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Planning Policy
Cheshire West and Chester Council
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Via email: planningpolicy@cheshirewestandchester.gov.uk

15th August 2025

Dear Sir / Madam

McCARTHY STONE & CHURCHILL LIVING RESPONSE TO THE CHESHIRE WEST AND CHESTER LOCAL PLAN ISSUES AND OPTIONS CONSULTATION

Thank you for the opportunity to comment on the Cheshire West and Chester Local Plan Issues and Options.

Churchill Living and McCarthy Stone are separate and competing independent housebuilders specialising in the delivery of housing for older people. Combined, these two companies bring forward in excess of 90% of the provision of housing for older people in England every year and are therefore well placed to provide input to the emerging local plan on matters affecting the delivery of this typology.

Please find below our comments on the draft local plan 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 describes as 'critical' in terms of addressing housing need.

Question HO 1

Do you agree with the suggested policy approach towards mix and type and specialist housing in new developments, as set out in HO 1 'Mix and type of housing in new developments and specialist housing' above? If not please suggest how it could be amended?

Although we support the policy approach currently set out in HO1 and in the existing local plan especially with regard to older persons housing, we would like to draw to the council's attention that the revised NPPF looks at delivering a sufficient supply of homes, Paragraph 63 identifies within this context, that the size, and type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies including older people. This includes those who require retirement housing, housing-with-care and care homes. It is noted that an up to date housing market assessment is yet to be commissioned. This is likely to show that there is a large need for various different kinds of specialist housing for older people including retirement housing, housing-with-care and care homes and these should be supported separately.

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

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*“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.”

In the recently published Older Persons Housing Task Force (dated 26th November 2024) it is highlighted that there is a misunderstanding of the benefits of older persons housing, including the impacts to the NHS. Extra Care Charitable Trust have commissioned a report which shows the benefits to older persons from improved physical and mental health in retirement communities, resulting in cost savings to the NHS. The independent study undertaken by Aston and Lancaster Universities¹ demonstrates the following findings:

- Annual NHS savings of 38% per person
- 46% reduction in routine and regular GP visits
- Significant improvement in the level of exercise done by residents (75%)
- Reduction in loneliness with 86.5% of residents acknowledging they were ‘never or hardly ever’ lonely.
- 14.8% reduction in depressive symptoms amongst residents after three years

In addition to this, specifically designed housing for older people offers significant opportunities to enable residents to live independent for longer. The Older Persons Housing Taskforce identifies that most senior citizens (over 90%) live in mainstream housing which is often unsuitable for later living, with only 9% having suitable features for individuals with mobility difficulties. It is also identified that 1 in 5 senior citizens live in poverty and in non-suitable housing, which comes at a significant cost to the NHS, estimated to be £1.4 billion per year.

Similar findings are also reflected in *“‘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 which explores the savings that the government and individuals could expect to make if more older people in the UK could access specialist forms of accommodation.

A further benefit of the provision of housing for older people is the choice it offers the market and the ability for residents to right size / downsize. In many cases, older residents under occupy family homes once their grown up children have left to form their own households.

A recent report *‘Too Little, Too Late?’* (June 2020) sets out that downsizing is key to tackling the national housing crisis. It acknowledges that under occupation is greatest among the elderly population but current housing stock in the UK limits their options. If more family homes are freed up

¹ <https://www.extracare.org.uk/news/research-finds-older-people-less-anxious-more-active-and-less-likely-to-fall-in-retirement-communities/>

by downsizing, the benefits would be felt across the housing market, with families being able to 'upsize' and smaller homes becoming available for first time buyers. This is further supported by a report '**Chain Reaction**' (August 2020) which finds:

- Circa 3 million older people in the UK aged 65+ want to downsize.
- If those that wanted to were able to do so, this would free up nearly 2 million spare bedrooms, predominantly in three bedroom homes with gardens, ideally suited for young families with children.
- The chain impact would be a major boost for first time buyers with roughly 2 in every 3 retirement properties built releasing homes suitable for first time buyers.

The council should also note that it is common for Local Authorities to confuse the needs of 'wheelchair users' and accessible and adaptable homes with the needs of older people in the community. A supportive local planning policy framework will be crucial in increasing the delivery of specialist older persons' housing and it should be acknowledged that although adaptable and accessible housing can assist it does not remove the need for specific older person's housing. Housing particularly built to M4(3) standard may serve to institutionalise an older person's scheme reducing independence contrary to the ethos of older persons and particularly extra care housing. Older people's housing and particularly extra care housing should therefore be incorporated into the emerging Local Plan separately to adaptable and accessible housing and not confused with it.

Whilst we acknowledge that PPG *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"*, the council should note that ensuring that residents have the ability to stay in their homes for longer is not, in itself, an appropriate manner of meeting the housing needs of older people.

Adaptable houses do not provide the on-site support, care and companionship of specialist older persons' housing developments nor do they enable older people to downsize and thus providing the wider community benefits such as releasing under occupied family housing as well as savings to the public purse by reducing the stress of health and social care budgets. The recently published Healthier and Happier Report by WPI Strategy (September 2019) calculated that the average person living in specialist housing for older people saves the NHS and social services £3,490 per year. A supportive local planning policy framework will be crucial in increasing the delivery of specialist older persons' housing and it should be acknowledged that although adaptable housing can assist it does not remove the need for specific older person's housing.

We would also like to remind the council of the increased emphasis on Local Plan viability testing in Paragraph 58 of the NPPF and that the PPG states 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*" (Paragraph: 002 Reference ID: 10-002-20190509). M4 2 and 3 Housing has a cost implication and may serve to reduce the number of dwellings and further reduce viability. The council should ensure that any requirement is costed appropriately within any viability assessment.

Thus, a range of different types of specialist housing for older people needs to be planned for as detailed in our response to HO2.

Question HO 2

Should the housing mix and type and specialist housing be delivered through a percentage policy approach that sets requirements for each category of housing?

In response to question HO2, it is not felt that a percentage approach would be successful at delivering the required amount of specialist housing for older people.

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

- **Identify the older person's housing need.**
- **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.**

Developers of older person's housing schemes should not be required to demonstrate need given the significant need identified and the many benefits that such developments bring. 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.

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 age restricted general market housing, retirement living or sheltered housing, extra care or housing with care and residential care homes and nursing homes."

We strongly encourage the council to provide a supportive policy base which will facilitate the delivery of housing for older people. This policy might include allocating sites specifically for older persons housing but also acknowledging that the typology is different from mainstream housing and must be determined more flexibly with this in mind.

Question HO 4

Do you agree with the suggested policy approach towards delivering affordable housing, as set out in HO 2 'Delivering affordable housing' above? If not please suggest how it could be amended?

We note that consultation has been published without stipulating a specific percentage of affordable housing as a result of their being no supporting evidence of an up-to-date viability study and it is therefore difficult to ascertain if the options put forward is realistic or deliverable. Although we appreciate this consultation is an early stage of plan production, we advise that by limiting scrutiny of the Local Plan Viability Assessment the Council is reducing the opportunities for comment on a crucial element of the evidence base that will inform policy and deliverability directly and the Local Plan would be less robust as a consequence.

The council will be aware of the increased emphasis on Local Plan viability testing in Paragraph 58 of the NPPF and that the PPG states 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” (Paragraph: 002 Reference ID: 10-002-20190509). The evidence underpinning the council’s policy requirements should therefore be robust and be used to form deliverable and realistic policies.

One of the key risks in bringing forward proposals for older persons housing development is the general expectations in relation to affordable housing and other planning obligations which inevitably lead to viability negotiations. This aspect of a planning application is often uncertain and protracted and is a key risk for investors in the sector given the issue is technical and often misunderstood by key stakeholders. Expectations should therefore be established appropriately at the plan level in line with NPPG requirements.

In relation to the practical provision of affordable housing for older people, we have engaged extensively with registered providers on this subject. The clear preference of registered providers is a desire to maintain management of their own blocks rather than mixed management arrangements. The reasoning for this is the requirement to maintain control over service charges and affordability and not to be left in a position where the RP themselves needs to cover higher than average service charges during periods where the property is not let out to a tenant. Our experience is that even in the unlikely event of it being a viable option, there is no desire for registered providers to own and manage affordable housing within a mixed tenure age restricted development.

Our recommendation is that a bespoke approach to affordable housing is suitable for older person’s housing proposals after the plan wide viability assessment determines what is viable for the typology

The consultation acknowledges that a viability assessment has not yet been undertaken but that this important part of the evidence base will be progressed during the next stage of the plan formation. In relation to viability matters, we would like to direct the Council towards the Retirement Housing Group paper entitled ‘A briefing note on viability’ prepared for [Retirement Housing Group by Three Dragons](#), May 2013 (updated February 2016 (‘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. These key variables include unit size, unit numbers and GIA, non-saleable communal space, empty property costs, external build cost, sales values, build costs, marketing costs and sales periods and significantly variable benchmark land values.

We have engaged in considerable local plan representations over the last number of years and can point to a number of recently adopted or emerging local plans where suitable bespoke affordable housing policies have been brought forward.

We would draw the Council’s attention to Paragraph 5.33 of Policy HP5: Provision of Affordable Housing in the now adopted Fareham Borough Local Plan which advises that:

5.33... 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.

Furthermore, policy in Swale exempts older persons housing from affordable housing in light of viability constraints and emerging policy in BCP, Birmingham and Charnwood also exempt older persons housing from the provision of affordable housing.

BCP

The Local Plan viability assessment indicates that for greenfield sites we can continue to seek 40% affordable housing provision on site. For brownfield sites we will seek 10-15% affordable housing, but due to viability, this will not apply in Bournemouth and Poole town centres, or for specialist forms of housing (e.g. build to rent, student housing, care/nursing homes (Use Class C2) or for retirement housing (sheltered housing) and extra care (assisted living) housing (both Use Class C3).

Birmingham

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

Charnwood

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

The benefits of specialist older persons' housing extend beyond the delivery of planning obligations as these forms of development contribute to the regeneration of town centres and assist Council's by making significant savings on health and social care as well as the added benefit of enabling housing 'rightsizing'.

It is also worth considering that paragraph 008 of the PPG Viability section requires that when a viability assessment is submitted at the development management stage, reference is taken from the plan wide viability assessment underpinning the policy requirement and the applicant is required to set out what changes have taken place since the plan wide viability assessment was undertaken. The council's plan wide assessment, once undertaken, should test a range of older persons housing typologies. The updated affordable housing policy should reflect the findings of the study.

Recommendation:

We strongly recommend that for this policy to be considered justified, that a viability assessment is run for sheltered and extra-care housing using the assumptions set out within the RHG guidance. These assumptions reflect the inputs and assumptions consistently agreed on a site-by-site level and are therefore appropriate to apply as part of a plan wide viability assessment.

Our extensive experience is that the viability of specialist housing for older people will differ from mainstream housing, and it would be appropriate to introduce a specific policy for this typology rather than a generic target. Policy targets which reflect actual viability constraints will allow providers of specialist housing for older people to derisk the planning process and provide confidence for investors in the sector.

As a more general comment on viability matters, any specific sustainability or accessibility standards which propose to go beyond national building regulation or other national standards should be appropriately tested within the forthcoming plan wide viability study. It is important that testing undertaken includes specific typologies for older person's housing given the unique characteristics of the typology as set out above.

Question GI 1 Do you agree with the suggested policy approach towards green infrastructure, biodiversity and geodiversity, as set out in GI 1 'Green infrastructure, biodiversity and geodiversity' above? If not, please suggest how it could be amended?

No. We note that the existing policy approach, which is proposed to be continued, requires a replacement tree ration of at least 2 trees for each tree lost. The proposal also is now proposing that this is added to by requiring a percentage tree canopy cover.

NPPF para 16. identifies that *'Plans should.....b) be prepared positively, in a way that is aspirational but deliverable'*. Para 136 provides guidance specifically associated with trees and states *'Trees make an important contribution to the character and quality of urban environments, and can also help mitigate and adapt to climate change. Planning policies and decisions should ensure that new streets are tree-lined, that opportunities are taken to incorporate trees elsewhere in developments (such as parks and community orchards), that appropriate measures are in place to secure the long-term maintenance of newly-planted trees, and that existing trees are retained wherever possible. Applicants and local planning authorities should work with highways officers and tree officers to ensure that the right trees are planted in the right places, and solutions are found that are compatible with highways standards and the needs of different users'*.

PPG with respect to viability states 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"* (Paragraph: 002 Reference ID: 10-002-20190509).

Requiring such a large tree replacement especially for small brownfield sites is not deliverable or realistic and could compromise sustainable development and is therefore contrary to NPPF. The requirement also goes beyond the requirements of the NPPF. Any requirement would also need to be fully evidenced and the requirement incorporated into the viability study. The council should therefore reconsider this element and ensure any such policy approach introduces more flexibility or is deleted.

Recommendation: The council should therefore reconsider this element and ensure any such policy approach introduces more flexibility or is deleted.

Question GI 3 Should new Local Plan policy go above the 10% mandatory biodiversity net gain set nationally

The Council should not set a higher biodiversity net gain (BNG) requirement for development than that set out in the Environment Act 2021. Requiring BNG above 10% does not meet the tests set out in paragraph 57 of the NPPF and in particular a greater than 10% requirement is not necessary to make the development acceptable in planning terms and a 10% requirement should be maintained in order to ensure that the requirement is 'fairly and reasonably related in scale and kind to the development' (para 57, NPPF).

The Council should also note that the recently finalised Planning Policy Guidance on Biodiversity Net Gain at paragraph: 006 Reference ID: 74-006-20240214 confirms that *'Plan-makers should not seek a higher percentage than the statutory objective of 10% biodiversity net gain, either on an area-wide basis or for specific allocations for development unless justified. To justify such policies they will need to be evidenced including as to local need for a higher percentage, local opportunities for a higher percentage and any impacts on viability for development. Consideration will also need to be given to how the policy will be implemented'*. Therefore a 10% requirement should also be maintained in order to ensure that the requirement is 'fairly and reasonably related in scale and kind to the development' (para 57, NPPF) and consistent with national policy guidance.

Although we recognise that the 10% is a minimum it should be for the developer to decide whether to go beyond this figure not the Council. It is important to remember that that it is impossible to know what the cost of delivering net gain is until the base level of biodiversity on a site is known and consequently what is required to achieve a 10% net gain. On some sites this may be achievable on site with no reduction in developable area, for others it may require a large proportion of it to be addressed offsite or a significant reduction in the developable area – a far more expensive option that could render a site unviable without a reduction in other policy requirements.

Recommendation: The council should therefore not require a BNG of greater than the 10%.

Thank you for the opportunity for comment.

Yours faithfully

Natasha Styles

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