

REF: JD/EH/R00620

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27 October 2022

Dear Charlotte,

**DRAFT PUBLICATION WANDSWORTH LOCAL PLAN
ROK PLANNING ON BEHALF OF LODGE HOTELS (LONDON) LTD
HEARING STATEMENT IN RESPONSE TO MAIN MATTER 16 RAISED BY THE INSPECTOR IN
DOCUMENT ID-002 AHEAD OF EXAMINATION IN PUBLIC (EIP)**

ROK have been commissioned by our client, to submit a Hearing Statement in respect of their comments to the Draft Revised Wandsworth Local Plan Document. It addresses Main Matter 16 raised by the Inspector in document ID-002 with the hearing sessions opening on Tuesday 15 November 2022.

The relevant section of the draft policy in question reads as follows:

B. Proposals for the development of specialist and supported housing will be supported where:

1. the applicant can robustly demonstrate that the accommodation meets an identified need, having regard to the evidence set out in the Council's most up-to-date Local Housing Needs Assessment.
2. the accommodation is of a high quality and meets relevant best practice guidance for this type of accommodation.
3. the accommodation has access to good levels of public transport, and to shops, services and leisure facilities appropriate to the needs of the intended occupiers; and
4. affordable housing is provided, in accordance with Policies H4 and H5 of the London Plan.

Executive Summary

The position of the client can be summarised in the following propositions:

1. Strongly objects to proposals to require affordable housing from all forms of specialist and

supported housing.

2. At the very least the policy wording should be amended and clarified to ensure it plainly sets out, and for the avoidance of doubt, which forms of specialist and supported forms of housing, which are more akin to a class C3 use or class C3 element of development proposals, rather than class C2 uses, would be affected by the requirement for affordable housing. Such as at draft paragraph 17.55 of the draft Local Plan.
3. Care homes endure higher build costs than other conventional forms of housing and the requirement for affordable housing will bring more uncertainty to delivery.
4. Wandsworth is underdelivering on care homes and requirement for affordable housing will provide a further barrier to delivery.
5. To be justified, proportionate evidence should have been provided as to how all forms of care home can remain viable if affordable housing is required and this has not been set out.
6. Requirement for all forms of care homes to provide affordable housing, does not provide Wandsworth, nor its care home providers, with the sufficient flexibility to deliver much needed care home accommodation targets as set within the London Plan, whilst also remaining adaptable to market changes during the plan period.

Introduction

This statement is set out as a response to the Inspector's Matters and Issues for Discussion as set out in the Programme for Hearing Sessions dated 29 September 2022 and builds upon the representation made by our client, dated 28 February 2022, and sent in respect of the Local Plan Publication (Regulation 19) Version (January 2022) and appended to this statement – see **Appendix 1**. The statement focuses specifically upon the Inspectors' questions in relation to Policy LP31 'Specialist Housing for Vulnerable People'.

As per our written confirmation on 27 October 2022 to Charlotte Glancy (Programme Officer), ROK Planning will be representing Lodge Hotels (London) Ltd with reference to emerging policy LP31, at this hearing session on 23rd November 2022.

It is strongly recommended that draft Policy LP31 is reconsidered to take account of the above considerations. The client asks that the Inspector consider the suggested changes to the policy set out in their Regulation 19 representations which are provided in Appendix 1 and have not been incorporated in any modified version of the policy by the Council, particularly to ignore the emerging policy seeking to require affordable housing for C2 care home schemes.

The hearing statement is structured as per the below covering the following matters: -

1. Main Matter 16 'Providing Housing' – Policy LP31– ROK Planning Policy Responses.
2. Care Home Market Commentary - supply of Wet rooms.
3. Wider London Boroughs & approach to affordable housing and care home development.
4. Concluding thoughts.

As part of this submission ROK append further supporting information from Caring Homes which provides an updated assessment (October 2022) of the Care Home market in Wandsworth – please refer to **Appendix 2** of this statement.

1. Main Matter 16 'Providing Housing' – Policy LP31– ROK Planning Policy Responses

This section deals with relevant questions (i) and (vi) as set out by the Inspector in document INS03b regarding Policy LP31 – Specialist Housing for Vulnerable People.

Question (i) – Are the policies relating to Affordable Housing justified by appropriate available evidence, having regard to national guidance, and local context, and SDS1?

In short, the client considers that the requirement for affordable housing from all forms of C2 care home schemes **to not be justified**. In addition, there is no available evidence provided by London Borough of Wandsworth, to demonstrate that this would be appropriate in this borough. It is not consistent with the principles of the NPPF and is not in conformity with the overall strategic objectives of the London Plan in respect of the delivery of affordable housing.

Looking first at the issue from a policy perspective, London Plan Policies H4 (delivering affordable housing) and H5 (threshold approach to applications) set out the affordable housing requirements within London. There is no mention within these policies that developments should require affordable housing provision from class C2 uses; including extra care schemes that fall within the C2 use class.

Beyond this, London Plan para. 4.13.4 states that policy H13 applies to 'specialist older person housing' (as addressed and defined at London Plan para 4.13.6) and does not apply to accommodation that has certain attributes, considered 'care home accommodation' or care home facilities providing a certain level of personal care where the accommodation is dependent on this level of service as addressed and defined at London Plan para 4.13.4). Note para 4.13.14 distinguishes care home accommodation (C2).

This would mean such providers (as per para 4.13.4 of the London Plan) would and should be exempt from any affordable housing requirement.

This leads into the severe economic and viability impacts that the requirement for affordable housing can have on the delivery of care home development, both new and on existing sites. The client would respectfully ask the Inspector to challenge this and dutifully consider the validity and interpretation of the Use Classes Order for which types of specialist and supported housing should be applied:

1. As noted, it is fully acknowledged and supported in so far as the Council's intention broadly to promote the delivery of new specialist and supported forms of housing such as care home accommodation. This is an identified and important land use in the borough where there is a clear unmet need. However, Wandsworth need to appreciate that any misinterpretation in policy (para 17.55 of the Local Plan), or lack of clarity in relation to the requirement for affordable housing could hugely affect the delivery of care homes, particularly end of life or specialist nursing homes, which are not self-contained and are entirely reliant on personal care and assisted services.
2. Further to this, care homes have their own role in lessening the burden on the NHS and freeing up local family housing into the housing market which is a benefit.
3. Defining what is 'affordable housing' in relation to a care home is complicated, particularly as many do not have clearly defined 'dwellings' and units are not self-contained (particularly where CQC-regulated activity includes accommodation for persons who require nursing or personal care, and where Wet rooms are provided. Similarly, adding regular affordable housing is likely to be impossible in most care home settings and these will not be able to co-exist for obvious reasons. On top of this, later living developments generally have much higher build costs than traditional build-for-sale developments, and therefore if they are forced to provide affordable housing in the same manner as a traditional C3 scheme many may be unviable and therefore not deliverable. This will be a barrier to development, rather than a benefit.
4. The requirement for affordable housing could further exacerbate the viability of existing care home sites, looking either to extend or demolish and rebuild to modernise and provide more efficient services following the difficulties faced by many care homes during the Covid-19 pandemic.
5. The current lack of stock is currently resulting in 'bed blocking' whereby patients who are ready to be discharged to an appropriate care home are remaining in hospital beds due to a lack of sufficient care facilities in line with their assessed care needs. This is also acknowledged in London Plan policy H12 which states that specialised accommodation could include reablement accommodation (intensive short-term) for people who are ready to be discharged from hospital but who require additional support to be able to return safely to live independently at home, or to move into appropriate long-term accommodation.
6. The COVID-19 outbreak has resulted in additional pressures, such as re-thinking around current

stock which has shared bedrooms and bathrooms due to infection control. It is therefore apparent that the current stock is not sufficient in terms of the ever-evolving needs of the population.

7. The Council's assertion that because the London Plan outlines that care homes contribute to the overall housing need, and thus where this form of development meets the requirements of H4 and H5 of the London Plan, affordable housing should be provided seems flawed. This is because many forms of C2 uses operate completely different to C3 dwellings and other C3 uses and therefore there are different costs and specific use constraints that need to be applied – seeking affordable housing from both in the same manner is not one and the same.

When added to the above, requiring affordable housing, in the manner set out by LP31, is counterproductive and has the potential to hinder the delivery of much needed care home accommodation further and significantly in the borough. Clarity is therefore needed on this.

As such the policy basis captured at part B(4) of draft Policy LP31 is too prescriptive and the language of the policy needs to expressly rely upon the Use Classes Order to clearly differentiate which types of specialist and supported housing will be required to provide affordable housing such as where these are clearly operational under the same attributes outlined at para 4.13.4 of the London Plan (2021).

From a development perspective, the policy as drafted has the potential for sterilising key existing sites, as well as potential new ones given the current existing pitfalls in the build costs related to the delivery of care homes. Whilst the client does not feel it necessary to go into the clear economic and commercial impacts (beyond points 1-7 raised above), it is obvious that the requirement for affordable housing introduces an inappropriate barrier to the market and would constrain growth in the care home sector. This is particularly pertinent considering the current financial pressures faced by the services and care home sector during the global pandemic, after which sharp and measurable recovery will be necessary.

In summing up the client's response to Main Matter 16 (i) of the Inspector's MIQs it is considered that the policy as drafted is not consistent with national planning or London Plan policy and is unsound. The policy is prepared without the depth and understanding of all the site specific and largely varied circumstances of care home sites in the borough, indicating that the plan has not been positively prepared, justified, nor consistent with national policy which is of course tasked in enabling the delivery of sustainable development in accordance with the policies in the NPPF.

Question (vi) – Do Policies LP23 – LP32 provide clear direction as to how a decision maker should react to a development proposal?

No. The draft Policy LP31 does not provide clear direction and without clear distinction or reference to the Use Classes Order within the policy wording, the application of the policy is unscrupulous and can be easily misinterpreted or misapplied including by the decision maker. This may result in the requirement for affordable housing from C2 uses completely focused and based on end of life, dementia

or assisted services including those providing wet rooms. These are exempt from affordable housing requirements in the London Plan as stated under para 4.13.4.

2. Care Home Market Commentary – supply of Wet rooms

The London Plan does assert that care home accommodation is an important element of the suite of accommodation options for older Londoners and this should be recognised by boroughs and applicants. To meet the predicted increase in demand for care home beds to 2029, London needs to provide an average of 867 care home beds a year.

Research undertaken by Caring Homes Healthcare Group (20 October 2022) confirms that there is an undersupply of wet rooms in the borough and there is a requirement for 441 Wetroom beds when including all planned beds (excluding all planned beds at 577). The research is taken from Carterwood, a specialist data consultancy in the Care home industry. The data is up to date.

There is an important distinction between ensuite and wet room. Ensuite means loo & basin only (these rooms would then rely on shared assisted bathroom facilities within the home - mostly older or converted properties). Whereas ‘wet room’ means private full shower room for disabled use with loo & basin. These are more suitable and in demand following the issues faced during the pandemic, whereas ensuite units are to become redundant and less resilient to modern day requirements.

As per the findings of Caring Homes and Carterwood provided in Appendix 2, London in general and Wandsworth has a serious shortage of good quality and modernised care home accommodation. By now requiring affordable housing, on top of specific building costs to this industry will further exacerbate this situation and worsen the under-supply.

3. Wider London Boroughs & Approach to affordable housing in care home developments

In addition to the above, ROK Planning have reviewed how other London boroughs apply affordable housing requirements in relation to C2 use classes and note the following:

London Borough	Do they require AH with care home uses?	Does this position change under emerging policy?
Barking & Dagenham	No	No
Barnet	No	Yes (Draft Policy HOU04) – though not clear exactly to which C2 uses this would apply i.e. where there is a distinction in the level of care provided.
Bexley	No	No
Brent	No	No emerging policy

Croydon	No	No emerging policy
Ealing	No	No emerging policy
Enfield	No	Yes (Draft Policy DM H5) – though this is directed in cases where market housing is proposed for older people or vulnerable people. it is acknowledged that such forms of housing are likely to have distinctive financial viability characteristics, particularly if an element of care is involved. In these circumstances the Council will take a flexible approach to the scale and nature of provision and whether the affordable provision should be made on site.
Greenwich	No	No emerging policy
Hammersmith & Fulham	No	No emerging policy
Haringey	No	No emerging policy
Harrow	No	No emerging policy
Havering	No	No emerging policy
Hillingdon	No	No emerging policy
Hounslow	No	No emerging policy
Islington	No	No
Kensington & Chelsea	No	No
Kingston Upon Thames	No	No emerging policy
Lambeth	No	No emerging policy
Lewisham	No	No
Merton	No	Yes – but this does not account for the specific costs and viability issues faced for care home uses providing nursing and personal care.
Newham	No	No
Redbridge	No	No emerging policy
Richmond Upon Thames	No	No
Sutton	No	No emerging policy
Waltham Forest	No	No
City of Westminster	No	No emerging policy

As the above demonstrates, it is well accepted across several other London Boroughs, including those adjoining Wandsworth that care home uses should be exempt from the requirement for affordable housing to ensure the effective delivery of care home uses.

We have also reviewed the emerging policy position, where relevant and where local plans are being updated, and the majority maintain the position that the requirement for affordable housing will be exempt from C2 uses. Notwithstanding, there are other boroughs seeking to amend their policy so that affordable housing is required, however this is subject to consultation, is at different stages of the emerging development plan process and the same arguments as made in relation to these representations will be relevant for these boroughs that an affordable housing requirement is not suitable due to the specific cost and viability issues faced by C2 uses providing CQC-regulated activity including nursing and personal care.

4. Concluding thoughts

Overall and as set out above and in past representations, draft Policy LP31 does not fully contribute to the long-term sustainability and vitality of the care home sector. It does not provide the flexibility for introducing added value to existing care home sites (particularly in the scenario of a change of economic circumstances over the plan period) and will stifle and restrict the development of care home uses in the Wandsworth area if an affordable housing requirement is included.

Overall and as predicated in previous representations we remain of the view that the policy as drafted will not allow sufficient flexibility for care home development, nor are the requirements of the policy sound. Policy LP31 as currently proposed:

1. Improperly restricts the development of care homes in the borough when there is a clear unmet need.
2. Would prohibit and stifle the best use and intensification of existing care home sites in the borough, such as through extensions and redevelopment.
3. Is not based on the depth and understanding of all the site-specific circumstances of care home sites in the borough.
4. Is not sufficiently flexible to absorb or be reactive to any market downturn or changes in economic circumstance and should be amended.
5. Does not consider the benefits associated with care home development which can be captured by local communities.

The policy has not been positively prepared and is not consistent with the key social and economic thrusts of the NPPF. Due regard has not been given to all the varied site-specific circumstances of the care home sites in the borough to enable an appropriate policy to be drafted.

It is therefore respectfully asked of the Inspector that the policy is redrafted and amended to capture all comments submitted as part of our client's previous Regulation 19 representations as part of the emerging Local Plan. To avoid unnecessary duplication, we would draw the Inspector's attention to the reg 19 representation in Appendix 1 of this statement for the suggested changes however ultimately the approach to requiring affordable housing, stated at LP31 B(4), from all forms of care home accommodation, including class C2 uses, needs to be removed or at the very least be clearly defined in the draft policy and supporting text.

Thank you for the opportunity to participate in the local plan process. If you should have any questions in the meantime, please do not hesitate to contact either Erlina Hale ([REDACTED]) or myself at this office.

Yours sincerely,

[REDACTED]

Jamie Dempster
Associate Director

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List of Appendices

Appendix 1	ROK Planning regulation 19 representation (draft Wandsworth Local Plan) dated 28 February 2022.
Appendix 2	Carterwood supply and demand data dated October 2022.