Bexley local plan EiP technical note

Action arising from Matter 4 – providing London Plan evidence of older persons specialist housing benchmarking and establishing the need in Bexley

General points on GLA evidence base

Evidence of the need for specialist older persons housing in the London Plan is provided in a paper produced by Three Dragons: GLA Older Persons Housing Needs Assessment Report 2017 (the OPHNA hereafter).

The OPHNA uses a Retirement Housing Group (RHG) model that considers the propensity of older people to move, which provides estimates of potential demand for specialist older persons housing. The modelling is based on households, not population, and is predicated on the reasonable assumption that around 15-20% of all older person households aged 75 and over would consider moving to specialist older persons housing if it were available. The model also considered age profiles and assumed that 15% of households aged 75 and over and 2.5% of households aged 65-74 would live in specialist older persons housing if it were available. The model also considered potential demand by tenure, working on the assumption that social/affordable renters require affordable rented and homeowners require outright sale or shared equity older persons options. This element of the analysis considered the tenure patterns of older people from the 2011 census.

In 2017, the model suggests that:

- There is need for both extra care and sheltered units for sale and shared ownership
- Demand and supply for extra care housing for rent are broadly in balance
- Because there is so much stock relative to potential demand there is no need for additional provision of sheltered housing for affordable/social rent
- At present there is a very limited supply of specialist retirement housing for market rent

To 2029:

- Extra care housing is needed across all tenures – rent, sale and shared ownership
- There is potential demand for sheltered housing for sale and shared ownership and for market rent
- There is no need for additional provision of sheltered housing for affordable/social rent
- Total potential demand for specialist older persons housing across London adds up to just over 4,000 units a year

To 2041:

- Detailed modelling has not been carried out, but it should be noted that the number of older person households will continue to increase, although at a slightly slower rate than from 2017 to 2029

Regarding care home provision, the OPHNA commented that '*London currently has numerically enough beds but there are insufficient good quality beds and this shortage is particularly acute for dementia patients*.' The modelling of care home provision assumed that the proportion of older people living in a care home in London remains constant at the 2011 percentages for each age group.

Further detail of the specific modelling carried out was not presented in the OPHNA, but it indicated that the potential demand for specialist older persons housing 2017-2029 was 145 in Bexley. However, a further breakdown of this number for Bexley in terms of tenure and types of accommodation was not provided in the published report.

Clearly this was an overarching London-wide report that used broad assumptions to derive a figure for potential demand for specialist older persons housing. This demand was based on assumptions around the propensity to want to move to specialist accommodation across older age groups.

2021 Bexley SHMA

The Bexley 2021 Strategic Housing Market Assessment (the SHMA hereafter) (submission document SD6) provides local evidence of the need for specialist older person accommodation. The SHMA (Table 6.2) evidenced what housing options older person households would consider. This showed that broadly 12-16% would consider sheltered and extra care options.

When determining future need for older persons specialist accommodation, the SHMA used a combination of demographic modelling and a review of current older persons provision derived from Elderly Accommodation Counsel (EAC) data. This identified 3,764 units of older persons specialist provision in 2018. The SHMA used 75+ population rather than households with a HRP aged 75 or over. If household data is used, the actual proportion of households living in specialist older persons housing in Bexley is 19.2% (GLA 2016-based household projections central scenario is 19,111 households, with HRP aged 75 or over and 3,764 units of specialist accommodation). This is at the upper limit of the range set out in the OPHNA of 15% to 20% and is a basis for the modelling carried out in the SHMA.

The SHMA then reasonably projects future need based on demographic projections to 2038 (the end of the plan period). The SHMA provides a local demographic-based assessment of the need for older persons housing that is consistent with the assumptions of the OPHNA (15-20% of the older person population would consider specialist accommodation options). The detailed analysis does point to a lower annual need of 81 compared with 145 in the London Plan but this is justified based on the demographics of Bexley over a longer time period.

Additionally, it should be noted that the vast majority of older people want to stay in their own home with help and support when needed. Table 6.2 of the SHMA indicates that 71.5% of over 55 households want to stay in their own home and this increases to 84.7% of 75+ households. Buying a property on the open market is the next most popular option (22.1% of 55+ households)

Synthesis

Both the OPHNA and the SHMA indicate a need for older persons specialist accommodation as part of the overall dwelling mix. The OPHNA identifies a need for 145 units each year to 2029 but the published report does not break this down to the type of dwellings required in Bexley. The OPHNA assumes that 15% of 75+ households and 2.5% of 65-74 households *would consider* specialist older person accommodation.

The SHMA identifies an annual need for 81 units over a longer time period to 2038, which is broken down to C2 and C3 use classes. This is based on the actual number of people living in specialist older person accommodation and projects this forward using demographic projections. The SHMA also provides a range of evidence on the preferred type and tenures from households requiring specialist accommodation. This provides the Council with an evidence base that can help deliver a range of older persons accommodation over the plan period without being too prescriptive.

There is a London Plan housing requirement of 685 dwellings each year across Bexley and the Council has a responsibility to deliver housing to meet a diverse range of needs. Based on the 145 annual benchmark of potential demand from the OPHNA, 21% of new dwellings built would be specialist older person dwellings. However, based on local evidence, need from older people can be met through general market development as well as specialist older developments. The modelled need of 81 dwellings each year represents 11.8% of new development and provides a nuanced assessment of need-based local evidence.

Both approaches to assessing need are reasonable and indicate a specific need for specialist older persons accommodation. The OPHNA models potential demand based on proportions of older person households likely to consider specialist accommodation. The SHMA considers current supply, future demographics to 2038 and local evidence of the tenure and housing option preferences that older people would realistically consider.