

# The Housing Needs and Aspirations of Older People



# **A Report for the Regional Housing Board by the Regional Housing Forum**

## **The Housing Needs and Aspirations of Older People**

### **1. Introduction**

- 1.1 The size of the ageing population will increase rapidly during the next 20 years. In the South East the population aged over 60 is projected to increase by 58% by 2031 with the fastest rate of growth among people aged 85 and over.
- 1.2 This scale of growth places additional pressure on the supply and quality of housing. People have increasingly high expectations and many can exercise choices about where and how they live. In older age they will expect to maintain that freedom to choose their housing and any care and support services they may need.
- 1.3 National policy drivers for housing, health and social care, summarised at Annex 1, focus on personalisation, individual choice and the need for an integrated, approach to tackling issues. In relation to older people these drivers are reflected in policies to support independent living and prevent outcomes such as hospital and residential care admission rather than reacting when crises occur. This report draws on the principles and evidence set out in the documents referred to in Annex 1 and relates them to the South East context.
- 1.4 In order to plan for suitable housing to be provided for the growing number of older people in the South East, the Regional Housing Board (RHB) seeks to improve understanding of their housing and associated needs and aspirations and to identify implications for the region's housing stock.
- 1.5 This report sets out the findings and recommendations of a task group established by the Regional Assembly in conjunction with the Regional Housing Forum to develop this understanding by:
  - identifying the scale of growth in the ageing population in the South East and any areas of particular pressure
  - investigating how effectively existing approaches to gathering evidence of housing and related needs identify those of the ageing population and advising on areas for improvement
  - investigating the extent to which the current range of housing products meets the needs and aspirations of older people and
  - advising on emerging and additional options for general and specialised housing for older people that could encourage better use of the housing stock.
- 1.6 This report also takes forward recommendations made in relation to extra care housing in research conducted for the Regional Assembly in 2008<sup>1</sup>:

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<sup>1</sup> Caring for an Ageing Population in the South East, South East England Regional Assembly, August 2008

- The Assembly and Regional Housing Board should consider the alternative housing options for older people, particularly extra care housing, exploring best practice to best deliver housing that meets the local population's needs. This should include an exploration of viability, examining the size and financial requirements to provide successful developments.
- The Assembly should work with Communities and Local Government to develop a clear definition of extra care housing.

## **2. Challenges faced by older people**

2.1 Living longer presents a very diverse range of challenges for older people and for those who plan services to meet their needs. Although in many cases people will remain in good health into older age there is greater likelihood of living with ill health (especially increased frailty and life-limiting physical conditions and mental health issues such as dementia) for longer periods of time. Changes in mobility, income and personal circumstances also have implications for people's housing situations:

- Mary is a widow in her 70's living alone. She owns her house. As her arthritis worsens she finds it increasingly difficult to climb the stairs to the bathroom and bedroom. There is no flatted accommodation in her area which would enable her to stay close to her family.
- Bill and Angela are in their late 60's and own their ex-council house in a small village. Since Bill developed heart trouble they spend much more time at home and find that their trusty gas fire no longer keeps them warm enough. Bill can no longer drive and as there is no bus service the couple has to rely on relatives for shopping and hospital visits.
- Barbara, 85, has brittle bones and breathing difficulties. She rents her ground floor flat from a private landlord. She broke her arm in a fall when out shopping last year and is now too nervous to go out alone. She gets very lonely as her neighbours are all out at work.

2.2 Many people will choose to address such challenges by continuing to live in their current home, accessing help to repair, improve or adapt the home and to enable them to take care of themselves.

2.3 However, Lifetime Homes Lifetime Neighbourhoods the national strategy for housing an ageing society recognises that some people will want or need to move to more suitable accommodation, often in response to a life-changing event. It also makes clear that, as greater numbers of people live to 85 and beyond, two generations of older people with distinct types of housing and support needs have to be given consideration. Specialised housing will be important in meeting the needs of increasing numbers of older people with disabilities and dementia and will need to be provided in a way that reflects changing approaches to policy and service delivery.

2.4 It is expected that in spring 2009 the Government will publish three papers relating to older people:

- A refresh of Opportunity Age – the cross Government strategy for an ageing society with a focus on designing a clear outcome-focused framework
- A Green Paper on reform of social care
- A prevention package of health and social care services.

2.5 These are expected to further develop a number of common principles identified in the national policy drivers:

- A Stronger Voice: emphasising the importance of giving older people a stronger voice in helping to shape policy decisions which will impact on them and seeking to improve the way that government at all levels engages with its older citizens
- Emphasising Choice: to ensure that all public services are provided in way which meets the requirements of the consumer and not the other way around. In social care services especially, this is leading to a transformation of the way services are provided to ensure a personalised approach to the delivery of adult social care
- Prevention: investment in services, such as decent homes, which promote choice and support older people to retain their independence in the community and continue to participate actively in society.

It will be important for these principles to be taken into consideration when planning and providing housing and related services for older people.

### **3. Understanding the scale of the housing challenge**

- 3.1 It is projected that the proportion of households in England headed by someone aged 65 or over will increase from 26% in 2006 to 32% by 2031.<sup>2</sup> With 23.2% of the South East population projected to be aged over 65 by that date, the change in the age structure represents a considerable challenge.
- 3.2 During the same period, the region's population aged over 60 is projected to increase by 58% compared to a growth rate of 20% for the region's population as a whole<sup>3</sup>. The largest increases in absolute numbers of people aged over 60 are projected to occur in Kent, Hampshire and Surrey.
- 3.3 Within the population aged over 60, the fastest rate of growth is projected for the group aged 85+ which will grow by 129% during the period to 2031. The expansion of this older age group will be of particular significance in relation to the provision of specialised housing and care.
- 3.4 The greatest increases in the population aged over 85 are projected in Hampshire, followed by Kent and Surrey. Increases in excess of 83% are projected in all county and unitary authority areas except Brighton and Hove.
- 3.5 Older people today are more likely than ever before to be owner-occupiers.

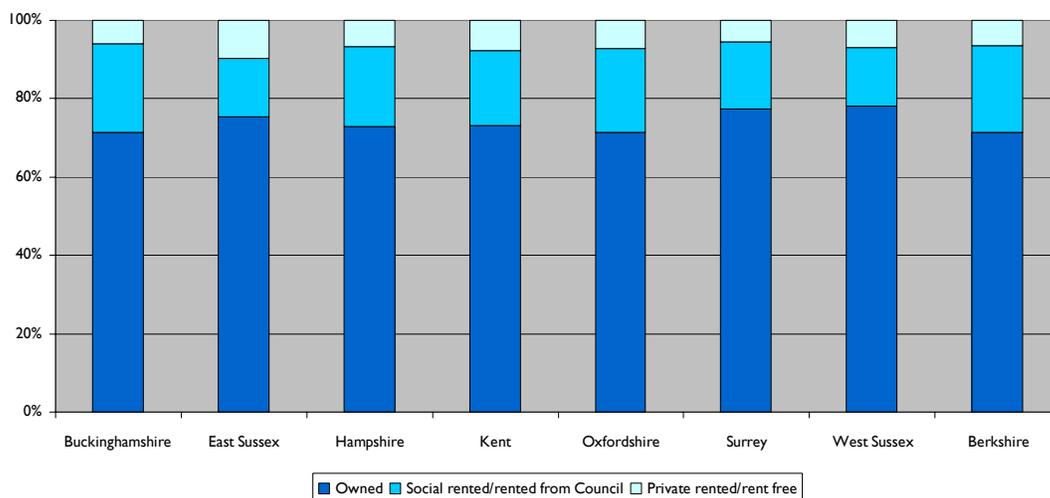
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<sup>2</sup> Housing Projections to 2031, England, CLG, March 2009

<sup>3</sup> The Ageing Population in the South East, Regional Assembly, October 2008

Figure 1 shows that, in every county in the South East in 2001, well over 60% of pensioners<sup>4</sup> were owner-occupiers. Between 10% and 20% of older people lived in the social rented sector.

**Figure 1. Tenure of older people by county in 2001**



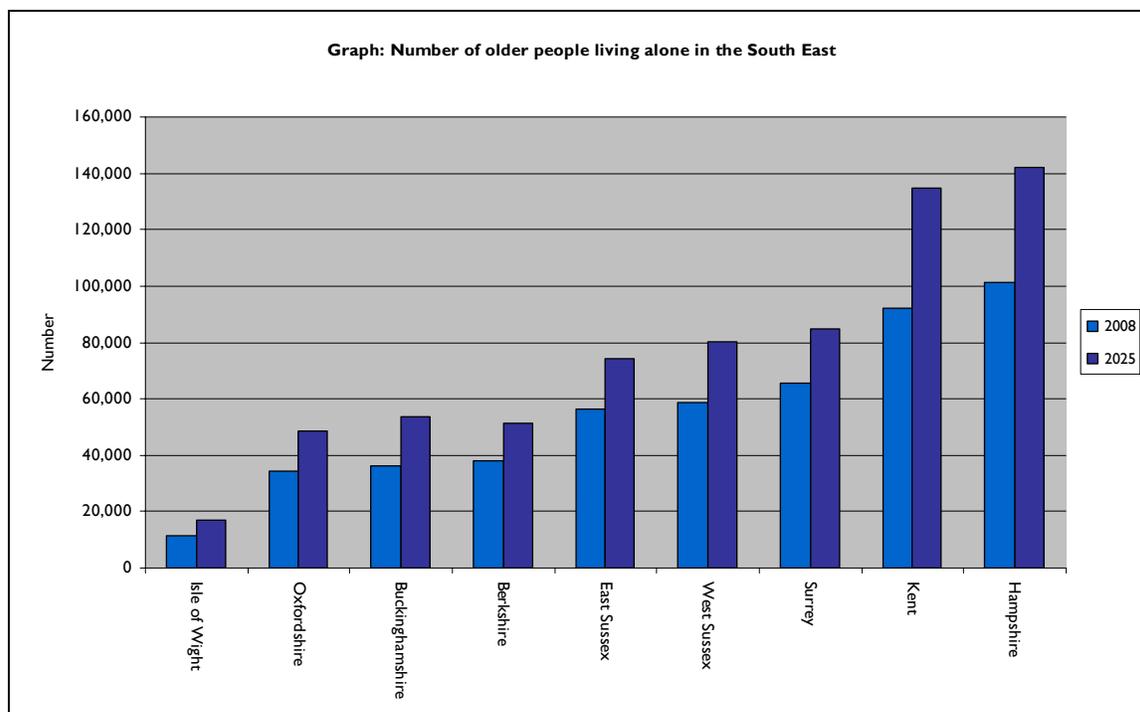
Source: ONS, 2001 Census

- 3.6 The high level of owner-occupation and the ability to release the equity in the home have implications for the housing and care choices older people can afford to make. These choices are likely to be influenced by a desire to pass on to the next generation some of the wealth built up in homes.
- 3.7 Many older households will consist of a single person. Nationally, 42% of the average annual increase in one person households is estimated to be among those aged 65 and older: 18% among 65-74 year-olds and 25% for the 75+ age group<sup>5</sup>. An average increase of 39,000 single households per year is projected in the South East to 2031 - the largest increase of any region.
- 3.8 The Assembly's research into caring for an ageing population projects that the majority of older people in the South East will continue to live in independent housing with a far greater proportion of them living alone. Figure 2 shows that the number living alone will increase in all counties. This trend has implications for demands on care and support services and highlights the importance of homes being capable of adaptation to meet residents' changing needs.

<sup>4</sup> Pensioners are defined as women aged 60 and over, men aged 65 and over

<sup>5</sup> Household Projections to 2031, England, CLG, March 2009

**Figure 2. Older People living alone 2008 and 2025**



### Key Messages

- By 2031 our society will be made up of a far higher proportion of older people many more of whom will be aged over 85, single households, and owner occupiers.
- They will expect to exercise choice in where and how they live.
- Although many older people will be able to live independently, a greater range of housing options will be required to enable them to respond to the challenges they are likely to face.

## 4. Identifying the housing needs of older people

- 4.1 In order to prepare and plan effectively for this demographic change, local evidence of the needs and expectations of older people and the part they play in the housing market is essential.

### Strategic Housing Market Assessments

- 4.2 From a spatial planning perspective, one of the key mechanisms for making policy decisions on delivering housing is through a Local Authority's Local Development Framework (LDF). This is driven by Planning Policy Statement 3 - Housing (PPS3) which sets out the national planning policy framework for delivering the Government's housing objectives. PPS3 specifically recognises the need to provide for older people as part of achieving a good mix of housing in the context of an ageing society.

- 4.3 An LDF must be evidence led and PPS3 requires that a Strategic Housing Market Assessment (SHMA) be one of the key sources of evidence of housing need and demand. Considering the needs of the older population is a requirement of the assessment.
- 4.4 Recent analysis has concluded that the SHMAs appear to be too broad, or 'strategic' to provide specific evidence of the needs and requirements of an ageing population. This is now supported by the emerging findings of recent work commissioned<sup>6</sup> by the Assembly to review SHMAs undertaken in the region and assess whether a regional view of affordable housing need and demand for market housing can be provided. These findings show that compiling a regional picture by adding together SHMA results will not be possible, due to the range of methodologies and assumptions made. For the same reasons it will not be possible to compile a regional picture of older people's housing need from the existing SHMAs.
- 4.5 An exercise undertaken to identify the use of alternatives to detailed SHMA evidence did establish that most authorities do seek to address the needs of the older population as part of their LDF. As a minimum, this may involve including generalised wording as part of a policy, or providing links to future Development Plan or Supplementary Planning Documents where the issue will be further defined. A limited number of authorities have set out a requirement to deliver a specific provision.
- 4.6 The results of that exercise provide the basis for guidance below on how to improve the SHMA process, improve existing SHMAs through review or recommend additional evidence that can be used to inform housing policy decision making in relation to the needs of older people. The case study of Eastbourne Borough Council (Box 3, page 14) highlights an example of good practice.

Other mechanisms to gather data on older people's needs<sup>7</sup>

*Estimates of Specific Needs*

- 4.7 One drawback of the SHMAs is that they rely largely on secondary data and are too broad in their nature to provide detailed evidence for older people's needs. Specific evidence for older people in the form of additional primary data is recommended. The most common source would be a Housing Needs Survey (HNS), consulting a sample of residents on their specific housing needs. Some authorities, such as Surrey Heath District Council, have undertaken a specific HNS for older and disabled people<sup>8</sup>.
- 4.8 HNS have limitations and their effectiveness will depend on survey design, including careful consideration of an appropriate sample size, being clear about the information required and ensuring questions are tailored accordingly.

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<sup>6</sup> Three Dragons, Roger Tym and Partners and Opinion Research Services have been commissioned by the Assembly to undertake the research, scheduled for publication in May 2009.

<sup>7</sup> Please note that this guidance should be read alongside the SHMA practice guidance prepared by Communities and Local Government, August 2007.

<sup>8</sup> Surrey Heath: Older and Disabled Persons Housing Needs Study 2007, DCA (July 2007)

- 4.9 As an example, some HNS ask respondents whether they have relatives who may need a specific type of housing within that area within the next 'x' number of years. The response may not actually reflect the family member's wishes and should not be regarded as firm evidence of need.
- 4.10 A number of other methods have been developed to identify the housing needs of older people. Examples developed in relation to extra care housing are included within Box 1. This list is a guide for consideration and may not be exhaustive.
- 4.11 It has been suggested that because extra care is not as yet a well-understood concept among professionals and potential residents, requirements for extra care may be underestimated in evidence of need. It will be important for this to be borne in mind when developing mechanisms for gathering evidence of need.

**Box 1. Examples of needs assessment models**

- An extra care housing need model developed by the Institute of Public Care (Oxford Brookes University). An example of this has been used in the document 'A Framework for an Oxfordshire Extra Care Housing Strategy', prepared by Concept Management Solutions (January 2008).
- A tool developed by Swindon Borough Council for estimating future needs of extra care housing. The tool is based on an approach that examines the gap between current service supply and likely future populations of older people in different geographical areas within the Borough. The tool has been used as a case study in the "Putting Older People First in the South West – A Regional Housing Market Assessment" (Nov 2008), prepared by the Housing, Learning and Improvement Network (DH Care Networks)<sup>9</sup>.
- A population based model developed by Contact Consulting in accordance with the Heath and Social Care Change Agent Team (DH Care Networks). An example of this has been used in the "North Surrey Extra Care Strategy (2006)" and takes into account current provision and population factors. It assumes a desired shift from traditional housing and care provision towards extra care housing.
- A further example has been used in the 'Review of housing and care needs of Older People in Rushmoor and Hart', (Contact Consulting, November 2004).



4.11 When designing an HNS or other needs assessment, there should be consideration of other areas where information has generally been found to be lacking such as:

- The needs of older people in a rural area, town or village. The SHMAs have been found to give minimal attention rural needs but Rural Housing Enablers are a good starting point for information in terms of public housing.
- The needs of older ethnic minorities.

*Demographic and Baseline Information*

<sup>9</sup> www.southwest-ra.gov.uk

- 4.12 The level of baseline demographic, economic and housing market information included within the SHMAs has been found to be generally quite detailed. Specific projections or assessment of trends relating to the ageing populations to 2026 were, however, found to be lacking or insufficient in some cases. It is important that these forecasts are included as a starting point and the POPPI tool is recommended as a useful resource. An example of the POPPI tool being used in practice is provided within the South West Regional Assembly's housing market assessment for older people.<sup>10</sup>

*General Information Sources that can be used.*

- 4.13 It is likely that information is already available within a local authority, at a county level or with health partners. While not all of these sources will provide specific needs information, there is often cross-over data that could be useful for determining baseline evidence/data or to get a picture of the issues that exist in a specific area. Such documents could contribute one or more of the following:

- Background/contextual information
- Demographics and population projections
- Legislative/policy/strategic context
- Health care statistics, service gaps
- A qualitative assessment of need (in the absence of specific needs data), based on findings in one or more of the points noted above.

Examples of the types of relevant information sources are included in Box 2.

**Box 2. Useful information sources for preparing the older peoples' needs section of a SHMA.**

- Strategic Housing Market Assessment and/or current/previous Housing Needs Study
- Housing Strategy
- Local Area Agreement and/or Sustainable Community Strategy (SCS)
- Supporting People Strategy
- Joint Strategic Needs Assessment
- Extra Care Strategy
- The POPPI Tool (Projecting Older People Population Information).
- Other relevant older people strategies.

#### Effective Approaches to Joint Working

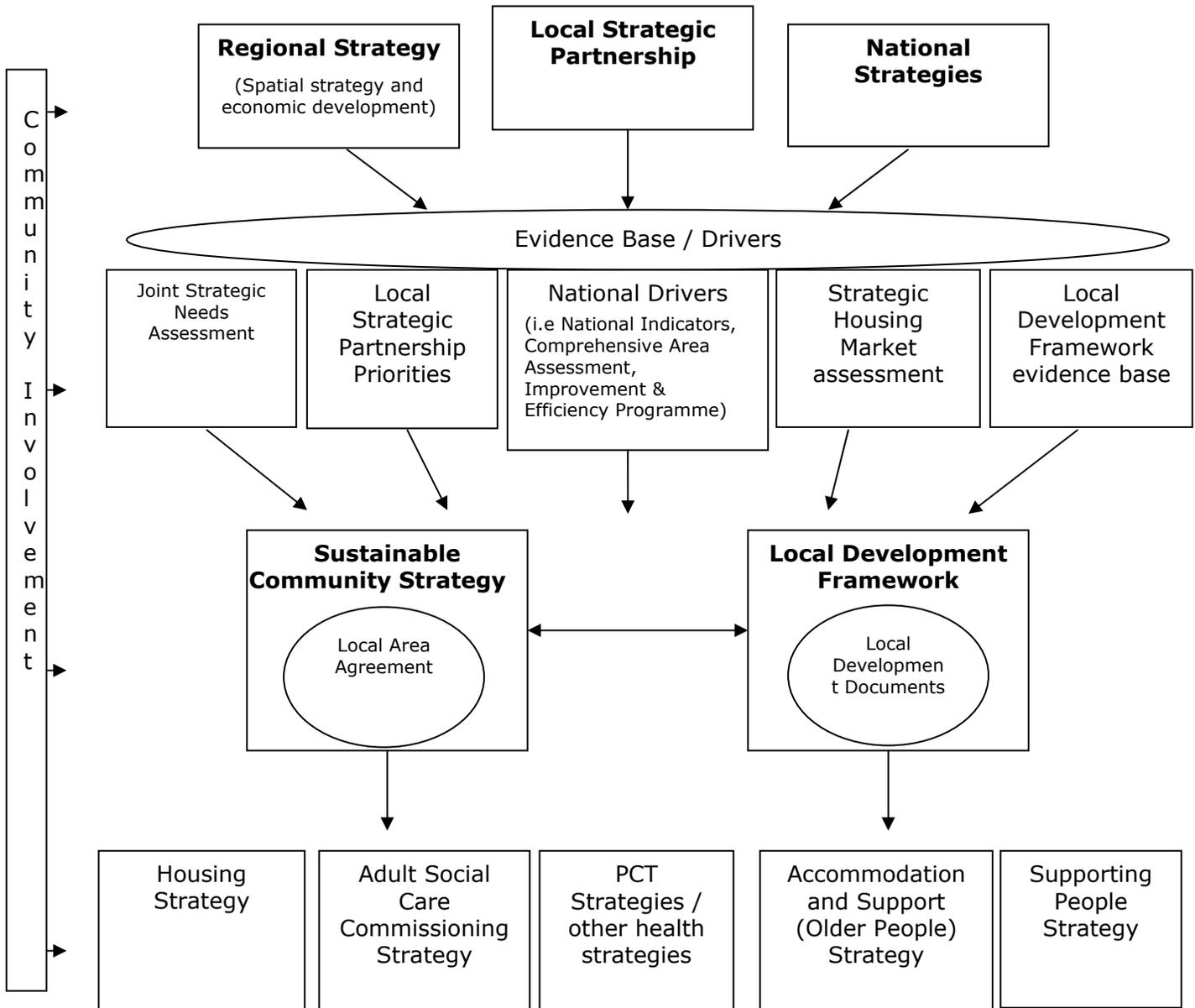
- 4.14 Collation and analysis of the range of information sources available from different partners offer a useful basis for joint working which should be an important arrangement for developing an integrated approach to policies and services for older people and allowing the dissemination of information. Joint working can bring in a greater range of experience and expertise allowing different views to be shared, minimising information and evidence gaps and enabling better decision making.

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<sup>10</sup> Putting Older People First in the South West: A Regional Housing Market Assessment, DH Care Networks - Housing Learning and Improvement Partnership, (November 2008)

- 4.15 Partnership working is already a key aspect of the Sustainable Community Strategy (SCS), the key mechanism for planning and prioritising local services, bringing together housing, health, social care and other key agencies through the Local Strategic Partnership (LSP). The SCS is also aligned with the LDF and both should share common local priorities. A key output of the SCS is the Local Area Agreement (LAA), which sets local priorities and targets for a three year period. Figure 3 shows the range of drivers and evidence sources shared by the SCS and LDF and hence the importance of taking an integrated partnership approach to housing, health and social care issues in order to develop effective plans for services for older people.
- 4.16 The Joint Strategic Needs Assessment (JSNA) is a key mechanism enabling health, housing and social care needs in a locality to be linked into the evidence base of LDFs (including SHMAs). The Department of Health (DH) requires the use of JSNAs to identify priority areas in health and social care for action through LAAs. The data collected for both these purposes in relation to older people's needs should be aligned, so that a common dataset can be collated. This can assist in monitoring progress in meeting need and may help improve the ability to aggregate data to the regional level.
- 4.17 Consultation undertaken in the course of developing SHMAs, SCS and JSNAs can be enhanced by input from the private sector including the local experience of private retirement house-builders.
- 4.18 Authorities should assess whether existing arrangements are in place that will be effective or appropriate for assessing and making decisions on needs for the older population. These may already be in place through county arrangements with local authorities, or partnerships formed for preparing a SHMA. However, these may not take into consideration the needs for older people's housing in an effective or adequate manner. The case study for Eastbourne District Council (Box 3, page 14) illustrates how an effective framework for joint working can be put in place.

**Figure 3. National, Regional and Local Drivers (Health, Housing and Social Care) – Connections**



## Compiling Regional Data and Improving Monitoring

- 4.19 Problems noted in aggregating data could, in the longer term, be addressed at the regional level by reassessing what data is collected as part of the Regional Monitoring process. At present, there appear to be no indicators (or targets) to report directly on the issues for an ageing population. Appropriate indicators and targets could be developed as part of regional monitoring and the Single Regional Strategy as it emerges over the next few years.
- 4.20 At local level all authorities are encouraged to compile and maintain an existing baseline/record of older people's housing stock. A useful starting point could be the Elderly Accommodation Counsel database.<sup>11</sup> In the absence of regional indicators, authorities should also consider the need to include Local Output Indicators<sup>12</sup> and targets as part of their LDFs and monitoring through Annual Monitoring Reports.

### The Need to Consider the Whole Market

- 4.21 Along with considering housing need and demand in all housing sectors, a SHMA must take account of the key drivers (including the implications of high levels of owner occupation) and relationships within and across the identified housing market(s).
- 4.22 SHMAs should broaden analysis of how markets operate across all sectors and tenures. In particular, they should identify the fundamental influences within the wider housing market that impact on older people's housing provision and how the delivery of the volume and type of housing needed can be influenced and addressed in the current changing market.

### Key Messages

- All authorities should be assessing the implications of an ageing population on the housing market and needs of their area through the LDF evidence base – either as part of their SHMAs or by obtaining any additional evidence that is deemed necessary.
- While SHMAs are not currently providing sufficient evidence for the needs of older people, there are other methods to either improve or supplement the SHMAs.
- Where evidence indicates a need for older people's housing, the LDF and SCS should consider making appropriate provision to address this in the context of providing for all local needs. It may be necessary to develop policies, targets, and Local Output Indicators to implement and monitor progress.
- It would be advantageous for the evidence base for LDFs and JSNAs to be aligned.
- Development of targets and indicators to address older people's housing needs in the forthcoming Single Regional Strategy would be beneficial in leading to the aggregation of data to the regional level.

<sup>11</sup> [www.housingcare.org](http://www.housingcare.org)

<sup>12</sup> For further information see Local Development Framework Monitoring: A Good Practice Guide, ODPM [Now Communities and Local Government] (2005)

**Box 3. Case Study – Joint working  
Eastbourne Borough Council/East Sussex County Council**

The Eastbourne Core Strategy will include policies for older people that will be based on the Central East Sussex SHMA, alongside a number of other key strategies that have provided more specific evidence. They have also put in place a joint working framework that ensures a partnership approach to decision-making for older people's housing and support services.

*Preparation of the Core Strategy and Relevant Evidence.*

This will be informed (through background reports) by the conclusions and recommendations of the Locality Older People's Housing and Support Strategy which was in turn informed by the countywide Housing Needs Survey conducted in 1995 which used both primary and secondary data. An updated HNS was undertaken in 2005 and this also quantifies demand for homes for older people. This HNS was based on a postal questionnaire to 6,200 people with follow up face-to-face interviews at a county level.

Other policy documents, such as the Eastbourne's Housing Strategy will include key targets in terms of older people's housing, and these will be taken fully into account in framing the planning policies. This strategy includes a specific target to 'develop up to 65 new Extra Care dwellings by 2013', based on the 2005 HNS recommendations. The needs for extra care had previously been highlighted as part of the Extra Care Housing Strategy 2003-2008.

*Joint Working and Support Framework*

At the district level there are locality Older People's Housing and Support Groups, which comprise officers from the county and district or borough, together with other stakeholders and voluntary organisations. These groups discuss key local issues and are responsible for researching, producing and monitoring the Locality Older People's Housing and Support Strategies.

At county level there are 2 key groups:

The County Older People's Housing and Support Group oversees the work streams of the locality groups, debates key issues and recommends strategic decision to the:

Strategic Forum, which is comprised of elected Members and senior officers from the county council, district and borough councils, PCT and Probation. This group acts as the commissioning body for Supporting People and is the major decision-making group for the county in terms of housing and support for adults.

Also at county level there is a Housing Policy Officers Group and a County Planning Officers group that discuss major policy issues.

In Eastbourne a Planning and Housing group shares information and works jointly on key issues, both in terms of strategic planning and development control.

## **5. The housing aspirations of older people**

- 5.1 Older people tend to move home less frequently than the rest of the population.<sup>13</sup> A move is usually made in response to a change in ability to occupy the home. Evidence from Lifetime Homes, Lifetime Neighbourhoods and the experience of private sector providers indicate the importance of being able to choose from a range of housing options.

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<sup>13</sup> Housing Choices in Old Age'. Counsel & Care and the Dept of Applied Social Science, Lancaster University, 2003.

- 5.2 Choices will be influenced by the relative importance for different individuals of recognised key priorities: affordability, companionship, friends and family, safety and security (both inside and outside the home), comfort, access to shops, transport and other services, sufficient space (including storage space), facilities to receive visitors and being able to continue or resume their previous lifestyle<sup>14</sup>. The importance of these factors in enabling older people to live life to the full was re-emphasised during the South East Regional Forum on Ageing<sup>15</sup> conference in March 2009.
- 5.3 Examples of how design can incorporate these and features to support wellbeing are illustrated in Older Persons' Housing Design: A European Good Practice Guide<sup>16</sup>.
- 5.4 This evidence of older people's preferences and priorities aligns with the national policy focus on personal choice to suggest that aspirations relate to variety of provision and quality of design rather than a specific property type.
- 5.5 People in their 60's and 70's may not see themselves as older people, especially if they are in good health and still in employment, and so will not see specialised accommodation as the right option. Downsizing to high quality smaller homes offering the features described above is more likely to stimulate their interest in moving.
- 5.6 For those in their 80's or in poorer health, specialised schemes are more likely to be a popular option where life-enhancing features and links to the community will continue to be important.
- 5.7 A study for McCarthy and Stone<sup>17</sup> illustrated how sheltered housing developments can meet residents' priorities and benefit local communities. Residents gained from being able to move within their local area: 45% of residents were reported as moving within five miles of their previous home. Residents felt that their personal safety was improved and walked to local shops or regularly did their own shopping within a two mile radius.
- 5.8 In this study, local communities were found to benefit from the presence of housing for older people with an estimated additional £92,000 per year going into the local economy.
- 5.9 Horsham District Council is an example of a local authority where councillors and officers have taken a positive approach to offering greater choice to older people. Innovative approaches to development have been supported by policy: Horsham's Core Strategy includes a policy for 'inclusive communities' (policy CP16). The Council has worked closely with private sector providers in developing specialised accommodation for older people, showing a willingness to explore new approaches. For example, a need was recognised for small scale schemes in some smaller settlements which could stand alone or be interlinked to minimise support service costs.

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<sup>14</sup> Older People's Strategies; taking account of Older People's views, Housing and Older People Development Group 2006

<sup>15</sup> [www.gos.gov.uk/gose/publicHealth/improvement/701129/790925/](http://www.gos.gov.uk/gose/publicHealth/improvement/701129/790925/)

<sup>16</sup> [www.welhops.net](http://www.welhops.net)

<sup>17</sup> A Better Life: Private Sheltered housing and Independent Living for Older People

## Key Messages

- People have high expectations that they will be able to maintain or improve their wellbeing and lifestyle by moving home.
- There is some evidence that personal wellbeing improves following a move to specialised accommodation and that local communities benefit from older people's developments in the locality.
- A variety of well designed, independent and specialised accommodation, ranging in affordability, size, type, affordability is required to meet aspirations, individual needs and preferences across the full age range.
- For an attractive range of housing options to be available, a sound planning policy framework needs to be supported by a desire to encourage innovation and experimentation with new approaches to deliver positive solutions.

## 6. Delivering greater choice of specialised housing

- 6.1 Until all homes meet Lifetime Homes Standards (the Government aspires that all new homes will be built to the Standards by 2013), specialised housing will be required, particularly for the over 85 age group, and has an important role to play in meeting physical needs and overcoming social isolation.
- 6.2 This section considers the adequacy of current specialised housing options and which of them are capable of further development to meet older people's needs and aspirations.
- 6.3 Established options
- 6.3.1 Open market options include: independent accommodation, including developments reserved for older people (usually over 55's); leasehold retirement housing; residential care in a more institutional setting for people who are no longer able to live independently.
- 6.3.2 Residential care places the emphasis on care rather than on the home and will continue to be important for people with the highest levels of care needs. An expensive and generally unpopular option, it is often taken from necessity rather than choice. 51% of older people who moved into care homes did so after a stay in hospital because it was not practical for them to return home<sup>18</sup>. Moving into residential care can represent a very sudden change from independence to a dependency-based culture. Increased availability of other options can delay or prevent the need to move into residential care.
- 6.3.3 In the affordable sector, sheltered accommodation for rent is the most common form of provision. Modern sheltered schemes are popular but the majority, built in the 1960's and '70's, are now reaching the end of their life. Most schemes had resident wardens on call but wardens are tending to be replaced by off-site support services. Many such schemes provided bedsit

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<sup>18</sup> Lifetime Homes Lifetime Neighbourhoods

flats with shared bathrooms which fall below modern standards. Where this is the case viability and potential for a scheme to be converted or redeveloped for other uses should be reviewed.

6.3.4 For tenants of social landlords, financial incentive schemes may be available to assist with a move to smaller or specialised accommodation. A separate Regional Assembly project concluded that there is potential for more schemes to be introduced and existing schemes to be expanded as part of a local authority strategic approach to meeting housing need. For a scheme to be effective it has to be promoted proactively but sensitively with suitable property available to offer and practical support provided through the moving process.

6.3.5 Extra care housing is a relatively recent form of multi-tenure provision for those who no longer feel able to stay in their original home but wish to remain as independent as possible with care and support available if and when required. Extra care is discussed more fully in section 7.

#### **Key Messages**

- Existing forms of provision will continue to be important but more can be done, particularly in the affordable sector, to encourage mobility and ensure that outdated developments are renewed with future needs and aspirations in mind.

#### 6.4 Alternative options

6.4.1 Lifetime Homes, Lifetime Neighbourhoods highlights three little known or relatively new housing choices available to older people who have low level or no support needs: Homeshare, Cohousing and Shared Ownership for the Elderly (SHOE). These are described at Annex 2.

6.4.2 Both Homeshare and Cohousing rely on a willingness to cooperate and share space with others for mutual benefit and illustrate the potential for some people to meet their needs through sharing arrangements. Homeshare can play an important part in enabling an older person to remain in their home and community without the disadvantage of social isolation but neither option appears likely to become widely available in the near future.

6.4.3 Although current attitudes to housing tend to place great importance on personal privacy it has been suggested that there may be value in exploring the appeal and feasibility of other forms of sharing that would offer mutual social and financial benefits. Any such arrangement would need to be underpinned by a formal agreement setting out the rights and responsibilities of each party and the steps to be taken if either party should become unable to continue with the arrangement.

6.4.4 SHOE is available to people aged over 55 and includes provision of support - usually access to a warden service. Residents are enabled to move into better or more manageable housing, often releasing capital through sale of their previous home. The wider community can benefit through the release of a family-sized home for re-occupation earlier than would otherwise be possible.

6.4.5 The Homes and Communities Agency (HCA) provides funding for SHOE through the National Affordable Housing Programme. Homes funded through the scheme are available in limited numbers in the South East.

6.4.6 As it becomes more generally accepted that people will have to fund their care and support services, SHOE may offer a means for the growing number of older owner-occupiers to do so. For SHOE to become more widely available, it would be necessary for the potential for increased take-up to be better understood, any barriers perceived by prospective purchasers addressed and benefits promoted in a proactive and targeted way.

### **Key Messages**

- Homeshare and Cohousing are marginal options unlikely to have any significant impact on the projected scale of the need for accommodation for older people.
- Considerations of affordability, companionship and mutual support may prompt some older people to consider other forms of sharing arrangements.
- SHOE appears to offer greater potential for home owners to release equity for housing, care and support if appropriately funded and promoted.

## 6.5 Innovative and individual solutions

6.5.1 Examples have been identified of recently introduced housing options which have proved successful for relatively small numbers of individuals.

6.5.2 'Assisted living', a more hotel-style option targeted at the over 80's, is growing in popularity especially in the South East where 19 of about 25 schemes in England are located. Large schemes of around 100 'flatlets' offer accommodation, restaurant meals, laundry service, general help such as cleaning, utilities and council tax paid, free local minibuss transport. Fees start at around £900 per week generally funded by income from an annuity purchased with the proceeds of the sale of the resident's former home.

6.5.3 While more expensive than sheltered accommodation, the services offered and the simplicity of costs packaged into a single payment can make this an attractive option for some. Dialogue with providers will be important to ensure that proposed schemes are designed to avoid potential disadvantages by:

- Establishing a fee structure that would not exclude local people or lead to the very elderly being forced to leave without guaranteed eligibility for publicly funded assistance
- Locating schemes in positions with access to public transport and local amenities
- Minimising loss of personal skills such as cooking by encouraging residents to regularly prepare some meals themselves.

6.5.4 'Close' or 'Continuing Care' links independent accommodation with a care centre for those whose health no longer permits them to receive care in their own home. This is particularly valuable in enabling couples to stay together

regardless of any decline in health. An example of this relatively rare form of provision is Hartrigg Oaks, the Joseph Rowntree Housing Trust's Continuing Care Retirement Community. Some private continuing care schemes offer similar services through being linked to a residential care home – for example Cornford House, Tunbridge Wells. This form of provision is valuable for those who need it but may only benefit a relatively small number of residents from the local community.

### **Key Messages**

- These options have successfully satisfied a demand but few are likely to become accessible to the majority of people.
- The provision of assisted living developments requires detailed dialogue and planning to avoid potential disadvantages in relation to affordability, security of tenure and loss of independence.
- The level of care available in a Close Care situation will be higher than most people require.

## **7. Extra Care Housing**

7.1 Extra care for rent and sale is a growing and popular option<sup>19</sup> and is becoming the commonly accepted term for retirement housing developments where care is available. There is no agreed definition of extra care but it is increasingly recognised as a philosophy that encompasses a range of models.

7.2 This philosophy is based on three principles:

- a) To promote independence – the provision of self contained accommodation with access to on-site care and support enables individuals to live independently in the community, promotes their well-being and helps to alleviate social isolation.
- b) To be empowering – primary health, care and support services should come to the individual, as and when needed, rather than the individual being required to change their accommodation in order to receive services that can and should be available in the community.
- c) To be accessible – where individuals live should be designed, or be capable of being adapted, to facilitate the delivery of personal social and health care services.

For these principles to be complied with, extra care schemes need to:

- Provide 24-hour care and support
- Accommodate a mix of needs
- Meet any growing needs for care in the individual's home, supplemented by communal facilities within the scheme
- Be the last housing move an individual will need to make.

7.3 Extra care housing enables people to continue to live in a housing community rather than an institutional care setting and can accommodate people who would otherwise be frequent users of acute services. The availability of care

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<sup>19</sup> ExtraCare Housing for Older People: an introduction for commissioners. Department of Health 2004

- at night is an important factor in enabling people to continue to live independently rather than having to seek residential care.
- 7.4 The concept is very versatile and inclusive and can be provided in a range of tenure options. A significant proportion of DH approved extra care schemes and nearly all the large retirement villages recently completed or under construction are mixed tenure.
- 7.5 Flexibility of tenure and the philosophy of extra care make it an option capable of responding to demographic changes and meeting a range of needs.
- 7.6 This section outlines the current level of provision and key considerations for successful development, including partnership and planning issues. Different types of extra care scheme, key design features and facilities are described at Annex 3. Funding issues are described in more detail at Annex 4<sup>20</sup>.
- 7.7 It is difficult to state the amount of extra care currently available, in part due to the lack of a formal definition but mainly because figures are not currently collected. The Elderly Accommodation Counsel (EAC) Extra Care Housing database suggests that there are 182 extra care housing schemes in the South East region, but inclusion in the database is not mandatory. EAC publish analysis at district, county and regional level of the number of schemes, units of accommodation and tenure. 8103 individual units of accommodation in the South East were recorded on the EAC database in August 2008<sup>21</sup>.
- 7.8 Factors which may encourage the development of extra care housing include:
- Pressure on Adult Social Care to find alternatives to residential care which, in surveys of older people never emerges as a popular option
  - Increasing expectations and changing consumer demand especially from older owner-occupiers
  - Pressures on social housing providers to review and remodel sheltered accommodation, which is proving hard to let
  - Pressures on housing organisations to encourage the freeing up of family housing by enabling older people who may be 'under-occupying' their property and who may wish to move to more manageable accommodation, to do so
  - PSA and LAA targets
  - JSNA evidence
  - Strategic housing and planning drivers identified in SHMAs and other local evidence.
- 7.9 Successful development of extra care requires:

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<sup>20</sup> More detailed publications are available in relation to tenure options, funding and other aspects of extra care, from the Housing LIN. [www.dhcarenetworks.org.uk/Housing](http://www.dhcarenetworks.org.uk/Housing)

<sup>21</sup> [www.extracarehousing.org.uk/downloads/extracare/housingwithCareStatsAug2008.pdf](http://www.extracarehousing.org.uk/downloads/extracare/housingwithCareStatsAug2008.pdf)

- Strong and effective multi-agency partnerships with clear understanding of the concept of extra care. In addition to health, social services and housing authorities partnerships have to be built with other local authority departments such as planning, community leisure, transport and adult education as well as independent sector providers of both housing and care, architects and voluntary agencies
- Planning arrangements geared towards supporting the development of extra care locally where required
- Identification of capital and revenue funding from a range of sources to develop and maintain schemes and their services.

7.10 The Regional Assembly's report on caring for an ageing population suggested that barriers to providing extra care in the South East could prove difficult to overcome due to high land values and the limited availability of sites in suitable locations of sufficient size. The range of types of scheme described at Annex 3 illustrates how flexibly the model can adapt to different circumstances, for example by developing core and cluster schemes and redeveloping outdated sheltered schemes<sup>22</sup> which may offer greater financial viability.

#### Planning Issues

- 7.11 Close alignment between planning policy and any strategy for older people's or extra care housing will be essential. The Extra Care Housing Toolkit<sup>23</sup> covers in detail the process of developing extra care from overall strategy, needs analysis, assessing current and potential supply, implementation and evaluation.
- 7.12 Extra care offers older people independent living in their own individual home with other services on hand if they need or want them. Residents' legal rights to occupy are therefore underpinned by housing law, making a clear distinction between extra care housing and residential care as recognised by the Care Quality Commission (CQC) (formerly the Commission for Social Care Inspection).
- 7.13 In considering planning applications for extra care schemes it is important for a local authority to be alert to this distinction and consider whether the appropriate Planning Use Class for the form of older persons' provision required would be C3 'dwellinghouses' or C2 'residential institutions'.
- 7.14 Issues relating to the need for extra care schemes to be registered with the CQC are complex<sup>24</sup> and illustrate the need for closer working between local authorities, providers and registration authorities.

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<sup>22</sup> Case studies of scheme viability are available at [www.dhcarenetworks.org.uk/IndependentLivingChoices/Housing/Topics/browse/HousingExtraCare/Commissioning/Planning/](http://www.dhcarenetworks.org.uk/IndependentLivingChoices/Housing/Topics/browse/HousingExtraCare/Commissioning/Planning/)

<sup>23</sup> [www.dhcarenetworks.org.uk/IndependentLivingChoices/Housing/Topics/browse/HousingExtraCare/ExtraCareStrategy/Toolkit](http://www.dhcarenetworks.org.uk/IndependentLivingChoices/Housing/Topics/browse/HousingExtraCare/ExtraCareStrategy/Toolkit)

<sup>24</sup> [www.dhcarenetworks.org.uk/\\_library/Resources/Housing/Housing\\_advice/CSCI\\_Registration\\_-\\_Housing\\_LIN\\_Q\\_\\_A\\_pdf\\_-\\_150Kb.pdf](http://www.dhcarenetworks.org.uk/_library/Resources/Housing/Housing_advice/CSCI_Registration_-_Housing_LIN_Q__A_pdf_-_150Kb.pdf)

- 7.15 Authorities responsible for Adult Social Care will have views relating to designation as this will impact on the ability of residents to exercise choice in selecting a care provider. In a residential institution care is an integral part of the services provided for all residents.
- 7.16 C3 designation will require consideration of the requirement for s106 contributions including affordable housing. Experience of the current DH extra care funding programme shows that approaches have varied with some authorities requiring a s106 contribution, others deciding that a contribution is not required and one authority indicating that an extra care scheme should be a recipient of s106 contributions. These issues are further explored in RTPI Good Practice Note 8 - Extra Care Housing.<sup>25</sup>
- 7.17 Concerns have been expressed that in attractive retirement areas, particularly where opportunities for development are restricted, housing attractive to elderly people can be taken up by retiring in-migrants. By developing a clear and consistent approach to extra care housing development and to standards which enable all new housing to be accessible to all age groups, local authorities can secure benefits from development for local residents. Adoption of Lifetime Homes Standards will support the needs of all age groups and deliver more mixed communities.

#### Funding Models and Issues

- 7.18 Capital and revenue funding options are summarised at Annex 4. Capital finance for most extra care schemes is via the NAHP (where there is a large social rental element), DH Extra Care Housing Fund (to Adult Social Care Authorities), private finance, and contribution of land and/or buildings from partners involved in the development.
- 7.19 Providers report that investment in extra care needs to be sufficiently flexible to enable the provision of a proportion of one bedroom flats which would be affordable to people with incomes above the Housing Benefit eligibility threshold.
- 7.20 Privately funded extra schemes may be proposed by developers/providers who may see a market opportunity either to develop new build extra care for sale, or to remodel existing care home provision.
- 7.21 It has recently been reported that there is a trend for increased submission of planning applications by private developers which are described as extra care but more closely resemble retirement housing. Concern has been expressed that developers do not have the expertise to put in place independent housing with care services which would have to develop over time as residents' needs become more complex. Local authority leadership and understanding of on-going care requirements are important in establishing the right environment to enable good quality developments to come forward.

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<sup>25</sup> [www.rtpi.org.uk/item/1279/23/5/3](http://www.rtpi.org.uk/item/1279/23/5/3)

### **Key Messages**

- Extra care housing is an inclusive, affordable and flexible model of specialised housing provision for older people which meets needs for independence, security and care. It is well suited to the growing demographic challenges and contributes to the emerging Government agenda regarding crisis prevention and planning for older age.
- Extra care should be recognised in needs assessment, monitoring of supply and in planning housing provision for older people.
- Establishing a strict definition of extra care could be counter-productive but a common understanding of the extra care concept is essential to enable good quality developments to come forward.
  - Local authority leadership and clear policies are needed in relation to extra care, Use Classes and affordable housing contributions.
  - To maximise affordability, a proportion of one bedroom, social rented extra care homes is required.

### **Box 4. Examples of South East Activity and Developments**

In East Sussex past over-reliance on residential homes was combined with an historical legacy of inappropriate or premature institutional placements, low levels of home-based care, low levels of supported housing and poor hospital discharge practice. Using a county-wide partnership approach at both strategic and operational level in the development of extra care housing, East Sussex councils are working hard to change these patterns and to prioritise and fundamentally reshape older people's services.

Brighton and Hove Council recognise the important role that extra care housing has in meeting the needs of older people in the community. The development of this model of care is seen as a priority by the council. Their long term strategy seeks to achieve an integrated approach to accommodation and care and is based on the provision of extra care housing as a mainstream resource in meeting the needs of older people – reducing the need for residential care, impacting on hospital admission and enabling the discharge of older people from acute hospital beds.

Kent County Council has used the Private Finance Initiative to develop seven new Extra Care developments, of between 36-40 units of accommodation each, in partnership with Housing 21. A further 5 schemes are now envisaged under the new 'Excellent Homes for All' PFI. It is hoped that the project will be tendered early in 2009.

Oxfordshire has published a 'Framework for an Extra Care Housing Strategy' to 'respond to the demographic challenge of an increase in the proportion of older people in the County's population.' Oxfordshire is clear that this is as much a housing as a health and social care issue, and that this should be reflected in district housing plans. It is estimated that 7,832 extra care flats will be needed in Oxfordshire by 2025.

## **8. Summary**

- 8.1 Older people are becoming increasingly significant players in the housing market. The needs of active, independent older people and those in need of additional care or support should be identified through the LDF evidence base and included in plans for future housing and services.
- 8.2 While SHMAs are not currently providing sufficient evidence for the needs of older people, there are other methods to either improve or supplement the SHMAs.
- 8.3 It would be advantageous for the evidence base for LDFs and JSNAs to be aligned.
- 8.4 Development of targets and indicators to address older people's housing needs in the forthcoming Single Regional Strategy would be beneficial in leading to the aggregation of data to the regional level.
- 8.5 New housing should vary in size, type and affordability and offer design features that offer choice, meet older people's priorities and can help them to live life to the full.
- 8.6 A variety of specialised housing models is required to meet future challenges:
  - Models suitable for older people are already available and will continue to play an important role in their present or an updated form
  - Few of the less well known and newer models identified are likely to become widely available and affordable
  - There is potential for an expansion of shared ownership and for attitudes to shared housing to be investigated
  - Extra care has the greatest potential to respond to growing needs. It should be more widely understood and promoted and given specific consideration in planning policy where a need is identified.

## **9. Recommendations**

- 9.1 Where evidence indicates a need for older people's housing, local authorities and local strategic partnerships should consider making appropriate provision to address this in LDFs and SCSs in the context of providing for all local needs. It may be necessary to develop policies, targets, and Local Output Indicators to implement and monitor progress.
- 9.2 CLG and DH should consider developing joint guidance on aligning the evidence base for LDFs and JSNAs.
- 9.3 The forthcoming Single Regional Strategy should develop targets and indicators to address older people's housing needs and lead to the aggregation of data to the regional level.

- 9.4 The RHB should monitor the publication of Homeshare evaluation and draw local authorities' attention to Homeshare as an option to prevent or delay the need for higher levels of care or support.
- 9.5 Research is undertaken into attitudes and potential barriers to shared ownership for older owner occupiers with a need to meet care or support costs.
- 9.6 The level of public interest in shared housing options should be investigated.
- 9.7 In developing the Future Home Improvement Agency project, CLG and Foundations should make provision for comprehensive advice and information on the full range of options in any locality to be available.
- 9.8 That RHB takes into account evidence from the exercise in mapping support needs currently being undertaken by the HCA and Supporting People Regional Implementation Group when considering the level of funding required for extra care housing.
- 9.9 Local authorities should be encouraged to monitor the level of extra care provision in their area.
- 9.10 Planning policies should enable the provision of extra care housing and a range of choices for local older people.
- 9.11 The RHB should promote awareness of extra care housing to develop common understanding of the concept and issues between the full range of potential partners who will need to be involved in developing extra care housing strategies and schemes.

RHF Older People's Housing Needs Task Group  
May 2009

## Glossary

- Housing Needs Survey/Assessment. An assessment of housing needs in the local authority area, particularly in regard to planning policies for affordable housing.
- Joint Strategic Needs Assessment. A process that identifies current and future health and wellbeing needs in the light of existing services and informs future service planning taking into account evidence of effectiveness.
  - It is a tool to identify health and wellbeing needs and inequalities of a local population to inform more effective and targeted service provision
  - The Local Strategic Partnership, through the Sustainable Community Strategy and Local Area Agreement will determine the shared targets to meet these needs
  - JSNA will identify priorities for commissioning. Local partnerships should set out explicitly how they are going to prioritise based on the information contained in the JSNA. (Department of Health Guidance)
- Lifetime Homes Standards. A set of simple home features that make housing more functional for everyone including families, disabled people and older people. They include future-proofing features that enable cheaper, simpler adaptations to be made when needed.
- Local Area Agreement (LAA). A three year agreement, based on local Sustainable Community Strategies, that sets out the priorities for a local area agreed between Central Government and a local area, represented by the local authority and other key partners through Local Strategic Partnerships (LSPs).
- Older people. Older people are variously defined as aged over 50 55, 60 or 65 in a range of data sources and policies. This report focuses mainly on people aged 65 and over. It should be remembered that certain groups, such as Gypsies and Travellers may have housing-related care or support needs at an earlier age. (Lifetime Homes Lifetime Neighbourhoods)
- Strategic Housing Market Assessment (SHMA). One of the key components of the evidence base for Local Development Frameworks (LDFs) in order to inform housing need and demand. For further information see the "Strategic Housing Market Assessment Practice Guidance", Department for Communities and Local Government (August 2007).
- Specialised accommodation. The full and diverse range of housing built specifically for older people, from retirement housing to nursing care. Almost all are a collective group of dwellings with some form of services attached. It should be considered from the perspective of older people in terms of the quality of housing, location, services and lifestyle it offers. (Lifetime Homes Lifetime Neighbourhoods)
- Supporting People Strategy. A strategy based on the supporting people programme that is a working partnership of local government, service users and support agencies. It is committed to providing a better quality of life for vulnerable people to live more independently and maintain their tenancies. The

aim is to deliver high quality and strategically planned housing-related services which are cost effective and reliable, and complement existing care services.

- Sustainable Community Strategy. A strategy prepared by a local authority to improve local quality of life and aspirations, under the Local Government Act 2000.
- Joint Strategic Needs Assessment (JSNA). A process that identifies current and future health and wellbeing needs in light of existing services, and informs future service planning taking into account evidence of effectiveness.

## **Annex 1**

### **Key national policy drivers in housing, health and social care**

- Putting People First – Social Care Concordat, 2008: prevention, personalisation of services, and ensuring mainstream services become more inclusive.
- Lifetime Homes, Lifetime Neighbourhoods - National Housing Strategy for an Ageing Society, 2008: support to enable people to continue to live independently to relieve the forecast unsustainable pressures arising from the ageing population; better advice, information and choice of appropriate housing when they do have to move.
- NHS Next Stage Review, High Quality Care for All, Lord Darzi, 2008: empowering staff, giving patients choice, and ensuring that health care will be personalised and fair.
- PSA Targets: promoting independence, health and wellbeing, enhancing older people's satisfaction with their homes and neighbourhoods, and building more cohesive communities (PSAs 17, 18, 19, 20 and 21).
- Planning Policy Statements, particularly 3 and 12: emphasise the need for all partners including housing, health and social care (via the LSP) to be involved in informing the LDF to ensure that an integrated approach is taken to the development of communities.

## **Annex 2**

### **Emerging housing options: additional information**

#### **1. Homeshare**

- 1.1 Homeshare is a mutually beneficial arrangement between two households whereby accommodation is offered in exchange for help or support without any payment being made by either side.
- 1.2 Householders benefit from: increased help, support, security, social interaction and practical assistance with difficult tasks. Independence and dignity are preserved. Householders can continue to live in their own homes in familiar neighbourhoods. Help and support received can take many forms: companionship, shared activities, travelling, shopping or gardening. It does not include personal care. Homeshare can operate alongside other forms of care or support.
- 1.3 For Homesharers the main benefit is affordable accommodation, possibly in an area or property that would have been financially out of their reach. Those who come from another area or country to study or take up work can gain from personal contact and local knowledge.
- 1.4 Two pilots have been set up to assess the viability of Homeshare - both in the South East – in West Sussex and Oxfordshire. The projects have approximately one year to run and are being funded and formally evaluated for DH.
- 1.5 Early indications are that these projects are time-consuming to establish and slow to take off but can deliver numerous social, practical and financial benefits for communities and individuals.

#### **2. Cohousing**

- 2.1 The Cohousing concept of communal living originated in Denmark in the 1970's. Individuals and families share common aims and activities, often committed to living as a community with an environmental ethos, while enjoying their own self-contained accommodation and personal space.
- 2.2 A typical scheme will be located in a large building or group of buildings including a space for social interaction and shared activity. It is more likely to be in a rural area, enabling a degree of self-sufficiency or other communal or commercial activity such as farming, horticulture or forestry. Larger projects have 15-20 individual homes; some have only five or six. The appeal of Cohousing is principally due to the lifestyle and environmental principles.
- 2.3 Cohousing is not an inexpensive option although shared amenities can offer financial and sustainability benefits such as reduced financial outlay on appliances, vehicles and fuel costs.
- 2.4 At present very few opportunities exist to buy into an established community. This could change if more communities develop but at present Cohousing would only be open to people with the time and other resources to take part in establishing a new community.

### **3. SHOE**

- 3.1 Equity shares of 25-75% can be purchased. Depending on the type of property and size of share purchased, there may be a charge for rent and/or services.
- 3.2 The scheme has been offered by 49 housing associations since 2001, resulting in completion of 517 homes. Purchasers can come from any tenure including owner-occupation.
- 3.3 In the 2008-11 National Affordable Housing Programme the HCA funds SHOE as an element of New Build HomeBuy. Despite inclusion in the Corporation's prospectus, the scheme is not widely taken up. As at November 2008, funding had been allocated for two SHOE schemes in the South East, totalling 26 units of accommodation.
- 3.4 It may not be appropriate to invest public money more heavily in a scheme which subsidises housing for those leaving owner-occupation unless equity released will be used to fund care or support which would place other demands on the public purse.
- 3.5 SHOE may be less attractive to prospective shared owners during a market downturn when they may have difficulty selling their present home or face the risk that the value of the shared ownership home could diminish. This may be particularly true following recent publicity describing shared ownership as a sub-prime option. However, shared ownership may be an option for older people who own their home outright and - having seen the value of their home decline during the recession - are able to sell but cannot afford to buy on the open market. With no mortgage requirement they would not be reliant on borrowing in order to move. Stimulating movement in this part of the market could help unlock activity elsewhere in the market.

### Annex 3 Types of Extra Care Housing Scheme

Type of Scheme	Description
Purpose built extra care scheme without community resources	Normally around 40-50 units of accommodation in one location. Flats or bungalows (often dependent on whether scheme is inner city or in suburbs). Scheme for use by residents only.
Purpose built extra care scheme with community resources	As above but with attached community facilities, e.g., resource or activity centres, health, recreational and leisure facilities, which are open to local older people. For example New Larchwood, Brighton.
Core and cluster extra care scheme	Small local schemes with a core central building, e.g., a scheme perhaps spread across four or five villages, in close proximity to each other, with eight to ten housing units in each location but with services based at one central building. Shared housing, care management and staffing of all schemes. Local housing units are often bungalows. Schemes may be virtual, i.e., the link is via services provided rather than geographical closeness.
Remodelled extra care scheme from existing sheltered housing or care home	Probably at least 30 units of accommodation if they are to achieve economic viability. Due to the need for a minimum number of units to make a scheme viable, remodelling tends to be of newer and larger sheltered schemes or homes. Schemes may not have all the facilities of a new build extra care scheme, e.g., buggy store and charge, extensive communal facilities. Cost in most instances will determine the appropriateness of ordinary sheltered housing for conversion.
Retirement village/ continuing care communities	100 plus units of accommodation spread over one large site. Often incorporate a range of buildings including flats, houses and bungalows. Extensive communal, health and leisure facilities. Scheme may incorporate a residential care or nursing home on site. Few schemes in the South East, possibly due to the large land area required
ECH linked to care home provision – 'Close Care'	Small number of units – often flats; attached to existing care home. Units often specifically for couples of whom one has a very high care need, or specialist need, and the other who is their carer. Ability to access care, support and facilities of existing home.
Extra care schemes for people with specialist needs	Smaller than many other schemes often around 20-30 units. Specifically developed for individuals with specialist needs, e.g., cognitive impairment or learning difficulty; incorporates specific care and health facilities, and is designed to specifically meet the needs of these groups. May incorporate a day resource for individuals both in and outside of the scheme with similar specialist needs.
ECH as a co-housing scheme	No UK examples are known.

## Annex 4 Financing extra care housing

### 1. Capital

Source	Comment
HCA NAHP 2008-11	In contrast to the past, the HCA (formerly Housing Corporation) has not allocated all of the available resource through the initial bidding round. This will allow providers to access investment for new development opportunities, through additional market engagements, arising during the course of the Programme.
Department of Health Extra Care Housing Fund	Since 2004 there has been an annual opportunity for Adult Social Care authorities and their partners to bid for grant funding for extra care from the DH. It is not known whether a further funding round will take place.
Mortgages	The developer, particularly if a housing association or private company, will be borrowing part of the capital required against their Extra Care Housing scheme and/or other assets. The rental stream will often also be used to make loan re-payments.
Free or low cost land	Commonly provided by local Housing or Adult Social Care authority. For example, as part of redevelopment of sheltered housing.
Charitable funding	A few of the major village developments have attracted significant charitable funding.
PFI/Public private partnerships	PFI Housing projects are usually initiated by Local Authorities. A PFI company will contract to rebuild, manage and repair properties for a fixed term of years by raising private sector loans. The loan is serviced by income from the commissioners which is supported by Government.
Developers' own resources	Sometimes developer housing associations have put in a small amount of capital from their free reserves to make schemes work financially.
Section 106 agreements	<i>On larger sites local authorities may require a private developer to enter into a Section 106 agreement as a condition of planning consent.. These require the developer to make a contribution to the needs of the local community that arise as a result of the development taking place. This may include making available a proportion of the site or dwellings for social housing</i>
Business activities	Some services can produce a very limited additional income to help meet the direct cost of providing the facility through rental payments, sale of a lease or franchise.
Primary Care Trusts	In principle PCT's could fund health related facilities such as consultation/treatment room, and intermediate care facilities.
Adult Social Care	Either Adult Social Care or the relevant housing authority could choose to part fund schemes through either capital finance from the authority's ordinary budget or by contribution "in kind".
Combined/Mixed use development	Scale economies sometimes help to make schemes viable. In Brighton and Hove the building of a library has been imaginatively combined with extra care provision.
Sales	Sales to private purchasers provide a means of funding or part funding the extensive communal facilities usually found in extra care.

## **2. Revenue**

- 2.1 The fundamental principle applying to the revenue funding of Extra Care Housing is that it is housing and not care. The same rules generally apply to residents of Extra Care Housing as apply to people living in other forms of housing of the same tenure type.
- 2.2 Extra Care Housing brings together a number of different funding streams in order to provide a range of services which despite their disparate funding sources are well co-coordinated and cohesive at the point of delivery.
- 2.3 The fundamental services provided in Extra Care Housing can be broadly broken down into the following categories:
  - Accommodation
  - Housing management and other accommodation-related services
  - Support services
  - Care services
- 2.4 Each of these categories may be funded from a range of revenue sources including:
  - Rent paid by residents
  - Housing Benefit
  - Supporting People Funding
  - Adult Social Care Funding
  - Service charges paid by residents, including through use of Attendance Allowance and Personal Budgets.