



## Older People's Housing – We need a solution

2016 was a challenging year for the older people's housing sector. There was much debate, improved strategic partnerships and some quality design and scheme development. Yet the future remains very uncertain and in difficult financial times with increased development risk a new business model is required. The traditional extra care business case focuses on predominantly a care solution. Drawing on the lessons from HAPPI, perhaps we need now to look wider and offer a housing solution that provides quality homes for people of all ages?

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Business cases for extra care and retirement housing schemes have focused on the savings to health and adult care in terms of reduced falls, residential care costs and improved wellbeing of residents. Numerous studies have highlighted the benefits including:

- The longitudinal study by Aston University for The ExtraCare Charitable Trust which proposes savings of £4,500 per annum for high care customers, £1,700 for low care needs customers and 1,100 to the NHS per annum. In addition the study suggests a reduction of GP visits of almost 50%, which in times of substantial pressure on GP savings is a great lifting of a key immediate pressure.<sup>1</sup>
- The BRE study which suggests poor quality housing costs the NHS £1.4 billion per annum with £500m directly related to older people.<sup>2</sup>
- A Housing LIN study for Trailway Court in Dorset which compared wellbeing after entering the scheme to before moving in.<sup>3</sup>
- These results are summarised in recent publications from the National Housing Federation and the Kings Fund.<sup>4</sup>

The reality of pressures on the NHS and Adult Social Care budgets results in even more limited capital and revenue contributions to older people's housing developments. The balanced community essential for a successful affordable extra care scheme accommodates a smaller number of adult social care customers due to their higher assessment threshold, limiting tenants with low care needs and also the higher number of leasehold units to make a scheme affordable. More enlightened authorities are now taking a longer term view and supporting more flexible 24/7 care for all customers, even if many do not require that level of care and support. However, the lack of certainty in meeting both rent and care costs is making many housing associations reluctant to commit hard pressed resources in a more risky commercial environment.

From a workforce perspective, a key pressure on health and adult care is recruiting suitably qualified carers to meet the vastly increased demand for services to older people. This will be particularly so in the post Brexit era with potentially reduced numbers of workers available from abroad. Coupled with this, the rise in the National Living Wage to £7.50 from April next year will add further short term costs which will hopefully be offset by reduced recruitment and training costs in the future. As a result, the carer shortage will be emphasised by the reduction in the ratio of working age people to the number of older 65s. In many areas of the country this will reduce from 3 working age people to 2 per person aged over 65. This will not only impact on formal services but also informal family and community links which provide such important flexible support in addition to the public sector care providers.

Despite the considerable benefits to people's wellbeing and operational efficiency highlighted above, the pressures on individual CCGs and acute services has resulted in very limited direct funding to providers of older people's housing. As is evidenced by the Housing LIN's regional leadership sets and networking events, progressing strategic partnerships through health and wellbeing boards will assist, but there needs to be strong leadership and support for housing within the health and social care integration agenda to make this happen. The resultant benefits to local health and social care economies are outlined in a recent NHS England 'quick guide', supported by the Housing LIN.<sup>5</sup>

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<sup>1</sup> [www.extracare.org.uk/research](http://www.extracare.org.uk/research)

<sup>2</sup> <https://www.bre.co.uk/filelibrary/pdf/87741-Cost-of-Poor-Housing-Briefing-Paper-v3.pdf>

<sup>3</sup> [www.housinglin.org.uk/News/Latest/HousingNewsItem/?cid=9110](http://www.housinglin.org.uk/News/Latest/HousingNewsItem/?cid=9110)

<sup>4</sup> [www.housinglin.org.uk/resource-library/browse/connecting-housing-and-health-three-new-reports/](http://www.housinglin.org.uk/resource-library/browse/connecting-housing-and-health-three-new-reports/)

<sup>5</sup> [www.housinglin.org.uk/Topics/browse/HealthandHousing/Integration/?&msg=0&parent=8685&child=10311](http://www.housinglin.org.uk/Topics/browse/HealthandHousing/Integration/?&msg=0&parent=8685&child=10311)

Therefore, one could be defeatist and say the dream of quality accommodation for older people supporting an integrated health, care and housing strategy and development programme remains elusive and unachievable. Yet exemplar schemes that are still developed remain very popular. At the same time, the high end of the leasehold market is more buoyant which demonstrates the principle also works as a lifestyle choice. However, while last year's Autumn Statement did little specifically for the sector, there is growing market confidence to support the downsizing older homeowner who is asset rich but cash poor and wants to make a lifestyle and not a care choice. Can this also reignite the public sector rental market?

Everyone would agree that quality appropriate housing is vital to self-worth and wellbeing. As set out in the HAPPI reports<sup>6</sup>, perhaps we need to look further than a care solution and look at providing housing solutions across the full range of the housing chain. There needs to be a greater perception and understanding that under-utilisation of housing is a waste of a vital scarce resource. Future generations of older people will be more used to moving house and be less emotionally attached to their family home. They will be more concerned to keep their lifestyle benefits and their ability to easily maintain their activities and support services. Perhaps the time is now right for a large scale B2C education programme and publicity drive, something along the lines of the TV's Grand Designs?

As well as encouraging 'downsizing' business cases for extra care development there should be a greater focus on how a move into extra care housing creates a 'vacancy chain' within local housing markets. Enlightened councils are beginning to see the housing dividend through their waiting lists and allocations for general needs housing and reduced use of temporary accommodation. In particular, as the homelessness situation increases and the number of families housed in temporary accommodation reaches crisis a range of solutions are required. The more families that can be housed in family homes with gardens must be an overriding aim. Providing new extra care facilities can immediately release a substantial number of family homes and therefore address authorities' temporary accommodation bill. A number of authorities are now following this approach. It is recognised this is easier in a unitary authority but devolution deals should take up the mantle to develop this overarching approach to housing need.

To energise the housing chain older people's housing needs to be of a high standard and offer a choice of solutions. Standard extra care schemes and retirement villages are growing in size and need a high immediate population to be successful. This rules out many more rural areas and also some urban areas which are in fact an amalgamation of diverse communities. It is likely that the retirement housing market will segment into larger schemes developed by national companies and charities and a new community based option offering smaller locally developed homes which do not offer 24/7 care on site.

This community option does not necessarily have to be separate age-exclusive accommodation. There must be potential to develop inter-generational accommodation that offers some units that are 'care ready' designed to HAPPI principles within a general housing scheme. This would spread service charges over a greater number of units and allow the potential for communities to develop 'resilient' self-support mechanisms for their older people.

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<sup>6</sup> [www.housinglin.org.uk/Topics/browse/Design\\_building/HAPPI/](http://www.housinglin.org.uk/Topics/browse/Design_building/HAPPI/)

So how can such community schemes be prioritised and supported? The challenges above have highlighted that the current system does not provide the required development. Other options for capital funding could include:

- *Planning*: better, more consistent use of CIL and section 106. Using 2.5% of the affordable housing % would provide a substantial boost to development opportunities. For a mixed tenure scheme, 50% home ownership 50% public sector, this would result in 20,000 new homes for older people if the government reaches its 1 million homes target. In the short term, it may appear that this 5% of additional housing for older people would reduce the ability to support families. However, as previously stated it would release homes more suitable to families than flats with communal gardens. The older people accommodation will also provide vacancies more often releasing family housing more quickly to those most in need.
- *Joint funding*: Innovative use of the Better Care Fund (BCF). In the early day of the BCF there has been limited new uses for the capital funding. However, some transfer of the increased DFG money and other capital funding to allow upgrades to new general needs developments is a contentious proposal but one that offers a series of benefits in terms of value for money and supporting more people within the available resources.
- *One Public Estate*: strategic partnerships, joint asset development plans and land assembly must remain important components of any strategy. Improved business cases will increase the potential to access commercial funds. DH centrally funded support, such as the fledgling Care and Support Specialised Housing Fund<sup>7</sup>, should be increased to stimulate development of new services that support the prevention agenda.

Providing capital and infrastructure support is difficult but there is potential to revise government and planning policy to achieve more age-friendly objectives. The forthcoming Housing and Planning White Paper must not be 'silent' on the housing needs and aspirations of an ageing population. However, in the light of the government's consultation of the funding of supported housing and wider welfare reform, providing revenue funding could be even more challenging and require greater political leadership, media maturity and attitudinal change from the public.

Addressing these issues and identifying nationally defined and locally driven solutions requires greater debate and the active participation of older people, or what Jeremy Porteus has termed 'CollaborAGE'.<sup>8</sup> What is obvious is that doing nothing is not an option. Let's work together to make it happen to the benefit of all.

## Postscript

To find out more how the Housing LIN can help you shape your business around the future housing needs and aspirations of older people, visit our SHOP@ consultancy page at:

[www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/Consultancy/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/Consultancy/)

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<sup>7</sup> [www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/)

<sup>8</sup> [www.housinglin.org.uk/Topics/type/resource/?cid=10197](http://www.housinglin.org.uk/Topics/type/resource/?cid=10197)

## Note

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

## About the Housing LIN

The Housing LIN is a sophisticated network bringing together over 40,000 housing, health and social care professionals in England and Wales to exemplify innovative housing solutions for an ageing population.

Recognised by government and industry as a leading 'knowledge hub' on specialist housing, our online and regional networked activities:

- connect people, ideas and resources to inform and improve the range of housing choices that enable older and disabled people to live independently
- provide intelligence on latest funding, research, policy and practice developments, and
- raise the profile of specialist housing with developers, commissioners and providers to plan, design and deliver aspirational housing for an ageing population.

To access further information and resources on extra care housing, visit the Housing LIN's dedicated web pages at: [www.housinglin.org.uk/Topics/browse/HousingExtraCare/](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/)

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