Housing LIN
Connecting people, ideas and resources

London Assembly's Housing Committee

Submission by Housing Learning and Improvement Network on review into specialist housing provision for older people in London

1. Introduction

The Housing Learning and Improvement Network (LIN) actively seeks to influence policy through involvement in forums such as the Prime Ministers Dementia Challenge and the Housing and Ageing Alliance. We are pleased to have been invited to submit our views to the Assembly's Housing Committee.

The Housing LIN was first established by the Department of Health to promote good practice, learning and innovation in housing for older people and people with disabilities. The Housing LIN managed the Department's Extra Care Housing capital programme between 2004 and 2010, assessing bids, providing support to successful bidders and disseminating learning from the programme.

Since October 2011, when the Housing LIN ceased to be part of the Department of Health, it has operated as an independent network and knowledge hub for organisations, businesses and individuals involved in planning, commissioning, designing, funding and building housing with care for older people. The Housing LIN will support information and knowledge exchange for the new Department of Health Care and Support Housing Fund.

With 46,000 members from across public, commercial and community and voluntary services working in housing (developers, architects, investors, providers, managers, planners), health and social care our network is extensive. The Housing LIN has regional networks that organise over 30 events every year for local members to share knowledge and keep up to date on developments.

Our web-based resources provide access to reports based on our own research and partnerships with other organisations as well as signposting to key national policy and research. Our core focus is on specialist housing for older people and we have recently developed SHOP@ that allows local authorities to estimate the levels of demand for specialist housing for older people in their areas.

The Housing LIN is a trusted and respected brand and we are able to offer access to our web-based materials and events free of charge through sponsorship from a wide range of organisations. Our Strategic Housing for Older People (SHOP) resources guide commissioners who are seeking to plan and develop housing that older people want. The recent SHOP@ tool builds on the Elderly Accommodation Counsel database, which was also used for the first survey of extra care housing provision for the Greater London Association of Directors of Social Services in 2006.

2. Assessment of supply and demand – specialist housing for older people

Local authorities are expected to take a role in influencing the market for housing as part of their strategic responsibility for the heath and wellbeing of their populations. The central role of housing in enabling people to remain independent and integrated in their communities is reflected in the inclusion of housing in Market Position Statements being developed by local authorities.

Historically local authorities aimed to influence social housing (and more recently 'affordable' housing) over which they might have direct control and/or nomination rights. It is now accepted that local authorities need to understand and influence the total housing market, the majority of which is either owner occupied or privately rented.

The Housing LIN has recently developed SHOP@ a tool that can be used to estimate the shortfall in specialist housing for older people. It draws on Census data and the database of specialist housing for older people held by the Elderly Accommodation Counsel. This data includes sheltered housing as well as extra care housing.

3. Assessing Supply in London

One of the questions asked by the Housing Committee is whether the supply and type of specialised housing for older people in London is meeting current demand and future needs. The Housing LIN has started using the SHOP@ tool to drill down into the London data. All the evidence points to a significant shortfall.

An important point needs to be made about sheltered housing data. If sheltered housing alone is looked at, the supply in some parts of London seems to be closer to anticipated demand and in nine boroughs there seems to be an oversupply. However background research undertaken for the London Housing Supplementary Planning Guidance indicated that as much as 50% of all sheltered housing was not 'available' for older people with support needs as it was either:

- Occupied by people who were in housing need but did not have support needs; a scenario caused by the shortage of smaller social housing units.
- Unsuitable for older people with support needs as it lacked features such as level access at the threshold, lift access to upper floors or sufficient private space.

4. Assessing future demand in current market

We know that among the population in general, including older people, awareness of housing options such as extra care housing is still very low. This means that expressed demand does not reflect the latent demand that exists. We can anticipate that as people become more aware the expressed demand will rise.

There are new factors that could encourage people to look for these options as alternatives to residential care:

- The publicity surrounding abuse and neglect in institutional care settings
- The costs of residential care being made more explicit through the introduction of the capped contribution as part of changes to funding social care.

5. The impact of life expectancy on future demand

In theory as life expectancy increases the age at which people might choose specialised housing will increase too. However, this assumes that:

- The additional years of life are not accompanied by earlier onset of illness and disability. Data suggests that longevity has not been accompanied by an increase in the number of healthy years.
- The current low awareness of alternative models of care and reluctance to move from ones own home in advance of disability developing may change in future leading to greater demand for specialised housing at a younger age.

6. Data and reflections on supply and demand in London based on SHOP@

As Appendices to this submission we have included:

- Appendix A – a briefing paper prepared for London Councils on extra care demand and supply that compares supply to the target (from More Choice Greater Voice) of 25 extra care housing units of accommodation per 1000 over 75.
- Appendix B – a summary of alternative scenarios in London comparing current supply of extra care housing units of accommodation and potential demand
- Appendix C – a table illustrating supply shortfall in London based on the scenarios set out in Appendix B

The type of housing likely to be in most demand is for sale or part ownership. There are factors in many parts of London that are conducive to developing specialist housing for sale. The comparatively high value of housing; almost 65% owner occupation and high-density urban locations offering access to shops and other services on the doorstep.

Based on available data many areas of London appear to have shortfall of residential care homes. This provides an incentive for developing extra care housing schemes that can help people to remain independent; investing in models of support that people prefer because they are part of the community and non institutional.

7. Challenges in ensuring supply to meet future need

7.1 Capital Funding - Under the previous Department of Health Extra Care Housing Fund eight schemes were funded in London. The oversubscription of the London portion of the Care and Support Specialised Housing fund is an indication of the important role that public funding has played in stimulating supply. Through our contact with developers and providers we know that it is challenge to obtain capital investment for extra care housing schemes. A combination of low awareness of the product and competition with other investment options has contributed to a scarcity of funding. We have recently produced an updated Technical Briefing on funding extra care housing setting out issues and funding options:
www.housinglin.org.uk/FundingExtraCareHousing

7.2 Land Competition - Much of London is intensively developed, land values are high and locations with access to facilities such as shops, cafes, public transport are subject to competition with other types of housing as well as commercial developments.

7.3 Space requirement and unit costs – Extra care housing schemes will necessarily have more communal space than general needs housing and this increases the land required and therefore costs that have to be spread across the development.

7.4 Affordability – the communal space and facilities offered in extra care housing are reflected in initial purchase price (where applicable) or rent and regular service charges. As noted in Appendix A, there are many areas of comparative deprivation in London. In affluent areas the development of extra care housing for sale is likely to be more viable than in areas with low property values and lower proportions of home ownership.

8. What the Mayor and boroughs should be doing to enable better provision

8.1 More integrated approaches to planning – the Supplementary Planning Guidance on Housing was helpful in encouraging a more flexible approach by planners to issues like the Infrastructure Levy. We would advocate a proactive approach with social care and health care commissioners working with planners to invite proposals for schemes in their areas. Some social care commissioners have expressed anxiety about new schemes increasing demand on their services but there is no evidence that such concerns are well founded. Older people who move to extra care housing do so within a very limited geographical area so that schemes are not 'importing' demand.

The evidence is mounting about the way in which extra care housing prevents deterioration in health and promotes independence. Health care commissioners need to be encouraged to get engaged in planning for specialised housing as it will ultimately reduce demand on their services.

8.2 Engagement with key organisations – Networks such at the Housing LIN provide a route into engagement with key players in the specialist housing field across housing, health and adult social care and we are attracting new members from the investment and valuation sector. We would welcome opportunities to work with the GLA on encouraging new approaches and partnerships in London to stimulate the market for this form of housing.

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Appendix A

SHOP@ REGIONAL REVIEW –
EXTRA CARE HOUSING DEVELOPMENT IN LONDON

It has been very pleasing how well SHOP@ has been received across the country. The debate and challenge has been very worthwhile and has allowed the project team to refine and develop the thinking still further. The SHOP@ website is excellent for individual analysis of an area and testing scenario within the authority's boundaries. However, the background tables can also offer significant information across a region to review trends and confirm areas of demand or service capacity shortages.

Over the coming weeks the project team intend to look at the different regions of England to allow colleagues and partners to work together to plan and coordinate service delivery. London offers the greatest challenges for specialist housing development for older people and has seen a wide variety of strategies and approaches across the capital. It is often thought of as a prosperous part of the country but four times as many output areas (30%) are in the 10% most deprived areas of England compared with the most prosperous(7.2%)

Current extra care housing capacity in London is one third of the proposed requirement using the SHOP@ prevalence rates. This places London 1% point above the national average and fifth out of the nine regions of England. Two boroughs have achieved the proposed target of 25 places per 1000 people over 75 and a further four have reached 50%. On one of the projections the current shortfall of 7,700 places will rise to over 12,000 units by 2030.

Completing the same analysis for sheltered housing confirms a capacity much closer to the anticipate demand. It also confirms nine boroughs with an oversupply and all boroughs having at least 50% of the anticipated number of units.

If there is a declared commissioning strategy that supports extra care development then sheltered housing reviews offer potential solutions. The reviews would consider refurbishing higher quality schemes to extra care housing standards or demolishing schemes with high maintenance costs or voids to provide land for future development.

The drastic shortage of residential care beds in London also allows extra care housing to be developed with limited competition from the residential care sector. Nursing bed provision is much higher and will provide the additional support a small number of extra care housing tenants may need.

This snapshot can be developed further within boroughs for more detailed analysis. Contact shop@eac.org.uk or add a comment to the SHOP@ forum at:
www.housinglin.org.uk/Discuss/forum/?forumID=83

Appendix B

SHOP@ LONDON STATISTICS

Current capacity

For each scenario the capacity data is taken from the Elderly Accommodation Counsel database. It would be worthwhile reviewing the data with GLA to confirm any differences between the two sources. EAC current capacity: 3711 units.

Scenario 1 - 'More Choice, Greater Voice' Assumptions All People Over 75

'More Choice, Greater Voice' assumes 25 units of extra care housing per 1000 people over 75.

Scenario 2 - 'More Choice, Greater Voice' Assumptions Increased Life Expectancy

This option assumes that the number of older people requiring extra care housing is reduced due to increased life expectancy. For example, if life expectancy increases by 3 years then people will enter extra care housing 3 years later. An average across the country is taken. It reduces the number of older people included in the analysis by 18% by 2030.

Scenario 3 - Reduced Need Assumption

It could be argued that the ability to fund and operate extra care housing has been reduced since 'More Choice, Greater Voice' was published (2008) Scenario 3 assumes 20 units of extra care housing per 1000 people over 75.

Scenario 4 - Reduced Need Assumption Increased Life Expectancy

This scenario also proposes 20 units per 1000 people over 75 and includes the reduced future need due to increased life expectancy.

Scenario	Capacity 2013	Need 2013	Need 2030
1	3711	11433	15740
2	3711	11433	13222
3	3711	9146	12592
4	3711	9146	10074

Our recommendation would be to take scenario 2 but we could do further work to use scenario 1 for some of the more deprived boroughs.

Appendix C

LONDON SHOP@STATS

	Sheltered total	Enhanced Sheltered total	Extra Care total	Residential beds	Nursing beds
London Capacity 2013	52,424	1,835	3,711	11,554	19,410
Scenario 1 Shortfall 2013	4,814	7,323	7,737	18,210	1,196
% Shortfall 2013	8.41%	79.96%	67.58%	61.18%	13.05%
Scenario 1 Shortfall 2030. No new investment	26,401	10,777	12,054	29,435	8,967
% Shortfall based on 2030 figures	33.49%	85.45%	76.46%	71.81%	31.60%
% Shortfall based on 2013 figures	46.10%	117.70%	105.30%	98.90%	43.50%

London SHOP@ stats as requested. Figures based on MCGV prevalence rates and total increase in population for over 75s. I have not used the increased life expectancy reduction.

It would also be worth noting the concerns on some of the London population data from the initial census results. It would appear that there is a significant difference from the 2010 estimates. Discussion with ONS has confirmed that the new census data should not be extended to 2030.