

Comprehensive planning need assessment (CPNA)
Care home (elderly)

Land at Pound Farm, Ickleford, SG5 3RS

Prepared for:
Bugler Homes Ltd.

Carterwood Report – February 2026

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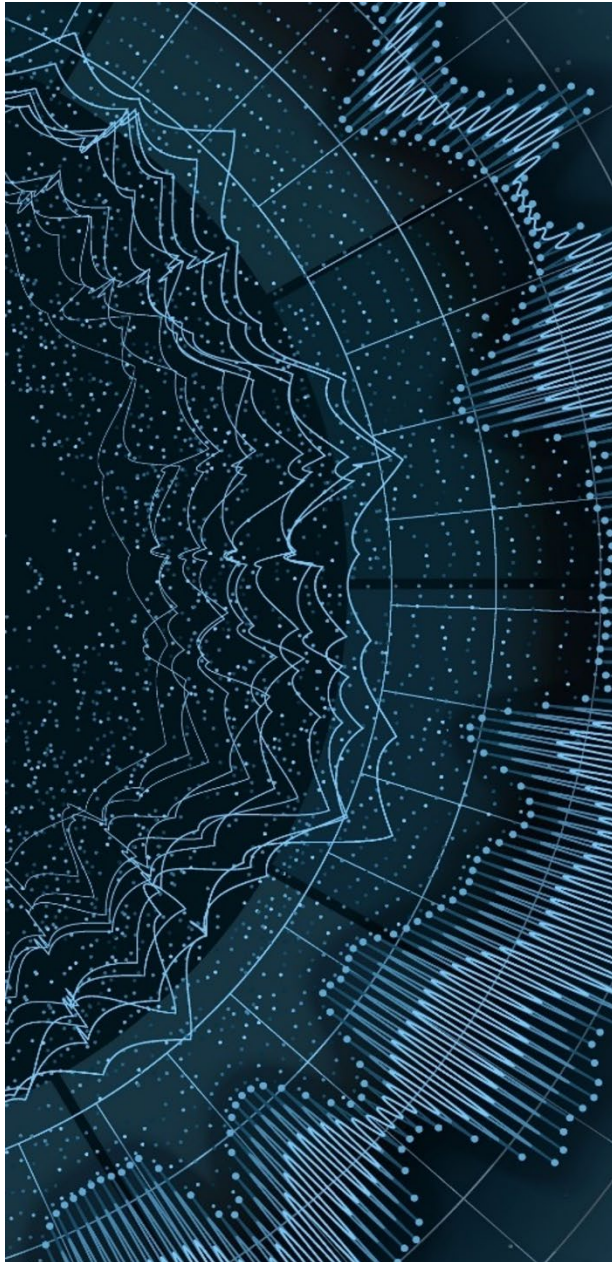
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Key findings

Background and the proposal

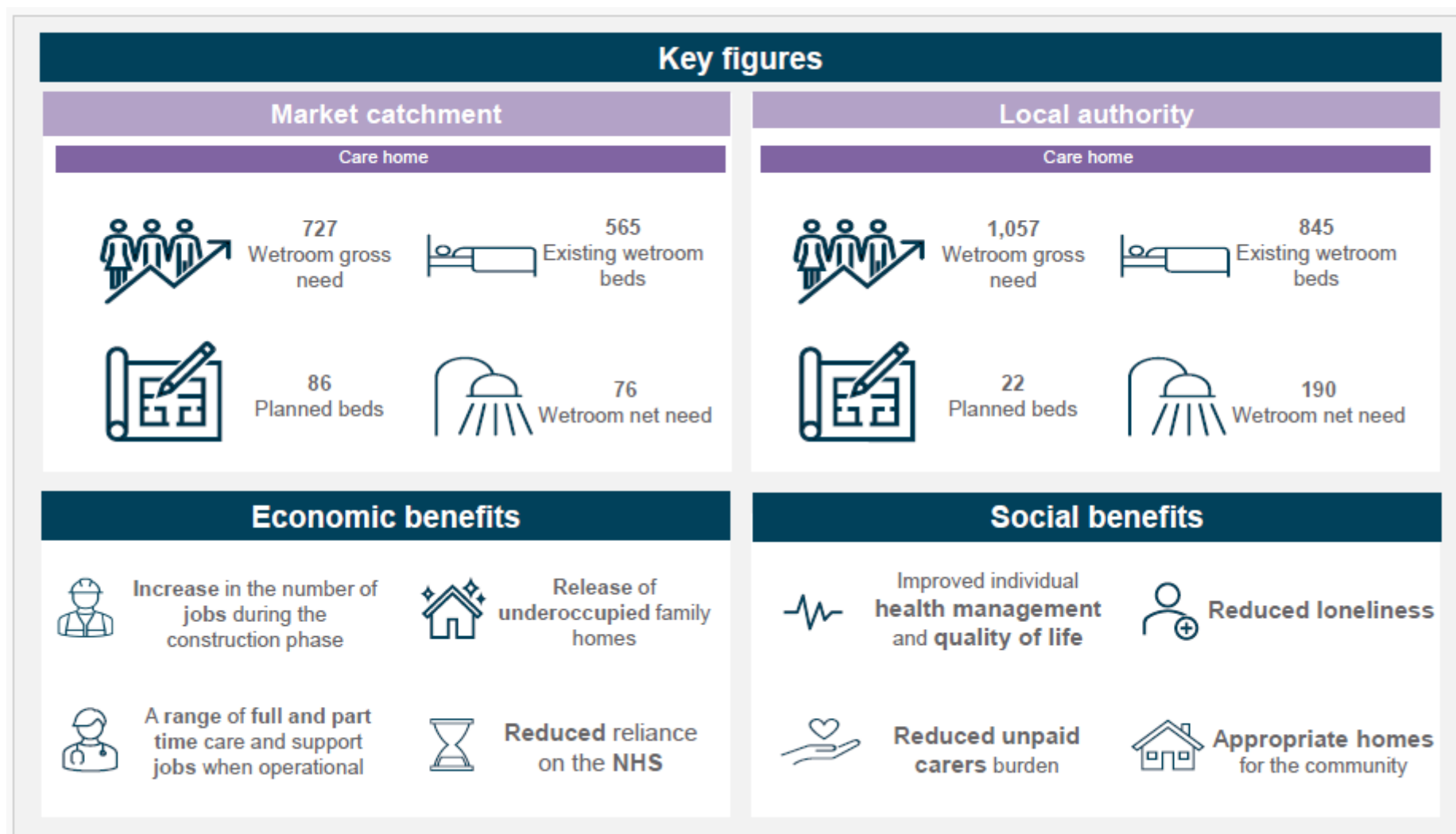
National context and key definitions

Commissioning enquiries

Need assessment – local market quantitative and qualitative assessment

Data tables and map

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T1 Planning need assessment summary

Site	Land at Pound Farm, Ickleford, SG5 3RS
Proposed scheme	65-bed purpose-built care home to meet the needs of all aspects of elderly residential and dementia care.
Notes	- The subject scheme is not included in our 'planned supply' figures - Need assessment based on a circa 4-mile market catchment and the North Herts Council local authority area.

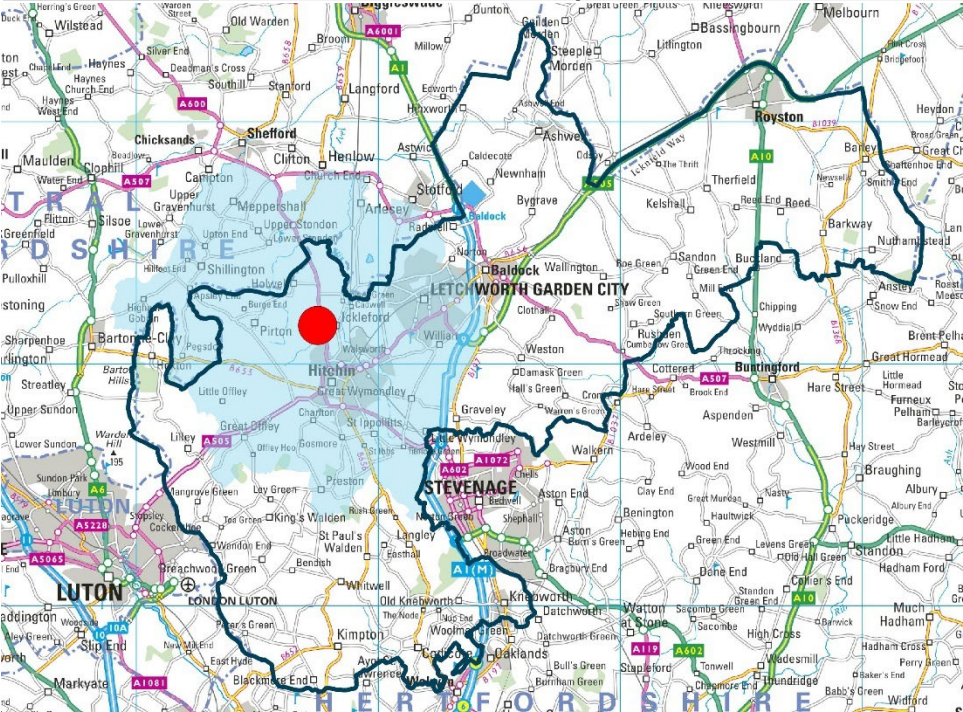


Figure 1: Location of the proposed care home and its catchment areas

The proposed scheme is shown by the red dot, with the market catchment area shaded light blue and the North Herts Council area outlined in dark blue

T2 Assessment of need

We assess need on two bases – minimum and full market standard bedrooms; we define a **minimum market standard bedroom** as providing an en-suite with a minimum of a WC and wash-hand basin (although do not stipulate minimum size, accessibility or suitability for purpose).

In line with rising market expectations, we also assess need on the basis of **full market standard bedrooms** which incorporate an en-suite with a level access shower (wetroom) to enable bathing and personal care to take place within a resident's own room. All new care homes provide spacious en-suite bedrooms, the vast majority having full en-suite wetrooms.

T3 Need analysis summary (2029)

Basis of assessment	All beds		Dedicated dementia	
	Market	LA	Market	LA
Gross need				
All bed/specialist dementia need	671	975	292	425
Occupancy capacity allowance	56	82	24	36
Total need	727	1,057	316	461
Supply				
Existing elderly en-suite	756	1,104	160	259
Existing elderly wetroom	565	845	139	187
Extant planned beds (to 2029)	86	22	21	0
Total supply (en-suite)	842	1,126	181	259
Total supply (wetrooms)	651	867	160	187
Net need				
En-suite bedrooms (minimum market standard)	-115	-69	135	202
Full wetroom en-suite bedrooms (full market standard)	76	190	156	274

For full assumptions, see Table T25 on page 28.

T4 Carterwood need assessment

- Our assessment based on 2029, the earliest the proposed care home could be available, indicates a net need for 76 full market standard bedrooms in the market catchment and 190 in the North Herts Council local authority area. Shortfalls of full market standard dedicated dementia beds, based on 2029, are 156 and 274 in the two catchments, respectively.
- Even when assessed at more basic, minimum market standard level, while there is an excess of general care beds, there is a shortfall of dedicated dementia bedrooms amounting to 135 care beds in the market catchment and 202 in the local authority area, based on 2029. This indicates a considerable under-provision of supply best suited for this form of care.
- By 2039, the undersupply of full market standard care bedrooms is projected to be 251 in the market catchment and 461 in the local authority area (including 239 and 398 dedicated dementia beds in the two assessed catchments, respectively).
- In each assessment above it is assumed that existing supply and prevalence remains constant, and that all extant planned supply is developed at our anticipated timeframe. In each case, therefore, we overestimate the potential supply, given that we make no allowance for the potential closure of existing, operational minimum market standard care home bedspaces and because planned schemes may not progress over the timescales we have assumed, or be developed at all.

T5 National context and the proposal

- The proposed, CQC registered care home will provide 65 single bedrooms, all with en-suite wetrooms, together with a variety of spacious, well-appointed communal areas and be capable of caring for residents who require nursing, personal and specialist dementia care, with flexible, infection control-compliant accommodation to enable care to be administered most effectively and efficiently.
- As hospital stays reduce due to delayed discharge legislation, rehabilitation within a care home is often considered as a short-term measure. For those with higher dependency care needs or dementia, 24-hour care within a care home setting may be the only suitable long-term option.
- Great Britain's elderly population is set to grow dramatically over the coming years, continuing to drive demand for housing for older people. Planning policy sets out that there is a 'critical' need for all forms of housing for older people, including care home beds.
- The NPPF has strengthened its approach to older people's housing by requiring the identification of need across retirement housing, housing-with-care and care homes to assist the development of new provision.
- The increasing dependency of those moving to a care home mean that accommodation must be fit for purpose and flexible, to enable care to be provided effectively and safely. Modern schemes increasingly provide larger bedrooms with en-suite wetrooms, flexible layouts and the ability for residents to self-isolate.
- The care home sector faces multiple challenges in meeting projected demand for high-dependency beds, including the need to improve accommodation, achieve economies of scale, respond to rising market expectations, secure sustainable funding and recruit/retain staff.
- Appeal decisions have recognised a 'market standard' approach that distinguishes between registered care beds and those that are realistically suitable and available. One appeal decision confirmed that planning is not intended to manage the care home market, but should support redevelopment and renewal to replace outdated stock with modern, purpose-built provision. Another emphasised the urgency of need, noting that people requiring care home accommodation cannot wait, and that PPG expects local authorities to take a positive approach where unmet need is identified..

T6 Commissioning and local authority review

- Hertfordshire County Council (HCC) Commissioning's approach prioritises independence and community-based support, while recognising that care homes remain essential for people with the highest and most complex needs, particularly for dementia and nursing care.
- The *Market Position Statement* confirms residential and nursing care remains a very high priority for HCC in the medium to long term, driven by major demographic change. It highlights significant growth in the 75+ population, with rising frailty, dementia and nursing needs, with demand expected to grow significantly by 2042. It also notes the shift from hospital to community-based care, increasing demand for short-term care home support.
- The *Ten Year Supported Accommodation Strategy (2017–2027)* highlights demographic pressures driving rising demand. While promoting more support at home, it confirms care homes remain essential, with HCC commissioning 49 per cent of the residential and 23 per cent of the nursing care market. It models two state-funded scenarios to 2029: need for an extra 681 care beds if current patterns continue, or an increase of 153 nursing care beds if

T6 Commissioning and local authority review

there is increased supply of flexicare/home support. However, it provides no baseline bed figure, predates Covid-19, and applies only to state-funded provision.

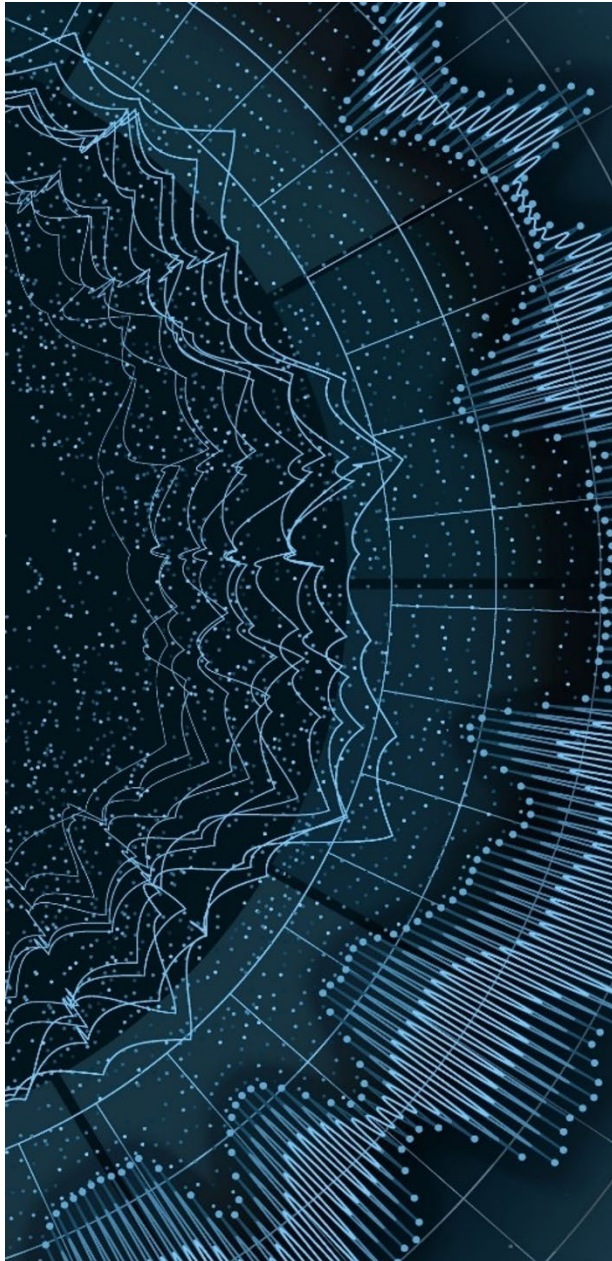
- The *Hertfordshire Care Market Sustainability Plan 2023/24* estimates a substantial rise in those aged 65+ living with dementia and severe dementia. It notes 85 per cent of people receiving HCC-funded care have dementia, reflecting increasing complexity. While traditional residential-only demand is reducing in some areas, the plan highlights significant sufficiency challenges for people with high/complex frailty, dementia, bariatric and nursing needs.
- The *North Herts and Stevenage Councils SHMA (2023)* projects an increase of over 3,000 older people in North Herts between 2022 and 2031. While the report assesses needs for sheltered housing and extra care, it does not evaluate existing supply of, or planned need for care home beds.

T7 Qualitative need assessment for care home beds

- Delayed hospital discharges keep elderly patients in NHS acute settings longer than necessary, when cost-effective care home beds could provide step-down, rehabilitation, or long-term care. Access to well-equipped, infection control-compliant care home beds for high-dependency needs is crucial for freeing up NHS beds for those who most need them.
- The COVID-19 pandemic highlighted shortcomings in the social care sector and has resulted in a reduction of poorer quality supply and additional need for better specified, new care home provision to cater to a still rapidly rising elderly demographic. A range of care and accommodation options is necessary, to provide for the needs of those who require support, mitigate the impact on social services budgets and provide choice to those who fund their own care.
- There remain, however, an increasing number of elderly people who are the most frail and those with dementia, who require full-time support within a specifically designed care home that provides high-dependency care, suitable for such needs.

T8 Conclusions

- The Carterwood planning need assessment identifies a significant shortfall of full market standard care home bedrooms in the market catchment and North Herts Council local authority area. Even at minimum market standard level the shortfall of care home bedspaces is clear, for those who require dementia care.
- Hertfordshire County Council provides key demand drivers for new care home beds, particularly for nursing, complex and dementia care, given the projected growth in the elderly demographic. Based on state-funded requirements only, it states that between an additional 153 to 681 care beds are required in the county by 2029 and that residential and nursing care remains a very high priority in the medium to long term.
- A good proportion of those requiring care are likely to be self-funded, with their choice of care home being based on location, quality of care and accommodation, and proximity to friends and family, rather than funding alone.
- The proposed care home will provide spacious, flexible, infection control-compliant care accommodation to enable care to be administered most efficiently and effectively. It will assist in meeting the shortfall of full market standard care home bedrooms and the supply of dedicated dementia care bedrooms in the market catchment and North Herts Council area.



Key findings

Background and the proposal

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Carterwood

Description of proposal

Operational viability and closures

The proposed scheme – position on the care spectrum

National context and key definitions

Commissioning enquiries

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Data tables and map

Appendices

1. Introduction

- 1.1 Carterwood has been commissioned to prepare a need assessment on behalf of Bugler Homes Ltd in relation to the development of a new 65-bed purpose-built care home at Land at Pound Farm, Ickleford, SG5 3RS.
- 1.2 The proposed development will provide a modern care home capable of flexibly adapting to meet the needs of those requiring elderly nursing, residential and dementia care. It will incorporate physical adaptations and an environment suited to the provision of specialist dementia care, to meet a growing need in this area.
- 1.3 In this report, we have considered the national context, together with a detailed study of the market catchment and local authority area.
- Limitations to advice**
- 1.4 The trading environment of the care sector in Great Britain, which impacts upon market conditions, remains in a volatile state. Contributing factors include political and economic pressures resulting from some ongoing limitations of post-Brexit trading conditions, operating with the legacy and any future risks of COVID-19 and the effect of the conflict in Ukraine.
- 1.5 Our reports are prepared using high-quality data and expert analysis from our experienced team. Any recommendations made are based upon the market and financial climate as at the date of the report, but do not take into account future economic or market fluctuations caused by the events outlined above or other unforeseen events.
- 1.6 This report contains data relating to the 2021 census for England and Wales. The Scottish census was delayed, with the collection phase ending in June 2022. We are monitoring the census data release schedule, reviewing new data as it is released and ensuring the data is embedded into our analysis as quickly as possible.

T9 Instruction summary

Purpose of advice	Planning need assessment
Research date	27 January 2026
Prepared by	Jessamy Venables BSc (Hons) MSc MRICS
Reviewed by	Elyssa Thom BA
Report date	06 February 2026

2. Carterwood

- 2.1 Carterwood is a multi-award-winning property adviser dedicated to social care. We provide market analysis services and software to investors, developers and operators within the elderly care home and retirement living sectors. We combine sector-specialism with unparalleled data quality and a commitment to innovation, to help our clients make better decisions. Carterwood acts for 85 per cent of the top 20 care home group operators, and our commercially-focused team is one of the largest dedicated to health and social care.



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

T10 Elderly care home



T11 Housing with care



- 2.3 Carterwood's client base represents many operators currently seeking to develop new care homes and extra care schemes. Accordingly, we are in an almost unique position in the sector, having assessed over 4,500 sites since 2008, for a range of providers across a range of scheme types and care categories.

3. Description of proposal



Figure 2: Aerial photograph of the subject site for identification purposes only

Location and scheme description

- 3.1 The site is situated on the edge of Ickleford, to the west of the A600 Bedford Road, approximately 0.5 mile from the village centre. The town of Hitchin is located approximately 2 miles south of the site, via Bedford Road.
- 3.2 The description of the wider proposal is: “Hybrid application for a mixed-use development to provide a total of up to 230 dwellings, a residential care home (Use Class C2), an Independent Special School (ISS) and new sports pitch, with access from Bedford Road, landscaping, parking and SuDS comprising: Phase 1 – Application for full planning permission for the erection of 100 dwellings, an ISS, new sports pitch and associated parking, landscaping, open space and SuDS; Phase 2 – An outline application on the remaining part of the site for the erection of up to 130 dwellings, a residential care home (Use Class C2) and associated works with access from Bedford Road (all matters reserved apart from access).”

- 3.3 This report covers the need for the proposed care home which will provide high-quality care accommodation, with 65 single occupancy bedrooms, each equipped with a full en-suite wetroom.
- 3.4 The care home will be designed to be flexible in terms of the layout of accommodation and to offer a range of spacious communal areas, each of which will be finished to the highest standard. These will include, *inter alia*, café/bar area, lounges, dining rooms, library, activities room, garden room, cinema and hair salon.

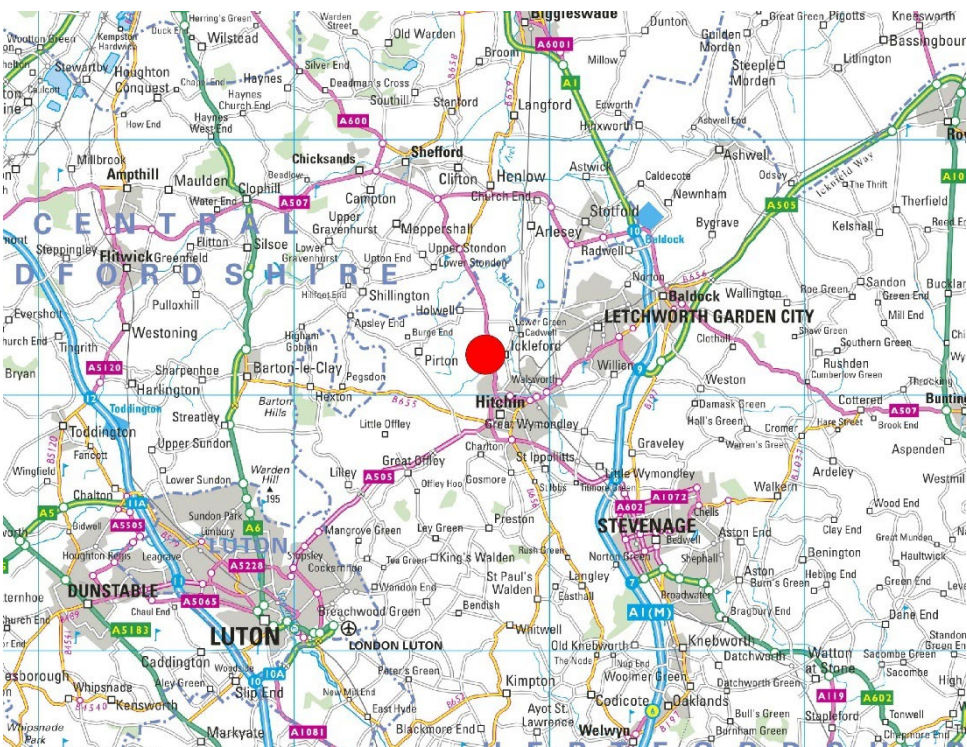


Figure 3: Location map of the subject site

- 3.5 Further detail in respect of the proposal can be found in the planning statement accompanying the application

4. Operational viability and closures

Size of care home

- 4.1 The importance of economies of scale has become paramount in recent years, to ensure the most cost effective operation and provision of the range of facilities required in the development of modern care homes to meet with market expectations.
- 4.2 For this reason, there has been a decline in care homes that are no longer considered fit-for-purpose and smaller care homes which are inefficient to operate, for example those where a poor layout necessitates increased staff numbers to oversee residents or the buildings are not cost effective to maintain or heat.
- 4.3 All care homes incur fixed costs of operation, comprising both staff and non-staff costs. The greater the number of beds, the greater the efficiency of the scheme and the greater the ability to spread the costs. These fixed costs are particularly high in respect of the following:
- Care home management team – there is very little variation in care home manager and deputy manager hours and wages by size of home.
 - Ancillary care staff – domestic, laundry, maintenance and administration functions are required to varying degrees, depending on the size of the care home.
 - Some non-staff costs such as marketing, PR, accountancy, finance/bank charges do not vary by the size of the home or group of care homes – and the greater the number of beds the more these costs can be spread and the lower the cost on a per resident basis.
 - Other non-staff costs such as heat and light and food/provisions also vary according to the size of the home. However, the costs are much more expensive for the first few beds than the last few beds as there is also a fixed element to the cost regardless of the scheme size.
- 4.4 In our experience, schemes of between 65 and 75 bedspaces are currently viewed as the ideal compromise between the institutional, hospital environments of some very large homes of 80+ beds, and the inefficiencies of schemes with less than 60 bedspaces. This is evidenced in both applications for, and developments of, new care homes during recent years.

Closure of operational care homes

- 4.5 We have completed a review of the loss of care home supply in North Hertfordshire in recent years. Our research shows that two care homes have closed since 2020 (the former Richard Cox House and Gosmore Care Home). While it is acknowledged that the quality of accommodation may not be the only reason for the closure of a care home, in our opinion, in most cases the number of care bedrooms, availability of en-suites and general quality of accommodation is usually a factor.

- 4.6 The closed homes' most recent CQC inspection reports show that one was identified as 'Good' and the other 'Requires Improvement' prior to closure. The poor CQC rating may also have been due to staffing issues however ultimately, a well operated care home with suitable numbers of occupied beds to ensure it is economically viable will be more likely to be able to recruit and retain appropriate staff to care for residents.
- 4.7 The first year of operation of the closed care homes was 1987 and 1993 which indicates that the accommodation available was likely to be less spacious, with fewer communal areas and therefore less well suited to the care needs of those who now require full time care. The smallest of the closed care homes was registered for 29 residents and the largest, 70 residents. The percentage of bedrooms even with a minimum market standard en-suite was low and neither of the closed homes had any bedrooms providing full en-suite wetrooms.
- 4.8 Where care home sites are suitably sized to accommodate redevelopments they enable the improvement of existing provision, an increase in the overall quality of supply and prevent the loss of a local facility. In both cases above, the former care homes have been replaced with new care homes, the first on a new site in close proximity to the original care home, and the second as a redevelopment of the existing site.
- 4.9 For information, we have provided a full list of existing care homes in the market catchment and local authority area in Table T29 on page 31 which set out the total number of registered care beds, en-suite and en-suite wetroom bedrooms together with the first year of operation and the most recent CQC inspection rating and occupancy (where available).
- 4.10 Given the wider range of options intended by Hertfordshire County Council to meet the needs and expectations of all older people, those now requiring care in a care home will have high dependency care needs which can only be met in appropriately specified accommodation. Care operators have learned from the pandemic that the physical and spatial environment of a care home is of utmost importance both for residents and staff. Such accommodation also needs to be operationally viable, particularly given the difficulties recruiting and retaining trained staff and the increasing operational costs. There are many examples of smaller sized care homes that have already closed or have been re-developed for this reason.
- 4.11 The subject proposal has regard to the needs of the local community and will therefore serve not only to meet the assessed shortfall of full market standard care bedrooms by 2029 and beyond, but also to assist in replacing the potential loss of any sub-standard accommodation.

5. The proposed care home – position on the care spectrum

5.1 In planning terms, care homes for the elderly fall under Class C2 ('residential institutions') of The Town and Country Planning (Use Classes) Order 1987. PPG states that *'there are different types of specialist housing designed to meet the diverse needs of older people' describing the form of accommodation proposed at the subject scheme as:*

'Residential care homes and nursing homes: *These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living'*

5.2 The Care Quality Commission (CQC), responsible for the regulation of care homes in England under the Health and Social Care Act 2008, defines a care home as:

'a place where personal care and accommodation are provided together. People may live in the service for short or long periods. For many people, it is their sole place of residence and so it becomes their home, although they do not legally own or rent it. Both the care that people receive, and the premises are regulated'.

5.3 **Care homes/personal care homes/residential care homes** provide personal care (not nursing care) to the elderly, assistance with personal hygiene, continence management, food and diet management, counselling and support, simple treatments, dressing and going to bed, mechanical or manual aids.

5.4 **Care homes with nursing** offer the same services as residential care homes, with registered nurses also being available to provide 24-hour nursing care to residents with complex health issues that can only be administered by nursing staff.

5.5 In addition to the home-level registration, care homes can specialise in the form of care provided, such as elderly frail, dementia and/or other specialist care.

5.6 Table T12, below, shows the range of options available within the 'spectrum of care'. We have compared the subject care home against other forms of accommodation in respect of care provided, cost of care and regulation. To clarify, a care home does not provide 'housing-with-care' or 'extra care'. This usually comprises an individual's own accommodation with a medium to high level of care available, if required, through an onsite CQC registered care agency.

5.7 Delayed discharge legislation, which imposes fines upon local authorities for 'blocked beds', has resulted in reduced hospital stays, with a temporary move to a care home often being considered as a short-term measure for those who require rehabilitation prior to returning home. For complex care needs or dementia, 24-hour care within a care home may be the only suitable long-term option.

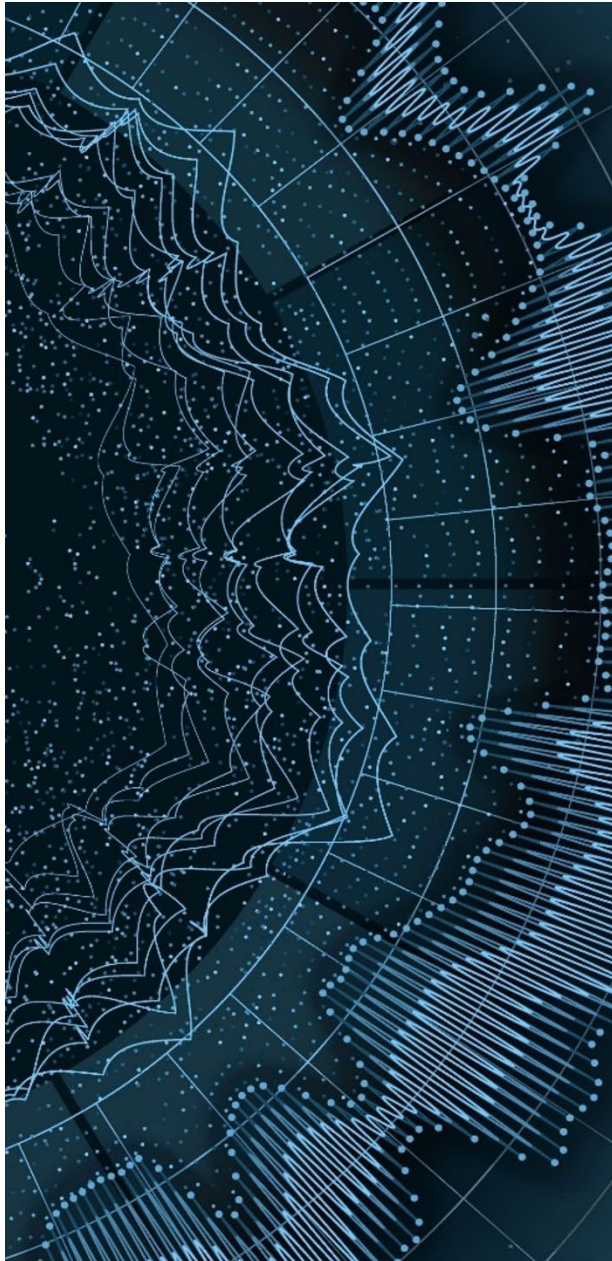
5.8 The subject care home will be capable of providing nursing, residential and dementia care to residents, including within a specialist unit specifically designed to cater to higher dependency needs. It will be flexible in terms of layout, to provide areas where residents can be isolated, should this be required.

Key findings – the subject scheme and the care proposed

- The proposed, CQC registered care home will provide 65 single bedrooms, all with en-suite wetrooms, together with a variety of spacious, well-appointed communal areas and be capable of caring for residents who require nursing, personal and specialist dementia care, with flexible, infection control-compliant accommodation to enable care to be administered most effectively and efficiently.
- As hospital stays reduce due to delayed discharge legislation, rehabilitation within a care home is often considered as a short-term measure. For those with higher dependency care needs or dementia, 24-hour care within a care home setting may be the only suitable long-term option.

T12 Elderly care spectrum

Accommodation	Age restricted housing	Sheltered housing	Extra care / assisted living	Care homes	Care homes with nursing	Hospitals
Care provided	No care or support unless individually arranged.	On-site support, call system.	On-site CQC registered domiciliary care	Personal care and dementia care	Nursing (including dementia nursing care) and medical care	
Cost of care	Low to medium and highly variable			Medium to high	High	Very high
Accommodation types/style	Apartment, flat, cottage, bungalow	Apartment, flat, cottage, bungalow	Suite, apartments, flat, cottage, bungalow	Bedrooms in a care home setting		Acute hospital Beds
CQC regulation	Regulated only if care provided			Highly regulated – all care and accommodation		
Proposed care home				Requirements met in proposed care home		



Key findings

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6. Elderly population trends in Great Britain

- 6.1 Planning Policy Guidance (PPG) advises that the need for housing for older people is 'critical', the only planning need addressed in such urgent terms. This is because people are living longer lives and the proportion of older people in the population is increasing: 'In mid-2016 there were 1.6 million people aged 85 and over; by mid-2041 this is projected to double to 3.2 million'.
- 6.2 The elderly population in Great Britain is set to grow dramatically over the coming years (see Figure 4 below), and the predicted rapid increase is likely to continue to drive demand for both non-residential care, such as extra care schemes and other accommodation options, as well as care home beds.

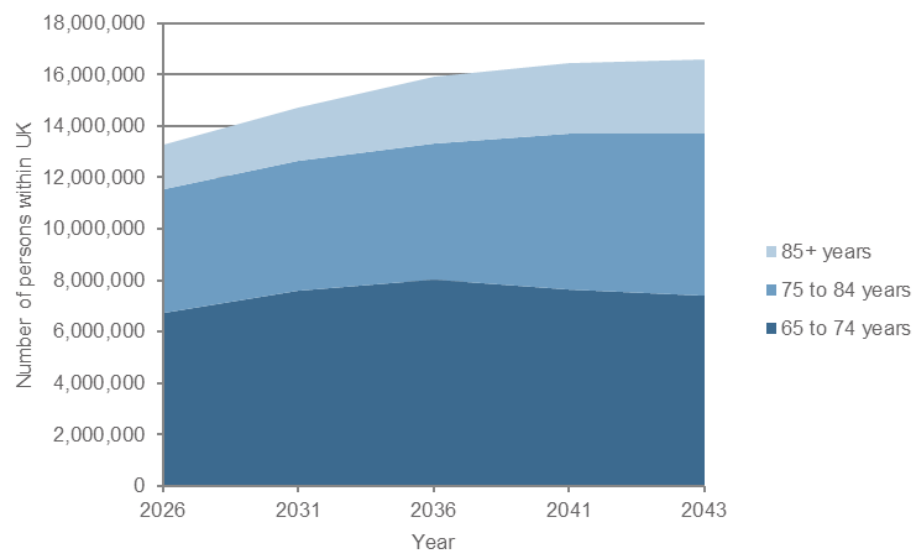


Figure 4: GB 65+ population growth 2026 to 2043 by age band

Source: 2021 Census, ONS population projections.

- 6.3 The Office for National Statistics (ONS) states that in mid-2022 there were 1.7 million people aged 85 years and over, making up 2.5% of the population. By mid-2047, this is projected to have nearly doubled to 3.3 million, representing 4.3% of the total UK population. There are projected to be many more people at older ages by 2047, in part because of larger cohorts from the 1960s now being aged over 80 years, as well as general increases in life expectancy.

7. Provision of care homes in Great Britain

7.1 There are currently approximately 10,000 care homes providing over 446,000 registered care beds for older people in Great Britain.

7.2 T13 analyses the supply by year of first registration and identifies the significant proportion of homes registered both prior to and during the 1990s. As a broad generalisation, care homes registered from 1990 are likely to include en-suite bedrooms and those registered from 2010, full en-suite wetrooms.

T13 Existing elderly care bed supply by year of first registration (GB)

Year	Care homes	Total registered beds	% of total beds by age banding
2020s (2020–)	584	37,550	8.4
2010s (2015–2019)	541	32,803	7.4
2010s (2010–2014)	595	35,067	7.9
2000s	944	54,079	12.1
1990s	3,391	154,232	34.6
Pre 1990s/unknown	3,883	132,420	29.7
Total	9,938	446,151	100

Source: subscribed data sources, Carterwood – updated December 2025

7.3 T14 provides the current supply of registered bedrooms by en-suite (our definition of 'minimum market standard') and those that provide full en-suite wetrooms. Across Great Britain, an average of 79.4 per cent of care home bedrooms include an en-suite and 35.5 per cent include a full wetroom en-suite.

T14 Market segmentation (GB)

Care category	No of care homes	Total registered beds	% en-suite bedrooms	% wetroom bedrooms
Total market – all homes and care categories				
Personal care	5,704	210,633	75.1	30.9
Nursing care	4,234	235,518	83.2	39.5
Overall	9,938	446,151	79.4	35.5
Specialist dementia provision only				
Dementia homes	924	37,952	73.9	26.6
Dementia units	2,575	67,858	88.8	52.5
Overall	3,499	105,810	83.5	43.2

7.4 The GB averages are slightly higher for dedicated dementia care homes and those that incorporate a specialist dementia unit, with 83.5 per cent of bedrooms having an en-suite and 43.2 per cent of bedrooms having a full en-suite wetroom.

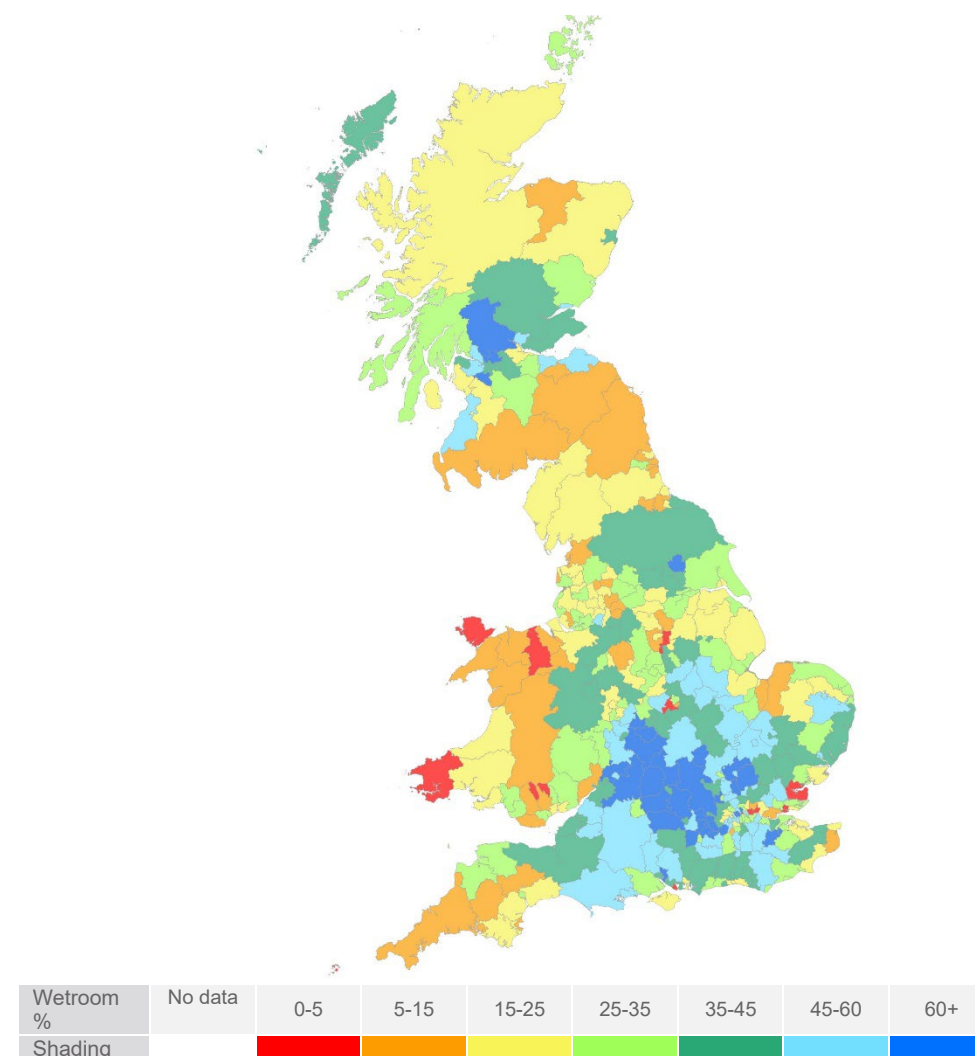


Figure 5: Percentage of elderly beds with en-suite wetroom by GB local authority (April 2025)

8. Key points regarding the care home sector

8.1 The December 2023 revision to the National Planning Policy Framework (NPPF) expanded upon the previous assessment of housing needed for older people (by 'size, type and tenure'), by breaking down the established need between three specific types: 'retirement housing, housing-with-care and care homes' (para 63). It was unchanged in the December 2024 revision and is also included in the draft NPPF for consultation, dated December 2025 (Section 6, 'Delivering a sufficient supply of homes'). This should assist in bringing forward new provision for each form of specialist housing for older people.

8.2 Key issues for the care home sector include:

- **Rising dependency and complex care needs**, requiring modern, adaptable accommodation to support safe delivery of care with privacy and dignity;
- **Outdated and converted care home stock**, which may be unsuitable for modern standards and difficult to reconfigure or upgrade;
- **Financial viability pressures**, particularly for smaller homes that cannot achieve economies of scale and are more exposed to rising costs;
- **Growing demand for dementia-capable provision**, reflecting the increasing prevalence of dementia among older people;
- **Increasing pressure on health and care systems**, including impacts on NHS capacity and long-term social care funding responsibilities;
- **Workforce and operating cost pressures**, driven by Brexit-related labour impacts, wage increases and higher employer national insurance contributions;
- **Continuing legacy impacts of COVID-19**, affecting occupancy, resilience, infection control expectations and staffing.

8.3 It is now 25 years since the Department of Health published the National Minimum Standards under the Care Standards Act 2000, which introduced environmental requirements for new care homes, including single occupancy bedrooms of at least 12 sq m and en-suite facilities (at minimum a WC and wash hand basin). Although the detailed requirements were amended following opposition from operators and applied only to new developments from 2002, they nonetheless established an important benchmark for improved spatial and environmental care home quality.

8.4 Over the past two decades, the design of care home bedrooms has progressed significantly, driven by changes in regulation, increasing acuity of need, and a stronger focus on resident dignity, privacy and quality of life. By the 2010s, new-build homes were typically providing bedrooms of around 14–16 sq m, often with compact en-suite wetrooms incorporating level-access showers, and this trajectory has continued, with contemporary schemes increasingly delivering more generous room sizes to better support safe care delivery while also improving comfort and the overall resident experience.



Figure 6: Evolution of care home bedrooms since the early 2000s (Not to scale)

8.5 Operators of some older, pre-existing care homes have sought to remain viable by reconfiguring layouts, upgrading facilities or extending buildings where feasible, while many obsolete homes have closed entirely. However, the full extent of capacity lost is not clearly understood, including the number of registered beds no longer operational or fit for modern care delivery. This is increasingly important as local authorities promote housing-with-care and domiciliary care for lower-dependency residents, meaning the remaining care home stock must support a higher proportion of people with complex needs. For further detail see Appendix B.

8.6 The Covid-19 pandemic highlighted the importance of purpose-designed bedrooms that provide a safe, infection-controlled environment for residents with complex needs. Evidence from the Less Covid-19 study showed that self-contained "zones" within care homes helped limit transmission, influencing more flexible layouts based on smaller resident clusters and a range of dayrooms. The ability for residents to self-isolate in their own bedroom with a properly sized wetroom en-suite is now central to delivering accommodation that is both future-proof and appealing to those who need full-time care.

8.7 In appeal decisions since the Covid-19 pandemic, the quality and suitability of care home accommodation has taken on greater weight when assessing the need for additional bedspaces. For example, in relation to a proposed care home in Girton,

Cambridge, the assessment of existing supply distinguished between the maximum number of CQC-registered bedspaces and the number of beds that were actually available for use, and a 'market standard' approach was considered to be accepted as market practice.

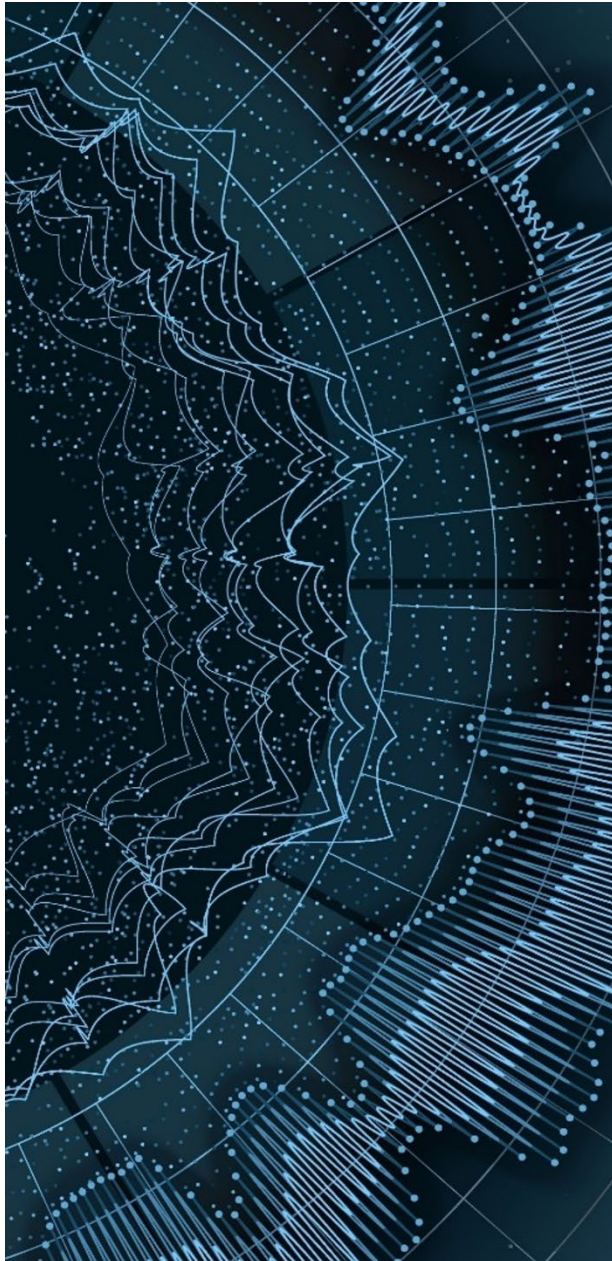
- 8.8 The appeal decision for a proposed care home in Cheltenham stated: '*I acknowledge the responsibility of local authorities under the Care Act (2014) to ensure the wellbeing of residents in need of care and support services. I also acknowledge that Government support is given to the home first approach. However, it is not the role of the planning system to manage the care home market. The proposal would accord with processes of redevelopment and renewal which have been taking place within the care sector as part of an open market economy, as new purpose-built care homes replace older, outdated stock, in line with modern standards and expectations and the quality of care homes is improved*'.
- 8.9 The Inspector also considered care bed need in terms of funding (means tested state funded when capital is below £23,250, otherwise care must be self-funded) advising that '*Moreover, and noting austerity issues within the public sector, I find that the proposed standard of accommodation proposed (sic), including full ensuite wet rooms would reasonably be attractive to self-funding residents of the appeal scheme who, in addition to considering proximity to family and friends, would take account of the quality of care and accommodation in making their choice of accommodation, rather than the objectives of the commissioning authority*'.
- 8.10 Providing a range of housing and care options is essential to help older people meet changing needs in accommodation best suited to them, while also reducing costs to social care and health systems. The Government's Older People's Housing Taskforce final report (November 2024) recommends optimising all forms of older people's housing, including care homes, and acknowledges their vital role in supporting some of the most vulnerable people, including those with advanced dementia and those at end of life.
- 8.11 The House of Commons Health and Social Care Committee's (HSCC) June 2023 report warned that adult social care in England was in crisis and the failure to deliver reform since 2021 had left local authorities financially exposed, providers under pressure and unmet need rising. It called for a Fair Pay Agreement, a 10-year funding settlement, investment in digital care and a national workforce plan. The Government's response in July 2025 broadly accepted these concerns and confirmed £3.7bn additional council funding, a legislated Fair Pay Agreement and over £4bn investment by 2028–29, alongside proposals for neighbourhood health and care models, home-first delivery and personal budgets. It also established the independent Casey Commission to develop longer-term reform (initial report 2026, final report 2028), though the response stopped short of structural reform or a long-term settlement.
- 8.12 In September 2025, the Government launched a consultation on a Fair Pay Agreement (FPA) for adult social care in England, intended to set minimum pay and

conditions, with proposed implementation in 2028. Presented as an early step towards a "national care service", the FPA represents a significant policy shift with implications for commissioning, fee levels and workforce planning. For care providers, it signals progress on workforce recognition, but funding certainty, market sustainability and system resilience remain unresolved pending the Casey Commission's 2026 and 2028 reports.

- 8.13 As set out in PPG '*Where there is an identified unmet need for specialist housing, local authorities should take a positive approach to schemes that propose to address this need*'. Older people who are in need of care cannot afford to wait until appropriate levels of provision become available. The urgency of need for care homes was identified as an issue at the appeal for a new care home in Harpenden where the inspector observed '*Elderly people requiring care home accommodation are less able to wait than those in the general population needing accommodation because their needs are immediate. Accordingly, there is an urgency in meeting this unmet need and for all these reasons, significant weight is given to these housing and people care benefits*'.

Key findings – national context

- Great Britain's elderly population is set to grow dramatically over the coming years, continuing to drive demand for housing for older people. Planning policy sets out that there is a '*critical*' need for all forms of housing for older people, including care home beds.
- The NPPF has strengthened its approach to older people's housing by requiring the identification of need across retirement housing, housing-with-care and care homes to assist the development of new provision.
- The increasing dependency of those moving to a care home mean that accommodation must be fit for purpose and flexible, to enable care to be provided effectively and safely. Modern schemes increasingly provide larger bedrooms with en-suite wetrooms, flexible layouts and the ability for residents to self-isolate.
- The care home sector faces multiple challenges in meeting projected demand for high-dependency beds, including the need to improve accommodation, achieve economies of scale, respond to rising market expectations, secure sustainable funding and recruit/retain staff.
- Appeal decisions have recognised a 'market standard' approach that distinguishes between registered care beds and those that are realistically suitable and available. One appeal decision confirmed that planning is not intended to manage the care home market, but should support redevelopment and renewal to replace outdated stock with modern, purpose-built provision. Another emphasised the urgency of need, noting that people requiring care home accommodation cannot wait, and that PPG expects local authorities to take a positive approach where unmet need is identified.



Key findings

Background and the proposal

National context and key definitions

Commissioning enquiries

Commissioning and local authority review

Need assessment – local market quantitative and qualitative assessment

Data tables and map

Appendices

9. Commissioning and local authority review

9.1 The subject site is situated within the North Herts Council area with Hertfordshire County Council being the Adult Social Care Commissioning Authority. We have therefore conducted a review of the following documentation:

- *Hertfordshire Market Position Statement – Residential and Nursing care for older people (online). Hertfordshire County Council.*
- *Ten Year Supported Accommodation Strategy 2017-2027. Hertfordshire County Council.*
- *Hertfordshire Care Market Sustainability Plan 2023/24. Hertfordshire County Council.*
- *Hertfordshire Dementia Strategy 2023 – 2028. Hertfordshire County Council*
- *North Herts and Stevenage District Councils – Strategic Housing Market Assessment (SHMA) Part II Update. (2023). Opinion Research Services*

9.2 We have provided, verbatim, relevant extracts from the above documents in relation to elderly care below, together with our review

9.3 We would be happy to discuss the proposed care home scheme with Hertfordshire County Council's adult social care team as part of the planning application process, if and when required.

Market Position Statement (current online)

9.4 *'Hertfordshire County Councils Integrated Accommodation Commissioning Team leads the market shaping and procurement of residential and nursing care services for both older adults and younger adults aged 64 or under with primary need of dementia.'*

9.5 *'The Care Act 2014 sets out the Local Authorities duties in relation to assessing people's needs and access to services. Under the Care Act local authorities need to ensure a vibrant market and ensure choice for residents. Some of the key drivers in the Care Act directly relating to commissioning include:*

- *Promoting individual wellbeing*
- *Promoting integration of care and support with health services*
- *Promoting diversity and quality in provision of services*
- *Market oversight'*

'Our long term ambition

9.6 *'Residential and nursing care for older adults and younger adults with a frailty or dementia-related need will remain a very high priority for the medium to long term.'*

9.7 *'Several factors will continue to affect the way that social care services are delivered, these include:*

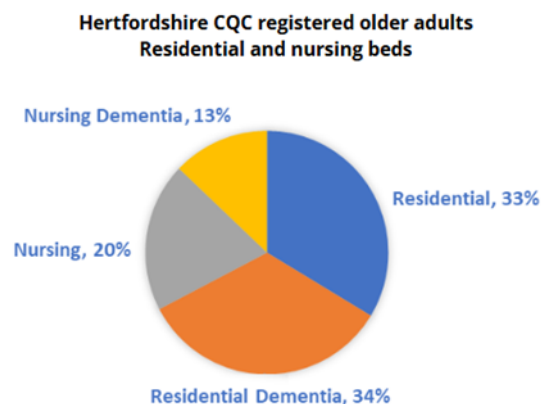
- *Significant and sustained increases in the number of people aged 75+, with changing population diversity and increasing prevalence of high/complex frailty/dementia and nursing needs in the older population (expected to grow in some areas by as much as 300% by 2042).*
- *Significant reform of the way that health and care services are delivered, with a transformation underway from hospital-based care towards community-based care resulting in people with more complex needs requiring support in community settings.*
- *Economic challenges for social care partners, including operational cost inflation/supply chain, workforce challenges, cost of living and wider economic uncertainty around long term care reform.*
- *An evolving regulatory environment with new CQC single assessment framework for health and social care services.'*

9.8 *'To ensure that people access to the right care, the Council is committed to working long term with our care provider and health partners to:*

- *Continue to take forwards the Connected Lives approach to ensure that personalised, enabling and risk positive care is available for people with high frailty and or dementia (including non-cognitive symptoms of dementia)*
- *To ensure that the care workforce have the values and competencies needed for the future.*
- *To ensure that the Hertfordshire care services are delivered in estate that meets best practice design standards for residential and nursing care.*
- *To ensure that social care, health and community sector partners work together to deliver a wellbeing focused, preventative model of care for all people living in a care home.'*

9.9 *'Hertfordshire County Council procures residential and nursing care for approximately 2,000 older people both within and outside of Hertfordshire at any given point. Hertfordshire's residential and nursing contract arrangements are aligned the Eastern Region Association of Directors of Adult Social Services (ADASS) contract standard. The Council has a range of contracting arrangements with 350 block and spot contracts in place for short stay, long stay and pathway 2 Discharge to Assess, including contracts with care homes outside of Hertfordshire.'*

- 9.10 'HCC has care contracts with 139 Older Peoples residential and nursing cares (sic) within Hertfordshire. These care homes provide services for people with varying levels of need, from residential short breaks to long term nursing care. The pie chart below shows the type of care provided to just under 8,000 older adults in these care homes, the majority being residential beds (67%) and the remaining (33%) nursing beds.'



Source: NHS Capacity Tracker, 2 January 2024.

Figure 7: Hertfordshire CQC registered older adults residential and nursing beds (Jan 2024)

- 9.11 'Hertfordshire's County Council and the Integrated Care Board work in partnership to commission Pathway 2 Discharge to Assess (DTA) services in Hertfordshire care homes. The purpose of the DTA service is to support people with a period of enablement and/or reassessment upon leaving hospital. There are approximately 110 people on the DTA 2 pathway at any one time across Hertfordshire.'
- 9.12 'The majority of Hertfordshire long stay residential and nursing placements are made by spot contracts. Hertfordshire has adopted the ADASS East of England Contract Standard for social care. The majority of people who live in care homes have a dementia however the Hertfordshire long stay care provision is weighted towards care for people without a dementia.'
- 9.13 'High quality, safe and effective services are of paramount importance to Hertfordshire County Council to ensure those accessing commissioned residential and nursing home service provision receive the right support to enable them to meet their goals and outcomes.'

Ten year supported accommodation strategy (2017-2027)

- 9.14 'Supported accommodation' means any scheme where accommodation is combined with a support and/or social care service, provided with the purpose of enabling a person to live as independently as possible. This could range from nursing and residential care homes through to supported living schemes, Flexicare Housing or short-term accommodation to help people back to/achieve independence.' (page 1)
- 9.15 'We know the population is ageing, that disabled people's life expectancy is increasing and that people's expectations of independent living are higher. These demographic pressures in Hertfordshire, like the rest of the country, are set to create challenges for local authorities both financially and with regard to increasing numbers in the care workforce to meet people's needs in the future. Projected demographics will create a surge in demand for support services for older people (specifically within the 85+ age range, which will more than double in the next 10 years).' (page 6)
- 9.16 'If we continue to commission services for people as we have in the past in line with demography, we would expect to see the following growth in social care funded services across Hertfordshire.' (page 6)

Care group	Predicted growth in demand
Older people	An additional 234 nursing beds by 2029
	447 additional residential beds by 2029
	577 additional flexi care (extra care) units by 2029

Figure 8: Projected growth in Hertfordshire social care funded services by 2029

- 9.17 'This strategy proposes a fundamental change to our current service models. People say they want to see more accommodation that supports them to live independently but connected to their local communities. The following table shows the alternative commissioning intention for Hertfordshire County Council funded services to achieve that ambition.' (page 7)

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

Figure 9: Alternative commissioning intention for Hertfordshire funded services to 2029

- 9.18 'District and Borough Councils are developing their Local Plans and strategic housing plans. Future accommodation needs for those people who require care and support will feed into these plans. This may result in growth in some areas and reductions in other areas and will be based on the requirements for mixed markets, catering for social and private needs, as well as affordable housing.' (page 7)
- 9.19 'It is our intention to change the proportion of the current long-term models of care being delivered to help more people stay in their own home - and to develop new short-term models of care to manage Hertfordshire's future demand for supported accommodation. To meet demand by 2025, we would like to stimulate the market to deliver:' (page 8)

People aged 65+	HCC's Future intentions
● Residential care homes	Slowing growth in residential care home beds and actively reducing long stay placements in residential care. Place a greater focus on supporting older people with dementia in the remaining places.
	Greater investment in short stay, rehabilitation, 'step down' and assessment bedded services to enable people to return home from hospital
	Reduction in overall commissions from HCC.
● Nursing care homes	Growth and increased investment across all services within nursing sector.
	Accelerated growth in nursing dementia care Integrated nursing services across the NHS, social care, continuing health care and high needs dementia.

Figure 10: Hertfordshire County Council's future intentions for care homes

- 9.20 'Hertfordshire County Council currently commissions 49% of the residential care market and 23% of the nursing market. 16% of the nursing market is commissioned by the NHS for continuing health care. A small number of beds are purchased by other councils; we plan to survey care homes during 2017/18 to quantify this. The remainder of beds are bought by people who self-fund, including people moving out of London and surrounding counties into care homes in Hertfordshire.' (page 8)

Hertfordshire Care Market sustainability plan (2023/2024)

- 9.21 'There are an estimated 14,515 people over 65 living with dementia in Hertfordshire. This number is estimated to increase to 21,897 by 2030, of whom 14,134 it is estimated will be living with severe dementia. Currently 85% of people receiving HCC funded residential/nursing care have dementia; this is 15% higher than care home dementia prevalence estimates produced in 2014 and reflects both demographic change and the increased proportion of Hertfordshire citizens living with dementia in general or specialist housing settings. As indicated in the

same national research, most people living with dementia in a care home setting have multiple long-term conditions.' (page 2)

- 9.22 'Reductions in requirements for residential care are now apparent in many areas of Hertfordshire, and in some districts the Council purchases 25% or less of the registered residential beds available. Whilst some level of demand for residential care is expected to be sustained in the long term, this supply/demand trend, coupled with the council's commissioning intentions, will continue to challenge the sustainability of residential only provision. It is also expected that demography and policy on health, wellbeing and prevention will drive demand for more flexible models of care, such as prevention/wellbeing services enabled by short term care home stays and expansion of supported housing with care. Again, this may challenge the residential market which is sustained by high proportions of long stay occupancy.' (page 2)
- 9.23 'There are significant challenges around sufficiency of supply across Hertfordshire for care for people with high/complex frailty, dementia, bariatric and nursing needs, with many providers reporting being unable to maintain the high dependency levels in their services as would be necessary to meet demand for nursing care for people with high/complex frailty and dementia at the scale required.' (page 2)
- 9.24 'As a result of the reducing numbers of placements that we expect to make into residential provision we anticipate that this will result in an over-supply of capacity, particularly in the residential care market, of non-dementia beds. Conversely as the numbers of people requiring nursing beds is expected to increase this will cause a shortage of dementia residential and dementia nursing beds. We currently have significant pressures in specific district areas relating to market capacity, resulting in people being placed further away from their network of support.' (page 3)
- ### Hertfordshire Dementia Strategy (2023-2028)
- 9.25 'Our vision is of a county where people affected by dementia have access to timely, skilled, and well-coordinated support from diagnosis to end of life, which helps achieve the outcomes that matter to them.' (page 2)
- 9.26 'By 2030, it is estimated that there will be 14,134 of people living with severe dementia in Hertfordshire.' (page 6)
- 9.27 'We must respond to the increasing proportion of older people developing dementia later in life, who have increased frailty and multiple long-term conditions. This means we need to ensure staff supporting them have the correct skills, and people with dementia have access to the other health and care services they need.' (page 7)
- 9.28 'There must be accessible and flexible alternatives to hospital admission for people affected by dementia who are experiencing a crisis in their circumstances or mental health.' (page 8)

Strategic Housing Market Assessment Part II Update (2023)

- 9.29 *'Note that the dwellings needed to reconcile population and household estimate derives from the way in which institutional population is treated within the household projections. The household projections exclude the population in institutional settings and assumes that the same ratio of over 75-year-olds will be in institutional housing in the future as is currently the case. Therefore, not all people are assumed to be in households. However, the standard method LHN encompasses the entire population of the local authority, so it is necessary to reconcile the household projections with the total population and the number of dwellings to be provided. It is important to note that we are not assuming that the equivalent of 154 dwellings in North Herts and 29 dwellings in Stevenage are delivered as Class C2 bedspaces. Instead, the population and household projections assume that the equivalent dwellings will be vacated by those moving to Class C2. If these moves do not occur because Class C2 bedspaces are not delivered, then more Class C3 dwellings will be required.'* [over the plan period 2022-2031] (page 61/62)
- 9.30 *'This housing comes in a number of different forms and the distribution between these different types needs to be explored. The Older People housing options considered in this section follow the definitions in the 2012 "Housing Our Ageing Population" report (HAPPI2). This defines specialist provision as mainstream (including adapted and wheelchair homes), specialised housing (including Extra Care and sheltered housing) and Care Homes (including both Registered Nursing and Registered Care Homes).'* (page 72)
- 9.31 *'The population projections underlying the Local Housing Need figure for North Herts and Stevenage show a substantial increase in the older population during the period 2022-2031. The population aged 75+ is likely to increase by around 3,032 persons in North Herts and 1,348 persons in Stevenage based on providing the number of homes needed to meet the local housing need.'* (page 73)
- 9.32 [NB – Although this report provides an analysis of need for sheltered housing and extra care, it does not provide an assessment of the need for care home beds]

Carterwood review

- 9.33 The above documentation is in line with councils' commissioning strategies across the country where local authorities are seeking to manage significantly increased demand for accommodation and care at a time of unprecedented financial austerity by following a new model for state-funded adult care provision that effectively maintains the cost of providing care by reducing or limiting the numbers of, and costs for, those who require such services.
- 9.34 The *Market Position Statement (current online)* states that '*Residential and nursing care for older adults and younger adults with a frailty or dementia-related need will remain a very high priority for the medium to long term*', driven by major demographic change. It highlights significant growth in the 75+ population, with increasing frailty, dementia and nursing needs, with demand expected to grow in some areas by as much as 300% by 2042. It also notes the shift from hospital-based care to community-based care, meaning more people with complex needs will require short term support in care home settings.
- 9.35 The *Market Position Statement* provides evidence of ongoing demand: the Council procures care for around 2,000 older people at any one time, contracting with 139 care homes both within Hertfordshire as well as outside of the county. It also supports around 110 people at any one time through Pathway 2 Discharge to Assess services. It reinforces the Council's Care Act 2014 duty to ensure a 'vibrant market' with choice, and promotes the quality of provision. It also commits to ensuring care is delivered in an estate that meets best practice design standards, supporting the case for appropriate capacity in modern, fully fit-for-purpose accommodation to meet rising demand and complexity of care.
- 9.36 The *Ten Year Supported Accommodation Strategy (2017–2027)* defines 'supported accommodation' as including residential and nursing care home, alongside other models of care and accommodation. It highlights that Hertfordshire faces strong demographic pressures, with an ageing population and a sharp rise in need, especially among the 85+ age group, which is expected to more than double within 10 years to create a surge in demand for support services for older people.
- 9.37 While the strategy aims to shift more care towards independent living and support at home, it still recognises that care home provision remains a core part of the supported accommodation system with the Council commissioning a substantial share of the market (49% of the residential care market) indicating both the scale of reliance on care beds and the importance of ensuring enough provision for future need.
- 9.38 It should be highlighted that the *Ten Year Supported Accommodation Strategy* provides two projections for need for 'Hertfordshire social care funded services' by 2029. The first assumes the County Council continues to commission services for people in the same way as it did before 2017, and on this basis an additional 681 care beds (residential and nursing) are required by 2029. The second assumes that

Adult Social Care follow an alternative commissioning strategy with a greater focus on flexi care and supporting people in their own homes. This results in the requirement for 153 additional nursing bedspaces by 2029. It should be highlighted that the report was written prior to the Covid-19 pandemic and that the figures relate to state-funded care only (which according to the *Market Position Statement* comprises around 50 per cent of occupied beds).

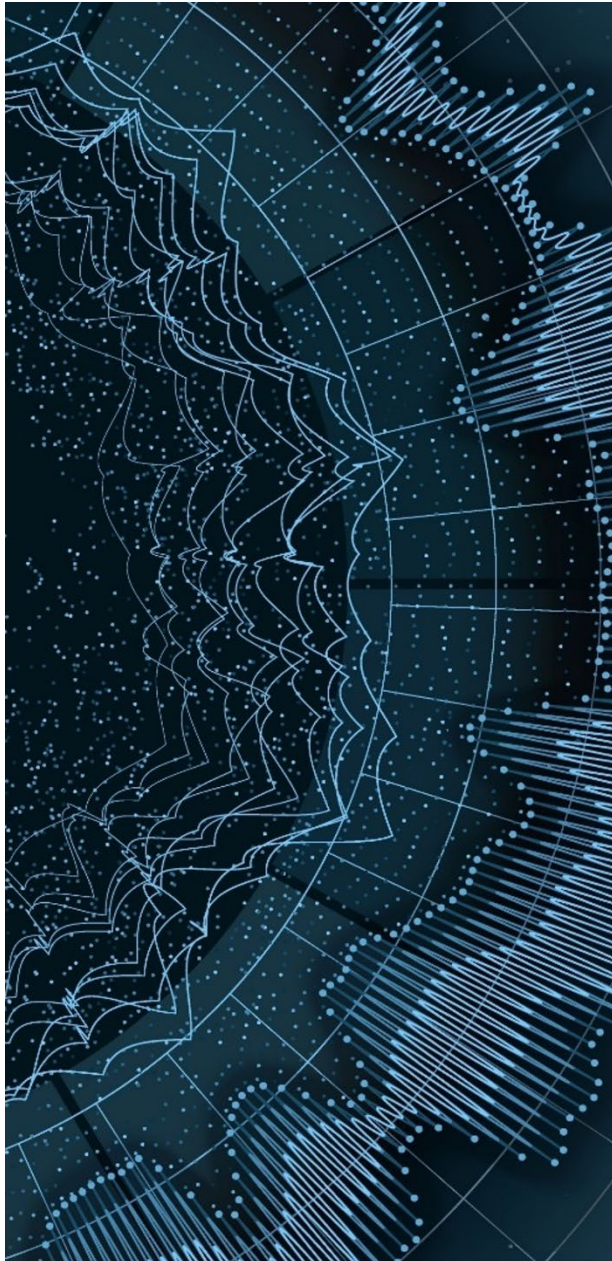
- 9.39 The *Hertfordshire Care Market Sustainability Plan 2023/24* sets out a clear and growing need for dementia-specialist and nursing care beds in Hertfordshire. It estimates 14,515 people aged 65+ are living with dementia, rising to 21,897 by 2030, with 14,134 expected to have severe dementia. It also notes that 85 per cent of people receiving HCC-funded care have dementia, reflecting rising prevalence and increasing complexity of need.
- 9.40 While the plan recognises that overall demand for traditional residential-only care is reducing in many areas, it stresses that long-term demand will still be sustained, but increasingly in more flexible and higher-need models. Crucially, it highlights significant sufficiency challenges across Hertfordshire for people with high/complex frailty, dementia, bariatric and nursing needs, with providers reporting they cannot maintain the required dependency levels at the scale needed.
- 9.41 The plan is particularly strong on the *type* of beds required: it anticipates over-supply of non-dementia residential capacity, but a shortage of dementia residential and dementia nursing beds as nursing needs rise. It also confirms that local shortages are already creating pressure, leading to people being placed further away from their support networks, reinforcing the need for the *right* new beds in the *right* locations.
- 9.42 The *North Herts and Stevenage Councils SHMA (2023)* does not identify a specific need for new care home (Class C2) bedspaces in North Herts over the 2022-2031 plan period. It assumes that older people will continue to move into care at current rates, freeing up housing, but the figure of 154 dwellings is not a specific requirement for C2 provision.
- 9.43 The SHMA advises that projections for North Herts show a substantial increase in the older population of over 3,000 people between 2022 and 2031. The report considers housing options for older people and, although it provides an analysis of need for sheltered housing and extra care, it does not include an assessment of existing supply or planned need for care home bedspaces.
- 9.44 It should be remembered that Hertfordshire County Council is only funding a proportion of those living within care homes that provide residential and dementia care, and therefore the strategic comments with regard to local authority-funded beds relate to that proportion of the local population only. A significant number of those who would occupy the proposed care home would be self-funded and would make their own decision (sometimes with input or by proxy by their family) as to when to enter a care home setting. These numbers will continue to grow. The

quality of care and accommodation, along with its location and proximity to family and friends in the local community will therefore be the major drivers of this decision-making process, rather than solely the commissioning intentions of the local authority.

- 9.45 The documentation set out above identifies how the demographic pressures of an ageing population will manifest over the coming decade, with many older adults wishing to downsize their accommodation or to locate to a property in which they can receive assistance, if needed. Those who move into care homes in the future are increasingly likely to have high-level needs or require step-down care. Such needs require well specified, spacious, infection control-compliant, flexible care accommodation to enable care to be administered most effectively.

Key findings – commissioning review

- Hertfordshire County Council (HCC) Commissioning's approach prioritises independence and community-based support, while recognising that care homes remain essential for people with the highest and most complex needs, particularly for dementia and nursing care.
- The *Market Position Statement* confirms residential and nursing care remains a very high priority for HCC in the medium to long term, driven by major demographic change. It highlights significant growth in the 75+ population, with rising frailty, dementia and nursing needs, with demand expected to grow significantly by 2042. It also notes the shift from hospital to community-based care, increasing demand for short-term care home support.
- The *Ten Year Supported Accommodation Strategy (2017–2027)* highlights demographic pressures driving rising demand. While promoting more support at home, it confirms care homes remain essential, with HCC commissioning 49 per cent of the residential and 23 per cent of the nursing care market. It models two state-funded scenarios to 2029: need for an extra 681 care beds if current patterns continue, or an increase of 153 nursing care beds if there is increased supply of flexicare/home support. However, it provides no baseline bed figure, predates Covid-19, and applies only to state-funded provision.
- The *Hertfordshire Care Market Sustainability Plan 2023/24* estimates a substantial rise in those aged 65+ living with dementia and severe dementia. It notes 85 per cent of people receiving HCC-funded care have dementia, reflecting increasing complexity. While traditional residential-only demand is reducing in some areas, the plan highlights significant sufficiency challenges for people with high/complex frailty, dementia, bariatric and nursing needs.
- The *North Herts and Stevenage Councils SHMA (2023)* projects an increase of over 3,000 older people in North Herts between 2022 and 2031. While the report assesses needs for sheltered housing and extra care, it does not evaluate existing supply of, or planned need for care home beds.



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10. Methodology and catchment area assessment

- 10.1 Full details regarding our care home bedroom need methodology, including an explanation of the use of ‘full’ and ‘minimum’ market standard’ beds are set out in Appendix B.
- 10.2 We have undertaken our quantitative assessment of need for the proposed care home on two bases: firstly, a market catchment area, and secondly, the area covered by North Herts Council, as shown on the map opposite.
- 10.3 We have previously analysed resident data provided by a number of private operators of high-quality operational care homes, akin to that proposed. From this information, we have calculated the mean distance travelled by each resident into their respective care home. The headline results are provided below.

T15 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
Overall average	5.1

Source: Carterwood

- 10.4 The subject site is located to the north of Hitchin, on the edge of Ickleford. It accords most closely with Location 2 above and we have therefore adopted a circa-5-mile market catchment (which extends to between 3.4 and 5.6 miles from the site), as shown opposite shaded light blue.
- 10.5 The exact perimeter of the catchment is explained by the use of the Census 2021-defined ‘output areas’ for our analysis of the catchment population. There are approximately 189,000 ‘output areas’ across England and Wales, which form the base unit for all census data and enable a granular level of analysis. They vary considerably in size and shape, covering small areas in urban districts and much larger areas in rural communities due to the fact that all have to include circa 300 people of similar housing types/tenures. The catchment will therefore always be based on a nearest match to the output area data and it is not possible to use a perfect radius around a site or specific catchment, as no data fits perfectly.
- 10.6 All care homes will also 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 affordable homes.

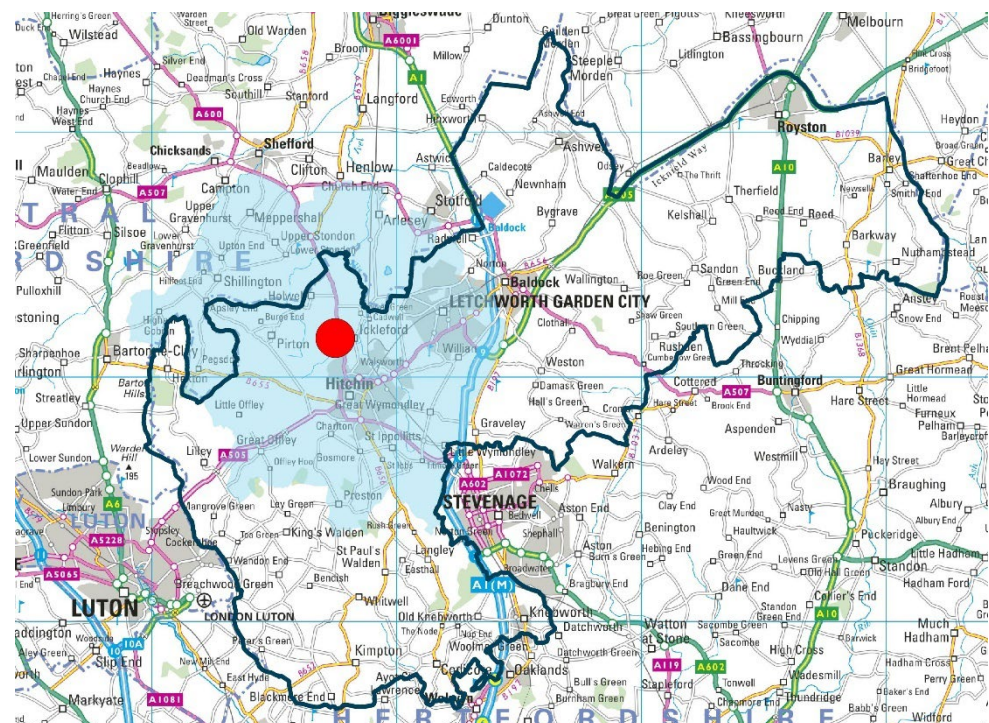


Figure 11: Basis of assessment

The red spot shows the approximate location of the site. The blue shaded area illustrates the market catchment and the dark blue line illustrates the boundary of the North Herts Council area

11. Gross need

Population profile

- 11.1 We have summarised the elderly population profile in T16, opposite. The market catchment is characterised as having a very similar elderly population profile to Great Britain. The North Herts Council area is characterised by a higher than average elderly population profile when compared to both the market catchment and Great Britain.

Projected increase in gross need

- 11.2 We have utilised the most up-to-date '2022-based' ONS population growth rates applied to 2021 Census data for people aged 65+ (in 5 year age bands) to show the projected increase in gross need over the 18 years from 2026 to 2044. The increase in the market catchment is above average for Great Britain, while the local authority area is a little above the average to 2039, falling just below average by 2044.

- 11.3 Between 2026 and 2044 gross need is expected to rise by c.57 and 54 per cent in the market catchment and North Herts Council area, respectively, assuming all other things remain equal, indicating an increased requirement for additional care home beds.

Gross need – total market

- 11.4 We adopt Market Prevalence Rates (MPR), a tool to predict the risk of a person aged 65+ being in a care home at a given age (See Appendix B) to assess the 'total market' need for care home bedrooms (with and without nursing, as there is no industry-recognised method of differentiating between the need for either form). Table T18 shows the number of people aged 65+ that are at risk of requiring care in a residential setting as at 2029, the earliest the proposed care home could be made available. Our assessment of gross need is therefore 671 and 975 care home bedspaces within the market catchment and North Herts Council local authority area, respectively.

Gross need – specialist dementia

- 11.5 Our need analysis is based upon LaingBuisson's 2020 adjustment to the 2012 Centre for Policy for Ageing survey regarding risk of admission with dementia, which indicates that 41.3 per cent of residents were admitted to a care home with dementia as the prevailing cause on a national basis. (See Appendix B).
- 11.6 Utilising this prevalence rate, adjusted for regional prevalence, we have calculated the gross need in the market catchment and local authority area from residents with dementia as a primary cause of admission as a subset of total market beds, as shown opposite in Table T19. Best practice states that people living with dementia should be cared for within a specialist, dedicated dementia environment. The number of people that are at risk of requiring dedicated dementia care as at 2029 is 292 within the market catchment and 425 within the local authority area.

T16 Elderly population profile (2029)

Age profile	Market catchment		Local authority		Differential to GB %	
	Number	%	Number	%	Market	LA
All population	101,918	-	137,388	-	-	-
Age 65+	20,631	20.2	29,548	21.5	-0.3	+1.0
Age 75+	10,651	10.5	15,498	11.3	+0.4	+1.2
Age 85+	3,316	3.3	4,893	3.6	+0.4	+0.8

T17 Projected increase in gross need for care beds based on population (65+) growth

Increase in gross need based on 65+ population growth by 5 year age band (%)	Year	Market catchment	Comparison to GB average	Local authority	Comparison to GB average
	2029 (from 2026)	10.3	+0.9	9.9	+0.5
	2034	27.5	+1.3	26.5	+0.3
	2039	46.1	+2.4	44.3	+0.7
	2044	56.7	+1.8	54.4	-0.4

T18 Gross need (2029) – total market

Age range	Market catchment	Local authority
65–74 years	73	104
75–84 years	173	248
85 years +	424	623
Need – total market	671	975

T19 Gross need (2029) – specialist dementia

Age range	Market catchment	Local authority
65–74 years	32	45
75–84 years	75	108
85 years +	185	271
Need – specialist dementia	292	425

12. Additional demand from the NHS

Delayed discharges- NHS Hertfordshire and West Essex Integrated Care Board (ICB)

- 12.1 Another indicator of need for elderly care home beds is derived from assessing NHS data for people who remain in hospital who 'no longer meet the criteria to reside', which provides some insight into the availability of options for those who are ready to be discharged.
- 12.2 Transferring appropriate placements from the NHS to social care is critical due to cost savings – NHS beds cost significantly more to provide than care home beds – and effective utilisation of NHS beds is paramount for critical illnesses where care cannot be delivered elsewhere.
- 12.3 Research by the King's Fund¹ confirms the pandemic has had a significant impact on the availability and use of hospital beds. Incentives to moderate demand often struggle to succeed, with progress dependent upon sufficient capacity being available outside hospital to provide appropriate care.
- 12.4 Post pandemic NHS data includes all those awaiting discharge from hospital rather than only those specifically awaiting a care home bed.. Nevertheless, as shown in Figure 12, this still highlights a failing of the health and social care system in Hertfordshire. If the system were functioning with zero delayed discharge through more effective use of care home beds, this would reduce reliance on the NHS.
- 12.5 The CQC² advise that waits for care home beds and home-based care accounted for 45% of delays in discharging people who had been in an acute hospital for 14 days or more, with nearly

4,000 people delayed on an average day in England.

- 12.6 Greater clarity is needed from the NHS in terms of future expectations for health and care bed capacity.

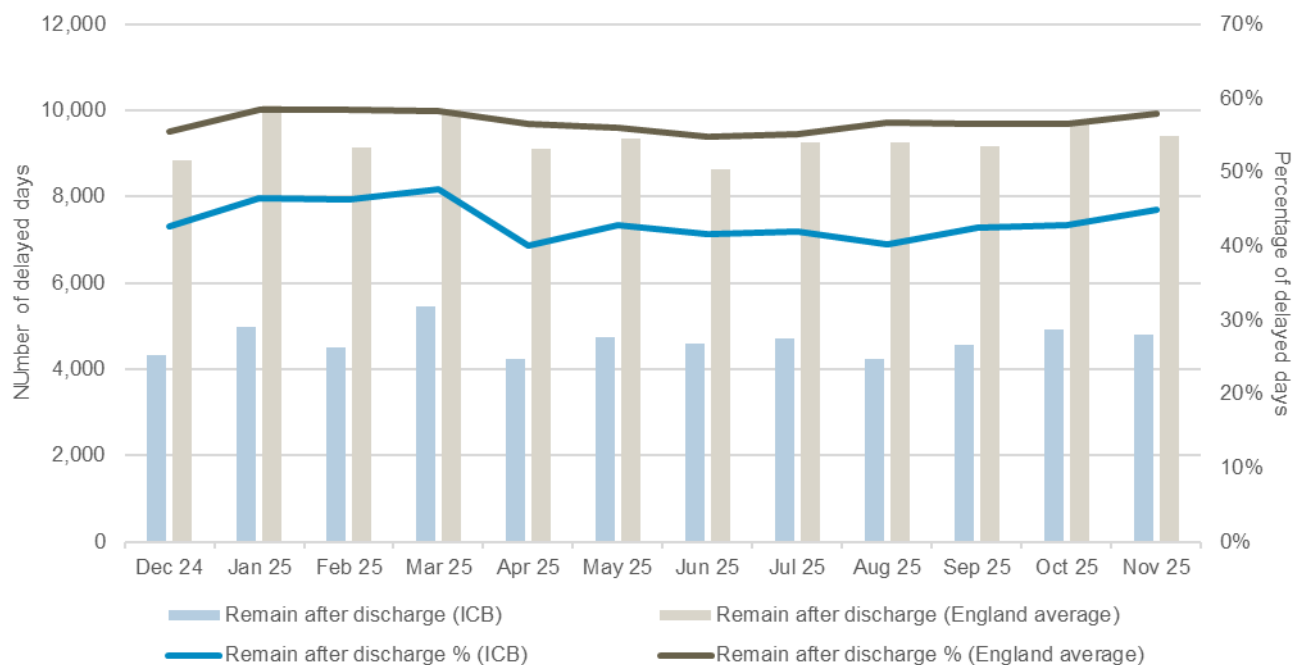


Figure 12: Delayed discharge days awaiting non-acute NHS care - NHS Hertfordshire and West Essex ICB

¹ Ward, D et al (2017 – updated 2021) *NHS Hospital bed numbers*

² The state of health care and adult social care in England 2023/24. The Care Quality Commission (CQC) 2024.

13. Supply

Existing supply

- 13.1** We have assessed supply based upon minimum market standard bedspaces, which we define as any registered bedroom providing a minimum of an en-suite WC and wash-hand basin (See Appendix B).
- 13.2** Within the market catchment, there are 15 care homes, which provide 826 registered bedspaces, 92 per cent of which are equipped with an en-suite, meeting the criteria of 'minimum market standard'. Within the local authority area, there are 23 care homes, which provide 1,227 registered bedspaces, 90 per cent of which are equipped with an en-suite, meeting the criteria of 'minimum market standard'. These should be compared with a current GB average of 79.4 per cent.
- 13.3** In terms of bedrooms providing en-suite wetrooms, meeting the criteria of 'full market standard, 68 per cent of bedrooms in the market catchment and 69 per cent in the local authority area provide full en-suite wetrooms, which may be of the same size and specification as those proposed at the subject scheme. This compares with a GB average of 35.5 per cent.
- 13.4** A detailed list of existing supply is included in T28 on page 31 and its location is shown in Figure 11 on page 36.

Planned supply

- 13.5** We have made enquiries with our planning databases and cross-checked planning applications for new elderly care home beds against the relevant local planning authority's online register for applications either submitted, granted, or where a planning decision has been appealed within the last 3 years. Our research was carried out on 27 January 2026.
- 13.6** While we endeavour to include all extant planning permissions beyond the 3-year timeframe, we check whether any applications older than 3 years have either been implemented (and are therefore included in current supply), for further activity on the planning register (i.e. a reserved matters or Lawful Development Certificate application) or for evidence of development on site.
- 13.7** We have identified three extant planning permissions for additional care home beds or beds providing specialist dedicated provision in the market catchment, of which two also fall within the local authority area. Details of planned supply and applications pending a decision are included in T29 on page 34 and T30 on page 35.
- 13.8** Our analysis assumes that all pipeline bedspaces with extant permission will be developed at our anticipated timeframe and it therefore potentially overestimates future supply given that a number of the proposed schemes in the planning system may never be delivered.

T20 Existing supply (market catchment)						
Care category	No of homes	Total reg. beds	Total en-suite	Total wetroom beds	% en-suite beds	% wetroom beds
Total market provision						
Overall	15	826	756	565	92	68
Specialist dementia provision						
Dedicated dementia homes	0	0	0	0	-	-
Dedicated dementia units	7	160	160	139	100	87
Overall	7	160	160	139	100	87

T21 Existing supply (local authority catchment)						
Care category	No of homes	Total reg. beds	Total en-suite	Total wetroom beds	% en-suite beds	% wetroom beds
Total market provision						
Overall	23	1,227	1,104	845	90	69
Specialist dementia provision						
Dedicated dementia homes	0	0	0	0	-	-
Dedicated dementia units	11	276	259	187	94	68
Overall	11	276	259	187	94	68

T22 Planned supply (with extant permission) by year of estimated completion					
Supply	2026	2027	2028	2029	2030+
Market catchment	0	0	86	0	60
Local authority	0	0	22	0	60

T23 Planned supply (with extant permission) for need assessment calculations (2029)		
Basis of assessment	Market catchment	Local authority
Total market planned beds	86	22
Specialist dementia planned beds	21	0

14. Balance of provision

- 14.1 We have calculated the gross need for care home beds as at 2029, the earliest the proposed care home could be made available, on the following catchments:
- market – a c 5-mile radius from the subject site;
 - local authority – the North Herts Council area.
- 14.2 Need is assessed for two forms of elderly care:
- all beds – all categories or ‘total market’ need
 - specialist dementia.
- 14.3 The specialist dementia care need assessment is a subset of the total market need for the provision of living environments that accord with best practice in caring for people with such needs.
- 14.4 We have assessed the existing supply element on two bases in order to illustrate the impact of stock quality and obsolescence:
- minimum market standard – only en-suite bedrooms;
 - full market standard – only bedrooms with full wetroom en-suites.
- 14.5 T25 provides our analysis of net need in 2029 on the basis that all care bedrooms provide full wetroom en-suites, all planned beds with extant permission are developed and available at our anticipated timeframe, and there is no change to existing supply. Our assessment indicates total market shortfalls of 76 and 190 en-suite wetroom bedrooms including shortfalls of 156 and 274 dedicated dementia en-suite wetroom beds in the market and local authority catchments, respectively.
- 14.6 Our analysis at more basic, minimum market standard level in T25 indicates there while there is a potential excess of ‘all beds’ in the market catchment and local authority area, there are, however, significant shortfalls of 135 and 202 dedicated dementia bedrooms in the two catchments, respectively, indicating a considerable shortfall of this form of supply

- 14.7 Net need on the basis of minimum market standard beds is expected to increase to 60 market standard beds in the market catchment and 202 in the local authority area by 2039, which reflects the sustained and escalating nature of need and the requirement for new provision.
- 14.8 Projected net need on the basis of full market standard bedrooms, akin to those proposed in the subject care home, is expected to increase to 251 in the market catchment and 461 in the local authority area by 2039 (including 239 and 398 dedicated dementia care beds in the two assessed areas, respectively), which reflects the requirement for the provision of care home bedrooms that meet fully with current market expectations.

T24 Primary year for need analysis

Primary year of assessment	2029	The earliest the subject scheme could be developed and operational
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T25 Need analysis summary (2029)

Type of care	All beds		Specialist dementia only	
Basis of assessment	Market catchment	Local authority	Market catchment	Local authority
Gross need				
All bed/specialist dementia need	671	975	292	425
Occupancy capacity allowance	56	82	24	36
Total gross need	727	1,057	316	461
Supply				
Current elderly en-suites	756	1,104	160	259
Current elderly wetrooms	565	845	139	187
Extant planned beds (to 2029)	86	22	21	0
Total supply (en-suite)	842	1,126	181	259
Total supply (wetroom)	651	867	160	187
Net need				
En-suite bedrooms (minimum market standard)	-115	-69	135	202
Full wetroom en-suite bedrooms (full market standard)	76	190	156	274

Assumptions

- Total market need based on ONS Census (2021) data projected to 2029 and Market Prevalence Rates (MPR).
- Occupancy capacity allowance adjustment, being a function of occupancy and not registered capacity. We have adopted an ‘effective full capacity’ level of 92.3 per cent.
- Planned supply based upon individual analysis of each scheme and assessment of likely potential development completion.
- The need analysis excludes the subject scheme.
- See Appendix B for full details of our need analysis above.

15. Need growth

- 15.1** As well as considering need based upon the earliest year the subject care home could be operational, we also assess the need growth over the decade from the year of assessment and beyond, having regard to potential regulatory and other requirements.
- 15.2** Nationally, the decline in care home bed prevalence rates seen in recent years, driven by growing demand for alternative models of care (including domiciliary care, live-in care and extra care), increased availability of these services, and the impact of the pandemic now appears to have stabilised. Across Great Britain, prevalence rates for care home beds recorded a net increase of 1.0% between 2025/2026, broadly consistent with the 1.2% increase seen between 2024/2025.
- 15.3** This stabilisation and now increase in prevalence should also be considered alongside the rapidly growing older population, which is expected to drive increased demand for care home beds over the coming years. This need may be further intensified by the potential loss of existing care homes, particularly where facilities become outdated, fall short of modern market expectations, or close for other operational reasons. Demand and supply will continue to be shaped by national and regional variables, however, the overall direction points towards a strengthening requirement for additional, fit-for-purpose care home provision.
- 15.4** T26 illustrates our analysis of the projected net need for minimum market standard (en-suite) care beds and full market standard (wetroom) care beds, respectively, together with the need for dedicated dementia beds (as sub-sets of the above assessments), in the market catchment over the 10 years from our base year of assessment. This assumes that existing care bedroom provision remains constant and that all currently planned care beds (with extant permission) are developed. Similarly, in T27 we have analysed the projected net need on the same basis for the local authority area.
- 15.5** In each case, therefore, we overestimate the potential supply, given that we make no allowance for the potential closure of existing, operational minimum market standard care home bedspaces and because planned schemes may not progress over the timescales we have assumed, or be developed at all.
- 15.6** To provide some context, Carterwood research the number of extant permissions for care home developments in Great Britain which progress to completed care homes. As at Q3, 2025, for those applications initially validated between 2016 and 2020, a maximum of only 56 per cent of extant permissions from any one year have since been developed and registered as operational care homes.
- 15.7** The chart below projects the net need for new 'all bed' care home bedrooms (at minimum market standard (en-suite) and full market standard (en-suite wetroom) level) in the market catchment from 2029 to 2046 on the same basis.

- 15.8** The shortfall of full market standard care bedrooms in the market catchment and local authority area is clear, and likely to remain, given the scale of the demographic change over the coming decade. An increase in planning and construction activity would be needed in order to reduce the shortfall of provision.

T26 Projected care bed net need (market catchment)			
All beds	2029	2034	2039
Minimum market standard (en-suite)	-115	-62	60
Full market standard (en-suite wetroom)	76	129	251
Specialist dementia provision			
Minimum market standard dementia (en-suite)	135	165	218
Full market standard dementia (wetroom)	156	186	239

T27 Projected care bed net need (local authority)			
All beds	2029	2034	2039
Minimum market standard (en-suite)	-69	31	202
Full market standard (wetroom)	190	290	461
Specialist dementia provision			
Minimum market standard dementia (en-suite)	202	251	326
Full market standard dementia (wetroom)	274	323	398

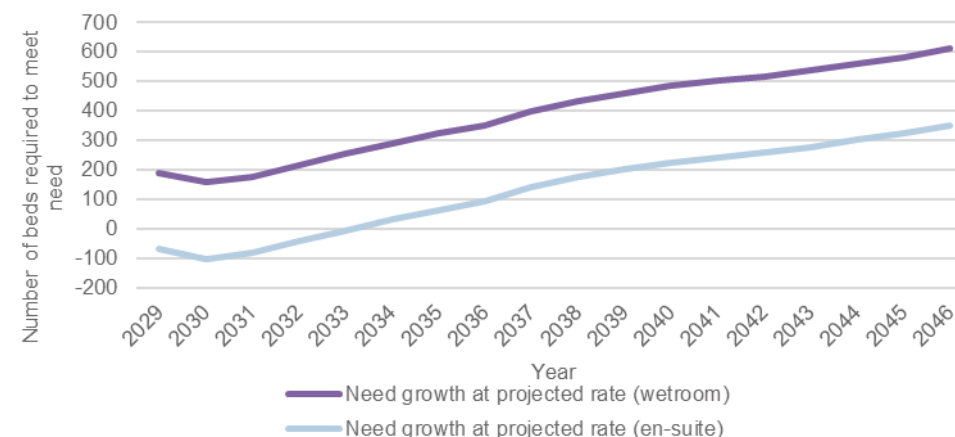
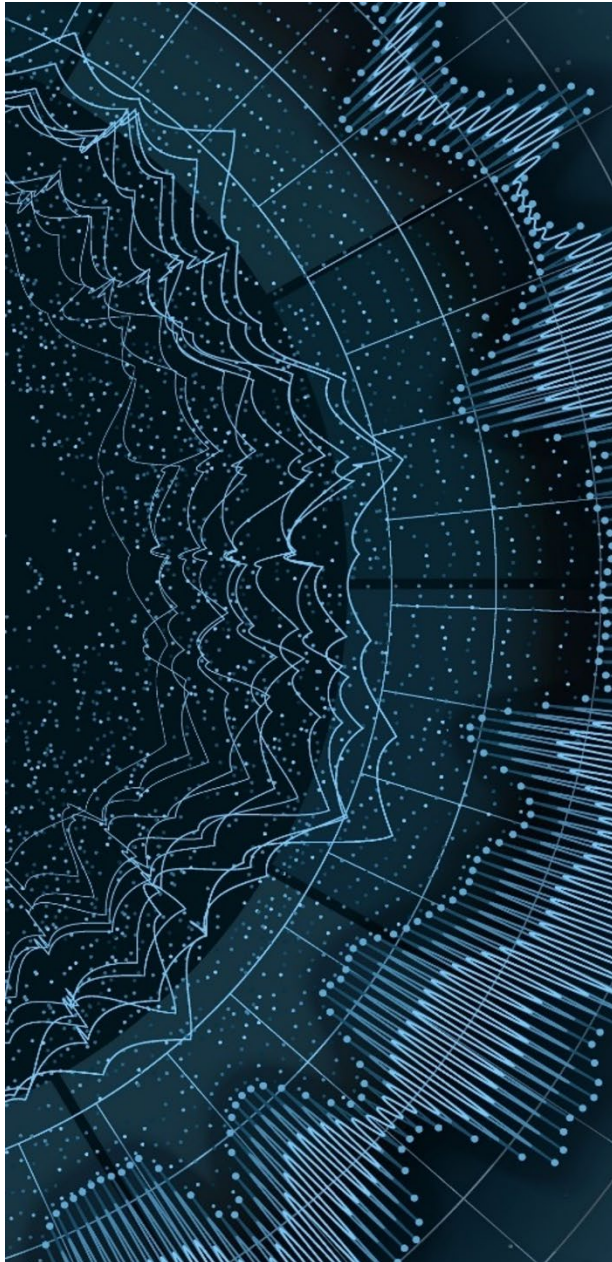


Figure 13: Projected shortfall of en-suite and en-suite wetroom bedrooms – local authority



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Map showing existing and planned supply

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16. Existing and planned supply

T28 Existing care homes within the assessed catchments

Catchment	Home, address	Operator	Distance to subject site (miles)	First year as care home	Accommodation			CQC report date	CQC rating	CQC occupancy
					Elderly beds	En-suite beds	Wetroom beds			
Nursing										
Market and Local Authority	Benslow Nursing Home, Benslow Rise, Hitchin, SG4 9QY	Benslow Management Company	1.8	1987	35	32	32	05/03/2022	Good	86%*
Market and Local Authority	St Catherines Nursing Home, Spring Road, Letchworth Garden City, SG6 3PR	Grovewell Estates	2.6	1982	39	2	0	02/02/2019	Good	82%
Market only	Fairfield Manor Care and Nursing Home, Hitchin Road, Fairfield, Hitchin, SG5 4SW	Country Court	3.1	2019	75	75	75		No rating	-
Market and Local Authority	White House Care Home, Gillison Close, Letchworth Garden City, SG6 1QL	Care Concern Group	3.3	2022	50	50	50		No rating	-
Market only	Chase House, House Lane, Arlesey, SG15 6YA (*1)	Chase House	3.6	1987	43	25	10	07/03/2025	Inadequate	98%
Market and Local Authority	Wymondley Nursing & Residential Care Home, Stevenage Road, Little Wymondley, Hitchin, SG4 7HT	Wymondley Nursing And Residential Care Home	3.7	1990	59	59	0	17/03/2021	Good	56%*
Local Authority only	Trembaths, Talbot Way, Letchworth Garden City, SG6 1UA	MHA	3.7	1990	51	51	8	07/08/2018	Good	90%
Market only	New Meppershall Care Home, 79 Shefford Road, Meppershall, SG17 5LL	Pressbeau	4.1	1995	81	81	0	08/05/2025	Good	89%
Market only	Pinelodge Care Home, Graveley Road, Stevenage, SG1 4YS	Greenswan Consultants	4.4	2011	140	140	140	07/06/2024	Requires improvement	76%
Local Authority only	Heath Lodge, Danesbury Park Road, Welwyn, AL6 9SN	Gold Care Homes	9.4	1996	67	65	65	10/03/2021	Good	37%*
Local Authority only	Autumn Vale Care Centre, Danesbury Park Road, Welwyn, AL6 9SN	Gold Care Homes	9.5	2009	69	69	69	14/08/2019	Good	88%
Local Authority only	St George's Nursing Home, 42 Kneesworth Street, Royston, SG8 5AQ	Grand Park Homes	12.6	1983	24	0	0	15/01/2026	Requires improvement	75%

T28 Existing care homes within the assessed catchments

Catchment	Home, address	Operator	Distance to subject site (miles)	First year as care home	Accommodation			CQC report date	CQC rating	CQC occupancy
					Elderly beds	En-suite beds	Wetroom beds			
Local Authority only	Melwood Grange, Desborow Lane, Royston, SG8 7FR	Quantum Care	13.5	2024	73	73	73	-	No rating	-
Personal care										
Market and Local Authority	Westbourne Care Home, Westbourne, 9 Bedford Road, Hitchin, SG5 2TP	Bainscare	1.4	1986	27	21	21	26/10/2022	Good	85%*
Market and Local Authority	Elmside, Elmside Walk, Hitchin, SG5 1HB	MHA	1.4	1985	69	69	69	21/07/2018	Good	80%
Market and Local Authority	Foxholes Care Home, Pirton Road, Hitchin, SG5 2EN (*2)	Foxholes Nursing Home	1.6	2012	98	98	98	19/12/2024	Good	59%
Market and Local Authority	Highbury Rise, 6 Highbury Road, Hitchin, SG4 9RW	Benslow Management Company	1.7	1985	23	1	0	20/10/2023	Requires improvement	87%
Market and Local Authority	Milford Lodge Care Home, Priory End, Hitchin, SG4 9AL	B&M Care	2.1	2014	60	60	60	27/02/2021	Good	60%*
Market and Local Authority	Sloe Hill Residential Home, Mill Lane, St. Ippolyts, Hitchin, SG4 7NN	Foxholes Nursing Home	2.7	2022	25	25	25	15/05/2025	Good	64%
Market and Local Authority	Iris Court Care Home, Hitchin Road, Gosmore, Hitchin, SG4 7QH	Barchester Healthcare	2.8	2024	60	60	60		No rating	-
Market and Local Authority	Guysfield Residential Home, Willian Road, Willian, Letchworth Garden City, SG6 2AB (*3)	Caring Homes	2.9	1989	50	48	0	08/10/2025	Good	69%
Market and Local Authority	Garden City Court, Whiteway, Letchworth Garden City, SG6 2PP	Quantum Care	3.7	2015	75	75	75	10/03/2022	Good	87%*
Local Authority only	Burleigh House, 41 Letchworth Road, Baldock, SG7 6AA	Manage Care Homes	4.2	1986	44	44	44	07/04/2021	Requires improvement	93%*
Market only	The Limes Care Home, 85 High Street, Henlow, SG16 6AB	Ask Care Homes	4.3	1994	28	28	9	15/01/2026	Inadequate	82%
Local Authority only	Halcyon Days, The Old Rectory, Church Lane, Graveley, Hitchin, SG4 7LU	Gold Care Homes	4.4	1985	57	30	23	09/08/2024	Good	-

T28 Existing care homes within the assessed catchments

Catchment	Home, address	Operator	Distance to subject site (miles)	First year as care home	Accommodation			CQC report date	CQC rating	CQC occupancy
					Elderly beds	En-suite beds	Wetroom beds			
Local Authority only	Osbourne Court, Park Drive, Baldock, SG7 6EN	B&M Care	4.5	1997	69	69	69	24/06/2025	Good	32%
Market only	Oak Manor, Harvest Rise, Shefford, SG17 5GE	MHA	4.6	2017	64	64	64	22/04/2021	Good	95%*
Local Authority only	Providence Court, Providence Way, Baldock, SG7 6TT	Quantum Care	4.8	1995	61	61	0	15/05/2025	Requires improvement	90%
Local Authority only	Margaret House, Church End, Barley, Royston, SG8 8JS (*4)	T M Kelly	14.7	1971	42	42	4	25/01/2022	Good	100%*

Notes: Within CQC occupancy column, * indicates that the CQC inspection took place during the COVID-19 pandemic (falling between March 2020 to May 2023) – which may have impacted on occupancy.

(*1) Chase House is registered for 50 beds, including a 7-bed unit providing specialist YPD care. These specialist beds have been excluded from our analysis.

(*2) Foxholes Care Home is registered for 110 beds, including a 12-bed unit providing specialist YPD care. These specialist beds have been excluded from our analysis.

(*3) We understand that Guysfield has an effective capacity of 50 beds despite being registered with the CQC for 51 beds. The approved application 24/02758/FP (Scheme B) proposes to demolish and re-build this home and permission was granted in December 2025 (see below). This may have impacted on occupancy as at the date of the CQC inspection.

(*4) We have been informed that Margaret House has an effective capacity of 42 beds, despite the CQC registration for 43 beds.

T29 Summary of planned provision with extant permission

Map ref	Catchment	Site address	Applicant	Scheme	Net elderly beds	Dementia beds	Evidence construction has commenced	Earliest estimated year of opening	Distance from subject site (miles)	Planning reference and date permission granted	Notes
Granted											
A	Market and Local Authority	Land North Of Highover Farm, Highover Way, Stotfold Road, Hitchin, Hertfordshire, SG4 0RD	Bellcross Homes	Outline application with all matters reserved other than access, comprising residential led development of up to 700 residential units of use class C3 (residential units) and an element of C2 (residential institutions/care home use), a strategic community hub containing approximately 500sqm of retail/community facilities (use classes A1, A2, A3, A4, A5, D1 or D2) a new primary school, open space, play space and other green infrastructure, associated accesses (vehicular, pedestrian and cycle), including a new primary access off Stotfold Road with limited access off high dane including SUDS.	60	20	No	2030	1.7	18/01154/OP - 29/11/2024	It is not clear yet in the planning application what the C2 element will include, so we have assumed it will be a 60-bed care home / 60-unit retirement housing scheme for the purpose of our analysis.
B	Market and Local Authority	Guysfield Residential Home, William Road, Letchworth, Garden City, Hertfordshire, SG6 2AB	Caring Homes Group Ltd	Redevelopment of existing care home and erection of detached 3 to 4 storey 70-bed residential nursing home (Class C2 use) with associated parking, landscaping, amenities and works, following demolition of extensions to existing care home.	22	0	No	2028	2.9	24/02758/FP - 10/12/2025	This extension will involve demolishing most of the existing home before beginning on the extension.
C	Market only	129 High Street, Arlesey, Bedfordshire, SG15 6SX	Mintridge Consulting Ltd	Outline application outline planning application, with all matters reserved except means of access, for the demolition of 2 existing residential units and construction of a 64 bedroom care home (C2 use) and up to 103 residential units comprising 63 market units, 30 affordable units and 10 self build units (C3 use), a new vehicular and pedestrian access off high street, public open space, sustainable drainage systems and all ancillary infrastructure.	64	21	No	2028	3.1	CB/23/03541/OUT - 01/04/2025	-
Total in market catchment					146	41					
Total in local authority area					82	20					
Total in market catchment by year of assessment (2029)					86	21					
Total in local authority area by year of assessment (2029)					22	0					

Sources: subscribed data sources and relevant planning departments, Carterwood.

T30 Summary of applications pending a decision

Map ref	Catchment	Site address	Applicant	Scheme	Net elderly beds	Dementia beds	Distance from subject site (miles)	Planning reference	Notes
Pending									
D	Market only	Arlesey Road, The Gardens, Hitchin, Hertfordshire, SG5 4HD	All Land Investments (Stotfold 1) Ltd	Of the development proposed is a development of up to 181 houses to include 35% affordable, an integrated Care Village (C2 use) with ancillary community facilities, 9.88 ha of public open space comprising parkland and woodland extension, Pix Brook flood mitigation proposals, extensive new landscaping, play areas, creation of biodiversity habitat, new access arrangements and all ancillary works.	60	36	3.7	CB/25/02740/RM	-
Total in market catchment					60	36			
Total in local authority area					0	0			

Sources: subscribed data sources and relevant planning departments, Carterwood.

Applications pending a decision are not included in our analysis of net need and are set out for information purposes only.

17. Map of existing and planned supply

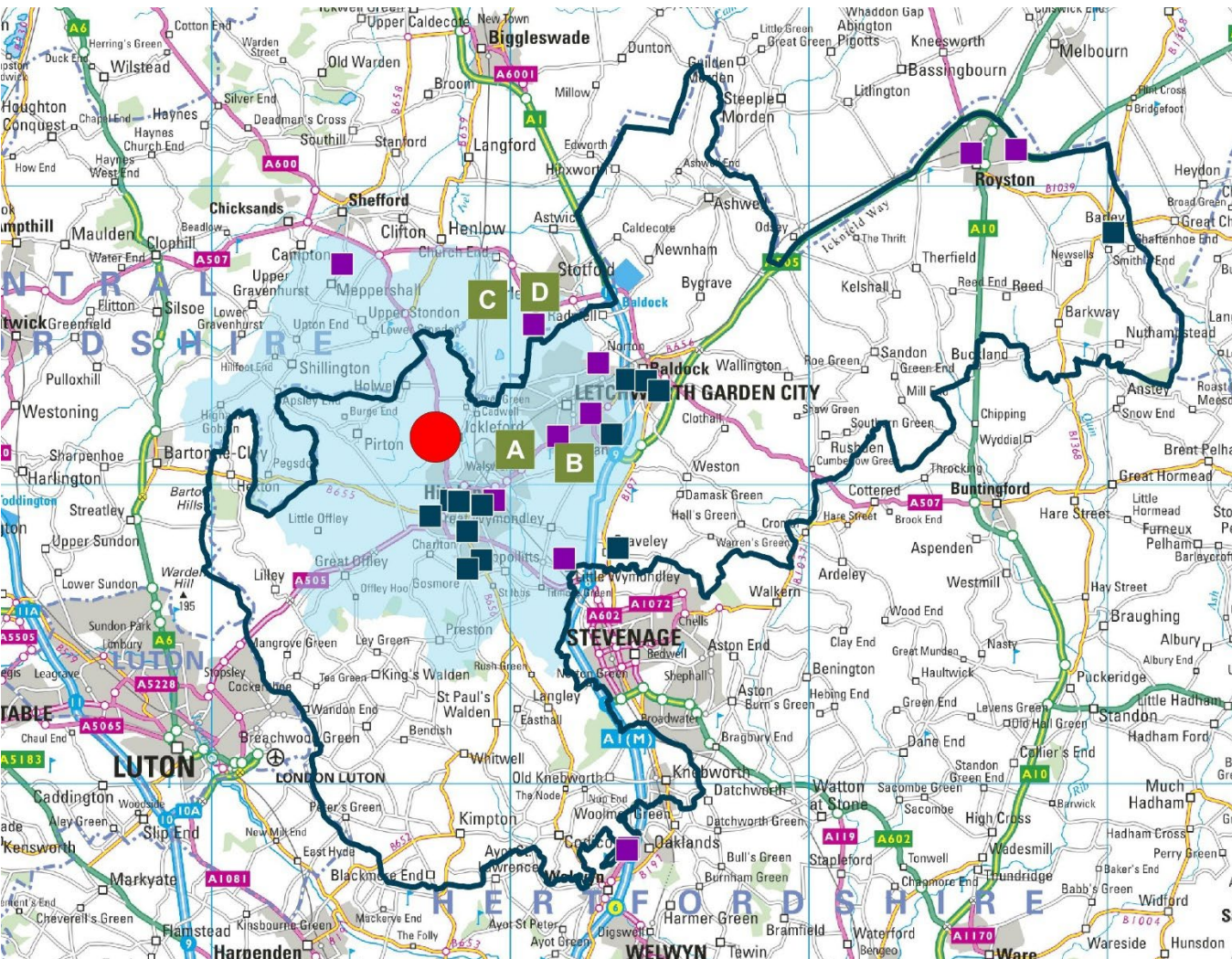


Figure 14: Map showing existing and planned care homes

Key:

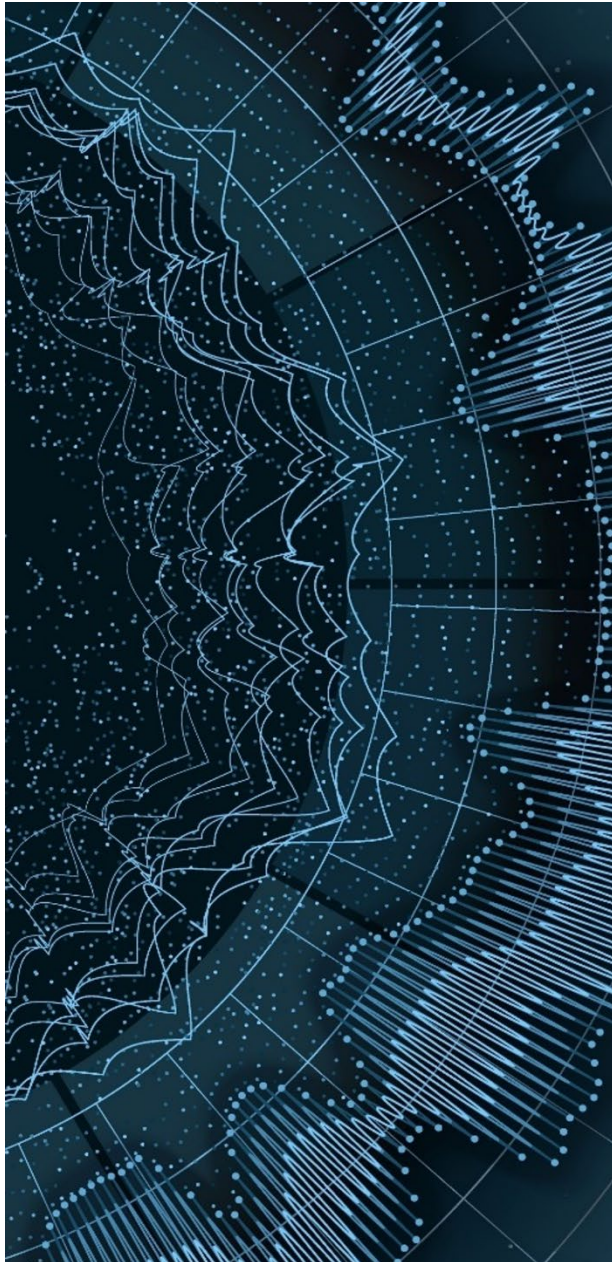
- Subject site
- Personal care
- Nursing
- Planned provision

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

Dark blue line shows North Herts Council area
Light blue shading shows the market catchment.



Figure 15: Location map



Executive summary

Background and the proposal

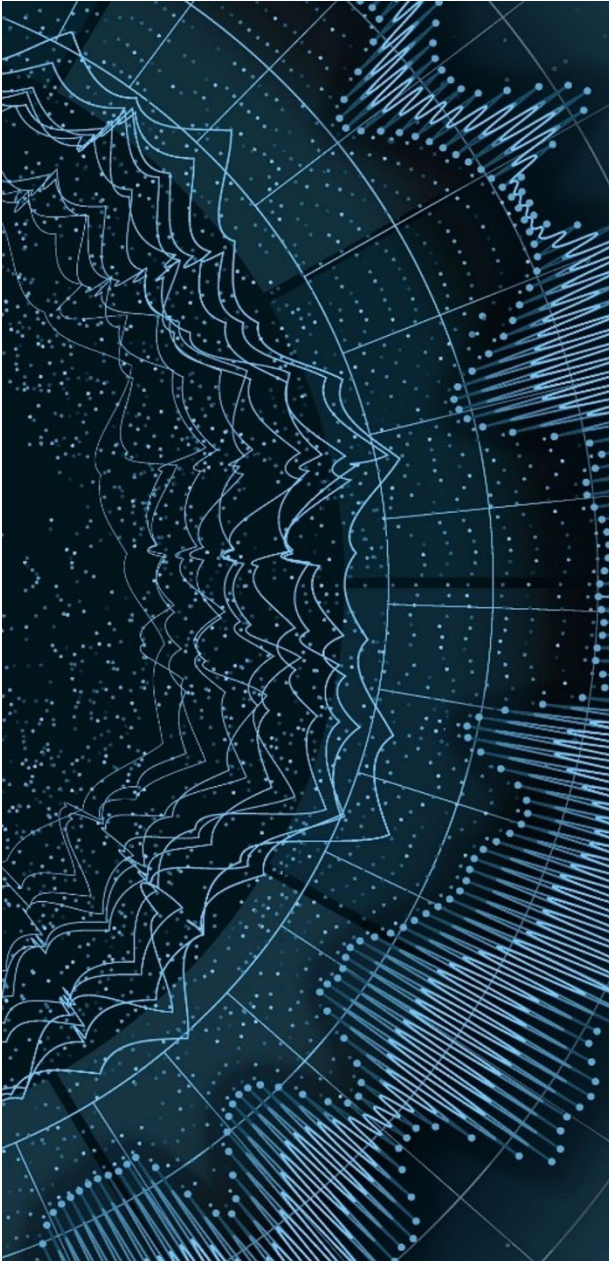
National context and key definitions

Commissioning enquiries

Need assessment – local market quantitative and qualitative assessment

Data tables

Appendices



Appendix

A: Sources of information and references

Sources of information

We have utilised the following sources of information:

- Census 2021 population statistics;
- ONS 2022-based population projections;
- Carterwood database;
- NHS England;
- www.housingcare.org;
- www.cqc.org.uk;
- Contains Ordnance Survey data © Crown copyright and database right (since 2018);
- Contains LPS Intellectual Property © Crown copyright and database right (since 2016);
- Relevant planning departments;
- Glenigan;
- Planning Pipe;
- LaingBuisson Care Homes for Older People UK Market Report (33rd edition);
- Centre for Policy on Ageing: *A profile of residents in Bupa care homes: results from the 2012 Bupa Census*;
- North Herts Council;
- Hertfordshire County Council.

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

- Background information provided by the client;
- Documentation submitted with planning application (if applicable).

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

Conflict of interest

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

References

Appeal Ref: APP/B1605/W/22/3310455 Adey Limited, Gloucester Road, Cheltenham GL51 8NR (March 2023) (para 51)

Appeal Ref: APP/B1930/W/20/3259161 Chelford House, Coldharbour Lane, Harpenden AL5 4UN (September 2021) (para 34)

Appeal Ref: APP/W0530/W/22/3307903 Former Hotel Felix, Whitehouse Lane, Girton, Cambridge CB3 0LX (2023)

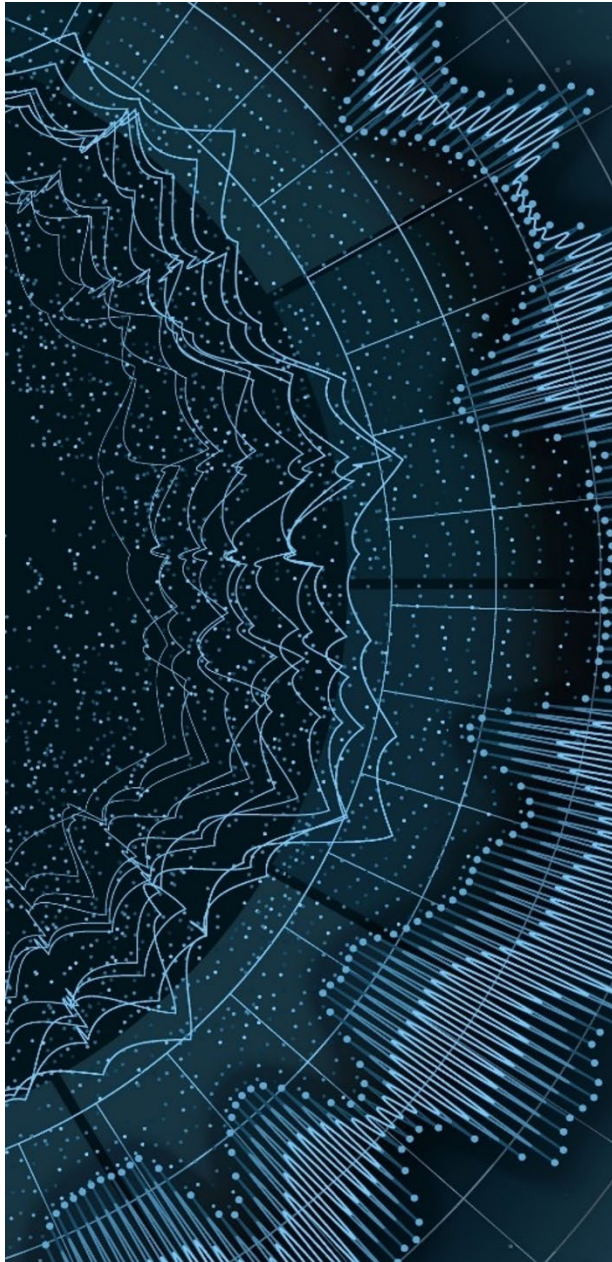
Planning Practice Guidance (PPG) Housing for Older and Disabled People (2019)

Independent Investigation into the National Health Service in England (2024). The Rt Hon. Professor the Lord Darzi of Denham OM KBE FRS FMedSci HonFREng.

Our Future Homes: Housing that promotes wellbeing and community for an ageing population. Older People's Housing Taskforce (2024)

Alzheimer's Society: *Low expectations: Attitudes on choice, care and community for people with dementia in care homes*, February 2013

National population projections: 2022-based. The potential future population size of the UK and its constituent countries. (28 January 2025). Office for National Statistics (ONS).



Appendix

B: Methodology for assessing need

Definition of ‘minimum’ and ‘full’ market standard beds

Proposed care home – commonly raised questions

Methodology for assessing net need for ‘total market’ and ‘specialist dementia’ care beds

Current and future need for elderly care home supply is influenced by a host of factors including the balance between gross need and supply, together with social, political, regulatory and financial issues.

In our opinion, taking all factors into account, the most appropriate means of assessing whether a catchment has sufficient net need to warrant additional supply is to measure the difference between gross need for elderly care home beds and the current and future supply.

Our need methodology for the catchment area is provided below, with the analysis and results in relation to the proposed care home contained within Sections 10-15 of this report.

Need versus Demand

The Department for Communities and Local Government ‘Estimating Housing Need’ paper (2010) differentiates between ‘need’ and ‘demand’:

‘These discussions also generally distinguish “need” – shortfalls from certain normative standards of adequate accommodation – from “demand” – the quantity and quality of housing which households will choose to occupy given their preferences and ability to pay (at given prices)’ (page 25).

Whilst the above refers explicitly to housing, the key themes relate to need being ‘shortfalls from certain normative standards of adequate accommodation’. In our assessment of existing supply, we have assumed that normative standards of adequate accommodation exclude care home bedrooms that do not have the benefit of their own WC and wash-hand basin as a minimum.

Although the regulator (CQC) currently makes no restriction on care home bedrooms that do not provide an en-suite, we consider that those that do not provide adequate en-suite facilities are fast becoming obsolete. It is very hard to think of any other form of communal establishment that does not provide en-suite bedrooms meeting minimum acceptable standards, and other uses, such as hotels, do not care for the oldest and frailest members of society.

We also provide a separate measure of need based upon ‘full market standard’ beds. It is arguable that this relates more to ‘demand’ rather than ‘need’. However, on a qualitative basis it is difficult to argue against allowing the oldest and frailest members of society the dignity of being able to shower in privacy, particularly following the COVID-19 pandemic, where the benefits of self-isolation and infection control within self-contained bedrooms are obvious.

Gross need (total market)

We assess gross need for care home bedrooms for older people using Census 2021 population data and ONS 2022-based population growth rates.

We apply Carterwood Market Prevalence Rates (MPR) to the Census data, a tool used to predict the risk of an elderly person being in a residential setting at a given age. The methodology applies standard GB regional patterns of care home admission (based upon ONS studies estimating the number of residents in care homes in England and Wales, produced in 2023, adjusted annually using up-to-date Carterwood *Collab* data to reflect changes in occupancy and supply) to population statistics by 5-year age band (from 65 years). Relative occupancy changes by region are updated on an annual basis and the MPR currently applied date from January 2026. The rates used within this report for the East of England region are 65-69 years, 0.52%, 70-74 years, 1.02%, 75-79 years, 1.46%, 80-84 years, 3.32% 85-89 years, 7.95% and 90 years and above, 20.25%.

It should be understood that MPR are, therefore, a function of population; not a direct measure of demand for care services, being only an indicator of them. MPR utilise an industry-recognised approach to determining gross need for care in a residential setting.

Gross need (specialist dementia)

Our measure is based upon LaingBuisson's 2020 adjustment to the 2012 Centre for Policy for Ageing survey regarding risk of admission to a care home which indicates that, on a national basis, 41.3 per cent of residents are admitted with dementia as the primary cause.

We have then applied local Integrated Care System dementia prevalence statistics to provide regional estimates of demand for dementia care relative to the national rate. Regional rates are not available for Wales and Scotland and we therefore apply the national rate.

We have calculated gross need within each catchment area from residents with dementia as a primary cause of admission. Best practice states that people living with dementia should be cared for within a specialist, dedicated dementia environment. It should be noted, however, that there may be other physical frailty in addition and conversely, there will also be a pool of dementia sufferers who were admitted due to a physical frailty or disability, but who now also suffer from some form of dementia.

Occupancy allowance

In our calculations of gross need, above, we apply an occupancy capacity allowance adjustment, as a function of occupancy (and

not capacity of market standards beds). Care homes cannot operate sustainably at 100 per cent occupancy and we adopt an ‘effective full’ average level of 92.3 per cent, to ensure that every home has sufficient capacity to cater for excessive winter death rates, other seasonal variations, local demand spikes, vacancies between admissions, infection control, etc.

Current supply

We provide a detailed analysis of the existing care home provision for older people, which analyses the quality of accommodation and total number of bedspaces.

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

In our assessment, we include care homes registered for either personal or nursing care and those that provide both forms of care. There is, as yet, no industry-recognised measure of assessing the need for solely nursing or solely personal care.

Planned supply

We assess planned supply within the catchment by conducting a review of all applications for new care home beds within the planning system (both new-build and extensions) that have been granted, refused, withdrawn or are pending decision. This is cross-referenced against the online planning website for the relevant local authority.

Additional bedspaces are of key importance as they are likely to be of a high standard and provide significant competition to the proposed care home, once completed and trading. In our analysis we assume all planned bedrooms will provide full en-suite wetrooms (unless the plans indicate otherwise).

We search for planning applications submitted over the past 3 years. Where an application has been refused or withdrawn, we enter 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 to which we subscribe are not definitive and may exclude some applications as they rely upon each local authority for provision of the information.

A proportion of planned care home beds are never implemented; however, for completeness, we include all pipeline planned schemes with an extant planning permission, regardless of their deliverability. Any planning applications which are pending a decision are not included in our analysis but are clearly set out in our assessment of potential supply which may be forthcoming.

We differentiate the planned schemes by estimating the earliest potential timescale for deliverability, depending on their planning status, the likelihood of imminent development or whether there is any evidence that construction has commenced.

Balance of provision/net need

Gross need analysis results are combined with our assessment of existing supply and planned provision to provide a measure of the balance of provision within the catchment, or net need.

The measure utilises a 'maximum planned supply' scenario, based on the earliest year the subject scheme could be made available, assuming those planned beds considered deliverable by the same year are developed and operational. This is likely to overstate the number of beds that will actually come forward from the planning system as applications may be refused or schemes with extant permission may not be delivered.

We consider this methodology is a logical, industry-recognised means of establishing if there is a net need for additional elderly care home beds in any given area.

Going forward, it is harder to predict future industry trends and there are other factors that may influence the longer-term need 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;
- Another pandemic/outbreak of life altering transmittable illness.

We provide an indication of need growth between the years 2029 and 2046 in Section 15. This estimate assumes that all other factors remain equal, with the only variances being the increased gross need for care based upon the rise in the number of elderly persons and the anticipated year of completion of all schemes currently in the planning system.

Brief details of the methodology we have used to assess the quantitative need for care home beds in the assessed catchment areas are set out opposite.

Methodology for quantitative care home need

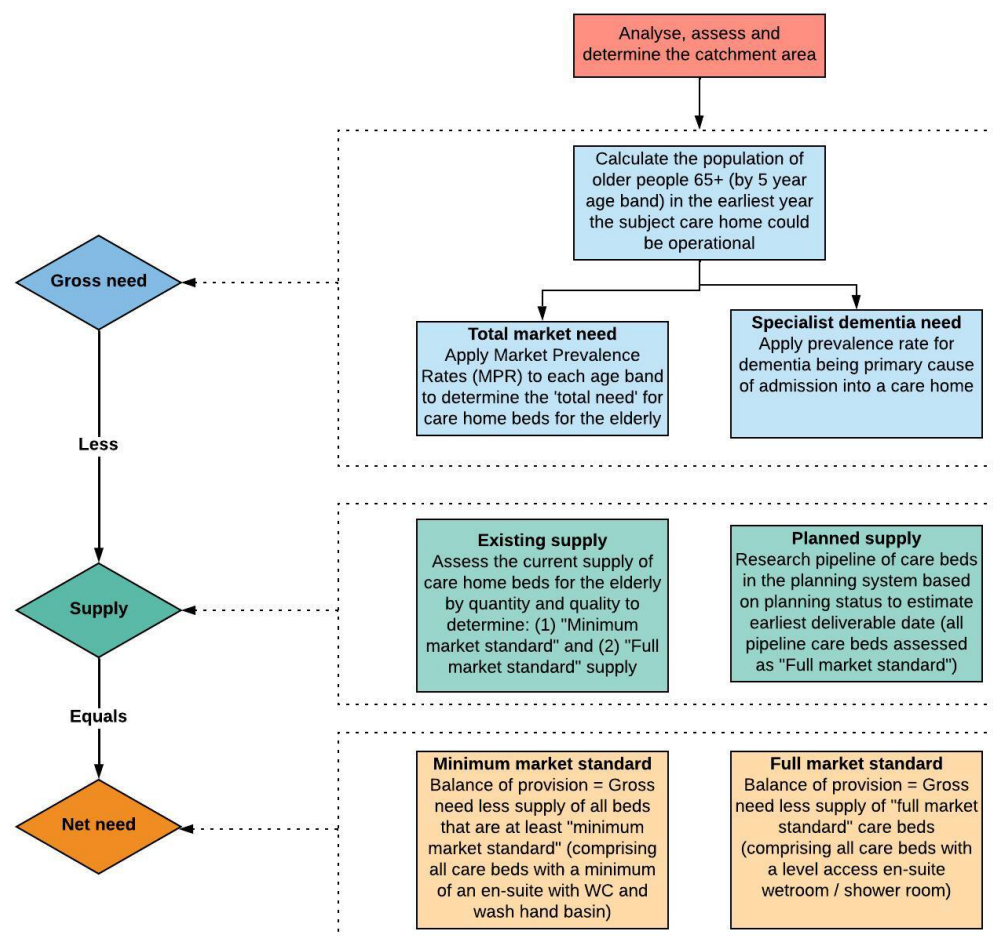


Figure 16: Need assessment methodology

Definition of ‘minimum’ and ‘full’ market standard’ beds

In calculating the current supply of care home beds, we assess the total provision of minimum market standard bedrooms which we define as the total number of bedrooms operated by each care home that provide en-suite facilities. An en-suite includes a WC and wash-hand basin (as a minimum) and does not necessarily provide a level access shower/bathing facilities.

We do not assess the shortfall of bedrooms based upon a care home's total registered capacity. The total registered capacity is often greater, as it includes the maximum number of bedspaces (rather than bedrooms) that the care home is registered to provide by the sector's regulator, the Care Quality Commission (CQC), for England, the Care Inspectorate Wales (CIW) or the Scottish Care Inspectorate. This registered provision will therefore include:

- minimum market standard bedrooms;
- under-sized bedrooms;
- bedrooms in care homes with internal or external stepped access (without the benefit of a shaft lift) – which therefore require a level of physical acuity and may limit a potential resident from being able to occupy the room;
- bedrooms accessed via narrow corridors – making them unsuitable for wheelchair access;
- Undersized or poorly shaped bedrooms that prevent two care assistants from assisting a person into and out of bed;
- historic shared occupancy bedrooms – now often only ‘marketable’ as single occupancy rooms, as market expectations and commissioning standards rise;
- bedrooms without en-suite facilities – en-suites have been actively encouraged for the last 25+ years in new developments, both by the government's regulator as well as by the market. This has served to improve the overall quality of accommodation and is intended to meet basic expectations that current referrals and their next of kin see as mandatory.

We are aware that some commissioning authorities suggest that, as CQC continues to register existing care bedrooms that do not comply with the definition of ‘minimum market standard’, the total registered capacity should be the appropriate basis of assessment of market supply.

However, this argument fails to take account of the rising dependency levels of those individuals who now require care in a care home. The profile of care home occupants has changed markedly over the past 15 years with care homes now catering to

those with high dependency residential, nursing and dementia care needs, as alternative forms of housing and care have increased, suitable for those with lower dependency care needs.

A failure to address the shortcomings in the existing standard of care home supply will mean inadequate accommodation for those who require the most care over the coming years, as the well-publicised, projected, significant increase in the elderly population starts to take effect.

This was addressed in the appeal decision for a proposed care home in South Cambridgeshire³, where the Appellant identified issues with the Council's approach to the assessment of need and also with regard to the identification of the actual ‘available beds’ used in the analysis. The Inspector considered that: *‘The Appellant has provided an alternative approach which arguably provides a more thorough understanding of the current supply within the District, applying up-to-date data on regional demand rates within the East of England to produce a projection of the need for additional care beds. This looks beyond the registered capacity and includes quality considerations as well’*.

In our opinion, it is the local planning authority and the commissioning authority, not the government's regulator, that holds the ability to influence developments and drive spatial and environmental quality forward. In this respect, Carterwood has been involved in a considerable number of successful planning applications since 2008 and has submitted planning need assessments using a prevalence rate methodology similar to that prepared as part of this submission, where the need case has been accepted by the relevant local authority during the application process. We are pleased to provide some recent examples of such below which evidence both the geographical and temporal nature of these planning permissions. A full list of planning permissions can be provided on request.

- Land West Of Lamledge Lane, Shifnal, Shropshire (planning ref: 25/03507/FUL). Proposed 47No. bed care home and associated facilities. (December 2025)
- The Woodlands Hotel, Coupals Road, Sturmer, Essex CB9 7UW (planning ref: 23/01994/FUL). Demolition of the existing buildings on site, and the erection of a 64no. bed care home (Use Class C2), together with access, car parking, landscaping and associated works. (September 2025)
- TCFC Commercial Ltd, Truro City AFC Football Ground, Treyew Road, Truro, Cornwall TR1 2TH (planning ref:

PA24/03640). Demolition of existing structures and construction of a care home (within Class C2) and retirement apartments (Class C3) with access, car parking, electric vehicle charging, cycle parking, refuse storage, 2 substations, air source heat pumps, ground source heat pumps, meter house, solar PV, PV store, landscaping, boundary treatments and other associated works. (September 2025)

- Land On South Side Of Manston Court Road and West Side Of Haine Road, Ramsgate, Kent (planning ref: F/TH/25/0278). Erection of a three storey 66 bed care home (Use Class C2) with parking, access, landscaping and associated works. (September 2025)
- John Morley Importers Limited, Morley Drive, Congleton, Cheshire East, CW12 3LF (planning ref: 24/2497C). Demolition of existing buildings and regeneration of site to provide a care home, 53 retirement living apartments and 14 houses. (September 2025)
- Staverton House, 51A New Terrace, Staverton, Trowbridge, BA14 6NX (planning ref: PL/2025/02846). Demolition of The Old Vicarage with replacement building and extension to Staverton House, providing 13 Bedrooms on Lower Ground Floor, 12 Bedrooms on Ground Floor, all with auxiliary space & together with the Existing Care Home would provide 46 bedrooms total and associated works. (August 2025)
- The Woodlands, Tarragon Way, Bourne, Lincolnshire (planning ref: S24/1842). Proposed demolition of existing buildings and erection of new 66 bed care home for older people. (June 2025)
- Stockport Rugby Union Football Club, To South of Jacksons Lane, Hazel Grove, Stockport SK7 3AN (planning ref: DC/093768). Hybrid planning application comprising: a) Application for full planning permission for the provision of an Artificial Grass Pitch (AGP) and extensions and enhancements to the club house; and b) Application for outline planning permission for the erection of: - up to 60 new residential homes including 10% all affordable supported housing (Use Class C3); - a residential care facility (Use Class C2), for up to 75 beds; and- an extra care facility (age restricted 55+ years) (Use Class C3) for 70 all affordable units; together with landscaping and open space, with all matters reserved. (June 2025)
- Victoria House, 405 Shooters Hill Road, London SE18 4LH (planning ref: 23/2747/F). Partial demolition of the existing building and addition of rear, third floor of accommodation,

³ Ref: APP/W0530/W/22/3307903 Former Hotel Felix, Whitehouse Lane, Girton, Cambridge CB3 0LX (2023)

and basement extensions with retention of the existing front façade, gable ends and part of the rear façade for a change of use from Sui Generis to provide a care home (Use Class C2), with parking, access, landscaping and other associated works. (April 2025)

- Trelil Farm, Rowes Lane, Trewennack, Helston, Cornwall, TR13 0FF (Ref: PA24/06846). Construction of a 66 bedroom care home with associated car parking and landscaping with SUDS.
- Prince Of Wales High Street Solihull Lodge Solihull B90 1JW (planning ref: PL/2022/01784/PPFL). Demolition of the former Prince of Wales public house and the erection of a 72 bedroom care home facility with frontage parking together with the change of use of former agricultural land at the rear to ancillary amenity space for residents including the provision of Green Care Farming with landscaping, and associated works (Cross boundary application - Solihull and Bromsgrove).
- Former Hotel Felix Whitehouse Lane Cambridge Cambridgeshire CB3 0LX (planning ref: 21/00953/FUL and appeal ref: APP/W0530/W/22/3307903). Demolition of existing buildings and erection of a care home (Use Class C2) with external amenity space, access, parking, landscaping and other associated works
- The Mount Nursing Home, School Hill, Wargrave, Wokingham RG10 8DY (planning ref: 222456). Full application for the proposed erection of a new part two storey and part three storey care home building with associated communal spaces, back of house, and service areas, substation, parking and landscaping following demolition of the existing care home and associated ancillary buildings and a change of use of land at the eastern end of the site
- Moorhill, Moorhill Road, West End, Southampton, SO30 3AY (planning ref: F/22/94034). Proposed 70-bed care home (Use Class C2); associated access, parking, landscaping, sustainable drainage, electricity sub-station, other structures and works; following demolition and clearance of the existing site.
- Proposed Care Home and Landscaped Gateway for Alton, Winchester Road, Chawton, Alton, Southampton. (planning ref: 59484, granted May 2023). Development to provide 67 bed purpose built care home (Use Class C2) and 28 no. apartments (Use Class C3) providing 100% Affordable, age restricted, sheltered accommodation.
- Leys Farm Wyaston Road Ashbourne Derbyshire DE6 1NB (planning ref: 21/01245/FUL) Proposed demolition of existing buildings and erection of a care home (Use Class C2) with associated parking, access and landscaping.

While the total registered capacity was greater than the number of minimum market standard bedspaces, the quality, design and

type of bedspace could not be ignored, and the premise of assessing bedspaces on a minimum market standard basis was accepted by each respective council.

We have therefore assessed the net need for care home bedrooms by adopting minimum market standard beds as the basis of our analysis, 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.

This method of assessing supply, utilising minimum market standard beds, is accepted market practice by all operators we currently undertake feasibility work for, when considering the development of new facilities. We have prepared over 4,500 site feasibility/need assessments since 2008, all of which adopt the minimum market standard bed approach.

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.

All new care homes are developed with en-suite facilities, usually providing larger bedrooms with en-suite wetroom/shower rooms to enable the service user to be bathed without the necessity for larger communal bathrooms; therefore, all new bedrooms are classified as 'full market standard'. We also provide a planning need assessment on this increased bedroom quality level for the purposes of comparison with minimum market standard level.

Other factors also influence what determines a minimum 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 care home, we consider it the most appropriate measure to analyse the elderly care home provision currently available upon which to assess existing and projected need.

Proposed care home – commonly raised questions

Carterwood is a market leader in the provision of need and demographic analyses in the social care sector. As a result of this expertise, we have been involved in a large number of need assessments submitted to support planning applications, and we are aware of the consistent themes raised by adult social care commissioning teams in respect of new care developments and their potential impact upon the local area.

We have, therefore, provided our response below to some commonly raised queries to pre-empt areas where there may be uncertainty or ambiguity in the need case:

Has the Covid-19 pandemic reduced the need for care home beds?

The COVID-19 pandemic had a significant impact on the social care sector and raised questions as to how to best support older adults when experiencing a transmittable illness themselves, or living in a community where there is an outbreak of a life-altering transmittable illness.

The pandemic caused a short-term shift in need for residential care for older people with uncertainty in respect of changes to admission patterns, acute care discharge rates, death rates and other structural/social impacts. Carterwood tracked the impact of the pandemic on the care home sector, as follows:

- Occupancy low point of 78.8 per cent, reached in June 2020.
- The total excess elderly care home deaths during the COVID-19 pandemic (compared to the 5-year historic average) was approximately 39,000.
- As the pandemic progressed, weekly deaths within care homes fell below the 5-year average and by early 2023 this had offset the total number of excess deaths by around 13,000, resulting in a net excess of around 26,000 deaths over the three years from the start of 2020.

Our need analysis is based upon 2029, the earliest the proposed care home could be operational and utilises Market Prevalence Rates (MPR) based on January 2026. Our assessment assumes that occupancy has returned to pre-pandemic levels, with no material impact upon the market size estimate.

The short-term impact of COVID-19 has and continues to result in the closure of care homes that do not offer the quality of accommodation now sought by the market, those with poor CQC ratings or those most adversely impacted by the pandemic (in terms of occupancy and/or staffing). This is likely to reduce poorer quality supply and create additional need for new care home provision, to cater to a still rapidly rising elderly demographic.

Will the proposed care home impact upon existing health and social care services, and GPs, in particular?

An area of the proposed care home can be made available for a visiting GP to hold an in-house surgery for residents, if required. This reduces the number of visits made by residents to GP surgeries and allows a visiting GP to combine multiple consultations into one visit. The presence of on-site care staff also potentially reduces the number of unnecessary GP appointments, thereby alleviating rather than increasing waiting lists.

The concentration of individuals within the care home should also assist in reducing the requirement for community nurses, and there are also advantages of having residents within one location.

Any pressure on care services and GPs will not be as a direct result of the proposed development, which will provide a much-required care home for existing older local residents and will help battle the rising demographic pressure and resultant increase in care needs in the area.

Will the proposed care home impact upon already stretched local authority budgets?

Having conducted many studies across Great Britain and spoken with a host of social care commissioning teams, our general observation is that placements both into and out of a particular local authority area tend to be broadly neutral.

While a number of care home residents will move into a local authority area when a new home is developed, when new care homes open in neighbouring boroughs or districts these will have the same effect and draw potential residents away from their existing local authority area. In effect, there are likely to be as many people leaving as there are migrating into a council area, and these two factors effectively cancel each other out.

We are aware of the challenge faced by commissioning authorities in funding long-term care for those elderly people who do not meet current savings thresholds. A further issue relates to prospective self-funding service users who subsequently deplete their savings and are then obliged to seek local authority support for their ongoing care costs.

In enquiries we have conducted with commissioning authorities, we have ascertained that this funding requirement generally tends to amount to a small proportion of the total social services budget for older people and we would be happy to assist the council in analysing this information, if required.

Also, in our experience, the incidence of this scenario developing is low compared to the number of self-funding service users who

continue to fund their care throughout their stay. To further guard against this potential problem, care operators may allocate a budget within their financial modelling for this reason, to ensure that residents' requirements can continue to be met and the care 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 continue to support themselves financially, normally for a minimum period of 2 years.

Notwithstanding all of the above, it is inappropriate for financial considerations and viability to be confused as part of the consideration of a planning application. We set out below an extract from an appeal decision from Cheshire East planning authority (reference: APP/R0660/A/12/2188195) in respect of a care village scheme in Handforth. Paragraph 62 of the appeal decision (for which planning permission was allowed) makes it clear that such considerations should not be material in the planning decision-making process and should therefore be disregarded, as follows:

'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.'

Does domiciliary care provide an alternative to the subject scheme?

Adult Social Care teams are seeking to enable older people to remain in their own homes for longer, with care provided by a domiciliary care agency. This has two specific advantages: firstly, a potentially positive outcome for the resident, who can remain in their own home and receive care; and, secondly, reduced expenditure on local authority-funded care, as, on average, the cost of domiciliary care is usually less than the weekly fee for a placement in a care home.

However, while care at home should be supported as an objective where this is possible, it is not economically viable for the provision of 24-hour 'home care', and the costs of care support at this level will typically necessitate a residential environment.

For dementia sufferers, specialist accommodation is also required to cater to this service user group's particular 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.

Is housing-with-care/extra care an alternative to the subject scheme?

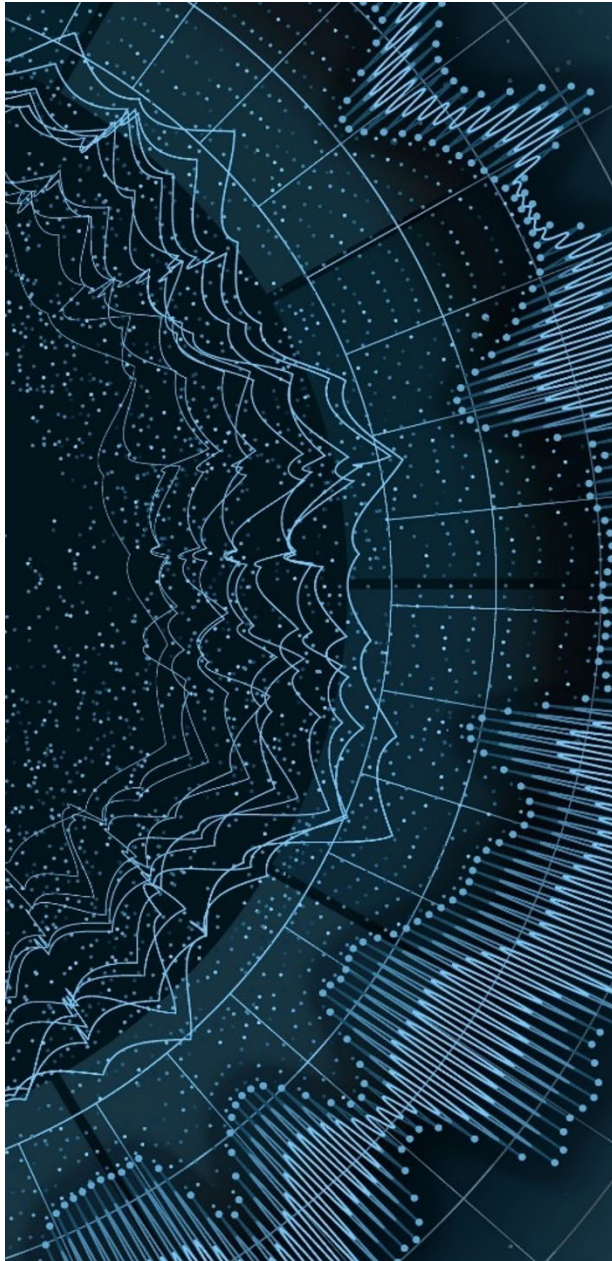
Many local authorities are seeking to support the development of extra care facilities that provide residents with 'their own front door' while providing 24-hour on-site security, care and support. The concept is also being viewed more positively by the private sector, with the development of a range of older people's housing-with-care alternatives. We agree that 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.

Simply increasing extra care provision is not, however, a panacea for the accommodation and care needs of all elderly people and there is increasing recognition of its shortcomings and limitations for high-dependency residents. Evidence from the Associated Retirement Community Operators (ARCO) suggests that 8.7% of residents still need to move into a care home after living in an Integrated Retirement Community. 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 when they may require care in a care home.

Given the forecast demographic change, which will increase the cohort 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 continue to live rewarding and independent lives in housing-with-care and will go on to need 24-hour care home accommodation. The subject care home 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.

Key findings – qualitative factors

- Delayed hospital discharges keep elderly patients in NHS acute settings longer than necessary, when cost-effective care home beds could provide step-down, rehabilitation, or long-term care. Access to well-equipped, infection control-compliant care home beds for high-dependency needs is crucial for freeing up NHS beds for those who most need them.
- The COVID-19 pandemic highlighted shortcomings in the social care sector and has resulted in a reduction of poorer quality supply and additional need for better specified, new care home provision to cater to a still rapidly rising elderly demographic. A range of care and accommodation options is necessary, to provide for the needs of those who require support, mitigate the impact on social services budgets and provide choice to those who fund their own care.
- There remain, however, an increasing number of elderly people who are the most frail and those with dementia, who require full-time support within a specifically designed care home that provides high-dependency care, suitable for such needs.



Appendix

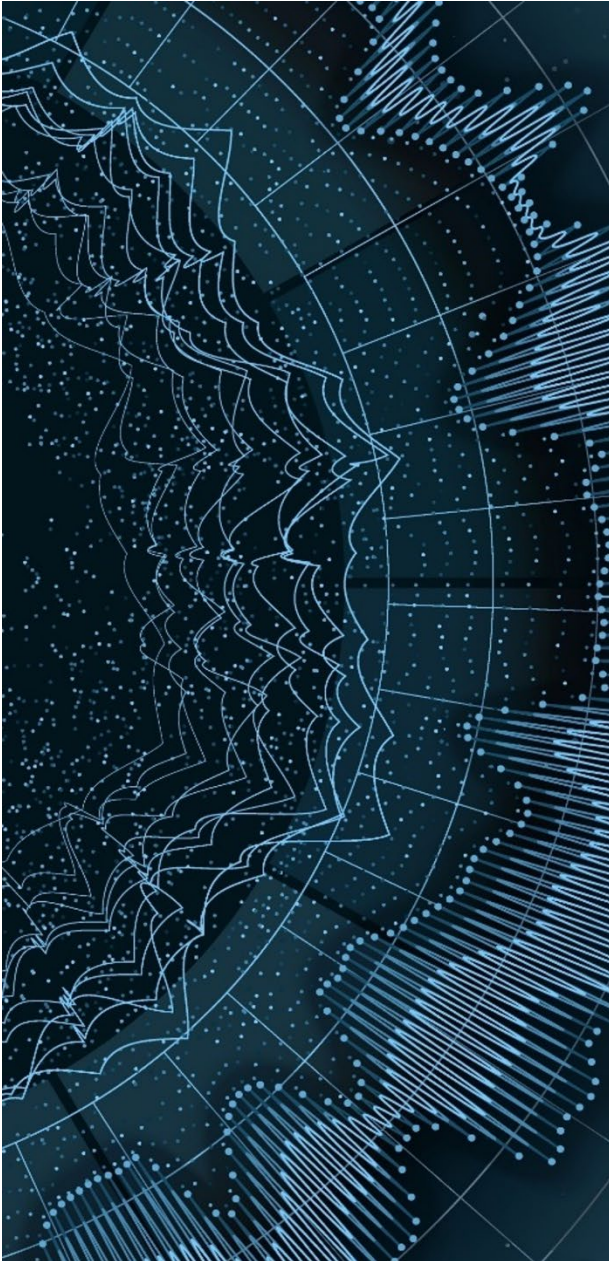
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Appendix

D: Definitions and reservations

Timing of advice

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

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

Data analysis and sources of information

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

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

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

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

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

Where we have adapted and combined different data sources to provide additional analysis and insight, this has been undertaken with reasonable care and skill. The tools used and analysis undertaken are subject to both internal and external data-checking, proof reading and quality assurance. However, when undertaking complex statistical analysis it is understood that the

degree of accuracy is never absolute and there is inevitably variance in any findings, which must be carefully weighed up with all other aspects of the decision-making process.

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

All advice has been prepared on a 'desktop' basis and where we have prepared advice on a 'headline basis', we have conducted a higher level and less detailed review of the market. If commissioning a Headline Market Analysis report we recommend commissioning a comprehensive market analysis report before finalising the decision-making process. Where we have provided 'comprehensive' advice, we have used reasonable skill and endeavours in our analysis of primary and secondary (for example, Census, Land Registry, etc.) data sources, but we remain reliant upon the quality of information from third parties, and all references above to accuracy, statistics and market analytics remain valid.

Purpose and use

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

The data, information and any conclusions in the report should not be used as the sole basis for any business decision, and Carterwood shall not be liable for any decisions taken on the basis of the same. The client should independently verify any data or information in the report which may be relevant to taking a business decision.

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

Extraordinary market factors

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

Census 2021

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

Intellectual Property

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