

Personal Details		Agents Details (if applicable)	
<i>Organisation Name:</i>	The Retirement Housing Consortium	<i>Organisation Name:</i>	The Planning Bureau

Are you responding, to object to, or in support of the Plan?

Object

Support

To which statutory requirement does your response relate?

1) *Legal compliance*

2) *Compliance with the Duty to Cooperate*

3) *Soundness*

If your response is about the Plan's "soundness", to which of the soundness tests does it relate?

a) *Positively prepared*

b) *Justified*

c) *Effective*

d) *Consistent with national policy*

Please provide details about what part/ parts of the Local Plan your representation relates (as appropriate)

Section/ Chapter

<i>Number/ reference</i>	8
<i>Heading</i>	Housing delivery

Policy/ paragraph

<i>Number/ reference</i>	EN31
<i>Heading</i>	Older people's housing provision

Policies Map

<i>Number/ reference</i>	
<i>Heading</i>	

Statement

How does the Plan, section, or policy/ paragraph meet, or fail to meet, the relevant statutory requirements [(1)-(3), above] and/ or soundness test [(a) – (d), above]?

Please see attached letter.

For an objection, how could the Plan, section, or policy/ paragraph be amended in order to meet the stated statutory requirement and/ or soundness test?

Please see attached letter.



East Northamptonshire Council
Planning Policy
By online representation form

19 March 2021

Dear Sir/Madam,

**Representaiton on behalf of the Retirement Housing Consortium
Local Plan Part 2: Publication (Pre-submission draft) Plan consultation**

Please accept this representation on behalf of the Retirement Housing Consortium comprising McCarthy Stone Retirement Lifestyles Limited and Churchill Retirement Living, which are market leaders in the provision of specialised housing for older people. We appreciate the opportunity to comment on the consultation. We trust the observations made will be of assistance and will be acted-on as you progress the Local Plan.

We have set out our responses to EN31: Older People's Housing Provision.

The current Core Strategy and the consultation draft identifies a high level of need for specialist housing for older people in the area and with increasing demand exceeding supply this continues to increase. The National Planning Practice Guidance (NPPG) identifies the need to provide such specialist housing as critical, recognising the ageing demographic and the benefits that such developments bring with them. These benefits are not just for residents but include the wider economic and societal benefits, not least in addressing isolation and reducing the burden on health and social services.

Policy should also recognise the potential for retirement housing in such locations to assist the regeneration of settlement centre high streets. Policy should actively support and ensure the delivery of older persons housing on such sites.

We are therefore concerned that the Local Authority appears to direct the future housing needs of older people to form 10% of housing allocations. However, beyond a requirement for a proportion of housing in sites coming forward being provided for older people, there is no policy presumption in favour of, or encouragement for this form of development. Retirement Housing is generally delivered by small developments exclusively designed to meet the needs of older people. They may form part of a wider development but more often are delivered on centrally located urban brownfield sites of usually less than 0.5 hectares.

Additionally, whilst there is an acknowledged need to provide more housing specifically designed for older people, there are many barriers to its delivery. Good sites for such development are increasingly difficult to find and different economic and viability considerations apply to mainstream housing including





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generally higher acquisition costs, build costs, slower sales rates and the need to provide non saleable communal areas.

We note that while viability modelling has been undertaken in support of the plan that it does not consider the type of accommodation delivered by McCarthy Stone Retirement Lifestyles Limited and Churchill Retirement Living who account for the delivery of 90% of the private specialist accommodation in the UK. Moreover the viability assessment does not consider the viability of retirement or sheltered housing for the elderly. The Modelling is shaped around the proposed policy EN31. However all of the viability testing for housing for older people is restricted to extra care housing.

We are also concerned with some of the assumptions used for the testing of extra care accommodation. The plan is based on assumed gross to net ratios of of 70% saleable floorspace whereas 60-65% is more accurate.

Even with these incorrect assumptions the assessment suggests that the inclusion of extra care reduces land value on the urban extension sites tested from £24.02 million to £18.79 million. It therefore acknowledges that extra care housing at drastically reduces viability.

Of the limited testing they have undertaken the following does not accurately assess housing for older people. The inputs, in our experience should be as follows:

- Marketing – should be at least 5% (they use 3.5% combined)
- Sales rate – should use 1 per month for Older Peoples housing (they use 3-6 per month)
- Profit Margin - 20% (they use 18%)
- Professional Fees – 10% *they use 18%)
- Gross to net floorspace - 60% for Extra care and 75% for retirement living accommodation.

Therefore in conclusion, of the limited testing undertaken, once the above is factored in the viability position for extra care is likely to worsen dramatically.

The BNP Paribas testing suggests that housing for older people is unviable and that in isolation such housing is unlikely to ever meet the affordable housing target. In line with para 001 of the NPPG which states that different targets for different typologies can be adopted within local plan policy, officers should consider adopting a nil target in respect of affordable housing on schemes promoting housing for older people.

It is imperative that far greater numbers of specialist housing for older people are accounted for in any Local Plan. Recent research shows that every retirement property sold generates at least two moves further down the housing chain. This frees up homes at differing stages of the housing ladder for different



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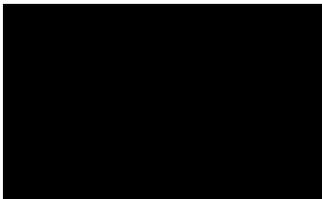
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demographics thereby providing more housing options and a more responsive housing market. A typical specialist retirement housing development, which consists of 40+ apartments therefore results in 80+ additional moves further down the chain. If 30,000 later living properties were built per year (10% of the Government's overall housing target) this would mean 60,000 or more additional house moves are facilitated each year .

There is a proven health and social care benefit arising from people living in specialist retirement housing and evidence that people living in retirement housing are less susceptible to COVID-19 infection. Across the 441 retirement communities that McCarthy Stone currently manage, which support c.20,000 older people, infection rates among our residents were 27% below the national average for over 65s, and four times below the national average for over 85s, which is the closet age group to our homeowners. This has shown the value of retirement living in supporting older people at this difficult time.

We trust that the above comments will be considered in the evolution of any emerging consultation document and that viability testing for all forms of specialist accomodaiton for older people is considered before the plan is submitted to the Inspectorate for Examination. We trust that we will continue to be invited to comment as the document progresses.

Yours faithfully



The Planning Bureau

