Planning Appeal Ref: APP/W0530/W/22/3307903

Appeal by Cassel Hotels (Cambridge) Ltd
Former Hotel Felix, Whitehouse Lane, Girton, CAMBRIDGE CB3 0LX

20 January 2023

Planning need for a care home (Class C2)
Rebuttal Proof of Evidence

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1. Rebuttal proof of evidence

1.1. My rebuttal seeks to clarify and respond to points made in Mr Singh's proof of evidence on behalf of the local planning authority. References to paragraphs [P/n.n] are therefore to those in Mr Singh's evidence, unless otherwise stated.

1.2. Mr Singh accepts [P/2.5] that '*there is a need for additional CQC registered beds in South Cambridgeshire, and a need for specialist dementia care facilities'.* He suggests, however, that this is at a '*much lower level than the "critical need" / "critical shortfall" of available bedspaces'* referred to by the appellant.

1.3. Mr Singh confirms that he does not take issue with the methodology adopted by Carterwood [P/6.1], but rather the assumptions and judgements made as part of that assessment.

1.4. I provide my response in detail below under the following headings:

i) Existing provision of care beds for older people

ii) Projected need

iii) Specific need for dementia care beds

iv) G.L Hearn report (*Housing Needs of Specific Groups* (October 2021))

v) Factors affecting future demand

vi) Recent permissions

i) Existing provision of care beds for older people

1.5. [P/1.2] confirms Cambridgeshire County Council's (CCC) role under Part 1 of the Care Act 2014 includes *'the need to ensure that sufficient services are available for meeting the needs for care and support of adults in its area'* and that this [P/1.4] *'involves an understanding of what facilities already exist in the County Council's area and an understanding of existing and future needs'*.

1.6. It is essential to understand that the "needs" in question are diverse. Older adults within CCC's area will include those with significant frailties, those with complex care conditions and those with residential and nursing dementia care needs, who can no-longer remain living independently and require 24-hour care within a care home. CCC should therefore ensure that there are sufficient, appropriately specified care home beds available for all older people who require them, as set out in [P/4.1], which confirms that '*the Care Act places the County Council under duties to facilitate a diverse, sustainable high-quality market for their whole population, including those who pay for their own care, as well as to promote the efficient and effective operation of the adult care and support market as a whole'.*

1.7. It is, therefore, important for CCC to have full knowledge of the county's existing supply of care beds and whether these are both fit-for-purpose and sufficient in number to meet existing needs. The must be done prior to conducting any assessment of the level of additional supply required to meet future needs, with allowance made for any potential loss of existing care beds which may no longer be fit-for-purpose.

1.8. There appears, however, to be a discrepancy in CCC's analysis of the quantity of existing supply. The *District Demand Profiles for Older People's Accommodation 2021-2036*[1] report presents data obtained from the Care Quality Commission (CQC), as referring to '*residential and nursing care beds for people aged 65+ by district and bed type'*. It makes no mention of the fact that [as set out in P/4.2 and P/4.4] it includes specialist care beds for adults aged over 18 years old with physical disabilities.

1.9. This explains the difference in the total number of CQC registered care beds assumed by Mr Singh [P/4.17] to be available in South Cambridgeshire in 2022 of 1,030, and the total number of registered beds for older people set out in table T5 in my proof, assessed as being 984.

[1] CD126 District Demand Profiles for Older People's Accommodation 2021-2036 (graph on page 5)

1.10. [P/6.2] suggests that the definition of care beds used by Carterwood is different to that used by the rest of the care sector. I disagree. The CPNA[2] bases the minimum assessment of need on the existing supply of 'market standard' bedrooms (with an en-suite providing a wash hand basin and WC as a minimum) and includes detailed reasons for this approach, which has been standard market practice for planning applications for a number of years. My proof[3] also makes reference to LaingBuisson research, which explains the difference between 'registered beds' (or maximum registered capacity) and 'available beds' and provides reasons why those that are 'unavailable' may not be suitable to be brought back into service.

1.11. CCC have not provided a breakdown of existing supply, nor, it seems, have completed any assessment to determine the number of currently registered and available care beds in order to provide a robust basis for the analysis of projected need for additional care home beds to 2036. [P/6.6] states that CCC would work with providers and use their information about acceptable bed volumes when assessing need. This does not appear to have been the case, given that CCC have simply used the data available from the CQC with no further interrogation. Most importantly, CCC provide no analysis to determine if the existing supply of care beds is fit-for-purpose for the use of older people whose care needs progress to a point where they require care in a care home during the period of assessment to 2036.

ii) Projected need

1.12. The projected need table [P/4.7] sets out the overall market requirement over the next 15 years (from 2021, for Peterborough City Council and CCC) of '*2,601 new CQC registered beds or equivalent by 2036'*.

1.13. What is not clarified in the table is exactly how the overall market requirement has been calculated. It is simply asserted that it was worked out by *'Using population growth, LA research and external research information'.* In fact, the projected overall market requirement of 2,601 beds over the next 15 years (from 2021) is purely based on a 48 per cent increase in the existing number of care bedrooms across Peterborough and Cambridgeshire[4]. The '*Development of accommodation based care'* presentation from the market engagement event in March 2021 (Mr Singh's Appendix G2) show that the projected 48 per cent growth in care beds is based on the projected increase in the 65+ population between 2021 and 2036. (Indeed, the graph in the slides that shows the projected increase in the number of care beds is incorrect and makes it appear that there will be a substantially greater increase than is intended[5]).

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[2] CD17 – Carterwood Planning Need Assessment, December 2020. T19, page 30 and in Appendix B of the report, entitled 'Definition of Market Standard Beds'
[3] CD156 – Proof of evidence of Mrs J Venables, page 19, paras 7.3-7.5 (available beds) and page 27 paras 8.9-8.11 (national minimum standards).
[4] GSApp2 – pages 9 (population increases) and 10 (projected increase in care beds)
[5] The columns for 2021 actually show the existing and projected increase in the Peterborough care bed figures and the 2036 columns are the two Cambridgeshire existing and projected care bed figures.

1.14. I question why the percentage increase in those aged over 65 has been used when the majority of residents in care homes are in older age groups (as shown by the LaingBuisson Age Standardised Demand prevalence rates[6] applied to the elderly age cohorts, which increase significantly by age). Over the same period, the population aged over 85 is expected to increase by 110 per cent, yet this has not been used to project increased demand. I consider that the projected growth applied to the number of existing care home beds to reach the *'overall market requirement'* is therefore too low.

1.15. The assessed '*overall market requirement'* to 2036, which '*assumes the proportion of older people accessing care homes remains the same'* [P/4.7] is then divided three ways: between care home beds (28%), housing-with-care (46%) and domiciliary care (26%). The methodology used for the projected increase in care home beds and housing-with-care is discussed further below. Whilst the use of domiciliary care in cited as an alternative, it should not be forgotten that homecare capacity, care workforce recruitment and retention, and a shortage of personal assistants[7] were all cited as key pressures in South Cambridgeshire in the Market Position Statement 2018 and this position is unlikely to have changed since then as a result of Brexit and the pandemic.

1.16. [P/4.5] states that CCC have then utilised market intelligence from LaingBuisson to inform its demand forecast projection and explains that '*UK wide, care home capacity has remained largely flat over the past 10 years, even though the numbers of older people has increased significantly, and that during the same period, there has been a substantial growth in housing with care options'.* While Fig 1.10[8] shows this is the case on a national basis when considering the volume of demand for care in residential settings for older people and those living with dementia (65+), no mention is made of (i) regional variations in existing supply, nor (ii) the quantity of new care beds that have been developed and replaced obsolete stock.

1.17. The two projections in Fig 1.10 show how the volume of demand for care in residential settings may change on two bases, an '*adjusted index of population ageing*' (adjusted downwards by a 'counter driver' of 1.95 per cent per annum) and the '*index of projected deaths among people aged 80+*', projecting increases of 25.5 per cent and 4.3 per cent, respectively, over the period to 2031. [P/4.6] advises that CCC adopted the mid-point between these percentages for its analysis of future need for four reasons: (i) lower occupancy as a result of Covid-19, (ii) market diversification; (iii) fewer developments coming forward; and iv) new models of care, such as independent living services.

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[6] CD156 – Proof of evidence of Mrs J Venables, page 15,para 6.2.
[7] CD128 – Cambridgeshire and Peterborough Market Position Statement (2018/19) page 4.
[8] CD134 – Proof of evidence of Mr G Singh, Appendix GS1

1.18. As set out in the notes to Fig 1.10, the 'counter driver' *'represents a combination of factors which have supressed, and will continue to suppress, demand for care homes for older people, including substitutes such as housing-with-care and live-in-care as well as financial pressures on councils to limit residential placements'*. CCC's use of the mid-point is therefore illogical, given that these factors are already accounted for in the projection.

1.19. It is also questionable why CCC chose to use this mid-point for two projections to 2031, when their projected need assessment considers gross need to 2036.

1.20. At the time CCC completed the need analysis in 2020, it was not known whether the pandemic would result in a reduction in the need for care beds. As it has turned out, the impact of the pandemic and its aftermath on NHS beds has resulted in the planned use of care home beds to alleviate bed-blocking. Market diversification and the suggestion that fewer developments are coming forward are, in my opinion, reasons why it is paramount to ensure that current provision meets existing need. Furthermore, the Market Position Statement 2018-19[9] makes the point that *'the high cost of land means there are currently a comparably low number of care homes to manage the residential, nursing and dementia needs of service users in Cambridgeshire'*.

1.21. My proof[10] shows that the East of England has the lowest ratio of registered care bed supply in the United Kingdom (with the exception of Greater London). To assess gross need I have applied the LaingBuisson Age Standardised Demand (ASD) East of England '*regional rates'* to each elderly age cohort. These prevalence rates have reduced in recent years to reflect the increase in other forms of care and accommodation (i.e. extra care and domiciliary care) as an alternative to a care home.

1.22. [P/6.11] states that the CPNA is based on national population growth figures. This is incorrect. While the report sets out the 'National context and key definitions',[11] the need assessment (and updated need assessment contained within my proof) applies the ASD rates to the South Cambridgeshire elderly population profile for the projected years of assessment.

[9] CD 128 – Cambridgeshire and Peterborough Market Position Statement 2018-19, page 14
[10] CD156 - Proof of Mrs J Venables, Appendix A, table 1.15 (internal page 79) and para 6.2 on page 15 (ASD rates)
[11] CD17 – Carterwood Planning Need Assessment. 'National Context and Key Definitions' page 8.

iii) Specific need for dementia care beds

1.23. [P/4.21] acknowledges that there is a '*significant growing incidence of dementia in older people'* and that the Adult Social Care Market Position Statement 2018–19 identified a lack of capacity to deliver nursing and nursing dementia care for older people in some areas of Cambridgeshire (South Cambridgeshire was one of the identified districts). [P/4.22] suggests that whilst the number of people being diagnosed with dementia is growing, it does not equate to an increase in the need for registered beds. It states that the introduction of Independent Living Services for people with high dependencies and dementia will form part of a mixed market approach to address this need.

1.24. Even in 2018, the Market Position Statement identified a *'significant gap in provision'* in residential dementia beds and nursing dementia beds in South Cambridgeshire. I have already questioned whether any specific analysis has been completed to determine whether the existing supply is sufficient to meet the existing need.

1.25. Mr Singh comments that the development of the Market Position Statement was a starting point in offering a choice of the best services to local residents and that in the 3 years since its publication CCC have undertaken further work on needs and has an updated strategy as to how these needs will be met. I note that the *District Demand Profiles*[12] report advises that it is the '*first iteration of our data, findings and ideas; subject to Council approval'.* [P/4.23] states that CCC is working to publish its Adult Social Care accommodation assessment strategy by March 2024. I assume this will be subject to Council approval and consultation and may therefore have an elongated timescale.

1.26. Whilst I am aware that CCC People and Communities have been seeking to progress an Independent Living Scheme in another local authority area [13] since before 2020, a planning application has yet to be submitted for the scheme. I have checked extant planning consents and planning applications for South Cambridgeshire and do not see any proposed Independent Living Services schemes specifically for those living with dementia. It is doubtful, therefore, that any such provision will be made available in the short to medium term, despite the need for care home beds specifically for those with residential dementia and nursing dementia needs being cited as an '*unprecedented challenge'*[14] back in 2018.

1.27. It should also be noted that the proposed CCC Independent Living Schemes are intended primarily to reduce the cost of meeting the care and support needs of eligible adults whose care is funded by the local authority. They are unlikely to provide accommodation, care and support for those who self-fund their care.

[12] CD126 – District Demand Profiles for Older People's Accommodation 2021 2036, pages 5 and 6
[13] Proposed 58 independent living suites on site adjacent to the Princess of Wales Hospital in Ely, East Cambridgeshire District Council local authority area.
[14] CD128 – Cambridgeshire and Peterborough Adult Social Care Market Position Statement 2018/19, page 2

1.28. The need assessment for dedicated dementia care beds set out in the CPNA and in my proof incorporates LaingBuisson data on the percentage of residents admitted to a care home with dementia as a primary cause.[15] As a percentage of the ASD rate it has also reduced over time to make allowance for alternative forms of housing and the fact that care can be met in alternatives to a care home.

iv) GL Hearn report (*Housing Needs of Specific Groups* (October 2021))

1.29. At [P/5.2] Mr Singh comments on why he considers the '*current shortfall of 642 beds*' assessed by GL Hearn in 2020, should be reduced.

1.30. Reason (1), as I have already discussed above, relates to the increase in registered care beds since the time of the assessment. While the '*current supply*' of 742 in 2020 has increased, it is lower than that suggested by Mr Singh, which includes beds for younger adults with physical disabilities. I have assessed the existing supply as 984 registered care beds. While this would reduce the GL Hearn shortfall by 222 registered care beds (assuming they are all available), there will also have been an increase in gross need since 2020, based on the increase in the elderly population.

1.31. Reason (2) makes the point that the projected shortfall of 1,613 care beds is forecast in 2040, 4 years beyond the projections provided by CCC. The GL Hearn report, however, makes it clear that there is a ***current*** shortfall in 2020. CCC have not assessed whether existing supply meets existing need prior to projecting future need.

1.32. The final reason (reason 3) that Mr Singh considers will influence the balance of need, is the degree to which the Council want to provide extra care housing as an alternative to residential care provision. He makes the point that CCC were developing their strategy at the time the GL Hearn report was produced. While this may be the case, the GL Hearn report[16] states that the current shortfall and notable projected future need '*should be considered as a maximum level, as there is a potential for some of this need to be met through the provision of extra care housing. This will relate to the needs arising for residential rather than nursing care'* (my emphasis). It is important to note, therefore, that extra care is seen as an alternative to residential care, as distinct from nursing care.

[15] 41.3 per cent
[16] CD129 – Housing Needs of Specific Groups – Cambridgeshire and West Suffolk (October 2021) GL Hearn Para 8.65, page 200

1.33. The point that has been overlooked in Mr Singh's evidence is that the GL Hearn report provides separate assessments of need for care home beds and extra care housing (housing-with-care).[17] These indicate an existing (2020) shortfall of 267 extra care units (for rent and leasehold), increasing to a shortfall of 665 by 2040, assuming there is no increase in existing supply. In my judgement, therefore, CCC is being unrealistic (at [P4.7]) in assuming that 46 per cent of their assessed need for care home beds can be met by housing-with-care (suggested as 97 independent living units in SCDC area[18]) by 2036, when there is already a significant existing and increasing shortfall of housing-with-care.

1.34. However, [at P/5.5] Mr Singh confirms that both the CCC need assessment and the strategy to meet that need (which is not intended to be available until spring 2024 at the earliest) *together with* the GL Hearn Report will be used to inform the emerging local plan (my emphasis).

v) Factors affecting future demand

1.35. Mr Singh [at P/6.23] relies on the County Council's '*anecdotal experience'* of the use of care homes reducing during 2020 and 2021 as factors affecting future demand to 2036, advising that it is '*only now are we seeing signs of some recovery from the Covid period when occupancy rates were significantly lower than pre-Covid'.*

1.36. As set out in my proof,[19] LaingBuisson expect to see a recovery to pre-pandemic levels during 2023. Recent research indicates that over 80 per cent of care home operators consider that pre-pandemic occupancy levels will return by the end of 2023. It is, in my opinion, unsafe to base projections for the next 15 years on anecdotal evidence from the time of the pandemic.

1.37. Indeed [P6.24] makes the point that the recovery will accelerate once certain factors are addressed, to include: (a) families' confidence in the reputation of care homes; (b) a care home's ability to recruit and retain staff; and (c) the alleviation of concerns about Covid-19 by demonstrating the highest infection control standards and no longer imposing restrictions on visiting loved ones. While I acknowledge that the use of domiciliary care and extra care will meet some of the increasing need by adding to the variety of forms of specialist housing and care for older people, there will remain a significant and increasing need for the provision of complex nursing and dedicated dementia care within a care home.

1.38. The subject scheme is specifically designed, incorporating infection control measures within a fit-for purpose environment for the care of older people whose care needs have progressed to the requirement for full-time-care.

[17] CD129 – Housing Needs of Specific Groups – Cambridgeshire and West Suffolk (October 2021) GL Hearn, page 198 – Table 101
[18] CD126 – District Demand Profiles for Older People's Accommodation 2021-2036. Page 17.
[19] CD156 – Proof of evidence of Mrs J Venables paras 6.2 and 6.3, page 15

1.39. The updated need assessment contained within my proof assumes an earliest operational year of 2025, by which point it is expected that pre-pandemic occupancy levels will have returned.

vi) Recent permissions

1.40. [P/6.16] makes reference to three new care homes having been granted planning permission since April 2020, with a total of 210 care bedrooms. The reference to the proposed 75-bedroom care home at New Road, Melbourn is incorrect as this was an application made under S74B of the Town and Country Planning Act 1990, to vary a condition relating to construction working hours on the outline planning permission (S/2791/14/OL) for the care home and a residential development. Detailed planning permission was granted for this 75-bedroom care home in February 2018 (Ref: S/3448/17/RM) and it was registered by the CQC and opened as 'Barchester Melbourn Springs Care Home' on 17 April 2020.

1.41. The 75 en-suite bedrooms provided at this care home are therefore included within the existing supply in the CPNA and the updated need assessment in my proof. They are also included in the Council's figure for existing supply obtained from the CQC.

Conclusion

1.42. Older people who are in need of care cannot afford to wait until appropriate levels of provision are made available. The CCC assessment, in my opinion, underestimates the level of future need in South Cambridgeshire, by not adequately addressing whether existing supply meets existing needs prior to using the existing supply as a basis for assessing the potential future need for additional care home beds.

1.43. CCC are required by the Care Act 2014 to ensure that sufficient services are available for meeting the needs for care and support of adults in its area. The wider range of options intended by CCC to meet the needs and expectations of all older people are likely to take time to come on stream and it is unlikely that such options will become available within an appropriate timescale to meet existing and increasing future requirements. It is also not fully known whether such 'independent living' and 'home care' alternatives will provide a suitable substitute for those older people with the most complex care needs who require nursing or dedicated dementia care.

1.44. For these reasons, it remains clear that there is a significant unmet need for care home beds for older people with high dependency care needs which can only be met in appropriately specified, high-quality, future-proof care home accommodation designed to incorporate best practice learned from the pandemic.