



## Extra care housing – what is it in 2015?

Extra care housing (for rent or sale) is becoming better known amongst older people as a housing choice and as a possible alternative to residential care. Yet, it is vital for commissioners, designers, developers, providers and planners to better understand the extra care housing offer for today's generation of older people and for future generations.

This Housing LIN factsheet replaces the 2008 edition and provides a general up to date introduction into what extra care housing is as at 2015. It: defines and describes extra care housing and looks at key design features; sets out the policy and practice context; outlines the scale of extra care supply and considers future supply needs; discusses developing, funding and commissioning extra care housing and how to pay for services. It also takes a customer perspective on information about extra care, choice and marketing.

In addition, it explores the importance of extra care within a wider health and social care economy and considers its role as a key housing based solution for a growing number of older people. And finally, the factsheet contains useful links and references for more reading and case studies.

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## 1.0 Introduction to Extra Care Housing – What is it in 2015?

The factsheet reflects continuity and change since the early 2000's. Extra care housing provision has evolved in response to many different local circumstances and opportunities. Not surprisingly, this has resulted in diverse, imaginative and creative models. Perhaps because of this an official agreed definition is still elusive. It, therefore, covers the main models and ingredients that are generally agreed to constitute extra care housing in England and makes some references to appropriate models elsewhere.

The factsheet also looks at models and building types and the terms that are often used to describe them, such as, 'hub and spoke' extra care developments or 'schemes'. It sets out the reasons why it is often said that extra care housing is qualitatively different to other kinds of specialist housing, residential or nursing homes.

And finally, the factsheet addresses the current level of extra care, and the growth of both public and privately funded extra care housing.

### 1.1 Extra Care Housing – a better understanding?

Understanding by commissioners, designers, developers, providers, planners and other stakeholders of the place that purpose-built extra care housing occupies in models of housing, care and support for older and disabled people has changed and become more nuanced.

From a housing perspective, extra care is regarded as an important response to the diverse needs and wishes of a growing older population and to the needs of local communities. Rather than as an end in itself we place extra care housing in the context of modern thinking on age-friendly and lifetime neighbourhoods, towns and cities because being age-friendly benefits everyone.<sup>1</sup> Furthermore, there is a growing movement towards age-friendly communities and adopting the World Health Organisation criteria, for example Cardiff, Manchester and Newcastle.<sup>2</sup>

For would be consumers and their families, the growth of extra care housing has provided them with more choice, although as a concept and product (outside adult social care commissioning and specialist affordable housing) it is still not well enough known or understood in the market place.

In recent years, there has been a subtle shift in the customers that extra care housing is aimed at. While it is still predominantly aimed at older people, extra care housing is also increasingly being aimed at other groups such as adults with disabilities, often as a result of the availability of public capital funding streams; for example, the Department of Health's Care and Support Specialised Housing Fund.<sup>3</sup>

In addition, there is growing interest in facilitating older and younger people with dementia and people with sight loss<sup>4</sup> to maintain their independence in a community setting and extra care has begun to respond to these challenges.

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<sup>1</sup> Phillipson C (2012) *Developing Age Friendly Cities. Policy Challenges and Options*. Housing LIN Viewpoint 37

<sup>2</sup> [www.who.int/ageing/projects/age\\_friendly\\_cities\\_network/en/](http://www.who.int/ageing/projects/age_friendly_cities_network/en/)

<sup>3</sup> [www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/DHCapitalFundingProgramme/CASSHF2013-15/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/DHCapitalFundingProgramme/CASSHF2013-15/)

<sup>4</sup> Thomas Pocklington Trust (2011) *Extra Care Housing and People with Sight Loss: Lighting and Design*. Research Findings No 36.

Extra care housing is therefore more likely to figure in people's options for their housing, support and care compared to the recent past. The factsheet outlines some of the evidence that has emerged on people's views about living in extra care housing and there are links to a range of useful publications.

The 'extra' in extra care housing is generally recognised to be access to care services that can:

- Respond quickly to residents changing needs
- Provide unplanned care as and when required in addition to planned care
- Provide an emergency response.

Although the genesis of extra care housing predates "personalisation" and the "individualisation" of services, it has evolved alongside the rise of person centred thinking and has synergies with a broader 'quality of life' philosophy. Extra care housing developments support individual choice to be private or take part in, and contribute to community life. Extra care providers are also responding and successfully adapting to demands from customers and to shifts necessitated by changes in local authority funding for care, to support informal care and self-care. This is covered in more detail in the Housing LIN's new Policy Technical Brief, *Care and Support in Housing with Care for Older People*, and case study report, *Approaches to Procurement and Delivery of Care and Support in Housing with Care*.<sup>5</sup>

## 1.2 Finding your way around the factsheet

- Section 2: Defining, describing and extra care design
- Section 3: The policy and practice context
- Section 4: The scale of provision and how much is 'needed'
- Section 5: Commissioning, developing and funding extra care
- Section 6: Paying for services, community use and staffing
- Section 7: Links with health
- Section 8: Information on extra care, choice, and marketing.

## 2.0 Defining and describing

### ***Our definition***

Extra care housing is housing with care primarily for older people where occupants have specific tenure rights to occupy self-contained dwellings and where they have agreements that cover the provision of care, support, domestic, social, community or other services. Unlike people living in residential care homes, extra care residents are not obliged as a rule to obtain their care services from a specific provider, though other services (such as some domestic services, costs for communal areas including a catering kitchen, and in some cases some meals) might be built into the charges residents pay.

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<sup>5</sup> [www.housinglin.org.uk/pagefinder.cfm?cid=9820](http://www.housinglin.org.uk/pagefinder.cfm?cid=9820)

As outlined in the aforementioned Housing LIN Care and Support Technical Brief:

*“A fundamental feature of housing with care is that it is a housing model. Whilst on-site services may – and indeed should be – co-ordinated effectively, legally, the housing is a separate entity from the care – if it were otherwise, schemes would be liable to registration as care homes. Occupants have security of tenure and housing rights afforded by their occupancy agreements and cannot be required to move, unless in breach of the occupancy agreement.”*

## 2.1 Core ingredients

The original 2003 Housing LIN factsheet noted a wide variety of different kinds of extra care. However, there is broad agreement that there is a core set of ingredients that are part of extra care. They are:

- Purpose-built, accessible building design that promotes independent living and supports people to age in place
- Fully self-contained properties where occupants have their own front doors, and tenancies or leases which give them security of tenure and the right to control who enters their home
- Office for use by staff serving the scheme and sometimes the wider community
- Some communal spaces and facilities
- Access to care and support services 24 hours a day
- Community alarms and other assistive technologies
- Safety and security often built into the design with fob or person-controlled entry

For more discussion on characteristics see, for example, the Association of Retirement Community Operators Charter and Consumer Code.<sup>6</sup>

Some extra care developments (also called schemes), have additional facilities, some of which may be open to the local community at reasonable charges: for example, restaurant and gym facilities, meeting rooms and public areas.

Use of telecare devices is becoming more common in extra care housing developments: for example, fall detectors for people who are prone to falling, or devices for people with dementia who are prone to wandering.<sup>7</sup>

## 2.2 Models, size and scale

Some extra care housing is large scale and may contain up to 300 properties or more. Larger developments tend to have more facilities and services. They include ‘extra care villages’ and ‘continuing care retirement communities’. At the other end of the scale, there are very small developments of 6 apartments or bungalows, sometimes in the grounds of care home or in rural areas (see Housing LIN Factsheet No.12).<sup>8</sup> Property types include apartments, bungalows, houses or a mix and may be developed in all kinds of modern or vernacular styles.

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<sup>6</sup> <http://arcouk.org/consumercode/>

<sup>7</sup> [www.housinglin.org.uk/pagefinder.cfm?cid=9467](http://www.housinglin.org.uk/pagefinder.cfm?cid=9467)

<sup>8</sup> [www.housinglin.org.uk/pagefinder.cfm?cid=1623](http://www.housinglin.org.uk/pagefinder.cfm?cid=1623)

## 2.3 Different terms and kinds of developments

Over the years, discussion about extra care housing is peppered with different terms to describe certain kinds of extra care buildings or site layouts, for example:

- Very sheltered or enhanced sheltered housing: current term reflecting additional care and support needs of older residents in sheltered housing (but not high enough levels to require extra care housing)
- Extra Care and Assisted Living: Typically, purpose built blocks of flats with communal facilities and space for care and other services to be delivered
- Hub and spoke: as above but with a greater focus on designing for wider community use, and therefore probably larger communal facilities available for the wider community
- Close Care: Typically, purpose built blocks of flats or bungalows linked to a care home
- Retirement Village: purpose built extra care within a larger retirement village concept with a range of dwelling types and facilities
- Specialist\*: extra care designed to accommodate a particular group, for example people with dementia
- Separated\*: general extra care but with a specialist wing or unit (for example for people with dementia, or learning disability)

\* See section 3 (p.8-9) for more on the subject.

To some extent the lack of an agreed definition for extra care housing stems from the words providers and developers want to use to appeal to certain markets. For example, assisted living apartment is preferred by some private providers to describe their 'offer'. It could be a housing offer or it could be an alternative to residential care. The assisted living apartment is, therefore, a description of a living environment that is purpose-built, self-contained and which has design features that enable people to self-care and/or use specialist equipment more easily.

Subtle differences are often seen in the language used by commercial providers and developers to reflect the lifestyle they are offering customers as well as the housing and service model. See, for example, presentations offered by developers at the Housing LIN Annual Conference 2014/2015.<sup>9</sup>

## 2.4 Extra care housing design

Over the years a number of common design features have emerged, in particular:

- Accessible design, into and within schemes, and the dwelling units themselves
- Flexible use of communal areas for the benefit of residents and the wider community, where 'community benefit' is part of the concept; and
- 'Progressive privacy', which separates the private properties from the communal parts

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<sup>9</sup> [www.housinglin.org.uk/Events/HLINAnnualConference2015/](http://www.housinglin.org.uk/Events/HLINAnnualConference2015/)

### Example: Linskill, North Shields

Housing & Care 21 one of the pioneers of extra care developments introduced a novel way to separate public and private space which is particularly important when extra care is intended to be part of a busy community hub. Their concept of progressive privacy was used to good effect in their building design briefs and defined how public areas could be entered quite separately and kept separate from domestic private areas where residents live.<sup>10</sup>

Housing LIN factsheet 6 provides essential information about key design principles and issues to consider when designing and developing a brief for new extra care housing.<sup>11</sup> It also includes a number of case studies of extra care schemes and village developments. The section on dementia in section 3 of this factsheet also provides links to useful information on design.

More recently, learning about what works well in design has been heavily influenced by two HAPPI reports<sup>12</sup> which comment on a number of different approaches to housing with care and support including extra care and cohousing in Europe.

## 2.5 Boundaries and limitations of extra care

In the preparation to update this factsheet, some extra care providers and commissioners we consulted indicated that they thought it was important to stress the boundaries and limitations between extra care housing provision and residential care. Some think that while extra care housing can provide an alternative to residential care for some people it depends on the appropriateness to the individual of the combined housing, care and service model available rather than the care on its own. Extra care housing cannot therefore in the minds of some providers, replace all residential care and there were strong views that extra care housing should not be seen as residential care 'in disguise'.

## 2.6 Part of Housing with Care

Overall, extra care housing should be firmly located alongside other *housing* with care models. It is different from registered residential care provision where *the important distinction is that occupants do not have any tenure rights*. For more discussion on housing with care see Croucher et al 2007 and Darton et al 2011 on the subject) and the aforementioned Housing LIN Policy Technical Brief.

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<sup>10</sup> [www.housinglin.org.uk/Topics/ECHScheme/search/Overview/?cid=8310&msg=0](http://www.housinglin.org.uk/Topics/ECHScheme/search/Overview/?cid=8310&msg=0)

<sup>11</sup> [www.housinglin.org.uk/pagefinder.cfm?cid=5145](http://www.housinglin.org.uk/pagefinder.cfm?cid=5145)

<sup>12</sup> [www.housinglin.org.uk/Topics/browse/Design\\_building/HAPPI2/](http://www.housinglin.org.uk/Topics/browse/Design_building/HAPPI2/)

### **3. Changes in the policy and practice context**

#### **3.1 Five main changes**

Since the second edition of this factsheet in 2008, five main changes occurred that affect extra care housing:

- The economic downturn and squeeze on public (and private) finances
- The growth in ‘personalisation’ and the implications on revenue funding and service models
- The growing presence of a diversity of tenure arrangements, i.e. extra care for leasehold, shared ownership and market rent, alongside extra care for social or affordable rent
- The development of extra care housing that includes provision for vulnerable adults as well as older people
- Changes in provision for people with dementia

#### **3.2 The economic downturn and squeeze on public finances**

The economic downturn had serious implications for people planning new extra care housing. In particular:

- In many areas, local authority investment on the revenue side of extra care reduced
- It became harder to find public capital funds to develop social extra care housing
- Lower income residents and potential residents have expressed their concerns about affordability and the contributions they have to make to rents, service charges and care costs

Until quite recently, extra care housing developments benefited from relatively stable and continuous streams of public revenue. The latter was usually delivered via block contracts from local authorities that funded the support and care services received by residents. The situation now is very different. Under ‘personalisation’, person-centred social care, the introduction of personal budgets based on social care assessments of individual’s needs and FACS (Fair Access to Care) criteria, and new assessment arrangements under the Care Act 2014, have affected revenue arrangements. The expectation that individuals should contribute if possible to the costs of background care and support services (over and above the cost of individual care plans) has also had an impact and some people choose not to or cannot afford to pay.

As a result, revenue for care and support is less predictable and some providers are beginning to question the long term viability without care revenue guarantees from local commissioners. We say more about these changes in sections 5 and 6.

#### **3.3 Growth in tenure options**

There are more tenure options available to older people interested in moving to extra care compared to the past and it is likely this trend will continue. For example, there are more leasehold and shared ownership options<sup>13</sup> alongside social renting while market renting is

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<sup>13</sup> [www.housinglin.org.uk/Topics/type/resource/?cid=1645](http://www.housinglin.org.uk/Topics/type/resource/?cid=1645)

appearing as a relatively new option for more affluent people.<sup>14</sup> The government's 2011 *'Laying the Foundations: Housing Strategy for England'*<sup>15</sup> anticipated that 60% of projected household growth up to 2033 will be amongst householders aged 65 and over. Many older households currently own their own homes, and most of these are mortgage free.

### 3.4 A wider customer base

In recent years, developers and housebuilders have become more aware of local housing markets and older people's purchasing power and some local authorities have sought to reach a more diverse customer base.

Government interest has played a part. Bidding criteria for the last round of the Department of Health Extra Care Housing Fund (2008-2010), and its successor, the Care and Support Specialised Housing (CaSSH) Fund - administered by the Homes and Communities Agency and Greater London Authority - encouraged applications for extra care housing developments for vulnerable adults as well as older people. CaSSH guidelines included people with a learning disability, physical or sensory disability or people with a mental health problem. The focus of both grant programmes was to support greater health, well-being and independence.

The prospectus for the Phase 2 CaSSH Fund focused on people with mental health conditions and learning disabilities.<sup>16</sup> It also aimed to encourage private sector mixed tenure provision. In contrast to earlier Government Extra Care Housing funding programmes, CaSSH Phase 2 was explicit that funding was available for specialised dementia developments.

Details on successful CaSSH bids from Phases 1 and 2 can be found on the Housing LIN website.<sup>17</sup> As the CaSSH prospectus indicates, the Housing LIN is responsible for knowledge and information exchange, and manages the directory of Department of Health funded schemes.<sup>18</sup>

### 3.5 Extra care provision for people with dementia

Interest in providing a range of different housing and other options for people with dementia has grown significantly. More than 800,000 people are estimated to be living with dementia in the UK.<sup>19</sup> Extra care housing is increasingly seen as an option for some of them and thinking is evolving about the best way to support people who develop dementia after moving to extra care. For example, a study by Housing and Care 21 found that 25% of extra care residents had dementia.<sup>20</sup>

Substantial changes in practice are ongoing including staff training and design changes. Staff training often builds on approaches developed by the University of Stirling to improve the practice of care staff. A number of organisations have asked all their extra care housing staff to engage in training including cleaning, gardening and finance staff; for example, Housing & Care 21, Joseph Rowntree Housing Trust, the Extra Care Charitable Trust and Waltham Forest

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<sup>14</sup> [www.housinglin.org.uk/pagefinder.cfm?cid=9108](http://www.housinglin.org.uk/pagefinder.cfm?cid=9108)

<sup>15</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/7532/2033676.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/7532/2033676.pdf)

<sup>16</sup> <https://www.gov.uk/government/publications/care-and-support-specialised-housing-fund-phase-2-prospectus>

<sup>17</sup> [www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/DHCapitalFundingProgramme/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/DHCapitalFundingProgramme/)

<sup>18</sup> [www.housinglin.org.uk/Topics/ECHScheme/](http://www.housinglin.org.uk/Topics/ECHScheme/)

<sup>19</sup> [www.housinglin.org.uk/Topics/browse/HousingandDementia/](http://www.housinglin.org.uk/Topics/browse/HousingandDementia/)

<sup>20</sup> Valletly S (2006) *Opening Doors to Independence*, Housing 21

Housing Trust. The purpose is to provide a dementia-friendly living and working environment and grew from interest in the National Dementia Action Alliance’s work on dementia-friendly villages, towns and cities.<sup>21</sup>

Design changes are part of the dementia-friendly trend. Changes include removing mirrors, taking up dark mats on the entrance to buildings and using colour to define particular floors and corridors so people with dementia find it easier to navigate.<sup>22</sup>

New extra care housing developments are incorporating dementia-friendly design features in building specifications; for example, in Lancashire<sup>23</sup> and in Flintshire, Wales.<sup>24</sup>

Integrated and separated approaches have emerged. Integrated approaches aim to involve and engage people with dementia into an extra care scheme alongside other residents. Separated approaches typically involve separate wings or ‘pods’ in extra care schemes. The dwellings themselves may incorporate the design features similar to those above.

**Figure 1: Types of housing based models for people with dementia**

<b>Integrated:</b> people with dementia live in apartments alongside all other residents in the scheme	<b>Separated:</b> people with dementia are clustered within a separate self-contained area of the scheme (e.g. a wing or a floor)
<b>Specialist/dedicated:</b> a scheme where only people with dementia live	<b>Hybrid:</b> housing based provision alongside a care home (e.g. specialist residential care and housing based dedicated scheme)

Source: University of Worcester, June 2015

Finding a method to balance the sensitivities of residents who do not have dementia while providing well for those who do is a frequent source of discussion for extra care providers. No evaluation has yet been undertaken on the respective advantages and disadvantages of different models of housing based provision for people with dementia (Figure 1), though the Housing Dementia Research Consortium intends to apply for funding to undertake a comparative evaluation of these different approaches.<sup>25</sup>

## 4. Scale of extra care provision and how much is needed

### 4.1 How much extra care is there currently?

It is difficult to estimate accurately the numbers of extra care schemes or developments in the UK. EAC (Elderly Accommodation Counsel) publish details of all accommodation with care and support for older people in England and Wales known to them, and they specifically refer to extra care housing and enhanced sheltered housing as well as to residential care schemes. This is one of the only sources of data about extra care provision.

<sup>21</sup> Riseborough M and Jones A (2014) *Helping Smaller Housing Association Become Dementia Friendly. Their Experience and the Impacts on Policy and Practice*. Warwickshire. Quality of Life Charitable Trust.

<sup>22</sup> <http://dementia.stir.ac.uk/design/good-practice-guidelines/colour-and-contrast>

<sup>23</sup> [www.housinglin.org.uk/pagefinder.cfm?cid=8809](http://www.housinglin.org.uk/pagefinder.cfm?cid=8809)

<sup>24</sup> [www.housinglin.org.uk/Topics/type/resource/?cid=9204](http://www.housinglin.org.uk/Topics/type/resource/?cid=9204)

<sup>25</sup> [www.worcester.ac.uk/discover/housing-and-dementia-research-consortium.html](http://www.worcester.ac.uk/discover/housing-and-dementia-research-consortium.html)

According to the EAC, in August 2015 the numbers of extra care flats or other dwelling types in the UK are:

	<b>Extra Care</b>	<b>Enhanced sheltered</b>
England	47,184	15,843
Wales	1,988	308
Scotland	1,148	2,768
N Ireland	98	662
<b>TOTAL</b>	<b>50,418</b>	<b>19,581</b>

*Note:* the figures above include schemes under construction. Figures recorded for Wales have decreased since 2014 because EAC re-categorised some as enhanced sheltered housing. Extra care housing figures are those that have access to care staff 24 hours a day. Enhanced sheltered housing covers schemes with a lower level of service than extra care, but a higher level than found in most sheltered housing

How much extra care there is in particular local areas depends on local authority perspectives about the role of extra care, and the level of home ownership and house prices and their influence on the growth of the private market. Discussion with developers indicates a clear north-south divide with the majority of new developments, in particular private funded developments, in the southern half of the country.

## **4.2 How much extra care housing is needed?**

Estimating need for extra care housing depends on how it is perceived by local authorities and other public service commissioners. Some authorities see extra care as a means of meeting housing need and broadening housing and tenure choices for older people. Others see a narrower role for extra care, around shifting the balance of provision and funding away from long-term residential care to forms of independent community living. Local authorities such as Sunderland, North Yorkshire, and Staffordshire have set targets for the amount of extra care provision they want to see in their local areas. They employ dedicated staff who work with partners to deliver their extra care programme. Other local authorities are cautious about supporting the development of extra care and are concerned about potential revenue costs.

In England, under the 2014 Care Act, there are new duties on local authorities to facilitate a vibrant, diverse and sustainable market for high quality care and support in their area, for the benefit of their whole local population, regardless of how the services are funded.<sup>26</sup> This includes accommodation based care and support services for older and vulnerable people and many authorities have now developed Market Position Statements.<sup>27</sup> Similarly, in Wales, the Social Services and Wellbeing (Wales) Act refers to building community resilience and market facilitation underpinning commissioning, including housing with care.<sup>28</sup>

<sup>26</sup> <http://careandsupportregs.dh.gov.uk/category/market-shaping/>

<sup>27</sup> [www.housinglin.org.uk/library/Resources/Housing/SHOP/HLIN\\_SHOPBriefing1\\_MPS\\_digitalversion03.pdf](http://www.housinglin.org.uk/library/Resources/Housing/SHOP/HLIN_SHOPBriefing1_MPS_digitalversion03.pdf)

<sup>28</sup> [www.legislation.gov.uk/anaw/2014/4/contents/enacted](http://www.legislation.gov.uk/anaw/2014/4/contents/enacted)

However, there is currently no one agreed mechanism for estimating future needs amongst local populations for extra care housing in England and Wales. The most widely recognised tool in recent times for estimating how many units of extra care are required for local populations is the SHOP@ tool (Strategic Housing for Older People Analysis Tool) on the Housing LIN website. This emerged from an earlier toolkit, *'More Choice, Greater Voice'*, produced by DCLG and the then Care Services Improvement Partnership at the Department of Health.<sup>29</sup>

The SHOP@ tool is a free online method to help local authorities and developers including Registered Providers to estimate demand for specialist housing in England and Wales.<sup>30</sup> It estimates a shortfall of 61,000 units of extra care housing in England and 7,500 in Wales by 2030 respectively.

Using data generated by EAC's national records, SHOP@ produces local information at a unitary/county level or for individual districts using the formula that demand for extra care is likely to be required at 25 units per 1,000 population aged 75 plus. It also converts housing need for enhanced sheltered housing using a formula that equates a need for 20 units of enhanced sheltered housing per 1,000 population aged 75 plus. The desired tenure mix will vary according to local and market factors.

## **5. Commissioning, developing, and funding extra care**

### **5.1 Commissioning and market shaping**

Local authorities have various reasons for wanting extra care housing in their local areas including:

- Reducing local authority expenditure on long-term residential care, preventing unplanned hospital admissions and supporting timely discharge
- Increasing tenure and care and support choices for people
- Part of a wider regeneration programme
- An option to encourage and enable older people to downsize and free up family housing<sup>31</sup>

Local authority commissioning was traditionally linked to the availability of public sector capital for extra care housing. The squeeze on capital as well as a drive for greater value for money has led commissioners and providers to focus much more on the need to evidence the outcomes for potential residents and to ensure that new schemes are located in areas where there will be a demand. New developments are more likely as a result to be located close to shops and services and to offer a mix of tenure choices.

Such expectations are often expressed by local authority commissioners in their Joint Strategic Needs Assessments (JSNA's), Market Position Statements, older people's strategies and Strategic Housing Needs Assessments (SHMA's). They are written for developers and service providers, with the overall aim of providing them with information to develop the right types and volume of housing and services to meet local need. In addition, Health and Well-being Boards and the Better Care Fund have brought local authority (sometimes including housing) and health commissioners closer together to plan for the future and develop more integrated commissioning approaches.

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<sup>29</sup> [www.housinglin.org.uk/\\_library/Resources/Housing/Support\\_materials/Reports/MCGVdocument.pdf](http://www.housinglin.org.uk/_library/Resources/Housing/Support_materials/Reports/MCGVdocument.pdf)

<sup>30</sup> [www.housinglin.org.uk/SHOPAT](http://www.housinglin.org.uk/SHOPAT)

<sup>31</sup> [www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/DeliveringKeyOutcomes/Downsizing/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/DeliveringKeyOutcomes/Downsizing/)

SHMAs aim to identify both social housing need and market demand for housing in a local area. The rapid growth of older households is increasingly noted in housing market analyses. Some local authorities are actively seeking private sector investment to enable them to meet local needs. Examples include:

- Seafarers Way, Sunderland – private sector capital model developed in Sunderland to provide an extra care scheme for people with dementia. The new build element was 100% privately funded
- Selling a local authority owned site for the development of extra care housing e.g. Newcastle City Council and McCarthy & Stone

There is some evidence too that existing care home providers are responding to what they see as a gap in the local market and to local needs by developing extra care housing or assisted living schemes. These developments are often on land adjoining an existing home, or part of a new build development of a care home together with a block of apartments with the two buildings sharing some communal areas and services.<sup>32</sup>

## 5.2 Commissioning individual extra care schemes

The current riskier financial environment has affected commissioning arrangements for extra care for schemes reliant on local authority support. For Registered Providers (housing associations) who own and manage extra care housing, there are greater risks because:

- Supporting People revenue for support services no longer exists as a dedicated funding source and in many areas is being reduced or withdrawn
- Block contracts for on-site care at the scheme are not being renewed or they are awarded for shorter periods or, alternatively, a personal budget is awarded to individual residents
- Residents are finding it harder to meet the costs of service charges

Linked to the last point, a number of Registered Providers report affordability issues because some local authorities question the eligibility of services for Housing Benefit. A fairly complex set of reasons have led to this situation – for a good discussion on the subject, especially from a resident perspective, see the Age UK factsheet.<sup>33</sup>

Training requirements and expectations for care staff arising from the Care Act 2014 impose new challenges and costs for care providers particularly the requirement that all care staff will achieve the Care Certificate. The downward pressure on local authority care budgets is already reducing the amount of revenue for providers of care services with knock on effects for people living in extra care. This is despite mounting evidence on and about extra care provision and its costs and benefits.<sup>34</sup>

At the time of writing it is not known what impact the introduction of the Living Wage, the extension of the Right to Buy, nor the 1% annual rent reduction up till 2020 for schemes that are not treated as exempt accommodation, will have on the services in extra care housing.

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<sup>32</sup> [www.housinglin.org.uk/org/pagefinder.cfm?cid=1618](http://www.housinglin.org.uk/org/pagefinder.cfm?cid=1618)

<sup>33</sup> [www.ageuk.org.uk/Documents/EN-GB/Factsheets/FS64\\_Retirement\\_\(sheltered\)\\_housing\\_fcs.pdf](http://www.ageuk.org.uk/Documents/EN-GB/Factsheets/FS64_Retirement_(sheltered)_housing_fcs.pdf)

<sup>34</sup> Darton, R., Bäumker, T., Callaghan, L. and Netten, A. (2011) *Evaluation of the Extra Care Housing Initiative: PSSRU Technical Report*, PSSRU Discussion Paper No. 2783/2, Personal Social Services Research Unit, University of Kent, and Netten A, Darton R, Bäumker T and Callaghan L (2011) *Improving Housing with Care Choices for Older People: An Evaluation of Extra Care Housing*, Personal Social Services Research Unit, University of Kent, Canterbury

### 5.3 Developing and funding new extra care developments

A number of developers have well established track records for building social and private sector extra care but a more diverse range of developers has appeared in recent years including small developers and large-scale housebuilders.

The financial downturn and reduced public grant rates led to some providers ceasing to develop extra care schemes. Others continued to develop extra care but with reduced communal facilities in order to reduce capital costs, sale prices and service charges for customers.

#### ***Planning use classes***

The planning classification of extra care housing is far from straightforward, reflecting the broad range of philosophy and types that extra care covers. Whether it is seen as primarily housing or as a proxy for a care home depends on the nature of the scheme and the services provided.

The planning Use Class applied to Extra-Care confirms this distinction because some schemes are defined as C3 (Dwelling Houses) and some are C2 (Residential Institution). Occasionally schemes can have mixed class use, with distinct parts of a scheme being C2 and others C3.

For well integrated extra care communities, with clear linkages between the various elements, the predominant function of the 'planning unit' as a whole usually prevails. Occasionally extra care has been classified as 'Sui Generis'; that is, a use not falling within any specific class within the Use Class Order.

Amongst the key factors in determining the Use Class are the extent of any legal restrictions on purchase and occupation; availability of care via a registered care provider, arrangements for the regular assessment of individual care needs including upon occupation; the availability of meals; and the extent and scale of communal facilities.

Different planning policies may apply depending upon the above classification of the scheme. A key example relates to requirements to provide an element of affordable housing, which are not normally applicable to C2 developments. Such requirements can significantly impinge on scheme viability and the ability of private developers of extra care to compete with general house builders.

Some providers, see care provision as integral to extra care housing provided within a communal setting. They have always obtained planning consent under C2 Use Class. Other providers incorporate little or no care and community facilities; and their schemes should be classed as C3.

It is very important therefore to understand that, dependent on circumstances, Extra care housing can be either C2 or C3 Use Class. For more comprehensive information on planning, see the Housing LIN's online planning portal.<sup>35</sup>

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<sup>35</sup> [www.housinglin.org.uk.org/Topics/browse/Planning/](http://www.housinglin.org.uk.org/Topics/browse/Planning/)

## 6. Paying for services, community use and staffing

### 6.1 Services in extra care schemes

Services in extra care usually fall under 4 headings as illustrated below in Figure 2:

**Figure 2: Services in extra care housing**

<p><b>Housing management</b></p> <ul style="list-style-type: none"> <li>• Repairs &amp; maintenance</li> <li>• Collecting rent &amp; service charge</li> <li>• Annual meeting with residents</li> <li>• Performance reporting</li> <li>• Lettings/sales</li> <li>• Tenancies &amp; leases</li> </ul>	<p><b>Facilities management</b></p> <ul style="list-style-type: none"> <li>• Window cleaning</li> <li>• Gardening &amp; grounds maintenance</li> <li>• Cleaning communal areas</li> <li>• Health and safety</li> </ul>
<p><b>Support and housekeeping services:</b></p> <ul style="list-style-type: none"> <li>• Meals</li> <li>• Cleaning residents properties</li> <li>• Personal laundry service</li> <li>• Advice &amp; information</li> <li>• Welfare rights</li> <li>• Scheme manager service</li> <li>• Community alarm/telecare</li> </ul>	<p><b>Care services:</b></p> <ul style="list-style-type: none"> <li>• Full range of personal care</li> </ul>

Typically, housing management services are paid for by all residents via their rent and/or service charges. Facilities management costs are paid via the service charge, and details are explained in an annual service charge breakdown. Generally, all households contribute equally to service charge items. However, some extra care schemes charge different rates depending on the size of accommodation and the number of people occupying it.

Support services are typically funded either by local authorities or directly by residents. Some local authorities still fund the Scheme Manager Service and/or the costs for employing activities coordinators to promote health and well-being.

Meals are paid for in a variety of ways. They may be paid for directly by residents, although it is not uncommon to find that a certain number of meals are included each week for all residents in the service charge (this helps to make on site catering facilities viable) with additional meals paid for as required. Commercial extra care schemes sometimes include the cost of the kitchen and catering team in the service charge and charge residents for each meal they purchase.

A needs assessment determines eligibility for care services funded by the local authority. As identified earlier, personal budgets and Direct Payments are becoming more common although some block contracts still exist. Individual Residents increasingly pay a contribution to care costs e.g. background care during the day and overnight. Without a block contract or

some flexibility, the aggregated care hours from each individual's care plan rarely guarantee that care staff can be on site 24 hours a day. It is also difficult to provide any additional care over and above limited individual care plans.

Some degree of coordination on the part of adult social care commissioners can offer economies of scale for residents and commissioners; for example, by reducing the number of different carers and care agencies going in and out of the building. This also improves communication with residents, their families and the Scheme Manager.

Many local authority commissioners refer to the need to ensure that the costs of care (over and above planned care in residents care plans) are less than they would otherwise be spending on residential care home fees.

Some extra care providers have responded to changes in the financial climate with alternative service and funding models. This could include a "well-being" charge to cover the cost of having staff on site 24 hours a day (roughly equivalent to the lower rate of Attendance Allowance). See the aforementioned 2015 Housing LIN case study report, '*Approaches to Procurement and Delivery of Care and Support in Housing with Care*'.

### **Community alarm/telecare services**

Community alarm and other technology are part of the support service in many extra care housing schemes; for example, handling calls for help when staff are busy or off site. A minority of alarm services are registered as domiciliary care agencies and some providers are introducing new service arrangements to help plug gaps in extra care due to reductions in care and support costs. For example, YHN (Your Homes Newcastle) registered its community alarm service as a domiciliary care agency in 2014 and now provides an overnight service in one of its extra care schemes.

Costs are met in the same way as care costs for those who receive local authority support while people who pay their own care costs pay agreed charges for the services they choose. Various models have developed based around the above and will continue to evolve. For more information on technology enabled housing with care and examples of practice, visit the housing and telecare pages on the Housing LIN website.<sup>36</sup>

## **6.2 Using community facilities**

Some extra care housing was developed particularly to provide facilities for the wider local community as well as residents. The building design often reflects this; for example, a large community café, a shop, community room for meetings or to host leisure, educational or social activities.

However, community use has sometimes evolved typically because the provider wants to encourage residents to better engage with people in the wider locality or because community use of facilities provides another revenue stream. There are many different examples of community use.

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<sup>36</sup> [www.housinglin.org.uk/Topics/browse/HousingOlderPeople/OlderPeopleHousingProvision/Telecare/?&msg=0](http://www.housinglin.org.uk/Topics/browse/HousingOlderPeople/OlderPeopleHousingProvision/Telecare/?&msg=0)

### **Example: Ensuring Extra Care is part of the community, not a community apart**

Hazel Court in Swansea is a 120 unit extra care housing scheme which has become an integral resource for the wider community. Forging relationships with stakeholder groups across the local community has been vital to the ownership of the scheme by both tenants and the wider community. In addition, the benefits from employing an experienced Community Activities Co-ordinator have proved invaluable, generating substantial inreach and outreach activities and helping to sustain the vibrancy of Hazel Court as a resource for the local community.<sup>37</sup>

Community use is not without its pitfalls and careful preparation and consultation with residents are vital.

## **6.3 Staffing and workforce development**

Expectations of both residents and commissioners are requiring providers to think further about staffing and workforce issues. Residents want greater choice and a more personalised and flexible service offer. This means, as in the rest of the social care workforce, moving from a task and time focus to an outcome based approach, based on a better understanding of lifestyle and quality of life as well as quality of care priorities of each individual resident. The integration agenda is also bringing care and support tasks closer together into a more holistic approach to address these requirements. There is also a greater reliance on the scheme manager to integrate these various roles. For a fuller discussion on the workforce challenges for extra care housing see the recent Skills for Care report.<sup>38</sup>

## **7. Links with health**

Traditionally, the links between extra care housing and adult social care were stronger than those with health. However, the situation is changing partly as a result of the introduction of the Better Care Fund from April 2014 and partly as a result of emerging cost benefit savings evidence.

The Better Care Fund (BCF) introduced joint targets for health and social care which are linked to income streams from government. BCF Strategic Plans in a number of areas now include joint targets to reduce of the number of admissions to long-term residential and nursing home care, and hospital admissions. Some health and care commissioners regard growth in the volume of extra care housing provision as a key tool for meeting targets.

Evidence from a series of studies is beginning to build an evidence base on the potential cost savings of extra care compared with residential care. Evidence is also beginning to emerge (though further research is needed) about potential cost savings to the health economy. For example, longitudinal research<sup>39</sup> found that the falls rate in extra care housing was 31%, whilst the fall rate in a matched sample drawn from a community survey was 49%.

<sup>37</sup> [www.housinglin.org.uk/HazelCourt\\_CaseStudy](http://www.housinglin.org.uk/HazelCourt_CaseStudy)

<sup>38</sup> Skills for Care (2014) *New, emerging and changing job roles: adult social care in extra care housing*

<sup>39</sup> Kneale D (2011). *Establishing the Extra in Extra Care. Perspectives from Three Extra Care Housing Providers*. International Longevity Centre

The same study also found that residence in extra care housing is associated with a reduced level of expected nights spent in hospital than may be expected in an equivalent population living in the community. The differences are mainly attributable to a lower propensity for being confined to hospital initially, and not through necessarily shorter lengths of stay. Nevertheless, this still translates to a lower level of hospitalisation for older extra care residents, with an estimated incidence of annual hospitalisation of 4.8 nights per year per person among those aged 80+ compared to 5.8 nights for those matched and living in the community. The financial impact of a lower incidence of hospitalisation show that the savings in terms of hospital beds could reach up to £512 per person. The findings in this 2011 report generally support the notion that extra care may play a part in reducing the risk of initial entry as a hospital inpatient.

A study from The Smith Institute suggests that: *'Providing a greater supply of supported housing could reduce the need for and cost of expensive acute hospital provision'*, but that the UK has relatively low levels of supported housing provision compared to other countries.<sup>40</sup> For supported housing we could include extra care and other housing with care models. However, the study underlines there is still not enough empirical evidence on cost- benefits and savings to convince health commissioners to switch resources away from existing care pathways to newer, housing-based solutions.

A further research report by The Smith Institute assessed the potential savings that an increased level of supported housing could provide for the NHS. The report found that the NHS could save around £75,000 per year per unit of supported housing. Therefore, factoring in build costs over 25 years, a supported housing unit for older people would produce savings of £1 million.<sup>41</sup>

## **8. Information on extra care, choice, and marketing**

### **8.1 Moving home**

Deciding to move is a difficult decision for anyone but particularly when people are finding it difficult to manage in their present home or they are ill or under pressure to move. Research with older people shows that they rarely get the advice and information they need on the full range of choices available to them. A similar situation affects younger disabled people. The Care Act 2014 places the requirement on local authorities to ensure that people receive the information and advice they need, and this should include housing choices such as extra care. Similarly, the Social Services and Wellbeing (Wales) Act 2014 provides for making information, advice and assistance available in relation to making plans to access care and support.

A number of organisations provide free and impartial information for older people on the housing, support and care choices available to them. Nationally they include Age UK and FirstStop Advice<sup>42</sup> which offer:

- A national Advice Line
- A regularly updated website<sup>43</sup> which includes information and advice on housing and care options, and has a useful database covering sheltered, enhanced sheltered and extra care housing across all tenures, as well as care and nursing homes. Information is provided for all local authority areas in the UK

<sup>40</sup> Denise Chevin. *Housing associations and the NHS: new thinking, new partnerships*. The Smith Institute, July 2014. (p.6,7 and 20)

<sup>41</sup> The Smith Institute. *NHS surplus land for supported housing: why now and what are the possible cost savings?* A Smith Institute research paper, July 2014. (p.6)

<sup>42</sup> [www.firststopcareadvice.org.uk](http://www.firststopcareadvice.org.uk)

<sup>43</sup> [www.HousingCare.org](http://www.HousingCare.org)

## 8.2 Self-help for potential consumers, relatives and carers

Going through the options about where to move is only part of the decision making process since a lot depends on personal preferences, lifestyle and the locations that are important to people. The HOOP (Housing Options for Older People) tool is one of the self-help methods available. It is a questionnaire available on-line or on paper and it takes people through the pros and cons of staying put or moving home including cost, location, standard, comfort and design, managing the home.<sup>44</sup>

## 8.3 Marketing extra care housing

Arguably extra care housing is getting better known but it is still not as well-known as a choice amongst social workers and professional health and community workers compared to residential or nursing homes. A number of extra care providers commented to us that they continuously market extra care housing because when a scheme has been open for some time the initial buzz of interest tends to disappear. There is a need too to educate and inform new social work staff or new commissioners who don't know about extra care housing as well as the general public. All extra care providers should have an active marketing plan to ensure good demand for extra care both initially and thereafter.

For more information on marketing extra care housing, visit the dedicated Housing LIN webpage.<sup>46</sup>

## 8.4 What do people think about living in extra care?

A substantial literature has developed that presents the views of people who live in extra care. This includes serious well researched evidence and feedback from older people themselves. It is clear from the feedback from residents in the evaluation of the 2004-2006 Department of Health funded schemes, that the choice to move to extra care was a good one for many but not for all.<sup>46</sup>

There is a strongly expressed view that for couples where one person is providing a lot of day to day support the additional help from care and support staff can help to make life easier.

A number of studies indicate that older people enjoy the social side of living in extra care housing. Another study found that more than two thirds of the people who moved to a Bradford extra care development said they had a good social life and more than half of the same people reported that they felt lonely before the move.<sup>47</sup>

There are also some doubts though whether extra care residents with very high needs for care and support benefit from the social opportunities in the same way.<sup>48</sup> A three year study tracked people with dementia in six extra care schemes and considered their views on what they found most valuable about living there. Independence and choice came over very strongly in people's preferences.<sup>49</sup>

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<sup>44</sup> [www.housingcare.org/housing-appraisal-tool.aspx](http://www.housingcare.org/housing-appraisal-tool.aspx)

<sup>45</sup> [www.housinglin.org.uk/Topics/browse/HousingExtraCare/MarketingECH/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/MarketingECH/)

<sup>46</sup> [www.housinglin.org.uk/\\_library/Resources/Housing/Research\\_evaluation/PSSRUsummary.pdf](http://www.housinglin.org.uk/_library/Resources/Housing/Research_evaluation/PSSRUsummary.pdf)

<sup>47</sup> Baumker T, Netten A and Darton R (2010), *Costs and Outcomes of an Extra Care Scheme in England*. Journal of Housing for the Elderly. 24,2, 151-170

<sup>48</sup> Callaghan L, Netten A and Darton R. (2009). *Development of Social Well Being in New Extra Care Housing Schemes*. Joseph Rowntree Foundation

<sup>49</sup> Evans S and Vallely S (2007). *Social Well Being in Extra Care Housing*. Joseph Rowntree Housing Trust

## 8.5 Does extra care appear to be meeting expectations?

Expectations attached to extra care have risen considerably compared to when we wrote the first factsheet about it. Social extra care housing, in particular, is often expected by commissioners to deliver on a range of complex outcomes. To some extent this is understandable given that public funds to develop extra care housing and the revenue needed to pay for the running costs are getting harder to obtain.

Customer expectations about the services they want are also often high and as we comment in the fact sheet some issues of affordability have appeared that did not exist when extra care schemes were first developed. The context in which extra care is placed has undoubtedly changed as well and the financial squeeze on local authority social care funds is one of the most important.

However, extra care housing is continuing to evolve and is highly diverse. There are some common ingredients and approaches which characterise it and evidence is emerging about its contribution to older people's well-being. A recent study found that extra care housing can also have a major impact in promoting residents' quality of life and reducing feelings of loneliness and isolation.<sup>50</sup>

And finally, one of the most enduring aspirations expressed by extra care housing providers is that their developments will enable more older people to age in place. Recent evidence from the longitudinal study of almost 4,000 extra care residents referred to in section 7 (footnote 45) suggests that this aspiration may be being achieved. The study identified a small number of people who needed to move to residential care but in most cases they were able to continue to live in the extra care community.

### Note

The views expressed in this paper are those of the authors and not necessarily those of the Housing Learning and Improvement Network.

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<sup>50</sup> [www.ilcuk.org.uk/images/uploads/publication-pdfs/Village\\_Life\\_ILC-UK\\_Report.pdf](http://www.ilcuk.org.uk/images/uploads/publication-pdfs/Village_Life_ILC-UK_Report.pdf)

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## **About the Housing LIN**

The Housing LIN is the leading 'learning lab' for a growing network of housing, health and social care professionals in England and Wales involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable adults with long term conditions.

Previously responsible for managing the Department of Health's Extra Care Housing Fund, the Housing LIN is called upon by a wide range of statutory and other organisations to provide expert advice and support regarding the implementation of policy and good practice in the field of housing, care and support services.

Further information about the Housing LIN's comprehensive list of online resources on extra care housing and on how to participate in our shared learning and service improvement networking opportunities, including 'look and learn' site visits and network meetings in your region, visit: [www.housinglin.org.uk](http://www.housinglin.org.uk).

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