

The Planning Bureau Limited

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28th November 2024

Dear Sir / Madam

McCARTHY STONE AND CHURCHILL LIVING RESPONSE TO THE RUTLAND LOCAL PLAN REGULATION 19 CONSULTATION

Thank you for the opportunity to comment on the draft Rutland Local Plan Regulation 19 Consultation. McCarthy Stone (MS) and Churchill Living (CL) are independent housebuilders specialising in sheltered housing for older people. Together, they are responsible for delivering approximately 90% of England's specialist owner-occupied retirement housing. The operators are therefore well placed to provide comment on the policy barriers that may have the potential to restrict supply within the sector.

Please find below our comments on the Consultation Paper insofar as they impact the delivery of specialist accommodation for older persons. These comments are intended to assist the council in formulating approaches which are both workable in practice and avoid stymying the delivery of a housing typology which the PPG 'Housing for older and disabled people' describes as 'critical' in terms of addressing housing need.

Please note that this submission follows our earlier response in relation to the Reg 18 consultation document.

Policy H4 - Meeting all housing needs

In our response to the Regulation 18 draft we expressed concern that whilst the wording of this policy was well intentioned, it was not specific enough to deliver the specialist housing needed to meet the needs of older people and therefore not be consistent with national policy. We are therefore disappointed to see that the only amendment in the current consultation draft is to add 'where needed' to the policy. (see below)

...New Housing proposals shall also:

- a. *enable older people to promote, secure and sustain their independence in a home appropriate to their circumstances, through the provision of specialist housing (as defined in the Glossary) **where needed** across all tenures in sustainable locations.*

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New housing proposals shall take account of meeting identified needs for a growing ageing population by providing appropriate accommodation, including extra care and other forms of supported housing; ...

We remain concerned that the policy does not reflect the urgency contained within national policy to deliver sufficient housing for older persons in Rutland and therefore remind the Council of the national policy context and the wider benefits of providing age appropriate housing.

National Policy Context

Government policy, as set out in the revised NPPF, is to significantly boost the supply of housing. Paragraph 60 reads:

“To support the Government’s objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay.”

The revised NPPF looks at delivering a sufficient supply of homes. Within this context paragraph 63 identifies the size, type and tenure of housing needed for different groups in the community that should be assessed and reflected in planning policies. This includes ‘those who require retirement housing, housing-with-care and care homes.’

In June 2019 the PPG was updated to include a section on Housing for Older and Disabled People, recognising the need to provide housing for older people. Paragraph 001 Reference ID: 63-001-20190626 states:

*“The need to provide housing for older people is **critical**. 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**. Offering older people a better choice of accommodation to suit their changing needs can help **them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems**. Therefore, an understanding of how the ageing population affects housing needs is **something to be considered from the early stages of plan-making through to decision-taking**” (emphasis added).*

Paragraph 003 Reference ID: 63-003-20190626 recognises that:

‘the health and lifestyles of older people will differ greatly, as will their housing needs, which can range from accessible and adaptable general needs housing to specialist housing with high levels of care and support.’

Thus, a range of provision needs to be planned for. In addition, paragraph 006 Reference ID: 63-006-20190626 sets out that:

‘Plan-making authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people. These policies can set

out how the plan-making authority will consider proposals for the different types of housing that these groups are likely to require.'

Within this national policy context the Local Plan should recognise that housing for older people has its own requirements and cannot be successfully considered against criteria for adaptable and accessible general family housing or smaller homes.

Need for Housing for Older People

It is well documented that the UK has an ageing population. By 2032 the number of people in the UK aged over 80 is set to increase from 3.2 million to 5 million (ONS mid 2018 population estimates).

It is generally recognised (for example, within the Homes for Later Living Report September 2019) that there is a need to deliver **30,000 retirement and extra care houses a year** in the UK to keep pace with demand.

The age profile of Rutland can be drawn from the 2018 population projections from the Office for National Statistics. This advises that there were 9,878 persons aged 65 and over in 2018, accounting for 25% of the total population of Rutland. This age range is projected to increase by 5,289 individuals, or 53.5%, to 15,157 between 2018 and 2043. The population aged 65 and over is expected to increase to account for 32.6% of the total population of Rutland by 2043.

In 2018 there were 2,669 persons aged 80 and over, individuals who are more likely to be frail and in need of long-term assistance. The number of people in this age range is forecasted to increase by 2,800 individuals, or 105%, to 5,469 between 2018 and 2043. The population aged 80 and over is anticipated to represent a higher proportion of Rutland 's residents, accounting for 6.7 % of the total population in 2018 and increasing to 11.8% by 2043.

Over the past decade, the County has seen an ageing of the population, with the number of people aged 65 and over increasing by 30%

The accompanying text to Policy H4 –' Meeting all housing needs' quotes paragraph 41 of the Rutland County Council Housing Market Assessment (HMA) 2023 when it says that 'the number of people in Rutland aged 65+ is expected to increase by 24% during the period 2023 to 2033, leading to a need for specialist housing for older people'. Figure 6.11 of the HMA identifies a need for 148 units of housing with support (sheltered housing) and 95 units of housing with care (extra care housing) to 2033. We note however that the plan period is proposed to be to 2041 so these figures would be substantially higher if projected to 2041 instead of 2033. Page 92 of the Preferred Options then confirms that '*Given that the number of older people is expected to increase in the future and that the number of older single person households is expected to increase this would suggest (if occupancy patterns remain the same) that there will be a notable demand for smaller housing from the ageing population.'*

It is therefore clear that there will be a significant increase in older people and the provision of suitable housing and care to meet the needs of this demographic should be more of a priority rather than simply to 'enable older people to promote, secure and sustain their

independence in a home appropriate to their circumstances'. The Council should therefore change its approach to ensure consistency with the NPPF.

Benefits of Housing for Older People

Older Persons' Housing produces a large number of significant benefits which can help to reduce the demands exerted on Health and Social Services and other care facilities – not only in terms of the fact that many of the residents remain in better health, both physically and mentally, but also doctors, physiotherapists, community nurses, and other essential practitioners can all attend to visit several occupiers at once. This leads to a far more efficient and effective use of public resources. Another key benefit of specialist retirement housing is that it releases larger housing back into the housing stock for new families.

Economic

A report "*Healthier and Happier' An analysis of the fiscal and wellbeing benefits of building more homes for later living*" by WPI Strategy for Homes for Later Living explored the significant savings that Government and individuals could expect to make if more older people in the UK could access this type of housing. The analysis showed that:

- Each person living in a home for later living enjoys a reduced risk of health challenges, contributing to fiscal savings to the NHS and social care services of approximately £3,500 per year.
- Building 30,000 more retirement housing dwellings every year for the next 10 years would generate fiscal savings across the NHS and social services of £2.1bn per year.
- On a selection of national well-being criteria such as happiness and life satisfaction, an average person aged 80 feels as good as someone 10 years younger after moving from mainstream housing to housing specially designed for later living.

A further report entitled *Silver Saviours for the High Street: How new retirement properties create more local economic value and more local jobs than any other type of residential housing* (February 2021) found that retirement properties create more local economic value and more local jobs than any other type of residential development. For an average 45 unit retirement scheme, the residents generate £550,000 of spending a year, £347,000 of which is spent on the high street, directly contributing to keeping local shops open.

In July 2024 Homes England published a report 'Measuring the Wellbeing and Fiscal Impacts of Housing for Older People'. This found that residents of older people's housing reported higher life satisfaction scores than residents in general market housing. Contributory factors may include: higher satisfaction with the quality of their home, feeling they belong to a neighbourhood, having better general health, generally feeling happier, doing things that are worthwhile, not providing care and having someone to rely on when needed. The report monetarised the well-being uplift value of this higher life satisfaction as £5,264 for retirement living/sheltered housing and £4,318 extra care housing per person p.a. The well-being uplift monetarised value for a 45 unit retirement scheme is approximately £236,880.

As recognised by the PPG, **Retirement housing releases under-occupied family housing and plays a very important role in recycling of housing stock in general.** There is a 'knock-on' effect in terms of the whole housing chain enabling more effective use of existing housing. In the absence of choice, older people will stay put in properties that are often unsuitable for

them until such a time as they need expensive residential care. A further Report “*Chain Reaction*” *The positive impact of specialist retirement housing on the generational divide and first-time buyers (Aug 2020)*” reveals that about two in every three retirement properties built, releases a home suitable for a first-time buyer. A typical Homes for Later Living development which consists of 40 apartments (at the time of that report) therefore results in at least 27 first time buyer properties being released onto the market.

Social

Retirement housing gives rise to many social benefits:

- Specifically designed housing for older people offers significant opportunities to enable residents to be as independent as possible in a safe and warm environment. Older homes are typically in a poorer state of repair, are often colder, damper, have more risk of fire and fall hazards. They lack in adaptations such as handrails, wider internal doors, stair lifts and walk in showers. Without these simple features everyday tasks can become harder and harder
- Retirement housing helps to reduce anxieties and worries experienced by many older people living in housing which does not best suit their needs by providing safety, security and reducing management and maintenance concerns.
- The Housing for Later Living Report (2019) shows that on a selection of wellbeing criteria such as happiness and life satisfaction, an average person aged 80 feels as good as someone 10 years younger after moving from mainstream housing into housing specifically designed for later living.

Environmental

The proposal provides a number of key environmental benefits by:

- Making more efficient use of land thereby reducing the need to use limited land resources for housing.
- Providing housing in close proximity to services and shops which can be easily accessed on foot thereby reducing the need for travel by means which consume energy and create emissions.
- Providing shared facilities for a large number of residents in a single building which makes more efficient use of material and energy resources.

Recommendations

The 2018 population projections from the Office for National Statistics show a large increase in the population over the age of 65. For this reason, as well as the requirements of the PPG, the Council should ensure that the HMA is updated to extend the period to 2041. Specialist housing to meet the needs of older people should be addressed specifically and not simply regarded as being met through the provision of smaller homes.

The best approach towards meeting the diverse housing needs of older people is **for the plan to:**

- **Identify the older person’s housing need to 2041.**
- **Allocate specific sites to meet the needs of older people that are in the most sustainable locations close to key services.**
- **Include a standalone policy actively supporting the delivery of specialist older people’s housing with good access to services and facilities for older people.**

While we appreciate that no one planning approach will be appropriate for all areas, an example policy is provided that, we hope, will provide a useful reference for the Council:

“The Council will encourage the provision of specialist housing for older people across all tenures in sustainable locations.

The Council aims to ensure that older people are able to secure and sustain independence in a home appropriate to their circumstances by providing appropriate housing choice, particularly retirement housing and Extra Care Housing/Housing with Care. The Council will, through the identification of sites, allowing for windfall developments, and / or granting of planning consents in sustainable locations, provide for the development of retirement accommodation, residential care homes, close care, Extra Care and assisted care housing and Continuing Care Retirement Communities.”

Developers of older persons’ housing schemes should not be required to further demonstrate need given the significant need already identified and the many benefits that such developments bring. If a quantum is specified this should be regarded as a target and not a ceiling. Given also that such developments **“help reduce costs to the social care and health systems”** (PPG refers), requirements to assess impact on healthcare services and/or make contributions should be avoided.

Policy H7 - Affordable housing

In our submission at the Regulation 18 stage we highlighted that a number of characteristics of older persons housing that add additional cost to the typology had not been included within the Rutland County Council Whole Plan Viability Assessment, August 2023, HDH (Viability Assessment). It was our view that the older persons housing typology should be re-run using all relevant characteristics and if older persons’ housing was found to not be viable in delivering 30% affordable housing the policy should be amended to reflect the outcome.

Policy H7 requires *‘All major residential developments comprising 10 or more dwellings (or with a site area of 0.5 hectares or more) will be required to make provision, onsite, for a minimum of 30% of the scheme’s total capacity as affordable housing... On brownfield sites, consideration will be given to the application of vacant building credit.’* The policy confirms that *‘this includes development incorporating Use Class C2 supported housing, where these meet the Council Tax definition of a dwelling’* and that *‘the affordable housing requirement together with all other policy requirements in this plan have been assessed as being viable for the development types and sites allocated in this plan, therefore it is assumed that all development proposals will be viable.’*

Despite the policy wording, and as pointed out previously, Table 10.8 of the Viability Assessment provides a summary of the outcome of the Assessment and at 30% affordable housing and finds that extra-care housing to **not be viable** and sheltered housing to be **marginal**, depending on the value range. Based on this data the Viability Assessment concludes at paragraph 10.53 that *‘based on this analysis, Sheltered housing and IRC are likely to be able to bear 30% affordable housing at the mid policy requirement, but not at the higher*

requirement. Extra care housing has capacity to bear affordable housing, however this is unlikely to be at policy compliant levels'. However, this evidence has again not been reflected in the current draft and the policy gives a misleading impression of the viability of retirement housing.

Table 10.8

Source: HDH (July 2023)

			EUV	BLV	Residual Value								
					0%	5%	10%	15%	20%	25%	30%	35%	40%
Site 7	Sheltered Flats	Lower	600,000	720,000	3,626,211	3,259,291	2,892,372	2,525,453	2,158,533	1,790,480	1,422,013	1,053,547	685,081
Site 8	Sheltered Flats	Mid	600,000	720,000	3,527,990	3,161,410	2,794,829	2,428,249	2,061,669	1,693,954	1,325,827	957,699	589,572
Site 9	Sheltered Flats	Higher	600,000	720,000	2,700,819	2,337,093	1,973,367	1,609,642	1,245,916	881,056	515,783	137,235	-246,032
Site 10	Extra Care Flats	Lower	600,000	720,000	2,619,039	2,246,689	1,874,339	1,501,989	1,129,638	755,926	378,315	-12,758	-405,374
Site 11	Extra Care Flats	Mid	600,000	720,000	2,493,000	2,121,395	1,749,790	1,378,185	1,006,581	633,614	252,303	-139,531	-531,365
Site 12	Extra Care Flats	Higher	600,000	720,000	1,432,154	1,066,823	701,492	331,412	-51,296	-436,052	-821,303	-1,214,553	-1,614,605
Site 13	Integrated Retirement	Lower	25,000	375,000	1,749,913	1,603,041	1,456,169	1,309,297	1,162,425	1,015,553	868,681	721,809	574,937
Site 14	Integrated Retirement	Mid	25,000	375,000	1,703,902	1,557,343	1,410,784	1,264,225	1,117,666	971,107	824,548	677,989	531,430
Site 15	Integrated Retirement	Higher	25,000	375,000	1,315,923	1,172,003	1,028,083	884,163	740,243	596,323	452,403	308,483	164,563

Older persons housing differs from a standard model of development as confirmed within the PPG Paragraph: 010 Reference ID: 63-010-20190626. Specialist housing schemes for older people tend to be flatted developments, based around communal facilities and community living and delivered on smaller brownfield sites in a single phase before sales can occur. Additional facilities include extensive communal areas, such as space to socialise, a wellbeing centre, a care service with 24 hour access to support services and staff and a bistro where meals are often available. This enables residents to live much more independently than they would otherwise.

Given the characteristics of specialist housing for older persons housing, we have concerns that some additional costs that developers of older persons housing schemes experience, have not been fully incorporated into the Viability Assessment. The key variables not included at the correct level are typical scheme size, sales periods, empty property costs, marketing costs, professional fees and profit and are discussed below. In addition, whilst we welcome that the Council have tested sheltered and extra care housing it is unclear whether this is on a brownfield or greenfield site

Typical Scheme Size and non-saleable area

We note para 9.15 of the Viability Assessment identifies that it has modelled the following:

'a. A private Sheltered/retirement scheme of 36 x 1 bed units of 50m² and 24 x 2 bed units of 75m² to give a net saleable area of 3,675m². A further 20% non-saleable service and common areas is allowed for. A site of 0.5ha is assumed.

b. An Extra care scheme of 36 x 1 bed units of 65m² and 24 x 2 bed units of 80m² to give a net saleable area of 4,260m². A further 30% non-saleable service and common areas is allowed for. A site of 0.5ha is assumed.'

However we have concerns that the typical scheme modelled is not in line with advice within the Retirement Housing Consortium paper entitled 'A briefing note on viability' prepared for Retirement Housing Group by Three Dragons, May 2013 (updated February 2013 ('RHG Briefing Note')). The testing undertaken does not therefore represent a typical older persons' housing scheme (sheltered or extra care)

The RHG Briefing Note establishes how sheltered housing and extra care development differs from mainstream housing and looks at the key variables and assumptions that can affect the viability of specialist housing for older people. We note that the Viability Assessment has used this assessment in some areas but not used all assumptions included within it.

The RHG briefing note identifies that the following should be modelled:

- Sheltered: 50-60 units at a density of 100-120 dwellings per hectare with communal / non chargeable space of 20-30%
- Extra care – 40-50 units at a density of 80-100 dwellings per hectare with communal / non chargeable space of 35-40% .

It is clear when considering the site that has been modelled within the Viability Assessment, for extra care in particular, with that of the RHG briefing note, that there are a number of discrepancies that should be amended and the Viability Assessment re-run. With respect to Extra-Care it is clear that either the site area should be increased according to densities within the RHG briefing note or the number of units modelled on a 0.5 ha site should be reduced. In addition, the non-chargeable space for extra care should be increased to at least 35% to be consistent with the RHG briefing note. If the typical scheme is amended, especially for extra care and re-modelled the viability of older persons housing would reduce.

Sales periods

Older persons housing schemes that typically consist of flatted development of 40 – 60 units cannot be phased and must be fully built and operational from month 1 of sales. Sales periods are typically longer for retirement housing than for general housing with a typical scheme taking around 36 months to sell. The build period takes approximately 12 to 18 months. This longer sales period has not been accounted for within the viability assessment and would reduce viability of older persons housing if considered.

Empty property costs

Due to the long sales period older persons housing schemes experience higher void costs as schemes take longer to sell than general needs housing. A typical average empty property cost per unit is £5,000 for sheltered and £8,000 for extra care. This covers costs such as council tax and service charges on unsold units. Although this has been accounted for within the Viability Assessment, this is at a lower rate of £4,500 per unit. The Viability Assessment should be re-run using the revised figures.

Marketing costs

We note para 7.39 of the Viability Assessment identifies that disposal costs of 3.5% have been included. However, given the longer sales period, there is a longer and more supportive marketing / sales programme for specialist retirement housing needed compared to general needs, typical marketing costs are 6%. This was included within the Retirement Housing Consortium paper entitled 'A briefing note on viability' prepared for Retirement Housing Group by Three Dragons, May 2013 (updated

February 2013 ('RHG Briefing Note'). The RHG Briefing Note establishes how sheltered housing and extra care development differs from mainstream housing and looks at the key variables and assumptions that can affect the viability of specialist housing for older people. We note that the Viability Assessment has used this assessment in some areas but not used all assumptions included within it. If a higher percentage for marketing costs was included within the Viability Assessment for Older Peoples housing this would reduce viability of older persons housing.

Professional fees

We note para 7.20 of the Viability Assessment identifies that professional fees of 8% have been included. However, given the brownfield and small to medium scale nature of sites on which older persons housing come forward a 10% allowance for professional fees is felt more reasonable. If a higher percentage for professional fees was included within the viability Assessment for Older Peoples housing this would reduce viability of older persons housing if considered.

Profit

The NPPG is clear that potential risk is accounted for in the assumed return for development and assumed to be between 15-20% of gross development value for plan making purposes but alternative figures may be appropriate for different development types and typologies (Para 018 Reference ID:10-018-20190509). There are a number of inherent sector specific risks with older person housing which materially differ to that of general needs housing including an inability to phase and allow for risk reappraisal. Older Persons housing must be fully completed and operationally ready before sales commences as older people are less likely to buy 'off plan' without seeing for example the benefit of the communal facilities. The above provides a slower return on investment and a longer period of uncertainty in the market and cost exposure. An acceptable return for risk in respect of retirement living proposals such as this is not less than 20% of gross development value. This is consistent with the Inspector conclusions at Appeal for the McCarthy and Stone proposal at Redditch (Appeal Ref: 3166677), the Churchill Retirement Living proposal at Cheam (Appeal Ref: 3159137) and the Churchill Retirement Living scheme at West Bridgford (Appeal Ref: 3229412) in 2019.

It is clear from Appeal precedent that 20% return on gross development value represents the minimum acceptable return in respect of housing for older people proposals for the reasons outlined. If a higher percentage for profit was included within the Viability Assessment for Older Peoples housing, than the 17.5% used, this would reduce viability of older persons housing.

Local Plan costs.

In addition to typology specific costs, we also have concern as to the limited value that has been used for Biodiversity Net Gain within the Viability Assessment amongst other policy areas. The Council should note that on 27th July 2023 the price of statutory biodiversity credits were published (available from: [Statutory biodiversity credit prices - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/statutory-biodiversity-credit-prices)). This has enabled it to be determined how much BNG may cost and it is considered that the costs per dwelling put forward within the

Viability Assessment have greatly underestimated the costs. In addition, brownfield site BNG costs are often more substantial than Greenfield but this very much depends on the site characteristics.

Regrettably, the Regulation 19 Viability Note – September 2024 has not included further testing for older persons' housing. The reason for this is found in paragraph 5.11 of the Viability Note which says that 'paragraph 10-007-20180724 of the PPG specifically anticipates that the viability of housing for older people will be considered at the development management stage. It is not necessary or proportionate to develop policies for all types of non-standard development'.

This is a fundamentally incorrect interpretation of the NPPG. Paragraph 007 of the NPPG on viability is highlighting nonstandard forms of housing which may not have been originally tested at plan level testing stage. In this case, the council went to the trouble of testing older persons housing. It is a nonsensical position to take to then disregard the results of that testing which is at odds with paragraph 001 of the same PPG guidance which states that different targets may be set for different sites and types of development following viability testing.

Paragraph: 002 Reference ID: 10-002-20190509 of the Viability PPG confirms that '*The role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan*' and that '*Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage*'.

Paragraph 10-007-20180724 that was quoted in the viability assessment is an interpretation of the consultants that undertook the viability study. The paragraph referenced has been superseded in the viability PPG by Paragraph: 007 Reference ID: 10-007-20190509. This now states 'It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage' and 'Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force'.

The Council should note that the viability of specialist older persons' housing is more finely balanced than 'general needs' housing. It cannot be simply regarded as standard housing.

When assessing the specific housing tenure requirements for older persons' housing, it is our experience that this will differ from mainstream housing, and it would be inappropriate for the council to apply generic affordable housing targets to older persons housing. Rather, a bespoke affordable housing policy with a reduced requirement is appropriate. As and when

the viability related evidence is prepared, we would like the opportunity to engage in this process to ensure a workable policy is developed.

Our experience elsewhere of affordable housing provision is that it is commonly agreed that older persons' housing cannot provide full percentages of affordable housing or indeed often cannot provide for any affordable housing. More and more local planning authorities are acknowledging this position within local plans and exempting specialist housing for older people from providing affordable housing. This is the correct approach.

As an example, emerging policies in both Birmingham and Charnwood propose affordable housing exemptions in respect of proposals for housing for older people having found through their plan wide viability assessments that viability was constrained for these typologies.

Birmingham

Due to the specific viability challenges of delivering older persons' housing, the evidence suggests on the basis of the market research, appraisal inputs and policy requirements, Older Person's Housing is exempted from Affordable Housing provision.

Charnwood

Our viability evidence shows that neither sheltered housing nor extra care housing developments are likely to be viable if a contribution towards affordable housing is sought.

In addition, Fareham Borough Council recently adopted their new local plan and Policy HP5 of the plan states:

The Viability Study concludes that affordable housing is not viable for older persons and specialist housing. Therefore, Policy HP5 does not apply to specialist housing or older persons housing.

The respondents are of the view that similar conclusions would be made in this case in respect of housing for older people whereby a reduced or even zero affordable housing requirement would be more appropriate. We have serious concerns over the validity of the testing undertaken given that few of the inputs applied within the testing reflect the actual typology. The result is a viability picture which is unlikely to reflect the type of older persons likely to come forward supported by the main providers of this type of housing. The PPG Viability section (Para 008) requires that where a viability assessment is submitted at the development management stage, this should be based upon and refer back to the viability assessment that informed the plan; and the applicant should provide evidence of what has changed since then. We are highlighting here that nearly all of the inputs applied within the plan wide viability assessment will differ.

Without greater clarification of the particular circumstances of retirement housing Council Members, Officers and the general public will assume that applications for sheltered or extra care housing will be able to support a policy compliant level of affordable housing. This would however be wholly at odds with the viability evidence underpinning the Local Plan were the

assumptions made within the testing to accord with those agreed routinely on a site-specific level.

Recommendation:

An Affordable Housing Provision policy should include the following:

Schemes delivering housing for older people are exempt from delivering affordable housing.

Policy EN2 – Local Nature Recovery Strategy

Policy EN2 seeks to direct biodiversity creation and in effect sets a new locational biodiversity hierarchy at points 1 to 5. However, the council should note that paragraph: 006 Reference ID: 74-006-20240214 of the PPG on Biodiversity states that *'It will also be inappropriate for plans or supplementary planning documents to include policies or guidance which are incompatible with this framework, for instance by applying biodiversity net gain to exempt categories of development or encouraging the use of a different biodiversity metric or biodiversity gain hierarchy'*. Therefore policy EN2 is currently contrary to planning policy guidance and points 1 to 5 should be deleted.

Recommendation:

Delete points 1 to 5 from policy EN2.

- ~~1. Within Rutland;~~
- ~~2. Within Leicestershire;~~
- ~~3. Within the adjoining counties of Lincolnshire and Northamptonshire~~
- ~~4. Elsewhere in England.~~
- ~~5. Only when it is demonstrated that there is no possibility of delivering BNG within the above locational hierarchy will the purchase of statutory credits be supported. The proposed local locational hierarchy is not intended to diminish the statutory guidance, or to change the way in which the Statutory Biodiversity Metric should be completed, with regards to the spatial risk multiplier.~~

Policy EN3 – Biodiversity Net Gain

The council should note that paragraph: 006 Reference ID: 74-006-20240214 of the PPG on Biodiversity net gain states the following:

'Plan-makers should be aware of the statutory framework for biodiversity net gain, but they do not need to include policies which duplicate the detailed provisions of this statutory framework. It will also be inappropriate for plans or supplementary planning documents to include policies or guidance which are incompatible with this framework, for instance by applying biodiversity net gain to exempt categories of development or encouraging the use of a different biodiversity metric or biodiversity gain hierarchy.'

Plan-makers can complement the statutory framework for biodiversity net gain by, for instance, including policies which support appropriate local offsite biodiversity sites, including

whether specific allocated sites for development should include biodiversity enhancements to support other developments meet their net gain objectives in line with Local Nature Recovery Strategies.'

We are concerned that large elements of the proposed policy either repeat national policy or are incompatible with the framework / guidance and therefore the council should reconsider the whole policy.

Recommendation:

Reconsider the whole of policy EN3 as to whether it repeats national policy or is compatible with national guidance.

Policy CC5 – Embodied Carbon

In our previous submission we noted that the Rutland County Council Whole Plan Viability Assessment, August 2023 did not appear to include a cost for the embodied carbon policy. We expressed our concern as embodied carbon will have a cost that should be accounted for in any Viability assessment. We are disappointed to see that this policy has again not been tested in the Regulation 19 Viability Note (September 2024).

New development will often be far more sustainable in many circumstances including building fabric by use of modern methods of construction but also extending beyond that, such as sustainability through optimisation of use of a site and more able to meet the council's zero carbon aspirations. The Council also need to verify that embodied carbon figures are available to developers from suppliers through an Environmental Product Declaration as in our experience this is not yet readily available from the majority of suppliers.

Recommendation:

Ensure the policy is properly assessed within the Viability Assessment and that the requirement is realistic with data and evidence readily available to the development industry.

CC12 – Carbon Sequestration

In our previous submission we noted that the Rutland County Council Whole Plan Viability Assessment, August 2023 did not include a cost for the carbon sequestration policy. Reference to carbon sequestration is also missing from the latest Viability Note (September 2024).

We repeat our concern that embodied carbon will have a cost that should be accounted for in any Viability assessment.

Recommendation:

Ensure the policy is properly assessed within the Viability Assessment and that the requirement is realistic with data and evidence readily available to the development industry.

Conclusions

The Council's Housing Market Assessment by JG Consulting August 2023 states that over the past decade, the County has seen an ageing of the population, with the number of people aged 65 and over increasing by 30%. In line with the requirements of the PPG 'Housing for older and disabled people', the Council should ensure the provision of specialist housing to meet the needs of older people, including sheltered housing (retirement living), extra care housing and care homes. Older person's housing should not be confused with wheelchair accessible housing, Lifetime Homes, or other specialised housing and should be exempted from affordable housing.

We would be grateful if you can advise us of further opportunities to engage on the emerging plan and, in particular, the plan wide viability study as referenced above. In line with PPG requirements, the plan and evidence base should be informed by positive engagement with stakeholders. We would remind the council that the need for older persons' housing is described as 'critical' within national policy and therefore policies to encourage rather than restrict development must be advanced.

Thank you for the opportunity to comment.

Yours faithfully

J Vlach

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