

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Cabinet
Date:	10 December 2018
Title:	Progress report on the Adults' Health and Care Extra Care Housing Programme
Report From:	Director of Adults' Health and Care

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1. Recommendations

1.1. It is recommended that Cabinet:

- a) note the positive progress made to date in the Extra Care Housing programme within the Adults' Health and Care Department for both Older and Younger Adults.
- b) note the ambitions for the future of Extra Care Housing over the next 5 years.

2. Executive Summary

- 2.1. The purpose of this paper is to provide a high level summary of the positive progress being made on the Extra Care Housing (ECH) programme within the Adults' Health and Care Department.
- 2.2. In 2011, a capital envelope of £45m was approved to deliver new build Extra Care Housing for Older People. Since that time some 17 developments covering each District of Hampshire have been facilitated by the County Council resulting in the delivery of over 800 units and accommodation for some 900 residents including couples.
- 2.3. The Extra Care programme was subsequently extended as part of the Transformation to 2017 cost reduction programme with additional capital of £35m being provided for schemes for Younger Adults with Learning Disabilities.
- 2.4. In both service areas numerous individual and service benefits have been secured. These include greater independence and safety, reduced social isolation, improved self confidence and enhanced employability for those residents taking up the Extra Care units. From a Department perspective the developments outlined have led to lower levels of care requirements than would have been the case, reduced service demand and lower service costs mainly because the residents meet the housing costs either through rent or

through shared or private ownership. This leaves the Department to cover only the care costs unlike in the case of residential and nursing home provision where the County Council funds both elements and savings per scheme can be in the order of £150,000 or more per annum. Relationships with key partners including GP's and District Council's as housing authorities has also been enhanced.

- 2.5. Extra Care is popular and in demand because it offers the unique combination to residents of their own front door and privacy within a modern setting along with communal services that serve both personal care and general needs on a 24/7 basis. The quality of the developments, both in terms of the physical living units and the availability of different services ranging from personal care to day services to on-site catering facilities, is to a high standard and improves with each development.
- 2.6. The Department's recently Cabinet approved 5 year Strategy included an ambition to at least double the number of units available for Older Adults in the next 5 years taking the number of developments to around 25 and the number of units to 1,500 or more. The ambition for Younger Adults, including those with Physical as well as Learning Disabilities, is equally aspirational and as we move forward, bespoke developments for people suffering with Dementia and/or those with Mental Health needs, will also be facilitated and delivered.
- 2.7. The conditions are set fair for the Strategy ambitions to be realised. The market for Extra Care Housing is currently strong after a period of instability mainly as a result of uncertainty in long term Government thinking. The successes to date and the work ahead is a prime example of what a strategic authority, of the scale and size of the County Council can achieve when it uses its different specialisms to optimum effect. The developments facilitated owe much to strong professional input and collaborative working between the Adults' Health and Care Department and the Councils in-house Property Services experts, not to mention the availability of Council backed financial investment through the realisation of early revenue savings to boost reserves that can then be applied for service modernisation purposes but also serving to reduce future revenue cost exposure.

3. Context

- 3.1. Extra Care Housing is also known as sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can provide a much more appropriate and significantly better, more modern alternative to a care home. Whilst originally orientated towards Older Adults, increasingly Extra Care is being provided in Hampshire for the benefit of Younger Adults with Learning and/or Physical Disabilities.
- 3.2. Increasingly Older Adults (and often couples) opt for Extra Care Housing at a point in their lives where their support needs are growing, but at a time when they still want to be as independent as possible. Extra Care Housing allows residents, including growing numbers of Younger Adults with Physical or

Learning Disabilities to live independently and confidently, but with the benefit of 24/7 care provision on site together with a host of communal services that they can benefit from. Residents of Extra Care Housing can own their own property, but for the most part, they pay rent, including use of eligible housing benefit, to cover the associated housing costs whilst the County Council meets the costs of providing on-site 24/7 personal care services.

- 3.3. In October 2011, a capital envelope of £45m was approved to deliver new build Extra Care Housing for Older Adults and to allow the extension of two in-house Nursing Homes. The funding was provided to enable the delivery of schemes rather than fund the cost directly and was to be made available either as a 'top-up' grant or as a capital and/or in-kind land value contribution in relation to the development of a selected number of County Council owned sites. A partner framework was procured with four registered providers appointed with the intention of delivering 100% affordable rent schemes.
- 3.4. Over the subsequent four years a number of developments were facilitated up until late 2015 when the Government announced plans for reductions in actual rents for three years along side longer term proposals to potentially further reduce rents and remove them from housing benefit and into the emerging Universal Credit System. These proposals, as well as reductions to capital grant subsidies from the then Homes and Communities Agency (now Homes England) passed further commercial risks on to providers who in return sought greater levels of capital support from the County Council.
- 3.5. Consequently a new Extra Care Housing Strategy was developed which saw the introduction of a mixed tenure policy to both expand choice and utilise private equity in return for reduced County Council capital grants. Changes were also made to further improve viability by introducing a greater number of one rather than two bedroom flats, less prescriptive communal area requirements and an open procurement approach to increase competition from a changing provider market.
- 3.6. The revised strategy has proved successful with renewed and/or new interest for schemes. Further, in late 2017 the Government abandoned the reform plans outlined above and taken together, the climate for Extra Care Housing is now as good as it has ever been and provides confidence that the ambitions of the Department to more than double provision for both Older and Younger Adults is realisable over the next 5 years.

4. Extra Care Housing and Progress to Date

- 4.1. Extra Care Housing provides residents with the opportunity either individually or as a couple to rent, or own via shared ownership or full market sale, a one or two bedroom purpose built apartment. Typical Older Persons Extra Care Housing developments tend currently to be around 50 units in total with the majority of units available for rent.
- 4.2. Each development includes a personal care team that are on site 24/7 to deliver both planned care and an 'emergency response' where required. More than 6,000 care hours are currently provided each week to

residents of the 17 Older Adults schemes that the County Council has so far facilitated.

- 4.3. The initial aim of Extra Care Housing was to achieve a 'balanced community' of residents with a mixture of low, medium and high care needs. In recent years this has been adjusted to offer more places to those with the greatest needs in order to meet peoples preferences for maximised independent living and respond to pressures within the care system and achieve further revenue savings compared to more expensive care home placements. This is a complex task involving close partnership working with District Councils, housing providers, other health and care professionals and the public generally, many of whom are still not aware of what Extra Care Housing represents or offers.
- 4.4. The schemes also include various communal services including not limited to a restaurant, activities, a lounge, hairdresser, guest suite and a buggy store. Some of the schemes have built in space offering day service type activities allowing use by non residents. Extra Care Housing offers numerous benefits, is a much preferred alternative to a care home for most and is a more modern and cost effective option for the County Council.
- 4.5. Over the past 7 years over 800 individual units have been facilitated and taken up by residents across the 17 schemes so far delivered. This includes the latest scheme (Chesil Lodge) that was opened in the summer of 2018 in Winchester. The more recent schemes have accommodated extended availability of planned care at night as well as offering more staff time to provide greater 'wellbeing' and activities for residents. Each scheme now aims to become a 'community hub' with its services being extended to older people living nearby and some also have dedicated day centres attached as well. A schedule of schemes is shown in Appendix 1.
- 4.6. Partly as a consequence of the early successes of schemes orientated towards Older Persons, but also due to wanting to de-institutionalise accommodation settings for Younger Adults with Learning and/or Physical Disabilities in favour of enabling them to enjoy more independent lives and improve life chances, including employability. A Younger Adults Extra Care programme was developed in the build up to Transformation to 2017 and a £35m business case was subsequently approved by the Executive Member for Policy and Resources in 2015.
- 4.7. This has so far resulted in the delivery of some 100 units for service users to move into (replacing residential care home placements) helping to sustainably transform their lives and the lives of their families and friends. For many residents the Extra Care provision represents the first opportunity for them to have their own front door. Aside from improved living environments, the benefits of the developments include individuals being able to live closer to their families, reductions in levels of distress and the clients developing independence skills, including for example confidence to access their own local communities. In some cases the improved confidence levels and the reduced distress has made it possible for clients to access and hold down meaningful employment.

4.8. As might be expected for the client group(s) the number of units per scheme differs quite markedly from the Older Adults developments. In many cases specialist supported accommodation is being provided to support individuals with very high needs. Facilities can include hoists in all bedrooms and bathrooms, wheelchair accessible access and adapted bathrooms. The developments are typically on a smaller scale involving a cluster of circa 8 to 16 apartments per site. Coverage is increasingly County wide. The model provides both rental revenues plus significant revenue savings compared to care homes.

5. Moving Forward

5.1. A key feature of the Department's 5 year strategy that was approved by Cabinet in April is an Accommodation strand that recognises the importance of further capital investment as a means of helping to maintain and/or increase independence of people with the greatest needs. The strategy also recognises the role that capital investment can play in terms of reducing recurring future revenue cost commitments. The County Council has a long tradition of facilitating community based accommodation services (reducing institutionalised care levels) and for directly operating our own estate of residential and nursing homes and the forward strategy looks to build on and widen our involvement in different forms of accommodation.

5.2. As set out in this report, the facilitation and delivery of Extra Care Housing for both Older and Younger Adults has led to improved levels of independence for residents and to reduced revenue running costs for the Department. In recognition of this fact, the 5 year strategy targets a doubling of County Council facilitated Extra Care Housing for Older Adults and a similar expansion for Younger Adults and all the signs are that these strategy ambitions can and will be delivered on.

5.3. In September, the Executive Member for Policy and Resources approved the award of design, build and operate contracts on three sites at Gosport, Petersfield and New Milton and these will be delivered and become operational in 2020 subject to the securing of the necessary planning permissions. In addition to the above, a scheme at Nightingale Lodge (Romsey) is being progressed and a re-procurement of a multi-faceted development, including Extra Care Housing at Oak Park (Havant) is also being taken forward. In the latter case a planning permission has already been secured. These five projects, all of which are on County Council owned land should be delivered over the next 2-3 years and are scheduled to add a further 260 units to the 800 plus that the County Council has so far facilitated for Older Adults. It is expected that some £20m of the original capital allocation will still be available once these five projects are completed.

5.4. Looking further ahead, the County Council will continue to progress its Extra Care Housing development programme and the joint implementation work between Adults' Health and Care and Property Services which has been a key feature in the success so far. This joint work will need to extend externally to the Local Plan strategies of District Councils who benefit from each scheme with Extra Care Housing counting towards housing allocation targets. In

addition we will continue to make it known that we are 'open for business' to housing providers who are keen to also invest in such new housing. Linked to this will be the need to continue our partnership work with Homes England who have proven to be a key co-investor in recent extra care developments. The Government have given Homes England a major role in helping them deliver on the own ambitions to boost house building generally and supported housing in particular, including more Council house provision. To help enable this 'Strategic Partnerships' are being encouraged to support local delivery and the Council will further explore this approach for Hampshire.

- 5.5. Section 106 Planning Agreements are also being negotiated for at least 6 new Extra Care Housing schemes on sites planned for major housing developments, although exact completion dates are hard to forecast on such complex housing and infrastructure proposals. The County Council also has a further site at Leigh Park, Havant which it also intends to market for Extra Care Housing once the Oak Park Scheme is underway and a completion date is clear.
- 5.6. These various sites, plus others which may well be presented to us as development opportunities by other landowners (as was the case at Chesil Street, Winchester) should enable the County Council to meet or indeed exceed its ambitious plans to at least double the current supply of Extra Care Housing for Older Adults. As well as the benefits that will be derived for residents, in a typical scheme of 50 apartments it is estimated that the average savings compared to more expensive care home or domiciliary care packages can be in the order of £150,000 per annum. Given this, the plans to double Older Persons Extra Care Housing units over the next 5 years could generate recurring revenue savings in excess of £2m per annum.
- 5.7. In terms of the Younger Adults Extra Care programme of work there are equally a number of exciting developments agreed and in train or being pursued. This should result in the number of units facilitated by the Council increasing to between 200 and 250 over the next few years. The new developments will include more specialist provision and a widening of the client base to accommodate more Younger Adults with physical disabilities and mental health needs. The higher costs of the more specialist requirements mean that in excess of £30m of the £35m approved budget is likely to have been consumed to secure the circa 250 units.
- 5.8. There are also opportunities to progress future projects jointly with Health, especially as partnership working for Learning Disability and Mental Health integration gathers pace. As with Older Adults developments, progress made with more Younger Adult accommodation will play an important part in terms of reduced recurring revenue cost commitments for the clients.

6. Conclusions

- 6.1. The Council's leadership role in facilitating the development of Extra Care Housing for Older and Younger Adults over the past 7 years, backed by significant capital allocations has been a resounding success with conditions set fair to build on the achievements to date over the coming 5 years.

- 6.2. The benefits for residents of modern, independent living but with the safety net of 24/7 personal and emergency care available where it is needed, are very clear. The Council has so facilitated over 900 Extra Care units across more than 20 sites stretching to all parts of Hampshire and serving both Older and Younger Adults, enabling more than 1,000 increasingly vulnerable residents to live independently and happier for longer. Additionally, the investment in Extra Care Housing is helping to reduce future recurring revenue cost commitments which is especially welcome as demand for services continues to rise whilst revenue resources further decline.
- 6.3. The Adults' Health and Care forward 5 year strategy approved by Cabinet in April this year recognises the continuing strong contribution Extra Care Housing can play into the future and to this end work is in train to more than double the availability of Council facilitated Extra Care Housing units over this period. Sufficient capital provision remains available to enable the strategy aim to be achieved.
- 6.4. Continued strong stakeholder engagement will be key to success. This includes the effective joint working between Adults' Health and Care and Property Services, engagement with District Councils and Health partners and an improved public engagement programme so that more residents become aware of and understand the benefits of Extra Care Housing.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;

Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;

Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;

Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;

Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

This report does not propose any decision therefore an impact assessment has not been undertaken.

2. Impact on Crime and Disorder:

2.1. No impact has been identified

3. Climate Change:

How does what is being proposed impact on our carbon footprint / energy consumption?

How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

No impact has been identified

Extra Care Older People Scheme Information

Scheme	Location	Status	No. Flats
Lion Oak Court	Andover	Open	52
Juniper Court	Gosport	Open	50
Campbell Place	Fleet	Open	74
Newman Court	Basingstoke	Open	64
Surrey Court	Eastleigh	Open	70
Chesil St	Winchester	Open	52
Oak Park	Havant	Planning Achieved	51
Nightingale Lodge	Romsey	Construction Phase	54
Fernmount	New Milton	Tendered	62
Bulmer House	Petersfield	Tendered	56
Addenbrooke	Gosport	Tendered	60
Dunsbury Way	Havant	Future Site	80
Wellesley	Aldershot	Future Site	80
Barton Farm	Winchester	Future Site	80
West of Waterlooville	Waterlooville	Future Site	60
Whiteley	Whiteley	Future Site	60
Manydown	Basingstoke	Future Site	60
Whitehill & Bordon	Bordon	Future Site	60
Wellborne	Fareham	Future Site	60
Total No. Flats			1,185

Total HCC Grant funding: **£25,938,110.00**

Other Public Grant funding: **£62,782,000.00**

Extra Care Younger Adults Information

Scheme	Location	Status	No. of Units
Jellicoe Court	Basingstoke	Completed and open	18 one bed flats
Mulberry Lodge	Basingstoke	Completed and open	X2 3-bedroom bungalows for Physical Disabilities clients
Fernhill Court	New Milton	Completed and open	18 one-bedroom units
Upton Grey	Winchester	Completed and open	Up to 11 bedsits for Praer de Willi
John Darling Mall	Eastleigh	Planning secured	18 one-bedroom units
Croft House	Fareham	Planning secured	10 one-bedroom flats and x3 bedroom Physical Disabilities bungalows
Apex Court	Aldershot	Under construction	10 one-bedroom units

HCC Capital Funding: **£26.1million**