

Specialised Supported Housing & Extra Care: A Briefing Paper 2017



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FOREWORD

The parlous state of social care is in the news as politicians and pundits grapple with the NHS funding crisis. Less well-reported is the fact that many people with learning disabilities remain in inappropriate accommodation several years after the Winterbourne View scandal promised rapid action.

This report performs the invaluable task of highlighting a solution to the second problem that actually reduces the first. Supported housing fulfils the promises proffered by Valuing People and successive government programmes for people with learning disabilities. It provides people with a home of their own where they have control over who provides their care and who – if anyone – they live with. Homes can be personalised with telecare and telehealth services that increase independence while reducing social care costs.

This report shows how popular the model is amongst both people with learning disabilities and the ever-increasing number of older people. By happy coincidence, it comes just a few weeks after NHS England and their local government partners published guidance on this issue. That document is intended aimed at helping NHS and local authority commissioners to expand the housing options available for people with learning disabilities who display challenging behaviour (1).

I very much hope that this represents a start of a final push that carries many more people into the independence and opportunities that supported housing offers.

Jeremy Porteus

Director

Housing Learning and Improvement Network



Housing LIN

Connecting people, ideas and resources

References: 1 Building the right home. NHS England, Local Government Association and the Association of Directors of Adult Social Services. London. 2016.



INTRODUCTION

This briefing paper has been commissioned by HB Villages to test the hypothesis that specialised supported housing:

- Can be a more effective and better value alternative to placement in residential care homes - even for people with complex and changing needs.
- Enables local authorities with adult social care responsibilities to reduce expenditure on more expensive services at the same time as maximising the independence and well-being of people who need support.
- Helps local authorities to deliver transformational change in the face of significant operational and financial demands.

HB Villages is a developer of specialised supported housing, which works collaboratively with local authorities to meet the growing need for housing and support – particularly those with the most complex needs. In order to deliver these developments HB Villages formed a joint venture with Community Solutions – part of Morgan Sindall Group PLC. HB Villages does not develop speculatively, but works in partnership with adult social care commissioners to ensure that specialised supported housing is located, designed and equipped in accordance with current and future need.



HB Villages raises 100% of the capital finance required to meet commissioners' objectives and priorities.

The information and evidence in this paper has been collected by:

- Undertaking a rapid evidence assessment in order to gather and objectively review current evidence in a structured and systematic way.
- Conducting structured interviews with local authority representatives - the key lines of enquiry pursued in these interviews were based on the findings of the rapid evidence assessment.
- Analysing the cost of residential care in comparison with the cost of supported and extra care housing.
- Drawing on the findings of independent reviews of local authority costs, efficiency and effectiveness, which are not available to other researchers.

The report is in two parts: in the first section we consider the development of *supported housing* for people with learning disabilities; in the second we address the development of *extra care housing* for older people.

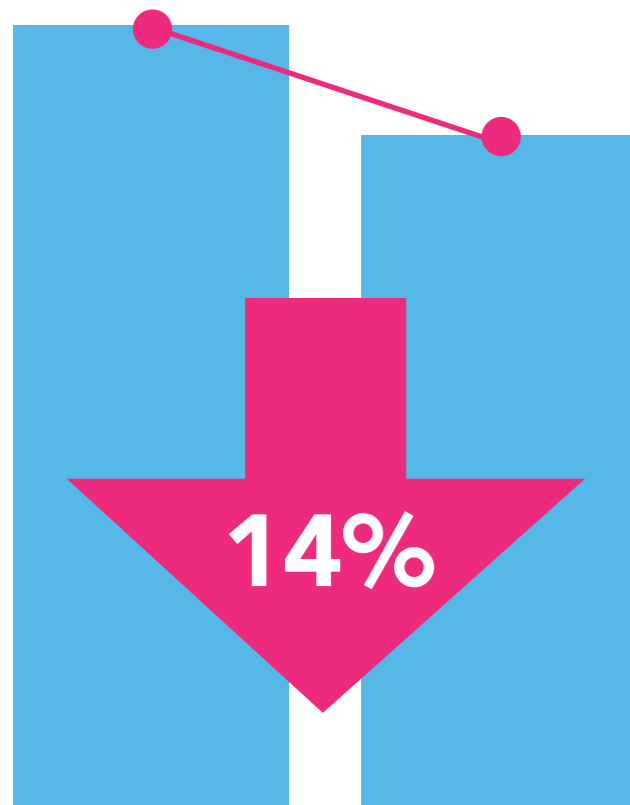
Some people use the same terms to describe different things. In this report supported housing describes housing and support for people with learning disabilities, physical disabilities or mental health problems and extra care housing describes housing with 24-hour support for older people. All references to supported housing and extra care in this report are encompassed by the formal definition of specialised supported housing set out on page 7 below.

SUMMARY

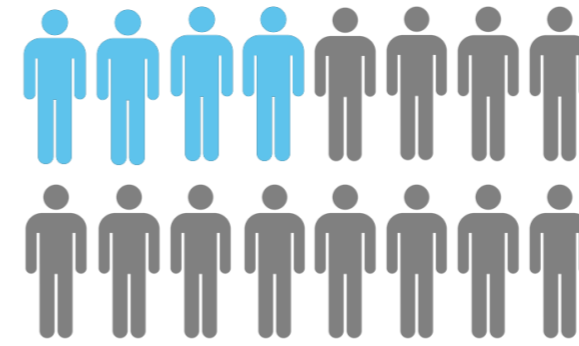
This research shows that specialised supported housing puts individuals at the heart of services and support that are designed to maximise their independence and quality of life. Specialised supported housing brings together high quality bespoke housing, personalised adaptive technology and person-centred support in a single integrated model. This model can be developed collaboratively with social care commissioners both to provide a direct alternative to residential care and to reduce dependence on paid support. Specialised supported housing brings new private finance to meet increasing need at a time of reduced public sector resources. When specified and implemented correctly, it will provide a home for life for people with the most complex needs.

Our research findings show that:

- Since 2010 adult social care funding has reduced by £4.6 billion
- Councils spend £2.2 billion on residential care placements for adults with learning disabilities and £1.1 billion on supported living
- Since 2010/11 the average cost of residential care for people with learning disabilities has remained constant at approximately £1300 per week
- Extra care housing prevents the need for residential care for older people in 40% to 63% of cases
- The cost of supporting older people in extra care housing can be half the gross cost of residential care placements
- Implementation of adaptive technologies can result in savings of £3 million to £7.8 million (7% to 20% of budget) in a typical council



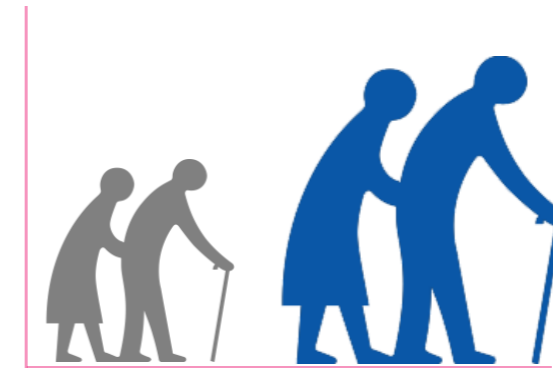
Since 2010/11 expenditure on services for people with learning disabilities has reduced by **14%**



29,000 people with learning disabilities live with parents aged **70 years** or over and in only **1 in 4** of these cases have councils planned alternative housing



Councils pay too much for residential care for people with learning disabilities – package costs could be reduced by almost **15%**



Between 2005/06 and 2014/15 the number of people **aged 65+** increased by **one third** and the number **aged 85+** increased by **one third**



£185 per week

The average net saving achieved by enabling a person with learning disabilities to move from residential care to supported living is at least **£185 per week**



£72 million per annum

If extrapolated nationally, this would release at least **£72 million per annum** from social care commissioning budgets

WHAT IS SPECIALIST SUPPORTED HOUSING?

The Social Housing Rents (Exceptions and Miscellaneous Provisions) Regulations 2016 (SI 2016/390) came into force on 1 April 2016.

The Regulations exempt specialised supported housing from the 1% rent reduction required by the Welfare Reform & Work Act 2016 for the full four years' duration of this policy. This accommodation is defined as supported housing:

a) which is designed, structurally altered, refurbished or designated for occupation by, and made available to, residents who require specialised services or support in order to enable them to live, or to adjust to living, independently within the community,

b) which offers a high level of support, which approximates to the services or support which would be provided in a care home, for residents for whom the only acceptable alternative would be a care home,

c) which is provided by a private registered provider under an agreement or arrangement with—

- (i) a local authority, or
- (ii) the health service within the meaning of the National Health Service Act 2006,

d) in respect of which the rent charged or to be charged complies with the agreement or arrangement mentioned in paragraph (c), and

e) in respect of which either—
(i) there was no public assistance, or
(ii) if there was public assistance, it was by means of a loan secured by means of a charge or a mortgage against a property (CLG 2016).

Specialised supported housing differs from conventional general supported housing in that it is developed directly in accordance with local authorities' strategic priorities and there is no capital subsidy provided. Conventional supported housing tends to be existing supported housing where capital subsidies have been obtained historically, which thus require less revenue subsidy than that required by specialised supported housing.



SUPPORTED HOUSING FOR PEOPLE WITH LEARNING DISABILITIES

WHY SUPPORTED HOUSING IS IMPORTANT

In 2001 Valuing People – at the time the new national policy for people with learning disabilities – expressed a clear vision for the future based on independence and rights for all (Department of Health 2001). This vision was reiterated in 2009 in Valuing People Now – a revised three-year strategy (Department of Health 2009). The Valuing People Now delivery plan made a commitment to extend the range and availability of choice of housing and support (Department of Health 2009). However, in 2012 many people with learning disabilities were still either living with family and friends (38%) or in a registered care home (22%) (Mencap 2012). In 2013 it was reported that there was no evidence of significant progress since 2008 in disabled people's experience of choice and control in their lives (Morris 2014). Even today there are still people living in hospital – the most restrictive of environments – who should not be there (Houlden 2015).

Councils still spend £2.2 billion on residential care services compared with £1.1 billion on supported living (Health and Social Care Information Centre 2015). The proportion of the total adult social care learning disability budget which is spent on residential care has remained relatively constant over the last five years – 40.8% in 2010/11 and 38.2% in 2014/15 (Health and Social Care Information Centre 2015). Planned reductions in expenditure in 2015/16 are greater for support at home (£23 million) than residential care (£17 million) (Association of Directors of Adult Social Services 2015).

All of this demonstrates that change does not happen simply because there is a political and professional consensus that it should do so. Services for adults with learning disabilities remain resistant to change in spite of the best policy intentions. While there has been progress in many areas, there remains considerable scope for shifting the balance from residential care services to supported housing.

A policy commitment to the principles of rights, independence and choice is long-established in learning disability services. Supported housing gives professionals and the people that they support the best chance of putting these principles into action. This model has significant advantages for the individual when compared to residential care: security of tenure

in one's own home; the right to choose who provides support; the right to choose who to live with; rights to full welfare benefits (Greig and Wood 2010). Supported housing developments can be specified to meet individual requirements – e.g. behaviour that challenges – and be equipped with personalised technology to reduce dependence on paid support.

Effectively, this also allows local authorities to be able to stretch their budgets further. Everyone wins.

“ *Although there are many people already living in supported housing, there are many more who are being denied this opportunity. As a consequence, choice and opportunity in their lives is restricted.* **”**



DEMOGRAPHIC AND FINANCIAL CHALLENGES

Demand for services and support is increasing. Mencap reports that “Research shows that... there would have to be an additional 1,324 registered care home places and 941 supported living places created every year until 2026” (Mencap 2012). ADASS has found that 42% of all financial pressures arising from demographic change are attributable to the needs of people with learning disabilities (Association of Directors of Adult Social Services 2015). However, as we have already shown, this growth in demand arises at the time when overall adult social care budgets are being reduced. Residential care remains an expensive option for social care commissioners.

Although some councils have taken specific action to review costs, the average weekly cost of care has remained constant - £1309 in 2010/11 and £1327 in 2014/15 (Health and Social Care Information Centre 2015). Over this same period expenditure on learning disability services as a whole has reduced by more than 14%.

“ *Demand for services and support is increasing. Public funding for vital social services is reducing. Residential care is an expensive option.* **”**



IS SPECIALIST SUPPORTED HOUSING A COST EFFECTIVE ALTERNATIVE TO RESIDENTIAL CARE?

Specialist supported housing is already a genuine alternative to residential care for many people with learning disabilities up and down the country. People who would otherwise have moved into residential care, or who have been enabled to move out of it, are successfully supported to lead fulfilling lives in their own homes and communities. In the best services, commissioners and providers work collaboratively to promote independence and reduce reliance on paid support.

The point is, however, that there are many more who could and should benefit from this opportunity. The Foundation for People with Learning Disabilities reports that 29,000 adults with a learning disability live with parents aged 70 or over – in only 1 in 4 of these cases have local authorities planned alternative housing (Foundation for People with Learning Disabilities 2016). There are still too many people living in residential care homes. There are many others living in shared houses (often known as group homes), which were best practice when they were set up, but are no longer economic for commissioners or suitable for people's current needs. Housing is often poorly located, badly maintained and are subject to compatibility issues in shared space creating conflict and voids. All of these people are denied a full opportunity to lead what self-

advocates describe as an ordinary life with all the variety and richness that it contains (Giles and Warren 2013).

Our own consultations with social care commissioners confirm that, when councils commit to a strategy of developing supported housing as an alternative to residential care, they can halve their expenditure costs. These financial outcomes are most likely to be achieved when the commissioner engages the care provider and the developer as real partners with shared goals, and realises the benefits of technology as part of a safe risk management strategy.

Local authorities continue to spend more than they should on residential care placements for people with learning disabilities. In the financial years 2013/14 to 2015/16 Valuing Care has reviewed the costs of 520 placements on behalf of nineteen commissioning authorities (either councils or Clinical Commissioning Groups). Annual spend on these cases was £49 million. Detailed analysis of the costs revealed that commissioners were paying a total of £7 million (14.6%) above the value for money model price. Valuing Care was asked to renegotiate prices in 190 cases.

Although 107 providers refused to negotiate, an annual saving of £827k was achieved in the remaining 83 cases.

The evidence of this sample is that social care commissioners can pay too much for residential care placements and that negotiated cost reductions are hard to achieve. There are significant profits/excessive margins in learning disability residential care placements – better commissioning or alternative services could release an average of 14.6% of the package costs in this sample.

Simply negotiating with providers is not always the best option. Even experienced negotiators cannot achieve savings when providers will not engage. In this sample of 520 placements almost 80% of the savings available could not be realised because providers refused to negotiate.

This problem simply does not arise in supported housing. The commissioner specifies the number of hours of support that are required and pays for them at a fixed hourly rate. The commissioner then works in partnership with the providers of support and adaptive technology to minimise dependence on paid support over time.

Newton Europe has reviewed learning disability services in a large county council, which was commissioning residential care for 1225 people.

The review concluded that 899 of these people could have their needs met in supported housing. It is currently planned that 336 people will actually be enabled to move from residential care to supported housing. The average net saving is expected to be £185 per week per person. Once the programme of change is completed, the total saving to the council will be £3.23 million per annum. If these results were extrapolated nationally, there is the opportunity to release annual revenue savings of £72 million.

Although these are significant potential savings, there are three reasons why even these figures may be cautious: i) the residential care market in this county is relatively lowly priced by national standards; ii) Newton's diagnostics in other councils have identified a bigger financial opportunity in individual cases; iii) the figures do not take account of the savings in direct support that can be achieved by the use of personalised adaptive technology. In addition, the evidence concentrates only on learning disability, not physical disability or enduring mental health both groups should benefit from this model.



We are mindful of the argument that making the shift from residential care to supported housing – while reducing costs for the social care commissioner – can mask the true costs to the public purse because financial liability is simply shunted to housing benefit budgets. However, this argument is refuted if the housing costs in residential care are examined. These costs – which are currently met by social care commissioners – are usually concealed within the larger gross fee rate. Valuing Care’s analysis of the true costs of residential care shows that the average housing cost for people with learning disabilities in care homes is £240 per week. This is almost the same as the average weekly housing cost of £250 in specialised supported housing, which is paid by exempt housing benefit.

While the housing costs in residential care and supported housing are comparable, the experience of people living in these environments is very different. In a care home the minimum standard for an individual room is 12 square metres; an apartment in supported housing provides approximately 50 square metres. In a care home support is organised to meet the demands of group living; in supported housing it is tailored to the requirements of the individual.

“*Many councils are paying more than they should for residential care placements for people with learning disabilities. Supported living achieves better outcomes for people at a lower cost to the commissioner. The housing cost component of residential care is almost the same as housing costs for tenants in their own apartments.*”

Valuing Care is a market leader in analysing and negotiating the cost of care packages. It has a database of more than 6,000 individual cases and cost averages and has worked with more than 100 local authorities and NHS organisations.

Newton Europe identifies opportunities for improvement and efficiency through detailed, rigorous analysis and evidence-based reporting. They conduct thorough examination and redesign of end-to-end care pathways, systems, processes and commissioning in order to find and realise cashable savings.

Valuing Care has also undertaken a geographical analysis of the current housing cost of residential placements compared to the local housing allowance (LHA). Based on a sample of 137 cases the average housing cost in residential care is 330% higher than the LHA shared room rate and 190% higher than the LHA single bedroom rate. Further analysis was undertaken to ascertain whether there were any local examples of LHA rates being sufficient to cover learning disability residential housing costs. In only 4% of the cases sampled would the shared room housing element be sufficient to meet the housing cost of residential care. In only 16% of the cases sampled would the single room housing element be sufficient to meet the housing cost of residential care. This analysis confirms that LHA rates are insufficient to meet the housing costs of people with complex needs in any setting.



ASSISTIVE TECHNOLOGY

Although telecare (as it is generally known) is widely used by councils, we know, both from our own consultations and from Newton Europe’s diagnostics, that its potential benefits are not consistently realised. However, where assistive technology is integral to building design and is tailored to the unique needs of the individual, our evidence is that it will achieve improved outcomes and independence for that individual as well as reduced care costs for the commissioner. The power of home networks is harnessed to enhance safety and security, facilitate information and communication, provide entertainment, manage energy, and promote health and wellbeing.

HB Villages and ATEL have worked together to provide specialised supported housing for people with complex needs in a north west England local authority. The investment in assistive technology is significant, but the results that have been achieved are beyond the scope of traditional services and support. The table below illustrates the actual revenue savings to the commissioner:



providing caring technology

One off technology Cost	Previous annual care cost	New annual care cost in supported housing	Annual saving
£17,866	£104,000	£43,160	£60,840
£14,106	£87,776	£53,612	£34,164
£18,000	£200,928	£130,000	£70,928
£6,149	£74,152	£59,436	£14,716

In addition to the financial benefits to the council of this new housing scheme, the tenants are living lives that would not have been possible in their former residential care homes.

Andrew moved to his new flat from a specialist hospital placement out of area, where he had a very low stimulus environment in order to manage his significant autism and challenging behaviour. He is supported by staff who have been trained to understand how best to minimise triggers to his anxieties and to de-escalate behaviour which challenges through positive management strategies. His flat has been designed to be a safe place for him, minimising the risk of him harming himself or others when he becomes distressed. He can control the lighting in his flat at the touch of a button, and the electronic blinds close on a timer to reinforce his awareness of the time of day.

“ *In this report assistive technology means bespoke technologies that enable older people and people with learning and/or physical disabilities – and who may have complex needs - to live as independently as possible in supported or extra care housing. Assistive technology empowers individuals to carry out day-to-day tasks with minimal third party help, which not only significantly reduces the quantity and cost of human care, but allows people to lead more independent and dignified lives.* ”

Jayne is profoundly physically disabled, and has been dependent on others for her care all her life, and so this is the first time that she has been able to live in a flat on her own. She has 24-hour background support, and uses a reassurance pendant that allows her to speak directly to the office at the touch of a button whenever she needs assistance.

Jayne can now operate her own blinds, lights, television and keep in contact with her family and friends via Skype, all at the touch of a handset or with a pillow control. Jayne also has a wet room with a specialist toilet, giving her more privacy and dignity with personal care. For the first time Jayne has a sense of control and independence in her life.

THE CASE FOR CHANGE

Only 15% of adults with learning disabilities live in their own home or a secure tenancy, while 33% continue to live in residential care. Supported living not only provides better outcomes for individuals, but offers a viable financial alternative to the current reliance on residential care.

The dominance of residential care in the market place has created a situation where competition is not as keen as it could be for purchasing support hours from local providers as an alternative to care homes. This lack of capacity in certain geographic areas or for specific types of placements inadvertently encourages the market conditions for providers to maintain higher prices.

Analysis by specialist cost experts Valuing Care has demonstrated that by using alternative supply such as supported living, commissioners could release an average of 14.6% from the cost of residential care placements. This additional cost locked up in the market is above that assigned to the care, the establishment itself or a sustainable profit margin for the supplier. If these savings were released at a national level, there could be savings for reinvestment of £72 million per annum.

Once the switch from residential care to supported living is made, further savings can be achieved by taking an integrated approach to the commissioning of housing, support and technology. The strength of this approach is that it focuses on the assessed needs of each individual and ensures that the commissioner never pays for any more support than the individual actually requires.

Although integrated models of this type are at an early stage of development, it could be expected that dependence on paid support could be reduced by at least two hours per person per day. At £15.00 for each hour of support this would achieve an approximate annual saving of £10,000 per person, whilst at the same time, achieving enhanced outcomes for the individual.





EXTRA CARE HOUSING FOR OLDER PEOPLE

WHY EXTRA CARE HOUSING IS IMPORTANT

In simple terms extra care housing provides a direct alternative to residential care for older people with increasing and/or complex needs who want to be as independent as possible. It enables local authorities to make revenue savings at the same time as fulfilling people's needs and aspirations more effectively.

The Care Act 2014 requires local authorities to make sure that people receive services, which prevent their care needs becoming more serious or which delay the impact of their needs. It requires local authorities to do this by having a range of service providers which offer a choice of high quality and appropriate services (Department of Health 2015). If this is to happen, commissioners, developers and providers need to "Create a flourishing market of supply to ensure that there is a greater diversity of choices for people and that new build can develop according to an evolving understanding of best practice and innovation" (Demos 2014). This research paper aims to contribute to that understanding.

Extra care housing has the potential to help people stay independent for longer (Baumker, Callaghan, Darton and Netten 2011). Quite simply most people prefer to live in their own homes (Hay and Porteus 2011).

Specialised supported housing can also help local authorities deliver transformational change in challenging times. It can forge innovative and effective collaboration between public and private sectors for the benefit of citizens.

Extra care housing provides high quality buildings, which put people's complex and changing needs at the forefront of design. When adaptive technology is integral to this design, there is a real opportunity to promote people's independence and reduce dependence on paid support (Beale, Kruger, Sanderson and Truman 2010).

Extra care housing can offer a quality of life that is quite simply unachievable in even the best care homes. As a review of care homes in Wales concluded: "When older people move into a care home, too often they quickly lose access to the things that matter to them and give their lives value and meaning and are an integral part of their identity and wellbeing, such as people, places and everyday activities.

Older people are often not supported to do the things that matter to them but instead have to fit into the institutional regime often found in care homes, losing choice and control over their lives" (The Older People's Commissioner for Wales 2014).

“ *Extra care housing provides a direct alternative to residential care for older people. At the same time it can play a vital role in helping central and local government reconcile the tension between rising costs and burgeoning demand.*

The key is to create a sustainable financial model where success does not rely on substantial grant funding. There are private funding models available to remedy the current situation.

”



DEMOGRAPHIC AND FINANCIAL CHALLENGES

The Association of Directors of Adult Social Services reports that since 2010 there has been a reduction of £4.6 billion in adult social care funding. This is at the very time that “More people are living longer with more complex needs that require vital care, support and protection from adult social care in councils” (Association of Directors of Adult Social Services 2015).

The 2015 Comprehensive Spending Review saw the introduction of the Adult Social Care Precept flexibility in 2016/17, which raised funds through additional local taxes of an estimated £380m p.a. However, this was outstripped by the cost of demographic changes that have seen the number of people needing help grow, and the £600m cost of introducing the national living wage.

Happily, the nation’s population is living longer and there are now more older people as a proportion of the total population. Between 2005/06 and 2014/15 the number of people aged 65+ years increased by almost a fifth and the number aged 85+ increased by almost a third (Mortimer and Green 2015). This leads other researchers to the conclusion that “The one certainty is that the past way we have

thought about, designed and funded housing for older people needs to change” (Hay and Porteus 2011).

In spite of the urgent requirement to do things differently, there has not yet been a significant shift towards non-residential care. Indeed, it is reported that “Cuts in spending have affected residential care providers less than non-residential care providers in the private setting” (Frost and Sullivan 2013). It is not surprising, therefore, that it has been reported that only 15 out of 152 English councils with social care responsibilities can meet the local demand for specialist supported housing (Samuel 2013). Quite simply, unless significant investment is made in the development of extra care housing, it is unlikely ever to become a viable alternative to residential care (Hamblin 2016).

The number of older people in the population is increasing. Public funding for vital social care services is reducing.

CAN EXTRA CARE HOUSING BE A GENUINE ALTERNATIVE TO RESIDENTIAL CARE?

We know the factors that lead to older people entering residential care. Therefore, if extra care housing is designed and supported to address these factors, it can undoubtedly offer a realistic alternative to people who want to remain as independent as possible.

Admission to a care home is often precipitated by a critical event, e.g. a fall or sudden illness (which may or may not lead to hospital admission) or a carer is unexpectedly unavailable (Stilwell and Kerslake 2004). It may also be triggered by a chronic problem, e.g. the impact of dementia or social isolation (Darton and Fox 2012). Often older people enter residential care at the instigation of other people.

Research tells us that extra care housing has the potential to address the specific factors that may precipitate admission to a care home. The availability of 24-hour support in extra care housing reduces the demand on carers at the same time as enabling them to remain a big part of people’s lives within an accessible environment (Tuck and Weiss 2013). People in extra care housing enjoy a good social life, which reduces the risks of social isolation and promotes better health (Baumker, Callaghan,

Darton and Netten 2011). Lower than expected numbers of falls are recorded in extra care housing (Kneale 2010).

Extra care housing can provide a good quality of life for many people with dementia, even though changing needs – e.g. challenging behaviours and conflict with others – can lead to a move to nursing care (Evans, Fear, Means, Vallyelly 2006). However, the number of these moves can be reduced by ensuring that support is more effectively planned and delivered to respond to largely predictable events. There is evidence that targeted programmes which respond to these events can help achieve better outcomes (Argyle, Brooker, Clancy, Scally 2009).

Consultations with local authority social care commissioners confirm that extra care housing provides a direct alternative to residential care for people with high levels of care needs. Councils report that extra care housing prevents the need for residential care for between 40% and 63% of all tenants in housing schemes over which they exercise nomination rights. The higher rates are achieved by those councils which develop more effective and consistent partnerships with housing and support providers.

“Extra care housing enhances the quality of life of both older people and their family carers. It addresses the specific needs and circumstances which would otherwise lead to residential care.

The introduction of adaptive technology into Extra Care schemes not only enhances and maintains independence of older people (as their physical and mental faculties decline), it also creates tremendous efficiencies for Local Authority budgets. In addition the change from reactive telecare to preventive assistance technology reduces the likelihood of critical events which may place greater pressures on A&E departments and the NHS as a whole.



HOW COST EFFECTIVE IS EXTRA CARE HOUSING?

Evidence shows that extra care housing can be a cost effective alternative to residential care. An evaluation of schemes funded by the Department of Health Extra Care Housing Fund concluded that “Better outcomes and similar or lower costs indicate that extra care housing appears to be a cost-effective alternative for people with the same characteristics who currently move into residential care” (Baumker, Callaghan, Darton and Netton 2011). Evidence from specific schemes shows even more striking financial outcomes, “indicating that the cost of extra care housing was on average half the gross cost of the alternative placements” (Tuck and Weis 2013). It can reasonably be concluded that financial benefits will be scheme-specific and will be influenced by various factors – good partnerships with support providers, effective management, training and development of staff, good quality person-centred care, and appropriate use of technology to reduce dependence on paid support (Barret 2015).

Consultations with social care commissioners confirm that councils have sufficient confidence in extra care housing’s ability to deliver sustainable revenue savings to make definitive assumptions about the level of savings in their

base budgets. Although there is a wide variation in the expectations of these savings, it is likely that this variation is not a consequence of the model itself, but the way in which it is developed and implemented by commissioners.

Our own consultations suggest that ambitious commissioners who have real confidence in the benefits of extra care housing will achieve significant financial outcomes. Based on an exemplar scheme of 100 apartments, and basing costs on national benchmarks, we can compare the estimated annual revenue costs of extra care to the cost of providing an alternative service.

SAVINGS TO THE PUBLIC PURSE

	High & medium needs	Low needs	Voids	Total
Number of service users	60	35	5	100
Estimated annual cost of support in ECH	£955,962	£296,259	-	£1,252,221
Estimated annual cost of alternative services	£1,115,377	£373,706	-	£1,489,083
Variance in cost	-£159,415	-£77,447	-	-£236,862

The table shows the revenue cost of extra care to be £237k less per annum than the cost of providing alternative service options. This represents a saving of approximately 16% on the cost of providing traditional care home and home care support.

These savings are mainly attributable to service users assessed as having low and medium care needs, whose care and support requirements are reportedly lower as a result of living within an extra care community. It’s only when the extra care residents require more than 17.5hrs of extra care support that a care home service may start to become more cost effective.

The commissioning challenge is to ensure that the right volume and right type of extra care housing is developed in the right locations. If the best financial outcomes are to be achieved, the requirement for extra care housing should be dictated by local authorities’ analyses of current and future need and the design of the schemes themselves must take full account of the expectations of the people who will live and work there.

“*There is evidence both in research and in practice that extra care housing enables councils to achieve revenue savings when compared to the net cost of residential care.*”

ASSISTIVE TECHNOLOGY

Evidence shows that, when commissioned and implemented properly, assistive technology will contribute to better financial and non-financial outcomes. Outcomes can be broken down into two categories: direct returns where the need for specific health and/or care services is avoided and wider outcomes where improvements in health and well-being are achieved without necessarily impacting on traditional services (Fernandez, Forder and Snell 2012). Although costs and outcomes will vary significantly at the individual level, it has been estimated that annual outlay of £270 million would be likely to lead to reductions in demand worth £156 million and quality of life gains of £410 million over the estimated lifetime of the equipment (Fernandez, Forder and Snell 2012). Evaluation of the Scottish telecare development programme has produced equally striking findings: “initial funding...of approximately £6.8 million...has resulted in savings to the Scottish health and care budgets of approximately £11 million during 2007-2008” (Beale, Kruger, Sanderson and Truman 2010). Another English study suggests a scale of savings in the range of 7-20% of total budget (Brown, Clifford, Demarche, Padma and Sandars 2012)

Looking ahead to 2030 it is predicted that the demand for social care will increase by 44% and that, at the same time, people’s expectations of leading an independent life will increase (Adshed, Damodaran, Glennan, Hamsell, Lewis and Williamson 2010). In this climate the development of extra care housing and integrated technology becomes an absolute necessity. However, there is research evidence that, in spite of “A generation of research...assistive living technologies have been characterised by limited uptake (and) high rates of abandonment”. These researchers argue that this is because “Today’s published research always relates to yesterday’s version of the technology. Research into one technology in one context will not predict the effectiveness or acceptability of another technology in another context” (Acourt, Byrne, Fahy, Finlayson, Greenhaugh, Hinder, Hughes, Procter, Shaw, Sorrell, Stones, Wherton).

HB Villages’ model of extra care housing avoids this problem by working collaboratively with the commissioner, support provider, health and social care professionals, and prospective tenants to design both building and technology as an integrated whole in response to the way people want to lead their lives.



providing caring technology

“*If adaptive technologies are integrated in the design and build of extra care housing, they will not only reduce reliance on paid support, but help older people stay independent for longer.*”

CONCLUSION

Specialist Supported Living for disabled adults of a working age, creates real enhanced outcomes to the individual. When combined at the outset with Assistive Technology commissioned concurrently, their outcomes are greatly enhanced.

At the same time the new model creates substantial evidence based saving to enable local care budgets to stretch further. These savings are also enhanced with the careful implementation of proactive assistance technology. The general model and outcomes, both to people’s lives and Local Authority budgets applies equally to extra care housing for older persons.

The greatest challenges to the system however, is the limited existence of housing benefit exempt rent which will currently only exist until 2019-20. This has created concern and stagnation with many Registered Providers, who need exempt rent to remain in perpetuity and avoid uncertainty.

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