

## Lambeth CIL Modifications

### Examiner's Question EQ 4

#### Response on behalf of Coin Street Community Builders

Coin Street Community Builders (CSCB) is a company limited by guarantee established by local residents in 1984 following a campaign against large scale office proposals. The company is controlled by a Board, elected by CSCB members. Only people living locally can become CSCB members. The Board employs staff to manage the company on a day to day basis. Profits are not distributed but are ploughed back into CSCB's public service objective.

Since its formation in 1984 CSCB has transformed a largely derelict 13 acre site in the Waterloo area into a thriving mixed use neighbourhood by creating new co-operative homes; shops, galleries, restaurants, cafes and bars; a park and riverside walkway; sports facilities; by organising festivals and events; and by providing childcare, family support, training and employment opportunities. Income is generated from a variety of sources including the hire of retail and catering spaces, exhibition, event and conference spaces.

CSCB objects to the proposal to introduce a CIL charge on nursing homes in north Lambeth. It is acknowledged that the proposed CIL rate for self-contained *extra care* homes is half of the CIL residential rate for each charging zone but this does not address the problematic issue of providing *nursing homes* in central London and other high land value areas.

It is important to provide accommodation in CSCB's Waterloo and north Southwark neighbourhood to enable older people to remain near their friends and community when they need longer-term nursing care. Given land values in the area and the proposed CIL charge, the resultant consequential costs to an individual will be extremely high. In September 2020, specialist care advisers, Kingsbury Hill Fox (KHF), provided a report to CSCB which looked at the demand for a nursing home in north Lambeth. We attach their report as evidence. Page 26 of this report quotes two paragraphs from CQC's State of Care 2019 as follows:

*"Looking at capacity, the number of residential and nursing home beds has been falling steadily in all regions over the last five years, which reflects a national and local ambition to support people to remain at home for as long as possible. London has a much lower number of beds per 100,000 people aged 85 and over compared with the North East, but both have seen their bed numbers decrease by 11% over the period – the highest decrease of all regions."*

The KHF report adds:

*"CQC reported that the number of care home beds in London had dropped by 11 per cent in London compared with five per cent in England. London has approximately 22,500 beds per 100,000 people 85 and over compared with almost 28,000 for England. In London only 22 per cent of residents are fully or partly self-funding and 78 per cent are fully or partly local authority funded."*

*Generally voluntary and private sector operators develop new care homes in areas where there is a large self-funding sector at economic prices.*

*Few care homes are developed in areas where they would rely on local authority funding, as such a home is unlikely to be economically viable without the cross-subsidy provided by self-funding residents."*



The report concludes that projected supply would not meet projected demand.

A Southwark Cabinet Report from April 2019

(<http://moderngov.southwark.gov.uk/documents/g6089/Public%20reports%20pack%20Tuesday%2030-Apr-2019%2016.00%20Cabinet.pdf?T=10>) reinforces many of the points in the KHF report. Pages 81-101 relate to the procurement of the new nursing homes in Southwark and paragraphs 14 – 16 refer to reasons cited by providers for the decline in nursing home beds in Inner London: the higher land prices, workforce challenges, a younger population, relatively few self-funders and lower levels of owner occupation compared to outer London areas.

The issue of land prices is starkly shown by the fact that the former ITV site at Upper Ground (c10,000m<sup>2</sup>) was sold in 2019 for £145.6m. CSCB's adjacent Princes Wharf /Gabriel's Wharf site - on which CSCB wishes to develop a nursing home and associated enabling development - is 5246m<sup>2</sup>.

The Third Report of Session 2019–21 of the House of Commons Health and Social Care Committee on Social care: funding and workforce was published October 2020

(<https://committees.parliament.uk/publications/3120/documents/29193/default/>). Paragraph 28 states:

*“Social care is delivered by thousands of mainly private companies. Local authorities have been trying to limit how much they pay for services, but providers have been adversely affected by increasing costs, especially for staff as a result of the minimum wage. The result is an increasingly unstable market with growing numbers of providers going out of business or handing back contracts. In addition, some providers are focusing on services for people who fund their own care, and who will pay more. Care providers closing, or closing to local authority residents, has a direct impact on those needing care, reducing choice, and in the most extreme cases forcing service users to move to a different care home. ADASS (Association of Directors of Adult Social Services) describes this impact:*

*We have seen in the last year some 5,000 people affected by hand-backs of contracts to local authorities as a result of providers ceasing to trade. We estimate that currently perhaps a third of all providers are making a loss, and that might rise.”*

CSCB would emphasise that private sector operators do not currently develop new care/nursing homes exclusively for local authority funded residents; such a home would not be economically viable at the fees councils pay. Voluntary sector operators can do so only if they have the resources to subsidise the care home, which few have.

Other evidence sources are:

UK's largest care homes provider to sell off 52 facilities [https://www.theguardian.com/society/2021/mar/01/hc-one-uk-largest-care-home-provider-sell-off-52-covid-crisis-threatens-viability?CMP=Share\\_iOSApp\\_Other](https://www.theguardian.com/society/2021/mar/01/hc-one-uk-largest-care-home-provider-sell-off-52-covid-crisis-threatens-viability?CMP=Share_iOSApp_Other)

Southwark Local Plan Document [EIP161 - Strategic Targets Background Paper 2021 provides](#) comment on the London Plan statements on housing for older people and adds:

*“As regard to care homes and dementia provision, the number of people over 65 with dementia is forecast to reach 2,369 by 2030. Southwark has seen an overall reduction of 252 units (46%) of care home and dementia places since 2011 - an additional or improved 867 care beds are required by 2029.*

