



Regulated by RICS

March 2018

Comprehensive planning need assessment
for Brackley Investments Limited

Crookthorn Lane, Climping,
Littlehampton, BN17 5SN

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EXECUTIVE SUMMARY

T1 Background

Carterwood Chartered Surveyors has been commissioned to prepare a need assessment on behalf of Brackley Investments in support of a planning application for the development of a 64-bed purpose-built dedicated dementia care home for the elderly.

T2 Estimated need for elderly dedicated dementia care home beds – 2019

Demand	Ref.	Market catchment (5 miles)	Arun District Council	Local area (2.5 miles)
Estimated need for elderly dedicated dementia care home beds	-	663	842	185
Supply				
Current supply of elderly dedicated dementia market standard bedrooms	1	252	252	47
Dedicated dementia beds pending decision	2	0	75	0
Dedicated dementia beds granted permission but not under construction	3	34	106	4
Dedicated dementia beds granted permission and under construction	4	42	42	0
Total planned and existing dedicated dementia market standard beds	-	328	475	51
Balance of provision (excluding the proposed home)				
Estimated shortfall including all planned dedicated dementia beds (Supply equates to the sum of references 1, 2, 3 & 4)	-	335	367	134
Estimated shortfall including dedicated dementia beds under construction (Supply equates to the sum of references 1 and 4 only)	-	369	548	138

T3 Conclusions and recommendations

- Our assessment of the balance of provision in 2019 within our 'market' catchment area indicates a significant shortfall of 335 market standard dedicated dementia bedspaces (assuming all dementia planned beds are developed). Our more realistic assessment of the balance of provision, where only planned beds under construction are included, indicates a significant level of unmet need of 369 dedicated dementia bedspaces within the market catchment area.
- There is also a significant shortfall of 548 and 138 dedicated dementia bedspaces within the Arun District Council and local (2.5-mile) catchment areas when the status of the planned provision is included.
- Commissioning documents recognise a significant increase in the population aged 65 and over and those living with dementia within the local authority area.
- We consider there is a significant unmet need for additional elderly dedicated dementia care home beds within the area.

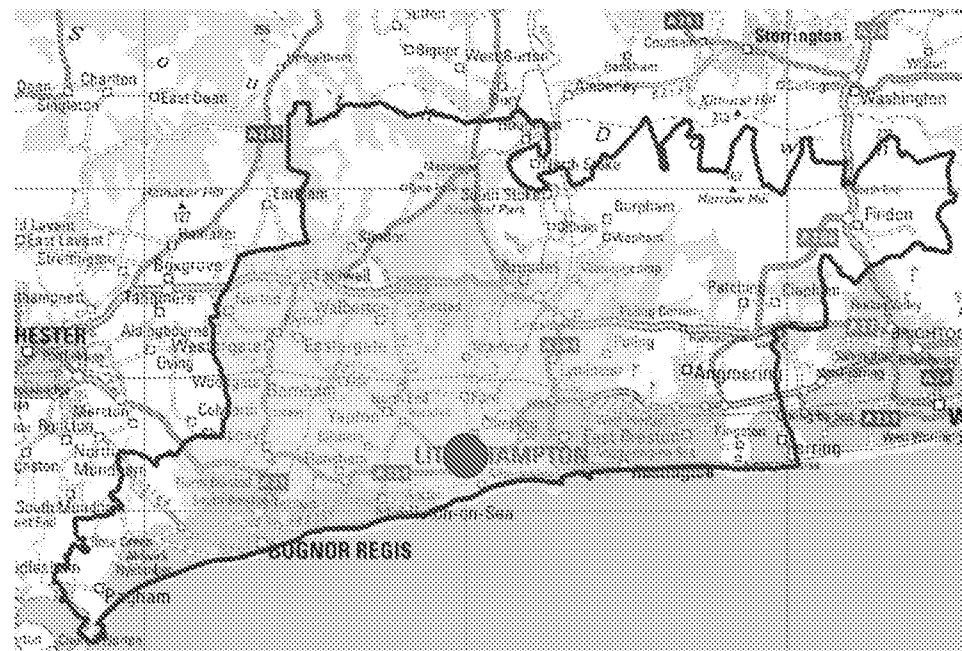


Figure 1: Location of the proposed scheme and its catchment areas

Notes: The proposed scheme is shown by the red dot. The 'market' catchment area is indicated by the area shaded blue, with the 'local' catchment area indicated by the pink shaded area. The Arun District Council boundary is edged dark blue.

T4 Definition of market standard beds

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

T5 National demand drivers for new elderly bedspaces

National overview

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

INTRODUCTION

1. Introduction

- 1.1. Carterwood Chartered Surveyors has been commissioned to prepare a need assessment on behalf of Brackley Investments in relation to the development of a new purpose-built dedicated dementia care home on land at Crookthorn Lane, Climping, Littlehampton, BN17 5SN.
- 1.2. The proposed home will provide a modern care home capable of flexibly adapting to meet the needs of all aspects of elderly care provision. It will include physical adaptations and an environment suited towards the provision of specialist dementia care, to meet a growing need in this area.
- 1.3. Carterwood has been asked to prepare a need assessment of the subject site based on the following:
 - 'Market' catchment area extending to circa 5 miles;
 - 'Local' area extending to circa 2.5 miles; and
 - The Arun District Council local authority area.
- 1.4. In this report, we have considered the national context, together with a detailed study of the market catchment area.

2. Sources of information

- 2.1. We have utilised the following sources of information:
 - Census 2011 population statistics;
 - Government actuarial population projections;
 - LaingBuisson *Dementia Care Services 2009*;
 - LaingBuisson *Care of Older People UK Market Report (28th Edition)*;
 - *A-Z Care Homes Guide 2018*;
 - www.housingcare.org;
 - www.cqc.org.uk;
 - Relevant planning departments;
 - Barbour ABI;
 - EGI;
 - Alzheimer's Society: *Dementia UK The full report 2014*;
 - Alzheimer's Society: *Low expectations: Attitudes on choice, care and community for people with dementia in care homes, February 2013*;
 - Bupa – A profile of residents in Bupa care homes: results from the 2012 Bupa census;
 - West Sussex County Council.

3. Carterwood

- 3.1. The company has grown from two founding directors to a team of 25, with active agency and valuation departments, and provides advice across the care sector to a range of operators, developers and other stakeholders.
- 3.2. Examples of private sector clients who have commissioned need assessments or site feasibility studies include:

• Porthaven Care Homes	• MedicX
• Gracewell Healthcare	• Retirement Villages
• Hallmark Healthcare	• LifeCare Residences
• Care UK	• Richmond Villages
• Caring Homes	• Banc Care Homes
• Signature Senior Lifestyle	• Four Seasons Health Care
• Barchester Healthcare	
- 3.3. Not-for-profit providers include:

• Anchor	• Brendoncare
• The Royal British Legion	• Care South
• Mencap	• Healthcare Management Trust
• Leonard Cheshire Disability	• Greensleeves Homes Trust
• Sanctuary Care	• Milestones Trust
• Jewish Care	• The Orders of St John Care Trust
- 3.4. Carterwood's client base represents the majority of operators currently seeking to develop new care homes aimed at the privately funded care home market.
- 3.5. Accordingly, we are in an almost unique position in the sector, having assessed over 1,000 sites in the past 9 years for a range of different providers and a range of different scheme types and care categories.
- 3.6. This report has been prepared by Mr Alex Taylor MA MRICS.

4. Our approach

- 4.1. Our report is split into sections as follows:

National context and key definitions

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

The proposal

- 4.3. A description of the proposed scheme.

Establishing need

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

Local demand and supply analysis for dedicate dementia care

- 4.5. We have analysed the demand and supply position for a market catchment area of the proposed dedicated dementia home as well as for the council boundary. We have adopted our market catchment based upon our own empirical research into catchment areas for new-build care homes, and carried out detailed research into the demographic profile and competing homes, as well as looking at planned provision to determine the current and future levels of unmet dementia need. We have reviewed the West Sussex County Council commissioning documents and commented where appropriate.

Conclusions

- 4.6. We have provided our overall assessment of the extent of the unmet need for market standard dedicated dementia care home bedspaces within the respective catchment areas. We also provide an overview of the key qualitative and quantitative factors influencing our opinion of need for the proposed scheme.
- 4.7. We have also considered a number of key issues that are commonly raised in our experience of recent applications. These issues, whilst not directly related to need *per se* (and therefore irrelevant in terms of determining the planning application), remain important to the relevant stakeholders. Therefore, we consider that this section should assist the reader and Adult Social Care teams, who are often consulted in the planning process, to make an informed decision in respect of need for the proposed scheme.

NATIONAL CONTEXT AND KEY DEFINITIONS

5. Definition of a care home

- 5.1. Elderly care homes fall within Class C2 ("residential institution") of The Town and Country Planning (Use Classes) Order 1987. Section 3 of the Care Standards Act 2000, defines an elderly care home as *'any home which provides accommodation together with nursing or personal care for any person who is or has been ill (including mental disorder), is disabled or infirm, or who has a past or present dependence on drugs or alcohol'*.
- 5.2. Elderly care homes operate in a highly regulated sector administered by the CQC, which is responsible for registering and monitoring elderly care homes across all sectors as well as other care providers, such as domiciliary care agencies. The regulation of health and adult social care is governed by the Health and Social Care Act 2008.
- 5.3. There are approximately 18,857 care homes in the United Kingdom, around 11,600 of which care for elderly people, according to the *A-Z Care Homes Guide 2018*.

Personal care and nursing

- 5.4. To assist the reader, we provide below an explanation of the difference between personal care and nursing care, both of which can be provided within registered care facilities. The subject home will be seeking to cater towards dementia sufferers in a nursing setting.
- 5.5. Personal care or residential elderly care homes, as they are sometimes referred to, provide both short-term and long-term accommodation to elderly people. They also offer help with personal hygiene, continence management, food and diet management, counselling and support, simple treatments, personal assistance with dressing, mechanical or manual aids and assistance getting up from or going to bed.
- 5.6. Nursing homes offer the same services as personal care homes, but also provide registered nurses to care for residents with more complex health issues as prescribed by doctors. These nurses are available 24 hours a day.

6. Elderly population trends

- 6.1. The elderly UK population is set to grow dramatically over the coming years, with the over-85-years age band, from which the bulk of care home referrals are drawn, set to increase by 40 per cent between 2011 and 2021, as illustrated in Figure 2 below. The rapid increase in numbers of 65- to 84-year-olds is likely to continue to drive demand for care home beds.

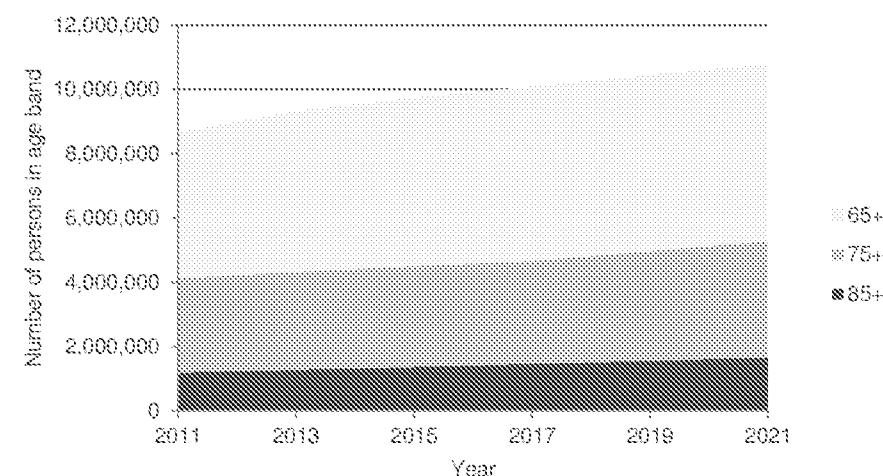


Figure 2: UK population growth, 2011–2021

Source: 2011 Census, government population projections.

- 6.2. LaingBuisson's *Care of Older People UK Market Report (28th edition)* states that the percentage of the UK population over the age of 85 is projected to multiply more than five times, from 1.6 million in 2017 (2.3 per cent of the population) to c. 7.4 million in 2086 (8.7 per cent of the population), while the 75- to 84-year-old segment will rise from 3.831 million in 2017 (5.8 per cent of the population) to 7.6 million in 2086 (8.7 per cent of the population).
- 6.3. The demand for care rises dramatically with age. Approximately 0.59 per cent of persons aged 65 to 74 live in a care home or in a long-stay hospital setting, rising to 14.80 per cent for the over-85s.

7. National provision

- 7.1. LaingBuisson's *Care of Older People UK Market Report (28th Edition)* states that as of January 2017 there were approximately 465,100 registered nursing and personal care bedspaces for the elderly and physically disabled in the United Kingdom. There was a general reduction in capacity from the mid-1990s until approximately 2010, and since 2010 the reduction in overall capacity has ceased and capacity has remained broadly static or in marginal decline.
- 7.2. Capacity is actually down from a 1995 peak of 557,400, but evidence now indicates that a new phase of essential expansion is underway across the country, as the number of very old people at risk of entering a care home rises significantly.
- 7.3. According to the *A-Z Care Homes Guide 2018*, approximately 390,000 of these beds have en-suite provision, meaning that around 30 per cent of current registered bedspaces do not conform to the current market standard of providing a bedroom with en-suite facilities.

8. The growing need for dementia care

- 8.1. 'The term "dementia" describes a set of symptoms that include loss of memory, mood changes and problems with communication and reasoning. There are many types of dementia, the most common being Alzheimer's disease and vascular dementia. Dementia is progressive, which means the symptoms gradually get worse' (source: Alzheimer's Society website).
- 8.2. Both personal care and nursing homes can provide care to persons suffering from dementia and/or Alzheimer's disease. Whilst the preference is always to try to maintain an individual's independence at home, this is not always possible, given the nature of the condition.
- 8.3. Nationally, there are a large number of mixed-registration homes caring for both elderly frail and dementia sufferers; this is acknowledged to be operationally challenging, as most homes lack the specialist design and layout to meet the complex needs of the service users' requirements.
- 8.4. As with the need for care in a residential setting, dementia prevalence increases rapidly with age. In the 65- to 74-years age group, dementia prevalence ranges between 1.3 and 2.9 per cent, but rises steeply to between 20.3 and 32.5 per cent for those aged 85 years and above. Thus, with more people living longer, the number of people with dementia is also increasing significantly. Already two-thirds of people living in elderly care homes have dementia; an issue that the *National Dementia Strategy 2009* stated had 'not been planned for'.

- 8.5. The following statistics have been sourced directly from the Alzheimer's Society website, which provides useful background on the condition and its growing importance in the UK social and health care sector:

- There are currently 800,000 people with dementia in the UK, with 17,000 below 65 years of age and 11,500 from black and minority ethnic groups;
- There will be over a million people with dementia by 2021, with the proportion of people with dementia doubling for every 5-year age group;
- Two-thirds of people with dementia are women and one-third of people over 95 have dementia;
- 60,000 deaths a year are directly attributable to dementia;
- Delaying the onset of dementia by 5 years would reduce deaths directly attributable to dementia by 30,000 a year;
- The financial cost of dementia to the UK was £23 billion in 2012;
- Family carers of people with dementia save the UK over £3 billion a year;
- 64 per cent of people living in elderly care homes have a form of dementia;
- Two-thirds of people with dementia live in the community while one-third live in an elderly care home, and only 40 per cent of people with dementia receive a diagnosis.

- 8.6. A study published in the *Lancet* medical journal in July 2013 suggests there are only 670,000 people living in the UK with dementia. This is down from 800,000–900,000 people in previous studies. The decline is attributed to a reduction in the prevalence of known risk factors, such as cardiovascular disease, as well as more people spending longer in education. However, the risk factors associated with the disease are still not fully understood and this figure could fluctuate over time, particularly given the increasing prevalence of obesity in the population. The Alzheimer's Society has produced a report (*Low expectations: Attitudes on choice, care and community for people with dementia in care homes, February 2013*) that sets out quantitative and qualitative research on dementia provision in the UK.

- 8.7. The Alzheimer's Society recognises that for people with moderate and severe dementia needs an elderly care home placement may be the safest and most sustainable option available. Their report states that:

'While there has been significant focus on delivering care to people in the community in recent years, care homes remain often the most appropriate place of care for many people with dementia, especially those with more advanced dementia' (page 5).

8.8. It also goes on to state that:

'There is significant evidence that the environment that people with dementia live in can have profound implications for their quality of life. Dementia can make it difficult for people to negotiate environments, potentially increasing the risk of accidents. Furthermore, many people with dementia are prone to walking about, and need environments which can enable this while remaining safe and secure' (page 26).

'The focus on new-build care homes should be on how environments can support good quality of life for residents, and existing good practice design guidance should be considered early on in building processes' (page 29).

8.9. Whilst the document also considers other outcomes in a very positive light (including domiciliary care and other alternatives), the above illustrates that provision of residential care is an important part of the approach required to tackle the increasing demographic pressures and increased levels of acuity in care home placements.

9. Paying for care

9.1. According to LaingBuisson, as of March 2017, 56 per cent of care home residents were having their fees paid, in part or in full, by local authorities. Consequently, the resources that government makes available to local authorities to fund community care are very important to the care home sector, particularly in less affluent areas of the country.

9.2. According to LaingBuisson, as at March 2017, an estimated 44 per cent of older or physically disabled residents in care homes were self-payers, receiving no funding from the state across the whole of England. Currently if a prospective resident has assets of over £23,250 (for England and Wales), they will have to pay the full accommodation and personal care costs as a 'self-funded' service user. In many circumstances, an individual's own home is taken into account and the sale proceeds used to fund their ongoing care needs. In the more affluent counties of the South East, we have been advised by the commissioning teams that the proportion of private funders is closer to 80 per cent.

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

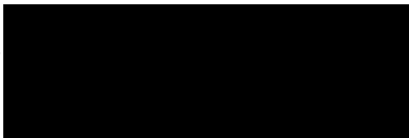
10. Key issues for the sector

10.1. The national requirement for the development of new elderly care home beds is growing. This is due to a number of factors, including:

- The increasing dependency level of service users;
- Increasing expectations from regulators and the marketplace;
- Many existing elderly care homes are converted, and are unsuitable for use in their current configuration without physical adaptation of the property;
- Constantly changing population demographics leading to a much older and more dependent population;
- The significant and growing increase in the incidence of dementia in older people;
- Impact of older people on the NHS and wider health care policy as levels of dependency increase and the burden of this age group on NHS facilities increases. This is also linked to the impact of social care funding and responsibility for paying for social care over the coming decades;
- The increasing requirement for extra care and other alternative forms of housing accommodation as an alternative to residential care, where suitable for the needs of the residents;
- The Care Act;
- National Living Wage and its implications on staff retention and recruitment and sustainability of some current business models.

10.2. In response to these changing demographics, market-based and regulatory factors, the subject scheme will meet a wide variety of needs for the elderly population in the area.

THE PROPOSAL



11. Description of application proposal

- 11.1. The proposed care home will comprise a 64-bed purpose-built property, providing 100 per cent single accommodation, with each bedroom equipped with an en-suite wetroom.
- 11.2. It is anticipated that as a result of this development, a number of additional permanent jobs will be created within the care home across a range of job types, from higher grade management positions to care workers and ancillary staff.
- 11.3. Further detail in respect of the application proposal can be found in the planning statement accompanying the application.

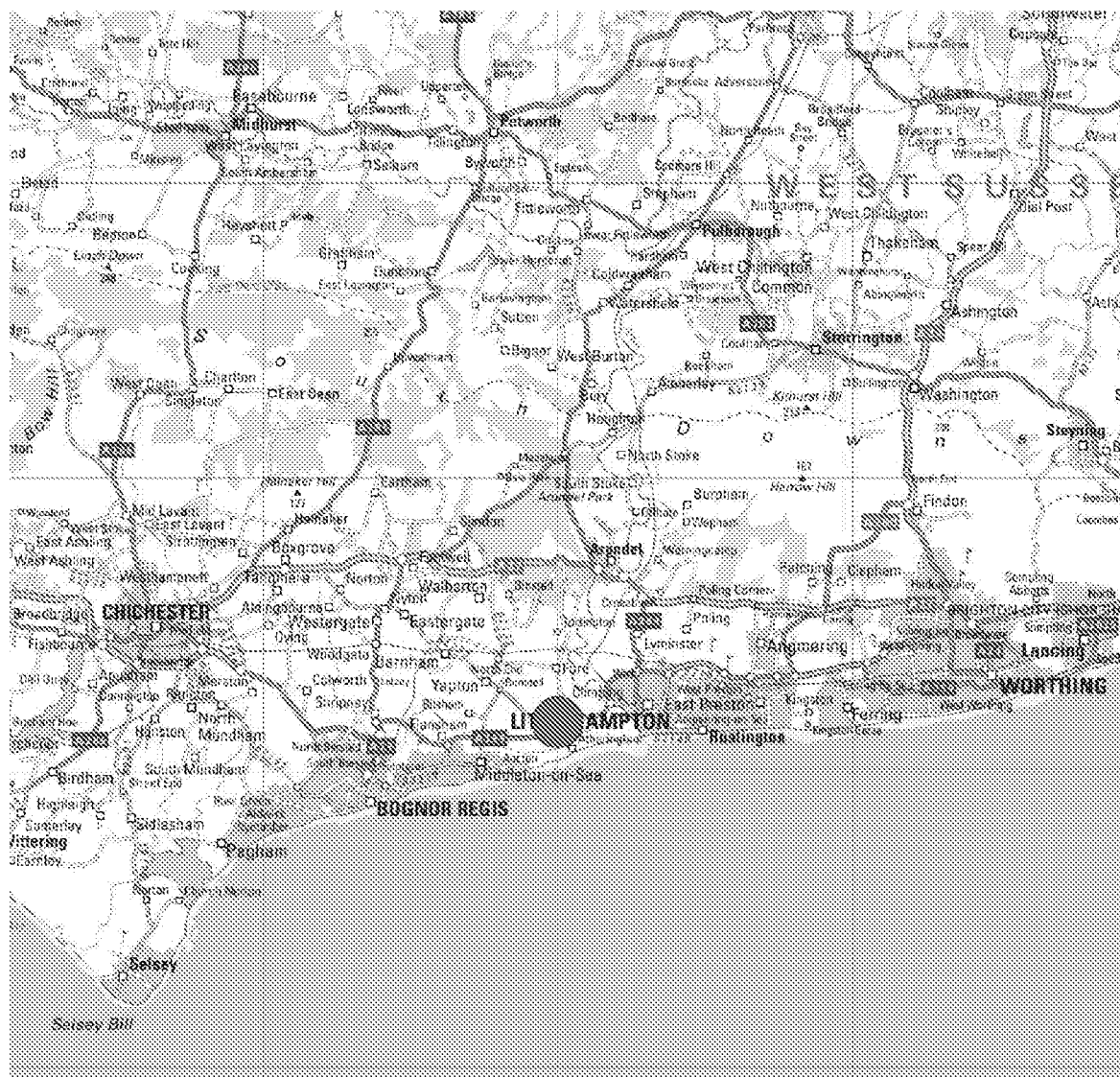


Figure 3: Location map of the subject site

12. The proposed care home – its position in the local market

Elderly care spectrum

- 12.1. Following our earlier review of the social care sector, to illustrate where we consider the proposed community lies within the various models of care provided in the UK long-term elderly-care market, we have compared the proposed home against other accommodation types in respect of care provided, cost of care, accommodation type and regulation. Table T6 below shows the range of options available within this "spectrum of care".
- 12.2. Increasingly, prospective service users are delaying their decision to move into residential care until later in life, and sometimes the catalyst for a move is a fall or illness causing a short-term hospital stay. Due to the increasing demands placed upon the NHS and hospital beds, as well as the introduction of delayed-discharge legislation, which imposes fines for "blocked beds" upon local authorities, hospital stays are increasingly shorter and residential care at this higher level of dependency may be the only short-term option.

- 12.3. A substantial variant to the provision elements of the care spectrum below is informal/family care. An estimated six million people provide significant support to elderly relatives, neighbours and friends. This allows many thousands of people to remain in their own homes, particularly when the support is alongside home care and/or day care. The effect of the above is to delay the older person's move into a care home, maybe even to the extent of bypassing care homes altogether and only moving into a nursing home or hospital when dependency is very high. Thus, a range of care needs and a range of services co-exist, sometimes with considerable overlapping.

The proposed dedicated dementia care home

- 12.4. The proposed dedicated dementia care home will be capable of providing care to residents with a range of dementia needs, including those with a physical need in addition, and has been specifically designed to cater to their requirements. With this ability, a number of very high-dependency residents who would otherwise have to have an enforced hospital stay, can be accommodated on a continuing-care basis.

T6 Elderly care spectrum						
Accommodation	Standard housing	Sheltered housing	Extra-care/independent living/assisted living	Care homes	Care homes with nursing	Hospitals
Care provided	Domiliary care			Personal care	Nursing and medical care	
Cost of care	Low to medium and highly variable			Medium to high	High	Very high
Accommodation type	Standard housing	Specialist elderly housing		Residential setting		
CQC regulation	Regulated only if care provided			Highly regulated -- all care and accommodation		
Proposed home				Planned needs in the proposed dementia care home		

ESTABLISHING NEED

13. Methodology for assessing need for dedicated dementia elderly care

- 13.1. Estimating the prevalence of dementia within a given population is difficult, due to the constraints of the available data, the nature of the condition and the range of acuity levels of sufferers. Much of the current research focuses upon existing prevalence rates based upon sample studies. We have assessed demand and supply for dementia by comparing the following:
- The number of persons requiring an elderly nursing home bed with dementia as the primary cause of admission;
 - The number of market standard bedspaces providing dedicated dementia care, either within a dedicated dementia elderly nursing home or a dedicated dementia unit within a mixed-registration home, available within the catchment area.
- 13.2. Current and future demand for elderly care is influenced by a host of factors. These not only include the balance between demand and supply in any given area, but can also be influenced by social, political, regulatory and financial issues.
- 13.3. In our opinion, taking all factors into account, the most appropriate means of assessing whether a particular area or proposed development has sufficient demand to warrant additional beds seeks to measure the difference between demand for elderly care home beds and the current and future supply; below we provide a fuller explanation of the process used.
- 13.4. We consider that this methodology is a logical, industry-recognised means of establishing if there is demand for additional elderly care home beds in any given area.
- 13.5. Going forward, it is harder to predict future industry trends and there are other factors that may influence the longer-term demand for care services, which include:
- Political and regulatory change;
 - Funding constraints;
 - Increase in adaptive technology and "telecare", prolonging the ability for people to remain in their own homes;
 - Medical advancement.
- 13.6. We have provided an indication of the estimated balance of provision as at 2019 in Section 20 and an estimate of the growth between the years 2019 and 2029 in Section 21. These estimates assume that all other factors remain equal, with the only variance being the increased demand for care based upon the rise in the number of elderly persons.

Demand

- 13.7. We assess demand based upon Census 2011 population statistics and have applied elderly population growth rates to determine the current and future demand for beds.
- 13.8. We have adopted LaingBuisson's measure of "Age Standardised Demand" (ASD). ASD is a tool used to predict the risk of an elderly person being in a residential setting at a given age.
- 13.9. The methodology involves taking population statistics by age (65–74, 75–84 and 85+ years) and applying standard UK patterns of care home admission. It must be understood that ASD is, therefore, a function of population; it is not a direct measure of demand for care services and is only an indicator of them. It is however, the industry-recognised approach to determining demand for care in a residential setting.
- 13.10. In order to calculate the number of people who are likely to require a care home bed within a dedicated dementia environment, we multiply the total number of required beds by 45.6 per cent, thus reducing the number of people from which the proposed dementia care home will draw by half.
- 13.11. Our measure is based upon research carried out within Bupa elderly care homes in 2012 and indicates that 45.6 per cent of residents within the surveyed elderly care homes were admitted with dementia as a primary cause. Best practice states that people living with dementia should be cared for within a specialist, dedicated dementia environment.
- 13.12. This measure, by definition, assumes that a principal reason for admission to care in a residential setting was based upon the dementia condition. However, it should be noted that there may be other physical frailty in addition to this measure. Conversely, there will also be a larger pool of dementia sufferers who would have been admitted due to a physical frailty/disability but who now also suffer from some form of dementia.

Current supply

- 13.13. We assess supply by calculating the number of market standard elderly care home beds currently registered to provide dedicated dementia care within the assessed area.
- 13.14. These homes can either be wholly registered to provide dedicated dementia care, as the subject scheme will be, or be unitised with part of the home offering

dedicated dementia care. We have counted both types in our measure of existing supply. We have contacted every home in the adopted catchment areas in order to determine whether they offer dedicated dementia care.

13.15. We have analysed the quality of accommodation, total number of bedspaces and market distribution between private operators, groups, local authority and voluntary operators.

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

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

Planned supply

13.18. We assess planned supply by conducting a review of all new care home beds that have been granted planning permission within the catchment area. From our data sources, Barbour ABI ("ABI") and Estates Gazette Interactive ("EGI"), we have reviewed all planning applications for new care home beds (both new-build and extensions) that have been granted, refused, withdrawn or are pending decision. This has been cross-referenced against the online planning website for the relevant local authority and, where an anomaly exists, we have contacted the planning officer if required.

13.19. We have made enquiries with the relevant local authority and used our own data information sources and market knowledge to determine the number of planned beds, either with planning permission or under construction. Additional bedspaces in the area are of key importance as they are likely to be of a high standard and provide significant competition to the proposed community once completed and trading.

13.20. We have searched for planning applications submitted over the past 3 years. Where an application has been refused or withdrawn we have entered the postcode into the local authority online planning facility to identify if a subsequent application or appeal application has been submitted. We would note that the planning registers that we subscribe to are not definitive and may exclude some applications as they rely upon each local authority for provision of the information.

13.21. A significant proportion of planned care home beds are never implemented; however, we include all planned bedspaces regardless of their deliverability. It

should be noted that beds granted permission, but not yet under construction, have potential for alternative residential C3 schemes to take their place.

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

13.23. We have endeavoured to establish the proposed number of planned beds within the catchment area that will provide dedicated dementia care. This is not always possible, as operators themselves often do not finalise the categories of care within the homes or within individual units until shortly before the home opens.

13.24. We have outlined the assumptions we have made within the section on the planned supply.

14. Market standard beds

14.1. In calculating the current supply of beds, we have assessed the total provision of market standard beds. We have defined market standard beds as the total number of bedrooms operated by each home that provide en-suite facilities. An en-suite is defined as providing a WC and wash hand basin, and does not necessarily provide shower/bathing facilities.

14.2. We have not assessed the shortfall of bedspaces based upon the total registered capacity. A care home's total registered capacity is often greater, as it includes the maximum number of bedspaces that the care home is registered to provide by the sector's regulator, the Care Quality Commission (CQC). This registered provision will therefore include:

- Market standard bedrooms;
- Under-sized bedrooms;
- Homes with internal or external stepped access, which therefore limit the level of physical acuity that a resident must have in order to occupy the room;
- Bedrooms accessed via narrow corridors, making them unsuitable for persons confined to a wheelchair;
- Bedrooms accessed without a shaft lift, which is a significant challenge in the provision of any care, but particularly when providing high dependency nursing care;
- Bedrooms of an inappropriate size and shape that prevent two care assistants from being able to assist a person into and out of their own bed;
- Historic shared occupancy rooms that are now only 'marketable' as single occupancy bedrooms, as market expectations and commissioning standards rise;
- Bedrooms that lack en-suite facilities, which for the last 20+ years have been actively encouraged, wherever possible in new developments, by the government's regulator as well as by the market. Both are trying to drive increased quality and meet basic expectations that current referrals and their next of kin see as mandatory.

14.3. We are aware of some other local authorities previously suggesting that, as the CQC continues to register existing care homes that do not comply with the definition of market standard, the total registered capacity should be the appropriate basis of assessment of market supply.

14.4. However, this argument fails to take account of the rising levels of acuity and dependency levels of referrals into residential care. The profile of care home occupants has changed markedly over the past 5–10 years, and failure to address the shortcomings in the existing standard of care home supply will mean

inadequate accommodation for those most at need over the coming years, as the well-publicised rapidly ageing population starts to take effect.

14.5. In our opinion, it is the local authority, and not the government's regulator, that holds the ability to influence developments and drive environmental quality forward. In this respect, Carterwood has been involved in several successful planning applications and has submitted needs assessments using an identical methodology to that prepared as part of these submissions, where the need case has been accepted by the relevant local authority during the application process. Recent examples are:

- Land at Parklands, Bittams Lane, Chertsey, Surrey, KT16 9RG (planning reference: RU.14/0085): Development to provide a two-and-a-half-storey building for use as a 70-bed care home and a three-and-a-half-storey building for use as 50 extra care apartments (revised description 22/01/14);
- Land west of Banbury Road, Adderbury, Oxfordshire, OX17 3PL (planning reference: 13/01672/HYBRID): Phase 1: Construction of a 60-bed elderly nursing home. Phase 2: Construction of extra care facility of up to 3,450 sq. m. (GIA);
- Old Silhillians Association Ltd, Warwick Road, Knowle, Solihull, B93 9LW (planning reference: 2013/867): Development of a 60-bedroom care home with car parking/servicing area and landscaped grounds;
- 50–54 West Street, Reigate, RH2 9DB (planning reference: 13/01592/F): Development of a registered residential care home for the frail elderly, following demolition of three existing dwellings;
- The Old Bell House, Sunninghill, SL5 9JH (planning application reference: 13/01207): Development of a registered residential care home for the frail elderly, following demolition of four existing dwellings;
- Princess Alexandra House, Stanmore, HA7 3JE (planning application reference: P/4071/14): Development of a new retirement community to replace an existing care home not meeting market standards.
- Grays Farm Production Village, Grays Farm Road, Orpington, BR5 3AD (planning reference: 14/00809/FULL1): Demolition of the existing buildings and redevelopment to provide a 75-bed care home with landscaping and associated car parking.
- The Old Bell House, Sunninghill, SL5 9JH (planning application reference: 13/01207): Development of a registered residential care home for the frail elderly, following demolition of four existing dwellings;
- Brethrens Meeting Room, West Street, Farnham, GU9 7AP (planning reference: WA/2015/0641): Erection of a care home with nursing (Class C2)

- with related access, servicing, parking and landscaping following demolition of existing place of worship (as amended by plans and documents received 02/07/2015 and 16/07/2015 and as amplified by additional information received 08/05/2015);
- Farthings, Randalls Road, Leatherhead, KT22 0AA (planning reference: MO/2016/0594): The erection of 82-bed care home, 35 assisted living units, 26 family houses and 17 affordable dwellings, together with access, parking, public open space including a Locally Equipped Area of Play (LEAP) and landscaping following the demolition of Farthings.
 - Former Preston Cross Hotel, Rectory Lane, Little Bookham, Surrey, KT23 4DY (planning reference: MO/2014/0918): Erection of a 70-bedroom elderly nursing home including three close care units, with the erection of a new single-storey outbuilding to provide a further close care unit, with creation of associated access, circulation, parking and landscape, including new footpath and boundary treatment, following the demolition of all buildings with the exception of the façade, retention of the original house on three sides, and flint outbuilding for conversion to an additional close care unit.
 - Grove Place Village, Grove Place, Upton Lane, Nursling, Southampton, SO16 0XY (planning reference: 14/01899/FULLS): Erection of two-storey 54-bed care home to provide specialist nursing and dementia care facilities, with ancillary cycle store, servicing, amenity space and landscaping, including woodland management and tree planting, provision of 28 car parking spaces plus relocation of four existing car parking spaces; construction of access drive from Upton Lane.
 - Plot B of Plot 1, Andover Business Park, Hawker Siddeley Way, Andover, SP11 8BF (planning reference: 14/01649/FULL): Erection of three-storey 66-bedroomed care home for older people, with associated car parking and landscaping, bin store, garden store/electric meter storage and cycle shelter.
- 14.6. In each instance, the adult social care team accepted that, whilst the total registered capacity was greater than the number of market standard bedspaces, the issue of quality, design and type of bedspace could not be ignored, and the premise of assessing bedspaces on a market standard basis was accepted by each respective council.
- 14.7. We are also aware of an appeal case with a similar result, where we were not acting for the appellant; in Sevenoaks under planning reference 11/01878/FUL granted on the 3 June 2014.
- 14.8. We have adopted market standard beds due to the rising expectations of quality required by service users as well as previous regulatory requirements to provide en-suite facilities, and best practice. We consider that, going forward, homes that do not provide adequate en-suite facilities will fast become obsolete.
- 14.9. This method of assessing supply, utilising market standard beds, is accepted market practice by all of the operators we currently undertake feasibility work for, when considering the development of new facilities. We have prepared over 1,000 site feasibility/need assessments over the past 9 years, all of which adopt the market standard bed approach.
- 14.10. All new care homes provide en-suite facilities, and many provide larger en-suite wet/shower rooms to enable the service user to be bathed without the need for larger communal bathrooms; therefore, all new beds are classified as market standard. It should be noted that the quality of en-suite provision in existing homes may vary significantly, from large wetroom facilities to small converted cupboards with a WC and wash hand basin.
- 14.11. There are also other factors that influence what determines a market standard bedroom, including room size, layout and configuration, as well as a host of factors not related to the physical environment, most importantly the quality of care being provided to service users. However, with the information available, and without making qualitative judgements as to the calibre of any home, we consider it the most appropriate measure of elderly care home provision available upon which to assess need.

LOCAL DEMAND AND SUPPLY ANALYSIS FOR DEDICATED DEMENTIA CARE

15. Commissioning overview

15.1. We have evaluated the published documentation relating to other current commissioning strategies for older people within West Sussex County Council (WSCC) in relation to the commissioning environment for older peoples' housing. We have reviewed the following documents, all of which were prepared by WSCC, and included extracts verbatim:

- West Sussex Joint Strategic Needs Assessment – Health and Social Care Profile of Older People – April 2015;
- Dementia Framework West Sussex 2014 – 2019.

15.2. We understand that WSCC do not have an overarching Market Position Statement for Adult Social Care, although it is expected that one will be published in 2018.

West Sussex Joint Strategic Needs Assessment

15.3. *Within the next 5 years, the number of 65+ year olds is projected to increase by 10%, with a 16% increase in the 85+ age group. Longer term planning needs to build in higher increases in the 85+ age group; with an acceleration from 2019 onwards. Current projections estimate 18% increase in the number of 85+ year olds between 2019 and 2024, and a 20% increase between 2024 and 2029' (page 3).*

15.4. *'Currently it is estimated that there are 75,000 people aged 65 years or over who need help with at least one domestic task. Applying currently assumptions to population projections, it is estimated that this number will increase to over 106,000 by 2029' (page 6).*

15.5. *'Currently it is estimated that there are 61,640 people aged 65 years or over who need help with at least one self-care task. Applying currently assumptions to population projections, it is estimated that this number will increase to almost 87,000 by 2029' (page 6).*

15.6. *'Currently it is estimated that there are 35,000 people aged 65 years who have a long term limiting illness or disability which acts to limit their day-to-day activities a lot, this is projected to increase to 50,000 within 15 years' (page 7).*

15.7. *'The 2011 Census included a question relating to a self-reported assessment of general health. People were asked to assess their health as "very good or good", "fair" or "bad or very bad", this was an assessment at the time of the census and did not ask the respondent to consider their health over a longer period of time. Applying 2011 Census data (for West Sussex) to the current population a total of 18,710 people aged 65+ are estimated to be in bad or very bad health' (page 8).*

T7 General health of people aged 65+ projected to 2029 – bad or very bad health				
	2013	2019	2024	2029
Aged 65–74 years	6,640	7,370	7,210	7,900
Aged 75–84 years	6,930	7,760	9,490	10,190
Aged 85 or over	5,140	3,660	4,090	4,650
Total	18,710	18,790	20,790	22,740

Source: West Sussex Joint Strategic Needs Assessment

15.8. The table below highlights the projected number of people living with dementia in West Sussex.

T8 People Living with a dementia projected to 2029				
	2013	2019	2024	2029
Aged 65–69 years	660	610	640	720
Aged 70–74 years	1,050	1,440	1,300	1,390
Aged 75–79 years	1,940	2,200	2,870	2,620
Aged 80–84 years	3,200	3,500	3,900	5,120
Aged 85 and over	6,620	7,750	8,940	10,470
Total	13,470	15,500	17,650	20,310

Source: West Sussex Joint Strategic Needs Assessment

15.9. *'Currently it is estimated that there are 13,500 people aged 65 years living with dementia in West Sussex, applying current prevalence assumption to projected population it is estimated that this will rise to 20,300 within 15 years' (page 10).*

Dementia Framework West Sussex 2014–2019

15.10. *'It is estimated that there are 13,000 people living in West Sussex with dementia, and that this is set to grow by 14% by 2017, with a further 26% increase by 2021. This growth is happening at a time of significant reductions in public sector funding and we need to develop new ways to support people to live well with dementia' (page 4).*

15.11. *'It is estimated nationally that one third of people with dementia live in residential care, and about two thirds of people who live in care homes have dementia. Currently WSCC provides funding for approximately 1,400 people with dementia for*

residential placements. This breaks down to approximately 1,000 placements in the Coastal area; 150 in the Crawley area; and 250 in the Horsham and Mid Sussex area. WSCC also directly provides a residential resource centre within Worthing that provides long stay and respite places for twenty people with dementia at any one time. WSCC commissions Shaw Health Care to deliver residential care for people with dementia within ten care homes.

- 15.12. *'The level of dementia care home provision differs noticeably by district across West Sussex. During a recent survey of vacancies, there were no vacancies at the WSCC funded rate in the Crawley area, and only 40 vacancies county wide. Without action to reduce the need for residential care or an increase in availability, there is a risk that people requiring WSCC funded placements may need to move greater distances and/or that the cost of provision may escalate' (page 11).*
- 15.13. *'West Sussex has one of the oldest populations of any local authority in England and the number of older people is expected to grow as a proportion of the population year on year for the next 20 years, with particularly high growth in those aged over 90' (page 14).*
- 15.14. *'However, savings from improved diagnosis rates are small when compared to the demographic effect. WSCC currently support 23% of people aged over 90 years old in the county, at an average cost of over £8,000 per person, with much of that cost being accounted for by long term residential care. With numbers of people in this age group expected to increase by 36% between 2013 and 2021, WSCC must focus resources on keeping people independent for longer' (page 14).*
- 15.15. *'WSCC will take steps to enable the market to provide sufficient placements for people with dementia, including for those that require funding from WSCC and for younger people with dementia or from BME groups. It will review directly provided residential provision to ensure such provision is able to meet the needs of local people and maximises the benefit from spend. WSCC also intends to work with providers to implement a Dementia Specification for Residential Care Homes, based upon NICE guidelines to set out clear expectations for delivery and provide a framework for staff training and development. Key to this will be the development of leadership skills required to run excellent dementia services. In reach services will also continue to work with providers to enable them to deliver continuity of support to people within their homes' (page 31).*

Conclusions

- 15.16. WSCC, like many other commissioning authorities, is attempting to move away from commissioning residential care. It does, however, recognise the need to improve the quality of the care home stock and provide additional dementia care as well as the reality that there will come a point where the number of people requiring care in a residential setting cannot be reduced further.
- 15.17. The documentation clearly identifies a number of key demand drivers for new dementia care home bedspaces, as the demographic pressures of an ageing population become manifest over the coming decade, and the subject scheme will seek to address this requirement.

16. Bases of assessment

- 16.1. We have undertaken our detailed assessment of the demand and supply position of the proposed care home by adopting a market catchment area, shaded blue and pink in the map opposite. We have also prepared analysis based upon the Arun District Council local authority area, as edged dark blue, whilst local market analysis has been prepared upon the pink shaded area.
- 16.2. We have previously analysed resident data provided by a number of care home operators for modern purpose-built operational schemes akin to that of the proposed care home. From this information, we have calculated the mean distance travelled by each resident into the respective home. The headline results of our research are provided below:

T9 Average distance travelled to a care home	
Comparable location	Average distance travelled by resident (miles)
Location 1: Rural location	5.7
Location 2: Rural location with good A-road links	5.4
Location 3: Urban location	4.3
Location 4: Edge-of-town location close to motorway network	5.2
Location 5: Urban location close to motorway network	5.7
Overall average	5.4

Source: Carterwood.

- 16.3. The location of the proposed care home accords most closely with Location 2, hence we have adopted a catchment with a radius of circa 5 miles, although it varies between a 0.9- and 5.6-mile radius from the proposed care home due to the constraints of the available data and the proximity to the coast. This catchment reflects the high levels of accessibility and mixed rural and suburban surrounding areas.
- 16.4. All care homes will inevitably draw service users in some instances from substantially further than a typical catchment. If the family is the key decision maker in the placement decision, then sometimes the service user may move significant distances, which can distort catchment area analysis. Conversely, if the local authority is the key decision maker, then the service user's choice can be highly constrained to vacant beds in a small number of local more affordable homes.



Figure 4: Bases of assessment

The red spot shows the approximate location of the subject site.
The area shaded blue and pink comprises our market catchment area.
The boundary of Arun District Council is edged dark blue.
We have also prepared analysis upon the local market at 2.5 miles (pink shaded area only).

17. Demographics

17.1. We have assessed demand based upon Census 2011 population statistics and have extrapolated expected elderly population growth rates for the council local authority area to determine current and future demand for beds. The total projected population for the market catchment area, as at 2019, is 132,368, with the population within the council and local area at 162,000 and 44,323, respectively. The graph opposite shows the growth of the population over the next 12 years within the market catchment area. The need for care home beds is expected to rise between 2019 and 2031 by 46.9, 47.4 and 46.1 per cent for the market, local authority and local catchments, respectively, assuming all other things remain equal, further indicating an increased demand for additional market standard bedspaces.

17.2. Table T10 shows the number of persons that are at risk of requiring care in a residential setting as at 2019. Our assessment of demand for residential care is therefore 1,453, 1,847 and 406 within the market, council and local catchment respectively.

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

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

17.4. We then apply the prevalence figure of 45.6 per cent to this overall level of need to determine the number of people likely to require a care home bed within a dedicated dementia care home. We calculate there to be 663, 842 and 185 people who require dedicated dementia care in the market, council and local catchments respectively.

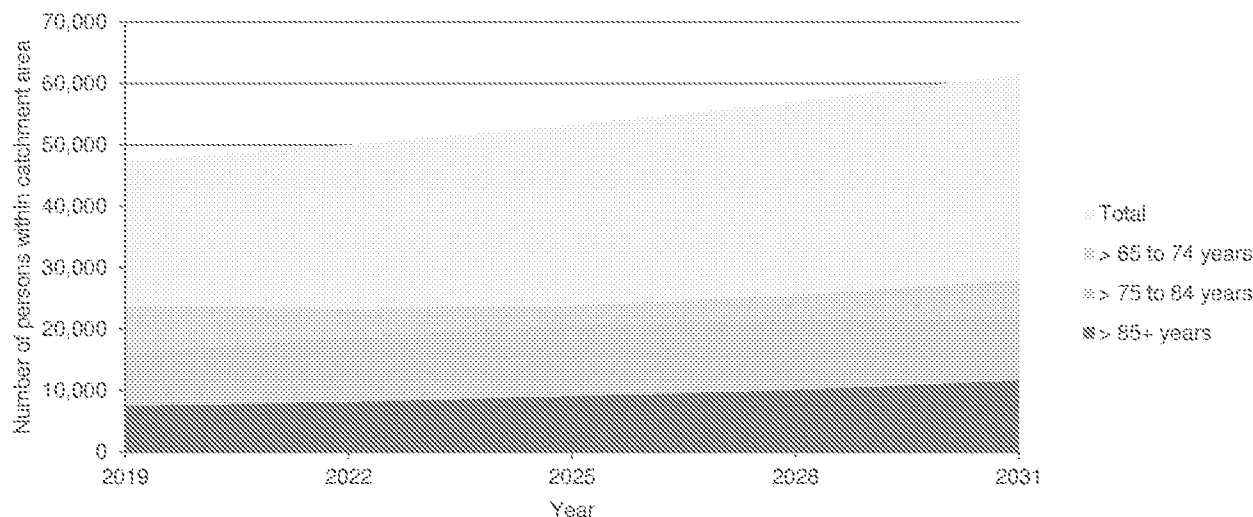


Figure 5: Projected population by age within the market catchment area

T10 Key demographic indicators - 2019			
Catchment area	Market catchment area	Local authority	Local catchment area
Population			
Total population	132,368	162,000	44,323
Total population aged 75 years and above	18,239	23,500	5,301
Percentage of persons aged 75 years and above (%)	13.8	14.5	12.0
Demand			
Predicted need for care home beds	1,453	1,847	406
Predicted need for dedicated dementia care home beds	663	842	185

Source: Census 2011, government population projections, LaingBuisson, Bupa.

18. Supply of existing dedicated care homes

- 18.1. The table opposite illustrates the quantity and quality of existing dedicated dementia care home provision within the market catchment, Arun District Council and local catchments.
- 18.2. We have assessed supply based upon market standard bedspaces, which we define as any registered bedroom providing a minimum of en-suite WC and wash hand basin
- 18.3. Within the market and local authority catchment areas, there are seven care homes that solely provide dementia care, and six dedicated dementia units within mixed registration homes.
- 18.4. Dedicated dementia units tend to be located within purpose-built homes, where accommodation is generally of a higher quality and can be utilised to provide dedicated areas for residents living with dementia and this is reflective in the market and local authority catchment areas, where 87 per cent of the registered capacity benefit from an en-suite facility.
- 18.5. The quality of accommodation within dedicated dementia homes can vary substantially in quality but is generally lower as the homes are less likely to be modern, purpose-built schemes. In this instance, the dedicated dementia homes within the market and local authority catchment areas are lower with 61 per cent of all bedrooms equipped with an en-suite, although this is still below the national average percentage for all care home types.
- 18.6. The local catchment area has three dedicated dementia homes, with only 22 per cent of bedspaces market standard, significantly below the national average of 70 per cent. In addition, there is only one dedicated dementia unit within a mixed registration home.

- 18.7. Although a number of bedspaces are equipped with an en-suite within all catchment areas, most are likely to be WC and wash hand basin only, with few, if any, offering bedrooms with en-suite wetrooms of the same size and specification as that proposed by the subject scheme.

T11 Summary of dedicated dementia provision				
Care category	Number of homes	Registered beds	Market standard beds	Percentage of market standard beds (%)
Market catchment area				
Specialist dedicated dementia homes	7	198	120	61
Dedicated dementia units in mixed homes	6	151	132	87
Overall	13	349	252	72
Council boundary area				
Specialist dedicated dementia homes	7	198	120	61
Dedicated dementia units in mixed homes	6	151	132	87
Overall	13	349	252	72
Local catchment area				
Specialist dedicated dementia homes	3	78	17	22
Dedicated dementia units in mixed homes	1	32	30	94
Overall	4	110	47	43

Source: A-Z Care Homes Guide 2016, CQC, Carterwood.

19. Planned supply

- 19.1. We have made enquiries with our planning databases, Barbour ABI and EGi, and cross-checked planning applications for new elderly care home beds against the relevant planning departments' online planning registers for applications submitted within the last 3 years. This research was carried out on 9 February 2018.
- 19.2. We have identified ten planning applications for additional care home beds, eight of which have been granted and two are pending a decision.
- 19.3. We have reviewed if the planned scheme is under construction based upon publicly available documentation, inspection of the sites and our own knowledge of the schemes. We have graded a scheme as 'under development' if there is some indication, either through an operator's or developer's website, that development has commenced. Schemes with a 'no' may still be developed, but there is no indication that construction has commenced.
- 19.4. Normally, where it is stated by a planning application that a care home is to provide dementia care, we have included the planned beds within our assessment below. However, in this instance no such information is available, which is not unusual as it is possible that the categories of care within a new care home will not be finalised until shortly before opening.
- 19.5. For the purposes of the additional planned supply we have reviewed all the planned care home provision and made the following assumptions in our analysis:
- Scheme A – the (four) additional bedspaces will provide dedicated dementia care.
 - Scheme B – there is no indication of the proposed number of beds for dedicated dementia care. Therefore, we have assumed that a proposed home over two floors will provide 50 per cent of the beds for dedicated dementia care (30 beds).
 - Scheme C – this development is currently listed as being under construction on the operator's website. We have assumed the top floor, which comprises 42 beds will provide dedicated dementia care.
 - Scheme D – extension to an existing home and we have assumed that the bedspaces will not provide dedicated dementia care given the small number.
 - Scheme E – this is a proposed 72-bed care home for residents with dementia care needs and will be operated by St Matthews Ltd.
 - Scheme's F, G and I – extensions to existing homes and we have assumed that the bedspaces will not provide dedicated dementia care given the small number
 - Scheme H – there is no indication of the proposed number of beds for dedicated dementia care. Therefore, we have assumed that a proposed home over two floors will provide 50 per cent of the beds for dedicated dementia care (40 beds).
 - Scheme J – there is no indication of the proposed number of beds for dedicated dementia care. Therefore, we have assumed that a proposed home over two floors will provide 50 per cent of the beds for dedicated dementia care (35 beds).
- 19.6. Therefore, out of a total of 406 planned market standard bedspaces, we have assumed 223 will provide dedicated dementia provision.
- 19.7. Our desktop research has indicated that development has commenced on Scheme C and there is no indication that development has commenced on the remaining schemes.
- 19.8. We have been unable to confirm definitively if the applications detailed below are the only current applications in the area for C2 elderly care use.
- 19.9. The table below highlights that there are no planned dedicated dementia bedspaces within 2.5 miles of the proposed subject home.
- 19.10. In addition to the schemes outlined above, we are aware of a site at Broadlees, Dappers Lane Arngmering, Littlehampton, BN16 4EN, which has permission for an extra care scheme; however, Cinnamon Care Capital submitted a non-material amendment (A/86/17/NMA) to turn Building 4 of the original application from 24 extra care units into a 70-bed care home. The non-material amendment has been withdrawn and we have therefore not included the scheme in our analysis.

T12 Details of planned provision									
Map ref	Catchment	Site address	Applicant	Scheme	Net elderly market standard beds	Assumed dedicated dementia beds	Construction commenced	Distance from subject scheme (miles)	Planning ref/ date granted
A	Market, local authority and local catchments	St. Winefrides Residential Home, 32 St Winefrides Road, Littlehampton, BN17 5HA	Shakti Care Services Limited	Extension to care home with associated works.	4	4	No	2.2	LU/363/14/PL - 27/01/2015
B	Market and local authority	Toddington Lane, Littlehampton, BN17 7PP	Rydon Homes Limited	1,260 residential units, 1,300 sq. m of office accommodation including an enterprise centre, 100-bed hotel, 60-bed care home, two-form entry primary school, community centre, youth and leisure facilities and combined heat and power plant. This scheme also includes Biomass heating.	60	30	No	2.5	LU/47/11/ - 23/01/2013
C	Market and local authority	Walberton Place Nursing Home, Yapton Lane, Walberton, Arundel, BN18 0AS	The Prestige Group	New care home comprising of 80 en suite rooms, reception area, offices, hairdressers, assisted bathrooms, nurse stations, a number of lounge/dining areas, kitchen, stores, and training room. This is following the demolition of existing care home on site.	80	42	Yes – under development	2.5	WA/28/14/PL - 23/10/2014
D	Market and local authority	Abbey Dean Rest Home, 102 Barnham Road, Eastergate, Bognor Regis, PO22 6EW	Abbey Dean Rest Home	Extension to provide 13 additional bedrooms, with kitchen, laundry room.	13	0	No	3.3	EG/69/15/PL - 26/02/2016
E	Local authority only	West of Brook Lane And South of A259, Angmering, Littlehampton, BN16 3JL	Store Property Investments Limited	Construction of 90 houses and a 72-bed care home, with car parking, new access and landscaping, associated works including railway maintenance.	72	72	No	3.3	A/169/17/OUT - 15/01/2018
F	Market and local authority	Green Willow Care Home, Vicarage Lane, East Preston, Littlehampton, BN16 2SP	Green Willow Care Limited	Ground and first-floor extensions to create six additional bedrooms with en-suites and extended communal facilities.	6	0	Low	4.2	EP/160/16/PL - 01/03/2017
G	Market and local authority	Abbots Lawn, Sylvan Way, Bognor Regis, PO21 2RS	Abbots Lawn Residential Care Home	Extension to provide 11 additional bedrooms and lounge area.	11	0	No	4.8	BR/134/17/PL - 31/08/2017
H	Local authority only	North of Hook Lane, Pagham, Bognor Regis, PO21 3PE	Hallam Land Management	300 houses with 80-bed care home, new two-form entry primary school, 400 sq. m of industrial unit, new access, drainage and road works including landscaping associated works.	80	40	Pending decision	6.5	P/6/17/OUT

T12 Details of planned provision									
I	Local authority only	Clapham Lodge Nursing & Residential Home, Woodland Close, Clapham, Worthing, BN13 3XR	Clapham Lodge Nursing and Residential Home	First-floor extension to create ten new bedrooms, and a ground floor extension for access and boiler room.	10	0	No	6.7	SDNP/15/003 53/FUL - 14/04/2015
J	Local authority only	South of Summer Lane & West of Pagham Road, Pagham, Bognor Regis, PO21 3QD	Hanbury (PM) Limited	400 residential dwellings, 70-bed care home, primary school, retail units, landscaping and associated works.	70	35	Pending decision	7.0	P/140/16/OUT

Source: Barbour ABI, EGI, Relevant planning departments.

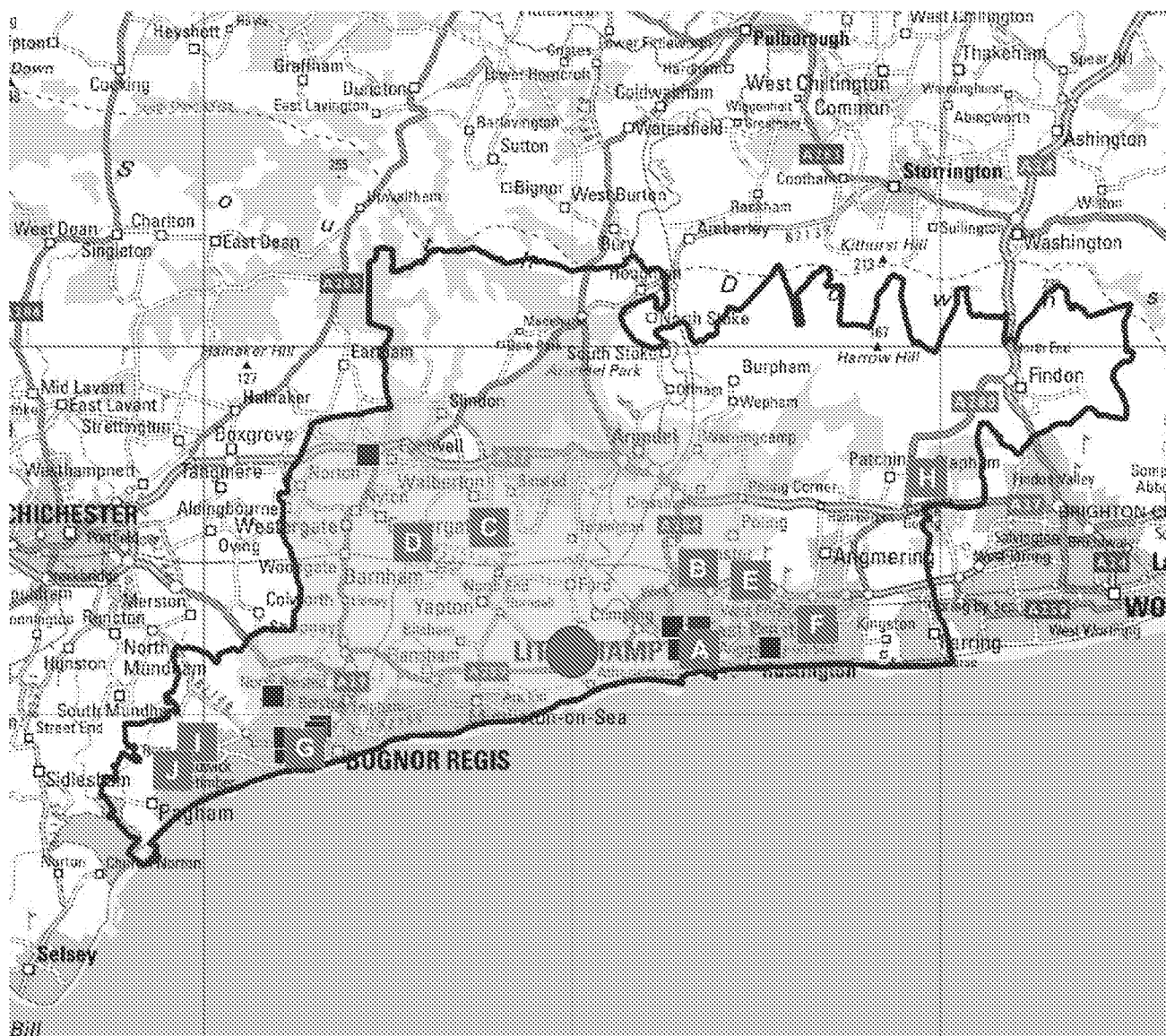


Figure 6: Existing dedicated dementia provision and planned provision map.

Key:

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

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

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

CONCLUSIONS

20. Estimated shortfall of dedicated dementia elderly care home beds

- 20.1. Our assessment of the balance of provision in 2019 within the market catchment area, assuming all dedicated planned beds are developed and operational, indicates a significant shortfall of 335 market standard dedicated dementia bedspaces within the market catchment area. In addition, the Arun District Council and local catchment areas have large shortfalls of 367 and 134 dedicated dementia bedspaces, respectively.
- 20.2. However, development has only commenced on one of the schemes and a more realistic measure of demand and supply sees this shortfall increase to 369, 548 and 138 market standard dedicated dementia bedspaces in the market, Arun District Council and local catchment areas, respectively.
- 20.3. People living with dementia are poorly catered for, with only a handful of dedicated specialist dementia units in the catchment area offering living environments that accord with best practice in caring for people with such needs. Our analysis indicates there is a significant unmet need for dedicated dementia provision in the catchment
- 20.4. The need for care home accommodation is also not simply a quantitative exercise about bedspace provision. It includes often-overlooked qualitative aspects and the provision of a choice of homes to very frail residents and those living with dementia, as well as raising industry standards.
- 20.5. We, therefore, conclude that there is both a strong quantitative and qualitative need for the proposed development, to provide high-quality accommodation for the frail elderly and people living with dementia in this location.

T13 Predicted demand for additional dedicated dementia elderly beds (2019)				
Demand	Ref.	Market catchment area	Arun District Council	Local catchment area
Total demand	-	1,453	1,847	406
Estimated need for elderly dedicated dementia care home beds		663	842	185
Supply				
Current supply of elderly dedicated dementia market standard bedrooms	1	252	252	47
Dedicated dementia beds pending decision	2	0	75	0
Dedicated dementia beds granted permission but not under construction	3	34	106	4
Dedicated dementia beds granted permission and under construction	4	42	42	0
Total planned and existing dedicated dementia market standard beds	-	328	475	51
Balance of provision				
Estimated shortfall including all planned dedicated dementia beds (Supply equates to the sum of references 1, 2 3 & 4)	-	335	367	134
Estimated shortfall including dedicated dementia beds under construction (Supply equates to the sum of references 1 and 4 only)	-	369	548	138

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

21. Market growth

- 21.1. Shortfall growth in the future is based on the 2014-based ONS projected population figures for older people until 2029. This assumes that the demand for care home beds, which is based upon LaingBuisson's ASD rates, will remain at the same rate in the future. This is unlikely to happen given the historic trend of ASD as alternatives to residential care are developed and expanded upon; nevertheless, it indicates the significant weight of the future demographic trends over the coming years on potential demand.
- 21.2. Our analysis below illustrates the shortfall assuming the existing provision remains equal and that all the planned units are developed. The analysis therefore overestimates the supply given that a number of the planned schemes are unlikely to be developed.

T14 Predicted unmet need for market standard bedspaces			
Catchment	2019	2024	2029
Market catchment area	335	462	589
Arun District Council area	367	528	687
Local catchment area	134	170	204

Source: 2011 Census, A-Z Care Homes Guide 2018, Barbour ABI, EGI

- 21.3. This unmet need is expected to increase to 589, 687 and 204 market standard beds within the market, Arun District Council and local catchment areas respectively in 2029 (assuming demand prevalence rates remain constant) reflecting the sustained and escalating nature of need in the future.
- 21.4. Overall, this analysis assumes that prevalence rates remain the same for ASD rates and as alternatives to traditional residential care are developed then we would expect these prevalence rates to **decline** in line with historic norms – it is however impossible to tell how future supply/commissioning/other changes will materialise over such a long timeframe. Nevertheless, the figures reported above are likely to **over-estimate** the potential supply of bedspaces – although they aptly demonstrate the huge demographic pressures faced in the area.

22. Impact of the proposed development – commonly raised questions

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

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

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

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

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

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

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

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

22.7. There is no doubt that a number of referrals will move into an area when a new home is developed; however, there are many new schemes that we are aware of in neighbouring boroughs that will have the same effect and draw residents away. Placements by social services to and from neighbouring and surrounding local

authorities compensate for each other. In effect, there are just as likely to be as many people leaving the area as there are migrating into the council area, and these two factors effectively cancel each other out.

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

22.9. In enquiries we have conducted with other county councils and social services departments, we have ascertained that this type of funding requirement generally tends to amount to less than 1 per cent of the total social services budget for older people (while we have not been able to confirm the exact proportion for West Sussex County Council in the timescales required for this advice we would be more than happy to assist the council in analysing this information if required by social services).

22.10. Also, in our experience, the incidence of this scenario developing is very low compared to the vast majority of self-funding service users, who continue to fund their care throughout the duration of their stay. To guard against this potential issue further, operators often allocate a budget within their own financial modelling for this very issue to ensure that residents' needs can be met and the home is genuinely a 'home for life' if required. Also, their admission process and eligibility criteria ensure that any self-funding residents have proof of funds to support themselves financially, normally for a minimum period of 2 years.

22.11. Notwithstanding all of the above, it is inappropriate for financial considerations and viability to be confused during consideration of a planning permission. We set out below an extract from an appeal decision from Cheshire East planning authority (reference: APP/R0660/A/12/2168195) in respect of a care village scheme in Handforth. Paragraph 62 of the appeal decision (for which planning permission was granted) is as follows:

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

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

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

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

- 22.14. National policy is seeking for people to remain in their own homes for longer, with any care to be provided by an external domiciliary care company. This outcome has two specific advantages; firstly, a positive outcome for the resident, who can remain in their own home and receive care; secondly, reduced spending for any local authority-supported placements, as, on average, domiciliary care costs less than residential care.
- 22.15. However, whilst care at home as a policy should be supported as an objective wherever possible, it is economically unviable for the provision of 24-hour 'home care', where the marginal costs of nursing support necessitate a residential environment.
- 22.16. For dementia sufferers, specialist accommodation is also required to cater for this service user group's specialist needs. Where informal care by family or friends is not on hand, or where the demands of the individual become too great, moderate and severe dementia sufferers, more often than not, require care in a residential setting, where 24-hour care and support is on hand in a safe and secure environment.

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

- 22.17. As part of recognising these shortcomings and limitations for high dependency residents, many local authorities seek to support the development of extra care facilities that provide the residents "with their own front door" whilst providing 24-hour on-site security and support. The concept is also being viewed more positively by the private sector, with the development of a range of older people's housing alternatives; although since the economic downturn in 2008 significant new developments over the past 5 years have, generally, been limited.
- 22.18. The supply of extra care accommodation should be expanded to enable many elderly people to continue to live rewarding and independent lives for longer. This is not in dispute.

- 22.19. However, simply increasing extra care provision is not a panacea for the accommodation needs of all elderly people. Given the forecast demographic changes, which will increase the number of very elderly people, and the prevalence rates of dementia, it is clear that a large number of elderly people will not be able to live rewarding and independent lives in extra care housing and will need 24-hour care home accommodation for the same reasons as identified above.
- 22.20. In addition, most new extra care schemes in the private sector are aimed at the lower end of the acuity spectrum, as it is difficult, if not impossible, for private purchasers to go through the sale of their own home at the point at which they are frail enough to be considered for entry into a long-term care establishment.
- 22.21. Dependency levels and lengths of stay continue to rise and fall, respectively, within the residential care sector. The subject development is proposing to meet the highest level of acuity for older people where 'choice' is replaced with a 'needs-based' decision for themselves or their family/friends/key decision maker.

APPENDICES

A: LIST OF TABLES AND FIGURES

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B: DEFINITIONS AND RESERVATIONS

Timing of advice

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

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

Data analysis and sources of information

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

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

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

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

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

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

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

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

Purpose and use

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

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

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

Validity

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

Intellectual property

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