

## Extra Care Housing and Personal Budgets

This report describes the scenarios, and identifies a set of key questions and issues, aided by the feedback from a recent workshop on the subject, hosted by the South East and London Housing Learning and Improvement Network.

Prepared for the Housing Learning and Improvement Network by  
**Clare Skidmore**

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## **About the Housing LIN**

The Housing LIN is the national network for promoting new ideas and supporting change in the delivery of housing, care and support services for older and vulnerable adults, including people with disabilities and long term conditions. The Housing LIN has the lead for supporting the implementation and sharing the learning from the Department of Health's £227m Extra Care Housing Grant arrangements and related housing, care and support capital and revenue programmes.

## **1. Purpose of the Workshop Report**

This report describes the scenarios, and identifies a set of key questions and issues, aided by the feedback from a recent workshop on Personal Budgets in Extra Care Housing (ECH), hosted by the South East and London Housing Learning and Improvement Network (Housing LIN).

It outlines a number of approaches to the introduction of Personal Budgets in ECH, which are currently being considered by several local authorities and/ or providers. Indeed, it seems that many councils are still in the early stages of planning how to enable their extra care residents to access personal budgets, so some of these approaches are as yet untested. In some cases, plans are being co-produced with service users and carers, which if done properly, inevitably, requires a greater lead-in time prior to implementation. As a result, all of the scenarios outlined below raise as many questions as they do answers.

However, depending on local plans, these questions could be considered by councils and help ensure a robust approach to enabling extra care residents to access personal budgets. *The local authorities associated with each particular approach have not been identified.* We welcome further comments to [info.housing@dh.gsi.gov.uk](mailto:info.housing@dh.gsi.gov.uk).

## **2. What is Extra Care Housing?**

It is a type of housing which provides choice to adults (usually older people) with varying care needs, and enables them to live as independently as possible in their own self-contained homes. Round the clock access to care and support should be available, tailored to meet each resident's needs, and other services such as meals, domestic help, leisure and recreation facilities may also be provided. Extra Care Housing should provide a genuinely safe environment for its tenants, or owners. It can also provide a base for out of hours or outreach services to the local community.

## **3. What are Personal Budgets?**

The Adult Social Care Concordat 'Putting People First' requires local authorities to make personal budgets available for people with ongoing care and support needs as part of the wider transformation of social care. Personal Budgets can be accessed through a number of mechanisms, including a direct payment to the individual service user, or managed by a provider or other third party, via an 'Individual Service Fund'. Personal budgets are part of the wider framework of self-directed support, which aims to enable maximum choice and control, through self-directed assessment, a transparent allocation of funding, and personalised support planning.

## **4. Development of Innovative Approaches**

In the Putting People First guidance document, 'Progress Measures for the Delivery of Transforming Adult Social Care Services', the Department of Health sets out its expectations that in each local authority, a *'system is in place, which manages the risks associated with the transformation that includes both the risks for individuals and financial and other risks.'* It also says that there will need to be *'clarity of the business models that will need to be adapted to support the transformation.'*

One of the areas in relation to which future business models are still unclear, and where innovation may be needed, is extra care housing and accommodation based services. This paper focuses on extra care housing for older people, but some of its content may be more widely applicable to accommodation based service models for younger groups.

## 5. The Scenarios

Four scenarios are outlined below, each of which are being considered for implementation by adult social care commissioners, or in one case, by a provider in partnership with the local authority. For the most part these are still 'works in progress', in some cases being developed in co-production with service users, which inevitably means that many of the details are still to be ironed out. Nevertheless, they still provide a useful basis for considering some of the key issues.

### 5.1 Scenario 1: Co-production approach

#### **Description of the model**

- Scheme tenants / leaseholders join together collectively to purchase a particular service or commission a provider (or more than one provider) to deliver 24/7 care and / or support services for their scheme.

#### **Provision of care and / or support**

- Services would include round the clock provision of personal care – both planned and unplanned – and housing related support. They might also include the organisation of activities in the scheme, management of Individual Service Funds on behalf of service users, and / or brokerage or signposting to other organisations and services.
- The company would employ the staff to deliver a range of services.

#### **Service user choice and control**

- Tenants / leaseholders would have control over whether or not the contract is renewed at the end of each contract period, and could also, as a group, hold the company to account, as the commissioners of the service.
- The provider itself could be a user-led organisation, with a management committee on which the majority of members are service users, including tenants / leaseholders of the scheme itself.

#### **The provider organisation(s)**

- The provider(s) itself could operate as a social enterprise – a business trading for social and environmental services. This way, the profits would be reinvested to help ensure the sustainability of the flexible care and support commissioning model, and for the benefit of scheme residents.
- Alternatively, if the chosen provider is a for-profit company, the tenants / leaseholders could become shareholders in the company which employs the staff, with the resulting democratic control over services they receive.

## **5.2. Scenario 2 – Core and add-on approach (1)**

### **Description of the model:**

- A core support service would be commissioned by the Council. This would be paid from individuals' personal budget allocations. Residents could then spend the rest of their personal budget allocation on services of their choice.

### **Provision of care and support:**

- A core support service would be commissioned by the Council, with one member of staff on site at all times to provide housing related support and liaise with the registered social landlord's representative if needed.
- The core housing related support would not cover personal care but would include activity co-ordination. The service would enable access to opportunities based on the preferences and needs of tenants, as well as emergency (support) response.
- The core number of support hours may need to increase, dependent on need, so the contract would need to be sufficiently flexible to allow this.
- Tenants would use a percentage of their individual budgets to buy into this core service. For the first 12 months, this percentage would come out of residents' individual budgets and paid directly to the provider. The provider would work with the council towards an Individual Service Fund approach..
- Tenants who have a need for additional personalised care, including planned and unplanned care during the night, would be encouraged to use an additional percentage of their individual budget to contribute towards the cost of an on-site care service. However this would not be a requirement.
- A minimum number of tenants with this need would be needed in order to make this on-site care service viable. This provider may, in practice, be the same as the on-site support provider (which would then need to be registered with CQC).

### **Service user choice and control:**

- Tenants with higher level needs would have the option not to buy into the on-site care service, and may choose to purchase other off-site solutions instead.
- If less than a minimum number of tenants choose to purchase their care from the on-site care service, this service would not be viable and all tenants would then need to purchase an off-site solution.
- All services, including the core support service, should be delivered in personalised ways, tailored to the needs and preferences of each tenant.
- After the cost of the core support service, and the care service if needed, tenants would have the choice of what additional services to purchase, and to use the rest of their individual budget in new and creative ways.
- Tenants would have the option of choosing a service-led brokerage approach to help them manage their indicative budget. Once the support plan is agreed, the tenant will be able to choose who they buy this element of their support from, which may include the core support provider.

### **5.3. Scenario 3: Core and add-on approach (2)**

#### **Description of the model:**

- A separation is made between 'planned' and 'unplanned' or 'emergency response' care. A flat rate charge is levied to all residents to cover the benefit of 24/7 emergency response / unplanned care (or a 'peace of mind' charge), which would be provided on site.

#### **Provision of care and support:**

- The core service would be commissioned as a minimum hours contract – say 2 hours per week, per resident. Alternatively it could be set at a fixed rate and not based on hours, e.g. at the higher rate of Attendance Allowance.
- Self-funders would also need to pay this core charge.
- If residents want to purchase their care package from the on-site (core) provider, this would be charged on top at an hourly rate.
- This proposal allows tenants to receive some additional care over and above their personal care plan hours without being charged separately for it.

#### **Service user choice and control:**

- Residents would have the choice of arranging their own care provider – to meet their planned care needs – if they wish.
- They could also purchase any other services needed (in addition to personal care) from providers of their choice. For example, tenants would have the option to pay the provider direct for other services supplied to them such as meals, hairdressing, activities etc – or they can choose to purchase these services off-site.

### **5.4. Scenario 4: Core and add-on approach (3)**

#### **Description of the model:**

- This provider-led approach is based on a core Extra Care Housing care and support service which uses 70% of the total budget. The remaining 30% of the funding is divided between residents, for the purchase of additional services of their choice, to meet their care and support needs.

#### **Provision of care and support:**

- 24/7 care and support is provided on site as before.

#### **Service user choice and control:**

- 30% of the budget is provided to individual residents to enable them to meet their objectives set out in their support plan.

## 6. Questions and Issues to Consider and feedback from the workshop

1. In relation to each service model, workshop delegates were asked to consider the following questions:
  - Does this approach still offer the key benefits of extra care housing? Does it offer more than would be available in standard sheltered or general needs housing, and offer an option for people who would otherwise require residential care?
  - To what extent does this approach comply with the PPF requirements of maximising choice, control, personalised provision and personal/individual budgets?
  - Does this approach minimise the risk of being seen as accommodation and care provided together and potentially registrable as a care home?
  - Does this approach retain the potential for seamless, integrated service delivery?
  
2. A more general set of questions are raised by the case scenarios. These were discussed during the workshop and delegate comments are summarised below. There were differences of views among delegates at the event, and these different perspectives are reflected in the summary feedback provided.

Question / Issue	Workshop Comments
Is 24/7 on-site care and support an essential feature of extra care housing?	<p>Delegates felt that night care is fundamental to the model. Some people also felt that provision of care to meet unplanned care needs is also needed, round the clock. To make this viable, commissioners will need to make a contractual commitment to the specified core element.</p> <p>The financial risks to the provider may be greater with a new scheme than with a long established scheme.</p> <p>One delegate example: their local authority has a 0-hours contract with a provider for all daytime care, from which residents can choose to purchase, but night care is still guaranteed. The provider will respond to daytime emergencies for people not buying into the service, on a one-off basis, the costs of which will be paid by the local authority. The provider is happy with the approach because it relates to an established scheme with long-standing residents, with strong evidence that the need is there, and that the strength of the relationship between residents and the provider is robust.</p>
Should we make a distinction between provision of 'planned care' and 'unplanned care' services?	<p>A large majority of delegates felt that making this distinction, and ensuring a contract is in place to guarantee the 'unplanned care' service 24/7, is the best approach. An important factor will be ensuring sufficient hours are purchased to enable the level of provision which is needed, while avoiding any temptation to over-cater (i.e. provide more care hours than are needed), which</p>

	<p>would be an inefficient use of resources, and may have the effect of reducing choice for residents.</p> <p>It is possible that making this distinction will also place an extra care housing scheme at lower risk of registration with CQC, than an approach in which purchase of on-site planned care is compulsory.</p>
<p>If a charge is levied for 'core' services, what should these services include?</p>	<p>It is important to define what is 'non-negotiable' – at least for an initial period, such as 3 years. Additional services should be attractive in order to persuade people to choose them.</p> <p>Telecare should be seen as part of the core service.</p> <p>There is a risk that if the 'core' service is too minimal, there may be fragmentation in the scheme which may reduce the quality of service for some residents – so a careful balance would need to be struck.</p>
<p>What services could be purchased from off-site?</p>	<p>Mainstream domiciliary providers may not have a good understanding of the 'ethos' of extra care housing. Training will be needed for staff who are new to this type of service.</p> <p>There were concerns about the potential for unwelcome disruption to residents' lives caused by lots of different off-site providers, who may not communicate effectively with one another or with the housing management of the scheme</p>
<p>How can we promote choice while managing financial risks to the provider or to the service model?</p>	<p>Commissioners and providers will need to ensure sufficient volume of demand in order to ensure viability.</p> <p>Personal Budgets may encourage an increase in the 'hard sell' culture with providers pitching their services more pro-actively to potential customers. If extra care housing residents take up Personal Budgets for their care and support services, it is possible that a more sales-based approach may be one way in which providers will try to minimise the resulting financial risks. Individual purchasing based on Personal Budgets may also inflate unit prices, if it is more costly to deliver a more flexible service.</p> <p>Delegates identified a risk that smaller providers might find it more difficult to compete for an uncertain service (where there is no or a very minimum core contract). On the other hand, some residents may prefer to purchase from small providers if they feel that they can offer a higher quality of personalised service.</p>
<p>How do we balance the landlord's / on-site care and / or</p>	<p>The landlord of the building will need some co-ordination and management over traffic in and out of the scheme, and there will need to be clear safeguarding and security</p>



<p>support provider's 'duty of care' and safeguarding responsibilities, for example in handling a possible increase in the number of unregistered personal assistants entering the scheme in the course of their work, while enabling individual choice for residents?</p>	<p>protocols in place.</p> <p>There will also be a need to protect the safety of staff, especially lone workers at night, who may not be familiar with particular residents – such as those residents who are using an off-site provider for their planned care needs, so may not have much day-to-day interaction with on-site care and support staff.</p>
<p>Is there a conflict between the advantages of collective bargaining and purchasing for all, vs the advantage of personal choice of some? Are there ways of successfully balancing this dilemma and achieving both benefits?</p>	<p>The exercising of choice in extra care housing may be limited by the frequency of change, such as individual residents moving in and out of the scheme. For example, if a collective purchasing model is used, with tenants pooling their Personal Budgets and choosing their on-site care and support provider democratically, this approach relies on a certain amount of stability in the number of people participating in the collective. If there is a high turnover of residents in the scheme, the pooled arrangement may fail, leading to reduced choice for those individuals who remain in the scheme and wish to continue using the on-site service.</p>
<p>Can an on-site provider act as an advocate or a broker, supporting a resident to choose how to spend their personal budget (which might include purchase of off-site services)?</p>	<p>This might lead to a potential conflict of interest. However, brokerage, as well as independent information and advice, is a key part of enabling people to make choices and arrange their care and support, whatever approach is taken within the extra care housing scheme.</p> <p>A high level of trust between the provider and user is key to ensuring a quality service and enabling the provider to act as an advocate if needed.</p>
<p>How can a provider ensure security of tenure?</p>	<p>Policy should be in place to support tenancy rights and the overall stability of the scheme, especially where potential new tenants may be finding out about, and bidding for, properties within the scheme through choice based lettings (CBL).</p>
<p>How should care and support be provided in extra</p>	<p>Set up a contingency fund to allow flexibility in the provision of care and support, taking account of changing and unpredictable needs.</p>

<p>care housing to take account of those who have fluctuating needs, such as people who have dementia, for whom capacity may vary?</p>	
<p>What do older people / existing residents want? Are we putting enough resource into finding out?</p>	<p>Far more work is needed to find out about the perceptions of service users on all these questions. For example, it is important to explore what service users feel should be contained as part of the 'core' service in extra care housing, if one of the 'core and add-on' approaches are taken.</p> <p>Older people, as with any other diverse group, value genuine engagement from commissioners and providers of services, and it is important to work with them as equal partners, explain the issues to them and put time into listening to and understanding their views and preferences.</p> <p>Many service users and carers find change difficult and they need to be supported very carefully through any transition.</p> <p>Transparency and accountability is key and will help build trust between providers, commissioners, residents and families / carers.</p>
<p>Could on-site care and support providers maximise opportunities to sell their services to personal budget holders in the wider community? (i.e. to people who are not resident in the scheme)</p>	<p>Care workers based in the scheme could provide emergency care response to Telecare users in the local community – beyond the extra care scheme itself.</p> <p>However, careful calculations will need to be made about the minimum number of staff who should be available within the scheme itself at any one time, should residents need help in an emergency.</p>

<b>Additional Questions / Comments</b>	
<p>How should support be offered to self-funders to enable them to exercise the same level of choice as Personal Budget holders in extra care housing?</p>	
<p>What implications might there be for on-site care / support staff, if residents' arrangements with off-site providers – paid for by personal budgets – break down, or prove to be unable to respond sufficiently swiftly or flexibly? How should these risks be managed?</p>	

History of co-operative models are mixed – their success depends on the individual residents involved and whether they themselves want to participate. A risk is that the loudest person sets the agenda, and that it is overly-reliant on individual efforts, so if residents are not enthusiastic and supportive of one another, it will not work.

Equally, it might work with the first cohort of residents, but not for future residents as individuals die or move on.

What sort of charging / payment options might be needed?

What role can Extra Care Housing play in reablement, prevention and early intervention?

How much choice can be provided in an extra care scheme, and how? – For example, the choice of:

- care provider,
- support provider,
- Telecare / alarm provider,
- activities,
- meals,
- how care and support is provided, or
- other choices not mentioned above

Delegates felt there are many other ways in which choice and personalisation can be provided in extra care housing, in addition to enabling residents to use Personal Budgets.

What might be the implications for extra care housing, and other specialist housing options, of the 'Right to Control'?

What are the implications of the changes in Supporting People (pressures on the budget, removal of the ring-fence) on this debate?

The White Paper on Care and Support may include a commitment to free personal care for those people in critical need. There is also an option included in the Green Paper, 'Shaping the Future of Care Together', for Attendance Allowance to be integrated into social care funding.

What implications for extra care housing might these changes have, if implemented?

There may also be other future changes in regulation, and in rules on housing benefit, which will have a bearing on this debate. At the moment, some workshop delegates felt that housing benefit is not sufficiently flexible to allow for a 'pay as you go' catering offer, and that Telecare is not always fully housing benefit-eligible.

Extra Care Housing is still in its evolutionary stages, as a housing model, and its foundations are not well-established. It does not have a consistent interpretation,

<p>and its core business is not clear across every locality. Therefore, as a model it may be vulnerable to wider forces of change, whether that be from personal budgets, Supporting People changes, or other developments. Some delegates commented that good quality Extra Care Housing is a unique synergy of housing and various other components, not merely a sum of its parts.</p>	
<p>Underlying this debate is the wider one about what extra care housing is, its objectives, target beneficiaries and so on. For example, if care is not guaranteed in a scheme, is it still extra care housing? What differentiates it from sheltered housing?</p>	
<p>There are already examples in sheltered housing of residents pooling money to purchase a shared service such as activities. These are often younger older people, however, and even in these cases, significant contractual issues have arisen (no specific examples were given).</p>	
<p>Delegates observed that older people are often allocated less money for their social care needs, than younger people. This has an effect on how much people can do with their personal budgets. However new age discrimination legislation may have an impact on this issue.</p>	
<p>Effective marketing of extra care housing is key, to ensure that all potential future residents are clear about the service offer.</p>	
<p>Delegates highlighted the issue of regulation and expressed the view that extra care housing should be recognised as a unique entity, and regulated accordingly. It should be seen first and foremost as a housing model, but at the same time it can offer the benefits of integrated, seamless services, and can be seen as a community.</p>	
<p>Generational issues need to be carefully managed and assumptions should not be made about what older people want. Their aspirations are also likely to change over time – and the next generation of older people might have different expectations from the current one.</p>	
<p><b>One proposed model:</b></p>	
<p><b>Core service:</b>  Night cover  Alarm systems (telecare)  Housing management and maintenance  Minimum hours contract which includes emergency cover  Minimal activity co-ordination</p>	<p><b>Off-site, or optional provision:</b>  Meals  Activities  Shopping services  Personal care  Laundry services  Hairdressing</p>

## 7. Other useful information

The Essential Ingredients of Extra Care - Report on survey of Housing LIN members: Julienne Hanson, Hedieh Wojgani, Ruth Mayagoitia-Hill, Anthea Tinker and Fay Wright (2006)

Individual Budgets, Micro-commissioning and Extra Care Housing – Housing LIN Viewpoint no. 13, Sue Garwood (2008)

'Building Choices': Personal Budgets and Older People's Housing – broadening the debate – Housing 21 (2008)

Building Choices part 2: 'Getting Personal' – The impact of personalisation on older people's housing – Housing 21 (2009)

Personalisation within a Housing Context – Jon Head, Hanover ('Working with Older People,' June 2009, Volume 13, Issue 2)

Putting People First – Progress Measures for the Delivery of Transforming Adult Social Care Services – Department of Health (October 2009)

The 'Putting People First' Agenda and Care and Support Provision in Extra Care Housing – A Discussion Paper – SG Associates (2009)

Putting People First: Personal Budgets for Older People – making it happen – Department of Health (January 2010)

At a glance 8: Personalisation briefing: Implications for housing providers – SCIE / National Housing Federation (July 2009)

Personal Choice in Sheltered / Retirement Housing – A Workshop – Peter Lloyd, University of Sussex (September 2008)

Older People's Services and Individual Budgets – Angela Nicholls / Housing LIN Report (2007)

Personalisation & individual budgets: challenge or opportunity – Housing Quality Network (November 2009)

### **Personalisation Network Website:**

<http://www.dhcarenetworks.org.uk/personalisation/>

### **Housing LIN Website:**

<http://www.dhcarenetworks.org.uk/IndependentLivingChoices/Housing/>

### **National Housing Federation Website:**

<http://www.housing.org.uk/>

### **Social Care Institute for Excellence Website:**

<http://www.scie.org.uk/>

The Housing LIN welcomes contributions on a range of issues pertinent to Extra Care housing. If there is a subject that you feel should be addressed, please contact us. A full range of resources is available to download from our website.

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304 Wellington House

135-155 Waterloo Road

London, SE1 8UG

Tel: 020 7972 1330

Email: [info.housing@dh.gsi.gov.uk](mailto:info.housing@dh.gsi.gov.uk)

[www.dhcarenetworks.org.uk/housing](http://www.dhcarenetworks.org.uk/housing)