RICS Regulated by RICS

improve decision making carterwood

Planning need assessment
Extra care

Site at Epsom Hospital, Dorking Road, Epsom KT18 7EG

Prepared for:
Senior Living Urban (Epsom) Ltd

Carterwood Report – January 2021

Prepared by:
Jessamy Venables, Associate
BSc (Hons) MSc MRICS

- Sector specialism
- Data quality
- Innovation

01454 838038
info@carterwood.co.uk
www.carterwood.co.uk

Contents

EXECUTIVE SUMMARY

T1 Planning need assessment summary

Site	Site at Epsom Hospital, Dorking Road, Epsom KT18 7EG
Proposed scheme	• Development of the site to provide a care community comprising 267 Guild Living Residences, 10 Guild Care Residences and 28 Guild Care Suites, together with associated communal support services and facilities.
Notes	• Need assessment based on market catchment radius of circa 5 miles and circa 3-mile sensitivity catchment. • The subject scheme is not included in our 'planned supply' figures in T3. • The proposed private extra care units are for leasehold sale or market rent.

T2 National and local demand drivers for older people's housing and care

- Significant additional specialist housing for older people is required in the UK now and in the coming years, particularly provision for private sale or market rent, where supply is lower despite high levels of home ownership. National supply of private extra care (the form of housing with care proposed at the subject scheme), provides for just 0.5 per cent of the approximate 5.8m people aged 75+.
- The elderly population (65+) in the 5-mile market catchment is projected to rise by over 39 per cent between 2021 and 2041, with Surrey County Council recognising that extra care supply should be increased to meet need and enable older people to live in their own home for as long as possible, as their care requirements increase.
- Surrey County Council's strategic documents clearly identify an existing and increasing need for extra care in Epsom & Ewell. The Commissioning Statement estimates need for private extra care is 153 units by 2025, increasing to 181 units by 2035.
- Homeowners, comprising over 75 per cent of older person households in the 5-mile market catchment, will not be eligible for 'affordable' extra care schemes and it is therefore critical that additional private supply, both for leasehold sale and for market rent, is made available to meet this need.
- Such developments will promote 'right sizing', release large underoccupied family homes to the market and enable all older people to remain in their local community, where they can readily access social facilities and amenities.
- Our review of the available need methodologies shows a wide variation in suggested need for private extra care in the two assessed market catchments.
- We consider some methodologies use prevalence rates based on historic data, which accentuate existing patterns of older people's housing provision (sheltered and affordable) and place a greater reliance on residential care homes.
- Furthermore, the methodologies generally remain silent on the need for housing with care from those aged between 65 and 74 years, even though need is evident from this age cohort based on the number who live in such care developments due to their ongoing care requirements.
- National Planning Practice Guidance identifies that the need to provide housing for older people is 'critical', given projected increases in the number of older person households and limited existing supply. This reduces the housing options available to older people and the opportunity for them to derive the health and wellbeing benefits linked to specialist housing.
- Extra care seeks to address this need by offering a unique combination of independence and security of lifestyle within a socially active and supportive care community.

T3 Need analysis (2024) for private extra care

Catchment	Market catchment (circa 5-mile)	Market sensitivity (circa 3-mile)
Need		
Total 75+ population	40,606	15,549
Estimated need for private extra care (4.0%)	1,624	622
Supply		
Current supply of private extra care	91	36
Planned supply by operational year	474	123
Total supply (units)	565	159
Net need		
Private extra care need (units)	1,059	463

For assumptions see T30 on page 45.

T4 Need summary

- Our assessment of need for private extra care (assuming 4 per cent of population aged 75+) concludes that there is shortfall of 1,059 units in the 5-mile market catchment and 463 units in the 3-mile market sensitivity catchment, as at 2024, the earliest the proposed care community could be made available.
- We have not made any allowance for the obsolescence of existing, outdated stock.
- The prevalence rates we have adopted, in our opinion, most closely accord with the requirements outlined in government literature and studies citing the importance of additional private extra care (Section 10), where existing availability is lower, despite high levels of elderly home ownership (Section 16).
- By 2031, shortfalls are expected to be 1,245 and 530 private extra care units, rising to 1,668 and 675 units by 2041 in the 5-mile market catchment and the 3-mile market sensitivity catchment respectively, on the basis that prevalence rates and existing provision remain unchanged and all currently planned (granted and pending) provision is developed.
- Existing provision in the 5-mile catchment area in T3 above comprises four schemes with a total of 91 private extra care units, which we include in our analysis (see Section 18 for details).
- The proposed care community is specifically designed for older people with increasing care needs, to provide a welcoming environment with associated community facilities and to enable residents to maintain their independence for as long as possible.
- By operating on a leasehold sale and private rental basis, the proposed scheme will allow elderly people to move more readily into the scheme if it becomes more difficult to live in their existing home independently.
- We consider there is a significant and growing need for additional private extra care within both the 5-mile market and the more local 3-mile market sensitivity catchment, and the proposed care community seeks to address this need.

BACKGROUND & THE PROPOSAL

1. Introduction

1.1. Carterwood Chartered Surveyors has been commissioned to prepare a need assessment, on behalf of Senior Living Urban (Epsom) Ltd, in relation to the proposed development comprising 305 units of care accommodation with associated communal facilities at the site at Epsom Hospital, Dorking Road, Epsom KT18 7EG.

1.2. This planning need assessment is for the private extra care proposed at the scheme, which is intended to comprise 305 extra care apartments. These, we understand, would comprise 267 Guild Living Residences (for leasehold sale or market rent), 10 Guild Care Residences (for market rent) and 28 Guild Care Suites to provide transitional care (for market rent), with integrated 24-hour personal or nursing care to service residents' care needs available on site.

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

Limitations to advice

1.4. With the ongoing presence of COVID-19 and the exit of the UK from the European Union (Brexit), we are in a highly volatile market. 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 activity. While the UK and the European Union have agreed a trade deal, it may be prudent to review a commissioned report once the impact has fully emerged, especially given the ongoing economic impact of the COVID-19 pandemic.

T5 Instruction summary

Purpose of advice	Planning need assessment for private extra care
Terms of engagement	22 December 2020
Planning research	8 January 2021
Report date	19 January 2021
Prepared by	Jessamy Venables BSc (Hons) MSc MRICS and reviewed by Peter Nurse BSc (Hons) MRICS.

2. Carterwood

2.1. Carterwood provides advice across the care sector to a range of operators, developers and other stakeholders.

2.2. Examples of private sector clients who regularly commission need assessments or site feasibility studies include:

- Porthaven Care Homes
- Gracewell Healthcare
- Hallmark Healthcare
- Care UK
- Caring Homes
- Signature Senior Lifestyle
- Barchester Healthcare
- Octopus Healthcare
- Retirement Villages
- LNT Care Developments
- Richmond Villages
- Audley Court Limited

2.3. Similarly, examples of Carterwood clients in the not-for-profit sector include:

- Anchor Hanover
- The Royal British Legion
- The ExtraCare Charitable Trust
- Leonard Cheshire Disability
- Sanctuary Care
- Brendoncare
- Care South
- Healthcare Management Trust
- Greensleeves Homes Trust
- The Orders of St John Care Trust

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 2,000 sites since 2008, with the majority located in the South East of England, for a range of providers across a range of scheme types and care categories.

3. Description of proposal

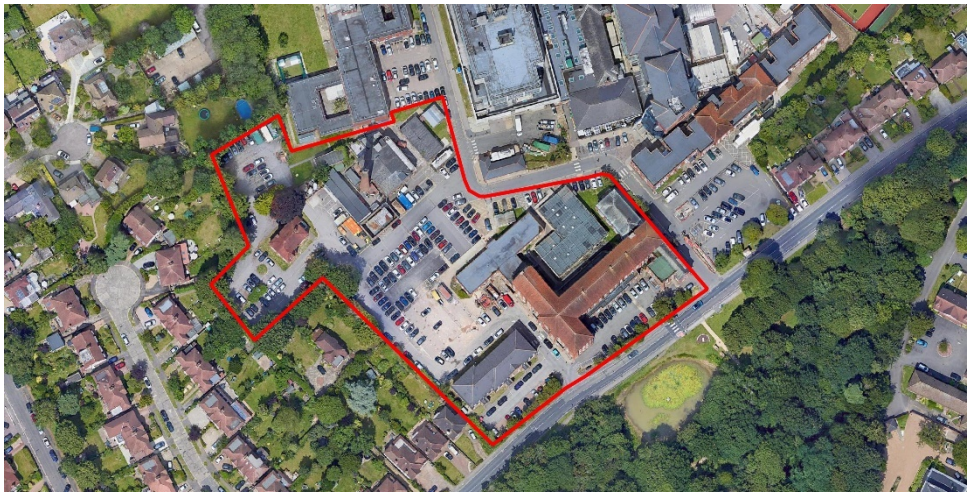

Figure 1: Aerial map showing the proposed site, for identification purposes only

3.1. The proposed development will comprise a care community with private extra care apartments (for leasehold sale or market rent) together with communal care and wellbeing facilities and associated support services. Keyworker accommodation and a children's day nursery will also be provided on site; however, the need for this provision is not included within our report.

3.2. The proposed 305 private extra care apartments comprise 267 'Guild Living Residences', 10 'Guild Care Residences' and 28 'Guild Care Suites' with integrated CQC registered domiciliary care support services available to those occupying the extra care apartments.

3.3. Communal care and wellbeing facilities will include a restaurant, café/bar, wellness centre, gym, library, salon, therapy room, hydrotherapy pool and treatment rooms. It is intended that the restaurant, café and bar will be open to the local public on a restricted basis.

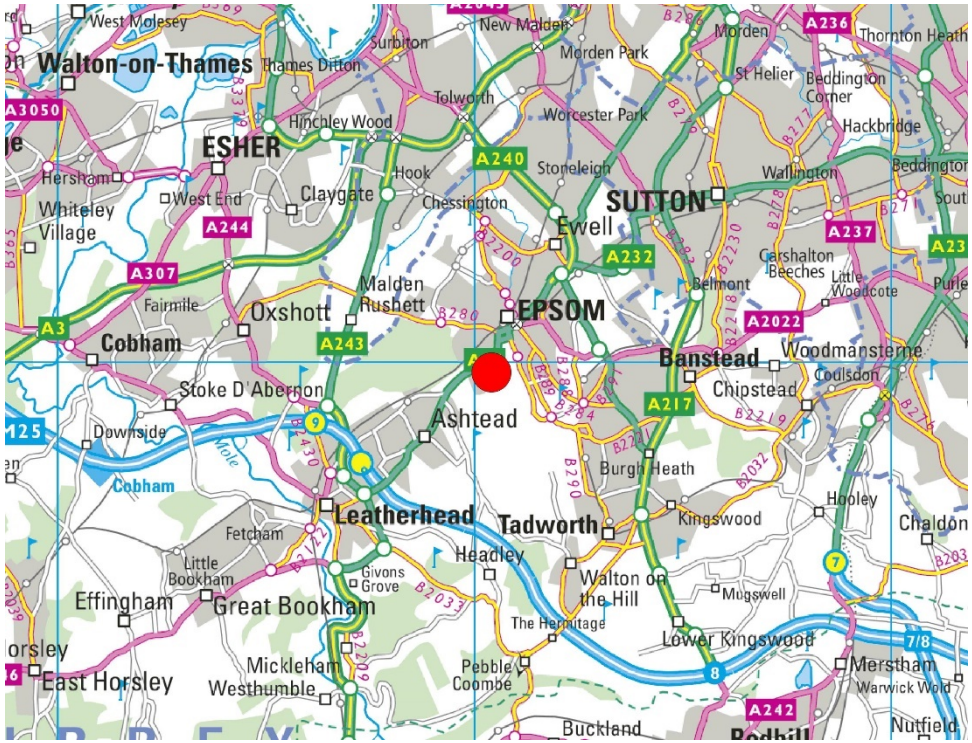

Figure 2: Location map of the subject site

3.4. The community will provide opportunities for social interaction within a welcoming environment where, importantly, residents will be able to access support and care from the on-site care team. As individual care and support needs increase, residents will be able to receive the level of support and care they require, administered easily within their own home.

3.5. Further details in respect of the proposal can be found in the planning statement that accompanied the application.

4. The proposed scheme – position on the care spectrum

4.1. We have compared the private extra care accommodation within the proposed care community against other forms of care and accommodation in respect of care provided, cost of care, accommodation type and regulation. Table T6, below, shows the range of options available within this "spectrum of care".

4.2. Increasingly, prospective service users do not make a decision to move into a care home until later in life. Due to the increasing requirements placed upon the NHS and hospital beds, as well as the introduction of delayed-discharge legislation, which imposes fines for "blocked beds" upon local authorities, hospital stays are increasingly shorter and a stay in a care home servicing this higher level of dependency may be the only short-term option.

4.3. This has presented additional opportunities for the development of alternatives that fall between traditional sheltered housing and care homes. These are referred to by a number of terms, which we have defined as “extra care” generically in this report, but also can refer to other housing labels, such as assisted living. All 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. A substantial 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 co-exist, sometimes with considerable overlapping.

Key findings – proposed scheme – position in the care spectrum

- The proposed care community will cater to older people, initially with lower dependency needs, with the provision of care that is flexible and adaptable as required, with support being available 24 hours a day, should this become necessary. The extra care units and amenities within the proposed community create an environment to enable people with care needs to maintain their independence for as long as possible.
- We consider, given the proposed private leasehold or market rental tenure, the scheme will appeal to a broad client base and be attractive to those who would otherwise remain in their own, under-occupied homes or be cared for in lower dependency level care homes. The community-based scheme will enable elderly people to downsize from their existing homes, and move to a vibrant, welcoming environment while remaining close to family and friends.

4.5. 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 occupancy or at some future point in time, require a care home placement.

T6 Elderly care spectrum

Accommodation	Standard housing	Sheltered housing	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 style	House, cottage, flat, bungalow, suite, apartment			Bedroom, suite		Bedroom
CQC regulation	Regulated only if care provided			Highly regulated – all care and accommodation		
Proposed community		Requirements met in the proposed extra care scheme				

NATIONAL CONTEXT AND KEY DEFINITIONS

5. UK elderly population trends & market size

Population

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

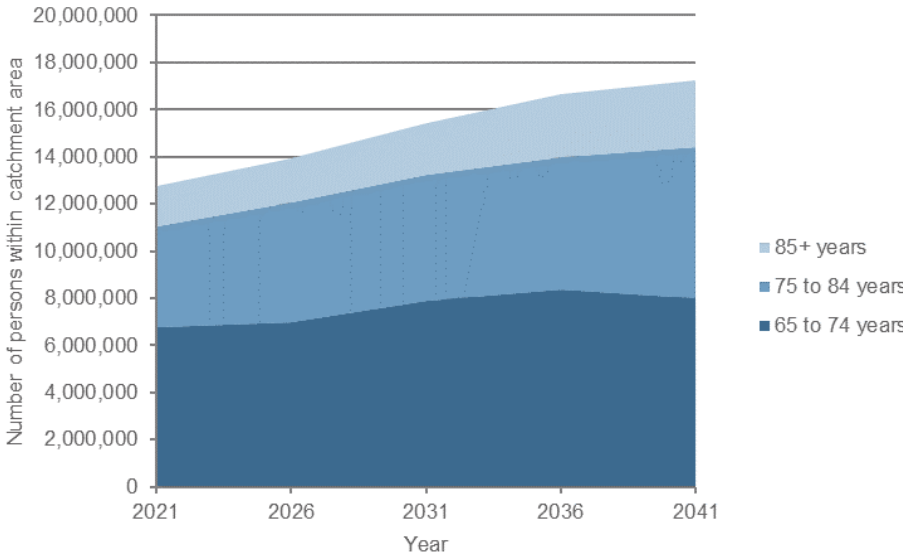

Figure 3: UK population growth 2021 to 2041

Source: 2011 Census, government population projections.

5.2. LaingBuisson's *Care Homes for Older People UK Market Report (30th edition)* states that the percentage of the UK population over the age of 85 is projected to multiply more than five times, from 1.68 million in 2020 (2.4 per cent of the population) to c.8.49 million in 2111 (10.0 per cent of the population), while the 75-to 84-year-old segment will rise from 4.167 million in 2020 (6.3 per cent of the population) to 7.9 million in 2111 (9.3 per cent of the population).

Home ownership

5.3. The levels of home ownership amongst the elderly are very high nationally, as illustrated by the data from the 2011 census, below.

T7 Household ownership (2011) where HRP is aged 65+ years or older

Tenure	UK`	
	No.	%
Owner occupied: owns outright	8,093,442	30.6
Owner occupied: owns with a mortgage/loan	8,691,561	32.9
Owner occupied: shared ownership	192,648	0.7
Rented from: council (local authority)	2,601,715	9.8
Rented from: registered social landlord	2,198,050	8.3
Rented from: private landlord / letting agency	3,925,141	14.8
Rented from: other	375,945	1.4
Living rent free	363,594	1.4
All households*	26,442,096	100.0

Source: 2011 Census, government population projections.

5.4. Home ownership levels of the aged are very important for the analysis of private extra care accommodation, as those property occupiers who own their own home will not be able to access RSL support through affordable rental options and instead will need to access alternatives that are available for private leasehold or market rental.

5.5. Home ownership levels vary considerably across the UK and higher levels are generally found in areas of increased affluence and vice versa. The table above shows the national average for home ownership where the 'household reference person' is aged 65 years and older is 30.6 per cent owner occupied and 32.9 per cent, owner occupied with a mortgage or loan.

6. Definition of extra care

6.1. Accommodation for older people has traditionally been limited to three options:

A. Remaining in the family home;
B. Moving into sheltered housing accommodation;
C. Moving into a residential care environment.

6.2. Extra care accommodation has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence.

6.3. As the supply of extra care has expanded, so has the number of models and designs, making it difficult to define this form of accommodation. However, the Department of Health (DoH) has identified three common features. These are as follows:

A. It is first and foremost a type of residential accommodation. It is a person's own home. It is not a care home or a hospital and this is reflected in the nature of its occupancy through ownership, whether it be lease or tenancy.
B. It is accommodation that has been specifically designed, built or adapted to facilitate the care and support needs of its owners or tenants.
C. Access to care and support is available 24 hours per day.

6.4. Extra care schemes, providing 24-hour on-site care and support, typically fall within Class C2 ("residential institution") of The Town and Country Planning (Use Classes) Order 1987 because they provide both accommodation and care/support on a 24-hour/day basis.

6.5. However, there is no statutory definition, which often leads to ambiguity for key stakeholders, including planners, residents and social services departments. Extra care can mean different things to different people and different stakeholders.

Extra care models

6.6. Extra care (often used as a generic term) is frequently referred to as a concept rather than a type of accommodation and the term covers a range of different accommodation models.

6.7. Extra care housing is referred to by various names, again depending upon whether the accommodation is operated by a provider/developer or social services. Current terms used include independent living, extra care, very sheltered housing, assisted living, category 2.5 accommodation and close care.

6.8. The accommodation options offered range from flats or housing to a small village model. The accommodation provided is available on a variety of tenures – shared ownership, long leasehold and rent (social and private/market).

6.9. Central to the philosophy of extra care is that it should provide a 'home for life'. The accommodation element of the scheme is not registered by the CQC. The care required by the residents will be provided either by an in-house or external domiciliary care agency, which is regulated by the CQC.

6.10. The Elderly Accommodation Counsel (EAC) provide a set of definitions of the types of elderly specialist housing as follows:

- Age exclusive housing is designed, built and let/sold exclusively to older people (typically 50+ or 55+), but without supportive on-site management and usually without any shared facilities except perhaps a garden.
- Sheltered housing (also known as retirement housing) is mainly for rent and let through local councils or housing associations, usually for people on low income. Sheltered housing is also available to lease or buy from private providers, including housing associations.
- Enhanced sheltered housing has additional services in situ to enable older people to retain their independence for as long as possible. Mostly for renting, but also leasehold or purchase.
- Extra care (also known as assisted living) schemes are designed for independent living with a service to provide personal or nursing care on site 24/7. Typically for renting by RSLs (affordable rent), but also increasing for leasing, purchase and market rent.

6.11. Within the wider definition of 'housing with care' a form of older people's housing exists called 'enhanced sheltered housing'. This is in response to a few hybrid schemes that have been developed over the years that seek to provide some form of on-site facilities/amenities and/or some form of additional support packages to scheme residents, but do not meet the full definition of extra care housing. We have included this element of specialist retirement housing within our global 'extra care' definition as many schemes that meet the requirements of 'extra care' are labelled as 'enhanced sheltered' in the EAC data and vice versa.

6.12. It is important to remember that there is NO statutory definition and these 'labels' are applied to schemes without any regulatory rigour or set of standards. We are aware, for example, that schemes by the same operator providing the same

services are coded as either 'enhanced sheltered housing' or 'extra care' within their portfolio in the EAC housing directory.

6.13. In addition to these definitions are further sub-definitions of specialist older people's housing, also referenced in the EAC directory, as follows:

- Close care – elderly people's accommodation linked to a registered care home;
- Care village/CCRC (continuing care retirement community) – large schemes offering an extended range of services for older people; often providing a range of accommodation types and with many including a registered care home on the site (although this is not compulsory).

6.14. For the avoidance of doubt, if a scheme were to be referred to as a 'care village' this does not mean that it can no longer considered to be extra care or assisted living, but that it can ALSO be categorised as a care village.

6.15. The lack of a statutory definition is one of the main reasons for confusion in this sector by social services, planners, residents and policy makers alike.

6.16. The proposed scheme meets several of the various definitions of specialist housing for older people, and for ease and consistency, we have used the term 'extra care' throughout this report, whilst not disregarding the comments and observations above. We also use the terms 'housing with care' and 'extra care/enhanced sheltered housing' where appropriate, for context. We have assumed that the terms utilised by our client, 'living residences' and 'care residences' in the proposed scheme can be used interchangeably with extra care as they meet the same criteria definition and only differ in the subject scheme by individual unit size and target market dependency levels.

Key findings – extra care definition

- There is no statutory definition of extra care, which often leads to ambiguity for key stakeholders, including planners, potential or existing residents, and social services departments.
- For the avoidance of doubt, we have included extra care and enhanced sheltered housing within our definition of 'extra care' in our need assessment, having regard to the EAC database. Existing provision in the market catchment comprises one private extra care scheme and three enhanced sheltered housing developments.
- The proposed scheme will provide accommodation with care and we have therefore used the term 'extra care' throughout this report, whilst not disregarding our comments and observations regarding the various forms of specialist housing. We also use the terms 'housing with care' and 'extra care/enhanced sheltered housing' where appropriate for context.

National provision of private extra care

6.17. Determining the size of the extra care market is dependent on the definition of 'extra care', as discussed above. We have utilised our dataset, which is sourced from the EAC and updated to include our own research.

6.18. In T8, below, we have analysed the total market supply of private specialist older people's housing and classed such accommodation either as 'with care/support' or 'without care/support'. 'Extra care' and 'enhanced sheltered housing' are included within our definition of 'with care/support'.

T8 Private specialist older people's housing supply (UK)

Scheme type	Total schemes	Private units for sale or rent	% of private units
Without care/support			
Age exclusive	970	19,598	10.8
Sheltered	3,584	132,881	73.2
Sub-total	4,554	152,479	84.0
With care/support			
Enhanced sheltered	307	13,167	7.3
Extra care	316	15,815	8.7
Sub-total	623	28,982	16.0
All schemes			
Total	5,177	181,461	100.0

6.19. The vast majority of existing private specialist accommodation in the UK comprises 'sheltered housing', with just 16.0 per cent of total stock meeting our definition of extra care, where care/support is available on site, amounting to 28,982 units. Extra care has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence. With approximately 12.5m people over the age of 65 years and approximately 5.8m people aged over 75 years, this equates to a supply of private extra care for only 0.23 per cent and 0.5 per cent of these age cohorts, respectively.

6.20. T9 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 1080s. The majority of development at that time comprised age exclusive and sheltered housing which does not incorporate any care provision on site.

T9 Private specialist older people's housing by year of development (UK)

Year of development	Total schemes	Private units for sale or rent	% of private units
Unknown	450	9,273	5.1
Prior to 1970	167	3,024	1.7
1970s	57	1,354	0.7
1980s	1,728	61,661	34.0
1990s	814	28,012	15.4
2000s	900	35,330	19.5
2010s	1,061	42,807	23.6
Total	5,177	181,461	100.0

Typical extra care resident profile

6.21. There is a strong wish amongst elderly Britons to remain independent for as long as possible. Extra 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 increasing available and sought after option as they enable potential residents to move into a scheme and experience living there before they decide whether to sell their own home.

6.22. The decision to move into retirement housing is often strongly influenced by immediate relatives. The more confused the elderly person, the more this applies. Aspects such as accessibility and convenience for visiting relatives play a major role. Elderly people generally seek to move to care facilities either close to their own homes or close to relatives' homes. Sometimes, therefore, this may involve the resident moving away from his or her own area.

6.23. In operational extra care developments of which we are aware, the residents typically range in age between 70 and 90 years, with an average resident age of around 80 years. Interestingly, this is similar to the age profile of a registered care home; however; care homes now tend to cater to residents with much higher dependency levels, such as complex dementia or 24-hour nursing care.

6.24. 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 market impact

6.25. The coronavirus has made a significant impact on the social care sector and wider national and international markets. At this stage, it is impossible to predict the eventual impact and outcome on the retirement housing and extra care sector.

6.26. Any local market assessment should be based upon a detailed local level investigation into the specific schemes in the area to ascertain its true impact. It is a binary equation and schemes will either be affected or not and therefore any impact will be localised to the individual scheme level. It is totally inappropriate to contact local schemes for such a purpose at this time.

6.27. Our view overall, is that retirement housing and extra care/retirement community developments provide the ideal compromise between traditional housing and a care home for looking after the very elderly. Traditional housing is not preferable for the lonely and/or isolated elderly with little or no community support and protection. Care homes have been adversely affected by the current pandemic (although have very unfairly been portrayed by the press, given they cater for the frailest 3 percent of elderly people in the country).

6.28. Care communities 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.

6.29. Since the outbreak of COVID-19, we consider that local authorities and social services teams should be looking at their policies and expanding any previous estimate prepared for need for this type of accommodation rather than reducing or maintaining supply at pre-COVID-19 levels.

Key findings – UK market trends

- The elderly UK demographic is set to grow dramatically in the coming years, and will continue to drive demand for both non-residential care, such as extra care schemes, and other specialist accommodation options, as well as care home beds.
- The vast majority of existing private specialist accommodation in the UK comprises 'sheltered housing', with just 16.0 per cent of total stock meeting our definition of extra care, where care/support is available on site, amounting to 28,982 units.
- Extra care has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence. With approximately 12.5m people over the age of 65 years and approximately 5.8m people aged over 75 years, this equates to a supply of private extra care for only 0.23 per cent and 0.5 per cent of these age cohorts, respectively.
- Home ownership levels of older people are very important in the analysis of private extra care as those that own their own home will not be eligible for Registered Social Landlord affordable rental options. Instead, they will need to access private leasehold sale or market rent alternatives.
- COVID-19 has had a significant impact on the social care sector. At this stage, it is impossible to predict the eventual outcome; however, in our opinion, extra care allows residents to self-isolate effectively within their own homes where, crucially, they can also receive trained on-site care and support, if required. This not only means they will be cared for, but also that debilitating damage caused by loneliness and social isolation is mitigated.

COMMISSIONING REVIEW

7. Commissioning

7.1. We have conducted a full review of the following documentation:

- *Commissioning Statement: Accommodation with care, residential and nursing care for older people – Epsom & Ewell Borough April 2019 onwards*. Surrey County Council;
- *Extra Care Housing Market Position Statement September 2014–August 2015*. Surrey County Council;
- *Strategic Housing Market Assessment for Kingston upon Thames and North East Surrey Authorities.* June 2016;
- *Surrey Joint Strategic Needs Assessment – (Multiple Morbidities and Frailty)* (continuously updated);
- *Accommodation with Care and Support Strategy.* Surrey County Council (website);
- *Surrey Health and Wellbeing Strategy (2019).* The Surrey Health and Wellbeing Board.

7.2. We have provided, verbatim, relevant extracts of the documents in relation to elderly care below, together with our conclusions.

Accommodation with care, residential and nursing care for older people – Epsom & Ewell Borough April 2019 onwards

7.3. *'Surrey County Council's Accommodation with Care & Support Strategy sets out the overarching approach for all accommodation based services we commission and provide for residents of Surrey, for the next 20 years'* (page 2).

7.4. *'It is an ambitious programme for a more diverse range of accommodation with care options for people with a range of disabilities and needs, with the aim to maximise independence, choice and control. It will allow people, regardless of their financial circumstances, to access settings where the built environment and onsite support can address their current and future needs, and this will reduce the risk of having to access more restrictive environments as a result of crisis'* (page 2).

7.5. *'In order to provide guidance to existing providers of care and support, prospective developers and the planning authority in the Epsom & Ewell Borough Council area, extra care as an accommodation with care model will be defined, while future demand calculations for it and care home settings will be set out'* (page 2).

7.6. *'"Extra care" is an umbrella term – while it is commonly used as a description for rental settings focusing on supporting people receiving publicly funded housing and support, "assisted living", "retirement village" and "continuing care retirement community" are regularly used as terms, alongside others, by operators of settings whose residents are privately funded'* (page 4).

7.7. *'Of the specialised housing options, Extra care is regarded by Surrey County Council as being in greatest shortage. The Accommodation with Care & Support Strategy aims to address this shortage, because the increasing availability of attractive extra care options will reduce the likelihood of older people moving directly into a care home as their care needs increase. This is because extra care gives older people the opportunity to live in settings which are designed with increasing needs in mind, with shared facilities which encourage community living, and with care and support readily available should they need it'* (page 4).

'The accessibility and location of extra care settings

7.8. *'As stated by the DWELL research project "The preventative agenda often associated with extra-care housing requires a focus on 'HAPPI'* [Housing our Ageing Population Panel for Innovation] *design quality principles (attractive, accessible, good daylighting + thermal comfort) and links to local infrastructure (facilities, services + social opportunities)'* (page 6).

'Accessibility

7.9. *'Development proposals for extra care should clearly demonstrate how HAPPI quality principles have been used in the design of buildings and their environments. Alongside this, given the range of care and support needs that need to be accommodated on extra care sites, proposals should also be clearly accessible to wheelchair users, meeting the Building Regulations Part M, category 3 accessibility standard'* (page 6).

7.10. *'The level of accessibility should be evident throughout the extra care setting – both with regard to internal and external areas on the site. In addition, as any extra care setting should meet a variety of needs it should evidence how people living at the extra care setting will:*

- *'Be able to access local facilities through a choice of accessible transport options*
- *Not face any barriers to leaving the setting or returning to it (e.g. settings located on a hill or other gradients which automatically present challenges for people who have difficulties walking or who use wheelchairs)'* (page 6).

'Proximity to local facilities

7.11. *'The recently updated guidance on Housing for Older and Disabled People from the Ministry of Housing Communities & Local Government [https://www.gov.uk/guidance/housing-for-older-and-disabled-people#specialist-housing-for-older-people] stresses that the location of specialist housing is very important for older people when downsizing or moving into more supportive environments, and extra care is no exception to this rule:*

'The location of housing is a key consideration for older people who may be considering whether to move (including moving to more suitable forms of accommodation). Factors to consider include the proximity of sites to good public transport, local amenities, health services and town centres' (page 7).

7.12. *'Within any extra care planning application it should therefore be evident that the setting will not only enable people to create a new community with their new neighbours on-site, but that the setting is sympathetic and supportive of people maintaining their links with the wider community'* (page 7).

'Defining the demand for extra care in the Epsom & Ewell Borough Council Area

7.13. *'Future extra care demand for the Epsom & Ewell Borough Council area has been calculated with regard to the nationally recognised methodology of the Housing LIN, which states that: "demand for extra care is likely to be required at 25 units per 1,000 population aged 75 plus […]. The desired tenure mix will vary according to local and market factors" '* (page 8).

7.14. *'Based on information available as at 1 April 2019* [via www.poppi.org.uk]*, future demand for extra care is set out below for 2025 and 2035:*

	2025				2035			
Area	75+ population projection	Total demand	Rental unit demand	Leasehold unit demand	75+ population projection	Total demand	Rental unit demand	Leasehold unit demand
Epsom & Ewell	8,400	210	57	153	9,900	248	67	181

Figure 4: Future demand for extra care within Epsom & Ewell between 2025 and 2035

7.15. *'These future figures reflect the fact that, as at 1 April 2019, there were no extra care facilities operating within the Borough Council area'* (page 8).

7.16. *Surrey County Council's Accommodation with Care Strategy is highly ambitious in shifting away from residential and nursing care being the default models of care beyond mainstream housing and so, in these calculations, the rental figures should be regarded as minimal targets to be achieved. While Surrey County Council will be actively engaging with providers to achieve these targets, it would welcome any approach by developers interested in contributing to the rental target in their site tenure mixes*' (page 8).

Extra Care Housing Market Position Statement September 2014–August 2015

'Extra care housing – what is the purpose?

7.17. *'The primary purpose of Extra Care housing should be to enable people who have care and support needs to remain living in their own homes. This is achieved by the delivery of flexible care and support based on individual need, which can be increased or decreased as required. The building and the services provided within should be designed with "smart" technology to encourage independent living for people with physical disabilities or cognitive disabilities. Extra Care housing can also be an option to support residents who may develop dementia or who may have lifelong disabilities or cognitive impairments. There should be no difference to living in the wider community. Extra Care housing can also support people to meet needs at end of life at home if that is their choice'* (page 2).

'The value of extra care housing

7.18. *'Surrey County Council recognises that public and private developments of Extra Care housing (also known as Assisted Living Developments in the private market), are a popular form of accommodation for Older People wishing to remain within their own home, with appropriate care and support services available should they need it.'*

7.19. *'In Surrey, it has long been recognised that high quality accommodation like this plays a key part in preventing older people from needing more intensive care services. Enabling people to remain in their own homes for as long as possible has been a key driver behind much of Surrey County Council Adult Social Care policy in recent years, and as such the provision of Extra Care housing is seen as a real asset towards achieving this goal'* (page 2).

'Future opportunities for extra care housing

7.20. *'Whilst publicly funded Extra Care housing developments focus primarily on older people who are on Borough and District Housing Registers, we are aware that*

Borough and District planners are currently receiving new applications for a range of specialist housing facilities for private rent or purchase, in particular for "extra care-type" developments which, in some cases, include a nursing home on-site. It is clear from this that Surrey is favoured as a target area for Extra Care & Supported Housing providers, who recognise the relatively high levels of housing equity held by older people in the county.'

7.21. *'Although our knowledge of how this aspect of the market operates is currently very limited, we will support any partnership work with Borough & District Councils to develop both publicly and privately-funded Extra Care housing, which respond to local need and which meet the wishes and aspirations of residents in a planned, flexible and personalised way. To this effect, Surrey County Council will promote the development of Extra Care housing that:*

- *'Provides self-contained accommodation to older people in housing need.*
- *Promotes independence and social inclusion.*
- *Works alongside other services to meet an individual's needs.*
- *Has the infrastructure to deliver both care and support in a planned, person centred way*
- *Makes greater use of Personal Budgets'* (page 3).

'Our commissioning intentions

- *'For our funded extra care schemes, ensure that the model of care and support delivers person-centred care and which enables residents to exercise choice and control*
- *Build our market intelligence regarding Extra Care & Supported Housing in Surrey, especially with regard to facilities focused on self-funders, and recognise and share best practice in both care and support delivery and housing design*
- *Work together with Borough & District Councils in understanding the long term benefits of Extra Care & Supported housing provision, and to maximise the utility of existing and future Extra Care housing schemes*
- *Support Borough & District Councils in seeking opportunities for the development of Extra Care housing schemes locally according to locality intelligence'* (page 4).

Strategic Housing Market Assessment (HMA) for Kingston upon Thames and North East Surrey Authorities – June 2016

'Older people

7.22. *'As a proportion of the overall population, the percentage of those aged 65 or over is forecast to increase by 4–7 percentage points by 2037 across the HMA. This represents a 75% increase on current numbers of households with older people in them'* (page 165).

7.23. *'There is forecast to be 28,000 people aged over 85 in the HMA, an increase of 133% on current numbers'* (page 165).

7.24. *'70% of single older people and 84% of older couples own their own homes outright, implying there is considerable equity available to meet housing needs. However 26% of single older people and 9% of older couples are in the social or private rented sectors and will not have these assets'* (page 165).

7.25. *'Older people tend to under-occupy housing, implying that if they downsize this would free up more family-sized accommodation in all sectors'* (page 165).

7.26. *'Across the HMA there is a surplus of sheltered accommodation (particularly in the social sector), but a deficit of enhanced sheltered and extra care. However, to ensure future demand is met, 235 additional units per annum of all types of specialist accommodation will be required until 2035. This requirement is within the OAN [objectively assessed need], not in addition to it'* (page 165).

7.27. *'In terms of tenure, across all types of specialist accommodation, an increase in the proportion of leasehold or owned accommodation is forecast. However, in spite of the relative affluence of older people in the HMA, it will be important to ensure that developments remain within reach of those on lower incomes, or with less equity'* (page 165).

'Supply and demand for older persons' housing

7.28. *'When looking at supply of (and demand for) specialist accommodation for older people, this SHMA restricts itself to the forms of accommodation that would be normally termed "housing", including sheltered, enhanced sheltered, and extra care. It therefore excludes accommodation that primarily caters for those with care, nursing and medical needs – residential and nursing care. It is noted however that the need for residential care may be reduced if there is provision of appropriate "extra care" sheltered housing'* (page 173).

7.29. *'Stakeholders particularly noted the value of extra care as an alternative to care homes and suggested that planners need to be aware of the needs of all types of older people in new developments, not just those looking to downsize. This was linked to local authority responsibilities under the Care Act 2014, to provide a range of accommodation to help people remain independent for longer, and the consequent need for good liaison between planners and health/social care departments to deliver this alongside bricks and mortar accommodation'* (page 173).

7.30. *'Estimating supply is not a very precise science, particularly because of the move away from standard "sheltered" schemes to more flexible and integrated housing and support options, as well as the development of extra care schemes that blur the boundaries between housing and care-based accommodation. There is no official data that summarises either social or private sector supply. The best source of data is the Elderly Accommodation Counsel (EAC) statistical base. The associated SHOP (Strategic Housing for Older People Analysis Tool) modelling tool also summarises supply. The other source of supply and demand data for London authorities only is the GLA-commissioned study to update earlier estimates of housing demand and supply for older persons, following the availability of Census data'* (page 173)

7.31. *'These figures also need to be seen in the context of likely future demand for older people's accommodation. The SHOP toolkit does not give net annual demand, but takes a "snapshot" based on 2014 patterns, and then estimates of future requirements. It forecasts that by 2035 overall demand will have increased by between 67% (Elmbridge) and 80% (Kingston), with an average increase of 73% across the HMA'* (page 175).

7.32. *'In terms of how this breaks down, Table [T10] extrapolates from the SHOP data likely additional requirements by 2035, by type of accommodation and local authority, and further breaks this down into annual additional requirements to meet future need, based on the SHOP assumptions'* (page 176).

7.33. *'More generally, the SHOP toolkit offers guidance on how authorities can plan for the market split between different types of accommodation. Although a date is not set, based on principles described in Housing in later life: planning ahead for specialist housing for older people, a national model of moving from 75%/25% leased to 33% rented/67% leased over time is proposed'* (page 176).

7.34. *'This is nuanced by the degree of affluence or deprivation in a particular area. We suggest that all the SHMA authorities fall into the "affluent" or "very affluent". However, although stakeholders commented on the "mismatch" in provision (that is, most sheltered housing is in the social sector, but most demand is from the owner-occupier sector), they also noted that the private market is increasingly skewed towards the more expensive end, and developments are often out of reach for people with lower levels of equity or income'* (page 176).

T10 SHOP annual demand forecast

	Sheltered housing for rent	Sheltered for lease/ ownership	Enhanced sheltered	Extra care	Additional units 2015–2035	Annual additional units
Elmbridge	624	351	156	195	1,326	66
Epsom & Ewell	259	329	94	118	800	40
Kingston	829	220	168	209	1,426	71
Mole Valley	552	298	136	170	1,156	58

Source: Housing LIN SHOP toolkit

7.35. *'In this context, some authorities (for example Elmbridge) have commented on the relative abundance of rented sheltered, but that there is scope for additional leasehold/sales provision. And as noted in the preceding paragraphs, the prevalence of owner occupiers likely to have available equity also indicates the scope for moving more towards leasehold provision, while maintaining an affordable rented sector for those in need of elderly-specific accommodation, but unable to afford it directly'* (page 177).

Surrey Joint Strategic Needs Assessment – Multiple Morbidities and Frailty

7.36. *'The availability of Extra Care apartments has been recommended at a ratio of 25 per 1000 people, and yet the national average remains a disappointing 11. In Surrey, we have on average 7 Extra Care apartments per 1000 people over the age of 75 (820), of which nearly 70% are funded by SCC. Geographical distribution is highly variable, with rates as high as 14 apartments per 1000 people over 75 in Guildford and as low as 5 apartments per 1000 people in Waverley.'*

7.37. *'Evaluations in Surrey show that Extra Care can provide an appropriate alternative for people with complex medical and social needs, the socially isolated and people with unsuitable (or no) accommodation. Cost comparisons of Extra Care in Surrey also demonstrate potential gross savings from reduced ongoing care package costs, residential placements and unplanned admissions to hospital.'*

7.38. *This can be seen for cases A to V in the graph displayed* [Figure 5]. *There is demonstrable need for more Extra Care apartments with a more equal distribution across Surrey.*

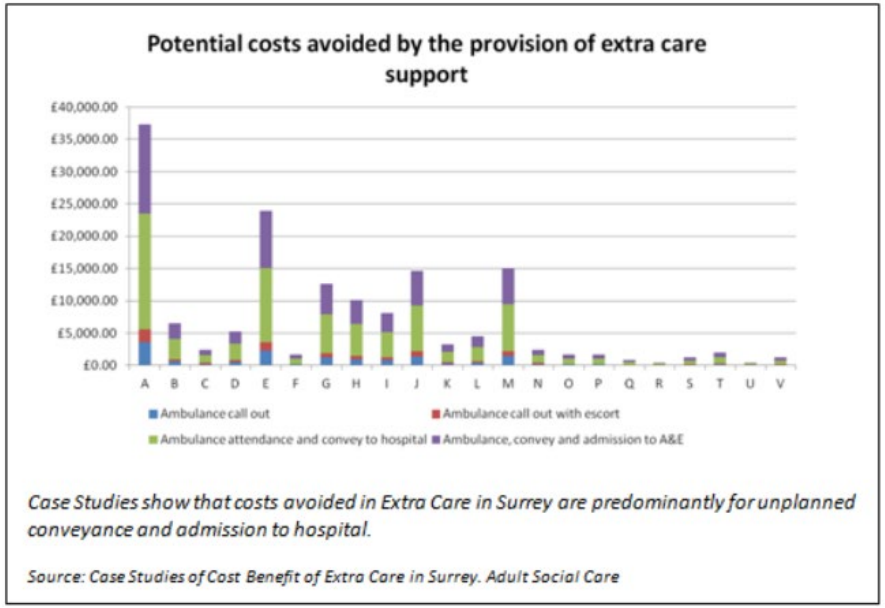

Figure 5: Potential costs avoided by the provision of extra care support

7.39. *'We need 750 Extra Care apartments in Surrey (600 to be funded by SCC) to bring the current ratio to 10 beds per 1000 people. The burden of the frail elderly is more visible in NW Surrey and Surrey Downs and the low number of Extra Care schemes could represent a gap upon which we can capitalise to try to prevent further deterioration and development of frailty.'*

7.40. *'More investment in age-friendly and desirable housing could improve people's chances of remaining at home and avoiding long term institutionalisation according to the Anchor Trust and the All-Part Parliamentary Group on Housing and Care for Older People. One example of this is 'Extra Care housing'; these are self-contained homes with design and support features to enable self-care and independent living. Extra Care promotes a two way community interface, in which individuals are encouraged to participate in the local community and engage in activities. It can vary from "very sheltered housing" to something more akin to a retirement community.'*

7.41. *'The Extra Care Housing in East Sussex has been suggested to be on average half the gross cost of alternative placements ranging from domiciliary care to full nursing care. An estimated 63% of people in Extra Care schemes in East Sussex would have needed residential/EMI/nursing care had they not been in Extra Care. More specifically, 37% would have been in residential care, 4% would have needed EMI care and 15% would have required nursing care. The best impacts and financial returns were from clients at the high end of the medium dependency spectrum and capital invested by East Sussex Council was recovered between 1.5 and 3.3 years.'*

7.42. *'Extra Care can also provide support to intermediate care and rehabilitation and help to improve the ailing relationship between housing, health and social care'* (website – page numbers not available).

Surrey County Council – Accommodation with Care and Support (website)

7.43. *'We will actively work to deliver the best options of accommodation with care and support to Surrey residents. We will do this by integrating our approach across health, care and the community, and re-shaping the market to ensure everyone has access to the right support regardless of tenure.'*

7.44. *'Accommodation trends indicate a declining demand for residential care, a growing popularity of Extra Care housing and an increase in people being supported to live independently.'*

7.45. *'We need to be able to offer residents the right accommodation options to meet their health and wellbeing needs, in a way that supports them to live as independently as possible. We recognise that there will still be a role for traditional care services in Surrey in the future but will look more creatively at how care and support can be integrated into accommodation to reduce the need for those traditional services for most residents.'*

7.46. *'Extra Care Housing, Assisted Living, Supported Living and Supported Housing are valuable housing options, and represent positive choices for people. These forms of accommodation can assist more vulnerable adults to live within their local community through: multiple tenure options, peace of mind and reassurance, flexible care and support designed around the individual and the integration of digital technologies and adaptations'* (website – page numbers not available).

Surrey Health and Wellbeing Strategy

7.47. *'Over the next 10 years, the number of people aged 65+ living in Surrey is expected to rise by over 18%. As this population group grows in size, Surrey can also expect an increase in the number of people with complex conditions such as dementia, chronic kidney disease and other conditions related to ageing'* (page 7).

7.48. *'A further impact of Surrey's ageing population is that by 2023 the number of carers aged 85+ will have increased by 31%, with only a total 8% increase expected in the number of carers across all ages'* (page 7).

7.49. *'Dementia is a particular issue in Surrey. Compared to the peer group average in 2016/2017, the ratio of hospital inpatients with dementia was 11% higher in Surrey. Furthermore the level of hospital emergency admissions for patients aged 65+ with dementia is also 12% higher in Surrey. The higher life expectancy in Surrey is likely to be a contributing factor. With a high predicted growth in the over 65 population, this challenge is only likely to grow, meaning a greater focus on prevention and early support'* (page 7).

8. Carterwood review

8.1. Our review of the Surrey strategy documentation provides evidence that additional extra care accommodation is required in the county. This is in line with the majority of councils' commissioning strategies across the country in that it is seeking to reduce the volume of residential care commissioned and increase community-based services, with older people living in their own homes for as long as possible.

8.2. We note that the Joint Strategic Needs Assessment sates that nearly 70 per cent of existing extra care apartments are funded by Surrey County Council. It suggests that a further 750 extra care apartments are required, with 600 of this requirement being funded by the council. The suggested increase in extra care would only serve to increase its availability to 10 units per 1,000 aged over 75, against a recommended 25 per 1,000 aged over 75.

8.3. In any event, the proposed increase does not appear to provide adequate provision for private extra care accommodation. As a very significant majority (75.3 per cent) of householders aged over 65 years in the 5-mile market catchment own their own home, more than a third (35.4 per cent) outright and 39.9 per cent with a mortgage, the provision, availability and choice of quality older people's extra care is paramount to older residents, to provide an alternative to privately funding a place in a care home.

8.4. Such homeowners, comprising the bulk of households in the borough will not meet housing list criteria and will not be eligible for 'affordable' extra care developments. It is therefore critical that additional private supply is made available to meet such requirements across the borough, to enable older people to remain in their local communities and promote downsizing.

8.5. What is evident is that there is an increasing requirement for well-designed accommodation suitable for the provision of care as an alternative to a move into a residential care home. The form of new provision is recommended to be decided at local level and take account of specific requirements and existing supply.

8.6. It is not in doubt that Surrey has a requirement for additional older people's housing and care. The question that the above documentation raises relates to the quantity that needs to be developed to satisfy both funded and self-funded older people, together with current and future need.

8.7. The proposed extra care scheme will seek to address this requirement by providing additional high quality provision within an attractive community setting, which will assist in addressing national concerns over the critical lack of specialist accommodation for older people. It will provide older homeowners within Epsom and the wider market catchment with a high quality extra care accommodation option, to facilitate downsizing from their existing home. The extra care will provide a local, more cost effective alternative to a residential care home, in an environment where residents can maintain their independence for as long as possible.

Key findings – commissioning review

- Surrey County Council's commissioning strategy is in line with other local authorities by seeking to reduce the amount of residential care it commissions in care homes by increasing community-based services and extra care, where older people can be cared for in their own homes for as long as possible.
- The strategic documents clearly identify an existing and increasing need for additional extra care accommodation. Epsom & Ewell's Commissioning Statement for Accommodation with Care (April 2019) sets out future demand for 153 leasehold extra care units by 2025, increasing to 181 by 2035 and advises that, at that time, there are no existing private extra care schemes in the borough.
- Homeowners, comprising over 75 per cent of households in the 5-mile market catchment, will not meet housing list criteria and will not be eligible for 'affordable' extra care developments. It is therefore critical that additional private supply, both for private leasehold sale and for market rent, 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.
- The proposed care community will address this requirement and allow older people more flexibility and choice when taking the decision to move into an extra care development.

NEED ASSESSMENTS – QUANTITATIVE MODEL AND METHODOLOGY REVIEW

9. Need vs Demand

9.1. Extra care housing in its current form for private sale or rent remains a relatively new concept and there is a lack of an accurate measure of predicting the need in any given area because of this market immaturity.

9.2. The Communities and Local Government *Estimating Housing Need* (2010) paper differentiates between 'need' and 'demand' as follows:

- *'These discussions also generally distinguish "need" – shortfalls from certain normative standards of adequate accommodation – from "demand" – the quantity and quality of housing which households will choose to occupy given their preferences and ability to pay (at given prices). The term "housing requirements" is sometimes used in this context, to refer to the combination of need and demand, particularly where market as well as affordable housing provision is being considered (as in the planning system).*
- *It is also important to recognise the difference between statements about "need" which refer to existing or expected shortfalls (the backlog) and statements about the amount of affordable or general housing which "needs" to be provided over some time frame.'*

9.3. The assessment of need in traditional housing typically takes account of critical areas such as obsolescence of existing stock, which is a huge issue in the sector in the specialist housing market due to the age profile of most of the existing stock. Approximately 40 per cent of all stock of specialist housing (all types and tenures) was developed pre-1990, over 30 years ago, and to spatial standards recommended at the time, which are far below current market requirements, often with studio-style flat accommodation that would not be permissible in new developments. No model we have reviewed adequately, if at all, considers the supply side of the equation in this respect when estimating "need".

9.4. The models reviewed in our assessment only look at 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 (which we have reviewed model by model), but all have been considered either at planning appeals, referenced in the NPPF, or incorporated by social services teams or the GLA in their strategic modelling for future housing requirements, and therefore can be considered as models of predicting population 'need' as opposed to 'demand'.

10. National requirement for extra care housing

10.1. The national requirement for the development of new extra care developments 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 and 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.
- The National Planning Practice Guidance has identified 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.
- Paragraph 50 of the NPPF advises that local planning authorities should plan for a mix of housing based on current and future demographic trends and the needs of different groups in the community including older people.

10.2. The House of Commons CLGC (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.'*

10.3. The '*Too little, too late? Housing for an ageing population'* (Mayhew 2020) prepared in conjunction with the Centre for the Study of Financial Innovation, ARCO and Cass Business School sets out four key reasons for why we should be concerned about the shortfall in retirement housing:

- *'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).*

10.4. The above points to a huge market for retirement housing that would help correct these imbalances given the evidence above.

10.5. Housing wealth is second only to pensions as a source of personal wealth in the UK. According to the ONS, net housing wealth is estimated at £4.6 trillion with 65 per cent of this concentrated in households aged 55+ (41 per cent in the 65+ age bracket). The median wealth based on all asset types, including pensions, in the 55–64 age group is over £500,000 and so the financial means exist to downsize, given the right policies and affordable alternatives.

10.6. 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.

10.7. 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. 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.

10.8. In its vision for the future, ARCO, the trade body for retirement communities with care, envisages an expansion from the current population of 75,000 living in retirement communities to 250,000 by 2030 across the sector. With around two-thirds of residents living alone, this would translate into roughly 15,000 new properties a year. We can compare these figures with the EAC data that showed total annual stock additions since 2010 of only 7,000 units. [Note: EAC data includes ALL housing types and not just retirement communities which ARCO represent. The actual new stock for extra care per annum is significantly lower than 7,000 units per annum and the annual shortfall much greater.] A study by JLL, a property developer, puts forward a much higher figure of 72,500 new retirement units each year for 10 years, equating to nearly a third of the total housebuilding volume in an average year.

10.9. In addition to these housing estimates, we are aware of other studies. Savills (Housing an Ageing Population, 2015) calculate that we should be building 18,000 homes for older people a year simply to maintain existing levels of provision as the population ages. The think tank Demos (Demos, Unlocking the housing market) has argued that annual demand for new homes purpose-built for older people is in fact over 30,000 new homes a year.

10.10. 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 also choose to move somewhere more accessible and/or with a level of care and support provided. The HAPPI report (2015) estimates that 8 million people over 60 years of age, occupying 7 million homes, are interested in 'downsizing'. By 2025, it is estimated, 725,000 housing-with-care homes will be needed to meet demand from an ageing 'Baby Boomer' generation.

11. UK & international comparisons

11.1. The Policy Exchange's 2018 publication 'Building for the Baby Boomers' illustrates the gulf between the UK and other international countries. The UK falls behind other countries, given its elderly demographic, when it comes to specialist housing.

11.2. *'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.'*

11.3. *'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.'*

Key findings – national requirement for extra care

- Countless studies predict that significant levels of additional specialist housing for older people is required now and in the years to come. This is particularly so in the private market, where the provision of extra care is lower despite high elderly home ownership levels.

12. Local level need methodology review

12.1. Despite the ever-growing corpus of national research, government policy direction and Market Position Statements from local authority commissioning departments about the benefits of extra care housing, the available local level "models" developed remain full of shortcomings. The critical issues surrounding the available models and their use and application are detailed below, not as criticisms of the models (many of which are being mis-used and mis-understood from their intended purpose) but as a review of the attributes and shortcomings when it comes to determining need for private extra care accommodation at a site-specific level.

Use of existing supply to predict future supply levels

12.2. The existing supply of extra care housing and other forms of specialist accommodation for the over 65 years is currently UNDERSUPPLIED at the national level on every basis assessed and by considerable numbers based upon downsizing potential, international comparisons and the government's own policy objectives to keep people in their own homes for longer.

12.3. Most of the models look at the current stock of extra care as the basis to decide future requirements. This has resulted in some outputs pointing to the ridiculous position where if an authority has zero existing extra care provision in their area (due to market circumstances of an immature product rather than need-related issue) then in 'n' years' time, despite a huge increase in forecasted elderly population growth, the need remains at zero.

12.4. Models assume that if there is a lot of one form of provision, then there must be a continued need for that type of provision going forward at that level – extra care is a NEW model of care (particularly in the private sector). It has significant challenges to fund and finance and source land (due to the economics of the operating model) and therefore it needs encouragement and support in order to generate any meaningful development. Other more traditional, established forms of specialist accommodation may not be needed in the same quantities as previously. The Associated Retirement Community Operators (ARCO) has been at the forefront of generating support at the national level for 'retirement communities', through various initiatives.

Over-reliance and tool misunderstanding

12.5. The models have been misunderstood and an overly significant amount of weight has been placed on what is only meant to be a 'high-level' indication of need (this is no criticism of model authors, all of whom caveat the models appropriately and recommend local, scheme-specific research is conducted on a site-by-site basis).

Evidence base for prevalence rates adopted

12.6. There is no data-driven evidence base for the prevalence figures that are adopted in the models, as they are all based predominantly on either existing supply levels or are merely 'educated estimates'.

Extra care assumed only as a replacement for residential care

12.7. The application of some models is made on the basis that a need exists for 'extra care' solely as a replacement for residential care and consider that as one goes down, the other must go up proportionately. All evidence indicates that there is additional latent need driven by a lack of existing supply and choice, which the government itself is trying to promote over and above any care home provision, as they cater to proportions of people at different dependency levels.

Obsolescence of existing stock

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

Misunderstanding of the private extra care product target market

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

12.10. Extra care in the private sector is a 'preventative' solution, i.e. if that same person had acquired their private extra care unit 18 months earlier whilst not needing 24-hour care and support, they are more likely to have been in a position to buy/sell their property, move into the extra care scheme and then age in place with all of the support and care on site when they need it later, not solely when they have an immediate requirement as a result of a crisis..

Failure to account for actual homeownership levels to reflect private extra care need

12.11. Models do not adequately reflect homeownership levels in many instances and the apportionment of 'need' has been made arbitrarily, often at the behest of social services teams, who often do not support private development, as their strategy and budgets are focused primarily on affordable and social need. There is greater provision of affordable extra care but, given levels of homeownership nationally, this situation should logically be reversed. Most models, however, do not take this into account.

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

12.12. Most models, for some reason, exclude households between 65 and 74 years of age and instead only look at 'need' from 75+ years. This is despite the planning restrictions in place on specialist older people's housing schemes typically starting from 65+ years (sometimes 55+ years).

12.13. 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 under-estimate need. Even care home need models (which have higher levels of dependency than extra care as eligibility criteria) assume a percentage of the population of 65 to 74-year olds 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.

Model obsolescence and lack of a 'level playing field'

12.14. We contacted Housing LIN, which provides the model specifically quoted in the government's National Planning Policy Framework (NPPF), to ascertain if they are willing to undertake bespoke market research for us to support planning applications and they declined due to potential conflicts with County Councils. The SHOP@ tool, to which the NPPF refers, has been withdrawn and is no longer available for third-party use. We therefore consider that this is no longer a model that can be considered robust if both 'sides' are unable to utilise it and it is no longer supported by its creators – it is not a level playing field.

12.15. 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

12.16. Given the challenges of the existing tools, we have undertaken our assessment of need considering ALL of 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.

12.17. We have then made our own recommended prevalence rate based upon our composite review of the strengths and weaknesses of our assessment.

12.18. Appendix B has a full review of each model assessed for reference purposes.

13. Model need prevalence rate summary

T11 Summary of local level population need 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
Models reviewed	For rent	For sale	For rent	For sale	
More Choice Greater Voice (2008) - 'Ratios suggested by the norm'/1,000 population 75+ (page 45) **(*1)**	10.0	10.0	12.5	12.5	10.0
SHOP (Dec 2011) - estimate of demand/1,000 population 75+ (page 36) **(*2)**	10.0	10.0	15.0	30.0	6.0
Housing in Later Life (2012) Indicative ratios for Bury/1,000 population 75+ (page 23) **(*3)**	10.0	10.0	15.0	30.0	6.0
SHOP@ (2013) – Projected "base case" demand at 2030/1,000 75+. (page 7) **(*4)**	10.0	10.0	12.5	12.5	-
Extra Care Demand Assessor (ECDA) **(*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 households 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 Surrey 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. Defined as retirement communities which we consider would fall within either the extra care or enhanced sheltered housing definitions.				

NB – the 'for rent' figures above relate to 'affordable rent'. The 'for sale' figures relate to market rent or leasehold sale 'private' enhanced sheltered or extra care housing.

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.

14. Model review – strengths and weaknesses

T12 Summary of local level prevalence rates

Model	Strengths	Weaknesses
More Choice Greater Voice (2008)	Provides full breakdown of prevalence by tenure and housing type.	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)	Provides full breakdown of prevalence by tenure and housing type, includes some allowance however arbitrarily assessed about need that is not solely based upon current supply.	Age of study, no longer supported by authors, doesn't account for need from 65 to 74-year-old cohort.
Housing in Later Life (2012)	Based upon SHOP above so same strengths.	Based upon SHOP above so same weaknesses.
SHOP@ tool (2013)	Flexibility to reflect demand based upon tenure type, interactive on-line tool which was (whilst it was available) easy to use.	No longer available by the authors, widely misused tool by social services commissioning teams who misunderstood its application and how to use the system, reduced 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)	More recent study, online model available free for use.	Model based upon existing supply of extra care, which is nationally recognised as being under-provided for, doesn't account for need from 65 to 74-year-old cohort, model calculates the catchment area 'in reverse' and therefore doesn't take account of potential need outside these areas in more densely populated areas.
Other models		
Three Dragons (Nov 17) / Retirement Housing Group	Account for need from 65- to 74-year-old cohort, considers potential need and national policy objectives explicitly rather than being a measure of solely existing supply.	London-centric analysis making it difficult to apply to other local authority areas, amalgamates extra care and sheltered housing into one global measure and doesn't differentiate by housing type; RHG model unavailable for site-specific use unless commissioned independently.
ARCO Vision 2030	Considers potential need and national policy objectives explicitly rather than being a measure of solely existing supply.	Not a formal model.

Key findings – need model and methodology review

- All the available local-level tools have strengths and weaknesses, with the greatest weakness being an over-reliance on the models by stakeholders for what are supposed to be high-level tools that require significant additional work at the local level in order to address need issues.
- Given the challenges of the existing tools, we have undertaken our assessment of need considering ALL of the models in turn and then applied the prevalence data at the local authority level in order to provide the most comprehensive assessment of need available – this includes both national models and local models. We have then adopted our own prevalence rate, as set out in Section 17, considering all of the strengths and weaknesses of the models available, to provide the most rounded assessment possible.

NEED ASSESSMENT – LOCAL MARKET QUANTITATIVE ASSESSMENT

15. Catchment area assessment

15.1. In collaboration with the Associated Retirement Community Operators (ARCO) and its members 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 emanate from within a radius of 10 miles. Distance, however, varies depending on the type, quality, and location of the extra care development.

15.2. The research concluded that the average distance travelled by residents to a private (leasehold) scheme was 5 miles. Our analysis regarding the location of the development suggested that in a semi-urban location such as Epsom, the average travel distance was 6 miles. In terms of accessibility, the average travel distance for highly accessible locations was 4 miles and for those with moderate accessibility, 6 miles.

15.3. We have therefore based our assessment of the need position for the proposed private extra scheme on a market catchment area, shaded pink and blue in the map opposite, extending to a radius of circa 5 miles from the subject site.

15.4. For comparison purposes, we have also assessed a circa 3 mile market sensitivity catchment from the subject site, which is shaded pink in the map opposite.

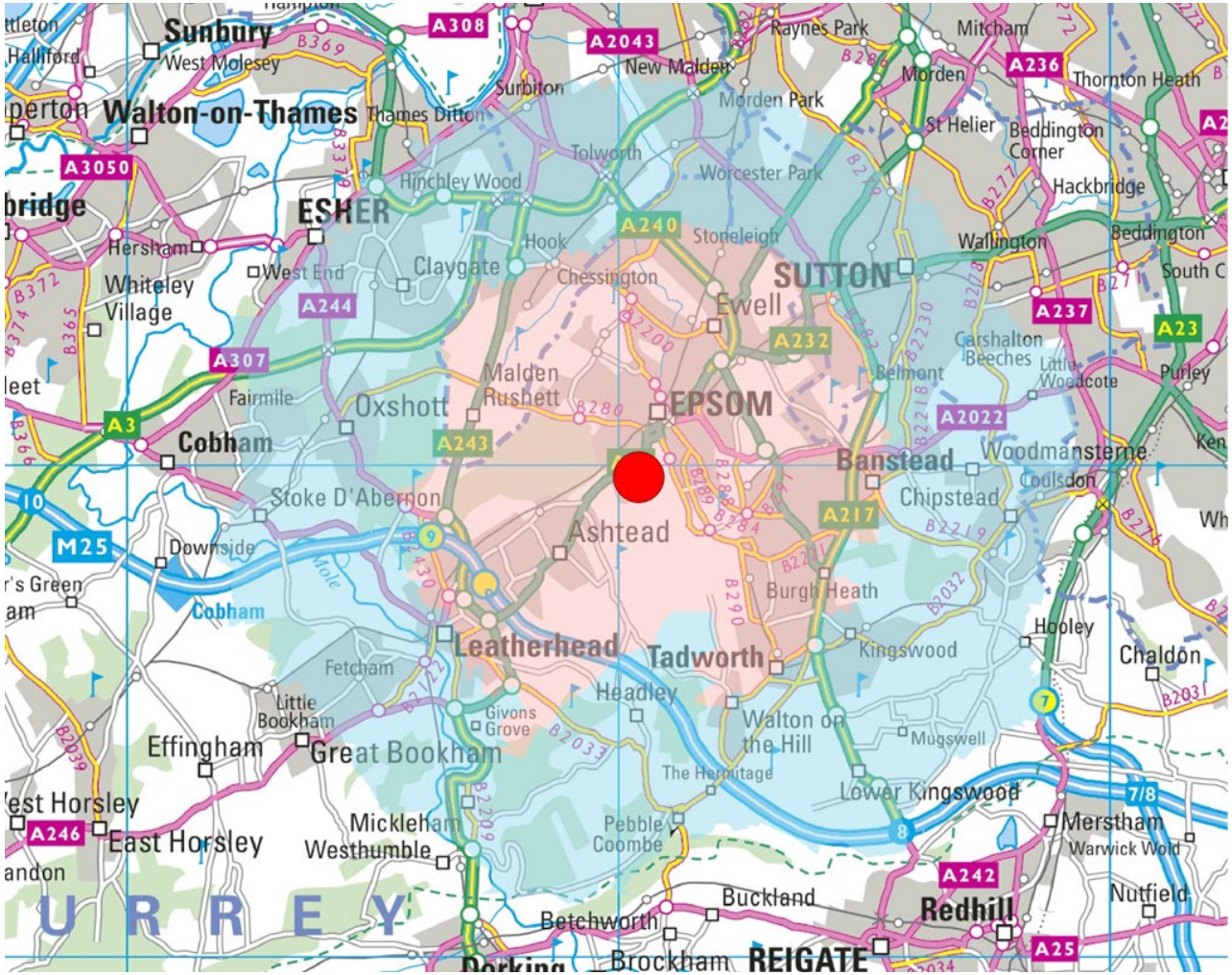

Figure 6: Extra care bases of assessment

The red spot shows the subject site. The pink and light blue shaded area illustrates the market catchment area and the pink area shows the 3-mile market sensitivity catchment.

16. Local demographic profile

Housing ownership

16.1. Housing ownership data at the time of the 2011 census, summarised in Table T13, shows that 75.3 per cent of all households within the 5-mile market catchment where the household reference person is over 65 years of age were owned either outright or with a mortgage. This measure is significantly above the UK average (63.5 per cent) and reflects the above average wealth profile of the market area.

16.2. The 3-mile market sensitivity catchment also shows a significantly higher than average percentage at 77.3 per cent home ownership, where the household reference person is over 65 years.

16.3. Please note that the figures may contain rounding and total figures compared across different tables may vary due to rounding and amalgamation of different data sets and limitations of census 2011 data. The data in this table includes vacant properties and secondary residences/holiday accommodation.

Population profile

16.4. We have summarised the profile of the elderly population in T14, opposite. The 5-mile market catchment is characterised by an increased level of population aged 75 years and above, compared to the UK average.

16.5. The 3-mile market catchment area is also above average in terms of the percentage of its population aged from 65+ years.

Population growth

16.6. The population growth measure considers the rate of growth of the target elderly demographic between 2021 and 2041 and shows the total growth rate over this 20-year period. It provides an indication of future demand for specialist housing for older people.

16.7. The elderly population growth rate is a slightly below the UK national average in the 5-mile market catchment until 2036 and then exceeds the UK average. The 3-mile market sensitivity catchment elderly population growth rate is lower than the UK average across all years assessed.

T13 Household ownership (2011) where HRP is aged 65+ years or older

Tenure	5-mile market catchment		3-mile sensitivity	
	No	%	No	%
Owner occupied: owns outright	52,665	35.4	19,591	37.5
Owner occupied: owns with a mortgage/loan	59,406	39.9	20,822	39.8
Owner occupied: shared ownership	1,064	0.7	468	0.9
Rented from: council (local authority)	5,098	3.4	867	1.7
Rented from: registered social landlord	8,209	5.5	4,357	8.3
Rented from: private landlord / letting agency	19,705	13.2	5,229	10.0
Rented from: other	1,527	1.0	540	1.0
Living rent free	1,279	0.9	429	0.8
All households*	148,953	100.0	52,303	100.0

Source: 2011 Census, government population projections.

T14 Population profile (2021)

Age profile	5-mile market catchment		3-mile sensitivity		Differential to UK %	
	No.	%	No.	%	Market	Sensitivity
All population	402,469	100.0	140,799	100.0	-	-
Age 65+	75,068	18.7	28,330	20.1	-0.2	1.2
Age 75+	36,685	9.1	14,006	9.9	0.3	1.1
Age 85+	11,730	2.9	4,462	3.2	0.4	0.6

Source: 2011 Census, government population projections.

T15 Population growth (2021–2041)

Category	Elderly population growth rates (%)			
	5-mile market	UK comparison	3-mile sensitivity	UK comparison
2021	-	-	-	-
2026	8.7	-0.7	7.8	-1.6
2031	20.4	-0.6	18.7	-2.3
2036	30.8	0.1	27.8	-2.8
2041	39.2	3.8	35.1	-0.3

Source: 2011 Census, government population projections.

17. Local market size assessments

17.1. Using our analysis of the demographic and population data, we have set out the assessment of need based upon the available models in Table T16 for the 5-mile market catchment, the 3-mile market sensitivity catchment. We have used each model's prevalence rate data and utilised the population projection data from the census and government actuarial department to predict the need for private extra care for each model. There is a wide variation in need calculated across the different models and approaches.

T16 Summary of local level need by model – extra care and enhanced sheltered housing (2024)

Housing type	Combined prevalence rates for private extra care and enhanced sheltered housing – need per 1,000 population	Private extra care "need" in local population in 2024	
Model	Basis of assessment	5-mile market	3-mile sensitivity
More Choice Greater Voice (2008) - 'Ratios suggested by the norm'/1,000 population 75+ (p. 45)	22.5 per 1,000 75+ population	914	350
SHOP (Dec 2011) - estimate of demand/1,000 population 75+ (p. 36)	40 per 1,000 75+ population	1,624	622
Housing in Later Life (2012) Indicative ratios for Bury/1,000 population 75+ (p. 23)	40 per 1,000 75+ population	1,624	622
SHOP@ (2013) pre-set rates	22.5 per 1,000 75+ population	914	350
Extra Care Demand Assessor (ECDA)	Unknown – calculated by online model	210 *(includes all tenure types and based upon 5.3km notional catchment area generated by the model)*	

Source: see table T10

17.2. **We have prepared our own assessment and have adopted the original SHOP Dec 11 and Housing in Later Life prevalence rates. We consider that these ratios and prevalence rates most accurately take account of the strengths and weaknesses of the other available models, which are overly punitive on need-based factors at the local level. The prevalence rates below most accurately accord with the requirements outlined in the national literature and take account of the increased weighting of housing with care required in future provision as it is currently an immature market, rather than adopting a 'more of the same' approach. The prevalence rates adopted also more accurately reflect UK and local level homeownership levels, which are heavily skewed towards the private market and also the slightly higher prevalence takes account of the 20 per cent of people between 65–74 years of age who may occupy an extra care scheme, who are arbitrarily excluded from all of the other models assessed.**

T17 Summary of local level need – Carterwood projections (2024)

Housing type	Combined prevalence rates for private extra care and enhanced sheltered housing – need per 1,000 population	"Need" in local population	
Model	Basis of assessment	5-mile market	3-mile market sensitivity
Carterwood assessment	40.0 per 1,000 75+ population	1,624	622

17.3. To provide context for our adopted prevalence rates, if these figures are applied at the UK level, these 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/sheltered housing. Given the high levels of homeownership, lack of current provision and government policy drive towards promotion of support within an individual's own home, we consider that the levels are a highly robust measure with which to assess current and future need for private extra care accommodation.

18. Existing private extra care schemes

18.1. 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 by the raw data.

18.2. 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 themselves to update – this can sometimes lead to inconsistencies.

18.3. We have researched all schemes classified as follows:

- Extra care/assisted living;
- Enhanced sheltered housing;
- Close care;
- Retirement village.

18.4. 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 or that it meets the definition of enhanced sheltered housing as per the housingcare.org.uk website. We have not included any registered social landlord schemes and have only included schemes catering to the private market.

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

18.6. There are 4 private extra care/enhanced sheltered housing schemes within the 5-mile catchment, providing 91 units of private accommodation.

18.7. There is only 1 private extra care/enhanced sheltered housing scheme within the 3-mile market sensitivity catchment (Nonsuch Abbeyfield), providing 36 units of private accommodation. Details are provided in the adjacent tables.

18.8. A full list of the individual schemes is attached at Appendix C.

T18 Existing supply of private extra care (5-mile market catchment)

Scheme type	Schemes (No.)	Units (No.)	Private units (No.)
All schemes & all retirement villages			
With on-site care/support	4	115	91
Without on-site care/support	54	1,906	1,813
Retirement villages only			
With on-site care/support	0	0	0

Source: EAC, Carterwood

T19 Existing supply of private extra care (3-mile market sensitivity catchment)

Scheme type	Schemes (No.)	Units (No.)	Private units (No.)
All schemes & all retirement villages			
With on-site care/support	1	60	36
Without on-site care/support	28	831	831
Retirement villages only			
With on-site care/support	0	0	0

T20 Existing supply by decade of construction (5-mile market catchment)

Scheme type	Private units		
	With on-site care / support (%)	Without on-site care/ support (%)	Total units (No.)
Pre-1980s/unknown	10	4	73
1980s	0	39	709
1990s	0	16	294
2000s	0	26	479
2010s (2010–2014)	12	5	105
2010s (2015+)	78	10	244
Total	100	100	1,904

Source: EAC, Carterwood

19. Planned private extra care supply

19.1. From our data sources, we have reviewed all the planning applications that have been granted, refused, withdrawn or are pending decision. A full list of the individual schemes is included at Appendix C.

19.2. 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.

19.3. We have made enquiries with Epsom & Ewell Borough Council and the local authorities situated within the 5-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. Additional units in the area are of key importance, as they are likely to be of a high standard and provide more significant competition to the proposed development once completed and trading. We have searched for planning applications submitted over the past 3 years; our research was undertaken on 8 January 2021.

19.4. 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 of this are included within the report.

19.5. 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.

19.6. We would note that the planning registers that we subscribe to are not definitive and may exclude some applications as they rely upon each local authority for provision of the information. We have excluded any sheltered housing, category II sheltered housing schemes or affordable extra care schemes from our analysis.

19.7. We have identified 5 planning applications for extra care or enhanced sheltered housing units in the 5-mile market catchment. Two of these schemes have been granted planning permission and three are currently pending a decision. Three of the proposed schemes are located within the 3-mile market sensitivity catchment, with a total of 53 units having been granted planning permission and 70 units are pending a decision, as set out in T21.

19.8. In T22, we have provided our opinion of the pipeline by year of delivery based upon desktop review and conversations with developers/applicants, where possible. We have had regard to the scheme size, the nature of the site and its current development status.

T21 Planned supply of new private extra care

Scheme type	Market (5-mile)	Market sensitivity (3-mile)
New-build OPH units: pending decision	141	70
New-build OPH units: granted permission	333	53
Total planned units	474	123
Total number of schemes	5	3

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

T22 Planned supply of new private extra care by estimated year of delivery

Planned supply pipeline by year of delivery	Market (5-mile)	Market sensitivity (3-mile)
2021	53	53
2022	0	0
2023	280	0
2024	141	70
2025+	0	0
Total	474	123
Total number of schemes	5	3

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

20. 5-year need analysis summary

20.1. By applying our need methodology to the 5-mile market catchment, 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).

20.2. Our analysis as at 2021, based upon current need projections, existing supply and deliverable pipeline, shows a shortfall of 1,323 private extra care units in the 5-mile market catchment and 471 in the 3-mile sensitivity market catchment.

20.3. Our analysis as at 2024 (the earliest year the subject scheme could be developed given its current status) shows a shortfall of 1,059 private extra care units in the 5-mile market catchment and 463 in the 3-mile market sensitivity catchment. This considers demographic growth over the period and includes additional pipeline supply coming forward through the planning system.

T23 Primary year for private extra care need analysis

Primary year of assessment	2024	The earliest year the subject scheme is developed and the first phase of private extra care units is available

T24 Five-year private extra care requirement (5-mile market catchment)

Year	2021	2022	2023	2024	2025
Need					
Total 75+ population	36,685	38,409	39,619	40,606	41,364
Estimated need private extra care (4.0%)	1,467	1,536	1,585	1,624	1,655
Private extra care supply					
Current supply of private extra care	91	91	91	91	91
Planned beds by operational year	53	53	333	474	474
Total supply (units)	144	144	424	565	565
Balance of provision					
Net need (private extra care units)	1,323	1,392	1,161	1,059	1,090

Source: Carterwood, Census 2001, Government population projections, Glenigan, Planning Pipe, EAC

T25 Five-year private extra care need (3-mile market sensitivity)

Year	2021	2022	2023	2024	2025
Need					
Total 75+ population	14,006	14,687	15,164	15,549	15,849
Estimated need private extra care (4.0%)	560	587	607	622	634
Private extra care supply					
Current supply of private extra care	36	36	36	36	36
Planned beds by operational year	53	53	53	123	123
Total supply (units)	89	89	89	159	159
Net need					
Private extra care units	471	498	518	463	475
Assumptions to Tables T23 and T24					

- Key year of analysis is based upon 2024 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 2001, Government population projections, Glenigan, Planning Pipe, EAC

21. Need analysis – methodology comparison

21.1. We have provided a quantitative assessment of need for private extra care for all of the models reviewed, as at 2024, for the assessed catchment areas.

21.2. The results show a broad spread of net need; up to 1,059 private extra care units in the 5-mile market catchment and 463 in the 3-mile market sensitivity catchment, based upon the different prevalence rates adopted.

21.3. It should be noted that the suggested ECDA need of 210 units relates to a catchment size of 5.3 km (3.3 miles) and population aged 75+ as at 2021, and is not, therefore, directly comparable to the other models.

21.4. However, despite this wide range based upon the underlying need assumptions, all models reviewed based on the 5-mile market catchment and 3-mile market sensitivity catchment show shortfalls of private extra care provision.

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

T26 Primary year for private extra care need analysis

Primary year of assessment	2024	The earliest year the subject scheme is developed and the first phase of private extra care units is available

T27 All models' private extra care need (5-mile market catchments) – 2024

Year	More Choice Greater Voice	SHOP	Housing in Later Life	SHOP@
Need				
Total 75+ population	40,606	40,606	40,606	40,606
Prevalence rate (%)	2.25%	4.00%	4.00%	2.25%
Estimated need for private extra care	914	1,624	1,624	914
Private extra care supply				
Current supply of private extra care	91	91	91	91
Planned beds by operational year	474	474	474	474
Total supply (units)	565	565	565	565
Net need				
Private extra care units	349	1,059	1,059	349

T28 All models' private extra care need (3-mile market sensitivity catchment) – 2024

Year	More Choice Greater Voice	SHOP	Housing in Later Life	SHOP@	ECDA*
Need					
Total 75+ population	15,549	15,549	15,549	15,549	14,884
Prevalence rate (%)	2.25%	4.00%	4.00%	2.25%	n/a
Estimated need for private extra care	350	622	622	350	n/a
Private extra care supply					
Current supply of private extra care	36	36	36	36	n/a
Planned beds by operational year	123	123	123	123	n/a
Total supply (units)	159	159	159	159	n/a
Net need					
Private extra care units	191	463	463	191	210

Sources: See table T16
**Extra Care Demand Assessor (ECDA) assumes a population aged 75+ of 14,884 (2021) based on a 5.3 km catchment and states current supply is 21 units (includes affordable extra care). We have adopted the data from the model itself verbatim - hence it does not accord with our own supply data.*

NEED ASSESSMENT – QUALITATIVE ASSESSMENT

22. Tangible benefits for the NHS & the wider community

Benefits to the housing chain

22.1. Extra care and other specialist housing for older people offer a unique combination of independence and security of lifestyle within a socially active and supportive community. Here, older people are able to continue to live in their own space, supported by a comprehensive and flexible network of personal care services and activities.

22.2. People moving into a scheme will release large family homes back into the community, which is key to offering more options for families living locally.

22.3. A report ('The top of the ladder', prepared in September 2013) by Demos, the leading cross-party think tank, has considered the above issue in significant detail. We have considered some of the key issues and findings raised as part of this research and reproduced below:

22.4. *'Retirement properties make up just 2 per cent of the UK housing stock, or 533,000 homes, with just over 100,000 to buy. One in four (25 per cent) over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally.'*

22.5. *'More than half (58 per cent) of people over 60 were interested in moving. More than half (57 per cent) of those interested in moving wanted to downsize by at least one bedroom, rising to 76 per cent among older people currently occupying three-, four- and five-bedroom homes. These figures show that 33 per cent of over 60s want to downsize, which equates to 4.6 million over 60s nationally. More than four in five (83 per cent) of the over 60s living in England (so not Scotland, Wales or Northern Ireland) own their own homes, and 64 per cent own their home without a mortgage. This equates to £1.28 trillion in housing wealth, of which £1.23 trillion is unmortgaged. This is far more than the amount of savings this group has (£769 billion). Therefore, the over 60s interested in downsizing specifically are sitting on £400 billion of housing wealth.'*

22.6. *'If just half of the 58 per cent of over 60s interested in moving (downsizing and otherwise) as reported in our survey were able to move, this would release around £356 billion worth of (mainly family-sized) property – with nearly half being three-bedroom and 20 per cent being four-bedroom homes.'*

22.7. *'If those wanting to buy a retirement property were able to do so, this would release £307 billion worth of housing.'*

22.8. *'Combining New Policy Institute (NPI) analysis of current market chain effects of older people dying and moving each year with our own analysis of ELSA, we can estimate that if all those interested in buying retirement property were able to do so, 3.5 million older people would be able to move, freeing up 3.29 million properties, including nearly 2 million three-bedroom homes. '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.'*

22.9. The report's key conclusions are summed up in the following statement:

22.10. *'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.'*

22.11. *New research in 2020, prepared by the Centre for the Study of Financial Innovation, also supports the above housing chain benefits and is described in detail in Section 10.*

Employment and economic benefits

22.12. 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. We set out overleaf a breakdown of roles/occupations based upon data collected by Worcester Research in 2016 on the Bishopstoke Park retirement village in Hampshire, operated by Anchor Hanover, and over 160 units in size.

T29 Direct employment generated		
Job role	Number of people employed	
	Bishopstoke Park actual	Subject scheme estimates
Management, professional, associate professional	8	8–10
Skilled manual, admin and clerical	12	12–15
Caring, machine occupations, elementary roles	45 (mostly part time average - 20 hours pw)	55–60
Total	65	75–85

22.13. In addition to directly employing a local workforce, schemes also employ the services of a wide range of local companies in the provision of services in order to service a scheme of this size. 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 2021 costs, this would be significantly higher, having been subject to 10 years' inflation). The report also found that around 50 people were needed for construction.

22.14. The Worcester Research group applied the above construction cost and utilised other research of their own 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 on-going 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.

22.15. Senior Living Urban (Epsom) Ltd consider that the following economic benefits will apply to the subject scheme during the construction and ongoing operational phases:

- Direct employment - 212 temporary construction jobs on site over the 45-month build period.
- 106 temporary indirect jobs through the supply chain during the build period.
- £9.2m of additional resident household spending (£2.2m in local shops and services) per annum.
- 20 additional workers in local retail and leisure jobs
- Expected additional economic output (GVA) to the local economy - £41.1m Construction and £22.4m Operational.

Health & wellbeing and benefits to the NHS and Social Services

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

22.17. *'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.'*

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

22.19. *'While at Aston University, Professor Holland led a three-year study on the impact on older people's health of living in the ExtraCare Charitable Trust's extra care schemes. Professor Holland's study found that the NHS costs for those in the sample were reduced by 38% and that the costs for frail residents had reduced by 51%. In addition, local authority costs of providing lower and higher-level social care were 17.8% (£1,222) and 26% (£4,556) lower respectively on average per person per year.'*

22.20. *'With regards to retirement housing, research from the University of Reading showed that it can help combat social isolation and promote fitness, with over 80% of owner occupiers of retirement housing taking part reporting feeling happier in their new home and nearly a third feeling that their health had improved.'*

22.21. *'Providers of sheltered housing emphasised their role in helping older people to stay healthy, reducing hospital admissions and delayed transfers of care, thereby generating savings to health and social care budgets. 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.'

22.22. *'Sometimes NHS CCG teams are concerned about the impact on their local doctors' surgeries. However, evidence indicates that there is a positive benefit in line with the evidence base above and regardless we anticipate the subject scheme will hold periodic surgeries in-house within the development and will not impact on local surgeries directly. This serves to reduce the number of GP visits, as the requirement for GP input is heavily controlled by care staff understanding the clinical requirements for each service user.'*

22.23. The visiting GP can also combine multiple visits into one trip. The presence of on-site care staff also reduces the number of unnecessary trips to GPs, thereby reducing waiting lists rather than increasing them. The concentration of individuals within one place should also assist in reducing the need for community nurses and there are obvious advantages of having residents within one geographic location.

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

22.25. Senior Living Urban (Epsom) Ltd consider that the scheme will support the local NHS services by improving wellbeing and social interaction, offering better health outcomes and reducing healthcare costs by up to £3,500 per person per annum.

22.26. In addition, some local authority Social Services teams are concerned that new schemes bring in people from outside of the area who will drain local authority budgets. However, having conducted a plethora of studies across the UK and spoken with a host of social services teams, our general observation is that local authority placements both into and out of any local authority are neutral.

22.27. There is no doubt that several residents will move into an area when a new scheme is developed. However, this goes both ways and as new schemes are developed in neighbouring boroughs and an equivalent proportion of people will therefore leave their authority area and funding requirements will reduce. Funding pressure by social services to and from neighbouring and surrounding local authorities therefore compensate each other. In effect, there are just as likely to be as many people leaving the area as there are migrating into the area, and these two factors effectively cancel each other out.

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

- *'People moving into a scheme will release large family homes back into the community, which is key to offering more options for families living locally. 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'* (Demos, The Top of the Ladder).
- It is anticipated that the subject scheme will create 80 full-time equivalent roles in order to fulfil its obligations to residents and provide care and support requirements.
- Senior Living Urban (Epsom) proposes the subject 305 unit extra care scheme will offer the following economic contribution during the construction and operational phases:
    - 212 temporary construction jobs on site and 106 temporary supply chain jobs over the 45-month build period.
    - £9.2m of additional resident household spending (£2.2m in local shops and services) per annum.
    - 20 additional workers in local retail and leisure jobs
    - Expected additional economic output (GVA) to the local economy - £41.1m Construction and £22.4m Operational.
- There is a significant body of evidence on the health and wellbeing benefits to older people 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 on-site care and support and communal facilities. It is anticipated that the subject scheme would support local NHS services by improving wellbeing and social interaction, offering better health outcomes and reducing healthcare costs by around £3,500 per person per annum.
- A study of the ExtraCare Charitable Trust's extra care schemes found that the NHS costs for those in the sample were reduced by 38 per cent and that the costs for frail residents had reduced by 51 per cent.

23. Tangible benefits for residents

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

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

23.2. *'There are two recent large scale longitudinal studies of CCRCs, one by Bernard et al. (2004) of Berryhill Village operated by the ExtraCare Charitable Trust and the other by Croucher et al. (2003) of Hartrigg Oaks, operated by the Joseph Rowntree Housing Trust.'*

23.3. *'Both of these studies offer in depth accounts of living in retirement communities. More recently an evaluation of the first 10 years of Hartrigg Oaks has been produced by the residents and staff (JRF 2009). The other UK based studies cover smaller time frames (e.g. Evans and Means 2007) and so adopt different methods and sample sizes, ranging from around 15 participants to over 100. Another approach by Biggs et al. (2001) adopts a comparative analysis, comparing those within a CCRC to a sample from the wider community. This produces an effective analysis of life within a retirement community as it enables direct comparisons to be drawn. Across these evaluations a number of key themes can be identified.'*

'Safety and Security

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

'Health

23.5. *'Within a CCRC, the onsite care provision ensures that all residents are fully cared for and supported. Hayes (2006) acknowledges that this provides residents with peace of mind from knowing that they can stay at home even if their care needs change. Throughout their comparative studies both Croucher (2006) and Biggs et al. (2001) found that the self-reported health status of residents within the village tended to remain much higher than those living outside.'*

'Social Inclusion

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

Living in a retirement village extends life expectancy The case of Whiteley Village

23.7. *'The increasing number of people we expect will require residential care at some point in their lives provides a new impetus to examine how retirement village communities can cater for the needs of their residents. This report is particularly commendable because it examines the records of residents of Whiteley Village, covering 100 years of its existence including their longevity experience.'*

23.8. *'It finds that Villagers, particularly females, live longer than the average for England & Wales and this advantage was especially pronounced when pensioner poverty was higher than it is today. This is particularly remarkable since eligibility to become a resident of Whiteley, usually at around normal retirement age, is based on having limited financial means, i.e. people who would be expected to die sooner on average.'*

23.9. *'This advantage continues today if one compares the longevity of Whiteley Villagers with the poorest 20% of pensioners in England & Wales. The key message therefore is that as well as increasing quality of life, housing with care communities such as Whiteley Village can also extend life expectancy.'*

23.10. *'As the residential care sector continues to respond to the needs of our rapidly ageing society, I hope that policymakers and the social care sector can take heart in knowing that, whilst socio-economic inequalities in life expectancy sadly still*

exist, the right housing with care community might just be able to ameliorate the effects of deprivation and address those inequalities in later life' (page 4).

'Executive summary

23.11. *'The benefits or otherwise of communal living in later life are of considerable interest in the context of a growing and increasingly elderly population because of the continuously rising cost pressures on health and social care and the need to provide more suitable accommodation. Such establishments have the capacity to provide in one location all the needs of residents whilst providing a stimulating and high quality living environment which insulates residents from the day-to-day problems of growing old. Whiteley Village, currently celebrating its 100th anniversary, is one of the main forerunners of this kind of retirement living anywhere in the world. The aim of this study is to investigate the possible benefits of retirement village life with respect to life expectancy, i.e. whether Villagers live longer on average than the general population. Our results show that there is strong statistical evidence that female residents, in particular, receive a substantial boost to their longevity when compared to the wider population – at one point in time reaching close to five years. Whiteley's longevity advantage is even greater once we take account of the fact that the resident population is drawn from the poorest pensioners, who would be expected to experience higher mortality rates. Although we were unable to find sufficient statistical evidence that the male residents of Whiteley outlive their counterparts in the wider population, there was certainly evidence that the majority lived at least as long on average (i.e. the effects of living at Whiteley appears to combat the inequalities caused by social deprivation)' (page 5).*

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

The Joseph Rowntree Foundation

23.13. In addition to the above commentary, we have considered the Joseph Rowntree Foundation paper, published in April 2006, called '*Making the Case for Care Villages*'. Drawing on previously published studies and data from an on-going comparative evaluation of seven different housing with care schemes for older people, they found that evidence shows very clearly that older people see care villages as a positive choice.

23.14. We have extracted a few examples of the research that underpins the key observations made on the benefits.

23.15. *'Care Villages also play an important role in promoting health and well-being. Increased opportunities for social interaction and engagement can reduce the experience of social isolation, with consequent benefits to health, well-being, and quality of life…'*

23.16. *'Living in a purpose-built, barrier-free, efficiently heated environment removes many of the difficulties and dangers of living in inappropriate accommodation, in particular the risk of falls. Resident groups can be effectively targeted for health promotion initiatives... On-site catering services can promote healthy eating, and cater for particular dietary requirements and ensure that everyone has the opportunity to have a hot, nutritious meal every day.'*

Benefits of domiciliary care delivery in community setting

23.17. In addition, provision of domiciliary care and support to occupants of the extra care units can be provided in much smaller time segments than is possible to achieve in someone's own home in a traditional way. Often visits in traditional home care within a person's own home are limited to a minimum of 30 minutes or even an hour, which is very impractical to meet the needs of the person concerned if they require a more bespoke service. There is greater consistency in case delivery compared to traditional care as home care delivery is easier to control.

Key findings – tangible benefits for residents

- Residents benefit, over and above other wider benefits to the economy and the NHS, due to improvements in the following key health and social metrics:
    - Safety and security.
    - Health and well-being benefits and improved quality of life.
    - Social inclusion and reduction in inequalities caused by social deprivation.
    - Longevity and life expectancy increases.
    - Reduced risk of falls/injury by living in purpose-built accommodation.
    - Tailored care delivery and consistency of care through provision from same site.

KEY FINDINGS AND CONCLUSIONS

24. National context and the proposal

24.1. There is no statutory definition of extra care, which often leads to ambiguity for key stakeholders, including planners, potential or existing residents, and social services departments.

24.2. For the avoidance of doubt, we have included extra care and enhanced sheltered housing within our definition of 'extra care' in our need assessment, having regard to the EAC database. Existing provision in the market catchment comprises one private extra care scheme and three enhanced sheltered housing developments.

24.3. The proposed scheme will provide accommodation with care and we have therefore used the term 'extra care' throughout this report, whilst not disregarding our comments and observations regarding the various forms of specialist housing. We also use the terms 'housing with care' and 'extra care/enhanced sheltered housing' where appropriate for context.

24.4. The elderly UK demographic is set to grow dramatically in the coming years, and will continue to drive demand for both non-residential care, such as extra care schemes, and other specialist accommodation options, as well as care home beds.

24.5. The vast majority of existing private specialist accommodation in the UK comprises 'sheltered housing', with just 16.0 per cent of total stock meeting our definition of extra care, where care/support is available on site, amounting to 28,982 units.

24.6. Extra care has evolved in recent years to respond to the growing need from older people for greater choice, quality and independence. With approximately 12.5m people over the age of 65 years and approximately 5.8m people aged over 75 years, this equates to a supply of private extra care for only 0.23 per cent and 0.5 per cent of these age cohorts, respectively.

24.7. Home ownership levels of older people are very important in the analysis of private extra care as those that own their own home will not be eligible for Registered Social Landlord affordable rental options. Instead, they will need to access private leasehold sale or market rent alternatives.

24.8. COVID-19 has had a significant impact on the social care sector. At this stage, it is impossible to predict the eventual outcome; however, in our opinion, extra care allows residents to self-isolate effectively within their own homes where, crucially, they can also receive trained on-site care and support, if required. This not only means they will be cared for, but also that debilitating damage caused by loneliness and social isolation is mitigated.

25. Commissioning enquiries

25.1. Surrey County Council's commissioning strategy is in line with other local authorities by seeking to reduce the amount of residential care it commissions in care homes by increasing community-based services and extra care, where older people can be cared for in their own homes for as long as possible.

25.2. The strategic documents clearly identify an existing and increasing need for additional extra care accommodation. Epsom & Ewell's Commissioning Statement for Accommodation with Care (April 2019) sets out future demand for 153 leasehold extra care units by 2025, increasing to 181 by 2035 and advises that, at that time, there are no existing private extra care schemes in the borough.

25.3. Homeowners, comprising over 75 per cent of households in the 5-mile market catchment, will not meet housing list criteria and will not be eligible for 'affordable' extra care developments. It is therefore critical that additional private supply, both for private leasehold sale and for market rent, 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.

25.4. The proposed care community will address this requirement and allow older people more flexibility and choice when taking the decision to move into an extra care development.

26. Quantitative need assessment for private extra care units

26.1. We have reviewed the available need methodologies and considered the strengths and weaknesses of each model in Section 14.

26.2. We have calculated the potential need for private extra care units from people aged 75 years and above. The prevalence rates we have adopted, in our opinion, most accurately accord with requirements outlined in national literature and take account of the increased weighting of 'housing with care' required in future provision rather than adopting a 'more of the same' approach.

26.3. The prevalence rates adopted also more accurately reflect elderly home ownership levels, which are intrinsically heavily skewed towards the private market and prudently account for the c.20 per cent of people aged 65–74 years, arbitrarily excluded from all the other models.

26.4. We have analysed the potential need for private extra care to 2041 and interpreted this as at 2024 (see T30), the earliest possible year the first extra care units in the subject proposed care community could be made available. This timescale could be significantly longer given the current planning status; however, for prudence, we have adopted this best-case scenario.

26.5. For the avoidance of doubt, the models we have assessed in our methodology review identify a need for additional private extra care units in both catchments (see Section 21).

26.6. T31 sets out the long-term need set against the rising elderly population over a wider time horizon up to 2041 and shows a significant increase in the net need for private extra care. The proposed scheme would assist to address this shortfall.

T30 Need analysis (2024) for private extra care (Carterwood assessment)

Catchment area	5-mile market catchment	3-mile market sensitivity catchment
Year of assessment	2024	2024
Need		
Total 75+ population	40,606	15,549
Estimated need private extra care (4.0%)	1,624	622
Private extra care supply		
Current supply of private extra care	91	36
Planned beds by operational year	474	123
Total supply (units)	565	159
Net need		
Private extra care units	1,059	463
Assumptions		

- 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 2024 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 – whilst 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.

T31 Need for private extra care units – medium to long term

Catchment		5-mile market catchment	3-mile market sensitivity catchment
Net need for private extra care	Year		
	2021	1,323	471
	2024	1,059	463
	2026	1,118	486
	2031	1,245	530
	2036	1,422	589
	2041	1,668	675

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

27. Qualitative need assessment for private extra care units

27.1. 'People moving into a scheme will release large family homes back into the community, which is key to offering more options for families living locally. 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' (Demos, The Top of the Ladder).

27.2. It is anticipated that the subject scheme will create 80 full-time equivalent roles in order to fulfil its obligations to residents and provide care and support requirements.

27.3. Senior Living Urban (Epsom) proposes the subject 305 unit extra care scheme will offer the following economic contribution during the construction and operational phases:

- 212 temporary construction jobs on site and 106 temporary supply chain jobs over the 45-month build period.
- £9.2m of additional resident household spending (£2.2m in local shops and services) per annum.
- 20 additional workers in local retail and leisure jobs
- Expected additional economic output (GVA) to the local economy - £41.1m Construction and £22.4m Operational.

27.4. There is a significant body of evidence on the health and wellbeing benefits to older people 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 on-site care and support and communal facilities. It is anticipated that the subject scheme would support local NHS services by improving wellbeing and social interaction, offering better health outcomes and reducing healthcare costs by around £3,500 per person per annum.

27.5. A study of the ExtraCare Charitable Trust's extra care schemes found that the NHS costs for those in the sample were reduced by 38 per cent and that the costs for frail residents had reduced by 51 per cent.

27.6. Residents benefit, over and above other wider benefits to the economy and the NHS, due to improvements in the following key health and social metrics:

- Safety and security.
- Health and well-being benefits and improved quality of life.
- Social inclusion and reduction in inequalities caused by social deprivation.
- Longevity and life expectancy increases.
- Reduced risk of falls/injury by living in purpose-built accommodation.
- Tailored care delivery and consistency of care through provision from same site.

APPENDICES

A: SOURCES OF INFORMATION AND METHODOLOGY

Sources of information

We have utilised the following sources of information:

- Census 2011 population statistics;
- 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 (30th 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;
- Surrey County 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.

B: QUANTITATIVE LOCAL-LEVEL MODEL REVIEW

More Choice Greater Voice and Housing LIN models

i) More Choice Greater Voice (February 2008)

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

The ratios of provision provided in 'More Choice: Greater Voice' were built on evidence of current provision (in 2008), adjusted to reflect the thrust of policy toward the encouragement of the Extra Care model (at that point only really beginning to establish itself in the social rented sector and practically non-existent in the private sector) and the changing tenure pattern among older people.

The general acceptance of the methodology and approach set out in 'More Choice: Greater Voice', taken with market signals around the 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 Extra Care in all tenures, led to an uplift in the suggested ratios of provision in the 2012 publication: 'Housing in Later Life – planning ahead for specialised housing for older people'.

ii) Housing in Later Life (December 2012)

The focus of this toolkit is deliberately narrow – to assist local authorities in England in planning for specialist housing for older people as one part of their overarching strategy. Specialist housing for older people refers to a range of housing options built to assist older people with their accommodation and support needs in later life, and a full definition is found in the appendices.

iii) SHOP (December 2011)

The same ratios as Housing in Later Life were adopted in the first iteration of the SHOP (Strategic Housing for Older People) suite of documents. This toolkit was originally developed for the Housing Learning and Improvement Network and the Housing Network of the Association of Directors of Adult Social Services by the Institute for Public Care at Brookes University and published in December 2011.

During mid-2020 Housing LIN updated their 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. Please consult with us on your requirements so we can best advise on the most up-to-date resources and support available from the Housing LIN that would best suit your needs.

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

SHOP@ was launched in March 2013 and provided a web-based framework for local authorities, housing providers, commissioners and developers. It detailed local housing and care data for older people in simple formats to prioritise investment and maximise capital resources and revenue funding.

The SHOP@ toolkit 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.

By using nationally available assumptions and data, SHOP@ calculated housing and care supply and demand figures to 2030 for all 350+ local authorities in England.

SHOP@ generated four summary tables with information until 2030 from nationally available data and the assumptions input by the user based on their local commissioning strategies. The summary tables were as follows: Current housing and care need analysis for older people; Estimated future needs for older people's housing and care; Increase in number of older people living alone; Change in housing tenure of older people.

v) Update 2020 (Jeremy Porteus, Chief Executive, Housing LIN)

SHOP@ is no longer available as a web-based resource. Housing LIN 'solely undertake SHOP@ assessments on a commissioned consultancy basis, predominantly for public sector bodies'. Therefore, each one is bespoke and they are not available for use outside of local authorities.

The challenges around the most widely used model, which is referenced explicitly in the NPPF (SHOP@ by Housing LIN), have been articulately expressed by Nigel Appleton in his proof of evidence for the Shiplake retirement village appeal inquiry for Retirement Villages in Oxfordshire (August 2019):

'Available on-line 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 on line.

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.'

The Appeal Decision for the Site of the former Hazeldens Nursery, Albourne, West Sussex appeal (September 2020) sets out that:

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 med 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)

,

Sheffield Hallam University - Centre for Regional Economic and Social Research (CRESR) - Housing for Older People Supply Recommendations (HOPSR)

The model developed called the Extra Care Demand Assessor is available free online. Housing for Older People Supply Recommendations (HOPSR) has been created by the Centre for Regional and Economic Social Research (CRESR) at Sheffield Hallam University, in conjunction with the University of Sheffield. It is a new tool to help local authorities understand the requirements for older people's housing in their area. It is the output of research with South Cambridgeshire District Council, Cambridge City Council and Cambridgeshire County Council, and with funding from NHS England's Healthy New Towns programme.

Below are extracts from the documentation, which summarise 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, the research uses this as the basis to recommend a level of supply for each local authority, accounting for local demographic, health and place trends.'

'The Extra Care Demand Assessor (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 (page 25 of report for Cambridgeshire): 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 drew on the national data set of such schemes provided by the EAC.'

'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. The variables included were: the percentage of persons aged 75 years and older who are in owner occupation, the percentage of persons aged 75 years and older living with dementia, the usage of Home and Day care per 1,000 persons aged 65 years and older, expenditure on home and day care per 1,000 persons aged 65 years and older, the proportion of persons aged 85 years and older, the proportion of persons aged 75 years and older whose day-to-day activities were limited a lot, and whether the area is urban or rural.'

'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.*
- *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 uses the above findings to recommend 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. In addition, the model allows adjustments based on the current balance between the provision of sheltered and extra care housing."

The model provides a critique of itself and summarises these below:

'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. As discussed in Chapter 5, 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.

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, although household estimates by age are based on census population data. In England, 9.5 per cent of households aged 65 + are living 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. The assumption is 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 (at the lower end of the spectrum). 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.

'*The Inquiry into the further amendments to the London Plan has recognised our model as robust'.*

- *'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 (see Housing our Ageing Population - positive ideas HAPPI 3) (June 2016).'*

In their 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.

C: SUMMARY OF COMPETING SCHEMES

T32 Summary of competing schemes

Map ref	Catchment	Scheme	Manager / operator	Distance to subject site (miles)	Total units	Private units	Scheme type	Year of construction
1	3 mile sensitivity catchment and 5 mile market catchment	Nonsuch Abbeyfield, Old Schools Lane, Ewell, Epsom, Surrey, KT17 1FL	Abbeyfield Southern Oaks	2.1	60	36	Extra care	2020
2	5 mile market catchment only	Furze Hill Court, Furze Hill, Kingswood, Tadworth, Surrey, KT20 6EP	Premier Estates Ltd	3.3	11	11	Enhanced sheltered	2012
3	5 mile market catchment only	The Farthings, Randalls Road, Leatherhead, Surrey, KT22 0AA	ELM Group	3.3	35	35	Enhanced sheltered	2017
4	5 mile market catchment only	Eothen Homes, 31 Worcester Road, Sutton, Surrey, SM2 6PT	Eothen Homes Ltd	4.0	9	9	Enhanced sheltered	Unknown

Source: EAC Housing Options, Operator websites

T33 Summary of planned provision

Map ref.	Catchment area	Site address	Applicant	Scheme	Net extra care units	Development commenced	Estimated year of delivery	Distance from subject scheme (miles)	Planning ref./date granted	Notes
Granted										
A	3-mile sensitivity catchment and 5 mile market catchment	Lower Mill, Kingston Road, Epsom, Surrey, KT17 2AF	Birchgrove	Demolition office building and redevelopment to provide 53 extra-care apartments with associated facilities (within class C2), including conversion and alteration of the grade II listed mill house and granary buildings, with parking, access, landscaping.	53	Yes	2021	2.2	18/00743/FUL - 18/07/2019	Construction on this scheme commenced in September 2019 and the development is due to open autumn 2021.
B	5-mile market catchment only	Legal and General Kingswood House, St Monicas Road, Kingswood, Tadworth, Surrey, KT20 6AN	Inspired Villages	Redevelopment of the site to create a continuing care retirement community (use class C2), comprising refurbishment and conversion of Legal and General House (grade II listed) to provide 130 assisted living units and respite units, assisted living support facilities in the rotunda to include a cafe, cinema/theatre and library, creche, ancillary on-site shop/store units at lower ground floor level, a restaurant and wellness centre including refurbishment of the existing swimming pool and car parking internally at lower ground levels, refurbishment and conversion of St Monica's House to provide 19 assisted living units, construction of new build accommodation on existing hard-standing/parking areas to provide 131 assisted living units, creation of a new access point from St Monica's Road, with associated parking, landscaping and open space including retention of green space on land to the east.	280	No	2023	3.3	19/01548/F - 29/09/2020	-
Pending										
C	3-mile sensitivity catchment and 5 mile market catchment	Former Police Station and Ambulance Station, Church Street, Epsom, Surrey, KT17 4PS	McCarthy & Stone Retirement Lifestyles Ltd	The construction of 60 extra care apartments for older people, with associated communal facilities, parking and landscaping (C2 use class) following the demolition of the existing buildings.	60	Pending decision	2024	0.7	19/01589/FUL	-

T33 Summary of planned provision

Map ref.	Catchment area	Site address	Applicant	Scheme	Net extra care units	Development commenced	Estimated year of delivery	Distance from subject scheme (miles)	Planning ref./date granted	Notes
D	3-mile sensitivity catchment and 5 mile market catchment	Chace Farm Stud, The Warren, Ashtead, Surrey, KT21 2SH	Chace Warren Management Limited	Construction of an extra care facility (use class C2) comprising 10 self-contained units, office floor space (use class E), parking, landscaping and associated works following demolition of existing buildings including MVHR.	10	Pending decision	2024	2.0	MO/2020/1934	-
E	5-mile market catchment only	Woodcote Grove House, Woodcote Grove, Sutton, London, CR5 2XL	Friends of the Elderly	Demolition of Peto Wing, Selkirk Wing, laundry plant, garages and rear and side extensions to Woodcote Grove House. Construction of three detached 3 storey buildings, eight 2 storey terraced cottages and a single storey rear extension to Woodcote Grove House to provided 63 self-contained residential apartments, 8 care cottages all under use class C2 (residential institutions), associated communal facilities, provision of car/cycle parking, refuse stores and associated landscaping.	71	Pending decision	2024	5.2	DM2020/00736	-

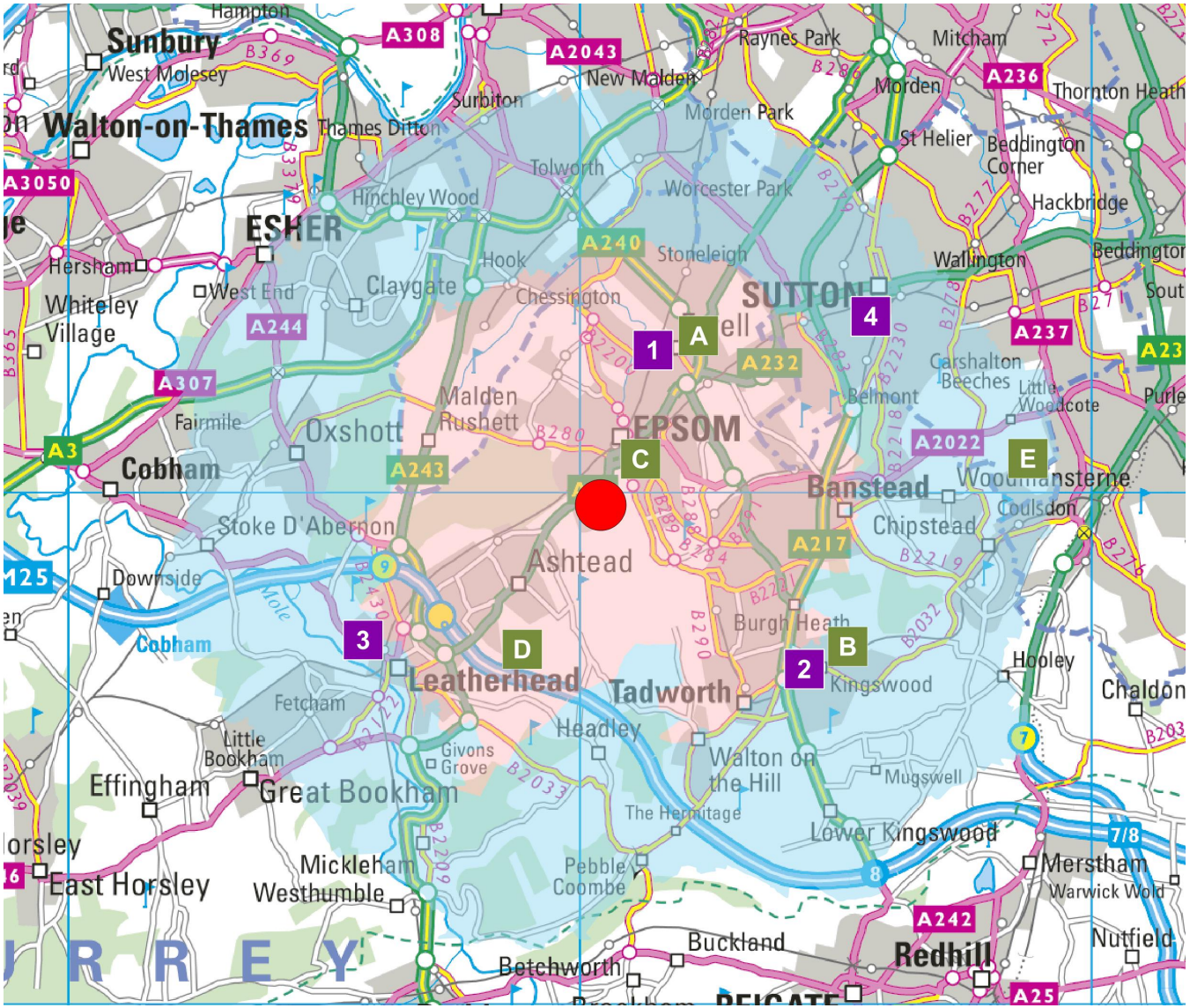

Figure 7: Existing private extra care and planned schemes within the catchment areas assessed.

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 and pink shading (combined) shows the 5-mile market catchment and the pink shading shows the 3 mile market catchment.

D: LIST OF TABLES AND FIGURES

Tables

Figures

E: 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. The assumptions will need to be reviewed and revised to reflect market conditions. We accept no responsibility for the realisation of the prospective financial or market information. Actual results 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 to arrive at the information presented. We do not accept responsibility for the 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.

This report is for general informative purposes only and does not constitute a formal valuation, appraisal or recommendation. It is only for the use of the persons to whom it is addressed and no responsibility can be accepted to any third party for any reliance placed on the whole or any part of its contents. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without Carterwood’s prior consent, which will not be unreasonably withheld.

Extraordinary market factors
With the ongoing presence of COVID-19 and the exit of the UK from the European Union (Brexit), we are in a highly volatile market. 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 activity. While the UK and the European Union have agreed a trade deal, it may be prudent to review a commissioned report once the impact has fully emerged, especially given the ongoing economic impact of the COVID-19 pandemic.

Intellectual property
Except where indicated, the report provided and any accompanying documentation and materials, together with all of the intellectual property rights (including copyright and trademarks) contained within it, belong to Carterwood, and ownership will not pass to you.