

Planning Need Assessment
Elderly care home

**Guysfield Care Home,
Willian Road, Letchworth
Garden City, Hertfordshire,
SG6 2AB**

Prepared for:
Caring Homes Group Limited

Carterwood Report – May 2024

Prepared by:

Jessamy Venables, Director
BSc (Hons) MSc MRICS

- Sector specialists
- Data quality
- Innovation

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

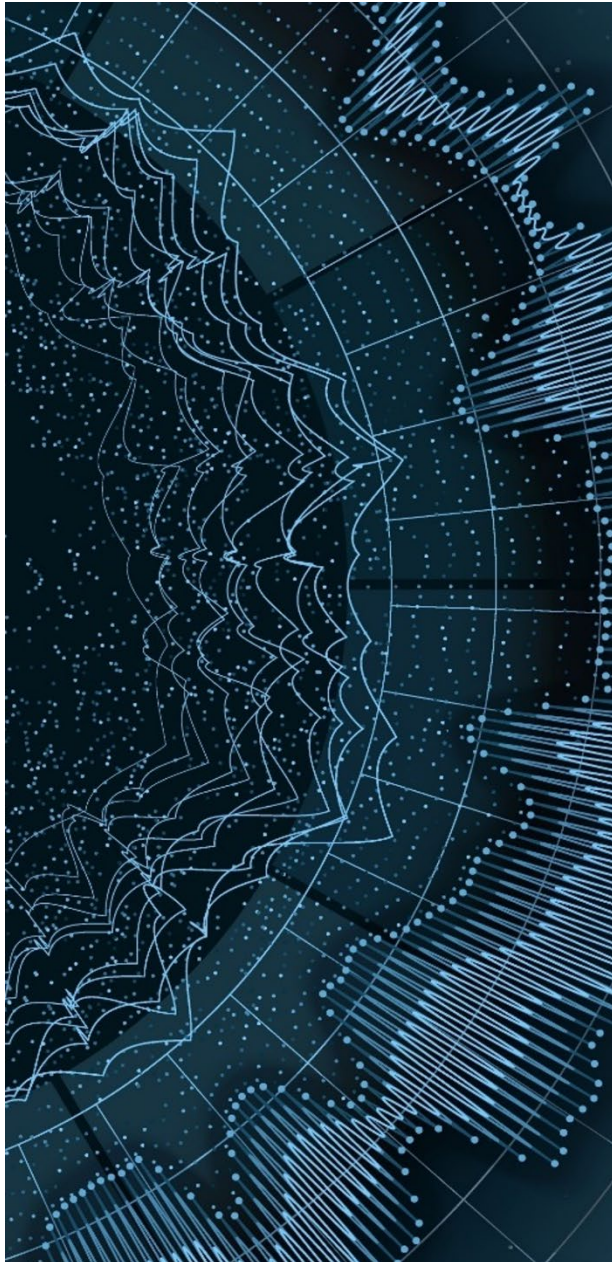
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Executive summary

Background and the proposal

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T1	Planning need assessment summary
Site	Guysfield Residential Care Home, Willian Road, Letchworth Garden City, Hertfordshire, SG6 2AB
Proposed scheme	Redevelopment of the existing Guysfield care home with the retention of the original 'Guys House' and demolition of more recent extensions, and the erection of a detached building to create a 70-bed residential care home.
Notes	- The proposed new 70 bedroom care home is not included in our 'planned supply' figures. - The existing, operational, Guysfield Residential Care Home is registered by the Care Quality Commission (CQC) for 51 service users, however, the care home currently operates with an effective capacity of 42 bedrooms, none of which provide full market standard bedrooms. - The proposed 70 bedroom replacement care home would therefore provide an additional 19 CQC registered beds and increase operational capacity by 28 bedrooms. It would also significantly improve the quality of accommodation through the provision of 70 'full market standard' bedrooms together with a range of communal areas. - Need assessment based on a circa 5-mile market catchment and the North Hertfordshire Council local authority area.

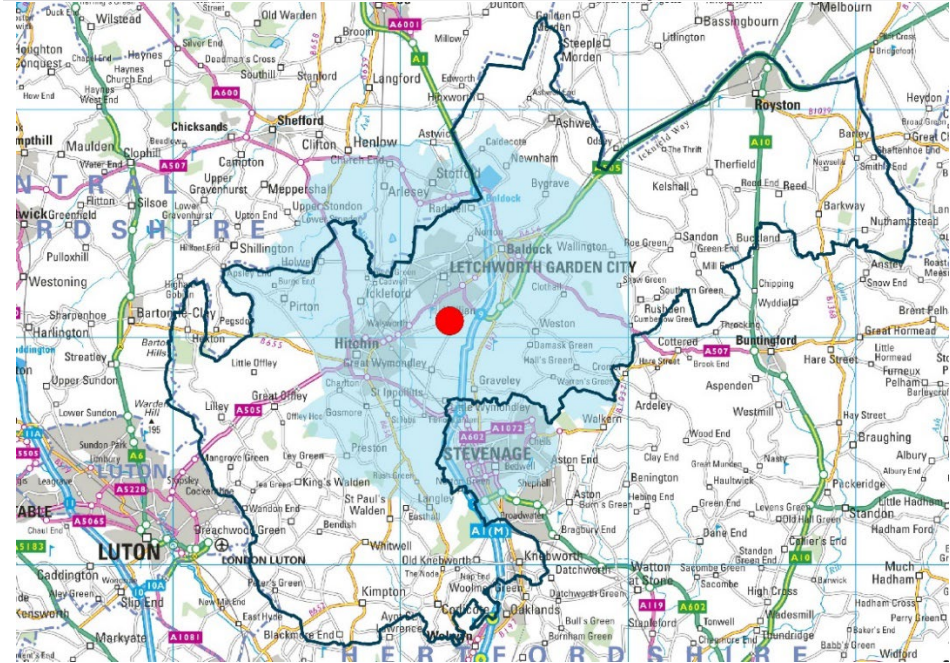


Figure 1: Location of the proposed care home and its catchment areas

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

T2	Assessment of need – 'full' market standard bedrooms
	The 42 currently operational bedrooms in the existing Guysfield Residential Care Home are at minimum market standard level with no stipulated minimum size, accessibility or suitability for purpose. Where available, the existing care home provides en-suite bedrooms providing a WC and wash-hand basin only. Assessing need for new supply on this basis is not relevant to this proposal as it is for the redevelopment of the existing home to provide a 'full' market standard care home, best suited for the care of elderly people and to meet market expectations. On this basis we have assessed need on the basis of full market standard bedrooms, as proposed in the subject development, which incorporate a spacious en-suite with a level access shower (wetroom) to enable bathing and personal care to take place within a resident's own room.

T3	Need analysis summary (2027)			
Basis of assessment	All beds		Dedicated dementia	
Type of care	Market	LA	Market	LA
Gross need				
All bed/specialist dementia need	1,056	897	436	370
Occupancy capacity allowance	88	75	36	31
Total need	1,144	972	472	401
Supply				
Existing elderly wetroom beds	890	712	140	110
Planned beds (to 2027)	60	136	30	62
Total supply (wetrooms)	950	848	170	172
Net need				
Full wetroom en-suite bedrooms (full market standard)	194	124	302	229

For full assumptions, see Table T21 on page 28.

T4 Conclusions and recommendations

Need Assessment

- Our assessment, based on 2027, the earliest the proposed redevelopment of Guysfield Care Home could be made available, indicates a net need for 194 full market standard care home bedrooms in the 5-mile market catchment and 124 in the North Hertfordshire Council local authority area.
- In terms of care home bedrooms dedicated for dementia care, our assessment indicates a net need for 302 full market standard care bedrooms in the 5-mile market catchment and 229 in the North Hertfordshire Council local authority area. As these shortfalls are subsets of the total undersupply of care beds, based on 2027, they clearly indicate the requirement to increase the provision of dedicated dementia care bedrooms in both assessed catchment areas.
- The proposed replacement care home would serve to reduce the number of minimum market standard care bedrooms by 42 in both the market catchment and local authority area, assist in meeting the need for full market standard supply and improve the average quality of care home accommodation across both assessed catchments.

Existing supply

- In terms of existing supply, in the circa- 5 mile market catchment, 91 per cent of registered bedrooms are at minimum market standard and 66 per cent provide full market standard accommodation. The equivalent figures for the North Hertfordshire Council area are a little lower, at 87 per cent and 64 per cent, respectively.
- While these figures compare favourably with the average for Great Britain (where 78 per cent of bedrooms are of minimum market standard and 32 per cent are full market standard), there remain 36 per cent of care bedrooms in North Hertfordshire which do not provide full en-suite wetroom accommodation and therefore fall behind current market expectations.
- Guysfield Care Home is therefore in this minority and, as such, its inadequacies reduce its appeal as a care home of choice for those seeking 24-hour residential and dementia care. The existing home's operational longevity is therefore brought into question.
- The Market Position Statement for Residential and Nursing Care for Older People states the Council's ambition is *'to ensure that the Hertfordshire care services are delivered in estate that meets best practice design standards for residential and nursing care'*.
- In response to a request by North Hertfordshire District Council, Hertfordshire County Council has also identified a minimum size of 65 bedrooms and an optimum size of 70-80 bedrooms to ensure viability, quality of care and fee affordability where places are local authority funded.
- The three main areas of focus are in terms of 'capacity', 'quality' and 'financial stability'. To improve capacity for dementia care (across both nursing and residential care homes), to improve the quality of service provision and to ensure care home providers are resilient and operating sustainably.

Planned provision

- Even with 256 planned new care beds in the market catchment and 196 in the North Hertfordshire Council area, the shortfalls are expected to increase to 330 and 354 full market standard bedrooms in the two catchments, respectively, by 2037, reflecting the sustained and escalating nature of need.

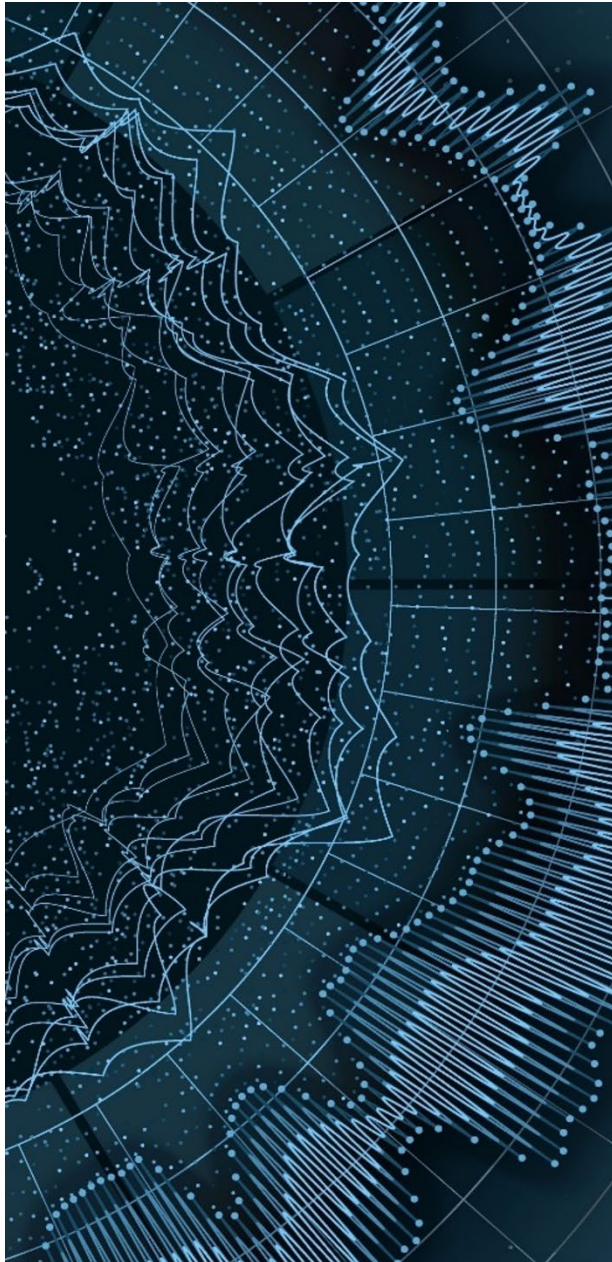
- Our analysis includes planned care homes and extensions both with extant planning permissions and those currently pending a decision. It therefore potentially overestimates planned supply that may be delivered by our year of analysis given that some of these planned care homes may not be developed. Furthermore, our analysis makes no allowance for the loss of any existing care home beds, assuming existing supply and prevalence remains constant.

Hertfordshire Adult Social Care Commissioning

- Hertfordshire County Council Commissioning identify key demand drivers for new care home beds, and the *Market Position Statement* states that residential and nursing care for older adults with a dementia-related need *'will remain a very high priority for the medium to long term'*.
- The *Hertfordshire Care Market Sustainability Plan* advises that an estimated 14,515 people over 65 are living with dementia in the county and this is estimated to increase to 21,897 by 2030, approximately 14,134 being estimated to be living with severe dementia.
- Hertfordshire County Council are focussing on care home provision to support older people living with dementia, short stay placements and 'step-down' care to enable rehabilitation for individuals moving from hospital back to the community.
- It should be remembered that Hertfordshire County Council is funding around 49 per cent of those living within care homes that provide residential and dementia care, and therefore the strategic comments with regard to local authority-funded beds made within the commissioning documentation relate to that proportion of the local population only.
- A significant number of those who would occupy the redeveloped care home would be self-funded and would make their own decision as to when to enter a care home setting.

Key benefits and conclusion

- The provision of a modern, well equipped care home enables residents to remain within their local community when they require 24-hour care.
- The use of care home beds means a reduction in staffing requirements when compared to providing higher levels of domiciliary care to dispersed homes within the local community and it also allows the release of under-occupied local family homes back to the housing market.
- The increasing dependency levels of those who require care in a care home mean that accommodation must be fit for purpose and flexible, to enable care to be provided effectively and safely. The COVID-19 pandemic has clearly highlighted the need for appropriately specified, flexible care home accommodation.
- It should be re-iterated that the subject proposals at Guysfield Residential Care Home would mean the replacement of an operationally inefficient care home currently registered by the CQC to accommodate a maximum of 51 service users (with an effective capacity of just 42 bedspaces) with bedrooms at minimum market standard only.
- The proposed replacement home would provide modern, spacious, well-appointed care accommodation with 70 full market standard care bedrooms, albeit an increase of only 19 registered bedspaces.
- It is clear that Guysfield Residential Care Home currently falls below market expectations and does not meet with best practice design standards. The proposals would ensure the continued operation of the care home, providing much needed additional capacity and high quality accommodation to enable its future sustainable operation.



Executive summary

Background and the proposal

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Carterwood

Description of proposal

Elderly care – operational viability

The proposed scheme – position on the care spectrum

National context and key definitions

Commissioning enquiries

Need assessment – local market quantitative assessment

Need assessment – local market qualitative assessment

Key findings and conclusions

Data tables and map

Appendices

1. Introduction

- 1.1 Carterwood has been commissioned to prepare a need assessment on behalf of Caring Homes Group Limited in relation to the replacement of Guysfield Residential Care Home at Willian Road, Letchworth Garden City, Hertfordshire SG6 2AB. The proposed new development would retain and incorporate the original 'Guys House' building.
- 1.2 Guysfield Residential care home is registered by the Care Quality Commission (CQC) for a total of 51 service users, albeit it operates with an effective capacity of 42 minimum market standard beds. The proposed redevelopment will provide a full market standard, 70 bedroom care home capable of flexibly adapting to meet the needs of all aspects of elderly residential care in 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 and local 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 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 taking place between 28 February and 1 June 2022. We will monitor the census data release schedule, reviewing new data as it is released and ensuring the data is embedded into our analysis as quickly as possible.

T5 Instruction summary

Purpose of advice	Planning need assessment
Research date	14 February 2024
Prepared by	Jessamy Venables BSc (Hons) MSc MRICS
Reviewed by	Sam Sefton BSc (Hons)
Report date	02 May 2024

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.

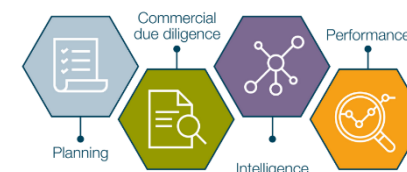
T6 Elderly care home



T7 Retirement living



- 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 4,000 sites since 2008, for a range of providers across a range of scheme types and care categories.



3. Description of proposal



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

Location and scheme description

- 3.1 Guysfield Care Home is located on the northern side of Willian Road, on the southern edge of Letchworth Garden City. It is adjacent to residential properties to the north and the town centre is located approximately 1.5 miles away.
- 3.2 Guysfield Care Home is operational and registered by the Care Quality Commission (CQC) for a total of 51 service users. Having operated as a care home since the 1980s it has a longstanding reputation and use as such.
- 3.3 When compared with more recent developments, however, more particularly existing care homes in both the market catchment and wider local authority area, Guysfield has a number of issues which restrict its operation and suitability for residents. These include bedroom sizes, lack of any full en-suite wetrooms, small communal bathrooms, limited dayspace, narrow corridors and doorways and unsuitable lift provision. This is set out in more detail in the Christie and Co report which accompanies the planning application.

- 3.4 Guysfield Care Home therefore operates with an effective capacity of 42 bedrooms (at minimum market standard) as the top floor of the property is unsuitable for use by residents¹. Such issues therefore impact on the home's appeal to potential residents and ultimately its continued viable operation.
- 3.5 The proposal is for the 'redevelopment of the existing Guysfield care home with the retention of the original 'Guys House' and demolition of more recent extensions, and the erection of a detached building to create a 70-bed residential care home'.
- 3.6 It is intended that this will provide high-quality, fully fit-for-purpose care accommodation, with 70 single occupancy bedrooms, each equipped with a full en-suite wetroom. Designed to be flexible in terms of the layout, the care home will offer a fully accessible range of spacious communal areas, each of which finished to the highest standard. These will include, inter alia, lounges, dining rooms, activities room and hair salon.
- 3.7 It is anticipated that as a result of this re-development, a number of additional permanent jobs will be created within the care home across a range of job types. Further detail regarding the application proposal can be found in the Planning Statement accompanying the application.

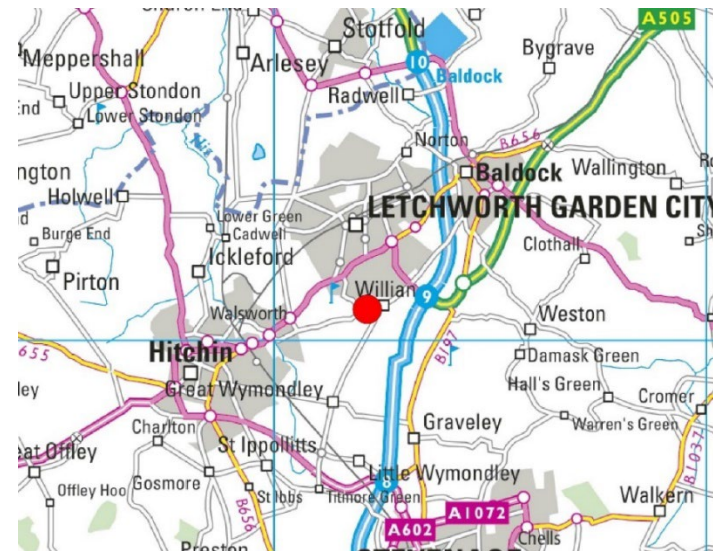


Figure 3: Location map of Guysfield Residential Care Home

¹ Christie and Co report

4. Operational viability, closures and site allocations

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 to be fit-for-purpose and those 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 The North Hertfordshire Local Plan 2011-2031 sets out 'A minimum of 50-60 bed spaces are likely to be required in order to support the provision of communal facilities and on-site staff' (para 4.212).
- 4.5 The North Hertfordshire District Council local plan examination (Appendix M8 ED144 - Matter 8 Policy HS4 and Use Class C2 provision) advises that *'any C2 use needs to achieve a 'critical mass' in order to be considered viable in an operational sense. In simple terms, this means ensuring provision of sufficient bed spaces in order to support the provision of appropriate communal facilities and staffing'*.

- 4.6 It continues: 'There is no definitive guidance on the optimum (or minimum) size for such facilities. However, evidence produced by specialist providers to support planning applications or in response to plan-making consultations (including CIL) suggest that schemes need to deliver 50-60 bed spaces to be operationally viable. The upper end of this range is quoted in the Mayor of London's Housing SPG of March 2016'.
- 4.7 Kent County Council Adult Social Care also make reference to the average size of care homes in their Accommodation Strategy 2019-2021, which advises that 'Taking the accepted model of care homes (for older people) with over 60 places being more sustainable and operationally effective, the graph below [not shown] shows that 86% of all care homes in Kent are below the sustainability threshold'.
- 4.8 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.
- 4.9 In response to a request by North Hertfordshire District Council, Hertfordshire County Council has also identified a minimum size of 65 beds and an optimum size of 70-80 beds to ensure viability, quality of care and fee affordability where places are local authority funded.
- 4.10 It should be re-iterated that the subject proposals at Guysfield Residential Care Home would mean the replacement of an operationally inefficient care home currently registered by the CQC to accommodate a maximum of 51 service users (with an effective capacity of just 42 bedspaces)². The proposed replacement home would provide 70 full market standard care bedrooms which is an increase of only 19 registered bedspaces, in fully fit-for-purpose care accommodation.

Quality of accommodation

- 4.11 The Hertfordshire County Council Market Position Statement for Residential and Nursing Care for Older People (online) sets out that it is the Council's ambition 'to ensure that the Hertfordshire care services are delivered in estate that meets best practice design standards for residential and nursing care'.
- 4.12 It is now more than 20 years since the '*national minimum standards*' were published by the then Department of Health, forming part of the Care Standards Act 2000, intended to apply to all care homes and used as part of the inspection process by the Government's then regulator and predecessor to the CQC. The environmental requirements included the provision of single occupancy bedrooms

² See Christie and Co report which accompanies the application.

(only) with a minimum room size of 12sq m, with all bedrooms providing an en-suite with at least a WC and wash hand basin. Due to the level of opposition from care home operators at that time, the detail was revised which meant it only applied to new developments post 2002.

- 4.13 Since that point, new care homes have significantly improved in terms of design and layout however there was no requirement for care homes registered prior to 2002 to make any changes to their accommodation.
- 4.14 Over the past 20 years operators of some 'pre-existing' care homes have reconfigured or extended the buildings where this has been possible and there have also been a number of closures of obsolete stock. What is not fully known, however, is the number of registered beds that are no longer available or are no longer fit-for-purpose (for example, nine of the registered bedspaces at the subject care home).
- 4.15 Whether registered care beds are fit-for-purpose is now an even more pressing concern given that local authorities are seeking to provide housing-with-care or domiciliary care as an alternative for those with lower dependency care needs who would previously have moved into a residential care home. Those now requiring care in a care home have high dependency care and dementia care needs which can only be met in appropriate care accommodation.
- 4.16 The pandemic has been a watershed for the care home sector with care operators learning from its impact on residents and staff. The outstanding lesson has been that the physical and spatial environment is of paramount importance.
- 4.17 The *Less Covid-19* study provided evidence that establishing self-contained 'zones' within care homes prevented the spread of the virus. This has resulted in care homes being designed to be more flexible with smaller clusters of residents and the availability of a range of dayrooms. Stringent infection control measures and the ability for residents to self-isolate in their own bedrooms with appropriately sized full wetroom en-suites are also key to providing care home accommodation that is both fit for the future and appealing to those whose needs mean that full-time care is the best or only option for them.
- 4.18 In recent appeals made following the Covid-19 pandemic, the quality of accommodation provided in care homes has increased in importance when assessing the need for care home bedspaces. To provide an example, the appeal decision for the demolition of existing buildings and erection of a care home (Use Class C2) at Girton, Cambridge (Ref: APP/W0530/W/22/3307903) considered the quality of existing supply and the difference between the maximum number of registered bedspaces by the CQC, compared with the number of available beds. A 'market standard' approach to the quality of existing supply was considered to be accepted as market practice.

Closure of operational care homes

- 4.19 We have completed a review of the loss of care home supply in Hertfordshire in recent years. Our research shows that a total of 21 care homes have closed since 2019. 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.
- 4.20 The closed homes' most recent CQC inspection reports show that around 40 per cent were advised as 'needs improvement', 'inadequate' or had no rating/not assessed prior to their 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.
- 4.21 The first year of operation of the closed care homes was between 1985 and 1998 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 12 residents and the largest, 62 residents. The percentage of bedrooms even with a minimum market standard en-suite was low and only six of the closed homes had any bedrooms providing full en-suite wetrooms.
- 4.22 We note that the largest former care homes, Elizabeth House in Welwyn Garden City, was registered for 62 bedspaces but these had minimum market standard en-suites only (with no wetroom) and was deregistered by CQC in June 2023. The operator, Quantum Care, has recently submitted a planning application for the demolition of the existing building and development of a new 98 bedroom fully fit-for-purpose care home.
- 4.23 Where care home sites are suitably sized to accommodate such redevelopments they enable the improvement of existing provision, an increase in the overall quality of supply and prevent the loss of a local facility. From our analysis the net need for additional high quality new provision is evident in North Hertfordshire, even when planned provision expected to be available by the year of assessment is included and our figures do not make any allowance for the loss of existing supply.
- 4.24 The proposed redevelopment of Guysfield Care Home will therefore serve not only to meet the assessed shortfall of full market standard care bedrooms in 2027 and beyond, but also to assist in replacing the potential loss of any other sub-standard accommodation.

Allocated sites

- 4.25 The North Hertfordshire Local Plan 2011-2031³ makes provision for a care home to be developed at two strategic housing sites: North of Baldock (Policy SP14: Site BA1) and North of Letchworth Garden City (Policy SP15: Site LG1). In each case the Local Plan states *‘Provision of an appropriate site for a care home for older people in Use Class C2 in accordance with the locational criteria in Policy HS4’*.
- 4.26 Policy HS4 relates to ‘supported, sheltered and older persons housing’ and sets out that ‘Planning permission for sheltered and supported housing in uses classes C2 and C3 will be granted provided that: a) there is good access to local services and facilities; b) the site is well served by public transport; c) appropriate levels of on-site landscaping, amenity space and car parking (for residents, visitors and staff) are provided; and d) it would accord with Policy HS3(b)’.
- 4.27 While it is acknowledged in Policy HS4 that ‘All of our Strategic Housing Sites will be large enough to support the provision of local facilities such as shops and bus routes’, they are also expected to provide a proportion of new homes to contribute towards the modelled demand for older persons housing’.
- 4.28 Clearly, such strategic housing sites, through their development, will serve to increase the population living in these areas (Baldock is intended to provide approximately 2,800 new homes and Letchworth, a further 900 new homes). On this basis, as they are developed they will also increase the projected need or ‘modelled demand’ for additional care home supply. This is over and above the projected need for care home beds provided in this report.
- 4.29 We have based our assessment of need on 2027, the earliest the proposed redevelopment of Guysfield Care Home could be delivered. Even though all currently planned care home bedspaces (both extant permissions and those currently pending a decision) are included in our need assessment for 2027 and beyond, there is an existing and projected shortfall of high quality care home accommodation best suited for those individuals who require 24-hour care. While the two allocated sites may bring forward further care home accommodation in due course, this would serve to meet the projected shortfall of care home bedrooms at that time (which will also include additional demand from those living in newly developed housing from those same developments) rather than in the short term.
- 4.30 Older people who need care cannot afford to wait until appropriate levels of provision become available. This was identified as an issue in the Harpenden appeal⁴ which related to the development of a 63 bed care home where the inspector observed *‘Elderly people requiring car (sic) 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’.

Operational viability conclusions

- 4.31 The need for a variety of forms of accommodation and care for older people is critical. Older people who are in need of care cannot afford to wait until appropriate levels and quality of provision become available. The PPG is clear that *‘where there is an identified unmet need for specialist housing, local authorities should take a positive approach to schemes that propose to address this need’*.
- 4.32 Housing-with-care (called Flexi-care by Hertfordshire County Council), offers those older people who choose to downsize the opportunity to benefit from on-site care provision, although many older people decide to remain in their existing homes and receive domiciliary care or support from family or friends. However, there may come a point where the level and cost of care required means such options are no longer feasible, with a move to a care home being the most appropriate choice for those who can no longer live, or be supported to live, independently.
- 4.33 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 and 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 of a care home. There are many examples of smaller sized care homes that have already closed or have been re-developed for this reason.
- 4.34 As an operator-led redevelopment, the proposals are specifically designed for purpose, having regard to the needs of the local community and continuing to provide an attractive option for those older people whose care and dementia care needs progress to the requirement for full-time care.
- 4.35 It is plain that there is a significant unmet need for additional care home beds for older people, more specifically for those living with dementia. The redevelopment of Guysfield Care Home would assist in meeting this need by upgrading existing, registered, care bedrooms through an increase in registration from 51 to 70 bedspaces, to provide a well-specified, modern, fit-for-purpose development with the economies of scale required to secure its continued operation.

³ North Hertfordshire Local Plan 2011-2031 (pages 84-90 and 133-134)

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

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

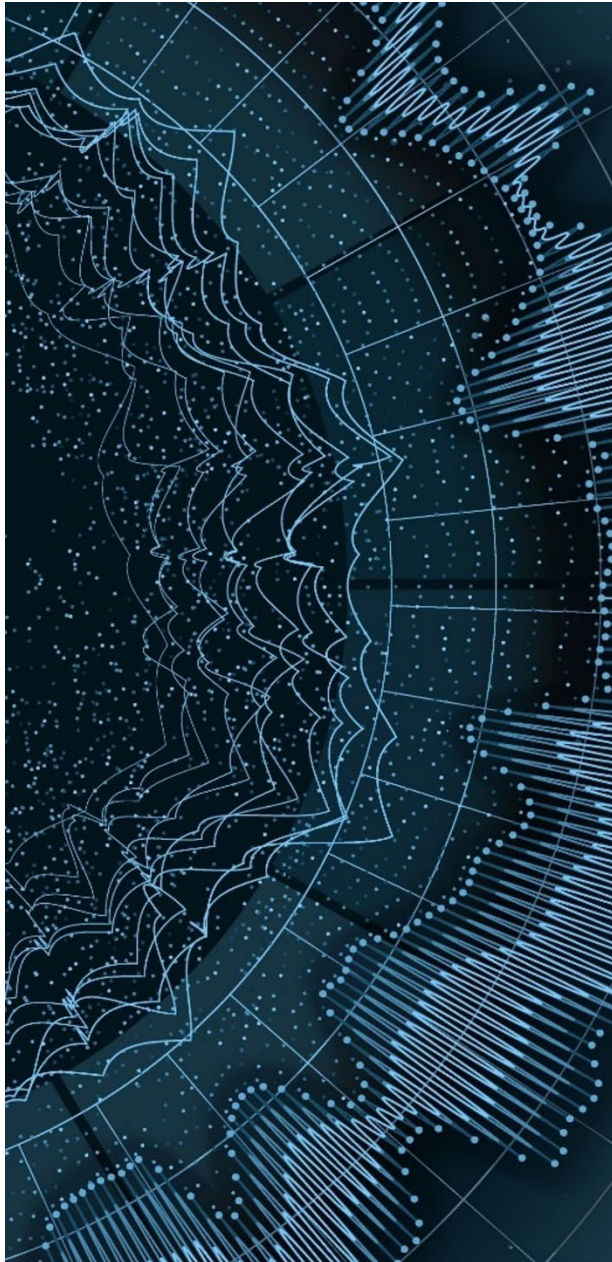
- 5.1 We have compared the existing Guysfield Residential Care Home and proposed redevelopment against other forms of accommodation in respect of care provided, cost of care, accommodation type and regulation. Table T8, below, shows the range of options available within this 'spectrum of care'.
- 5.2 Delayed discharge legislation, which imposes fines upon local authorities for 'blocked beds', is resulting in hospital stays becoming increasingly shorter. A temporary move to a care home is often considered as a short-term measure for those who require rehabilitation prior to returning home, with the decision or need to move permanently into a care home usually considered at a late stage in life. For those with high dependency care needs or dementia, 24-hour care within a care home may be the only suitable long-term option.
- 5.3 A substantial variant to the provision elements of the care spectrum below is informal/family care. An estimated 8.8 million or more unpaid carers provide significant support to elderly relatives, neighbours and friends (Age UK 2019). This allows many thousands of people to remain in their own homes, particularly when the support is alongside home care and/or day care. Thus, a range of care requirements and a range of services co-exist, sometimes with considerable overlap.
- 5.4 The proposed, replacement care home will be capable of providing care for residents of all dependency levels, including those who require residential or dementia care within a specialist unit specifically designed to cater to higher dependency needs. It will also be flexible in terms of layout, to provide areas where

residents can be isolated, should this be necessary. Without this capability a number of care home residents would otherwise experience an enforced hospital stay.

Key findings – the subject scheme

- The proposed, specifically designed, care home will provide 70 single bedrooms, all with en-suite wetrooms, together with a variety of spacious, well-appointed communal areas. Operational viability is paramount to the development of a new care home with schemes of 65–75 bedspaces being viewed as optimal.
- As hospital stays become increasingly shorter due to delayed discharge legislation, rehabilitation within a care home is often considered as a short-term measure. For those with high dependency residential care needs or dementia, 24-hour care within a care home setting may be the only suitable long-term option.
- The proposed replacement Guysfield Residential care home will be capable of caring for residents of all dependency levels, including those who require specialist dementia care, by providing flexible, COVID-19-compliant care accommodation to enable care to be administered most effectively and efficiently.

T8 Elderly care spectrum						
Accommodation	Standard housing	Sheltered housing	Extra care / assisted living	Care homes	Care homes with nursing	Hospitals
Care provided	Domiciliary care			Personal and dementia care	Nursing and medical care	
Cost of care	Low to medium and highly variable			Medium to high	High	Very high
Accommodation types	Standard housing	Age-restricted, age-exclusive or sheltered housing	Extra care, assisted living, very sheltered housing	Residential setting		Acute hospital
Accommodation style	House, cottage, flat, bungalow, suite, apartment			Bedroom, suite		Bedroom
CQC regulation	Regulated only if care provided			Highly regulated – all care and accommodation		
Proposed replacement care home				Requirements met in the proposed replacement care home		



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6. Definition of a care home and care categories

- 6.1 Care homes for the elderly fall within Class C2 ('residential institution') of The Town and Country Planning (Use Classes) Order 1987 and any applicable amendments.
- 6.2 The sector regulator, the Care Quality Commission (CQC), 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'.*
- 6.3 The CQC is responsible for registering and monitoring care homes across all care sectors as well as other forms of care provision, such as domiciliary care agencies. The regulation of health and adult social care is governed by the Health and Social Care Act 2008. There are two types of registration categories for homes:
- (1) Care homes/personal care homes/residential care homes – provide personal care (not nursing care) to the elderly. They provide both short-term and long-term accommodation and offer help with personal hygiene, continence management, food and diet management, counselling and support, simple treatments, personal assistance with dressing, mechanical or manual aids, and assistance with going to bed.
 - (2) Care homes with nursing – offer the same services as personal care homes, with registered nurses also being available to provide nursing care 24 hours per day, to care for residents with complex health issues that can only be administered by nursing staff.
- 6.4 In addition to the above home-level registration, care homes can choose to specialise in the type of care they provide, such as elderly frail or caring for those with dementia and/or other specialist forms of care. In our assessment, we have considered need for two care categories:
- 6.5 Total market – all beds and all registration categories for elderly care, including both care homes with and without nursing; as there is no industry-recognised method of differentiating between the exact need for nursing and the exact need for personal care beds, we therefore consider the 'total market'.
- 6.6 Specialist dementia – a subset of 'total market' beds (as described above) to assess the supply of specialist dementia beds vs the gross need for specialist dementia beds.

7. GB elderly population trends and market size

- 7.1 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 care home beds, as well as non-residential care, such as extra care schemes and other accommodation options for older people.

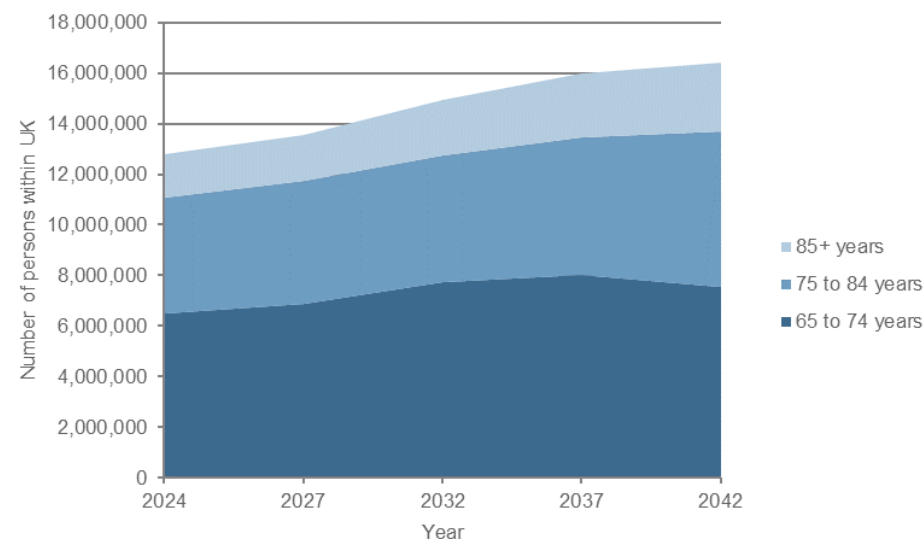


Figure 4: GB 65+ population growth 2024 to 2042 by age band

Source: 2021 Census, ONS population projections.

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

8. National provision of care homes

8.1 There are currently approximately 10,000 care homes providing almost 442,000 registered care beds for older people in Great Britain.

8.2 T9 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.

T9 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–)	395	25,090	5.7
2010s (2015–2019)	546	32,851	7.4
2010s (2010–2014)	606	35,392	8.0
2000s	960	54,181	12.3
1990s	3,489	157,982	35.8
Pre 1990s/unknown	4,029	136,360	30.9
Total	10,025	441,856	100

Source: subscribed data sources, Carterwood – updated January 2024

8.3 T10 provides the current supply of registered bedrooms by en-suite (our definition of 'market standard') and those that provide full en-suite wetrooms. Across Great Britain, an average of 78.1 per cent of care home bedrooms include an en-suite and 32.0 per cent include a full wetroom en-suite.

T10 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	5,832	210,359	73.6	27.2
Nursing care	4,193	231,497	82.2	36.3
Overall	10,025	441,856	78.1	32.0
Specialist dementia provision only				
Dementia homes	868	34,794	73.6	24.2
Dementia units	2,371	62,774	86.9	46.5
Overall	3,239	97,568	82.1	38.5

8.4 The GB averages are slightly higher for dedicated dementia care homes and those that incorporate a specialist dementia unit, with 82.1 per cent of bedrooms having an en-suite and 38.5 per cent of bedrooms having a full en-suite wetroom.

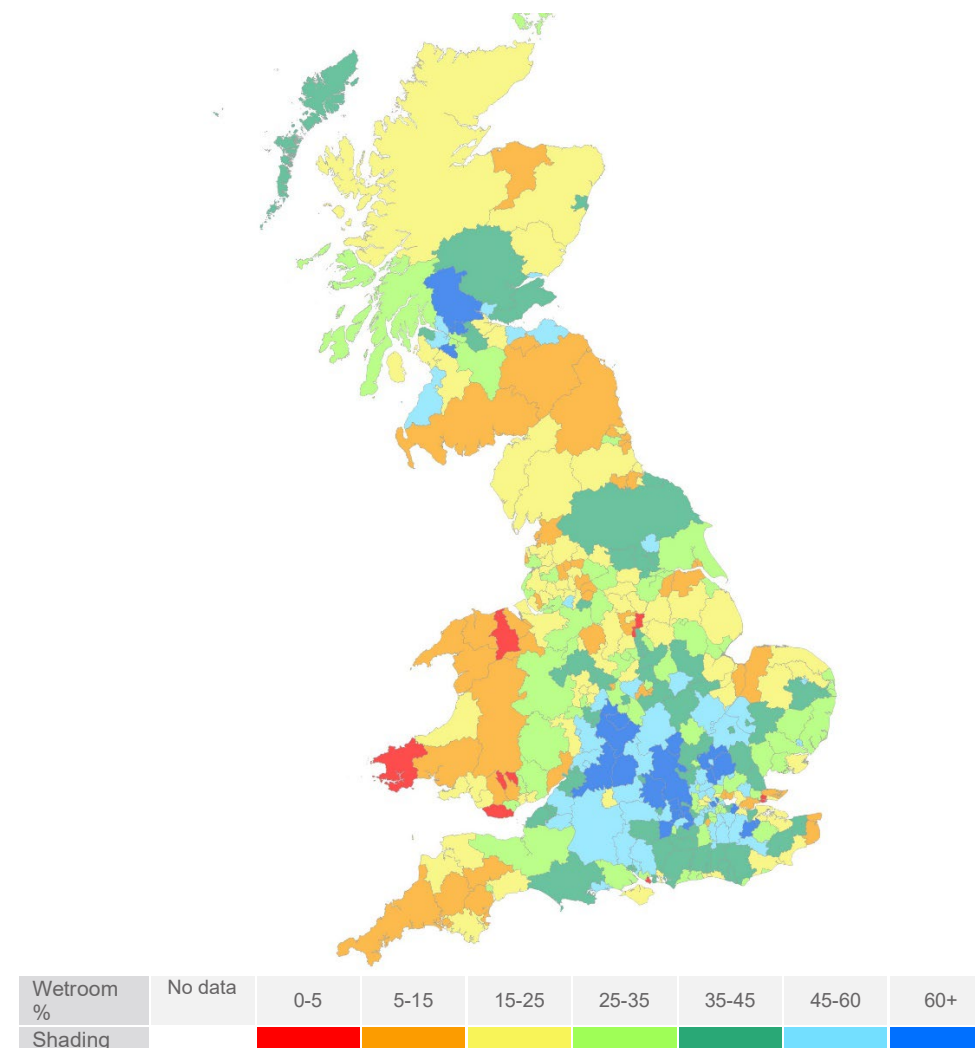


Figure 5: Percentage of elderly beds with en-suite wetroom by GB local authority (Jan 2024)

9. Key issues for the sector

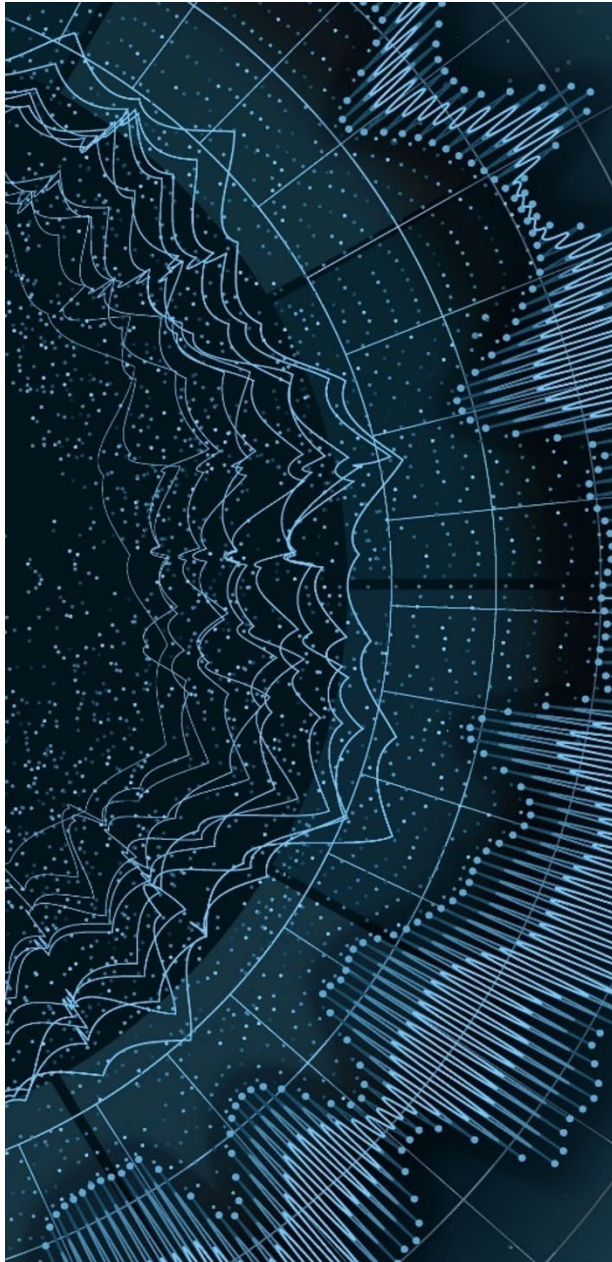
- 9.1 In December 2023, the Department for Levelling Up, Housing and Communities revised the National Planning Policy Framework (NPPF) and as part of these updates, expanded upon the previous assessment of housing needed for different groups in the community, including older people (by 'size, type and tenure'), by breaking down the established need between three specific types of housing: 'retirement housing, housing-with-care and care homes' (para 63). These changes should assist in ensuring that suitable new provision is brought forward for each form of housing for older people.
- 9.2 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'. It 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'
- 9.3 It is the provision of a choice of options that is important, enabling older people to meet their changing care needs in accommodation that is best suited for them, while also reducing costs to social care and health systems. The national requirement for the development of new elderly care home beds is growing. Older people who are in need of care cannot afford to wait until appropriate levels of provision become available and both the quality and quantity of existing supply is a significant factor when it comes to identifying existing and projected need for new beds.
- 9.4 The Covid-19 pandemic put social care in the spotlight, particularly the need for well-specified, purpose-designed bedrooms in care homes which provide a safe, infection-controlled environment suitable for those with the most complex care needs. Timely accessibility to appropriate 24 hour intermediate, nursing and/or dementia care and support is required to reduce reliance on the NHS, and prevent both hospital admissions and delayed discharges (bed blocking).
- 9.5 Key issues for the sector include the:
- increasing dependency levels, meaning care home accommodation must be both suitable and flexible to enable care to be provided effectively and safely;
 - significant and growing incidence of dementia in older people;
 - continued use of care homes in converted buildings that are potentially unsuitable for continued use in their current configuration;
 - sustainability of those care homes less able to benefit from economies of scale;

- increasing expectations from the market and regulators in terms of spacious, well-appointed accommodation suitable for caring for those with high-level care needs in privacy and with dignity, particularly following the pandemic;
- impact on the NHS from increasing numbers of older people with growing levels of dependency;
- impact on, and responsibility for funding, social care over the coming decades;
- Impact of Brexit and the National Living Wage with implications on staff retention and recruitment;
- impact of COVID-19 in the short, medium and longer-term.

- 9.6 In the November 2022 Autumn Statement the Chancellor announced an increase in funding for the social care sector of up to £2.8 billion in 2023 and £4.7bn in 2024. paid for through delaying the implementation of proposed social care reform (the Dilnot reforms) for another 2 years (to 2025), increasing direct central government funding by £1 billion in 2023 and £1.7 billion in 2024 as well as through increased council tax. The extra funding includes £1 billion to directly support discharges from hospital into the community, to assist the NHS in 2024/25.

Key findings – national context

- The elderly population in Great Britain is set to grow dramatically over the coming years, and the predicted increase will continue 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 increasing dependency levels of those who require care in a care home (given the increase in alternatives for those with lower care needs) mean that accommodation must be fit for purpose and flexible, to enable personal, dementia and nursing care to be provided effectively and safely.
- There are a number of issues for the sector to address to enable it to keep pace with the projected demand for high dependency care beds. Increasing market expectations, social care funding and staff recruitment are all pertinent, and more recently, COVID-19 has had a significant impact.



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10. Commissioning review

10.1 Guysfield Residential Care Home is situated within the North Hertfordshire 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. Current online document. Hertfordshire County Council.*
- *Ten Year Supported Accommodation Strategy 2017-2027. Hertfordshire County Council.*
- *Hertfordshire Care Market Sustainability Plan 2023/2024. Hertfordshire County Council*
- *Stevenage and North Hertfordshire Strategic Housing Market Assessment (SHMA) Update 2015, Vol II. Opinion Research Services August 2016.*

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

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

Market Position Statement – Residential and Nursing Care

10.4 *'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.'*

10.5 *'The service delivers a programme of work to ensure that people who live in care home settings have access to the right care that enables them to live a Connected Life. Connected Lives is Hertfordshire's whole service approach to community practice, personalised enablement, and new models of commissioning. It emphasises people being supported to live the life they want, bringing personalisation to the forefront of everything Hertfordshire does and embedded within the services Hertfordshire commissions.'*

Priorities for 2024/25

10.6 *'The commissioning of good quality dementia nursing care will continue to be a very high priority, including around the offer of nursing care for people with non-cognitive symptoms of dementia.'*

10.7 *'We would like to work with our care providers to identify good practice in short stay (including nursing care) care to support continuous improvement of our offer'.*

Our long term ambition

10.8 *'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.'*

10.9 *'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.'*

10.10 *'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.'*

Where is Hertfordshire now?

- 10.11 '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.'
- 10.12 'HCC has care contracts with 139 Older Peoples residential and nursing care homes 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.'

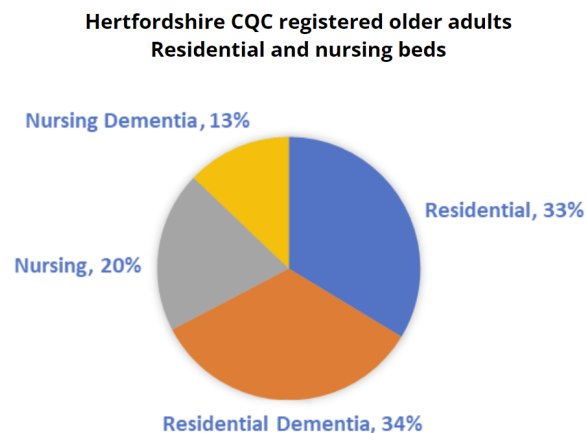


Figure 6: Hertfordshire CQC registered older adults residential and nursing beds

- 10.13 'People can require a short stay in a care home for many reasons:

- Planned/unplanned short breaks/ carer breaks.
- Urgent short stay needed/support during crisis.
- Discharge to Assess (following a stay in hospital).'

- 10.14 'Approximately 80 people access HCC commissioned short stay services at any one point. HCC procure most residential short stay services under block arrangements with providers, at present nursing short stay services are spot purchased in line with peoples assessed needs and choice.'

- 10.15 '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.'

Ten Year Supported Accommodation Strategy 2017-2027

- 10.16 '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)
- 10.17 '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)
- 10.18 '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 7: Projected growth in Hertfordshire social care funded services by 2029

- 10.19 '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 8: Alternative commissioning intention for Hertfordshire funded services to 2029

- 10.20 '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)
- 10.21 '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 9: Hertfordshire County Council's future intentions for care homes

- 10.22 '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 2023/24

- 10.23 '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)
- 10.24 '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)
- 10.25 '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)
- 10.26 'The CQC current ratings for residential and nursing homes in Hertfordshire are shown below: (page 2)

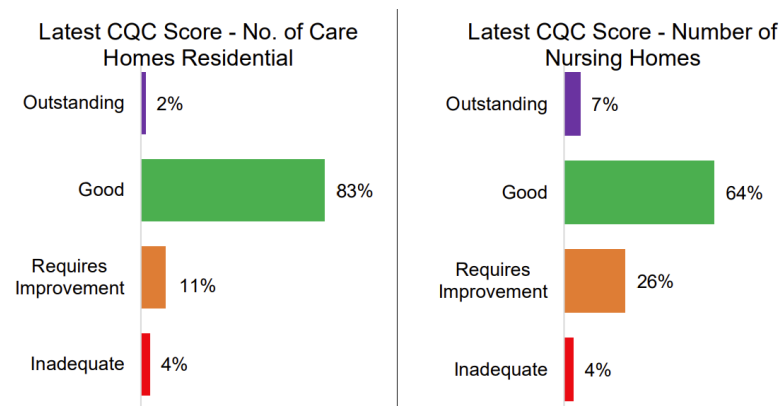


Figure 10: CQC ratings for care homes in Hertfordshire

10.27 'Current challenges to the viability of affordable nursing provision are also reflected in the number of OP placements made by the Council into homes with an "inadequate" or "requires improvement" rating. At the time reporting 41% of ACS OP nursing placements are made into home "inadequate" or "requires improvement" rating. This is in contrast to the 19% of ACS OP residential placements being "inadequate" or "requires improvement" rating.' (page 3)

10.28 '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)

10.29 'Current pressures appear to be having a greater impact on smaller homes/businesses, with eight small and independent homes currently entering the Safety and Improvement Process (SIP) in the previous 24 months.' (page 6)

10.30 'Our plans to address the market sustainability issues for the care home market include the following areas: **Capacity** We will:

- Continue to work on the transformation of nursing care across Hertfordshire as outlined in the market position statement: Residential and Nursing care for older people | Hertfordshire County Council and, Deliver on Hertfordshire's Ten Year Supported Accommodation Strategy 2017-27
- Develop existing contract arrangements with a strategic partner to increase the availability of nursing care, including bringing forwards new, high specification nursing homes.

- Directly bring forward extra care housing developments.
- Refresh our Nursing Strategy to develop our approach to capacity (including workforce) and quality'. (page 13)

10.31 '**Quality.** To address quality concerns we will continue to work with care home providers to improve the quality of service provision, via the existing quality monitoring processes, utilising Performance Remedy provisions within the contracts, including the Action Planning processes to drive up improvements and in conjunction with the Safety and Improvement Process Hertfordshire's Safety and Improvement Process.' (page 13)

10.32 '**Financial Sustainability.** We will monitor provider resilience and sustainability closely, and work collaboratively with provider to support change towards sustainable operations.' (page 13)

Stevenage and North Hertfordshire SHMA Update 2015

10.33 'It is important to recognise that the identified OAN of 21,700 dwellings **does not include the projected increase of institutional population**, which represents a growth of 841 persons over the 20-year Plan period 2011-31. This increase in institutional population is a consequence of the CLG approach to establishing the household population, which assumes "that the share of the institutional population stays at 2011 levels by age, sex and relationship status for the over 75s" on the basis that "ageing population will lead to greater level of population aged over 75 in residential care homes." (page 54)

Carterwood review

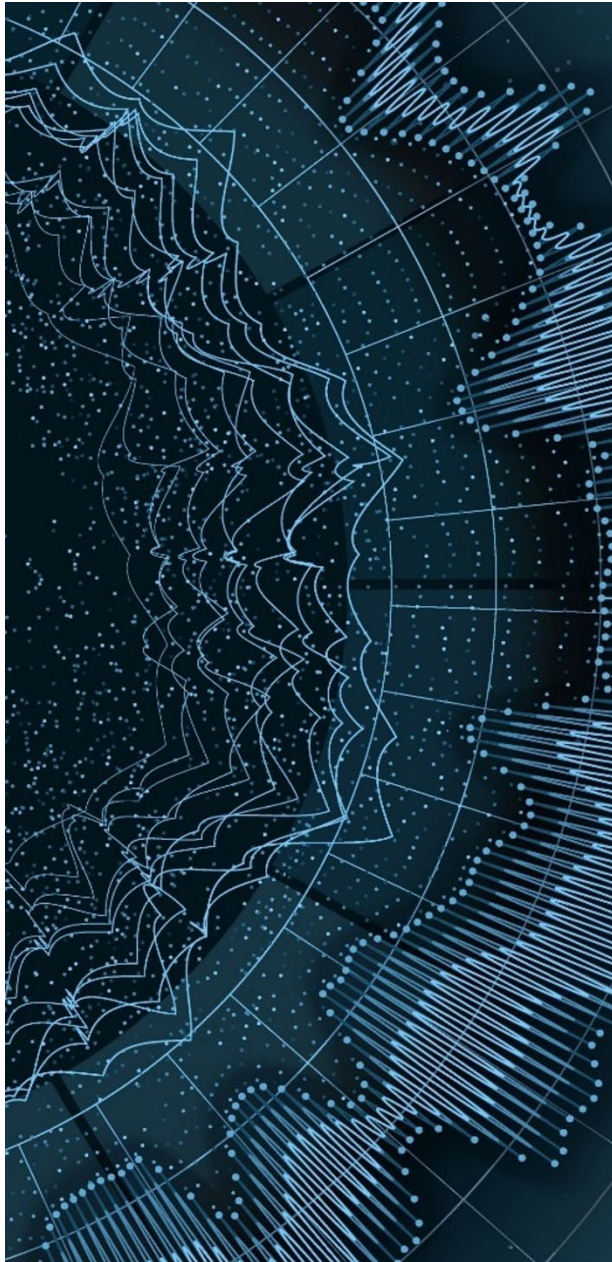
- 10.34 The above documentation is in line with the majority of councils' commissioning strategies across the country and demonstrates trends in local policy decisions for those whose care is funded by the local authority, influenced by cost-saving measures at a time of unprecedented financial austerity. This follows a new model for adult care provision that effectively maintains the cost of providing residential or nursing care by reducing or limiting the numbers of, and costs for, those who require such services.
- 10.35 The Market Position Statement states that residential and nursing care for older adults with a dementia-related need 'will remain a very high priority for the medium to long term'. This is based on the 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' with the elderly population being expected to grow by as much as 300 per cent in some areas of the county by 2042.
- 10.36 The *Market Position Statement* points to the ongoing reform in the delivery of care services, with a move from hospital to community-based care. The report also cites the economic challenges for social care providers, aware that inflation, workforce challenges and economic uncertainty regarding future changes to the funding of care home beds are impacting on the sector and which may continue to affect the way social care is delivered.
- 10.37 Importantly, the County Council are seeking to 'ensure that the Hertfordshire care services are delivered in estate that meets best practice design standards for residential and nursing care'. Hertfordshire County Council currently has contracts with 139 care homes in the county which provide care to around 8,000 older adults, the majority being accommodated in residential beds (67%) and the remaining 33% receiving nursing care.
- 10.38 The Ten Year Supported Accommodation Strategy suggests that '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). While it was anticipated that an additional 447 residential care beds would be required to meet this need by 2029, proposed changes to support older people to live independently are expected to instead reduce the need by 89 residential care beds by 2029 in favour of 'flexi care' (Hertfordshire's name for housing-with-care) with older people being supported to live in their own homes. We are not, however, provided with the existing number of registered care beds available, or the base point of this assessment, at the time the Ten Year Strategy was developed.
- 10.39 It is intended that there will be a focus on care home provision to support older people living with dementia, short stay placements and 'step-down' care to enable rehabilitation for individuals moving from hospital back to the community.
- Hertfordshire currently commission approximately 49 per cent of residential care beds in the county.
- 10.40 The recent *Hertfordshire Care Market Sustainability Plan* advises that an estimated 14,515 people over 65 are living with dementia in Hertfordshire and this is estimated to increase to 21,897 by 2030, approximately 14,134 being estimated to be living with severe dementia. Around 85% of people receiving stated funded residential/nursing care in Hertfordshire have dementia; a figure 15% higher than care home dementia prevalence estimates produced in 2014.
- 10.41 While the *Care Market Sustainability Plan* questions the continued operation of residential care per se, it is clear that residential dementia care beds are insufficient to meet existing and projected need. The report advises that 15 per cent of residential care homes in the county are rated as 'needs improvement' or 'inadequate' and for this reason, around 19 per cent of state funded placements are being made to such care homes.
- 10.42 In terms of care home provision, the three main areas where the *Care Market Sustainability Plan* intends to focus are in terms of 'capacity', 'quality' and 'financial stability'. To improve capacity for dementia care (across both nursing and residential care homes), to improve the quality of service provision and to ensure care home providers are resilient and operating sustainably.
- 10.43 The *Stevenage and North Hertfordshire SHMA* also identifies a need to increase the number of care home bedspaces but only provides a net need figure of 841 additional bedspaces by 2031, without clarification of the base point of assessment. As a proportion of the existing beds in 2015 will undoubtedly have fallen out of the market since that time, the likely reduction in existing beds and additional supply should be considered alongside projected need.
- 10.44 The COVID-19 pandemic has clearly highlighted the need for appropriately specified, flexible care home accommodation that enables those residents requiring the highest levels of care to be looked after in a safe environment where they can be effectively isolated from other residents, should this be necessary. The provision of an en-suite is, we consider, a minimum requirement for the provision of such care and the reason that we base our initial assessment on 'market standard' bedrooms. As is the case with the subject scheme, market expectations have risen with hindsight from the pandemic and futureproof care homes have been developed to provide spacious accommodation with all en-suite wetroom bedrooms for some years.
- 10.45 Prior to the Care Act 2014, the remit of adult social care commissioning authorities, such as Hertfordshire County Council, was concerned only with the availability of care beds in care homes for elderly people whose care was funded by the authority. The Care Act placed a duty on commissioning authorities to ensure their local care market is healthy and diverse, to provide or arrange services to keep people well and independent and to help prevent the need for additional care and support.

Importantly, commissioning authorities are now required to ensure there is adequate provision for all older people and not just those whose care needs are state-funded.

- 10.46** It should be remembered that Hertfordshire County Council is funding around 49 per cent of those living within care homes that provide residential and dementia care, and therefore the strategic comments with regard to local authority-funded beds made within the commissioning documentation relate to that proportion of the local population only.
- 10.47** Local authorities continue to substitute community-based models of care where possible, as a more cost-effective alternative to residential care. This, however, is unlikely to be sustainable in the short to medium term as there is a tipping point when the cost of providing homecare into older people's own homes becomes more expensive than 24-hour care in a care home, or individuals reach a point where their continued safety necessitates a move to a care home.
- 10.48** A significant number of those who would occupy the redeveloped 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 the commissioning intentions of the local authority.
- 10.49** The documentation set out above identifies how the demographic pressures of an ageing population will become 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.
- 10.50** Such needs require well specified, spacious, infection control-compliant, flexible care accommodation to enable care to be administered most effectively. The proposed high-quality replacement care home has been designed specifically for this purpose and would offer much-needed high dependency residential and dementia care.

Key findings – commissioning and local authority review

- Hertfordshire County Council's social care strategy is in line with the majority of commissioning councils across the country in that it is seeking to support people to live independently in the community wherever possible, while ensuring that those needing more intensive support can access appropriate services, including care within a registered care home, in a timely fashion.
- Demand for high-dependency residential and dementia care provision in care homes will, however, continue to rise in line with the growing elderly demographic.
- Hertfordshire County Council Adult Social Care Commissioning consider, however, 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*
- As is currently the case, many of those who would occupy the proposed redeveloped Guysfield care home will be self-funded and the quality of care and accommodation together with proximity to family and friends, will be major drivers in the decision-making process, rather than the commissioning intentions of the local authority.
- Sufficient care home bedspaces, suitable for those with higher level residential and dementia care needs, should be made available for both funded and self-funded older people who require well-specified, specifically designed care home accommodation that enables care to be administered most effectively and efficiently.



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11. Need vs Demand

- 11.1 The Department for Communities and Local Government 'Estimating Housing Need' paper (2010) differentiates between 'need' and 'demand':
- 11.2 *'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).*
- 11.3 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.
- 11.4 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 will fast become 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.
- 11.5 We also provide a separate, and we consider more relevant 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 the privacy their own en-suite bedroom, particularly in with the hindsight of the COVID-19 pandemic, where the benefits of self-isolation and infection control within self-contained bedrooms are obvious.

12. Methodology for quantitative care home need

- 12.1 We set out below the methodology we use to assess the quantitative need for care home beds. Full details regarding our methodology and the use of 'market standard' beds are set out in Appendix B.
- 12.2 Bedrooms in the existing Guysfield Care Home are, at best, minimum market standard level providing a WC and wash-hand basin only. Assessing need on this basis is not, therefore, relevant to this proposal as it is for a redevelopment to provide a 'full' market standard care home. We have therefore assessed need on the basis of full market standard bedrooms only, as proposed in the subject development, which incorporate a spacious en-suite with a level access shower (wetroom).

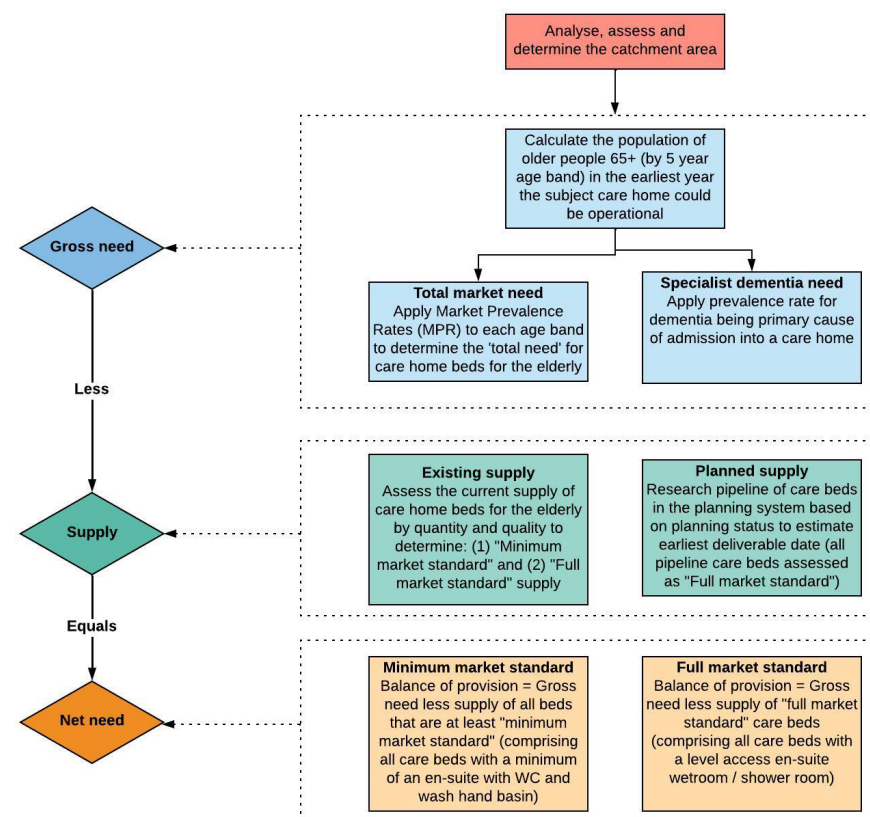


Figure 11: Need assessment methodology

13. Catchment area assessment

- 13.1 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 Hertfordshire Council, as shown on the map opposite.
- 13.2 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.

T11 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

- 13.3 The subject care home is located on the southern edge of Letchworth Garden City. It accords most closely with Locations 2 and 3 above and we have therefore adopted a circa-5-mile market catchment, as shown opposite shaded light blue.
- 13.4 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.
- 13.5 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.

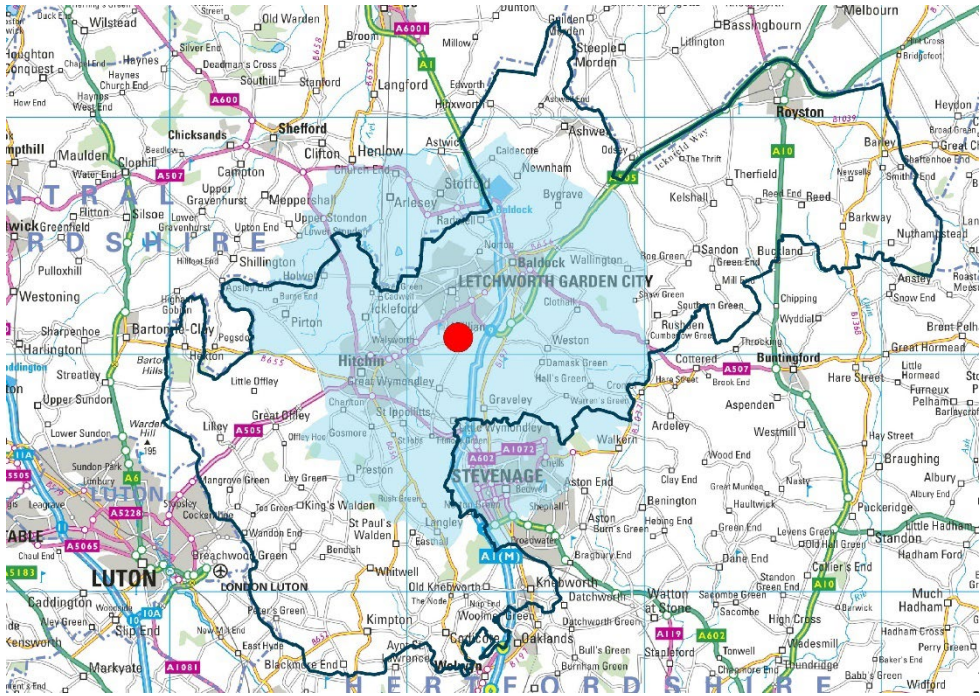


Figure 12: Basis of assessment

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 Hertfordshire Council area

14. Gross need

Population profile

- 14.1** We have summarised the profile of the elderly population in T12, opposite. The market catchment is characterised by a slightly lower-than-average elderly population profile compared to Great Britain. The North Hertfordshire Council area as a whole is characterised by a marginally older than average population profile when compared to either the market catchment or GB as a whole.

Projected increase in gross need

- 14.2** We have utilised '2018-based' ONS projected population figures for older people aged 65+ to show the projected increase in gross need in care home beds based on the growth of the target elderly demographic aged over 65 (in 5 year age bands) between 2024 and 2043 (the current extent of ONS projections). The gross need is a little lower than the GB average in the market catchment however the local authority area is generally in line with the average for GB from 2024 to 2043.
- 14.3** On this basis, between 2024 and 2043 the gross need is expected to rise by c. 54 per cent in both the market catchment and North Hertfordshire Council area, assuming all other things remain equal, indicating an increased requirement for additional care home bedspaces.

Gross need – total market

- 14.4** We have adopted Market Prevalence Rates (MPR), a tool to predict the risk of an elderly person being in a care home at a given age (See Appendix B). Table T14 shows the number of people aged 65+ that are at risk of requiring care in a residential setting as at 2027, the earliest the proposed replacement care home could be made available. Our assessment of gross need is therefore 1,056 and 897 care home bedspaces within the market catchment and North Hertfordshire Council local authority area, respectively.

Gross need – specialist dementia

- 14.5** 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 (See Appendix B).
- 14.6** Utilising this prevalence rate, 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 shown opposite in Table T15. 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 2027 is 436 within the market catchment and 370 within the North Hertfordshire Council local authority area.

T12 Population profile (2027)						
Age profile	Market catchment		Local authority		Differential to GB %	
	Number	%	Number	%	Market	LA
All population	187,015	-	135,014	-	-	-
Age 65+	34,486	18.4	28,563	21.2	-1.9	+0.8
Age 75+	17,178	9.2	14,697	10.9	-0.8	+0.9
Age 85+	4,954	2.6	4,278	3.2	-0.0	+0.5

T13 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
	2027 (from 2024)	7.1	-0.1	7.4	+0.2
	2032	20.7	-1.3	21.7	-0.3
	2037	38.2	-1.3	39.5	+0.1
	2042	51.4	-1.2	52.3	-0.3
	2043	54.0	-1.1	54.8	-0.3

T14 Gross need (2027) – total market		
Age range	Market catchment	Local authority
65–74 years	125	101
75–84 years	294	251
85 years +	637	545
Need – total market	1,056	897

T15 Gross need (2027) – specialist dementia		
Age range	Market catchment	Local authority
65–74 years	52	42
75–84 years	122	104
85 years +	263	225
Need – specialist dementia	436	370

15. Supply

Existing supply

15.1 We have included existing supply based upon minimum market standard bedspaces (which includes Guysfield Care Home), which we define as any registered bedroom providing a minimum of en-suite WC and wash-hand basin (See Appendix B).

15.2 Within the market catchment, there are 23 care homes, which provide 1,347 registered bedspaces, 91 per cent of which are equipped with an en-suite, meeting the criteria of 'minimum market standard'. Within the local authority area, there are 22 care homes, which provide 1,115 registered bedspaces, 87 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 78.1 per cent.

15.3 In terms of full market standard care homes (as proposed by the subject development), 66 per cent of bedrooms in the market catchment and 64 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 32.0 per cent.

15.4 The location of existing care home supply is included in Figure 15 on page 42.

Planned supply

15.5 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 14 February 2024.

15.6 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.

15.7 We have identified four planning applications for additional care home beds or beds providing specialist dedicated provision in the market catchment and three within the North Hertfordshire Council local authority area (two fall within both assessed catchments). Full details of planned supply are included in T25 on page 39.

15.8 Our analysis assumes that all the planned bedspaces (both those that have planning permission and those pending a decision) will be developed and it therefore potentially overestimates future supply given that a number of the proposed schemes in the planning system may not proceed.

T16 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	23	1,347	1,226	890	91	66
Specialist dementia provision						
Dedicated dementia homes	0	0	0	0	-	-
Dedicated dementia units	8	207	191	140	92	68
Overall	8	207	191	140	92	68

T17 Existing supply (local authority area)						
Care category	No of homes	Total reg. beds	Total en-suite	Total wetroom beds	% en-suite beds	% wetroom beds
Total market provision						
Overall	22	1,115	965	712	87	64
Specialist dementia provision						
Dedicated dementia homes	0	0	0	0	-	-
Dedicated dementia units	9	215	182	110	85	51
Overall	9	215	182	110	85	51

T18 Planned supply to year of estimated completion					
Supply	2024	2025	2026	2027	2028+
Market catchment	60	0	0	0	196
Local authority	136	0	0	0	60

T19 Planned supply for need assessment calculations (2027)		
Basis of assessment	Market catchment	Local authority
Total market planned beds	60	136
Specialist dementia planned beds	30	62

16. Balance of provision

16.1 We have calculated the gross need for care home beds as at 2027, the earliest the proposed replacement care home could be available, on the following catchments:

- market – a c 5-mile radius from the subject site;
- local authority – the North Hertfordshire Council area.

16.2 Need is assessed for two forms of elderly care:

- all beds – all categories or ‘total market’ need
- specialist dementia.

16.3 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.

16.4 We have assessed the existing supply element on the basis of

- full market standard – only bedrooms with full wetroom en-suites.

16.5 Our analysis, based on 2027, indicates a net need for 194 ‘all bed’ full market standard bedrooms in the market catchment and 124 in the local authority area.

16.6 Based on 2027, there is a shortfall of 302 ‘full’ market standard dedicated dementia care beds in the market catchment and 229 in the local authority area. The dearth of dedicated dementia beds as a subset of the total shortfall indicates the more significant requirement for this form of supply.

T20 Primary year for need analysis				
Primary year of assessment	2027	The earliest the subject scheme could be developed and operational		

T21 Need analysis summary (2027)				
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	1,056	897	436	370
Occupancy capacity allowance	88	75	36	31
Total gross need	1,144	972	472	401
Supply				
Current elderly wetrooms	890	712	140	110
Planned beds (to 2027)	60	136	30	62
Total supply (wetroom)	950	848	170	172
Net need				
Full wetroom en-suite bedrooms (full market standard)	194	124	302	229
Assumptions				
• Total market need based on ONS Census (2021) data projected to 2027 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.				

17. Need growth

- 17.1 As well as considering need based upon the earliest year the subject replacement 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.

Care bed need growth

- 17.2 Evidenced by reducing market prevalence for care home beds during the past few years, as demand for alternative forms of care (i.e. domiciliary care, live-in care and extra care) has increased, together with its availability, and the impact of the pandemic, there may be a further reduction in gross need. However, this 'absorption' into alternative forms of care should be balanced against the rapidly increasing elderly population and loss of existing, operational care homes which fall behind market expectations or fail for a variety of reasons. It is also dependent upon a host of national and regional variables, as well as site-specific factors, and is, therefore, impossible to predict with absolute certainty.
- 17.3 T22 illustrates our analysis of the net need for full market standard (wetroom) care beds, respectively, over the 10 years from our base year of assessment, and assumes that existing full market standard care bedroom provision remains constant and that all currently planned care beds are developed.
- 17.4 Similarly, in T23 we have provided our analysis of net need for full market standard dedicated dementia care bedrooms (forming a subset of the net need for all beds). Again, this assumes existing full market standard provision remains constant and that all currently planned beds that we expect to be registered for dedicated dementia care are developed and operational, over the 10-year period from our base year of assessment.
- 17.5 In each case, therefore, we overestimate the potential supply, given that we make no allowance for the potential closure of existing, operational full market standard care home bedspaces and because planned schemes may not progress over the timescales we have assumed, or be developed at all.
- 17.6 The chart opposite projects the net need for new 'all bed' care home bedrooms (at full market standard (en-suite wetroom) level) in the North Hertfordshire Council local authority area from 2027 to 2043 on the same basis.
- 17.7 In this particular case, the proposed replacement of Guysfield Residential Care Home would result in the loss of 42 minimum market standard bedrooms and the provision of 70 full market standard bedrooms, to reduce the shortfall of better quality provision and dedicated dementia care beds across both catchments.

T22 Net need - full market standard (en-suite wetroom) bedrooms to 2037			
Supply	2027	2032	2037
Market catchment	194	144	330
Local authority	124	193	354

T23 Net need - dedicated dementia full market standard (en-suite wetroom) beds to 2037			
Supply	2027	2032	2037
Market catchment	302	297	375
Local authority	229	263	329

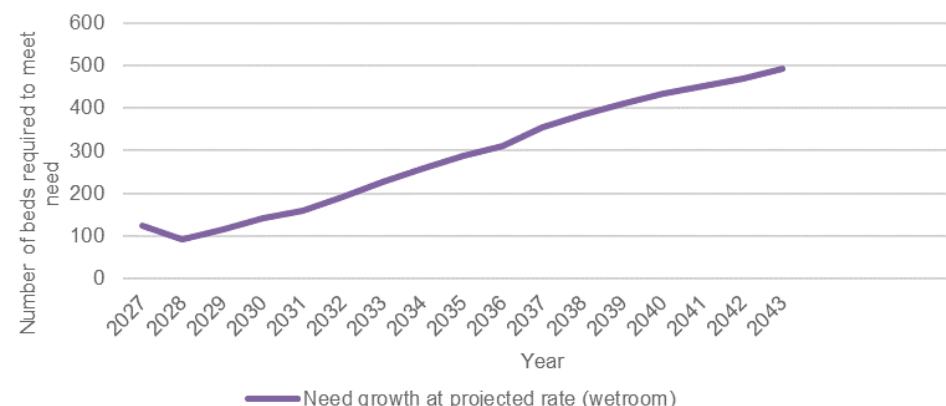
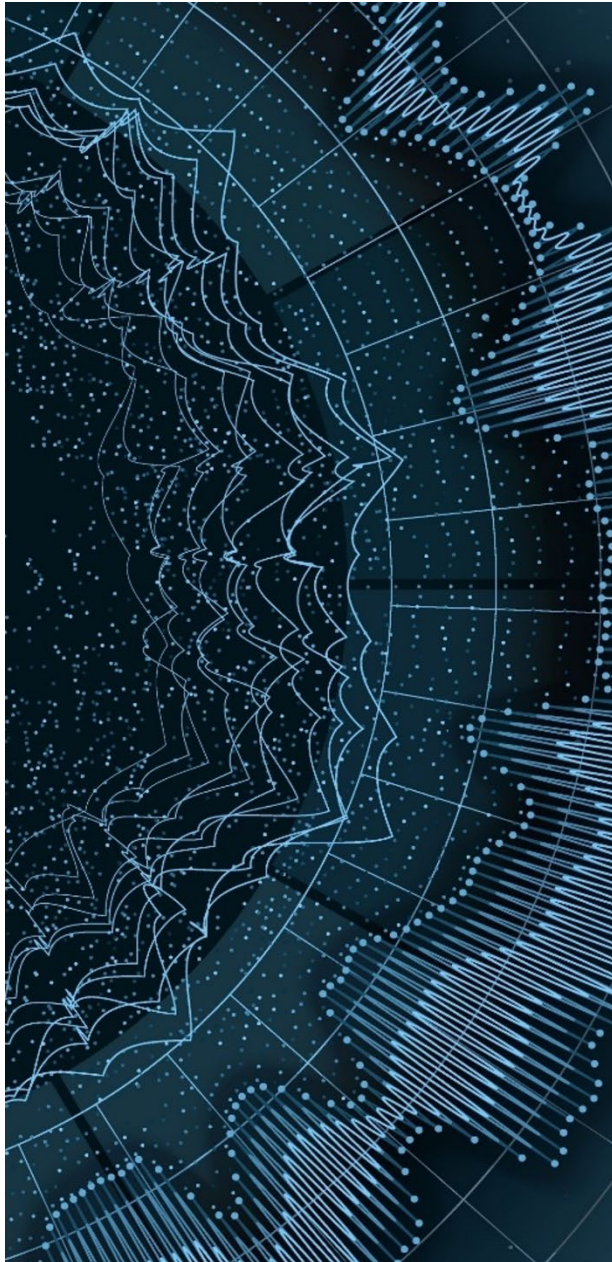


Figure 13: Projected shortfall of en-suite wetroom bedrooms – North Hertfordshire Council area



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18. Additional demand from the NHS

Delayed discharge: NHS Hertfordshire & West Essex Integrated Care Board (ICB)

- 18.1** 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.
- 18.2** 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.
- 18.3** Pre-pandemic NHS discharge data provided a breakdown of the care and accommodation awaited and enabled calculation of delayed days specifically due to patients awaiting care in a care home. Research by the King's Fund⁵ 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.
- 18.4** Post pandemic NHS data includes all those awaiting discharge from hospital rather than those specifically awaiting a care home bed. Nevertheless, as shown in the graph, opposite, this still highlights a failing of the health and social care system in Hertfordshire and West Essex albeit it is lower than the average for England. If the system were functioning with zero bed blocking through more effective use of care home beds, this would reduce reliance on the NHS.

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

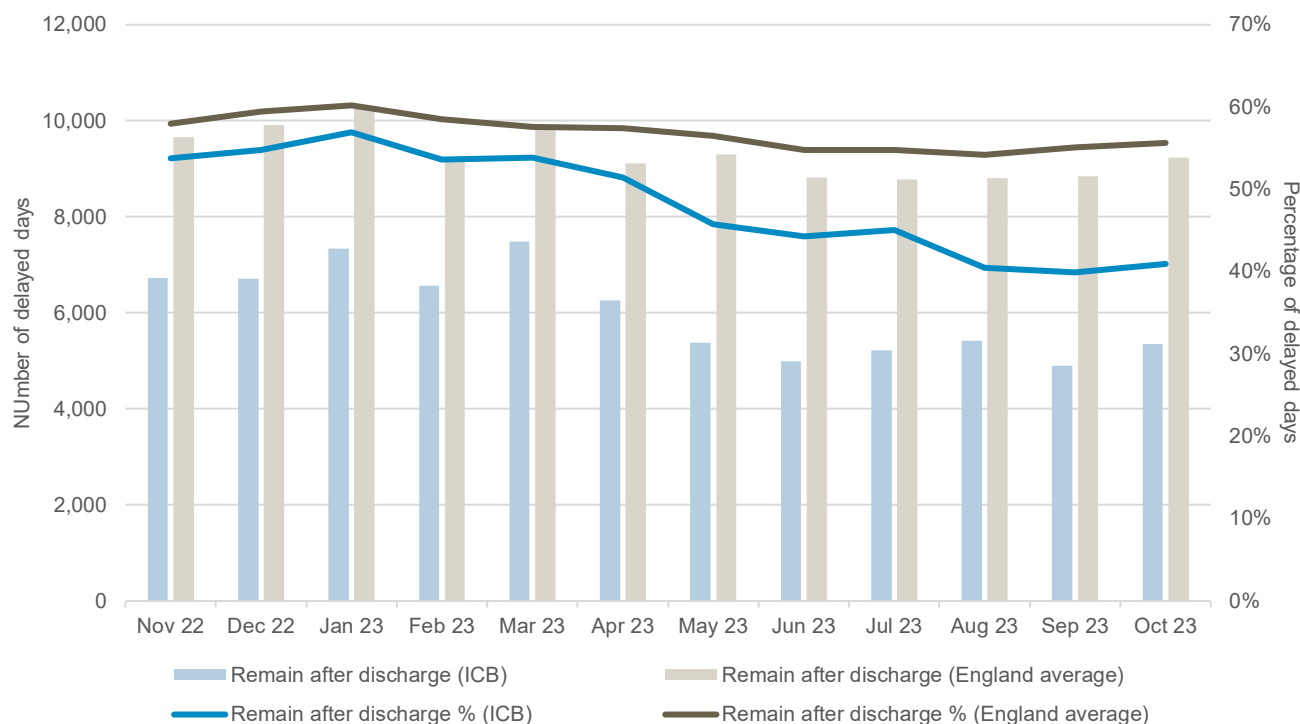


Figure 14: Delayed discharge days awaiting non-acute NHS care - NHS Hertfordshire & West Essex ICB

⁵ Ward, D et al (2017 – updated 2021) *NHS Hospital bed numbers*

19. Impact and benefits of the proposed redevelopment

19.1 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 therefore aware of the consistent themes that are raised by adult social care commissioning teams in respect of new care developments and their potential impact upon the local area.

19.2 It should, however, be highlighted the subject proposal is for a replacement care home to improve the quality of accommodation available on site and to benefit from the economies of scale necessary for the operation of a care home best suited to the care of individuals who go on to require 24-hour care in a care home. As such, it is only increasing the number of CQC registered bedspaces from the existing 51, to a proposed 70 bedrooms and therefore while there is a relatively minor increase in the number of beds, the potential benefits in terms of the quality of accommodation and to the local community are substantial.

19.3 We have, therefore, summarised below the impact and benefits of the proposed redevelopment and respond to a number of commonly raised queries and issues to pre-empt areas where there may be perceived uncertainty or ambiguity in the need case:

Benefits - to residents

19.4 The increasing dependency levels of those who require care in a care home mean that accommodation must be fit for purpose and flexible, to enable care to be provided effectively and safely. The proposed care home will provide spacious, well-appointed care accommodation with bedrooms providing full en-suite wetrooms.

19.5 Greater safety and support for residents with care staff available on a 24-hour basis. The inclusion of a dedicated dementia unit seeks to address the significant need for specifically designed accommodation best suited to meet the particular care needs of these residents.

Benefits - to the local community

19.6 Provision of a modern, well equipped care home enables residents to remain within their local community when they require 24-hour care. It also enables Guysfield to continue in its current use as a care home. This is a help for families who may find it a challenge to provide sufficient care and support to loved ones.

19.7 The use of care home beds means a reduction in staffing requirements when compared to providing higher levels of domiciliary care to dispersed homes within the local community.

19.8 A further benefit is the release of under-occupied local family homes back to the housing market.

Response – the Covid-19 pandemic has reduced the need for care home beds

19.9 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 care home where there is an outbreak of a life-altering transmittable illness.

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

- Occupancy low point of 78.8 per cent average, 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.
- Based upon forecast elderly population growth rates, recovery now all older people have been offered the vaccine, together with the loss of care beds most affected, average occupancy levels have increased and continue to do so. We anticipate these will have returned to pre-COVID levels during 2024.

19.11 Our need analysis is based upon 2027, the earliest the proposed replacement care home could be operational and utilises Market Prevalence Rates (MPR) based on January 2024, at which time the occupancy recovery was assessed as being close to complete. Our assessment of the effect of the pandemic on the care home sector assumes that occupancy will have returned to pre-pandemic levels by our year of analysis, with no material impact upon the market size estimate.

19.12 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.

19.13 The *Less Covid-19* report, produced by the University of Leeds on behalf of the National Care Forum considered the lessons learned from care home operators from the pandemic and suggests the physical environment is important in terms of preventing cross-infection.

19.14 Given the increase in the provision of housing-with-care and domiciliary care as an alternative option for those older people with lower care needs, the care requirements of those individuals who now move into a registered care home have increased markedly over the past 15 years. A failure to address the shortcomings in the quality and suitability of existing care home supply will result in inadequate accommodation for those who require high dependency residential and dedicated dementia care.

19.15 The proposed replacement of Guysfield Residential Care Home is intended to fully update the existing care home to the standards sought by those older people (or their families acting as proxy) who require 24 hour care. This is intended to avert the potential loss of an existing, operational care home which has served the local community in Willian since it opened during the 1980s.

Response – the proposed replacement care home may impact upon existing health and social care services, and GPs in particular, who are already over-stretched

19.16 As the proposed new care home will provide more spacious, fit-for-purpose accommodation, an area can be made available for a visiting GP to hold an in-house surgery for residents, if required. This would serve to reduce 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 potentially reduces the number of unnecessary GP appointments, thereby alleviating rather than increasing waiting lists.

19.17 This provides benefits to the NHS as residents are less likely to be admitted to hospital overnight. Furthermore, the availability of care beds fully suitable or rehabilitation or step-down care will reduce the level of delayed discharge from hospital and free up much needed hospital beds.

19.18 The appeal decision for a proposed care home at Chelford House, Coldharbour Lane, Harpenden (Appeal ref: APP/B1930/W/20/3259161) made the point that the provision of a care home assists in a reduction in bed-blocking, thus further enabling the NHS to utilise beds more effectively, with the resultant benefits this has for the wider population. It is very clear that the issue of bed-blocking in the NHS is reaching a critical point, given the impact it is having on the delivery of accident and emergency care and the extended waiting times being experienced by ambulance crews.

19.19 In any event, the existing Guysfield Residential Care Home is currently registered by the CQC for 51 service users. The proposal to increase the home's capacity to 70 service users means that any potential negative impact upon existing health and social care services would only be to the extent of an additional 19 potential residents.

Response – the proposed replacement care home may impact upon already stretched local authority budgets

19.20 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.

19.21 A number of care home residents will move into a local authority area when a new home is developed; however, 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.

19.22 We are aware of the challenge faced by commissioning authorities in funding long-term care for elderly people who do not meet current saving thresholds. A further issue relates to prospective self-funding service users who subsequently deplete their savings and are 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 very 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.

19.23 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 issue, 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 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.

19.24 Again, it is important to note that the proposed redevelopment of Guysfield Residential Care Home only increases the home's CQC registration by a total of 19 bedspaces, taking the total registration from 51 to 70 older people.

19.25 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) is as follows:

19.26 *'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.'

- 19.27 The above makes it clear that such considerations should not be material in the planning decision-making process and should therefore be disregarded.

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

- 19.28 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-supported care, as, on average, the cost of domiciliary care is usually less than the weekly fee for a placement in a care home.
- 19.29 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 personal or dementia care support at this level will typically necessitate a residential environment.
- 19.30 The issue of staff recruitment and retention in adult social care as a result of the impact of the pandemic and Brexit has left a significant number of job vacancies and this is particularly apparent in Hertfordshire, as set out in the county's current *Care Market Sustainability Plan*. This can be mitigated through the concentration of older people within care homes where their care needs can be fully monitored rather than elderly people with care needs being dispersed in the local community, where it is difficult to recruit and retain care staff to provide domiciliary care.
- 19.31 For dementia sufferers, specialist accommodation is also required to cater to this service user group's specialist needs. Where informal care by family or friends is not on hand, or where the demands of the individual become too great, moderate and severe dementia sufferers, more often than not, require care in a residential setting, where 24-hour care and support is on hand in a safe and secure environment.

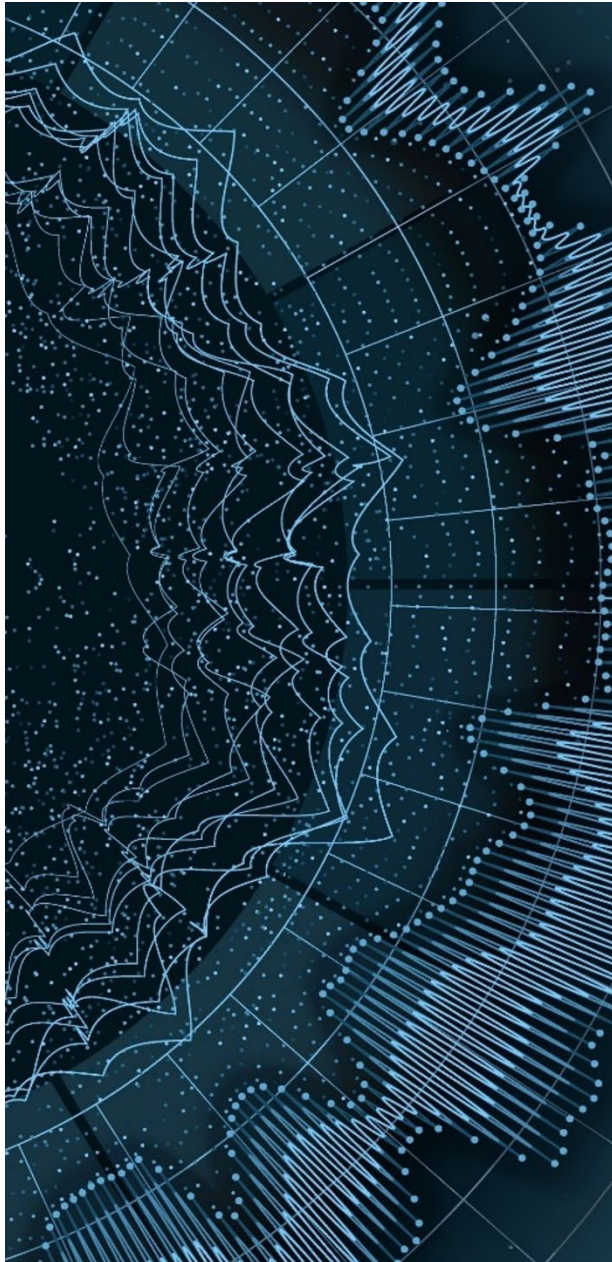
Response – housing-with-care/extra care as an alternative to the subject scheme

- 19.32 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.

- 19.33 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. However, simply increasing extra care provision is not a panacea for the accommodation and care needs of all elderly people and there is increasing recognition of its shortcomings and limitations for higher-dependency residents and those with dementia care needs. 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.
- 19.34 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 for the same reasons as identified above. In addition, most new extra care schemes in the private sector are aimed at the lower end of the acuity spectrum, as it is difficult, if not impossible, for private purchasers to go through the sale of their own home at the point at which they are frail enough to be considered for entry into a long-term care establishment.
- 19.35 The subject replacement care home is proposing to meet the needs of those requiring the highest levels of residential and dementia care usually where 'choice' is replaced with a 'needs-based' decision for themselves or their family/friends/key decision maker.

Key findings – other qualitative factors

- Delayed discharges from hospital continue to be a nationwide issue, resulting in elderly people remaining in NHS acute settings for longer than necessary, when more cost-effective care home accommodation can be made available to enable step down, rehabilitation or long term care.
- The COVID-19 pandemic highlighted shortcomings in the social care sector and reduced occupancy in the short term. This has resulted in a reduction of poorer quality supply and created additional need for better specified, new care home provision to cater for a still rapidly rising elderly demographic.
- With the increase in housing-with-care and domiciliary care for those older people with lower care needs, the care requirements of those individuals who move into a registered care home have increased markedly over the past 15 years. A failure to address the shortcomings in the quality and suitability of existing care home supply will result in inadequate accommodation for those who require care.
- The availability of well appointed, infection control-compliant, full market standard bedspaces in care homes that can care for those with high dependency needs is key and will enable NHS acute beds to function more cost effectively and remain available to those who need them.



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20. Quantitative need assessment for care home beds

20.1 We have calculated the need for care home beds as at 2027, the earliest the proposed redeveloped care home could be available, on the following catchment areas:

- market – a c 5-mile radius from the subject site;
- local authority – the North Hertfordshire Council area.

20.2 Need is assessed for two forms of elderly care:

- all beds – all categories, 'total market' need;
- specialist dementia.

20.3 We have assessed the existing supply element on the basis of full market standard bedrooms only, given that the existing care home provides 42 minimum market standard care beds and the replacement care home would be registered for 70 full market standard care bedrooms:

- full market standard – only bedrooms with full wetroom en-suites.

20.4 T24 provides our analysis of need on the basis of full market standard bedrooms, akin to those proposed in the subject replacement care home, based on 2027. It indicates a net need for 194 'all bed' full market standard bedrooms in the market catchment and 124 in the local authority area.

20.5 Based on 2027, there is a shortfall of 302 'full' market standard dedicated dementia care beds in the market catchment and 229 in the local authority area. The dearth of dedicated dementia beds as a subset of the total shortfall indicates the more significant requirement for this form of supply.

20.6 The replacement of the existing minimum standard bedrooms at Guysfield residential care home would serve to reduce the excess of poorer quality provision (by 42 bedspaces) in both the market catchment and local authority area. This would improve the quality of existing care home supply in both assessed catchments.

T24 Need analysis summary (2027)

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	1,056	897	436	370
Occupancy capacity allowance	88	75	36	31
Total need	1,144	972	472	401
Supply				
Current elderly wetrooms	890	712	140	110
Planned beds (to 2027)	60	136	30	62
Total supply (wetroom)	950	848	170	172
Net need				
Full wetroom en-suite bedrooms (full market standard)	194	124	302	229
Assumptions				
• Total market need based on ONS data projected to 2027 and Market Prevalence Rates (MPR). • Occupancy capacity allowance adjustment adopted at '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. All pending beds have been individually assessed based upon the likelihood of imminent development. • The need analysis excludes the subject scheme. • See Appendix B for full details of our need analysis above.				

21. National context and the proposal

- 21.1 The proposed, specifically designed, care home will provide 70 single bedrooms, all with en-suite wetrooms, together with a variety of spacious, well-appointed communal areas. Operational viability is paramount to the development of a new care home with schemes of 65–75 bedspaces being viewed as optimal.
- 21.2 As hospital stays become increasingly shorter due to delayed discharge legislation, rehabilitation within a care home is often considered as a short-term measure. For those with high dependency residential care needs or dementia, 24-hour care within a care home setting may be the only suitable long-term option.
- 21.3 The proposed replacement Guysfield Residential care home will be capable of caring for residents of all dependency levels, including those who require specialist dementia care, by providing flexible, COVID-19-compliant care accommodation to enable care to be administered most effectively and efficiently.
- 21.4 The elderly population in Great Britain is set to grow dramatically over the coming years, and the predicted increase will continue 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.
- 21.5 The increasing dependency levels of those who require care in a care home (given the increase in alternatives for those with lower care needs) mean that accommodation must be fit for purpose and flexible, to enable personal, dementia and nursing care to be provided effectively and safely.
- 21.6 There are a number of issues for the sector to address to enable it to keep pace with the projected demand for high dependency care beds. Increasing market expectations, social care funding and staff recruitment are all pertinent, and more recently, COVID-19 has had a significant impact.

22. Commissioning enquiries

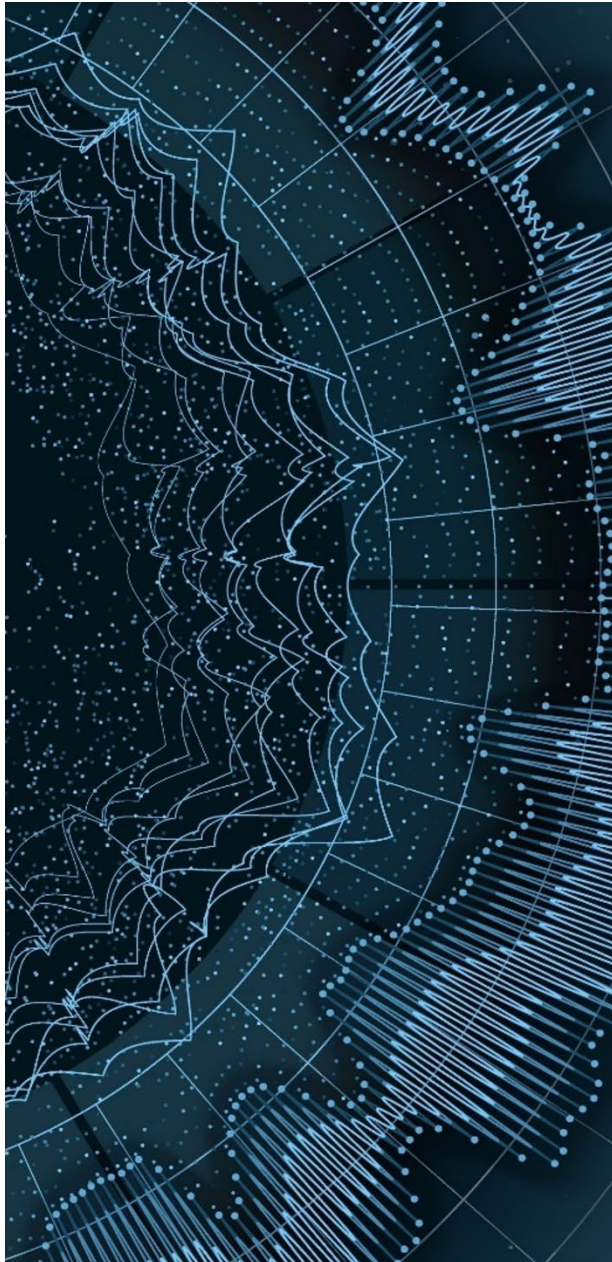
- 22.1 Hertfordshire County Council's social care strategy is in line with the majority of commissioning councils across the country in that it is seeking to support people to live independently in the community wherever possible, while ensuring that those needing more intensive support can access appropriate services, including care within a registered care home, in a timely fashion.
- 22.2 Demand for high-dependency residential and dementia care provision in care homes will, however, continue to rise in line with the growing elderly demographic.
- 22.3 Hertfordshire County Council Adult Social Care Commissioning consider, however, 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

- 22.4 As is currently the case, many of those who would occupy the proposed redeveloped Guysfield care home will be self-funded and the quality of care and accommodation together with proximity to family and friends, will be major drivers in the decision-making process, rather than the commissioning intentions of the local authority.
- 22.5 Sufficient care home bedspaces, suitable for those with higher level residential and dementia care needs, should be made available for both funded and self-funded older people who require well-specified, specifically designed care home accommodation that enables care to be administered most effectively and efficiently.

23. Qualitative need assessment for care home beds

- 23.1 Delayed discharges from hospital continue to be a nationwide issue, resulting in elderly people remaining in NHS acute settings for longer than necessary, when more cost-effective care home accommodation can be made available to enable step down, rehabilitation or long term care.
- 23.2 The COVID-19 pandemic highlighted shortcomings in the social care sector and reduced occupancy in the short term. This has resulted in a reduction of poorer quality supply and created additional need for better specified, new care home provision to cater for a still rapidly rising elderly demographic.
- 23.3 With the increase in housing-with-care and domiciliary care for those older people with lower care needs, the care requirements of those individuals who move into a registered care home have increased markedly over the past 15 years. A failure to address the shortcomings in the quality and suitability of existing care home supply will result in inadequate accommodation for those who require care.

The availability of well appointed, infection control-compliant, full market standard bedspaces in care homes that can care for those with high dependency needs is key and will enable NHS acute beds to function more cost effectively and remain available to those who need them.



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24. Planned supply

T25 Summary of planned provision											
Map ref	Catchment	Site address	Applicant	Scheme description	Net elderly beds	Dementia beds	Evidence construction has commenced	Estimated earliest year of opening	Distance from subject site (miles)	Planning reference/ date granted	Notes
Granted											
A	Market and Local authority	Gosmore End Nursing Home, Hitchin Road, Gosmore, Hitchin, Hertfordshire, SG4 7QH	Private individual	Construction of 60 bedroom care home including associated communal spaces, back of house and service areas, car and cycle parking, landscaping and planting following demolition of existing vacant care home.	60	30	Yes	2024	3.1	21/01734/FP - 04/01/2022	This home will be called Iris Court Care Home and is expected to open in Spring 2024. It will be operated by Barchester Healthcare and provide residential and dementia care.
B	Local Authority only	Land West of Newmarket Road, Royston Bypass, Land North of Royston, Hertfordshire, SG8 7JS	Frontier Estates Ltd	Construction of a 76-bedroom care home (within class C2), parking, access, landscaping and other associated works with SUDS.	76	32	Yes	2024	11.3	19/00248/FP - 11/06/2021	The care home will be called Ermine Lodge and operated by Quantum Care. It is expected to open during summer 2024.
Pending											
C	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 dwellings of use class C3, approximately 500 sqm of neighbourhood-level facilities, a new 2FE primary school, open space, play space, green infrastructure, and associated accesses, including a new primary access off Stotfold Road with limited access off High Dane.	60	20	No	2028+	1.3	18/01154/OP	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 or a 60-unit retirement housing scheme for the purposes of our analysis.

T25 Summary of planned provision											
Map ref	Catchment	Site address	Applicant	Scheme description	Net elderly beds	Dementia beds	Evidence construction has commenced	Estimated earliest year of opening	Distance from subject site (miles)	Planning reference/ date granted	Notes
D	Market catchment only	129 High Street, Arlesey, Bedfordshire, SG15 6SX	Mintridge Consulting Ltd	Outline Application: with all matters reserved except means of access, for the demolition of 2 existing dwellings and erection of a 64 bed care home (C2 use) and up to 103 dwellings (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+	3.8	CB/23/03541/OUT	-
E	Market Catchment only	Land To West Of A1(M) & South, Stevenage Road, Todds Green, Stevenage, Hertfordshire, SG1 2TS	Taylor Wimpey Central London	Full planning permission for construction of on 390 residential units, a cricket pitch and/or football pitches with ancillary pavilion, public open space and amenity space associated landscaping and ecological enhancements, internal highways, footpaths, cycleways, drainage, utilities, service infrastructure, acoustic bunding and fencing, improvements to existing access routes across A1(m) via Six Hills Way, Bessemer Drive, Redcar Drive And Meadway and highway improvements along Chadwell Road. Outline planning permission for up to 1,110 residential unit units principal employment area, a residential care home (up to 72 bedrooms) and up to 400 sq m use class E space, a mixed use local centre, a neighbourhood square, a primary school, public open and amenity space and sports facilities	72	24	No	2028+	4.2	21/00356/FPM	The proposed care home forms part of the outline application for this scheme and is not, therefore expected to progress for some time if planning permission is forthcoming.

T25 Summary of planned provision											
Map ref	Catchment	Site address	Applicant	Scheme description	Net elderly beds	Dementia beds	Evidence construction has commenced	Estimated earliest year of opening	Distance from subject site (miles)	Planning reference/ date granted	Notes
Recently Refused (not included in our assessment)											
F	Market Catchment only	18 North Road, Stevenage, Hertfordshire, SG1 4AL	Muller Property Group	Outline planning permission for the demolition of existing house and construction of an up to 76 bedroom care home (use class C2). Detailed design of access with appearance, landscaping, layout and scale as reserved matters.	76	27	No	Not applicable	2.6	23/00107/OPM	This application was refused on 11 December 2023. It has not been included in our analysis, but there is still a possibility that an appeal could to be lodged.
Total in market catchment					256	95					
Total in local authority area					196	82					
Total in market catchment by year of assessment (2027)					60	30					
Total in local authority area by year of assessment (2027)					136	62					

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

25. Map of existing and planned supply

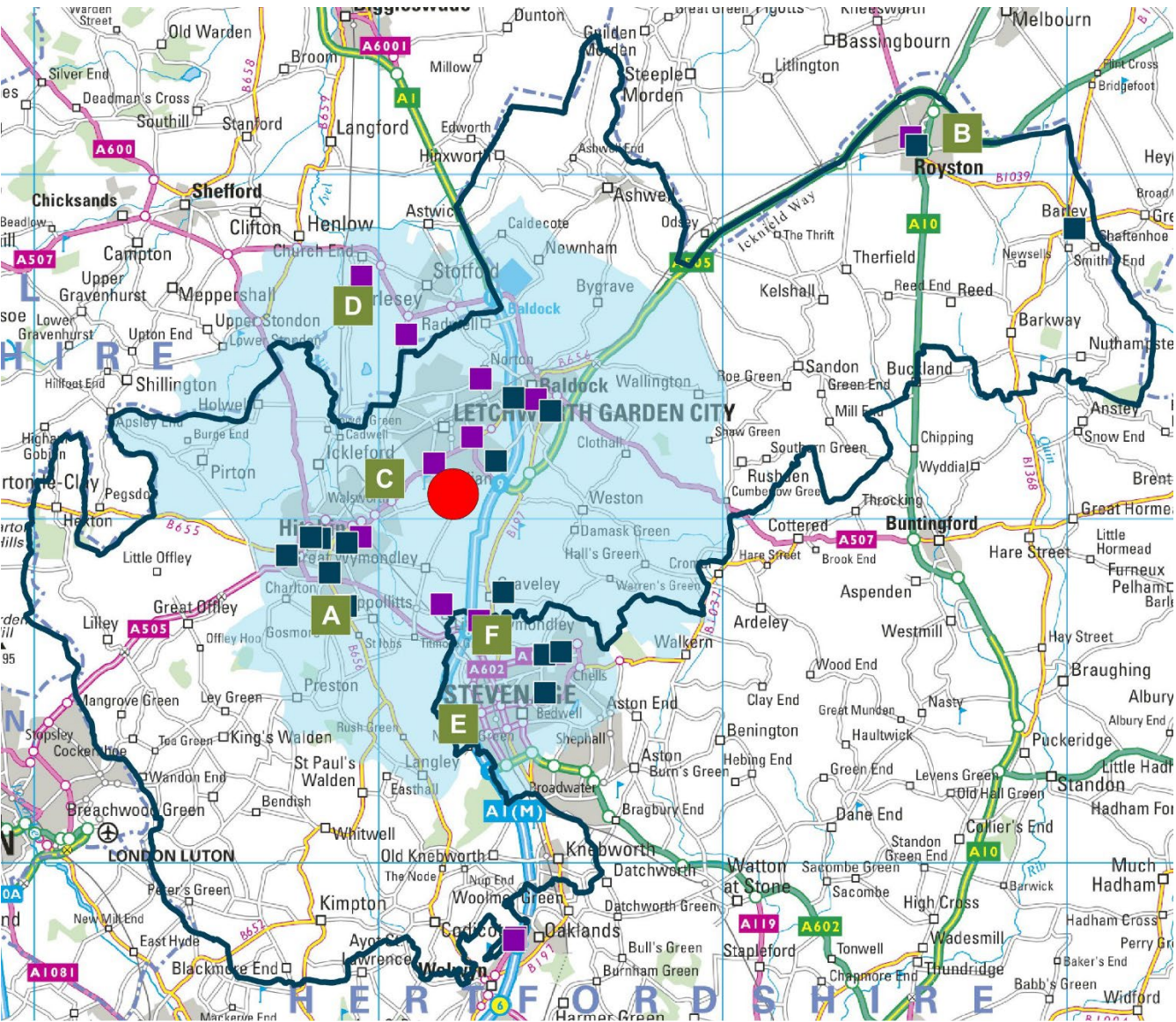


Figure 15: Map of all existing homes and planned supply

Key:

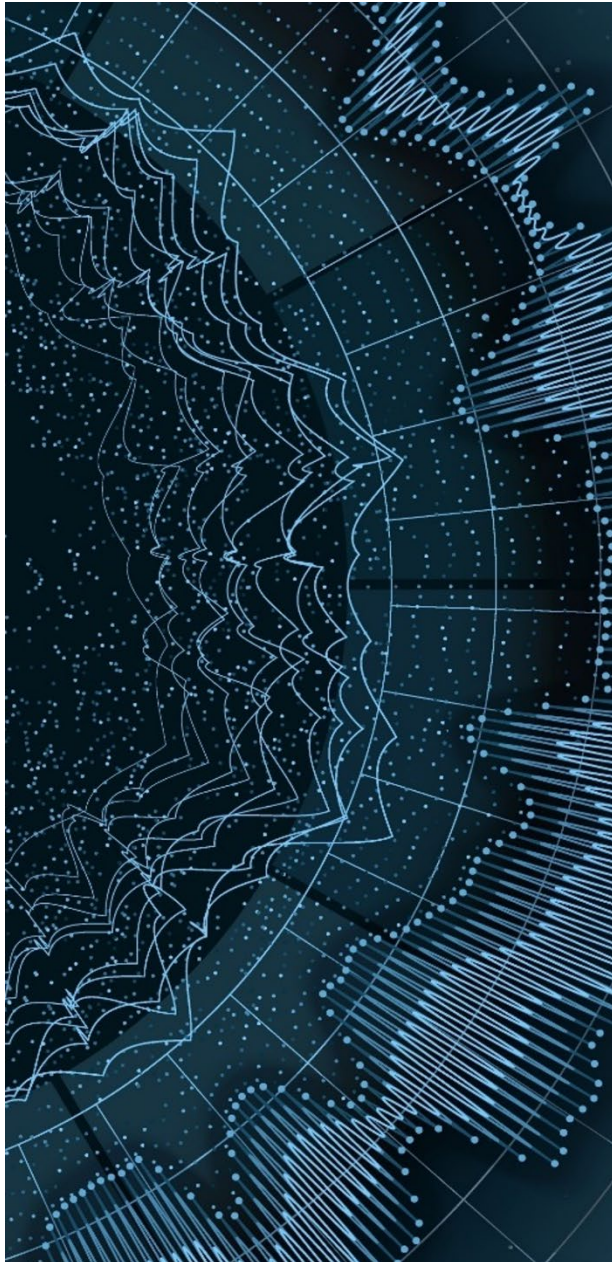
- Subject site
- Personal care
- Nursing
- Planned provision

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

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



Figure 16: Location map



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A: Sources of information

Sources of information

We have utilised the following sources of information:

- Census 2021 population statistics;
- ONS 2018-based population projections;
- Carterwood database;
- NHS England;
- A–Z Care Homes Guide;
- 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*;
- Alzheimer's Society: *Low expectations: Attitudes on choice, care and community for people with dementia in care homes*, February 2013;
- 'Estimating Housing Need'. Department for Communities and Local Government (2010);
- North Hertfordshire 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.

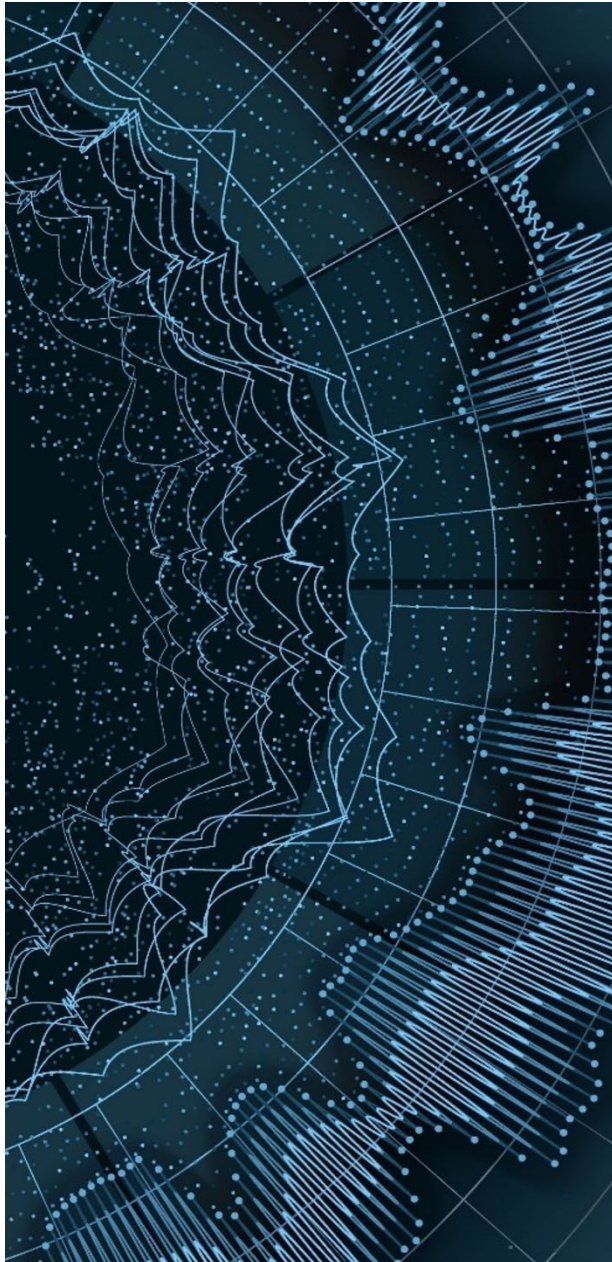
Confidentiality

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

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

Conflict of interest

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



Appendix

B: Methodology for assessing need

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

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 11–17 of this report.

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

In our opinion, taking all factors into account, the most appropriate means of assessing whether a particular area has sufficient net need to warrant additional care beds is to measure the difference between gross need for elderly care home beds and the current and future supply; we provide below a fuller explanation of the process used.

Gross need (total market)

We assess gross need for care home bedrooms for older people using Census 2021 population data and ONS 2018-based population growth rates. Updated ONS sub-national population growth rates are not expected to be available until 2025.

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 2024.

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 with dementia being the prevailing cause. This indicates that 41.3 per cent of residents within the surveyed care homes were admitted with dementia as the primary cause. Therefore, utilising this prevalence 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.

This measure, by definition, assumes that the principal reason for admission to a care home is based upon the dementia condition. 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 would have been admitted due to a physical frailty/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 planned schemes regardless of their deliverability.

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

We combine the results of our gross need analysis 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.

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;
- A pandemic/outbreak of life altering transmittable illness.

We provide an indication of need growth between the years 2026 and 2043 in Section 17. 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.

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

We are aware of some local authorities that suggest that, as the CQC continues to register existing care homes 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 catering to

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

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 increase in the elderly population starts to take effect.

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 more recent examples of such below which evidence both the geographical and temporal nature of these planning permissions:

- 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.
- Trb Ltd, Trb Drive, St Asaph Business Park, St Asaph, Denbighshire, LL17 0JB (planning ref: 40/2021/0309) Erection of a 198 bed Registered Care Home (Use Class C2), landscaping, parking facilities and associated works.
- The Springbrook, Stockport Road, Grappenhall and Thelwall, Warrington WA4 2WA (planning ref: 2021/38631) Full Planning (Major) – Proposed demolition of existing public house and erection of a three-storey building comprising of a 70-bed care facility (Use Class C2) with associated car parking and landscaping.
- Chelford House, Coldharbour Lane, Harpenden AL5 4UN (planning ref: 5/19/1642) – the redevelopment including the demolition of the former Chelford House to a 63-bed care home (C2 Use Class), with amendments to access, parking, amenity space and associated infrastructure. Allowed at appeal APP/B1930/W/20/3259161.
- Langley Court, South Eden Park Road, Beckenham, BR3 3BJ (planning reference: 18/00443/FULL1) – redevelopment of the site to provide 280 residential units (Use Class C3), a Use Class C2 care home for the frail elderly, retention of the sports pavilion, retention of the spine road, provision of open space and associated works.
- Harpwood, Seven Mile Lane, Wrotham Heath, Sevenoaks, TN15 7RY (planning reference: 18/02137/FL) – demolition of existing care home building (use class C2) and erection of a replacement care home (use class C2) with associated car parking, refuse and external landscaping.
- Marie Foster Centre, Wood Street, Barnet, EN5 4BS (planning reference: 18/5926/FUL) – demolition of existing buildings and construction of a part two-, part three-storey building with accommodation in the roofspace and at lower ground floor level, to provide a 100-room care home with associated communal areas, amenity space, buggy store, refuse/recycling store, cycle store and sub-station. Provision of 43 off-street parking spaces.
- Land north east of Ex-Servicemen's Club, Scotland Road, Carnforth, Lancashire, LA5 9JY (planning reference: 18/01183/FUL) – erection of a care home building comprising of 118 bedrooms and communal, staff and services areas, with associated internal road layout, car

parking and landscaping, creation of a new access and construction of a new retaining wall.

- 11 Elmfield Avenue, Stoneygate, Leicester LE2 1RB (planning reference: 20171457) – demolition of single dwelling and construction of a three-storey 72-bed care home (class C2), access, parking, landscaping, trees and other associated works (amended plans).
- Carpenders Park Farm, South Oxhey, Watford, Hertfordshire, WD19 5RJ (planning reference: 17/1010/FUL) – demolition of existing buildings and provision of 76-bed care home, with landscaping improvements, the upgrading of an existing access, provision of car parking, and associated infrastructure.

analyse the elderly care home provision currently available upon which to assess existing and projected need.

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 4,000 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



Appendix

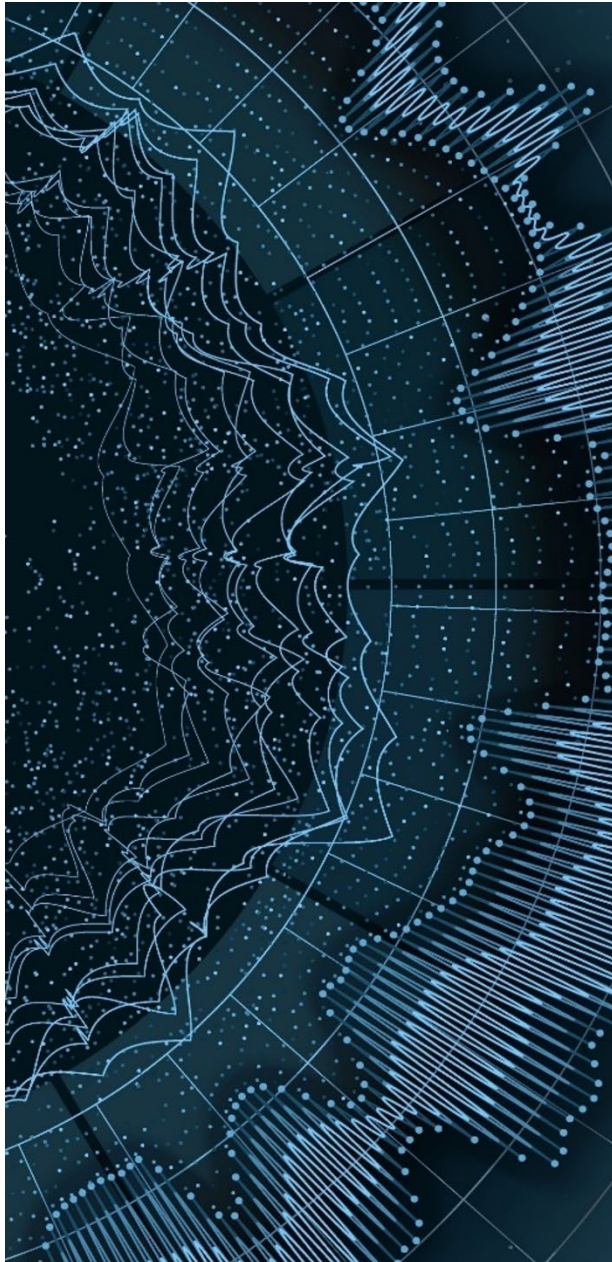
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D: Definitions and reservations

Timing of advice

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

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

Data analysis and sources of information

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

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

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

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

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

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

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

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

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

Purpose and use

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

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

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Extraordinary market factors

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

Census 2021

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

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