

# The Planning Bureau Limited

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Local Plan Team  
Charnwood Borough Council  
Southfield Road  
Loughborough  
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7<sup>th</sup> November 2023

Via email: [idikemp@icloud.com](mailto:idikemp@icloud.com)

Dear Sir/Madam

## **RESPONSE ON BEHALF OF McCARTHY STONE TO THE CHARNWOOD BOROUGH COUNCIL CONSULTATION IN RESPONSE TO EXAM71 – INSPECTORS LETTER RE NEXT STEPS 230523.**

Thank you for the opportunity to comment on the Charnwood Borough Council Consultation in response to EXAM 71 *‘Inspectors Letter re next steps 230523’*. McCarthy Stone is the UK’s leading provider of specialist housing for older people. Please find below our comments on the consultation, which specifically addresses the need for specialist housing for older people.

We note that the Council have been working to progress the various workstreams in response to the Inspectors Letter and as a result a number of documents have been prepared and published for consultation. This includes an ‘Charnwood Local Plan- Consolidated Addendum report – Viability Report, August 2023 prepared by Aspinall Verdi (‘EXAM 76’) which we consider below.

This response builds upon the representation we submitted to the Regulation 19 Local Plan consultation on behalf of McCarthy Stone and Churchill Retirement Living (ID Number PSLP/707) and the Matter 9 hearing statement subsequently submitted by Churchill Retirement Living. Both the representation and hearing statement included a *‘Review of Local Plan Viability Assessment for Sheltered and Extra Care Housing’* (‘Churchill Viability Review’) with the Churchill Retirement Living hearing statement updating this evidence document submitted originally with the regulation 19 representation. Both representation and hearing statement concluded that ‘neither sheltered housing or extra care accommodation can support affordable housing contribution’ (para 5.1.2 of Churchill Viability Review). This conclusion was consistent with document library reference EB/I&D/7 ‘Charnwood Affordable Housing Viability Assessment, HDH Planning & Development Ltd, 2018’, which specifically assesses Sheltered and Extra Care housing for viability and affordable housing and concludes at Para 10.99 that *‘Based on this analysis, neither Sheltered Housing nor Extracare Housing are able to bear affordable housing in Charnwood’*. Our representation and hearing statement consistently recommended that *‘We are therefore strongly of the view that it would be more appropriate to set a lower, potentially nil, affordable housing target for sheltered and extra care development, particularly in urban areas’* and recommended a change to policy H4 affordable housing that read *‘Contributions will not be sought from self-build, custom housebuilding developments or specialist older persons’ housing including sheltered and extra care accommodation’*. No modification has subsequently been recommended by the Council.

We note that Section 8 of EXAM 76 specifically looks at the viability of Retirement Living and the section specifically reviews the Churchill Viability Review. Table 8.1 of EXAM 76 entitled 'Commentary on Churchill Written Statement', goes through the specific variables that the Churchill Viability Review considers affect the viability of retirement living housing (otherwise known as sheltered housing) and Aspinall Verdi make comment as to whether they agree with the assumptions made by the Churchill Viability Review or not. The last line of the table considers Churchills Viability Review that states '*We are strongly of the view that it would be more appropriate to set a nil affordable housing target for sheltered and extra care development, at the very least in urban area*'. In response to this, Aspinall Verdi conclude that '***This would not be unreasonable to enable the Plan to be found sound given the results of the AHVA (and the lack of any evidence to the contrary). This assumes that the Churchill statement, '5.1.2 The Charnwood Borough Council – Affordable Housing Viability Assessment concludes that neither sheltered housing or extra care accommodation can support affordable housing contributions' is correct***'.

Aspinall Verdi, the Council's more recent viability consultants, are therefore agreeing, within EXAM 76, with the evidence submitted by McCarthy Stone and Churchill Retirement Living, as a representation to the regulation 19 Consultation and the subsequent Matter 9 hearing statements, that it would not be unreasonable to set a nil affordable housing target for sheltered and extra care development. This would also be consistent with the Council's evidence document EB/I&D/7.

The PPG on Viability confirms at para 'Paragraph: 002 Reference ID: 10-002-20190509 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.....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**.*'

The Council have correctly tested sheltered / retirement housing at this plan making stage, but despite retirement /sheltered housing being found to be not viable, the Council have simply ignored their own evidence. This will lead to further viability assessment at the decision making stage and long, protracted, and probably adversarial, negotiations with council officers and commissioned consultants and resulting difficulties with decision makers expecting policy compliancy.

The PPG on viability, Paragraph: 001 Reference ID: 10-001-20190509 confirms that viability '*policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that **takes into account all relevant policies, and local and national standards**, including the cost implications of the Community Infrastructure Levy (CIL) and section 106. Policy requirements should be clear so that they can be accurately accounted for in the price paid for land. To provide this certainty, affordable housing requirements should be expressed as a single figure rather than a range. **Different requirements may be set for different types or location of site or types of development**.*'

From the above, it is clear that the Council have not considered and translated their own Viability evidence correctly in respect to specialist housing for older people despite our engagement in the Local Plan process and therefore as written Policy H4 is not currently justified by the evidence or consistent with national policy.

Therefore a main modification should be taken forward to exempt older persons housing from providing affordable housing in Charnwood. This would this be consistent with the evidence

submitted by Churchill Retirement Living and McCarthy stone as well as the council's own evidence in documents EB/I&D/7 and EXAM 76 and ensure the plan is justified and consistent with national policy.

**Recommendation**

For the plan to be found sound and be justified and consistent with national policy, a main modification should be brought forward that confirms that sheltered and extra care housing schemes will be exempt from providing affordable housing. This would enable much needed specialist housing to meet the needs of older people to be delivered without delay. This would be consistent with our recommended wording put forward in our representation to the regulation 19 consultation that recommended that the following wording be added to policy H4:

***Affordable Housing contributions will not be sought from self-build, custom housebuilding developments or specialist older persons' housing including sheltered and extra care accommodation'.***

Thank you for the opportunity for comment.

Yours faithfully

A black rectangular redaction box covering the signature of Natasha Styles.

Natasha Styles  
Group Planning Associate