' (para 9.43)

9. Review

- 9.1 Our review of Hertfordshire County Council's (HCC) Adult Social Care strategy provides compelling evidence that private housing-with-care is required in the Three Rivers District. It is in line with commissioning strategies across the country, which seek to reduce the volume and cost of commissioned residential care in care homes, by delaying this need, with older people living in their own homes or housing-with-care options for as long as possible.
- 9.2 The HCC *Ten Year Supported Accommodation Strategy (2017-2027)* states that by 2027, HCC want all people that need supported accommodation to have a choice of high quality housing, including both large scale supported accommodation schemes and local initiatives. It makes reference to HCC's duties under the Care Act (2014), which includes providing access to accommodation to prevent, reduce or delay adult social care need, set against the demographic pressures which are set to create challenges for the authority. The strategy proposes a fundamental change to the existing model (which focusses on care homes) with a move towards enabling older people to live independently but connected to their local communities.
- 9.3 The *Ten Year Supported Accommodation Strategy* advises that '*Flexible accommodation schemes will be developed in close partnership with district and borough councils, taking into account local strategic housing plans*' and to facilitate this the council will, amongst other initiatives, '*encourage private development*'.
- 9.4 The *Developing Extra Care Housing in Hertfordshire (2019)* report describes extra care housing, advising that the council is ambitious to ensure a suitable and sustainable pipeline of accommodation for older people with care and support needs. It states the required outcomes of the *Extra Care Development Programme*, which include the provision of new extra care housing of all tenures, a reduction in pressure on health services and the freeing up of general residential housing. The report advises that there is a demand for 251 units of market extra care in the Three Rivers District by 2030.
- 9.5 The *South West Hertfordshire Local Housing Needs Assessment (LHNA) Update (March 2024)* recognises that specifically-designed homes for older people can help older residents to live into their own homes for longer (rather than needing to move into a care/nursing home). It provides two scenarios for specialist older persons housing provision; the first assumes the base prevalence rates from the SHOP@2008 toolkit are achieved over the plan period. The second, '*Extra Care Focus Scenario*', is based on HCC's strategy for the enhanced delivery of extra care housing to provide an alternative to residential care.
- 9.6 Based on existing and planned provision in 2022, the net need for the supply of market housing with care to 2041 ranges from 473 units in the first scenario, to 693 units in the *Extra Care Focus Scenario*.
- 9.7 It should be noted that Section 5 of The Care Act (2014) places a duty on local commissioning authorities (HCC) to ensure their local care market is healthy and diverse, provide or arrange services to keep people well and independent and help prevent the need for additional care and support. Importantly, the authority is required to ensure there is adequate provision for all older people and not just those whose care needs are funded by the local authority.
- 9.8 While HCC Adult Social Care will naturally concentrate on the development of affordable provision, where the care element is funded by the authority, it is within their remit to ensure that there is both suitable supply and a variety of supply for all older people.
- 9.9 The Adult Social Care Reform White Paper (2021), *People at the Heart of Care*, states that: '*A lack of suitable housing options results in too many people staying in hospital unnecessarily or moving to residential care prematurely, even if that is not what they want, instead of recovering at their own home*'.
- 9.10 The appeal decision for a proposed care community in St Albans (Planning Inspectorate - St Albans, 2022), also highlighted this point; the Inspector stated that '*The Government's policy aspirations in the White Paper seek provision of a greater range of specialist housing for older people in both the private and social sectors, with the aim of increasing choice and allowing people to live independently while having better access to care and support. While the White Paper has yet to translate into specific actions and initiatives, it clearly recognises the growing issues and the need for them to be addressed*'.
- 9.11 This message is also reinforced by the Association of Directors of Adult Social Services (ADASS)²³, in their shaping of adult social care reform, (ADASS, 2023) which suggests a '*much stronger emphasis on some existing types of care and support which are housing based, such as 'supported living' and 'extra care housing'*' which may mean a shift away from existing types of residential care. It states that '*currently too many people are trapped in unsuitable accommodation*' and recommends developing a wider and more appropriate stock of housing will ensure people can stay in the places they love for as long as possible, and free up larger housing stock for others who need it.

²³ ADASS is a membership charity, a leading, independent voice of adult social care with members drawn from serving directors of adult social care employed by local authorities and their direct reports.

- 9.12 To put this into context at a human level, a shortfall of available housing with care means older people have little alternative but to remain in their often family-sized home at a time when they may require increasing levels of care and support, particularly following a life changing event such as the loss of a partner or a fall. Remaining in a home that is larger than required can present problems in terms of access, location of bathrooms, use of staircases, differing levels, property and garden maintenance, all of which can lead to anxiety, an increasing sense of isolation and potential problems accessing consistent and reliable domiciliary care.
- 9.13 Older people who need care cannot afford to wait until appropriate levels of provision become available. PPG is clear that *‘where there is an identified unmet need for specialist housing, local authorities should take a positive approach to schemes that propose to address this need’*.
- 9.14 Older homeowners, comprising approximately 74 per cent of households in the Three Rivers District are unlikely to meet housing list criteria or be eligible for ‘affordable’ extra care developments. It is therefore critical that private supply is made available to meet such requirements, to promote downsizing and enable all older people to remain in their local community in an environment where they can maintain their independence for as long as possible.

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- Older homeowners, comprising approximately 74 per cent of older households in the Three Rivers District, are unlikely to be eligible for ‘affordable’ housing-with-care developments. It is therefore critical that private supply is made available to meet requirements, promote downsizing and enable all older people to remain in their local community in an environment where they can maintain their independence for as long as possible.

Key findings – commissioning review

- Our review of Hertfordshire County Council’s (HCC) Adult Social Care commissioning and Three Rivers District Council strategy provides compelling evidence of the need for housing-with-care.
- The *Ten Year Supported Accommodation Strategy (2017-2027)* proposes a fundamental change to the existing model (which focusses on care homes) with a move towards enabling older people to live independently but connected to their local communities. It states that by 2027, HCC want all people that need supported accommodation to have a choice of high quality housing. To facilitate this the council will, amongst other initiatives, *‘encourage private development’*.
- HCC’s *Developing Extra Care Housing in Hertfordshire (2019)* report states that the council is ambitious to ensure a suitable and sustainable pipeline of accommodation for older people with care and support needs and sets out the key outcomes of the Extra Care Development Programme, which includes the provision of new extra care housing of all tenures. It advises that there is a demand for 251 units of market extra care in the Three Rivers District by 2030.
- The *South West Hertfordshire Local Housing Needs Assessment (LHNA) Update (March 2024)* provides two scenarios for specialist older persons housing provision. Based on existing and planned provision in 2022, the net need for the supply of market housing with care to 2041 ranges from 473 units in the first scenario, to 693 units based on the *Extra Care Focus Scenario*.

10. Catchment area assessment

- 10.1 In collaboration with ARCO, Carterwood conducted a national research project to calculate the distance travelled by extra care housing residents from their last place of residence. This showed that approximately 70 per cent of residents come from a radius of within 10 miles.
- 10.2 Distance varies depending on the size, type, quality and location of the development, often influenced by the availability of existing supply, family involvement in the decision-making process and the 'pull factor' of larger, well-specified, care communities.
- 10.3 Based on the proposed scheme size of 60 units and the urban nature of the location, our need assessment is therefore based on a market catchment area, shaded blue in the map opposite, extending to a radius of circa 4 miles from the subject site. We have also completed an assessment based on the Three Rivers District Council local authority area.
- 10.4 The perimeter of the market catchment is explained by the use of Census 2021-defined 'output areas' which enable a granular level of analysis. Varying considerably in size and shape, they are smaller in urban districts and larger in rural communities because they include circa 300 people of similar housing types/tenures. The catchment is therefore based on the nearest match to the output area data and it is not possible to use a perfect radius around a site.

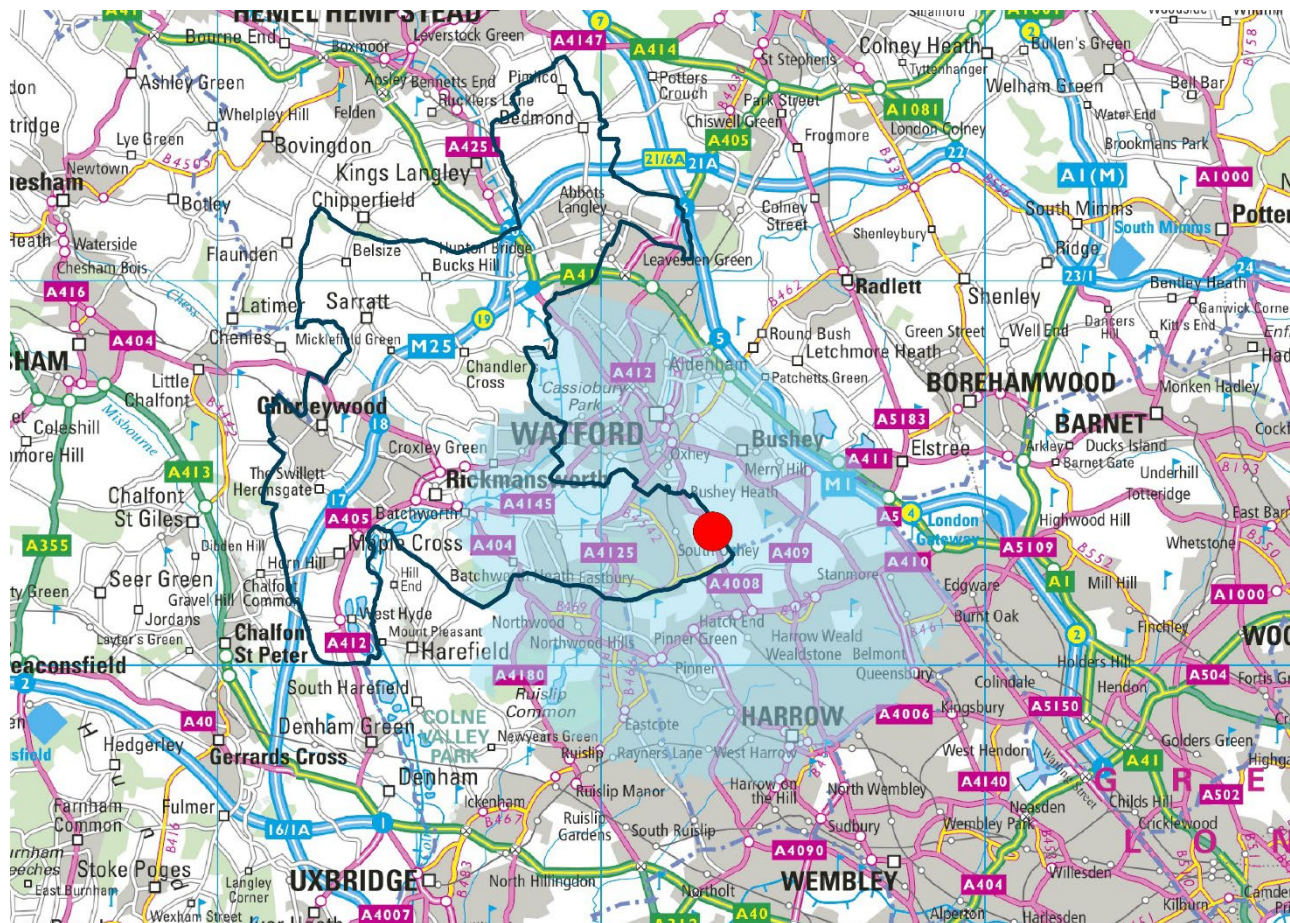


Figure 10: Housing-with-care need assessment catchment areas

The red dot shows the approximate location of the scheme. The blue shaded area illustrates the circa 4-mile market catchment and the dark blue outline illustrates the Three Rivers District Council area.

11. Local demographic profile

Housing ownership

- 11.1 Housing tenure data at the time of the 2021 Census, summarised in Table T17, shows that 72.2 per cent of all households within the 4-mile catchment area where the household reference person is over 65 years of age, were owned outright. This is slightly above the England and Wales average of (71.2 per cent).
- 11.2 The Three Rivers District Council area shows a higher percentage at 74.3 per cent home ownership, where the household reference person is over 65 years.
- 11.3 Please note that the total figures across different tables may vary due to rounding and the amalgamation of different data sets and limitations of Census data.

Population profile

- 11.4 We have summarised the profile of the elderly population in T18, opposite. The 4-mile market catchment area is below the GB average in terms of the population composition of those aged over 65 and over 75, and in line with the GB average in terms of those aged over 85.
- 11.5 The Three Rivers District Council area is also characterised by a slightly below-average population of those aged over 65 and 75 years; but follows a similar trend to the market catchment when considering the 85+ age group, which in this case is in excess of the GB average.

Population growth

- 11.6 The population growth measure considers the rate of growth of the target elderly demographic between 2025 and 2043 (the extent of current ONS projections) and shows the total growth rate over this 18-year period. It provides an indication of future demand for specialist housing for older people.
- 11.7 The elderly population growth rate closely follows the GB average in the 4-mile market catchment until 2043, but begins to grow at a faster rate at the latter end of the period. The Three Rivers District Council local authority area falls below the GB average to 2043.

T17 Household tenure (2021) where HRP is aged 65+ years or older				
Tenure	4-mile market catchment		Three Rivers District Council	
	No	%	No	%
Owned: Owns outright	27,549	72.2	8,066	74.3
Owned: Owns with a mortgage or loan or shared ownership	3,492	9.2	840	7.7
Rented: Social rented	4,443	11.7	1,520	14.0
Private rented or lives rent free	2,652	7.0	427	3.9
All households	38,136	100.0	10,853	100.0

Source: 2021 Census

T18 Population profile (2025)						
Age profile	4-mile market catchment		Three Rivers District Council		Differential to GB	
	No	%	No	%	Market	LA
All population	386,927	100.0	93,969	100.0	-	-
Age 65+	67,333	17.4	17,800	18.9	-2.3	-0.7
Age 75+	33,254	8.6	8,971	9.5	-1.1	-0.2
Age 85+	9,935	2.6	2,626	2.8	0.0	0.2

Source: 2021 Census, government population projections

T19 Population growth (2025-2043)				
Category	Elderly population growth rates (%)			
	4-mile market	GB comparison	Three Rivers District Council	GB comparison
2028 (from 2025)	6.2	-0.2	5.2	-1.1
2033	16.1	-0.9	14.1	-2.9
2038	24.4	-0.3	20.7	-3.9
2043	31.3	3.6	26.4	-1.3

Source: 2021 Census, government population projections

12. Local market size assessment

- 12.1 Full details regarding our private housing-with-care need methodology are set out in Appendix B.
- 12.2 Given the challenges of the existing toolkits, we have undertaken our assessment of need considering all the models in turn and then applied the prevalence data at local authority and market catchment level in order to provide the most comprehensive assessment of need available – this includes both national models and local models.
- 12.3 We have then applied our recommended prevalence rate based upon our composite review of the strengths and weaknesses identified in our assessment.
- 12.4 In the appeal decision for a proposed care community in the City of Bath²⁴ (Planning Inspectorate - Bath, 2021), the council confirmed that the underlying methodology of the appellant was not disputed and that the need to provide housing for older people is 'critical', as their proportion of the overall population is increasing.
- 12.5 Similarly, in the case of West Malling²⁵, also a Green Belt location, the proposed extra care development was seen to contribute to the need for specialist extra care housing for sale to older people, in a location where the current and emerging local plan had failed to make adequate provision.
- 12.6 We have prepared our assessment and adopted the prevalence rate that is used within both the original SHOP 2011 and Housing in Later Life (2012), which we consider most accurately takes account of the strengths and weaknesses of the other available models (as set out in Appendix B), which are overly punitive on need-based factors at the local level.
- 12.7 We consider the prevalence rate adopted more accurately accords with the requirements outlined in national literature and the Department of Health and Social Care's Adult Social Care Reform White Paper,²⁶ taking into account the increased weighting of housing with care required in future provision, as it is currently an immature market, rather than maintaining the same historic provision ratios that result in a 'more of the same' supply approach.
- 12.8 The prevalence rate we adopt also more accurately reflects UK and local homeownership levels, which are heavily skewed towards the private market. In our view, the slightly higher prevalence assumed also takes account of the circa 20 per cent of people aged between 65–74 years who may occupy an extra care scheme, who are arbitrarily excluded from all the other models assessed.
- 12.9 It should be noted that the use of a prevalence rate of 40 units per 1,000 older people should not be seen as a cap. The provision of additional private supply of housing with care is a growth area that is being driven by both the government and through planning policy. There is a critical need both in a national and local context.
- 12.10 To provide context for our adopted prevalence rate, if applied at the UK level and actually achieved (we currently fall far short on a national basis), our prudent assumptions indicate that only 1.8 per cent of the total number of over 65-year olds in the country require private extra care/enhanced sheltered housing and is substantially lower than the equivalent figure of 5–6 per cent seen in New Zealand, Australia and the United States.
- 12.11 Given the high levels of homeownership by older people in the UK, the lack of current provision and the government policy drive towards promotion of support within an individual's own home, we consider that our assessment provides a highly robust measure with which to assess current and future need for private extra care accommodation.

T20 Summary of local level need – Carterwood projections (2028)

Housing type	Combined prevalence rate for private extra care and enhanced sheltered housing – need per 1,000 population	'Need' in local population	
Model	Basis of assessment	4-mile	Three Rivers District Council
Carterwood assessment	40.0 per 1,000 75+ population	1,403	370

²⁴ Bath appeal decision (paras 80 to 82)

²⁵ West Malling appeal decision (paras 29,30 and 65)

²⁶ (Department of Health and Social Care , 2021)

13. Existing private extra care supply

- 13.1 We subscribe to the Elderly Accommodation Counsel's (EAC) data, which offers enhanced data fields compared to the online version of www.housingcare.org. We have also updated the base EAC data with the results of our own research to assess the current supply of extra care accommodation within the market catchment. We have recoded and classified where we have inspected a scheme and know it to be incorrectly coded within the raw data.
- 13.2 The challenges for EAC are manifold in maintaining this data set, as there is no regulatory data from which to build and maintain this database. It relies upon a small research team and operators/developers to update it themselves – this can sometimes lead to inconsistencies.
- 13.3 We have researched all schemes classified as follows:
- Extra care/assisted living;
 - Enhanced sheltered housing;
 - Close care;
 - Retirement village.
- 13.4 We have conducted additional research to ensure that each scheme conforms to the recognised definition of extra care, namely that 24-hour on-site care is provided and there are a range of communal facilities. We have not included any registered social landlord schemes and have only included schemes catering to the private market.
- 13.5 We have specifically not considered any traditional sheltered housing or other similar schemes in our analysis of current supply.
- 13.6 There are five private extra care/enhanced sheltered housing scheme within the 4-mile catchment, providing 426 units of private accommodation.
- 13.7 There is one private extra care/enhanced sheltered housing scheme within the Three Rivers District Council local authority area, providing 21 units of private accommodation.
- 13.8 A full list of the individual schemes is included in Section 22 on page 40.

T21 Existing supply of private extra care (4-mile market catchment)			
Scheme type	Schemes (No.)	Units (No.)	Private units (No.)
All schemes & all retirement villages			
With on-site care/support	5	426	426
Without on-site care/support	34	1,199	1,112
Retirement villages only			
With on-site care/support	1	253	253

T22 Existing supply of private extra care (Three Rivers District Council)			
Scheme type	Schemes (No.)	Units (No.)	Private units (No.)
All schemes & all retirement villages			
With on-site care/support	1	21	21
Without on-site care/support	9	435	435
Retirement villages only			
With on-site care/support	0	0	0

T23 Existing supply by decade of construction (4-mile market catchment and Three Rivers District Council)						
Scheme type	Private units					
	With-on site care/support (%)		Without on-site care/support (%)		Total units (No.)	
Catchment	4-mile	LA	4-mile	LA	4-mile	LA
Pre-1980s/unknown	1	0	0	8	9	36
1980s	0	0	61	29	676	127
1990s	5	100	24	53	290	251
2000s	0	0	7	0	80	0
2010s (2010-2014)	0	0	0	10	0	42
2010s (2015+)	35	0	5	0	206	0
2020s (2020+)	59	0	2	0	277	0
Total	100	100	100	100	1,538	456

Source: EAC, Carterwood

14. Planned private extra care supply

- 14.1 From our data sources, we have reviewed all the planning applications that have been granted, refused, withdrawn or are pending a decision. A full list of the individual schemes is included in Section 23 on page 41.
- 14.2 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.
- 14.3 We have made enquiries with Three Rivers District Council and the local authorities situated within the 4-mile market catchment area, 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. We have searched for planning applications submitted over the past 3 years. Our research was undertaken on 29 January 2025.
- 14.4 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 are included within the report.
- 14.5 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. Please 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. We have excluded any sheltered housing and affordable housing with care schemes from our analysis.
- 14.6 We have identified two planning applications for private extra care units in the 4-mile market catchment, one of which has been granted permission and one is pending permission.
- 14.7 We have identified one planning application for private extra care in the Three Rivers District Council area, which have been granted planning permission. This scheme does not fall within the assessed 4-mile market catchment.
- 14.8 We have included all planned schemes within our assessment, both those that have an extant planning permission and the scheme that is currently pending a planning decision. We are therefore likely to overestimate supply given that planned schemes may not be developed within our anticipated timeframe or be delivered at all.
- 14.9 In T25, we have provided our opinion of the pipeline by year of delivery based upon desktop review. We have had regard to the stage of the planning application, scheme size, the nature of the site and its current development status.

T24 Planned supply of new private extra care		
Scheme type	Market (4-mile)	Three Rivers District Council
New-build OPH units: pending decision	12	0
New-build OPH units: granted permission	12	48
Total planned units	24	48
Total number of schemes	2	1

Source: Carterwood, Glenigan, Planning Pipe and relevant planning departments

T25 Planned supply of new private extra care by estimated year of delivery		
Planned supply pipeline by year of delivery	Market (4-mile)	Three Rivers District Council
2025	0	0
2026	12	48
2027	12	0
2028	0	0
2029 onwards	0	0
Total planned units	24	48
Total planned schemes	2	1
Total planned units estimated by 2028	0	0
Total number of planned schemes by 2028	2	1

Source: Carterwood

15. Five-year need analysis summary

- 15.1 By applying our need methodology to the market catchment and Three Rivers District Council local authority area, we have calculated the potential pool of need for private extra care units from people aged 75 years and above (which includes an intrinsic allowance for the circa 20 per cent of residents who move to an extra care scheme who are aged between 65 and 74 years, as per our detailed methodology review).
- 15.2 Our analysis of the current situation, as at 2025, based upon current need projections and existing supply, shows a shortfall of 904 private housing-with-care units in the 4-mile market catchment and 338 in the Three Rivers District Council local authority area.
- 15.3 Our analysis as at 2028 (the earliest possible year the subject scheme could be developed, given its current status) shows a shortfall of **953** private extra care units in the 4-mile market catchment and **301** in the Three Rivers District Council local authority area.
- 15.4 These net need figures consider demographic growth over the period and include additional pipeline supply coming forward through the planning system (both schemes with extant permission and pending a decision) and assessed as being deliverable by the year of assessment.

T26 Primary year for private extra care need analysis		
Primary year of assessment	2028	Estimation of the earliest year the subject scheme could be developed

T27 Five-year private extra care requirement (4-mile market catchment)					
Year	2025	2026	2027	2028	2029+
Need					
Total 75+ population	33,254	33,869	34,451	35,063	35,731
Estimated need - private extra care (4.0%)	1,330	1,355	1,378	1,403	1,429
Private extra care supply					
Current supply of private extra care	426	426	426	426	426
Planned units by operational year	0	12	24	24	24
Total supply (units)	426	438	450	450	450
Balance of provision					
Need (private extra care units)	904	917	928	953	979

Source: Carterwood, Census 2021, Government population projections, Glenigan, Planning Pipe, EAC

T28 Five-year private extra care requirement (Three Rivers District Council)					
Year	2025	2026	2027	2028	2029+
Need					
Total 75+ population	8,971	9,102	9,204	9,245	9,390
Estimated need - private extra care (4.0%)	359	364	368	370	376
Private extra care supply					
Current supply of private extra care	21	21	21	21	21
Planned units by operational year	0	48	48	48	48
Total supply (units)	21	69	69	69	69
Balance of provision					
Need (private extra care units)	338	295	299	301	307

Assumptions to tables T27 and T28

- Key year of analysis is based upon 2028 projections – earliest possible year of opening given current development status.
- Planned supply based upon individual assessment of each scheme and assessment of likely development completion.
- Assumed zero closures of obsolete stock as no known closures imminent.

Source: Carterwood, Census 2021, Government population projections, Glenigan, Planning Pipe, EAC.

16. Quantitative need assessment for private extra care units

16.1 We have reviewed the available need methodologies and considered the strengths and weaknesses of each model.

16.2 We have calculated the potential need for private extra care units from people aged 75 years and above in our analysis. The prevalence rate we have adopted, in our opinion, most accurately accords with requirements outlined in national literature and takes account of the increased weighting of 'housing with care' required in future provision.

16.3 The prevalence rate adopted also more accurately reflects elderly home ownership levels, which are intrinsically heavily skewed towards the private market and prudently account for the circa 20 per cent of residents aged 65–74 years who occupy extra care schemes, arbitrarily excluded from all the other models.

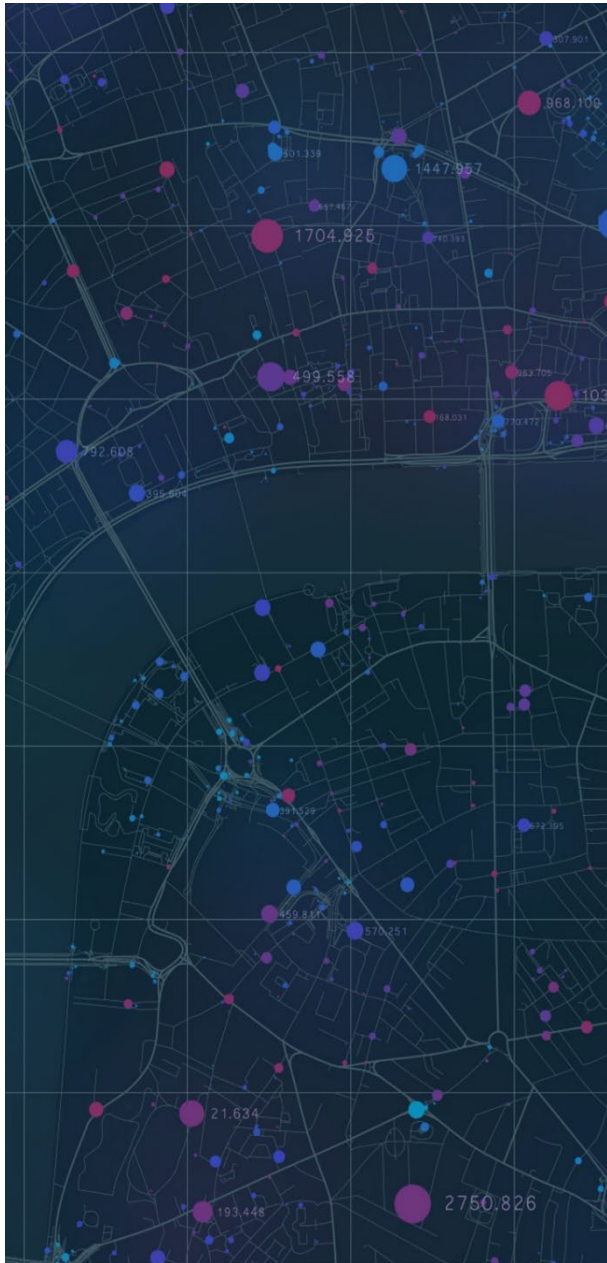
16.4 We have analysed the potential need for private housing-with-care to 2043 and interpreted this as at 2028 (see T29.), the earliest possible year the extra care units in the subject scheme could be made available.

16.5 This indicates a significant shortfall of **953** private extra care units in the circa 4-mile market catchment and **301** in the Three Rivers District Council local authority area based on 2028.

16.6 T30. sets out the long-term need set against the rising elderly population over a longer time horizon up to 2043 and shows a significant increase in the net need for private extra care. The proposed housing-with-care scheme at Carpenders Park would assist in addressing this shortfall.

T29 Need analysis (2028) for private extra care (Carterwood assessment)		
Catchment area	4 – mile market catchment	Three Rivers District Council
Year of assessment	2028	2028
Need		
Total 75+ population	35,063	9,245
Estimated need private extra care (4.0%)	1,403	370
Private extra care supply		
Current supply of private extra care	426	21
Planned units by operational year	24	48
Total supply (units)	450	69
Net need		
Private extra care units	953	301
Assumptions		
<ul style="list-style-type: none"> Estimated need for private extra care assumed at 4.0 per cent of the total 75+ population. This is based upon the original SHOP tool and Housing for Later Life studies, which we consider best reflect the underlying need characteristics of private extra care housing. Key year of analysis based upon 2028 projections – earliest possible year units within the proposed development could be available. Planned supply based upon individual assessment of each scheme and assessment of likely development completion. Zero allowance for reduction through obsolete stock – while this is an overly prudent assumption given the age and configuration of a lot of older stock, we have no detailed information at scheme-specific level to make a site-specific adjustment. 		

T30 Need for private extra care units – medium to long term			
Catchment area	4 – mile market catchment	Three Rivers District Council	
Net need for private extra care	Year		
	2025	904	338
	2028	953	301
	2033	1,100	328
	2038	1,288	367
	2043	1,473	412



Key findings

Background and proposal

National context and key definitions

Commissioning and local authority review

Need assessment – quantitative model and methodology review

Need assessment – local market quantitative assessment

Need assessment – qualitative assessment

Tangible benefits for the NHS and the wider community

Key findings and conclusion

Data tables

17. Tangible benefits for the NHS and the wider community

Benefits to the housing chain

- 17.1 Older people moving into a private housing-with-care scheme will release family homes back into the community, which is key to offering more options for families living locally. A report (*The top of the ladder*, prepared in 2013) by Demos, a leading cross-party think tank, considered this in more detail²⁷ and we set out some of the key findings from this research below:
- 17.2 *'One in four (25 per cent) over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally. More than half (58 per cent) 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.'*
- 17.3 *'More than four in five (83 per cent) of the over 60s living in England 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.'*
- 17.4 *'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.'*
- 17.5 *'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. 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.'*
- 17.6 The report's key conclusions are summed up in the following statement
- 17.7 *'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.'

- 17.8 New research in 2020, prepared by the Centre for the Study of Financial Innovation, supports the above housing chain benefits and is described in detail in Section 7.
- 17.9 The development of housing-with-care and improved knowledge of such schemes among older people should encourage downsizing and reduce the need for the development of additional larger family homes by freeing up existing supply back to the market. The availability of housing options that are accessible to the growing older population can enable some older householders to downsize or 'right size' from homes that no longer meet their needs or are expensive to run, and this can improve their quality of life.
- 17.10 This point was attributed significant weight in the planning appeal decision for the former Hazeldens Nursery²⁸, where an extra care development was proposed. In this case, the evidence indicated that 'a considerable number of older householders underoccupy their homes' and that 'providing suitable and alternative housing for this cohort can free up houses that are underoccupied'.
- 17.11 Another appeal decision²⁹ for a proposed extra care development on a site located in Green Belt considered that older people's existing homes, which in many cases will have originally been bought to accommodate families, may no longer be suited to their present needs. The availability of private extra care housing that has been designed specifically for those with care needs means that older people do not need to 'relinquish the security' of home ownership. Also, enabling older people to move at the right time can improve their quality of life as well as freeing up more homes for other buyers.

Employment and economic benefits

The subject scheme will provide full-time and part-time roles in order to fulfil its obligations to residents and cover care and support requirements. A breakdown of potential roles/occupations based upon Worcester Research in 2016 into the Bishopstoke Park retirement village in Hampshire, operated by Anchor, being over 160 units in size, is shown in the table following.³⁰

²⁷ (Wood C. , *The Top of the Ladder*, 2013)

²⁸ (Planning Inspectorate – Hazeldens Nursery)

²⁹ (Planning Inspectorate - West Malling)

³⁰ (English Care Villages Partnerships and Worcester Research, 2017)

T31 Direct employment generated	
Role/occupation	Number of people employed
	Bishopstoke Park actual
Management, professionals and associate professionals	8
Skilled manual, admin and clerical	12
Caring, machine occupations, elementary roles (mostly part-time average – average 20 hours pw)	45
Total (FT and PT)	65

17.12 In addition to directly employing a local workforce, schemes also employ the services of a wide range of local companies in the provision of day-to-day services. Data quoted in the Housing for Later Life report in 2011 estimated an average 40-unit extra care apartment scheme provides investment of approximately £5m into older people’s housing and the local economy (in 2020 costs, this would be significantly higher, having been subject to 10 years’ inflation).³¹ The report also found that around 50 people were needed for construction.

17.13 The Worcester Research group utilised other research as part of a resident survey and identified the following economic contribution for a typical 150-unit village:

- £15m in initial investment in capital asset (we estimate this to be greater and more likely to be in the region of £20 to £30m for a large 150-unit village).
- Approximately 187 jobs during the construction phase.
- £1.7m in ongoing salary to local workers.
- At least £160,000 per annum in additional business to local suppliers.
- Around £1.3m expenditure in the local economy from residents (including multiplier effects).
- Between £152,000 and £190,000 in additional council tax to support local service provision.

17.14 The 2021 *Homes for Later Living* report³² sets out how retirement properties create more local economic value and more local jobs than any other type of residential development. This includes the following points:

- A typical retirement development of 45 units could generate over £13m of additional economic activity in a local area, compared to letting a brownfield site lay undeveloped.
- Building 30,000 retirement properties could generate £2bn of economic activity across the country every year, compared to leaving sites undeveloped.

³¹ (Housing LIN, National Housing Federation, McCarthy & Stone, Tetlow King and Contact Consulting, 2012)

³² (Homes for Later Living, 2021)

³³ (House of Commons, Communities and Local Government Committee, 2018)

- A typical retirement housing development could also generate 85 additional construction jobs.
- On average, 63 per cent of residents' annual expenditure is in local shops. This is much higher than the average local spend by 80+ year olds in the general population.
- The residents of a typical 45-unit retirement development generate £550,000 of spending per year, £347,000 of which goes to local shops, supporting retail jobs and keeping shops open.

Health and wellbeing, and benefits to the NHS and Social Services

17.15 We have reviewed the House of Commons report of Housing for Older People (2nd report 2017/9), which summarises the benefits to health and wellbeing and the direct positive impact on the NHS and budgets:

17.16 *‘There is a significant body of evidence on the health and wellbeing benefits to older people of living in specialist housing and the resultant savings to the NHS and social care. This is particularly the case for extra care housing, which has onsite care and support and communal facilities. In addition, this type of housing helps family and carers finding it challenging to provide enough care and support.’*³³

17.17 Research by the International Longevity Centre-UK found that around a quarter of people with social care needs (or who went on to develop them) who moved into extra care experienced an improvement within 5 years, were less likely to be admitted to hospital overnight and had fewer falls. In comparison to older people in the general community, extra care residents reported having a higher quality of life, an increased sense of control and lower levels of loneliness.³⁴

17.18 The findings of a 5-year study completed by the Centre for Ageing Research at Aston University³⁵ focused on the benefits generated through living in the ExtraCare Charitable Trust’s schemes as follows:

- **‘Improvements to personal health with a 75% increase in levels of exercise, a reduction in the risk of falls and delays of up to 3 years in frailty.**
- **Psychological wellbeing with low levels of depression, a 23% reduction in anxiety and improvements in memory and cognitive skills.**
- **Social wellbeing with loneliness at lower than national averages and over 86% of residents being “never” or “hardly ever” lonely.’**

³⁴ (Beach, Retirement Communities and Care Homes: Health and Wellbeing Innovation Commission Inquiry, 2018)

(Holland & al, 2019)³⁵

17.19 These advantages were assessed alongside the benefits to the NHS:

- ***'Reduced reliance on the NHS, with the presence of on-site staff serving to reduce the number of GP visits, residents being less likely to be admitted to hospital overnight and having shorter lengths of stay in hospital;***
- ***No expected increase in costs to the NHS over time, as residents age;***
- ***Cost savings to the NHS – living in extra care saves the NHS around £1,194 per person, on average, over 5 years.'***

17.20 Research from the University of Reading showed that retirement housing can help combat social isolation and promote fitness, with over 80 per cent of owner occupiers taking part reporting feeling happier in their new home and nearly a third feeling that their health had improved.³⁶

17.21 Southampton City Council commissioned the Housing Learning and Improvement Network to complete an evidence review to identify the health care system benefits of housing with care. The study identified the financial benefit to the NHS was approximately £2,000 per annum for each resident living in housing with care schemes. These positive results were due to (i) a reduction in the number of GP visits, (ii) a reduction in the number of community health nurse visits, (iii) a reduction in the number of non-elective admissions to hospital, and (iv) a reduction in length of stay and delayed discharges from hospital.

17.22 Research by Demos estimated the value of sheltered housing to the NHS and social care at £486 million per year, of which £17.8 million amounted to reduced loneliness.³⁷

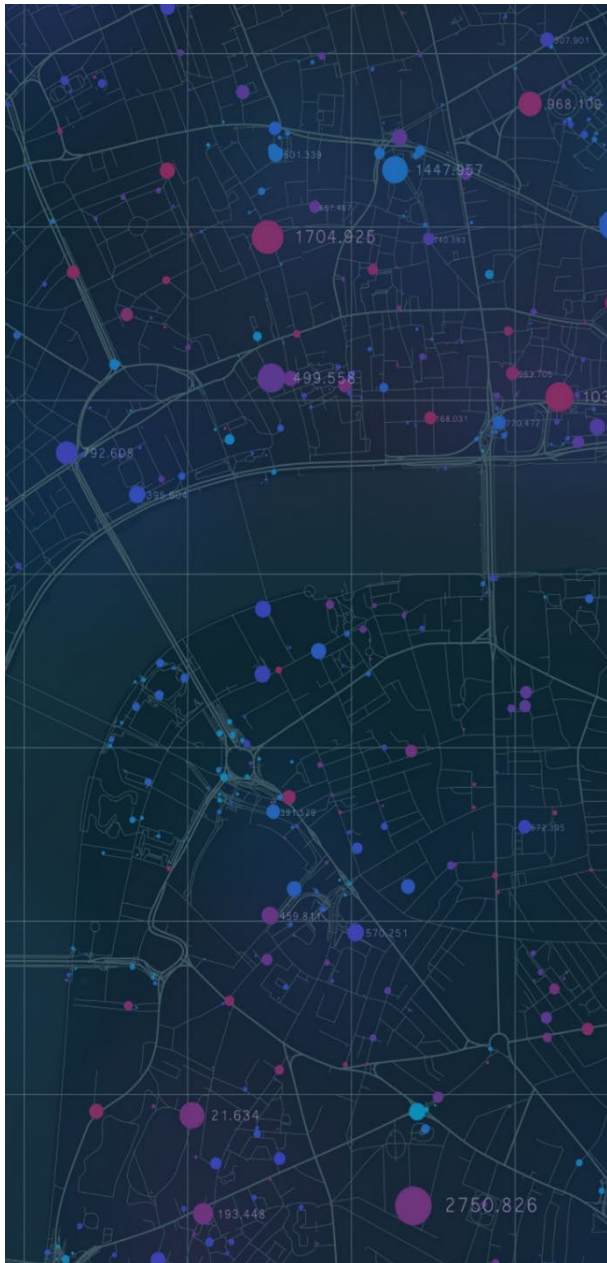
17.23 Sometimes NHS CCG teams are concerned about the impact on local doctors' surgeries. However, evidence indicates that there is a benefit. The presence of on-site care staff reduces the number of unnecessary trips to GPs, thereby reducing waiting lists rather than increasing them. The concentration of individuals within one place should also assist in reducing need for community nurses and there are obvious advantages of having residents within one geographic location. Any 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 demographic pressure.

Key findings – tangible benefits for residents, the NHS & the wider community

- The proposed housing-with-care scheme at Carpenders Park is intended to provide an appealing option to enable older people with care needs to downsize or 'right size' to a development providing safety and security combined with care and support. This in turn will result in a variety of benefits:
- To the housing chain – older people moving into extra care will release under-occupied larger family homes back to the market.
- Employment and economic benefits – the retirement community will provide a range of full-time and part-time roles, in order to fulfil its obligations to residents and provide care and support services.
- It also eases the issue of staff recruitment and retention by having a concentration of older people with care needs on one site rather than dispersed in the local community.
- The scheme will have an economic contribution in terms of job creation during the construction phase, the use of local workers, expenditure in the local economy and additional council tax payments.
- Health and wellbeing benefits for residents – these include improvements to personal health, psychological and social wellbeing through social interaction, community facilities on-site and the provision of tailored, consistent care and support.
- Cost savings to the NHS include fewer visits to local GPs and a reduced likelihood of overnight stays in hospital.

³⁶ (Ball, 2011)

³⁷ (Wood C. , The Social Value of Sheltered Housing, 2017)



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Need assessment – qualitative assessment

Data tables

18. Summary of existing schemes

T32 Summary of existing schemes									
Map ref	Catchment	Scheme	Manager/Operator	Distance to subject site (miles)	Total units	Private units	Scheme type	Year of construction	Notes
1	Market only	Bushey House Beaumont, High Street, Bushey, Hertfordshire, WD23 1QN	Barchester Healthcare Ltd	1.1	20	20	Enhanced sheltered	1996	-
2	Market only	Mayfield Watford, Thomas Sawyer Way, Watford, WD18 0GS	Mayfield Villages	1.8	253	253	Extra care	2022	-
3	Market only	Supported Living Cottages, Aronmore Care Home, Hallowell Road, Northwood, Middlesex, HA6 1DS	Ventry Residential Care	2.6	4	4	Enhanced sheltered	Unknown	-
4	Market only	Landsby, Merrion Avenue, Stanmore, London, HA7 4RL	Elysian Residences	2.9	101	101	Extra care	2019	-
5	Market only	Randolph House, Northwick Park Road, Harrow, Middlesex, HA1 2NU	YourLife Management Services	3.8	48	48	Extra care	2017	-
6	Local Authority only	Chorleywood Beaumont, Rickmansworth Road, Chorleywood, Rickmansworth, Hertfordshire, WD3 5BY	Barchester Healthcare Ltd	6.2	21	21	Enhanced sheltered	1997	-

19. Summary of planned provision

T33 Summary of planned provision											
Map ref	Catchment area	Site address	Applicant	Scheme	Net extra care units	Has development commenced?	Earliest estimated year of delivery	Distance to subject site (miles)	Planning ref / date granted	Notes	
Granted											
A	Market only	Denville Hall, Ducks Hill Road, Hillingdon, London, HA6 2SB	Denville Hall 2021 Ltd	Demolition of 48 and 60 ducks hill road, garage and wooden storage unit and the construction of three new buildings comprising of 12 assisted-living units (class C2),.	12	No	2026	3.3	924/APP/2022/3603 - 24/11/2023	-	
B	Local Authority only	Beesons Yard, Bury Lane, Rickmansworth, Hertfordshire, WD3 1DS	Natabi Properties	Demolition of existing buildings and structures and erection of a 48-unit assisted living facility (Use Class C2) with car parking and associated landscaping.	48	Yes	2026	4.4	21/1971/FUL - 04/11/2022	We have included this application for prudence, despite a newer application granted on the site for a slightly smaller scheme of 43 units.	
Pending											
C	Market only	Greenacres, Heathbourne Road, Bushey Heath, Bushey, Hertfordshire, WD23 1PB	Greenacres Homes Ltd	Demolition of existing residential unit, and construction of new C2 facility, incorporating 75 bedrooms and 12 extra care apartments, with associated basement for services, undercroft car parking, private amenity space and tpo works and including sustainable urban drainage system.	12	No	2027	1.7	23/1637/FUL	-	
Total in market catchment					24						
Total in local authority area					48						
Total in market catchment by year of assessment (2028)					24						
Total in local authority area by year of assessment (2028)					48						

Source: subscribed data sources and relevant planning departments

20. Map of existing and planned schemes

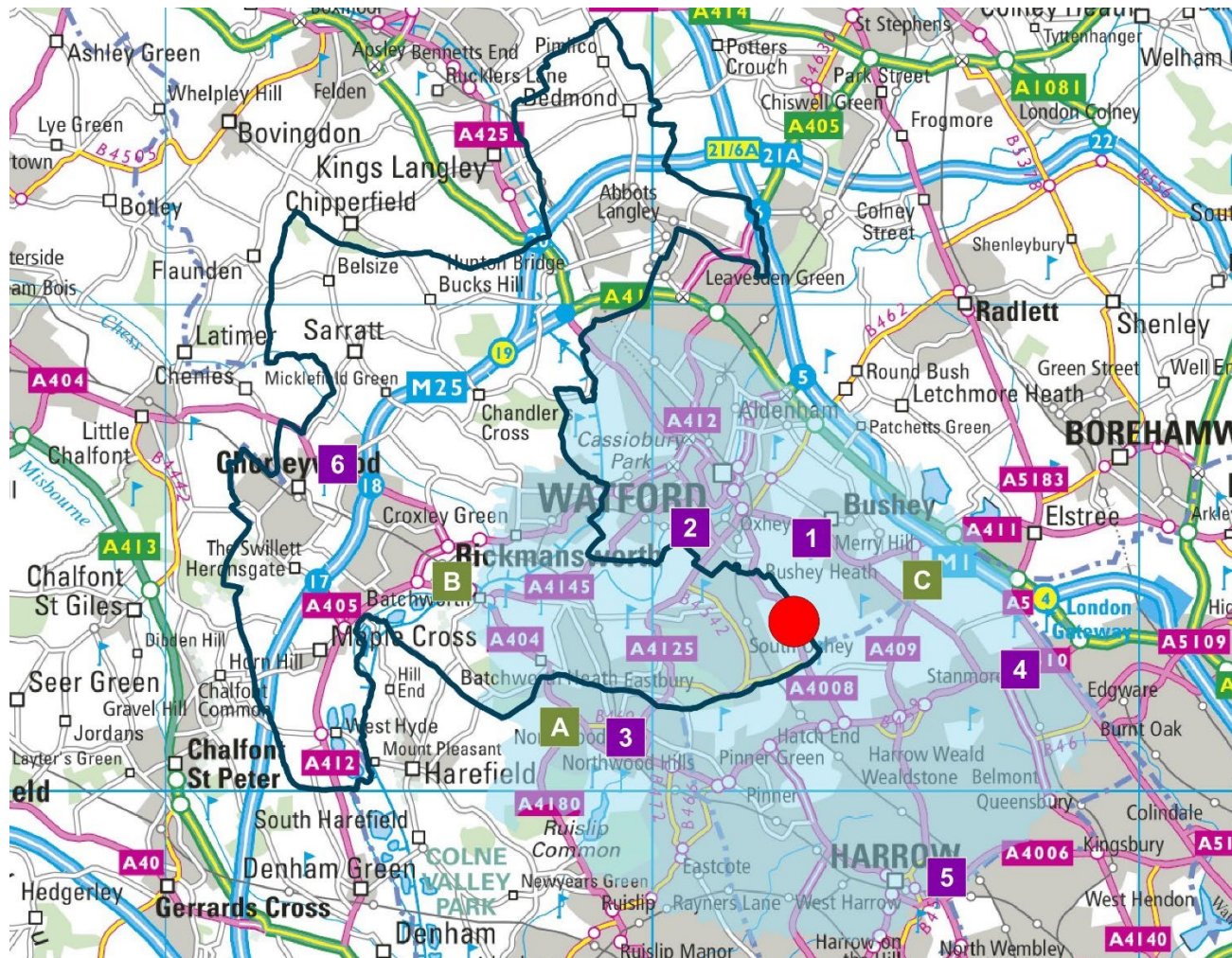


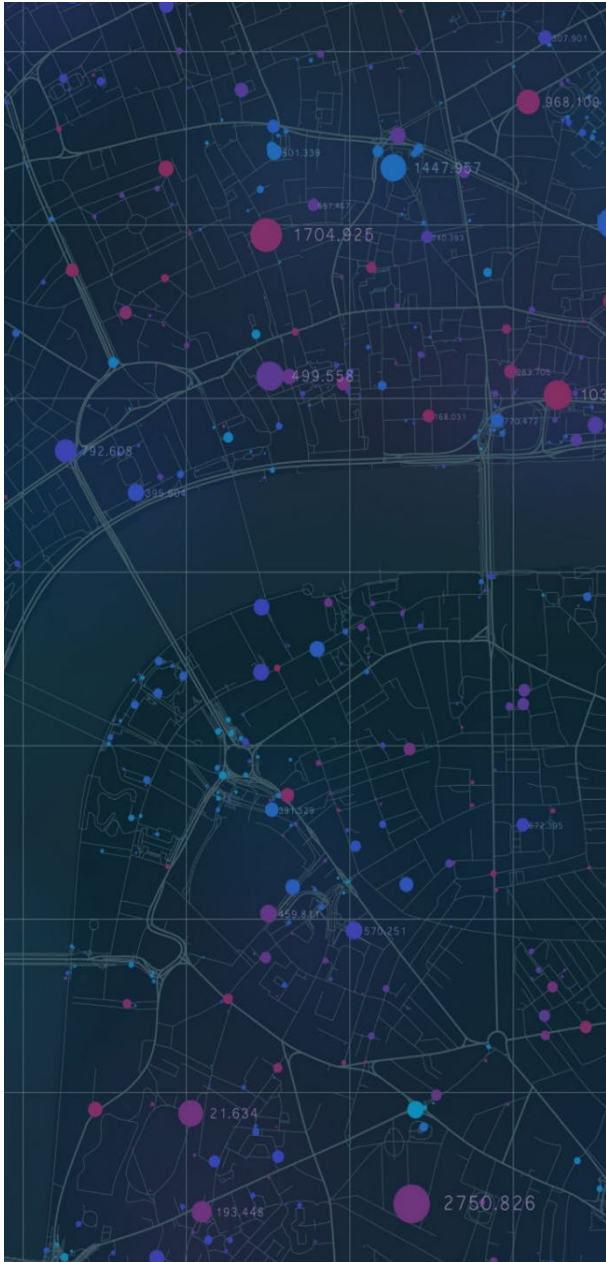
Figure 11: Existing private extra care and planned schemes within the catchment areas assessed

Key:

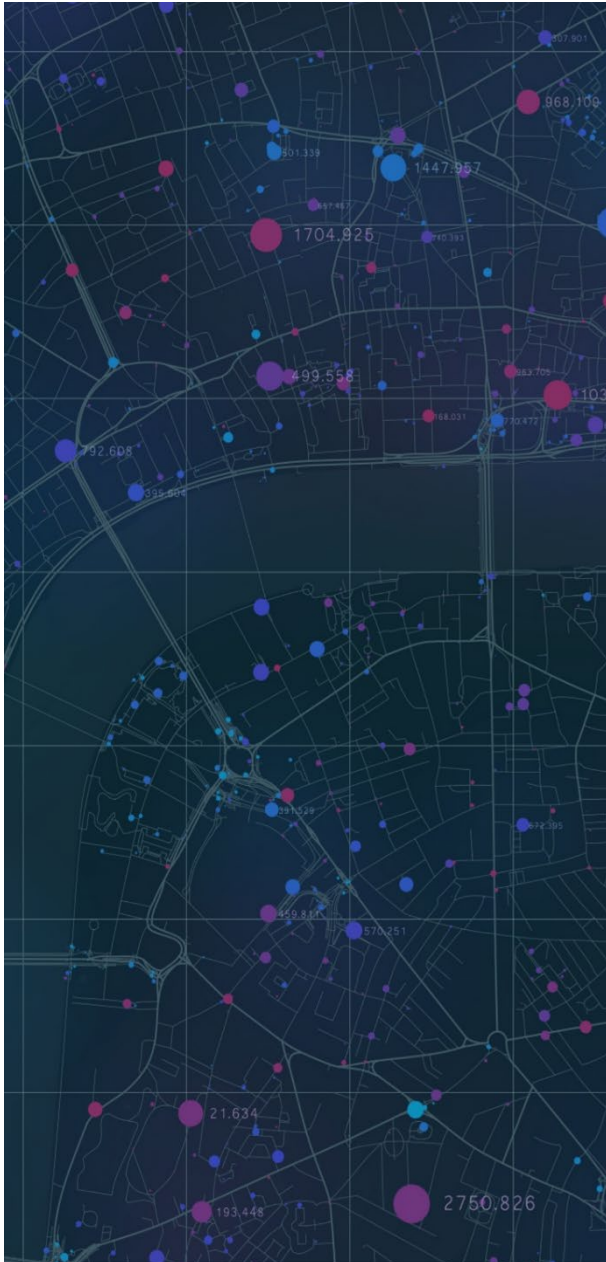
- The proposed care village
- Existing private extra care schemes
- Planned private extra care schemes

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

The light blue shading shows the 4-mile market catchment and the dark blue line outlines the Three Rivers District Council local authority area.



Appendices



Appendix

A: Sources of information

Sources of information

We have utilised the following sources of information:

- 2021 Census population statistics (where available);
- ONS 2018-based population projections;
- EAC database;
- Carterwood database;
- www.cqc.org.uk;
- Department of Health;
- Relevant planning departments;
- Contains Ordnance Survey data © Crown copyright and database right (since 2010);
- Contains LPS Intellectual Property © Crown copyright and database right (since 2016);
- Glenigan;
- Planning Pipe;
- LaingBuisson's Care Homes for Older People UK Market Report (33rd edition);
- Communities and Local Government;
- National Planning Policy Framework;
- House of Commons Commission for Long Term Care;
- Centre for the Study of Financial Innovation;
- HAPPI, HAPPI2, HAPPI3;
- Demos;
- Policy Exchanges;
- ARCO;
- FPD Savills;
- Housing LIN;
- Shefford Hallam University;
- Three Dragons/Retirement Housing Group;
- Worcester Research;
- Tetlow King;
- Joseph Rowntree Foundation;
- CASS Business School;
- Hertfordshire County Council;
- Three Rivers District Council.

In preparing our advice, we have also relied upon the following:

- Background information provided by the client;
- Documentation submitted with planning application.

In accordance with our definitions and reservations (attached at Appendix E), we have assumed that the information above is accurate and should it be proven through further investigations to be incorrect, then this could affect our advice.

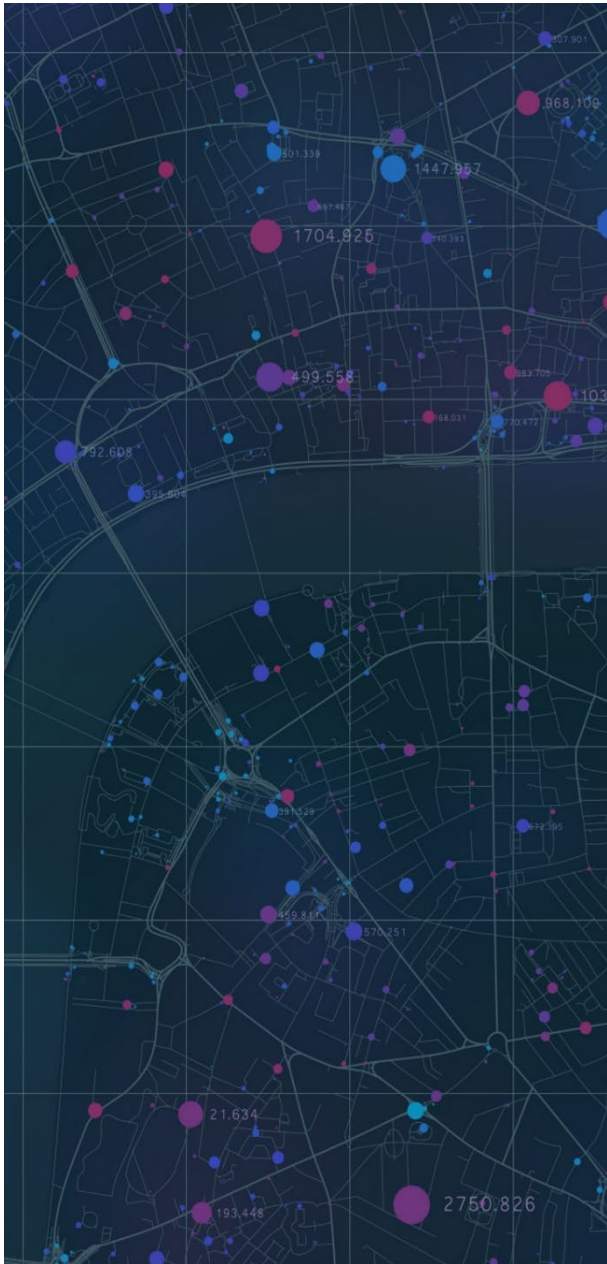
Confidentiality

This report is for the stated purposes only and for the sole exclusive use the client, to whom it is addressed.

Neither the whole, nor any part of this report or any reference to it, may be included now or at any time in the future, in any published document, circulation or statement, nor referred to or used in any way, without our written approval and context to which it may appear.

Conflicts of interests

There are no conflicts of interests that we are aware of that would prevent us from providing our advice.



Appendix

B: Methodology

Housing-with-care - local level need methodology review

Despite the ever-growing corpus of national research, government policy direction and market position statements produced by local authority commissioning departments setting out the benefits of housing-with-care, there are shortcomings with the currently available local level need assessment models.

Extra care housing is a more recent concept (when compared with residential care homes and sheltered housing) and this relative market immaturity means there is a lack of a standard measure to predict the need in any given area.

No planning need model we have reviewed adequately, if at all, considers the supply side of the equation when estimating 'need'. This is particularly important as approximately 40 per cent of all stock of specialist housing for older people (all types and tenures) was developed pre-1990, over 30 years ago, and to spatial standards recommended at that time, which are below current market requirements.

The models reviewed in our assessment only consider the need by population age either based upon projecting forward from current supply or by looking at potential need based upon predicted prevalence. Both approaches have strengths and weaknesses, and all have been considered either at planning appeal, referenced in PPG, or incorporated by social services teams, local authority assessments or the Greater London Authority (GLA) in their strategic modelling for future housing requirements, and therefore can be considered as models of predicting population 'need' as opposed to 'demand'.

It must be highlighted that there is currently no single recognised methodology for identifying need for housing-with-care. PPG suggests an assessment can be obtained '*from a number of online toolkits provided by the sector*', although the only example cited is no longer available online.

The critical issues that we consider surround the available toolkits and their application are detailed below, not as criticisms of the models (some of which are misused/misunderstood from their intended purpose), but as a review of their attributes and shortcomings when determining need at a site-specific level.

Use of existing supply to predict future supply levels

Existing provision of housing-with-care for those aged over 65 years is currently undersupplied at national level, and by considerable numbers based upon downsizing potential, international comparisons and the government's own policy objective to keep people in their own homes for longer.

Most of the models look at the current stock of housing-with-care as the basis to decide future requirements. This has resulted in

some outputs pointing to the ridiculous position where if a local authority has zero existing extra care provision in its area (due to market circumstances of an immature housing product rather than a need-related issue) then in 'n' years' time, despite a huge increase in forecast elderly population growth, the need remains at zero.

Such models assume that, if there is an existing good supply of one form of specialist housing provision (i.e. more established forms such as care home beds or sheltered housing), there must be a continued need for that form of provision at the same projected prevalence rate.

Housing-with-care provides a more recent model of specialist housing and there can be significant challenges to fund and source land (due to its operating model). It therefore needs encouragement and support in order to generate any meaningful increase in development. ARCO is at the forefront of generating support for the development of Integrated Retirement Communities at the national level, through various initiatives.

Over-reliance and tool misunderstanding

The models, which were intended to provide a 'high-level' indication of need, can be subject to overreliance and misinterpretation (this is no criticism of model authors, all of whom caveat their models appropriately and recommend local, scheme-specific research is conducted on a site-by-site basis).

It is apparent that planning guidance has perhaps unintentionally distorted the original vision for extra care by encouraging an emphasis on 'need', defined by functional incapacity and declining health requiring an immediate input of care (akin to a care home bed). The attraction of achieving Use Class C2 led to developers describing their developments in terms that meet the generally conservative interpretation of Use Class definitions that were published prior to extra care being recognised as a form of provision. The more recent consideration of the level of facilities and care provision on site, together with more focus on viability, has meant that there is now more of a distinction between C3 and C2 for proposed housing-with-care schemes.

Evidence base for prevalence rates adopted

There is no simple mathematical formula that links the currently available data to a prevalence rate. Given the range of variables, of which client choice is perhaps the greatest, followed by the availability and awareness of housing-with-care, the prevalence rates used in the models are based predominantly on existing supply levels at the time of publication.

From this starting point (and based on an educated estimate of the position at the time), the model authors have made a

judgement on the prevalence rates' current and likely future adequacy by referring to the indicators of need in terms of functional incapacity and health status. They also take account of the trajectory of development together with future aspirations and give weight to the policy drivers.

Extra care assumed only as a replacement for care beds

The application of some models is made on the basis that a need exists for 'housing-with care' solely as a replacement for residential care, suggesting that, as one declines, the other must increase, proportionately.

All evidence indicates that there is also additional latent need from those who would otherwise had to access sheltered housing, driven by the current shortfall of existing housing-with-care, which the government itself is trying to promote over care home provision, as housing-with-care generally caters to older people with different/lower dependency levels.

Obsolescence of existing stock

Models ignore the obsolescence of much of the supply of existing stock – many schemes still provide 'studios' or small one-bed units that are completely unsuitable for modern age-appropriate housing standards and would barely be marketable as traditional housing, let alone specialist housing for older people.

Misunderstanding the private housing-with-care target market

The application of the models by adult social care commissioning teams does not adequately consider the nuances of delivering housing-with-care in the private sector. It is impossible to expect an elderly person who would otherwise be receiving residential care (and may therefore require assistance with personal care, eating, etc.) to sell their own home and go through the conveyancing process, acquire or lease a new property and move home at this level of dependency.

In the private sector housing-with-care is a preventative solution, i.e. if that same person had acquired their private extra care unit 18 months earlier, while not needing 24-hour care and support, they are more likely to have been able to go through sale of their home and move to extra care where they could age in place with the support and care on-site as they need it, not solely when they have an immediate requirement as a result of a crisis.

Failure to account for elderly homeownership levels to reflect private housing-with-care need

Some models suggest a reapportionment from approximately 75 per cent social rent, towards an equal split of provision for social rent and for sale, prior to increasing the proportion of units for

sale towards 75 per cent of the market during the 2010s. On this basis, the level of provision of housing-with-care would be more in line with GB levels of home ownership by those aged over 65 years, if this change in the proportion of supply had occurred.

The apportionment of 'need' is often made arbitrarily, at the behest of social services teams, who do not necessarily support private development in the same way as affordable provision, as their strategy and budgets are focused primarily on social need. Given levels of homeownership nationally, this situation should logically be reversed.

Exclusion of elderly people between 65 and 74 years of age in need calculations for extra care

Most models, for some reason, exclude households between 65 and 74 years of age in their projections, and instead concentrate 'need' from those aged 75+ years. This is despite the planning restrictions in place on specialist older people's housing schemes, which typically start from 65 years (sometimes 55 years).

This assessment is most likely to have been based on the age profile in extra care accommodation for social rent. Our own analysis of existing retirement community residents on behalf of ARCO indicates that at least 20 per cent of residents in retirement communities are aged between 65 and 74 years – therefore, most models consistently underestimate need. Even care home need models (which have higher levels of dependency as eligibility criteria than extra care) assume a percentage of the population aged 65 to 74-years will occupy a care home bed. There is no evidenced-based rationale for the exclusion of those below 75 years of age. The Three Dragons model is the only model assessed that does try to explicitly account for this in its calculation of 'need' for older people.

Barriers to use

More Choice, Greater Voice was widely quoted, especially during the first 6 or 7 years after publication, and was reflected in a number of housing strategies for specialist accommodation for older people and commissioning documents.

Housing in Later Life was less warmly embraced by local authorities, partly because it set more demanding targets but also because it was competing with the newly published SHOP@ toolkit.

The SHOP@ toolkit, to which the NPPG refers, was withdrawn as an online toolkit in late 2019, and is no longer available for third-party use unless specifically commissioned.

The Three Dragons/RHG model is not available as a free-to-access tool on the organisation's website and must also be independently commissioned.

Carterwood approach

Given the challenges of the existing toolkits, we have undertaken our assessment of need considering all the models in turn and then applied the prevalence data at local authority level.

We have applied our recommended prevalence rate based upon our composite review of the strengths and weaknesses identified in our assessment.

Model need prevalence rate summary

T34 Summary of local level population need toolkit/model prevalence rates (per 1,000 population over 75 years unless stated otherwise)					
Housing type	Enhanced sheltered housing		Extra care housing		Housing based provision for dementia
	For rent	For sale	For rent	For sale	
More Choice Greater Voice (2008) – ‘Ratios suggested by the norm’ page 45 (*1)	10.0	10.0	12.5	12.5	10.0
SHOP (Dec 2011) – Estimate of demand (page 36) (*2)	10.0	10.0	15.0	30.0	6.0
Housing in Later Life (2012) Indicative ratios for Bury (page 23) (*3)	10.0	10.0	15.0	30.0	6.0
SHOP@ (2013) – Projected ‘base case’ demand at 2030 (page 7) (*4) (*9)	10.0	10.0	12.5	12.5	-
Extra Care Demand Assessor (ECDA) – Prevalence rate varies and is generated by the model (*5)	Calculated independently by the online model				
Other national models					
Three Dragons (Nov 17) Report to GLA (*6)	15 to 20 per cent of all 75+ person <u>households</u> would want to live in specialist older people’s housing, if it was available. Need analysis based upon Greater London characteristics and therefore not applicable to Three Rivers District Council and does not separate out demand for extra care/enhanced sheltered housing by prevalence rate.				
ARCO Vision 2030 (*7)	For 250,000 people to have the opportunity to live in retirement villages by 2030. This is defined as retirement communities which we consider would fall within either the extra care or enhanced sheltered housing definitions.				
The Mayhew Review (2022) (*8)	Three scenarios are evaluated with the third assuming that as much as a quarter (50,000 units) of all new housing would be specialist retirement accommodation. Recommends the Government’s Older People’s Housing Taskforce should be mandated to implement recommendations and report on the outcomes. The Taskforce is due to report during mid-late 2024.				
The Older People’s Housing Taskforce report: <i>Our Future Homes: Housing that promotes wellbeing and community for an ageing population.</i> (November 2024)	Recommends establishing a common standardised methodology for local assessment of minimum need for the various forms of older people’s housing (as a subset of overall housing) which is simple, universally recognised, transparent and available for LPAs to use free of any costs. Also, to establish national prevalence rates for each type of older people’s housing which are not based on past delivery but is instead aspirational and outcome driven				

NB – the ‘for rent’ figures relate to ‘affordable rent’ and the ‘for sale’ figures relate to market rent or leasehold sale ‘private’ supply. The percentages above provide baseline rates for each toolkit which may be skewed towards ‘for rent’ or ‘for sale’ depending on the relative affluence of a particular location.

Sources:

- (1) More Choice, Greater Voice: a toolkit for producing a strategy for accommodation with care for older people. Communities and Local Government, CSIP & Housing LIN, February 2008.
- (2) SHOP Resource Pack, December 2011.
- (3) Housing in Later Life: planning ahead for specialist housing for older people, Housing LIN, NHF et al, December 2012.
- (4) SHOP@, Housing LIN & EAC, Delivering the Detail, October 2013.
- (5) Archer, Tom (2018). Extra Care Demand Assessor (ECDA). SHU Research Data Archive (SHURDA).
- (6) Three Dragons / RHG (November 2017) Assessing future potential demand for older person’s housing, care homes and dementia housing in London.
- (7) ARCO vision statement.
- (8) Mayhew L. , Future-proofing retirement living: Easing the care and housing crises, 2022
- (9) Gaul, D. (2016) Housing LIN and Elderly Accommodation Counsel – SHOP@ Analysis Tool Review. [Note: The estimated future need assessed utilising the SHOP@ (2013) toolkit is set at the baseline level. The toolkit states that ‘it is accepted that the percentage of leasehold will increase in the future and this change will vary on whether the market is attractive to leasehold sales i.e. areas of affluence will see a higher percentage increase in leaseholds by 2035. There are no definitive figures for 2035 but one proposed suggestion is linked to the assumptions in Housing in Later Life (2012). It is suggested that users of SHOP@ consider the options on the chart and look at the results from scenarios using different percentages. The chart provides a ratio of 50:50 for enhanced sheltered housing and 33:67 for rented (affordable) to leasehold (private) extra care in more affluent localities. The SHOP@ toolkit review (2016) updates this market split by suggesting that the tenure mix by 2035 for housing with care should be 33:67 rented to leased in affluent locations and 25:75 rented to leased in the most affluent locations. The update also provides a ‘proposed new SHOP@ prevalence rate per 1,000 people over 75 for Sheltered/retirement housing of 100.0, stating that ‘other services areas will differ slightly depending on the Housing-with-Care strategy. For example lower Housing-with-Care will support more registered care. Higher Housing-with-care may reduce sheltered housing due to service reviews converting sheltered schemes to Housing-with-care]] Further details on each of the assessed toolkits are set out below. There is a wide variation in need calculated across the different models and approaches.

Model review – strengths and weaknesses

T35 Summary of local prevalence rates		
Model	Strengths	Weaknesses
More Choice, Greater Voice (2008)	<ul style="list-style-type: none"> Provides full breakdown of prevalence by tenure and housing type. While age of the study is a weakness, the targets suggested for 'market' supply of all types have not been met. As a ratio of the older population, the situation has either stagnated or deteriorated. With current national direction towards increasing supply, the suggested prevalence rates should now be considered more relevant as a minimum than when the model was first published. 	<ul style="list-style-type: none"> Age of study; need based upon 'current' provision, which on every assessable measure was under-provided for based upon elderly population at the time Doesn't account for need from 65- to 74-year-old cohort.
SHOP (Dec 2011)	<ul style="list-style-type: none"> Provides full breakdown of prevalence by tenure and housing type, includes some allowance for need that is not solely based upon current supply. While age of the study is a weakness, the targets suggested for 'market' supply of all types have not been met. As a ratio of the older population, the situation has either stagnated or deteriorated. With current national direction towards increasing supply, the suggested prevalence rates should now be considered more relevant as a minimum than when the model was first published. 	<ul style="list-style-type: none"> Age of study; Doesn't account for need from 65- to 74-year-old cohort.
Housing in Later Life (2012)	<ul style="list-style-type: none"> Based upon SHOP above so same strengths. 	<ul style="list-style-type: none"> Based upon SHOP above so same weaknesses.
SHOP@ tool (2013)	<ul style="list-style-type: none"> Based upon More Choice, Greater Voice, above so same strengths. Flexibility to reflect demand based upon tenure type, interactive online tool which was (while it was available) easy to use. 	<ul style="list-style-type: none"> Based on More Choice, Greater Voice, above, so same weaknesses. No longer available online (since late 2019); Need based upon 'current' provision, which on every assessable measure was under-provided for based upon elderly population at the time Widely misused by social services teams who misunderstood its application; This served to reduce the overall 'need' prevalence significantly despite national and local policy objectives to increase supply of extra care – again arbitrarily with no evidence base other than opinion of local authorities; Doesn't account for need from 65- to 74-year-old cohort.
CRESR (Nov 2017) Greater Cambridge. Extra Care Demand Assessor (ECDA)	<ul style="list-style-type: none"> More recent study, online assessment available. Online assessment methodology is not explicit. Online assessment doesn't appear to be being updated with new supply. 	<ul style="list-style-type: none"> Based upon existing supply of extra care, being nationally recognised as under-provided. Doesn't account for need from 65- to 74-year-old cohort; calculates the catchment area 'in reverse' and doesn't take account of potential need outside more densely populated areas.
Other models		
Three Dragons (Nov 17) / Retirement Housing Group (RHG)	<ul style="list-style-type: none"> Accounts for need from 65- to 74-year-old cohort, considers national policy objectives explicitly rather than being a measure of solely existing supply. 	<ul style="list-style-type: none"> London-centric analysis makes it difficult to apply to other local authority areas, amalgamates extra care and sheltered housing into one global measure; unavailable for site-specific use unless commissioned independently.
ARCO Vision 2030	<ul style="list-style-type: none"> Considers potential need and national policy objectives explicitly rather than being a measure of solely existing supply. 	<ul style="list-style-type: none"> Not a formal model.
Mayhew Review	<ul style="list-style-type: none"> Independent review which focusses on the impact increasing levels of under-occupation have on other generations as older people remain in their own homes for longer. It puts forward the case for more retirement developments with access to care and facilities and their associated wide range of benefits. 	<ul style="list-style-type: none"> Not a formal mode.
Older People's Housing Taskforce	<ul style="list-style-type: none"> The Government's Older People's Housing Taskforce reported in November 2024 and has provided clarity on the need to increase provision of specialist housing. It recommends an updated toolkit is developed to increase provision. 	<ul style="list-style-type: none"> It does not include an updated methodology for assessing need in a particular catchment in the report.

Need analysis – methodology comparison

We have provided a quantitative assessment of need for private housing-with-care for all of the models reviewed, as at 2028, for the assessed catchment areas.

The results show a broad spread of net need – up to 953 private extra care units in the 4-mile market catchment and 301 in the Three Rivers District Council area.

This position accords with the Hertfordshire County Council commissioning and local authority strategy and other local and national policy direction, which indicate a firm need for additional private extra care housing.

T36 Primary year for private extra care need analysis

Primary year of assessment	2028	Estimate of the earliest year the subject scheme is developed and the first phase of private extra care units is available

T37 All models' private extra care need (4-mile market catchment) - 2028				
Model	More Choice, Greater Voice	SHOP	Housing in Later Life	SHOP@
Need				
Total 75+ population	35,063	35,063	35,063	35,063
Prevalence rate (%)	2.25%	4.00%	4.00%	2.25%
Estimated need for private extra care	789	1,403	1,403	789
Private extra care supply				
Current supply of private extra care	426	426	426	426
Planned beds by operational year	24	24	24	24
Total supply (units)	450	450	450	450
Net need				
Private extra care units	339	953	953	339

T38 All models' private extra care need (Three Rivers District Council area) - 2028				
Model	More Choice, Greater Voice	SHOP	Housing in Later Life	SHOP@
Need				
Total 75+ population	9,245	9,245	9,245	9,245
Prevalence rate (%)	2.25%	4.00%	4.00%	2.25%
Estimated need for private extra care	208	370	370	208
Private extra care supply				
Current supply of private extra care	21	21	21	21
Planned beds by operational year	48	48	48	48
Total supply (units)	69	69	69	69
Net need				
Private extra care units	139	301	301	139

Sources for T37 and T38: See table T34.

More Choice, Greater Voice, Housing in Later Life and Housing LIN models

i) More Choice, Greater Voice (February 2008)

From the publication of the More Choice, Greater Voice model onwards, and for no specific reason, the population of those aged 75 years and over has generally been adopted as the appropriate metric for housing with care need calculations.

Ratios of provision were built on evidence in 2008, adjusted to reflect the thrust of policy toward the encouragement of extra care. At that time, extra care was only really beginning to establish itself in the social rented sector and was practically non-existent in the private sector.

ii) SHOP (December 2011)

The SHOP (Strategic Housing for Older People) toolkit was originally developed for the Housing Learning and Improvement Network (Housing LIN) and the Housing Network of the Association of Directors of Adult Social Services (ADASS) by the Institute for Public Care at Brookes University, published in December 2011.

During mid-2020 Housing LIN updated its website as follows:

'This 2011 version of the SHOP Resource Pack is now out of date and uploaded as an archived record only. However, the Housing LIN has since worked with many councils individually to further develop and apply them to help produce their local housing strategies for extra care housing and supported housing.'

iii) Housing in Later Life (December 2012)

The general acceptance of the methodology and approach set out in *More Choice, Greater Voice*, alongside market signals suggesting falling demand for older style sheltered housing for rent, strengthening demand for retirement housing on a leasehold basis and a widening of the appeal of all tenures of extra care, resulted in an uplift in the suggested ratios of provision in the 2012 publication: *Housing in Later Life – planning ahead for specialised housing for older people*, using the same prevalence rates as set out in SHOP.

The focus of the toolkit was to assist local authorities in England in planning for specialist housing for older people and it referred to a range of housing options built to assist older people with their accommodation and support needs in later life.

iv) SHOP@ 'Delivering the Detail' (October 2013)

SHOP@ was launched in March 2013 and was pre-set with the number of units required per 1,000 of the population aged over 75 years, derived from the *More Choice, Greater Voice*

prevalence rates. It calculated housing and care supply and demand using local data and figures for all 350+ local authorities in England, intended to prioritise investment and maximise capital resources and revenue funding.

SHOP@ generated used information to 2030, from nationally available data, and the input by the user based on their local commissioning strategy. The resultant tables included the *'Estimated future needs for older people's housing and care'*.

SHOP@ was removed as a web-based resource in late 2019, despite being cited (and still cited) as an example of an online toolkit in PPG. Housing LIN now undertake SHOP@ assessments on a commissioned consultancy basis only, predominantly for public sector bodies.

The challenges surrounding the model were articulately expressed by Nigel Appleton in his proof of evidence for the appellant, Retirement Villages, in the Shiplake, Oxfordshire inquiry (August 2019):

'Available online, the SHOP@ Tool has been widely used and has been recommended in successive Planning Practice Guidance, most recently in the PPG of June 2019. Whilst other methodologies have also been mentioned the availability of the SHOP@ Tool has regularly been cited as the basis for calculations in local authority documents and in planning inquiries.'

The flaw inherent in the use of the SHOP@ Tool has been identified by some is that it is presented as providing objective assessment when it does nothing of the sort. The outputs it produces are heavily influenced by the assumptions that are inputted. Used in its default settings it relies upon current prevalence of provision as an indicator of future levels of need. This can lead to ludicrous outcomes: where an area with high levels of older people within its population has little provision and the default settings are used, it will project that little will be needed in the future.'

This difficulty is recognised by the Housing LIN who have expressed concern about the reputational damage they are suffering as a consequence of the misuse of the SHOP@ Tool. They make the point that the default settings of the SHOP@ on-line tool are intended to illustrate the information that needs to be loaded rather than recommending a level of prevalence or tenure split. So concerned has the Housing LIN become by this distortion of their intention, which was that the tool should support their aspiration to be a "Market Shaper", working alongside colleagues in commissioning roles in Adult Social Care and promoting local discussion about future provision, that

they have now withdrawn the SHOP@ Tool from being accessed online.

That the Housing LIN has taken this remarkable step, a month after the SHOP@ Tool was recommended in the June 2019 PPG, leads one to treat calculation based on this methodology with extreme caution.'

Relevant Appeal Decisions

We set out below extracts from more recent appeal decisions, which make reference to, or utilise, the above toolkits:

Former Hazeldens Nursery, Albourne, West Sussex. (Ref: APP/D3830/W/19/3241644) (Planning Inspectorate - Hazeldens, Albourne, 2020) an extra care development of up to 84 units (comprising of apartments and cottages) all within Use Class C2, associated communal facilities, sets out:

'The SHOP@ toolkit is pre-set with the number of units required per 1,000 of the population over 75 years old at 25 or 2.5%. This I shall refer to as the 'provision rate' and it has been derived from More Choice, Greater Voice (2008), which is a document that seeks to provide a strategy for housing with care for older people. It is important to have in mind that the provision rate is an assumption and is not evidence based. The Council pointed out that a provision rate of 25 is roughly double that for extra care housing nationally. However, that reflects the critical need across the country and is not particularly helpful in the consideration of how need should be met in Mid Sussex. (Para 84)

In December 2012 Housing in later life: planning ahead for specialist housing for older people sought to update More Choice, Greater Voice. It recognises that extra care housing was becoming better known as an alternative choice for older people who do not necessarily want or need to move to a residential care home. Furthermore, it recognises a prevalence for home ownership in the elderly population and predicts that demand for extra care housing for sale [generally on the basis of a leasehold tenure] will be twice that of extra care housing for rent. It provides a toolkit for use by local authorities in their planning for and delivery of specialist housing for older people. It seeks to improve housing choice for a growing ageing population and increases the provision rate to 45 or 4.5% per 1,000 of the population over 75 years old. Whilst a worked example is given for Bury Metropolitan Council, it seems apparent from the information provided that this provision rate is one that is generally more applicable. That said, it is important to understand that this is an aspirational figure and is also not evidence based. (Para 85)

Little Sparrows, Sonning Common, Oxfordshire RG4 9NY (Ref: APP/Q3115/W/20/3265861) (Planning Inspectorate - Sonning Common, 2021) appeal allowed for 133 units of extra care (Use Class C2) within a continuing care retirement community care village:

Quantification of the need for open market extra care housing is not straightforward, in part because whether an owner-occupier moves to extra care housing is ultimately a matter of choice, in part because there is no prescribed or generally accepted methodology. The Government very clearly supports the identification and provision of extra care accommodation as a recognised form of specialist accommodation for the elderly. Moreover, it is important to bear in mind that the NPPF definition of ‘older people’ does not exclusively mean the very frail elderly, rather it embraces a wide range of people in that category both in terms of a very wide age range and significant variation in issues surrounding matters like mobility and general health. (para 28)

The Government plainly recognises that the need is ‘critical’ and the importance of ‘choice’ and addressing ‘changing needs’. Offering greater choice means a greater range of options being offered to people in later life and that the range of options should at the very least include the categories the Government recognises in its guidance. This includes extra care. The PPG also advises what ‘range of needs should be addressed’. It recognises the diverse range of needs that exists and states that:

“For plan-making purposes, strategic policy-making authorities will need to determine the needs of people who will be approaching or reaching retirement over the plan period, as well as the existing population of older people”. (para 30)

The Appellant’s primary evidence on need is given by Mr Appleton, the principal author of two key publications in this area: More Choice, Greater Voice (2008) and Housing in Later Life (2012). Both of these publications seek to address how best to quantify the need for specialist housing for the elderly. They advocate a method which is based on the population and other nationally available data to look at the characteristics of an LPA area. (para 34)

Mr Appleton sets out a provision rate for private extra care of 30 per 1,000 of the 75 and over population in the District based on a total provision of 45 extra care units per 1,000 (4.5%) across both the affordable and private sectors, but split on a ratio of one third for social rented and two thirds for sale. This takes into consideration the research in More Choice, Greater Voice and revisions in “Housing in Later Life”. I note that the 45 units per 1,000 is to be divided as suggested in order to bring supply into closer alignment with tenure choice among older people. ...The

Council refers to the Oxfordshire’s Market Position Statement which assumes a lower need figure for extra care housing but the focus there appears to be on social rented extra care housing. The Council also suggests that the SHMA evidence is to be preferred. However, I note that it does not identify figures for extra care, nor does it relate to the present PPG. In my view, Mr Appleton’s provision rate is preferred and the need for more private extra care is overwhelming. (para 38)

There is plainly a very limited supply of extra care housing for market sale (leasehold) in South Oxfordshire. Adding further concern, it is of note that from 2012 to date just 133 units have been delivered despite there being in the same period permissions for a net gain of 447 additional Care Home beds. This runs completely contrary to the policy set out in the Market Position Statement of reducing reliance on Care Home beds and increasing capacity in extra care. The case for more market extra care provision now is very clear. Furthermore, the need is set only to grow. (para 43)

The Council sought to undermine the Appellant’s need case with reference to earlier data from Housing LIN and the @SHOP tool. This on-line tool is highlighted in the PPG as a basis for calculating need. But the fact is it only provides a figure based on existing prevalence and then seeks to project that forward with a proportion increase based on the increase in the 75+ age group in the District. This is not a measure of need. (para 44)

Homebase, New Zealand Avenue, Walton-on-Thames Surrey KT12 1XA (Ref: APP/K3605/W/20/3263347), (Planning Inspectorate - Walton on Thames, 2021) appeal allowed for a development comprising 222 units of care accommodation with associated communal facilities:

The [Surrey County Council] SCC Commissioning Statement, whilst dated April 2019 onwards, is a leaping off point and one which adopts the methodology of Housing LIN. Whilst not specified, it is likely that this would have been SHOP@. It uses a prevalence rate of 25/1000 for extra care. This needs to be adjusted to include enhanced sheltered housing at 20/1000 and the split tenure of 73/27 applied. It produces a need figure of 493 units with a population aged 75+ in 2025 being 15,000. Purely based on this figure up to 2025 with a supply of 235 there is a net need of 258. I am conscious that these figures do not pay any regard to those between 65 and 74 years of age who may generate further uncertain levels of need. Figures into the future suggest an upward trend for unmet need, but considering up to 2025 is sufficient to make the point. (para 87)

Land between Haverhill Road and Hinton Way, Stapleford, Cambridge CB22 5BX. Appeal Ref: APP/W0530/W/21/3280395 (Planning Inspectorate - Stapleford, 2021) appeal allowed for a proposed Retirement

care village in Use Class C2 comprising housing with care, communal health, wellbeing and leisure facilities.

The application was originally refused on the basis that it comprised inappropriate development in the Green Belt. The net need figures for both care home bedspaces and private housing-with-care (utilising the same methodology as in this assessment) were attributed very significant weight.

The Inspector considered that ‘Despite a plethora of studies, the Council’s approach has not delivered and is not expected to deliver special care housing in anything like sufficient quantities. No policy nor any allocation in the adopted plan requires a specific proportion of dwellings to be delivered as special care housing’ also, that ‘Government advice is that housing need alone does not amount to the very special circumstances required to justify inappropriate development within the Green Belt but, in this case, that housing need is combined with a lack of effective action to meet the need’.

Land to rear of 163 to 187 High Street and east of Rowan Close, Bottisham CB25 9BJ. (Appeal Ref: APP/V0510/W/23/3324141) (Planning Inspectorate - Bottisham, February 2024) Appeal allowed for the ‘Development of a retirement care village in class C2 comprising housing with care, communal health, wellbeing and leisure facilities; and C3 affordable dwellings (comprising up to 30 percent on-site provision), public open space, play provision, landscaping, car parking, access and associated development’ on a site located in Green Belt.

The inspector recognised that ‘Whilst it falls within the C2 use class, extra care housing is distinctly different from other forms of older people’s accommodation such as care homes and retirement housing.’

The inspector agreed with the need for this type of accommodation, based on an assessment utilising the SHOP and Housing in Later Life toolkits (the same as the Carterwood assessment in this report), finding that ‘In summary, it is clear that when considering the short, medium, or long-term net need for extra care housing for those aged 75 or over, this is likely to far exceed supply. Whilst the figures have been updated by the appellant, they do not markedly alter the appellant’s evidence as it was considered by the previous appeal Inspector. I also find that the need is acute.’

‘This leads me to conclude that the identified acute extra care housing needs are unlikely to be realised over the plan period. This proposal would make a significant and meaningful contribution to addressing the need for older people’s extra care housing, a matter which attracts very substantial weight in favour.’

Housing for Older People Supply Recommendations (HOPSR) and Three Dragons/RHG

i) Housing for Older People Supply Recommendations (HOPSR)

HOPSR was created by the Centre for Regional and Economic Social Research (CRESR) (Sheffield Hallam University and the University of Sheffield). It is a tool to assist local authorities understand the requirements for older people's housing in their area. The associated model 'Extra Care Demand Assessor' (ECDA) (2018) is available online and provides the output of research with South Cambridgeshire District Council, Cambridge City Council and Cambridgeshire County Council, funded by NHS England's Healthy New Towns programme.

Below are extracts summarising the model's approach:

'HOPSR uses national data from the Elderly Accommodation Counsel (EAC) about older people's housing schemes. Looking specifically at the local authorities with the highest level of current supply, it uses this as the basis to recommend a level of supply for each local authority, accounting for local demographic, health and place trends.'

'The ECDA builds on the work to provide localised assessments of demand for Extra Care housing. The model has been developed through a series of stages: The first stage assessed the level and composition of supply of age-exclusive housing, specialist housing, and care beds across the 100 English local authorities with the highest overall provision of each broad type of older person housing per 1,000 older people (aged 75 years or older).'

'This exercise does, however, reveal which authorities are supplying units at high levels given the measure of older people locally, and provides a sufficiently large sample on which to explore the factors associated with higher provision. In the 100 local authorities with the highest level of specialist housing, these provide 172.6 units per 1,000 people aged 75 years and older. This was made up of:

- 153.2 units of sheltered per 1,000 people aged 75 years and older
- 4.4 units of enhanced sheltered per 1,000 people aged 75 years and older, and
- 15.1 units of extra care per 1,000 people aged 75 years and older.'

'The second stage used statistical modelling to identify factors that are predictors of the variation in provision between the 100 local authorities with the highest overall level of supply of age-exclusive, specialist and care beds respectively.

'This analysis revealed a number of relationships within local authorities, including:

- *The supply of specialist housing being positively associated with the level of people aged 75 years and older limited by a LTHCD [long term health care condition].*
- *Sheltered housing is positively associated with the level of people aged 75 years and over limited by a LTHCD. Furthermore, the level of sheltered housing was negatively associated with supply of extra care per 1,000 people aged 75 years and over.*
- *Extra care accommodation was positively associated with the level of people aged 75 years and older limited by a LTHCD. As above, this form of provision was negatively associated with supply of sheltered housing per 1,000 people aged 75 years and over.*
- *Enhanced sheltered was not associated with any of the variables considered.'*

The CRESR model recommends a level of supply at the aggregate rate for the 100 local authorities with the highest level of provision, but it adjusts this with localised data – for example, the proportion of people aged 75 years and older with a limiting LTHCD in the case of specialist housing.

'This model has a number of strengths and weaknesses. Its strengths are that it is based on the realities of supply and demand in other local authorities and it provides a distinctly grounded and realistic estimate of what supply is possible. One criticism of models based purely on future projected demand is that they can be viewed as somewhat idealistic, and therefore susceptible to challenge on this basis. One might argue that a weakness of employing quantitative estimates based on other local authority provision is that it makes the model merely reactive to what is happening in those other areas, rather than responding to underlying or changing needs. To counter this, the model should be re-run regularly to take account of changing provision which reflects changes to the determinants of demand and supply of specialist housing.'

'Our model suggests only one in 10 of the recommended supply of specialist units in Greater Cambridge are either enhanced sheltered or extra care. This reflects the fact that our modelling is premised on existing provision in authorities with a high level of overall supply, and where extra care provision may vary in scale. If it is decided that extra care can meet a greater proportion of needs that are currently met in other areas of the system (e.g. in residential care), then this could dramatically change how many units of extra care are required' (page 28).

In our opinion the weaknesses of the model pointed out within the documentation far outweigh the strengths when it comes to

assessing demand for private extra care housing; there is a national recognised shortfall on what is an immature market – therefore any model that bases requirements on current provision is fundamentally flawed.

ii) Three Dragons/Retirement Housing Group

The Retirement Housing Group's (RHG) model and approach, which is recommended in Housing in Later Life, forecasts demand for specialist housing in London. The model is based on the number of older person households and not on the population of older persons. In England, 9.5 per cent of households aged 65+ are in specialist older person's housing, equating to 533,201 households. The equivalent for London is 8.5 per cent.

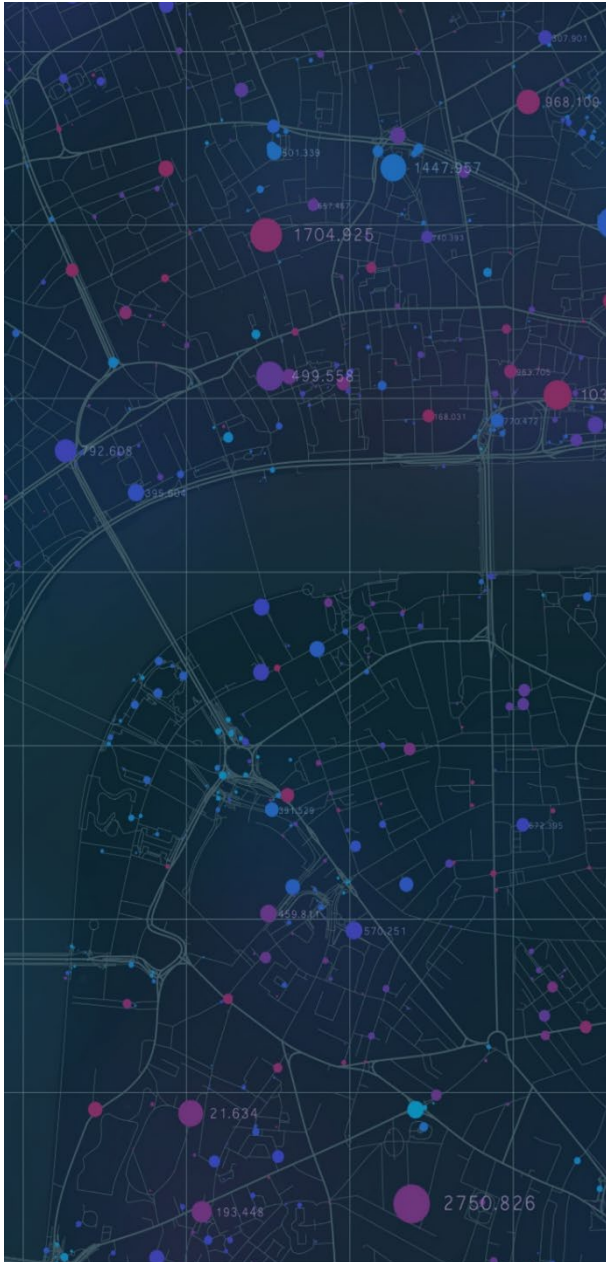
RHG's model is based on the propensity to move and assumes that nationally, 15 to 20 per cent of all person households (age 75+) would live in specialist older person's housing if it were available.

Due to the higher proportion of general needs flats in London, the study uses 15 per cent. Analysis of older person's housing for sale suggests that 18 per cent is acquired by those aged under 75 and therefore assumes that 2.5 per cent of households aged 65 to 75 would also live in specialist older person's housing if it were available:

- *'There is an acute shortage of specialised retirement housing. Out of 515,666 units of sheltered and extra care accommodation in England in 2015, 75% were for social rent with only about 174,000 for owner occupation.*
- *Estimated supply needs to more than double by 2025. At least 11,000 need to be built every year.'*

In its report to the Greater London Authority (GLA) in 2017, Three Dragons expected that around 15 per cent of older households would want retirement housing by 2029, with most demand for privately owned or shared ownership. The point was made that although there are large stocks of affordable rented sheltered housing, much is old and requires updating. Total potential demand is for 4,000 plus units a year of both extra care and sheltered housing.

In our opinion, it is challenging to adopt this model formally, despite its strengths, as there is no publicly available guidance in respect of separating the need for private extra care in a non-London market and drivers of future need are based upon existing provision to some degree.



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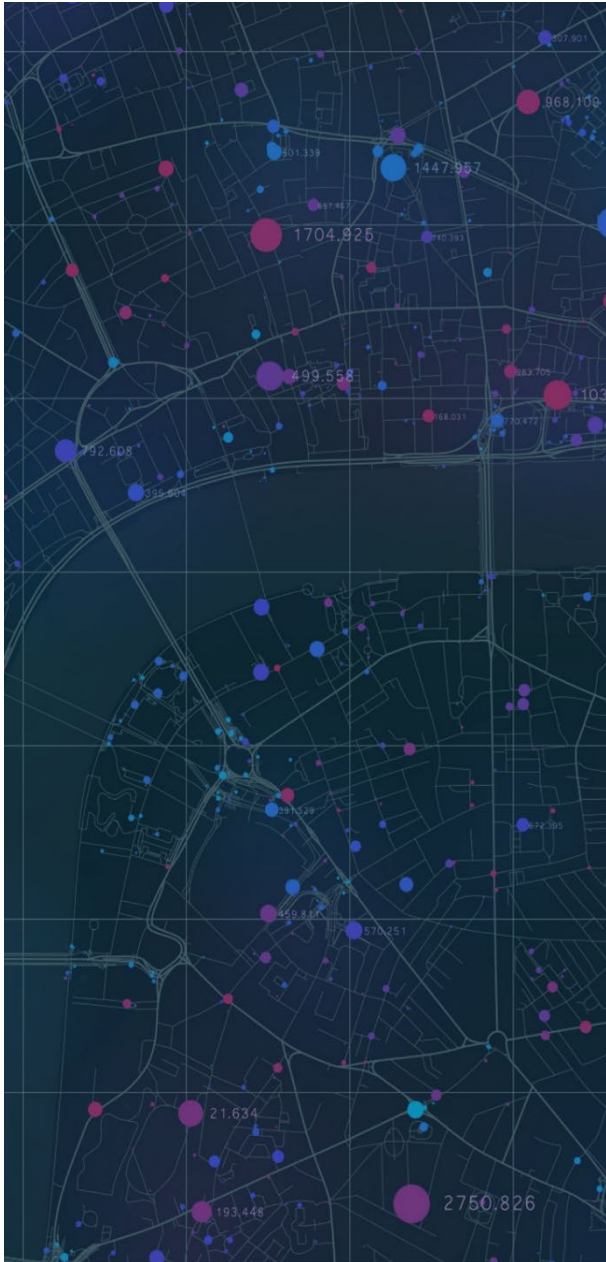
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Appendix

D: Definitions and reservations

Timing of advice

Our work commenced on the date of instruction and the collection and compilation of data and other research contained within our work 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 scope and requirements set out in the engagement letter. 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 these information 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 and may be subject to other variables and factors outside the scope of our report. Any assumptions stated in the report 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 may 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.

We have undertaken certain analytical activities on the underlying data provided by third parties to arrive at the information presented. We cannot and do not accept responsibility for the completeness or accuracy of this underlying data.

Where we have adapted and combined 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 absolute 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.

All advice has been prepared on a 'desktop' basis and where we have prepared advice on a 'headline basis', we have conducted a higher level and less detailed review of the market. If commissioning a Headline Market Analysis report it we recommend commissioning a comprehensive market analysis report before finalising the decision-making process. Where we have provided 'comprehensive' advice, we have used reasonable skill and endeavours in our analysis of primary 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 client and any other persons specifically named in our engagement letter and solely for the purposes stated in the report. The report should not be relied upon by any other person or for any other purposes. The report is given in confidence to the client and any other persons specifically named in our engagement letter and should not be quoted, referred to or shown to any other parties without our prior consent.

The data, information and any conclusions in the report 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. The client should independently verify any data or information in the report which may be relevant to taking a business decision.

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Extraordinary market factors

The trading environment of the care sector in the UK, which impacts upon market conditions, remains in a volatile state. Contributing factors include some ongoing uncertainty around the post-Brexit trading conditions, operating with the legacy and future risks of COVID-19 and the effect of the conflict in Ukraine and the resulting inflationary pressures. Our reports are prepared using high quality data and expert analysis from our experienced team. Any recommendations made are based upon the market and financial climate as at the date of the report, but do not take into account future economic or market fluctuations caused by the events outlined above or other unforeseen events. With this in mind, it may be prudent to review a commissioned report periodically in light of any significant developments that may affect the care sector.

Census 2021

This report contains data relating to the 2021 census for England and Wales. The Scottish census was delayed, with the collection phase taking place between 28 February and 1 June 2022. We will monitor the census data release schedule, reviewing new data as it is released and ensuring the data is embedded into our analysis as quickly as possible

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