

Cllr Janet Clowes: Response to Application 12/1578M (November 2012).

Review of arc4 Needs Assessment: April 2012

The housing need context in Cheshire East

- Overall Cheshire East is considered a self-contained housing market area;
- Across Cheshire East current housing demand exceeds supply and there is a need to stimulate the housing market at all levels;
- The Local Authority can not demonstrate an up to date five years supply of housing;
- The Cheshire East 2010 SHMA indicates an annual shortfall of 1,243 affordable homes and an annual shortfall of 2,753 open market homes;
- The proposal would free up larger family homes and thereby contribute to meeting the current demand for family housing;
- Due to the current economic conditions house building has fallen for 3 years;
- There has been a reduction in the number of affordable houses completed;
- There has been a loss of care home provision as homes have closed as they are not fit for purpose resulting in increased current demand;
- The proposal would contribute the current need for affordable housing;
- Home ownership in Cheshire East is higher than average;
- Housing aspirations are traditional and the proposal meets those aspirations;
- The proposal includes highly desirable bungalows;
- 76.9% of people aspire to owning a house, only 7.8% aspire to a flat: this indicates a greater need for houses than flats. The proposal meets this need;
- There is a current need for 213 en suite single bedrooms in Care Homes within 5km;
- There is a current need of 524 en suites single bedrooms in Care Homes within 10km in Cheshire East; The proposal will provide 58 single en suite care beds;
- There is a recognised need to provide diversity in elderly accommodation – the proposed Continuing Care Retirement Community will meet this need with specialist accommodation that is not available elsewhere;
- The proposal will help to meet the current need for housing supply, affordable housing, diversity in specialist elderly housing and the current shortfall in single en suite bedrooms in care homes.

In conclusion, the development proposals are both appropriate and acceptable on the basis of needs evidence and there are no reasons to refuse the application on this basis.

12/1578M: Land Adjacent to Coppice Way, Handforth

(Appeal Decision: 28.10.2010) APP/R0660/A/10/2123053, APP/R0660/10/2123054, APP/R0660/A/10/2123055, APP/R0660/A/10/2123056

The re-submission of this application follows the Appeal Inspector's objection to the proposals *“because the evidence does not demonstrate adequately that the sites are the most appropriate to cater for the needs of the elderly in this part of Cheshire East.”*

In response, the Applicant commissioned a 'Needs Assessment' from arc4 (April 2012) to support a revised application that has made a number of statements defining the perceived housing need context in Cheshire East.

I have addressed each of these in turn:-

- ***Overall Cheshire East is considered a self-contained housing market area***
Agreed
- ***Across Cheshire East current housing demand exceeds supply and there is a need to stimulate the housing market at all levels***
Agreed : as evidenced in the current work being undertaken by Cheshire East to formalise its Local Plan for 2014 – 2025
- ***The Local Authority can not demonstrate an up to date five years supply of housing***
Agreed
- ***The Cheshire East 2010 SHMA indicates an annual shortfall of 1,243 affordable homes and an annual shortfall of 2,753 open market homes.***
This is clearly stated in the 2010 SHMA.
- ***The proposal would free up larger family homes and thereby contribute to meeting the current demand for family housing.***

[There is no substantive evidence to support this statement.](#) The statement only has legitimacy if all future residents of the proposed CCRC currently reside in Cheshire East. However the SHMA identified that:-

“3.12 Many people attending the focus groups were adamant that they would want to remain at home but most acknowledged that if they could not remain at home they would consider ‘anything’ rather than go into residential care.”

[Cheshire East Housing Team together with Registered providers offer schemes to aid people to downsize if they wish to do so](#)

- ***Due to the current economic conditions house building has fallen for 3 years***
This is evidenced in the current work on the Local Plan for Cheshire East.
- ***There has been a reduction in the number of affordable houses completed.***

This reflects the reduction in the completion of all forms of housing development (not just affordable).

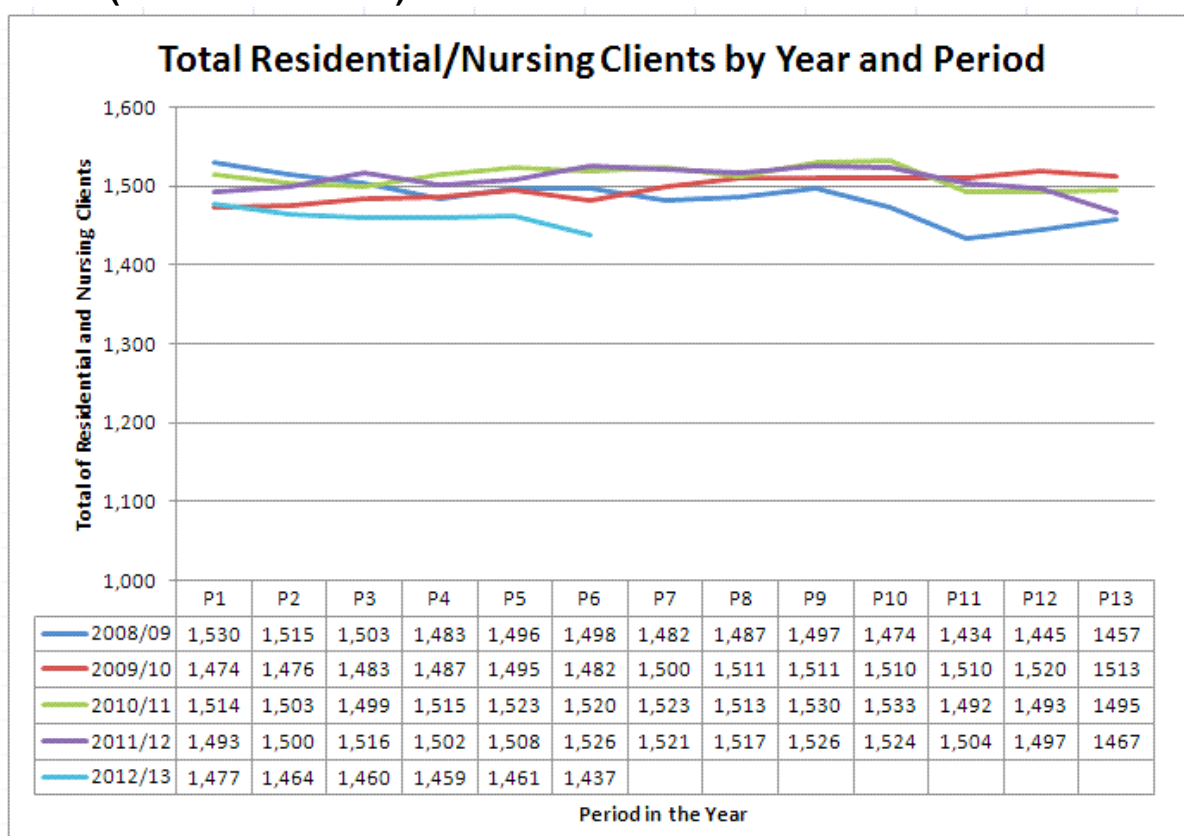
- ***There has been a loss of care home provision as homes have closed as they are not fit for purpose resulting in increased demand.***

It is accurate to say that there have been care home closures in Cheshire East for a variety of reasons (including ageing properties).

This has NOT resulted in an increased demand.

The figures below identify a stable (and decreasing) population in residential and nursing care which indicates that despite a rising older population, more older residents are choosing alternative models of care of which the most popular is remaining in their own homes - “extra care at home”

Table 1: Cheshire East Clients being supported in residential or nursing care homes (2008/09 – 2012/13)



Meeting adult social care demand is complex and since the 2010 SHMA the Council has adopted more versatile and sophisticated systems to meet customer need, in conjunction with partners in the NHS, registered landlords, the private sector and third sector groups. (See later section)

- ***The proposal would contribute to the current need for affordable housing***

A development of this size will have a **minimal impact on affordable housing** requirement

Current evidence from the Joseph Rowntree Foundation suggests that the 'affordability' of CCRC accommodation requires closer scrutiny in the current economic climate affecting all socio-economic groups (JRF "Who can afford retirement housing?" September 2012)

Evidence shows that

- customers who own their own homes are choosing to sell and then rent CCRC and extra care properties (not buy outright) in order to secure their financial futures.
(There are no units available for rent on the Coppice Lane Development)
- Financial security for customers is undermined if they enter the system too soon.

The JRF recommend that prospective customers for their CCRC and extra care provision should
"...ideally be in their mid to late 60's and in reasonable health" (JRF website: November 2012)

A major concern with this proposal is that it suggests entry at 55 years of age (Most extra care providers in both the Registered Landlord and private sectors in Cheshire East have a minimum age of entry of 60 years (and 65 in some cases).

The average age of Cheshire East customers entering nursing homes is 80 years.

- ***Home ownership in Cheshire East is higher than average***
Agreed.

But as evidenced above (and in the 2010 SHMA) this does not equate to a wish to buy CCRC or Extra care provision in later life.

"the majority of older people responding to the SHMA survey are opting for a rental option" (2.87 p14)

(As stated above here are no units available for rent on the Coppice Lane development.)

- ***Housing aspirations are traditional and the proposal meets those aspirations.***
- ***The proposal includes highly desirable bungalows.***
- ***76.9% of people aspire to owning a house, only 7.8% aspire to a flat: this indicates a greater need for houses than flats. The proposal meets this need.***

These statements are based on research (also conducted by arc4 when contributing to the SHMA 2010), that used the toolkit published by 'More Choice, Greater Voice' toolkit in 2008.

The resulting research no longer accurately reflects the socio-economic environment facing older people in Cheshire East.

The majority of older people in the Cheshire East catchment area already own their own home, (as confirmed by arc4 above), the majority of which are of traditional design.

It is therefore argued that the 'aspirational' statements above are irrelevant as 'indicators of need' in this context.

a) Eminent recent research (JRF 2012, WRVS 2012, CLG 2011) confirms that the majority of older people who already own their own home want to stay there. This is confirmed by CEC's own 'Local Account' 2011/12 and 'Ageing well in Cheshire East' (2011/12)

Bungalows or adapted homes have always been a popular choice for older people but attract a high market premium especially in Cheshire East (north) where there is a higher density of older people.

Bungalows on the Coppice Lane Development are expected to attract equally high 'open market prices'. Affordable (shared ownership) options (80% market value) still represents a higher price than many older people are able to purchase when other service and care/future care costs are factored in.

For example the price of a 1-bedroomed bungalow currently for sale at the **Prestbury Beaumont Assisted Living Community** (Prestbury SK10) on 11th November 2012, is currently £145,000 for a long leasehold. A monthly service charge is payable, and all other household expenses must be met by the householder. Care costs are additional and will be based on a holistic assessment of need. (A two-bedroomed apartment is on the market on the same site at £235,000).

This is a similar CCRC to that proposed at Coppice Lane and lies 10.2km from Handforth.

Whilst the arc4 Need Assessment (April 2012) refers to the JRF supporting CCRC development, these papers were dated 2006 and have been superseded by **"Who Can Afford Retirement Housing?" (JRF, September 2012)** where caution is advised for all socio-economic groups and in an environment where;

"..even those with high incomes/savings may find retirement housing unaffordable because of potentially limitless care costs when savings exceed the threshold. The uncertainty of managing increasing housing charges (and care costs) impacts across the income scale, although people renting privately and those with savings are the most vulnerable" (p4)

The Hartrigg Oaks CCRC operated by the JRF has a number of financial options for potential residents that are clearly stated on their website. This fiscal modelling was tested robustly following consultation with similar providers in the United States, prior to planning or construction being commenced, to ensure that provision was sustainable in the longer term for those that satisfied the criteria for entry.

The Draft Operational Plan (April 2012) for the Coppice Lane CCRC application provides only service detail ;

- i) There is no evidence of the financial modelling underpinning this proposal to reassure Cheshire East Council and future purchasers of its economic sustainability.
- ii) There is no evidence to guarantee continuity of care though the various CCRC provisions:

This is of essential importance in the context of meeting strategic housing needs for our older population and to minimise risk of service failure as such residents become more frail in the future.

It should be noted that a highly controversial application at Storthes Hall, Kirkburton, West Yorkshire for a CCRC was passed at appeal in 2005.

After 7 years, the development has not yet started due to 'unfavourable economic climate', and on 24th October 2012 the application was bought back to planning for a further time extension.

Whilst there are new systems by which this may be granted, the developer is still unable to confirm when the work might start.

This delay is proving problematic for the longer term strategic planning of older peoples' care provision by Kirklees Council and its other provider partners.

(<http://www.examiner.co.uk/neighbourhood-news/denby-dale-shepley-villages/news/2012/10/24/>)

At a time when Cheshire East is embedding housing for the elderly and disabled into its Local Plan (to meet its new Public Health duties under the Health & Social Care Act 2012), *this again requires the applicant to provide robust financial modelling for this proposal.*

- ***There is a current need for 213 en suite single bedrooms in care home within 5km.***
- ***There is a current need for 524 en suite single bedrooms in care homes within 10km in Cheshire East.***
- ***There is a need to provide diversity in elderly accommodation – the proposed CCRC will meet this need with specialist accommodation that is not available elsewhere.***

It is difficult to assess the usefulness of these projected figures except to note the following:

- CEC is cognisant of care home standards and the desirability of all providers to comply with providing en suite bedrooms.
- CEC is aware of care home closures in recent years.
- Closure of care homes has reflected the pressures on some care providers to compete in a rapidly changing market place, to maintain and improve capital assets and function within a depressed economic climate.
- The developers of the The Coppice Lane CCRC application must also be able to operate within this depressed economic climate.
- *Despite the rising older population, demand for care home places is actually beginning to fall slightly in Cheshire East. There are currently 95 vacant care home beds in the Wilmslow SMART area alone. (CEC; 10.2012)*

Choice and Diversity for Older Customers:

The Cheshire East Council is also working within the same challenging environment and is actively implementing a diverse range of care options to best meet the needs and choices of our ageing population AND to comply with our statutory roles and responsibilities

What is Extra Care?

The SHMA (2010) states that

- “there is no one accepted definition of an extra care service” (5.1)
- Design and location of schemes may differ, but the range of services provided is broadly similar.
- “there is no agreed formula or mechanism for establishing the number of extra care units needed in any particular area” (6.1)

Therefore:-

Cheshire East’s Sustainable Communities Strategy 2010 – 2025 **‘Ambition for All’**

sets out a clear policy statement that directs how Cheshire East will meet its commitments, many of which are already being implemented to good effect. Cheshire East has adopted the broader principles of Extra Care defined in the SHMA 2010 (5.11) whereby

independent living is facilitated through ‘living at home, not in a home’.

For example:-

Table 2: Residential and ‘Extra Care at Home’ Provision

Wilmslow SMART Area (11/2012)	East Cheshire Clinical Commissioning Area (11/2012)	
Residential/Nursing Care beds	Extra Care Housing Schemes	No. Units
1,321 (95 current vacancies)	Oakmere, Handforth (rent/shared ownership/purchase)	53 units
	Prestbury Beaumont, SK10 (Continuing Care Retirement Community – ‘Close Care’) (leasehold)	23 Flats / bungalows + 27 bed Care Home
	Hanna Court, Handforth (shared ownership/purchase)	40 units
	Belong, Macclesfield	18 units

Other Facilities in Handforth offering ‘Extra care at Home’ (Sheltered housing, Assisted living) (11/2012)

Ferndale, Handforth	34 Flats	1 Vacancy
Gwyneth Morley Court, Handforth	49 Flats	0 vacancies

Care Provision in Cheshire East (11/2012)		
Total CEC Residents supported	4,104	
Domicillary Care arranged by CEC	1,349	
Residents receiving Direct Payments	522	(To arrange their own care)
Residents receiving DP & CEC care	(333)	
Total CEC residents in residential settings	1,900	(includes nursing & residential homes, extra care, sheltered housing, respite care)

Cheshire East works with its multi-disciplinary SMART Teams to assess the health and social care needs of customers. The Wilmslow Team serves the area covering the proposed development.

Cheshire East is actively promoting **Personal Budgets** for all customers with assessed need in line with Government policy in order to provide choice.

The draft Care and Support Bill includes plans to make personal budgets mandatory from 2015.

This has significant repercussions for the Coppice Lane CCRC application and its financial viability.

If residents exercise their right to spend their personal budgets on care services purchased outside the CCRC this needs to be factored into pre-development financial modelling.

First Response Reablement: Occupational Therapy and Assistive technologies

Evaluation of this new approach is on-going but to date 'Peaks and Plains' (Registered Landlord) have provided 'Telecare' services in the East Cheshire CCC Area:-

Assistive Technology to support residents in their own home.

No. of Customers receiving First response Reablement (Jan'12 -->)	No. Customers at home after 10 months without additional support	Reduction in customers requiring residential placement
873	67%	1+ per week
Current contract aims to provide for 1200 telecare customers by June 2013.		
<u>Assistance offered to Older People wishing to remain in their own home</u>		
Disabled Facilities Grants Care & Repair Team	C&R Team advises grant Applications & offers advice to self-funders who fund their own adaptations.	
Independent Living centre Wilmslow SMART Team	1,128 customers (over 55 years) have received adaptations and equipment	

.(Peaks & Plains: 09.11.2012)

Main conclusions:

The scope of the arc4 Needs Assessment relies in large part on the SHMA 2010 and has not been up-dated to adequately address the comments of the Planning Inspector or to examine other legislation enacted during 2012 (as well as the NPPF) that impact on planning, housing and the strategic needs of Health & Social care provision.

The Needs Assessment for this Application:-

1. Has failed to adequately respond to the new patterns of tenure being sought by Older People in Cheshire East in the current economic conditions.
2. Whilst acknowledging that “Cheshire East is a self-contained housing market area”, arc4 has attempted to justify ‘need’ through the disparate property landscapes of adjoining local authority areas.
The residual high levels of social housing in Wythenshawe and Stockport, and lower market prices of housing stock (of all types) in South Manchester, in comparison with Wilmslow and Handforth, require a far more detailed market analysis than that provided by simple projections of population statistics.
3. The CCRC model requires a significant financial commitment from purchasers. In the light of points 1 and 2, the ‘stalled’ scheme at Stothes Hall and the advice of the Joseph Rowntree Foundation (2012), the applicant must provide robust evidence of the financial modelling used to inform the design and demonstrate the economic sustainability of this application.
4. Has erroneously extrapolated that a rising older population combined with care home closures equates to the need for more care beds and ‘close-care’ dwellings.
 - This is in direct contradiction of arc4’s assertion in the SHMA 2010 that “There is no agreed formula or mechanism for establishing the number of extra care units needed in any particular area” (6.1)
 - This is in direct contradiction of Cheshire East’s data that shows, despite a rising older population, residential and nursing home client numbers are actually falling.
 - This fails to acknowledge the wider definition of ‘Extra care’ offered in the SHMA (2010) and adopted by Cheshire East’s ‘Sustainable Communities for All Strategy 2010-2015. In this context Cheshire East is actively encouraging ‘living at home, not in a home’, offering a wide choice of assisted living options for older people in the Borough.
5. Has failed to recognise the impact of current and imminent legislation on the economic sustainability of the CCRC model.
The Council is already required to proceed with the Personalisation Agenda which enables customers to receive a direct payment with which they can purchase the care they want. CCRC’s will need to factor this in to their own ‘care offer’ including potential losses if residents choose to purchase their care from a provider ‘outside’ the CCRC.

(When the Draft Care and Support Bill is passed in 2015, Personalisation will become mandatory.)

6. Has failed to demonstrate the viability of the development to be implemented promptly (with realistic timescales for completion), in order that delays do not compromise the viability of other care provider businesses in the short and longer term, and that the essential planning of older people's care by the integrated partnership of the Council, EC CCG and other partners is not hampered in the Handforth and Wilmslow area.
7. The life expectancy of residents in Cheshire East is higher than the national average, so individuals must plan prudently for longer retirements. This needs assessment has not appropriately factored this into the operational plan for this application. (If residents enter at 55 years, they will require sufficient funds to support them (and future care) for a further 30+ years.)
8. There is a case for Care Villages, but they are not 'a cheap option' and even in the USA (where the Concept has been popular since its inception in 1910), the economic climate is causing concern:-
"The picture currently isn't pretty. As the economic downturn has made it tougher for potential new residents to sell their existing homes and move in, a number of individual communities and one of the country's largest developers of such facilities, Erickson Retirement Communities, have sought bankruptcy protection" (Wall Street Journal May 30th 2012)

The assessment and identification of need has not materially altered sufficiently to warrant a departure from policy GC7 (Safeguarded Land)

This application fails to provide evidence of economic sustainability in the shorter term (development) and longer term (financial modelling for implementation) (NPPF 2012) and in failing to demonstrate economic sustainability, this application, if granted cannot provide social sustainability (NPPF 2012)

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