

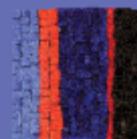
Retirement Housing Need Assessment

Proposed Retirement Apartments and
Semi-Detached Housing

Site of Focus School, Heaton Mersey
SK4 2AA

Anwyl Partnerships

JULY 2022



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town planning

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Executive Summary

This Retirement Housing Needs Assessment accompanies an application for residential development on the site of the former Focus School, Heaton Mersey which includes 72 retirement apartments. It explores the overall need for retirement housing, alternative models of provision and its benefits. It then refers to the requirement in Stockport, with reference to the locality of the site.

The need to greatly improve the provision of specialist retirement housing is increasingly recognised at a national level. The majority of household growth over the next 10 years will be because of an increase in older households without dependent children, particularly amongst those aged over 75.

The National Planning Policy Framework expects the size, type and tenure of housing needed by older people, and those who require affordable housing, to be reflected in planning policies. Accompanying Planning Practice Guidance states that the need to provide housing for older people is 'critical', referring to a doubling in the population of those aged 85 between 2016 and 2041.

The Government has recognised that the needs of older people are different from previous generations and that aspirations around housing and lifestyle have changed dramatically. Accommodation designed for independent living is increasingly favoured over traditional institutions.

Whilst retirement schemes typically allow occupation by those aged above 55, the average age of residents is nearly 83 years old. Although 68% of occupants live alone, and one-third of renters and two-thirds of owners live in 2-bed properties.

The substantial benefits of provision of specialist accommodation for the elderly are recognised by the Government and a series of relevant reports as detailed within this document:

- Improving quality of life, with social networks reducing isolation
- Practical advantages of reduced maintenance responsibilities and fuel costs
- Reducing costs to the social care and health systems
- Freeing up family housing for other buyers

Freeing up family housing is a consequence of 'rightsizing', in which an older person can make a positive choice to move home to improve their quality of life. This is dependent on the availability and accessibility of attractive housing options, the absence of which has caused a 'rightsizing gap'. Most of the accommodation which has been provided is sheltered housing managed by social landlords. However, there is increasing recognition of the need to diversify choice, for example through shared ownership, when 70% of those above pension age are owner-occupiers.

To be successful in supporting their residents, schemes need to have access to existing shops, services and transport links. These are often in high value areas, and higher development costs mean that operators struggle to compete against traditional residential developers on ‘windfall’ sites. Furthermore, most older people wish to remain within their community when considering retirement housing options and so seek local provision.

With reference to elderly needs in Stockport:

- Stockport has the greatest proportion of population aged 55 or more of any Greater Manchester district, along with the greatest proportions aged over 65 and over 75.
- Stockport has the highest number of properties owned by those aged over 65 in Greater Manchester and a majority of these are under-occupied with 2 or more spare bedrooms.
- Across the borough there is a need for 2,414 more units of specialist older person dwellings, such as extra care and retirement housing. This is an underestimate based on the current profile of accommodation, having regard to the declining popularity of residential institutions.
- The planning application which this report accompanies is within the Township of *Heaton Mersey, Heaton Norris (West), Heaton Moor*. This has the highest number of 4-bed houses in Stockport other than Bramhall, substantially above the adjacent areas of the borough. Of those over 65, 68% live in a 3 or 4-bed house. Out of those aged above 65 and contemplating a move, 82.6% would wish to stay within the Township and almost 60% would seem 2-beds with level access.
- The Township has the highest property prices and the lowest level of affordable housing apart from Bramhall. Given the relationship between provision of retirement housing and the wider housing market, it is also relevant to have regard to affordability within Stockport in general.
- There is a net shortfall of 549 affordable dwellings each year in Stockport.
- There are serious concerns over the relative affordability of accommodation across most tenures and particularly for the key workers and wage earners considered. The ability of households to enter the general market without substantial deposits is restricted.

The largest component of overall housing need in Stockport arises from older households, yet Stockport only has a 3.2 year supply of housing land. There is insufficient capacity within the urban area to meet its housing requirement, and there is significant competition for any windfall sites which do become available from developers of open market housing.

Following Stockport's withdrawal from the Greater Manchester Spatial Framework, the latest timetable (July 2022) suggests that a new Local Plan will not be adopted before Autumn 2024. There is therefore no obvious opportunity for the urgent housing needs of the elderly to be addressed. The Development Plan does not at present allocate sites for housing older people, which national guidance states may be appropriate where there is an identified unmet need for specialist housing.

1 Introduction

- 1.1 This document accompanies a planning application by Anwyl Partnerships for residential development on the site of the Focus School, Heaton Mersey, which includes 72 retirement apartments and 10 semi-detached market dwellings.
- 1.2 It provides context by considering the growing need for retirement accommodation at a national level, the approach to this in planning policy, and different models of retirement accommodation. It explores the consequence of this need not being fully addressed, including implications for health and well-being and the wider housing market.
- 1.3 The report then goes on to address the position within Stockport, with reference to both sub-regional Greater Manchester evidence and information about the specific locality in which the subject site is located.
- 1.4 The report concludes by drawing out key points about the demand for retirement accommodation in terms of scale and characteristics which are relevant to the determination of the planning application.

2 Context

2.1 In looking at the need for retirement accommodation at a national level, this section provides context by considering the ageing population and how planning policy requires need to be addressed, before considering what it meant by 'retirement accommodation'.

Scale of Requirement

2.2 With reference to national projections for the 10 years from 2018, Andrew Nash of the Population and Household Projections team at the Office for National Statistics comments as follows:

“We project the majority of household growth over the next 10 years will be because of an increase in older households without dependent children, particularly those where the household reference person¹ is aged 75 years and over. This shows the potential impact of an ageing population on future household formation.”

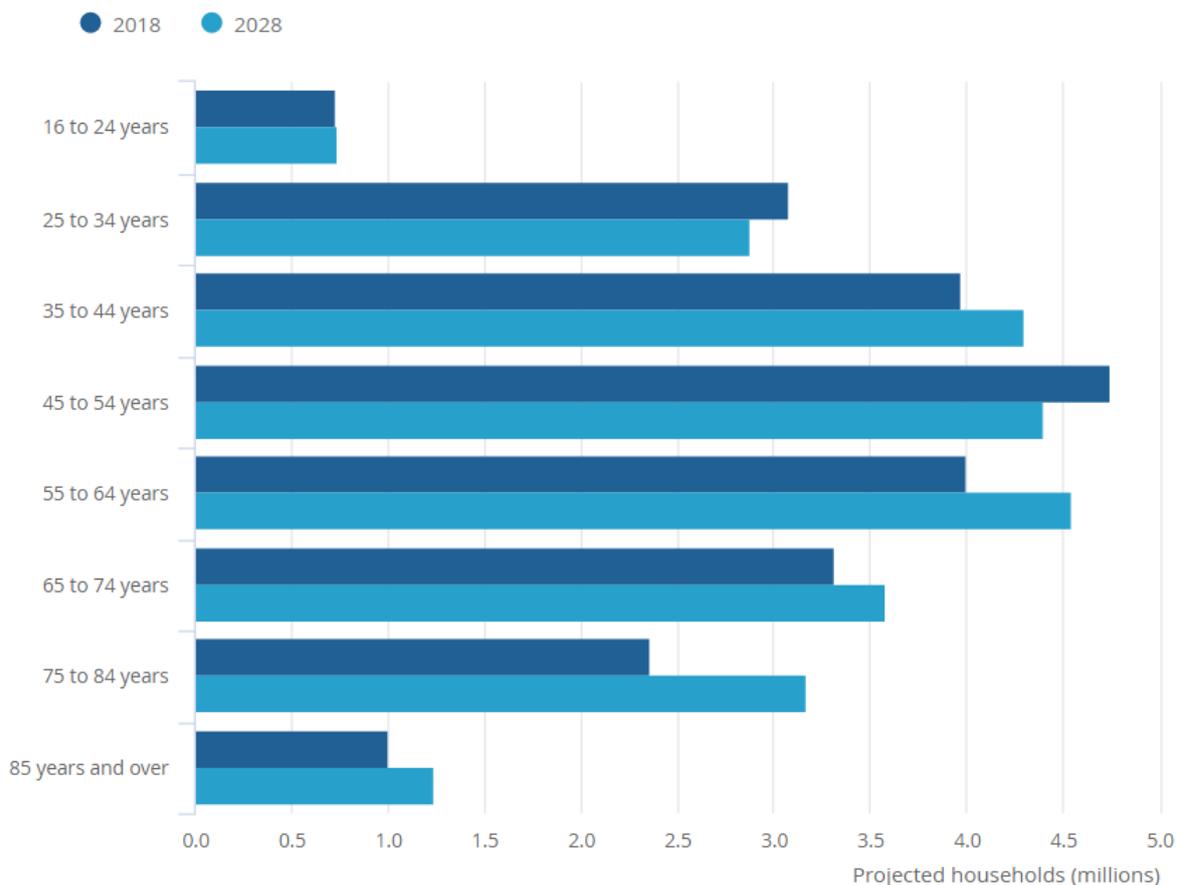
2.3 This trend is revealed in the following statistics:

- The number of households where the Household Reference person (HRP) is aged 55 years or over is projected to increase by 17.5% in the 10 years to 2028, compared with 1.8% fewer households with an HRP aged under 55 years.
- The largest projected percentage growth in households in the 10 years to 2028 occurs at the oldest ages. The number of households where the HRP is aged 75 to 84 years is projected to increase by 34.5%, reaching almost housing million by 2028. Households with HRPs aged 85 years and over are also projected to increase markedly over the same period, growing by 24.1%. Overall, households with an HRP aged 75 years or over account for 64.2% of the total growth in households between 2018 and 2028.
- The projected increase in households where the HRP is of an older age strongly reflects an ageing population; between 2018 and 2028, the number of people aged 75 to 84 years in England is projected to increase by 33.9%, and aged 85 years and over by 22.8%.

¹ The Household Reference Person (HRP) is eldest economically active person in household or eldest inactive person if no economically active person

2.4 The trends are illustrated by the ONS graphic below. It is apparent that it is inappropriate to consider housing demand and supply in terms of overall numbers, without paying proper regard to the composition of the existing stock and the type of dwellings required in the future to meet the specific needs of the ageing population.

**Projected households by age of household reference person (HRP),
England, 2018 and 2028**



Planning Policy

National Planning Policy Framework

2.5 The *National Planning Policy Framework 2021* (NPPF) contains the following references of direct relevance:

- *“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.”* (parag. 60)

- *“...the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).”* (parag. 62)

Planning Practice Guidance

2.6 *Planning Practice Guidance* (PPG) contains definitions of different types of retirement housing which are set out in the next section below, together with guidance on planning for the housing needs of older people:

- *“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.”* - ID: 63-001-20190626
- *“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. For plan-making purposes, strategic policy-making authorities will need to determine the needs of people who will be approaching or reaching retirement over the plan period, as well as the existing population of older people.”* - ID: 63-003-20190626
- *“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. They could also provide indicative figures or a range for the number of units of specialist housing for older people needed across the plan area throughout the plan period.”* - ID: 63-006-20190626
- *“Plans need to provide for specialist housing for older people where a need exists. Innovative and diverse housing models will need to be considered where appropriate...Plan-makers will need to consider the size, location and quality of dwellings needed in the future for older people in order to allow them to live independently and safely in their own home for as long as possible, or to move to more suitable accommodation if they so wish.”* - ID: 63-012-20190626

- *“It is up to the plan-making body to decide whether to allocate sites for specialist housing for older people. Allocating sites can provide greater certainty for developers and encourage the provision of sites in suitable locations. This may be appropriate where there is an identified unmet need for specialist housing. The location of housing is a key consideration for older people who may be considering whether to move (including moving to more suitable forms of accommodation). Factors to consider include the proximity of sites to good public transport, local amenities, health services and town centres.” - ID: 63-013-20190626*
- *“It is for a local planning authority to consider into which use class a particular development may fall. When determining whether a development for specialist housing for older people falls within C2 (Residential Institutions) or C3 (Dwellinghouse) of the Use Classes Order, consideration could, for example, be given to the level of care and scale of communal facilities provided.” - ID: 63-014-20190626*
- *“Decision makers should consider the location and viability of a development when assessing planning applications for specialist housing for older people. Local planning authorities can encourage the development of more affordable models and make use of products like shared ownership. Where there is an identified unmet need for specialist housing, local authorities should take a positive approach to schemes that propose to address this need.” - ID: 63-016-20190626*

Models of Retirement Housing

- 2.7 *Planning Practice Guidance* (ID: 63-010-20190626) defines different types of specialist housing for older people as including:
- 2.8 **Age-restricted general market housing:** This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.
- 2.9 **Retirement living or sheltered housing:** This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager. (NB. also commonly referred to as ‘housing with support’)
- 2.10 **Extra care housing or housing with care:** This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with

24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

2.11 **Residential care homes and nursing homes:** These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

2.12 The PPG notes that there is a significant amount of variability in the types of housing for older people and that the list is not definitive. The list above implies a progressive increase in dependency through the models. Other sources of analysis typically regard institutions such as care and nursing homes separately, as they are not intended for independent living. These include the 2020 report *Housing and Care for Older People: Defining the Sector* produced by the British Property Foundation and Cushman & Wakefield, which identifies three defining aspects:

- Purpose built for older residents. Physical attributes could include, but are not restricted to, wheelchair accessible doors, wide corridors, level-threshold showers and 24-hour emergency alarm systems.
- Self-contained. It could be a flat or a bungalow with its own front door, private space and facilities and allows residents to live independently.
- Residents have security of tenure.

2.13 Provision can then be distinguished by the degree of provision for care, support and services:

- Care may range from assistance with daily activities to more medically focussed care.
- Support consists of measures which can allow residents to live independently such as 24-hour on-site assistance (alarm) and a warden.
- Services can include a wide range of communal services and spaces from bars, restaurants and cafes, to leisure facilities such as gyms.

2.14 The 2012 report *Housing in Later Life - planning ahead for specialist housing for older people* provides a toolkit in a collaboration between the National Housing Federation, Housing Learning and Improvement Network, McCarthy & Stone, Contact Consulting and Tetlow King Planning. This similarly defined specialist provision is one that has individual dwellings with their own front door (whether for rent, sale or shared ownership), communal areas such as lounges and restaurants, a scheme manager (or other types of support service) and varying levels of personal care and support.

2.15 The remainder of this report is primarily concerned with such specialist retirement accommodation for independent living, which is relevant to the development proposal.

Locational Requirements

2.16 A report by The Strategic Society² found 80% of older people wish to stay where they are – or ‘age in place’ – and 85% plan to remain in their neighbourhood for a number of years. Its research also found strong levels of neighbourhood attachment relating to trust, a sense of belonging to a close-knit community, and being able to rely on neighbours. Indeed, older homeowners may feel that such community and neighbourhood relations are themselves valuable in the context of their ageing and potential need for support. This research found the provision of retirement housing needs to be in the right ‘local’ locations if it is to generate increased demand.

2.17 The *Housing in Later Life* report notes how, to be successful in supporting their residents, many schemes need to have access to existing shops, services and transport links. These are often in high value areas and tend to have much higher development costs. At the other end of the scale, sites for larger more self-contained developments are in short supply within the built-up area.

2.18 Preferred sites tend to be:

- Well-located and prominent – the most popular schemes are located in busy areas with good access.
- Within a catchment area with a specific need for this form of accommodation and able to support the proposed tenures.
- Usually between 0.5 to 1.5 acres (0.2 to 0.6 hectares).
- Close to an established town centre and public transport, usually meaning the development of brownfield sites.
- Sufficiently close to shops, amenities and facilities (such as a GP surgery and hairdressers) with ideally a level and safe route of access.

² As cited in HAPPI3 ‘Making Retirement a Positive Choice’ p19

2.19 Such sites will be in high demand with other developers, including other residential developers as well as supermarket and office providers. High competition impacts upon the cost of the land, which can affect the viability of proposals that come forward.

Age of Occupants and Size

2.20 Whilst retirement schemes typically allow occupation by those aged above 55, the actual age of occupants is generally significantly greater. Associated Retirement Community Operators (ARCO) engaged ProMatura to undertake the largest and most comprehensive study of the UK sector to date in 2019:

- The average age of residents was nearly 83 years old, and 83% of residents were aged 75+. The average age of entry to a community was between 81 and 82.
- Around 69% of residents were female. This also relates to the fact that half of residents were widowed; just a third were married or partnered.
- Around 68% of residents lived alone. Nearly two-thirds of renters (private or social) lived in 1-bedroom flats, while over three-quarters of owners lived in 2-bedroom properties.

2.21 The 2021 ILC report *‘What we want: Future-proofing retirement housing in England’* concludes that ***“given the high proportion of owners living in 2-bedroom properties – and indeed nearly a third of renters in residences greater than 1-bedroom – the sector may need to think about how its future development should progress to ensure more spacious properties are available: in other words, be sure not to focus on the design for single occupancy.”*** (p14).

3 The Case for Adequate Specialist Provision

- 3.1 The Government response to the Second Report of Session 2017-19 of the Housing, Communities and Local Government Select Committee inquiry into Housing for Older People was published in September 2018 (CM9692). It summarises the position as follows:
- 3.2 ***“we have a rapidly ageing population. The needs of older people now are different from previous generations and their aspirations around housing and lifestyles have changed dramatically. The Government’s Housing White Paper, ‘Fixing Our Broken Housing Market’, set out our plans to reform the housing market and boost the supply of new homes in England. In that we acknowledged that offering older people a better choice of accommodation can help them to live independently for longer, improve their quality of life and free up more family homes for other buyers. We recognise that ensuring the right and adequate housing for older people can reduce costs to the social care and health systems.”*** (p4)
- 3.3 Even where retirement accommodation has been provided, this is often not in accordance with the needs and aspirations of people who are reaching retirement age today. Specialist retirement accommodation for independent living is not comparable with institutional care homes in this respect.
- 3.4 The two main aspects of the case for adequate specialist provision are:
- The well-being of occupants.
 - The implications for the wider housing market.

Well-Being of Occupants

- 3.5 Inadequate accommodation has implications for both physical and mental health. The Select Committee noted that ***“The right kind of housing can keep people healthy, support them to live independently and reduce the need for home care or residential care.”*** (parag 27), whilst the Government response observed how ***“un-adapted, hazardous, poorly heated and un-insulated accommodation can lead to a number of different ailments including loneliness and depression.”*** (p7)
- 3.6 The critical distinction with traditional care or nursing homes is that specialist provision avoids an institutional ethos for those who wish to live independently but require appropriate accommodation and support in order to do so.
- 3.7 Benefits include:
- Dedicated on-site support
 - More plentiful social networks

- A safer environment
- Readily available repairs and maintenance
- Lower fuel bills compared with previous homes, with ageing and inefficient homes linked to pensioner deaths each winter
- Reducing pressure on health and social services by supporting people to live independently and avoiding crisis intervention.
- Delaying or preventing a move into residential care.

3.8 The Government's select committee response acknowledged that "***ensuring the right and adequate housing for older people can reduce costs to the social care and health systems***".

Implications for Housing Market

3.9 The Government has recognised that offering people a better choice of accommodation will "***free up more family housing for other buyers***".

3.10 The report *Rightsizing: Reframing the housing offer for older people* was produced by PHASE (a research consultancy at the Manchester School of Architecture) in 2018. 'Rightsizing' is defined as an older person's active, positive choice to move home as a way of improving their quality of life. The ability to rightsize is dependent on both the availability and accessibility of housing options. The majority of older people appear to be in a 'rightsizing gap', where housing options supporting a better quality of life are neither available nor accessible to them. As much as 60% of the population of older people have little opportunity to move from their current home, regardless of its suitability. The report cites research by Park and Zeigler (2016) suggesting that only the wealthiest 10% and least wealthy 30% of older people (supported by the social housing sector) have adequate rightsizing options.

3.11 Around 60 per cent of older householders have multiple bedrooms despite having no dependent children. The inquiry by the All Party Parliamentary Group on Housing and Care for Older People in its 2014 report *The affordability of retirement housing* found that around two thirds of residents currently living in retirement properties have moved from homes with three or more bedrooms.

3.12 The HAPPI 3 report *Making Retirement Living A Positive Choice* was published in June 2016. The report notes how new homes for older people can not only meet their needs but can create the housing solutions for the younger generation as well:

- Eight million people over 60, in 7 million homes, are interested in 'downsizing'.
- If half did so, 3.5 million properties – of which two thirds are family homes with three or four bedrooms – would become available, unlocking 18% of the property market.

- 1% of Britons in their 60s are living in tailor-made retirement properties, compared to 17% in the US, and 13% in Australia and New Zealand.
- Homes designed for those retiring or in their ‘extended middle age’ achieve cost savings and have significant benefits in health and wellbeing, including tackling isolation and loneliness, while also releasing capital to improve the incomes and quality of life of older people.
- The number of homes built specifically for older people each year has fallen from 30,000 in the 1980s to fewer than 8,000 in recent years.

3.13 The ability of older householder to downsize has a cascade effect that stimulates activity throughout the housing market. The failure to make adequate provision is part of, and contributes to, a wider shortfall in delivery, with implications for affordability and the ability of first-time buyers to get on the property ladder.

Tenure and Affordability

- 3.14 The Select Committee report concluded that ***“older people should be able to choose from a wide choice of housing which can accommodate their needs and preferences. This will include, across the social and private sectors, smaller, or better designed, general needs housing, accessible housing, specialist housing, including retirement homes and extra care housing, and cohousing.”*** (parag. 122)
- 3.15 One of the concerns of the Select Committee was that owner-occupiers in housing which is either of low value or in poor condition may not be able to move unless they can access social rented housing or shared ownership. Both shared ownership and Help to Buy could play a more important role in enabling older people to afford to purchase a mainstream home or release equity when they move. The Government’s response identified how it was investing in shared ownership and Older Persons Shared Ownership, the latter being sheltered housing on shared ownership terms adapted for the particular needs of the over 55s. It confirmed that it was ***“considering a range of ways in which shared ownership can be made more accessible to all buyers and increase its attractiveness to lenders and investors.”*** (p14).
- 3.16 The HAPPI 3 report called for an industry-wide awakening to recognise the huge market for tailor-made homes for the older population, but identified a particular role for housing associations ***“to recognise the scale of unmet need for housing in all tenures for older people which they can address as trusted, regulated, experienced providers.”*** (p6)
- 3.17 The report discusses how accommodation available was still predominantly sheltered housing managed by social housing landlords. Older social rented housing still accounts for around 75% of the

total, yet 70% of those over pension age are owner occupiers and many will continue to wish to own if they downsize.

- 3.18 The 2019 HAPPI 5 report is entitled *Rental Housing For An Ageing Population* and includes discussion of shared ownership to assist older homeowners for whom a move to more suitable accommodation has become necessary, but for whom outright purchase of a retirement home is not affordable.
- 3.19 It notes how shared ownership can take the place of rental provision at a lower level of subsidy if rents and service charges are affordable. It favours a flexible level of equity share to support many of those whose current property cannot generate sufficient funds to finance a down-sizing move and refers to “staircasing down”: equity release whereby the occupier sells back some of their equity to the association to finance care and support costs.

4 Evidence for Stockport

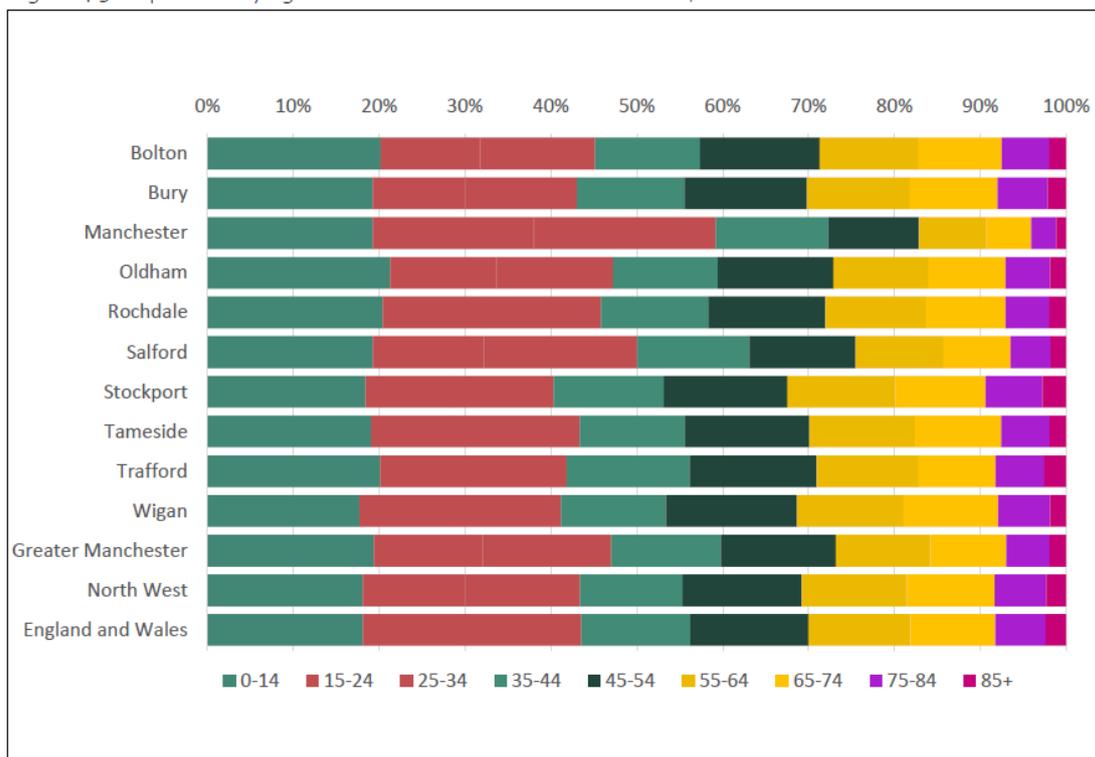
Greater Manchester SHMA (2020 Update)

4.1 The most recent analysis undertaken at a sub-regional level is contained within the *Greater Manchester Strategic Housing Market Assessment*, updated in August 2020. Relevant statistics include the following:

- The greatest percentage rise in population between 2018 and 2043 is projected to be in the older age groups, with those aged over 85 increasing by 70.9% over the period. There will be strong growth in all age groups over 60.
- There will be 33.7% more people aged over 65 living alone across Greater Manchester by 2035 rising from 15,793 to 20,729 people.
- Around 35% more people over 65 in Greater Manchester will be unable to carry out at least one domestic task on their own and would therefore need some form of care. By 2035, 29.5% of those aged over 65 in Greater Manchester will have a limiting long-term illness that limits their day-to-day activities a lot.

4.2 Figure 4.3 shows that Stockport has the greatest proportion of population aged 55 or more of any Greater Manchester district, along with the greatest proportions aged over 65 and over 75.

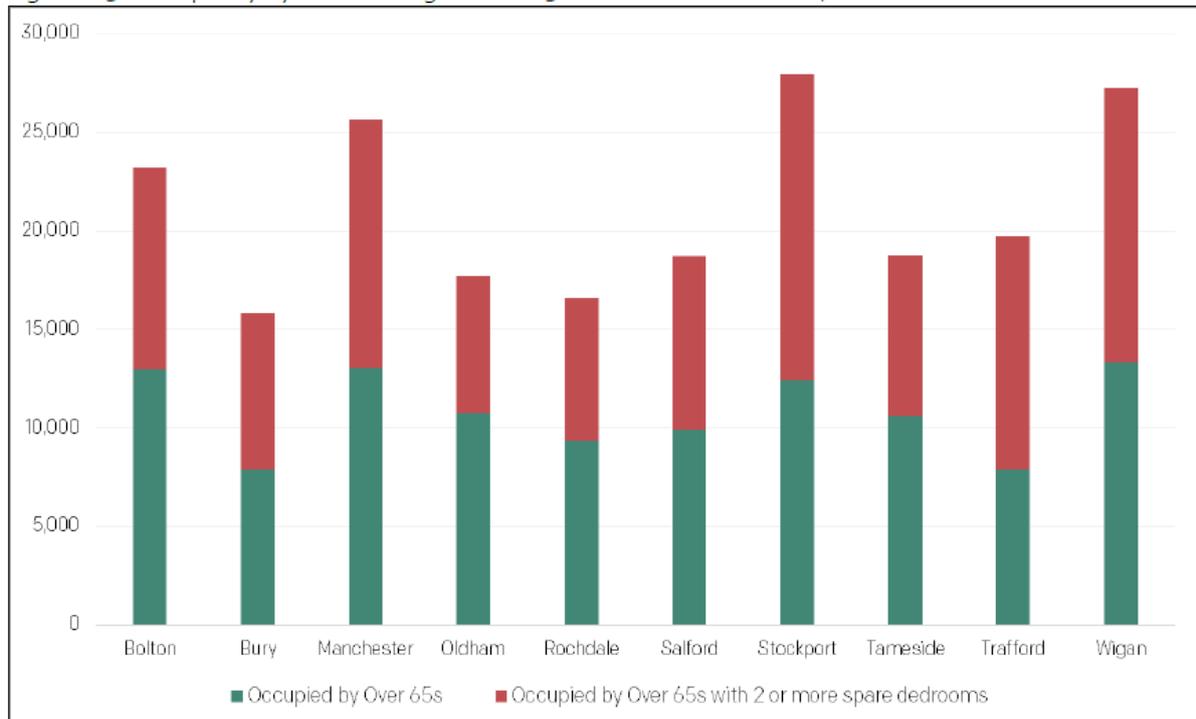
Figure 4.3: Population by age band in Greater Manchester districts, 2018



Source: ONS Population Estimates Analysis Tool, Mid-2018.

4.3 Figure 6.3 shows that Stockport has the highest number of properties owned by those aged over 65 in Greater Manchester and that a majority of these are under-occupied with 2 or more spare bedrooms.

Figure 6.3: Occupancy by residents aged over 65 in Greater Manchester, 2011



Source: 2011 Census

4.4 Analysis produced for the GMCA by the Housing Learning and Improvement Network (LIN)/Elderly Accommodation Counsel (EAC) estimates the shortfall in specialist housing and accommodation for older people, or the 'gap' between future demand and current supply.

Table 6.3: Estimated shortfall in specialist accommodation for older people, by type and tenure, in each local authority and across Greater Manchester by 2037.

| Area | Housing for Older People for sale (units) | Housing for Older People for rent (units) | Housing with care for sale (units) | Housing with care for rent (units) | Total estimated shortfall (units) |
|---------------------------|---|---|------------------------------------|------------------------------------|-----------------------------------|
| Bolton | 528 | 528 | 121 | 363 | 1,540 |
| Bury | 656 | 656 | 186 | 186 | 1,684 |
| Manchester | 574 | 574 | 102 | 305 | 1,555 |
| Oldham | 396 | 396 | 84 | 253 | 1,129 |
| Rochdale | 473 | 473 | 120 | 359 | 1,425 |
| Salford | 528 | 560 | 75 | 224 | 1,387 |
| Stockport | 1,350 | 665 | 349 | 349 | 2,713 |
| Tameside | 528 | 752 | 131 | 393 | 1,804 |
| Trafford | 1,026 | 505 | 227 | 227 | 1,985 |
| Wigan | 1,252 | 1,252 | 455 | 455 | 3,414 |
| Greater Manchester | 7,309 | 6,360 | 1,850 | 3,115 | 18,634 |

Source: Housing Learning and Improvement Network (LIN)/Elderly Accommodation Counsel (EAC) (2020). 50/50% split assumed of the total estimated need where figures are the same for both sale and rent columns.

- 4.5 The table shows that Stockport has the highest shortfall in retirement housing for sale of any Greater Manchester district and the second highest overall shortfall. Over 2,000 properties for the elderly without care are required by 2035.

Stockport Housing Needs Assessment (HNA) 2019

- 4.6 The *Stockport Housing Needs Assessment (HNA) 2019* was originally intended to complement the Greater Manchester SHMA, although the SHMA referred to above is later and constitutes the most recent evidence document.
- 4.7 The Stockport HNA provides detailed local information which, in addition to secondary data and a survey of stakeholders, involved a household survey which received 2,320 responses. Matters considered include:
- The age structure and the projected increase in the elderly
 - The prevalence of mobility, health and well-being factors, pointing to a need for adaptations, support and specialist housing
 - The tenure occupied by older people
 - The provision rates of specialist housing

4.8 The document sub-divides Stockport into ‘townships’ for the purpose of analysis. The planning application at the former Focus School falls into *Township No. 8: Heaton Mersey, Heaton Norris (West), Heaton Moor*.

Population Projections

- 4.9 The HNA finds that there will be a marked increase in the number and proportion of older residents:
- Stockport already has 40% of residents aged 65 and over, compared with 18% across England.
 - The population aged 65+ years is expected to increase by 32.5% from 57,129 in 2019 to 75,690 in 2037.
 - Over the period 2019 to 2037, the number of older person households is going to increase by around 13,933, an increase of 27.3% in the borough.

Tenure and Housing Mix

- 4.10 The HNA refers to survey evidence that:
- 73.3% of dwellings are owner occupied in Stockport (39.5% outright and 33.8% owned with a mortgage or loan).
 - 14.4% of properties are affordable (13.4% rented from a social landlord and 1.0% intermediate tenure (help to buy, discounted sale, shared equity and shared ownership)
- 4.11 The Valuation Office Agency (2018) reports that the housing type and size profile of Stockport is:
- 17.8% 1 or 2-bedroom houses;
 - 45.8% 3-bedroom houses;
 - 13.3% 4 or more-bedroom houses;
 - 8.4% 1-bedroom flats;
 - 7.4% 2 or more-bedroom flats;
 - 4.3% 1 or 2-bedroom bungalows; and
 - 3.1% 3 or more-bedroom bungalows.

Implications

- 4.12 On a Stockport-wide basis, the HNA states that ***“The 2019 household survey data indicates that older people are particularly living in three and four-bedroom houses. Of those who intend to move in the next five years, these households have strong aspirations and expectations for one-bedroom houses, flats and bungalows; 22.6% expect to live in 1-bedroom flats and 22.3% aspire to live in bungalows***

with two bedrooms. Given the anticipated increase in older person households, it is important that the council recognises the impact this will have on the range of dwelling types and sizes being developed over the plan period.” (parag. 6.40).

- 4.13 It is estimated that 22% of all residents have an illness/disability, with an expected increase to 23.6% by 2037 and that there are around 1,008 households requiring wheelchair adapted properties up to 2037. From the age of 85 years onwards there is a sharp increase in households who report that they cannot physically manage the repairs needed to their homes and that the repair problems are too severe.
- 4.14 The following extract from Table 6.6 provides preferences according to size and tenure, highlighting the attraction of 2-bed properties with level access and the attraction of shared ownership:

| Table 6.6 Dwelling type and size likes and expectations of older households planning to move in the next five years | | | |
|--|--------------------------------------|---------------------------------------|--------------------------------------|
| Like | | | |
| Dwelling type and size | Buying on the open market (%) | Buying Intermediate tenure (%) | Social/affordable renting (%) |
| 1 or 2 bedroom house | 10.7 | 0.0 | 12.4 |
| 3 bedroom house | 12.9 | 8.0 | 12.4 |
| 4 or more bedroom house | 4.7 | 9.6 | 0.0 |
| 1 bedroom level-access | 2.3 | 0.0 | 6.5 |
| 2 or more bedroom level-access | 65.5 | 68.4 | 52.5 |
| Other | 3.9 | 14.0 | 16.1 |
| Total | 100.0 | 100.0 | 100.0 |
| Base | 2595 | 386 | 1087 |

Future Need

- 4.15 Across the borough, there are currently around 6,925 units of specialist older persons accommodation. This includes 1,625 units of residential care (C2) dwellings and 5,300 specialist older persons dwellings (C3). The HNA suggests that across the borough there is a need for 2,414 more units of specialist older person (C3) dwellings such as extra care and retirement housing and an increase of around 740 units of C2 residential care dwellings. However, this is based on the current profile of accommodation and an assumption that the ratios of people living in C2 and C3 accommodation does not change, whereas the HNA anticipates a reducing need for C2 accommodation as more people prefer to live independently with care and support provided.
- 4.16 The following table shows the position based on the perpetuation of current trends:

| Table 6.10 Analysis of future need for specialist older person accommodation | | | | |
|---|-----------------------------|---|---|-----------------------|
| Current provision (and planning use class) | Number of units 2018 | Number aged 75 and over 2019 | Number aged 75 and over 2037 (projected) | Change in need |
| | | 28,100 | 40,900 | |
| | | Ratio of population to current provision | Ratio applied to 2037 population | |
| Specialist older person (C3) | 5,300 | 0.1886121 | 7,714 | 2,414 |
| Residential Care (C2) | 1,625 | 0.0578291 | 2,365 | 740 |
| Total | 6,925 | | 10,164 | 3,239 |

Source: EAC database www.housingcare.org; Council lists of accommodation and ONS 2016-based subnational population projections

General Housing Need

4.17 Given the relationship between the provision of retirement housing and the wider housing market, it is also relevant to have regard to the following evidence from the HNA:

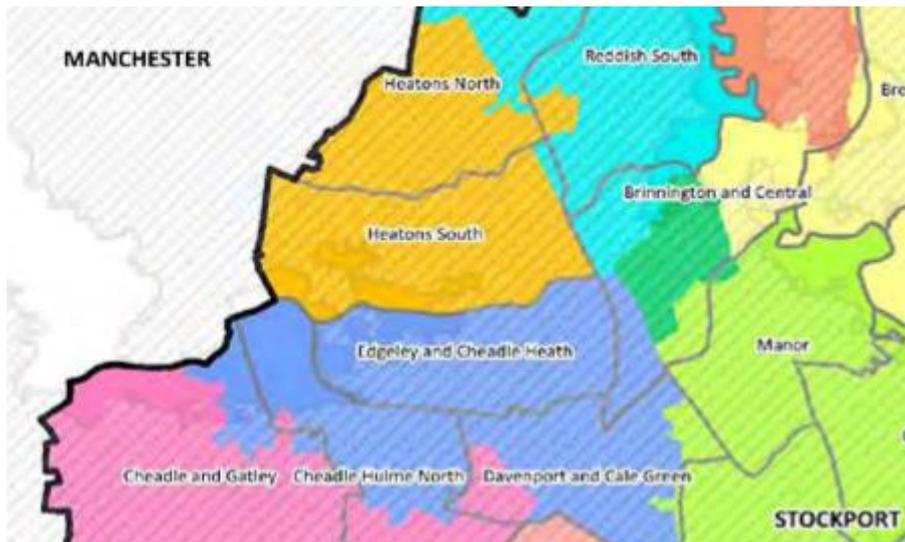
- During 2018, median prices across the borough were £220,000, compared with £154,000 across the North West and £235,000 across England.
- Median prices increased by 201% between 2000 and 2018, higher than that experienced across England (+187%) and the North West region (+174%). Lower quartile prices increased by 214%.
- Lower quartile rents increased by 19% between 2010 and 2018 compared with 13% for England.
- Stockport had a lower quartile house price to income ratio in 2018 of 7.34, ie. LQ house prices are 7.34x LQ gross earnings.
- For those hoping to move in the next 5 years, 62% would expect three bedrooms as a minimum in their next property.

4.18 The document offers the following conclusions on affordability:

- Based on the 25% income for renting and 3.5x income plus equity/savings for buying, the gross annual shortfall of affordable housing is 1,815. Once annual supply through sales, lettings and pipeline supply is considered, the net shortfall is 549 each year.
- The analysis raises serious concerns over the relative affordability of accommodation across most tenures within the borough, and particularly for the key workers and wage earners considered. Arguably, the ability of households to enter the general market without very substantial deposits is restricted.
- With regard to the type of dwellings, it is recommended that 23.8% of new affordable dwellings have one-bedroom, 37.9% two-bedrooms, 27.3% three-bedrooms, 8.2% four-bedrooms and 2.8% five or more-bedrooms.

Position in Township

4.19 The Stockport Housing Needs Assessment provide additional information by Township. Townships are described as areas with similar housing market characteristics and are the same as those used in previous housing needs studies which enables comparisons to be made over time. As noted earlier, the subject site falls with a Township referred to as *Heaton Mersey, Heaton Norris (West), Heaton Moor*.



4.20 The HNA contains relevant data on the current profile of housing stock in the *Heaton Mersey, Heaton Norris (West) and Heaton Moor* Township occupied by a Household Reference Person over the age of 65 in Figure 6.2:

- 12.1% occupy a 1-bed flat
- 9.5% occupy a 2-bed flat
- 32.8% occupy a 3-bed house
- 35% occupy a 4-bed house
- 0% occupy a bungalow of any size

4.21 A higher percentage of households above 65 occupy a 4-bed house in the Township than in any other area of Stockport apart from Bramhall, the 35% comparing with just 3.1% in *Cheadle, Cheadle Heath, Edgeley, Shaw Heath, Adswold, Davenport (West)* to the south of the site and 2.7% in *Heaton Chapel (North East), Heaton Norris (East), Reddish, Lancashire Hill* to the east. The combined total of 3 or 4-bed houses (68%) occupied is also one of the highest in Stockport. It is the only Township outside of the town centre where no bungalows at all are recorded as being occupied by the elderly.

- 4.22 Of the over 65s contemplating a move, 82.6% would wish to stay within the Township. Table 6.3 of the HNA addresses preferences by location and property type. The majority (59.3%) within the Township would seek 2 or more beds with level access. Whilst 31.3% would seek a 3-bed house, there were no preferences at all for 4 beds.
- 4.23 Having regard to the relationship between retirement housing and the benefits of this for the general housing market, the following findings for general affordable housing within the Township are relevant:
- Table 6.7 shows that the Township has the second highest median property values in Stockport (after Bramhall) and that 41.3% of older people could afford a shared ownership property (based on 50% share).
 - 36.9% of affordable need is for 2 or more bedrooms with level access (Table ES2). As well as being the largest category of need within the Township, this is above the average Stockport requirement of 28.8.
 - Only 6.2% of dwellings in the Township are affordable, the second lowest proportion in Stockport after Bramhall.
 - Table 4.16 shows that an affordable rental property in the Township would be £579 (Stockport average £541) and that the lowest quartile sale price is £220,000 (Stockport average £155,000) (2018 values).

Housing Supply in Stockport

- 4.24 The ability of Stockport to meet need for elderly housing must be considered in the context of overall housing supply within the Borough. This is critical because:
- The largest component of the general housing requirement in Stockport comes from elderly residents.
 - Remaining general need in Stockport, for example for family housing, could be addressed in part by the ability of older residents to 'rightsize' and so free up larger dwellings.
- 4.25 Housing supply is addressed more thoroughly in the Planning Statement which accompanies the application, but the following considerations are of relevance here:
- The Housing Land Supply Position Statement 2021 identifies a 3.2 year supply of housing land in Stockport, compared with the 5 year supply required by national planning policy.

- Following Stockport's withdrawal from the Greater Manchester Spatial Framework, the earliest which a Local Plan could be adopted in Autumn 2024. There is therefore no obvious opportunity for the urgent housing needs of the elderly to be addressed.
- Stockport does not have sufficient capacity within its urban area to meet its housing requirement, so it is vital that effective use is made of any suitable sites which do come forward.
- The Development Plan does not at present allocate sites for housing older people, which national guidance states may be appropriate where there is an identified unmet need for specialist housing.

5 Key Points & Conclusion

- 5.1 This document initially considers the issues of housing for the elderly in general terms, focusing on our ageing population nationwide, the amount and quality of accommodation available and the benefits of purpose-built accommodation.
- 5.2 The Government expects Councils to significantly boost the supply of homes through not only ensuring a sufficient amount and variety of land, but through meeting the needs of groups with specific housing requirements. Its response to the Select Committee inquiry into Housing for Older People acknowledges not only the scale of need, but how aspirations around housing and lifestyle have changed dramatically for older people.
- 5.3 Although retirement schemes commonly accept residents from above the age of 55, the average age of residents is 83. Specialist accommodation to meet today's expectations is expected to be purpose-built, self-contained, and with varying degrees of on-site support and communal facilities according to the particular model. However, there are only a limited number of suitable development sites available, and these are subject to competition from alternative uses.
- 5.4 Acknowledged benefits of adequate provision include improving the quality of life of residents and reducing pressure on health and social services. For the wider housing market, scope for 'rightsizing' by the elderly can free up homes suitable for families, when around 60% of older households have multiple bedrooms yet no dependent children. Whilst many currently wish to remain in their own home, this in part reflects an aversion to traditional models of provision and the current lack of desirable alternatives. Evidence suggests that owners who are downsizing, and a significant proportion of renters, wish to occupy 2-bed properties.
- 5.5 International comparisons suggest that there is still substantial room for growth in the proportion of older people living in housing designed and built specifically for them. This would free up the housing market with a cascade effect from increased numbers of transactions and assist first time buyers to get on the property ladder. However, the starting point is that not enough specialist provision is being provided to even maintain the existing proportion of specialist accommodation as the population ages.
- 5.6 The evidence for Stockport within the Greater Manchester context shows that the shortfall in retirement provision is acute and that there is no realistic prospect that this will be adequately addressed in the short term. Stockport has the greater proportion of population aged 55 or more of any Greater Manchester district, along with the greatest proportions aged over 65 and over 75. The percentage over 65 is already more than double that for England as a whole and its population aged 65+ years is expected to increase by 33% by 2037. Stockport also has the highest number of properties

owned by those aged over 65 in Greater Manchester and the majority of these are under-occupied, with 2 or more spare bedrooms. Local symptoms of a failing housing market, such as under-occupancy and declining affordability, demonstrate the implications of inadequate retirement accommodation being available.

- 5.7 The vast majority of future housing stock already exists, consisting of 128,910 dwellings in Stockport, and has not been designed to meet the needs of elderly residents. With the majority of newly occurring need arising from the elderly, it follows that a high proportion of newly constructed dwellings must be appropriate for their needs.
- 5.8 As most older people wish to remain within their community when considering retirement housing options, it is appropriate to focus on the township in which the site is located. It is notable that *Heaton Mersey, Heaton Norris (West), Heaton Moor* Township has 68% of the over 65s occupying a 3 or 4-bed house, one of the highest proportions in Stockport, and that 82.6% would choose to move within the local area. The majority of demand from this age group is for at least 2 beds and with level access. More generally, the Township suffers from wider affordability issues with the second lowest proportion of affordable dwellings in Stockport.
- 5.9 Returning to Stockport as a whole, maintaining the existing level of provision for the elderly is only a minimum benchmark for how much new housing is required. Just to maintain the existing proportions of specialist C2 and C3 properties, over 2,400 properties for the elderly without care in Stockport are required by 2035. However, the aspirations of those retiring today suggest that the proportion of C3 unit should be higher, with a significant proportion having 2 bedrooms. Furthermore, the high level of owner occupation by older households in Stockport indicate a relatively high need for owner occupation or shared ownership in comparison to social or affordable rent. This is particularly the case within the Township containing the application site.
- 5.10 The current Development Plan for Stockport does not fully address the needs of people approaching or already at retirement age, with no figures for the number of specialist units required and no sites allocated. Whilst a small number of individual schemes on windfall sites continue to come forward, there is no immediate prospect of the shortfall in Stockport being addressed on anything like the scale required, particularly given limited progress in replacing the outdated Core Strategy.
- 5.11 This report has clearly demonstrated the urgency of addressing elderly housing needs at a local level even just to stand still, and that this is not just a numerical issue when traditional models of provision for the elderly do not meet today's aspirations. Housing stock within Stockport which would be suitable for families is not available to them, because they are occupied by elderly residents who do not have attractive alternative options available. Inadequate provision is thus part of, and contributes

to, a wider shortfall in delivery, with implications for affordability and the ability of first-time buyers to get on the property ladder.

- 5.12 Addressing the needs of elderly people is an integral part of tackling the wider housing crisis. Stockport undoubtedly has a substantial unmet need for specialist housing, and must take a positive approach to schemes that propose to address this need in accordance with Planning Practice Guidance.



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