



## Pretty Vacant: Vacancy chains and Extra Care Housing. Stimulating local housing markets

This Factsheet considers how the development of extra care housing can have a strategic impact on the better functioning of local housing markets by creating additional mobility within the market.

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## 1. Introduction

This Factsheet considers how the development of extra care housing can have a strategic impact on the better functioning of local housing markets by creating additional mobility within the market. The concept behind this approach is known as “Vacancy Chains” and is explained in the next section.

In undertaking the background research for the case study a call for information was sent out via the Housing LIN newsletter and to The Retirement Housing Managers Association. A questionnaire was also sent to all members of the Housing LIN sub group. We wanted to gather information from those areas where extra care was strategically planned not only to meet the needs of a growing older population but also as a tool to create mobility and consider best use of stock within the housing market.

In addition to the focus on extra care the impact of other forms of higher level supported specialist housing were also considered, including very sheltered housing and other forms such as assisted living. We wanted to ensure that we gathered experiences from different types of housing markets including urban and rural areas and those examples were also geographically spread.

This Factsheet therefore provides a number of case studies across the country that have been successful in encouraging older households to move out of their current homes and thus releasing family homes back into the housing market.

## 2. What are Vacancy Chains?

### Demographic change

The number of people over 65 is expected to double over the next 15 years. It is estimated that nearly a third of the housing stock is occupied by people over retirement age<sup>1</sup> and older people will account for nearly half of household growth. At the same time, only about 10% of the older population live in specialist accommodation. In the recent Housing LIN Viewpoint 19<sup>2</sup> it was noted that the development of more specialist accommodation would see family property being released to meet other needs. Vacancy Chains is a methodological process that may be used as part of a strategic process to deliver this.

### Vacancy Chains

Housing Vacancy Chains are normally associated (although not exclusively) with the development of new housing. The new development will create capacity for people to move within the local housing market and as a consequence they will free up the housing they occupy and in turn that will create further vacancies. As a result, the new development helps to bring housing supply in line with local housing needs. It can also make a major economic contribution to, and help rebalance, the housing market by freeing up high demand housing and make better use of existing stock.

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<sup>1</sup> Homes and Communities Agency (January 2011), Vulnerable and Older People Advisory Group annual report, “Meeting the needs and aspirations of an ageing population”. London: HCA

<sup>2</sup> Janet Sutherland (2011) “Housing LIN Viewpoint No. 19: Viewpoint on Downsizing for Older People into Specialist Accommodation”

Developed from the Markov Chain Model<sup>3</sup>, a vacancy chain can be used to monitor some of the ways in which a housing market responds to the addition of new and empty units.

For the purpose of this Factsheet, the vacancy chain concept is used to offer an insight into the role of extra care accommodation in freeing family homes, and in doing so, increasing flows within the wider housing market and ensuring more appropriate use of under-occupied accommodation. According to Sharpe (1978)<sup>4</sup>, one of the principal uses of the vacancy chain concept is to estimate '*the number of households which adjust their housing situation as a result of the construction of a given cohort of new units.*' (p.130)

There are many factors that impact on flows within the housing vacancy chain, illustrated by Magnusson Turner (2008)<sup>3</sup>, including the size and composition of the housing and its location in relation to transport and other services and amenities. This is of particular importance to older people, who are generally less physically mobile and have a greater need to be located close to services and amenities. Magnusson Turner (2008) also goes on to suggest that it is these elderly households that are less likely to move out of their current homes:

*'Elderly, well-established households are less inclined to move and are thus less inclined to create vacancies in the local housing market'* (p.4)

One of the reasons why people remain in their current home is a lack of awareness of the housing options that are available to them, a point that is highlighted in Housing LIN Viewpoint 19. The offer of alternative accommodation for older households therefore needs to be as attractive as possible, to offer an incentive for these well-established households to move out of what is often a family residence that has been their home for a considerable length of time. Households also need to have a detailed understanding of this alternative accommodation to enable them to make an informed decision about the potential of this accommodation to meet their needs.

### **3. What is Extra Care and what role can it play in the function of Vacancy Chains?**

The model of extra care has been evolving since it began to be more widely developed 10 to 15 years ago and consequently there is no single model or legal definition of extra care. The Extra Care Housing Toolkit<sup>5</sup> published by the Housing LIN identified varying forms of extra care:

*"In some instances extra care has been portrayed primarily as a direct alternative to residential care, in others as being at a mid point between sheltered housing and residential care or finally a model that disassociates accommodation from care and support, ie, that extra care can provide accommodation for people with a range of abilities but with differing amounts of care and support being provided dependent on need."*

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<sup>3</sup> Taken from Magnusson Turner, L (2008) "Who gets what and why? Vacancy Chains in Stockholm's Housing Market" European Journal of Housing Policy, Vol. 8 No. 1, pp.1-19

<sup>4</sup> Sharpe, C.A (1978) "New Construction and Housing Turnover: Vacancy Chains in Toronto" Canadian Geographer, Vol. 22 Issue 2, pp.130-144

<sup>5</sup> Care Services Improvement Partnership; "Extra Care Housing Toolkit"

The toolkit notes that the themes that support extra care development are “far from simple”. The DH guidance for the Extra Care Housing fund describes it as:

*‘A type of housing that enables people with care and/or support needs to remain in their own home’.*

Traditionally these people may have been accommodated in sheltered housing, residential care, nursing homes and other types of accommodation with care and/or support. Extra Care Housing enables the delivery of health and social care services to most service users without the need for them to move out and should be capable of providing the majority of tenants with a home for the remainder of their life.

Extra Care Housing can be new build, re-modelled from existing buildings or a mix of both. It can vary in size from 40 to 50 units, which is the most common model through to 100+ units which are sometimes called Retirement Villages. They can also vary in tenure from all rented, to all for sale, to a mix of both. They may also offer a private rented option.

The crucial factor is the philosophy, together with design features, including:

- Self contained flats with kitchen and bathroom facilities that support and enable independence, privacy, dignity and the delivery of care services
- Staff facilities – office and sleep-over room
- Barrier free spaces that are accessible and enabling, and aid residents’ mobility and independence
- A range of areas for services such as hairdressing, laundry etc.
- Room space for consultations and advice such as G.P. visits, telehealth facilities for vital signs monitoring for people with long term conditions
- Communal areas – dining facilities, lounges and day rooms
- Guest facilities
- Good links with the local community
- Staff on site to manage and maintain the building and manage the delivery of care and support services

The diversity of extra care mirrors a range of strategic purposes but one obvious consequence of these developments is the release into the housing market of the homes that have been vacated. This includes other specialist accommodation such as sheltered housing and bungalows but also family housing to rent or buy. In turn, the people moving into the homes released by extra care may also be releasing property. The case studies suggest that this also includes temporary accommodation used within the homeless system.

There is also a financial element to mapping Vacancy Chains. It is possible to place a value on the releasing of other properties in terms of the notional savings made by avoiding additional development (the cost of new build) but also in the value that housing providers place on the release of housing. The case studies identify a number of providers who provide financial incentives to those who release larger properties. A further issue is the need for social mobility. There is a wider cost to the community if people can not access suitable housing, such as over crowding, lack of employment opportunities and particularly for older people the potential of social isolation.

We should also not forget the benefit to health and social care. The HCA's study<sup>6</sup> investigating the financial benefits of investment in specialist housing for vulnerable and older people found a net benefit to care and health budgets of around £940 per person per year, which they estimated equates to a total benefit of around £640m per year.

Lastly, at the time of writing, the Chartered Institute of Housing have been commissioned by DCLG to support organisations make the most effective and efficient use of their stock<sup>7</sup>.

## **4. Issues emerging from the work**

### **Changing housing market**

A significant amount of policy change is taking place that will influence the way that new development will occur. The Localism Bill<sup>8</sup> sets out changes to the planning system, the way social housing is funded and provides power for local communities to influence and become involved in future development. The Department of Health is also proposing a major reform of the way health services are commissioned and delivered<sup>9</sup>. These changes come at a time of major reductions in public expenditure and together will lead to at least a re-evaluation of the way specialist housing is planned and procured.

There will therefore be more competition for scarce resources across the public and private sectors and a strong case will need to be made for the use of, for example, public land to cross subsidise housing development. The case for the development of extra care will not only need to address why that is the best choice of housing but also why it is the best choice against other competing demands. The ability to demonstrate that extra care development not only helps to divert older people from more expensive health and care services but also helps other groups of people in the housing market is likely to become increasingly important. There is a strong case that suggests that the freeing up of accommodation reduces the pressure to build new housing. The Vacancy Chains approach provides a mechanism to support the development of specialist accommodation even in areas of high family housing demand.

### **Using the Vacancy Chains Approach**

The opportunities to free up other housing are not always identified as an important element of extra care developments. Where the approach has been used it has mainly focused on the direct release of properties and not further along the chain. As a consequence, there is good information on the impact of the initial let on the housing market but not on the subsequent lettings further down the chain. There seems to be a range of reasons for this but a key element revolves around being able to link the properties made available at the first stage in the chain with those made available at the second stage and so on. Often the chain can be very long particularly where flats or bungalows are released and in filling those vacancies family houses are released. Gathering information on letting along the chain seems to pose some difficulties unless this form of monitoring is pre-planned as part of the strategy for the development.

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<sup>6</sup> Frontier Economics (December 2010), "Financial benefits of investment in specialist housing for vulnerable and older people". London: HCA

<sup>7</sup> [www.communities.gov.uk/news/corporate/1821513](http://www.communities.gov.uk/news/corporate/1821513)

<sup>8</sup> CLG: Localism Bill Introduced to Parliament December 2010

<sup>9</sup> DH: Health and Social Care Bill 2001 Introduced to Parliament January 2011

Getting the most from the Vacancy Chains approach also requires some management of the lettings process. This is easier where social rented property is involved as there can be some form of control via the lettings criteria for new development but it is more complex further down the chain where general lettings criteria including Choice Based Lettings come into play. As part of the changes that the Government are introducing to housing, there is a proposal to allow local flexibility in the lettings criteria. This could help to manage the release of more much needed properties further down the chain.

The owner-occupied sector will be dictated by market forces and it is therefore much more difficult to monitor what will happen further along the chain. Nevertheless, this would be very useful information that could be gathered through further research commissioned as part of new developments. There is also some evidence of a growing private rented market<sup>10</sup>. Overall therefore, there are opportunities to look at all sections of the housing market

The process of freeing up properties also continues with re-lets and therefore after the initial let some Local Authorities/Providers continue to offer incentives

### **Extra Care in the future**

The continuing development of extra care has to form part of addressing the challenge of an ageing population. Comparatively small numbers of older people occupy specialist accommodation in the UK while 17% do in the USA and 13% in Australia and New Zealand<sup>11</sup>. This would suggest underdevelopment of specialist housing despite problems letting some forms of older specialist housing. A wide range of national and local research constantly reports that most people want to remain in their current home but health and financial concerns play an important part in the decision to move. This would suggest it is likely that considerable stagnation exists within local markets and at least part of the reason for this may be the lack of attractive alternative housing choices for older people. The development of specialist accommodation therefore has to be concerned with the freeing up the wider housing market to meet lifestyle choices as well as addressing issues of prevention and frailty and strategically planned in that way to meet a plurality of needs and aspirations.

## **5. Case Study examples**

We received many examples of schemes that were helping to improve mobility within the housing market. A number of areas submitted multiple examples. Unfortunately we could not use all the examples provided. Those cited in this factsheet include:

### **1) Commissioned specifically to free housing**

#### **Case Study 1: The Rowans, Wealden, East Sussex**

##### **Scheme Details**

- Housing provider: Sussex Housing and Care
- Commissioning Authority: Wealden District Council, East Sussex
- The scheme is due to open in September 2011

<sup>10</sup> Housing LIN Factsheet No 32, "Private Extra Care Housing: a new market?"

<sup>11</sup> Housing LIN Viewpoint No. 19, "Viewpoint on Downsizing for Older People into Specialist Accommodation"

- Size: 19 properties in total, 3 x 2 bed bungalows, 6 x 1 bed apartments and 10 x 2 bed apartments
- Tenure: All units are available for affordable rent
- Services: Scheme manager, 24 hour lifeline system, care home on-site which can be used for meals and respite, residents have access to the communal lounge at the sheltered housing scheme on-site.
- Costs:

1 bedroom apartment	£95pw / £414pcm
2 bedroom apartment	£112pw / £486pcm
2 bedroom bungalow	£116pw / £505pcm
Note: including heating and water but not electricity or telephone	

## Context

Specifically targeted towards council tenants aged 55 and over.

The scheme has not yet opened, so there is not yet any data regarding residents or the general needs housing that has been released back into the housing market. With 19 properties in total within the scheme, it is expected that 19 family-sized council homes will be freed-up in the local area.

The local area surrounding The Rowans has recently witnessed a decrease in the demand for and the desirability of sheltered housing, with many schemes becoming difficult to let. On the other hand, there is a high demand for extra care accommodation, particularly with regards to its communal facilities, additional amenities and the larger size of accommodation.

Under-occupation is an issue in the local area. Anecdotal observations made by social housing officers have identified a high level of under-occupation amongst older tenants. A combination of the high demand for extra care accommodation, alongside this issue of high levels of under-occupation amongst older people living in social housing, was the motivation behind the development of The Rowans.

In terms of the strategic direction of the local authority towards older people's accommodation, the plan is to develop more extra care accommodation and to move away from residential care. However, there is a lack of funding available within the authority, which means that not as many schemes are being built as the authority would like.

## Incentives for Older People to Release Homes

Initial observations from social housing officers identified a high level of under-occupation amongst older people living in social housing. In response to this, the local authority carried out a targeted mail-out for people aged 55+ who were living in large homes, outlining the offer of extra care accommodation and promoting The Rowans as an attractive housing option.

The local authority provides a cash incentive for people who are currently under-occupying their home to downsize, offering between £1,000 and £5,000 depending upon the number of bedrooms being released. This incentive is

offered to all social housing tenants, not just those moving into extra care accommodation, to improve the flows within the wider housing market.

For older people moving into the scheme, Wealden District Council offers to pay removal costs to make the process easier for tenants.

### **Evidence of Cost-Savings/ Other Savings**

A total of 19 family homes will be released as a direct consequence of older people moving into The Rowans extra care scheme. Indirect effects of these units being freed up include a reduction in the number of families being housed in temporary accommodation which is estimated to save thousands of pounds. The release of 19 family homes will not produce a reduction in social housing waiting lists, as the lists are generally constant. However, 19 families will be offered much-needed accommodation, which is a profound benefit.

### **Funding**

The local authority did not provide any direct funding for the development of The Rowans. However, the authority has provided consultation days and promotion/marketing costs in the form of the mail-out to under-occupying tenants to advertise the scheme. Sussex Housing and Care, the developers of the scheme, have produced the funding.

### **Key Learning Points**

The key learning points identified by the local authority are as follows:

- More can be done to identify under-occupiers – the local authority could collect primary data earlier in the process. This would allow some consideration of what opportunities exist with properties becoming available further along the chain.
- This scheme is being developed in an area with falling demand for some forms of sheltered housing suggesting there is a clear understanding of the wider housing market and the role new extra care can play.
- The Rowans as a model of accommodation is thought of very highly within the authority, and if the money was available the authority would replicate the model elsewhere.

## **2) Rural Development**

### **Case Study 2: The Manors, Prudhoe**

#### **Scheme Details**

- Housing provider: Milecastle Housing
- Commissioning Authority: Northumberland County Council
- Size: 46 units in total, 9 x 1 bedroom apartments and 37 x 2 bed apartments

- Mixed tenure scheme: 34 units to rent, 12 units shared-ownership
- Services: restaurant, door entry system with intercom, communal areas, accessible bathing, lifts to all floors, motorised scooter store, internet café, guest room, landscaped gardens, residents' parking, reading lounge, 24/7 on-site care team, scheme manager.
- Prices:

Shared ownership 75%	£105,000
For rent	£65-£70 pw (eligible for housing benefit)
Indicative service charge	£40 pw (eligible for housing benefit)
Plus heating / hot water	£10 pw (indicative)
Meals	£4.30 x 5 pw = £21.50 per person pw

#### Breakdown of homes released on first-let and re-let

The following table outlines the properties released by the 34 first-lets and the subsequent 6 re-lets:

Property Type	Owned by Milecastle	Other rented	Privately owned	Total of each property type
<b>Sheltered Bedsit</b>	5 (2 re-lets)	4 (2 re-lets)		<b>9</b>
<b>1 bed older persons bungalow or flat</b>	15	3	1	<b>19</b>
<b>2 bed bungalow</b>	1			<b>1</b>
<b>2 bed family house</b>	5 (1 re-let)	3		<b>8</b>
<b>3 bed family house</b>	2 (1 re-let)		1	<b>3</b>
<b>Total of each tenure type</b>	<b>28</b>	<b>10</b>	<b>2</b>	<b>40</b>

#### **Context**

The Manors extra care scheme was built on the site of an existing out of date sheltered housing scheme in Prudhoe, situated within the rural district of Tynedale in Northumberland. The sheltered scheme was owned by Milecastle Housing which is part of the ISOS Group and was demolished and replaced with The Manors.

The motivation behind the development of The Manors was to provide a dynamic and flexible model of extra care that promotes quality of life and health for the wider older population in the area, and sustains vulnerable older people with chronic and other health conditions in the community. The Manors was

developed as an alternative to long-term care in a strategic move away from admissions to residential and nursing care, and to help to fill the gap in the local specialist housing market for shared-ownership (12 units are shared-ownership). The Manors was the first extra care scheme to be built in the county of Northumberland.

Under-occupation amongst older households was and is an issue in the area surrounding the scheme. However, at the time of the development of the scheme there was no explicit policy to free-up family housing and there were no targets set for the development to achieve this. There is also a shortage of social housing available within the local rural area of Prudhoe, an issue that is compounded by this high level of under-occupation.

### **Incentives for Older People to Release Homes**

Milecastle does offer incentives to encourage residents to transfer to older persons accommodation within the stock when this creates vacancies in family housing

They offer £300 for a 2 bed family house, £400 for a 3 bed house, and £500 for 4 bed house. At The Manors, this applied to 2 x 3 bed houses and 2 x 2 bed houses

### **Evidence of Cost-Savings/ Other Savings**

So far a total of 40 properties have been released as the result of this development. The main benefit has been the freeing up of social rented housing in rural areas where there is very limited supply.

### **Funding**

The development of the scheme was funded via a combination of a capital grant from Northumberland County Council/ Care Trust of £300,000, a capital grant from the old Tynedale District Council of £50,000 and from Department of Health funding. There were no land costs as the scheme was built upon land already owned by Milecastle Housing.

### **Key Learning Points**

- This scheme is in an area where demand for social housing is high and Milecastle saw the redevelopment of the site as extra care not only as an opportunity to better meet the needs of older people but also to release much needed housing within rural communities.
- The incentive scheme is specifically targeted at those under-occupying

### **The Future**

Milecastle are pleased with the results of the incentive scheme. Northumberland County Council is also pleased with the overall impact of the scheme. However financial constraints have seen them review the way they procure extra care

### 3) All rented Extra Care Housing

#### Case Study 3: Roman Ridge, Sheffield

##### Scheme Details

- Housing provider: Sanctuary Housing
- Commissioning Authority: Sheffield City Council
- Opened: 2009
- Size: 80 x 1 and 2 bed flats
- Mixed tenure scheme: units are available to rent, for shared ownership and for outright sale.
- Services: café, communal lounge, assisted bathrooms, activities room, lift, restaurant, laundry room, shop, hairdressing salon.
- Prices: rent from £69/ week excluding service charge at November 2010.

##### Resident Details

###### Breakdown of properties released by resident

<b>Tenure</b>	Owned Properties	4
	Rented Properties	56
<b>Property Type</b>	Houses	17
	Flats	32
	Bungalows	11
<b>Property Size</b>	1 bed	29
	2 bed	18
	3 bed	12
	4 bed	1

##### Context

Sheffield City Council recognised the positive effect that developing extra care schemes would have upon the release of family housing but did not specify this as a key outcome in the 2001 Extra Care Strategy.

The priority at that time was for Sheffield to modernise the provision of older peoples' housing through greater concentration on rehabilitation and preventative services, with the development of extra care housing across the city playing a key role. This position was confirmed when the strategy was reviewed in 2007, with the focus being on bringing the majority of sheltered housing schemes up to Decent Homes standards, with the removal of those that did not meet modern day requirements and the continuation of its extra care development.

The main motivation behind the development of Roman Ridge was to provide quality and secure housing for older people, which helped them to maintain their independence and to keep active.

## **Incentives for Older People to Release Homes**

There were no incentives, financial or otherwise, offered to older people to release family homes. The demand for extra care accommodation has been so high that this was not felt necessary. Sheffield City Council does not operate any financial schemes to encourage under-occupying households to downsize.

## **Evidence of Cost-Savings/ Other Savings**

The local authority does not have any hard evidence of cost savings associated with the development of these extra care schemes and has not carried out any research on the potential savings involved with future developments.

## **Funding**

The Roman Ridge development was funded via a combination of Department of Health Extra Care Housing funding and private funding from the developer. Guildford Grange received funding from what was the Housing Corporation alongside private funding from the developer. The local authority contributed to the development of the two schemes by providing the land on which they were constructed free of charge. All other costs, including those associated with marketing and promotion have been covered by the developers.

## **Key Learning Points**

The key learning points are as follows:

- The involvement of the council in the design process from the onset is crucial. Decision-makers within the council need to be involved in team meetings with the developers to ensure that designs for the scheme are in accordance with standards held by the council. This early involvement saves both time and money.
- Representatives from occupational health and other health officers from the council need to be involved in this design process from the start, to ensure that the accommodation is suitable and appropriate to the various needs of potential residents.
- Having a close working relationship with the developer from the onset is vital.
- The involvement of stakeholders, such as local representatives and older people's forums and groups, from the onset, is also very important.

## **Future Plans**

With regards to the future development of extra care schemes, any decision on making the freeing up of under-occupied properties an explicit element of the extra care housing strategy would have to be agreed by Cabinet. On the experience Sheffield City Council have had so far, there are a number of other factors that need to be considered when allocating to a scheme i.e. support, care, medical etc., ahead of supporting factors such as the release of family housing.

## 4) Large Scale Development

### Case Study 4: Lark Hill Retirement Village, Nottingham City

#### Scheme Details

- Housing provider: Extra Care Charitable Trust
- Commissioning Authority: Nottingham City Council
- Size: 327 properties in total

Type of Property	Total	Sale	Shared	Rent
1 bed apartments	144	66	41	37
2 bed apartments	111	42	44	25
1 bed bungalows	30	0	23	7
2 bed bungalows	42	0	38	4
<b>Total</b>	<b>327</b>	<b>108</b>	<b>146</b>	<b>73</b>

- Mixed tenure scheme: 73 units to rent, 146 units shared-ownership, 108 units for outright ownership.
- Services: neighbourhood ranger service (security), fitness suite, restaurant, coffee lounge, housekeeping and laundry service, wellbeing service, activities programme, free bus service to supermarkets, hairdresser, shop, cash machine, post-box, prescription pick-up point, green house, 24/7 care staff on-site, woodwork room, library and computer suite, restaurant, regular market days, residents' meetings.

#### Resident Details

The vast majority of the residents of Lark Hill have moved from within Nottingham City to the retirement village.

#### Sales: Breakdown of homes released

Size	Houses	Bungalows	Flats
1 bed	0	7	14
2 bed	16	30	18
3 bed	123	18	0
4 bed	13	1	0
5 bed	2	0	0
6 bed	1	0	0
<b>Total all sizes</b>	<b>155</b>	<b>56</b>	<b>32</b>

Tenure	Total
Owner-Occupier	223
Private Tenant	8
Shared Ownership	3
Housing Association	2
Local Authority	6
Residential Home	1
<b>Total all tenures</b>	<b>243</b>

#### Rental: Breakdown of homes released

Size	Houses	Bungalows	Flats
1 bed	0	9	28
2 bed	7	3	5
3 bed	30	0	0
<b>Total all sizes</b>	<b>37</b>	<b>12</b>	<b>33</b>

Tenure	Total
Owner-Occupier	3
Private Tenant	11
Shared Ownership	0
Housing Association	16
Local Authority	51
Residential Home	1
<b>Total all tenures</b>	<b>83</b>

#### Context

The strategic direction of the local authority with regards to older people's housing is to move away from the traditional residential care model and to commission more community-based support options for older people.

Under-occupation is an issue in the local area of Clifton, which surrounds the Lark Hill development. A piece of research has been carried out by the local authority to identify the extent of the problem. In Clifton, residents tend to stay within the local area their whole lives, resulting in a need for housing to respond to the different life stages of residents. The Lark Hill retirement village was developed to create an attractive housing option for older local residents.

The release of family housing was not a motivation for the development during the early stages but became an important decision factor a little later in the process, as the potential impact of the scheme upon the local housing market was realised.

## **Incentives for Older People to Release Homes**

The local authority realised that the accommodation offer needed to be good enough to motivate people to move out of their family homes. The high quality accommodation and facilities within Lark Hill were the main incentive offered to residents. No financial incentives were offered.

## **Evidence of Cost-Savings/ Other Savings**

The release of 37 rented houses together with a mix of bungalows and flats for rent has reduced the need for further housing development. The release of 223 homes for purchase will also aid social mobility within the wider housing market. Savings in terms of the reduced number of older people being referred to residential care is an obvious benefit, but this has not been quantified.

## **Funding**

The Lark Hill development was funded by grants from the Department of Health and from the Homes and Communities Agency. The local authority contributed to the development through the provision of council-owned land where the village was built, which was sold to the developers at a discounted rate. The local authority also contributed a full-time project manager to the development and commissioned the care and support that is offered within the village. The Extra Care Charitable Trust paid for the marketing and promotional materials.

## **Key Learning Points**

The key learning points offered by the local authority are as follows:

- Bench-marking is very important – Nottingham City Council spoke to other local authorities about their experiences of developing extra care and retirement villages to better understand the process and to have something to gauge their successes against, and found this very helpful.
- The importance of developing a good partnership – the Extra Care Charitable Trust already had a lot of experience in developing this type of scheme which was very important. They brought this experience and their contacts to the table.
- Having a full-time project manager to work on the development has been very beneficial and has ensured its successful development and operation.
- Extra care accommodation is not just a housing issue – health and social care should be involved from the onset and schemes should be developed in partnership across housing and health departments.
- It is very important to work in partnership with decision-makers within the local authority – the Lark Hill development took several years to become a reality and this process could have been much shorter with the right people on board from the onset.

## **The Future**

The local authority is trying to realign services in order to deal with funding cuts and to allow them to continue to provide high quality care and extra care accommodation across the City.

## 5) Private Sector Development

### Case Study 5: Barnes Wallis Court, Byfleet

#### Scheme Details

- Housing provider: McCarthy and Stone
- Commissioning Authority: Surrey County Council
- Opened: 2007
- Size: 50 units in total, 36 x 1 bed and 14 x 2 bed flats
- Tenure: all units are leasehold
- Services: waitress service restaurant, 24 hr on-site staffing, domestic assistance, wheelchair accessibility, residents' lounge, function room with computer, mobility scooter store, laundry room, car parking, guest suite, landscaped gardens, lifts, 24 hr Careline emergency call system, security entry system.

#### Resident Details

##### Breakdown of homes released by residents

Type of Property	Number Released
1 bed flat	3
2 bed flat	4
2 bed house	1
3 bed house	18
4 bed house	8
5 bed house	1
2 bed bungalow	2
3 bed bungalow	5
Unknown	8
<b>Total</b>	<b>50</b>

N.B. Data on the tenure of properties released by residents is not recorded.

#### Context

This type of development is badged as Assisted Living by McCarthy and Stone. This was an entirely commercial development aimed at people who were purchasing both housing and support services.

#### Incentives for Older People to Release Homes

No incentives were offered specifically relating to under-occupation or releasing family housing

### **Evidence of Cost-Savings/ Other Savings**

This development represents a diversification in the local housing and support markets. Their decision to make use of personal capital to fund suitable accommodation and purchase various services is likely to see fewer people needing higher level and health care services.

### **Key Learning Points**

- This development has seen the release of 50 properties into the housing market including larger family housing.
- Private sector development can have a wider impact on the local housing market.
- It is much more difficult to track the impact further along the supply chain

### **The Future**

McCarthy and Stone are continuing to develop their Assisted Living product

## **6) Urban Development**

### **Case Study 6: Woodridge Gardens, Washington**

#### **Scheme Details**

- Housing provider: Housing 21
- Commissioning Authority: Sunderland City Council
- Opened: December 2010
- Size: 39 x 2 bedroom apartments
- Mixed tenure scheme: 20 units to rent, 10 units shared-ownership, 9 units for outright sale
- Services: restaurant, lounge, hairdressing salon, assisted bathing suite, healthy living suite, IT suite, 24/ 7 care team on-site, scheme manager, GP's office and surgery with clinician.

#### **Resident Details**

All residents moving into the scheme lived within the City of Sunderland except for two outright sales. 26 households lived within Washington with the remaining 8 living in Sunderland. 1 apartment was sold to a GP practice to provide a doctors and clinicians service for residents.

#### **Breakdown of homes released on first-let**

- 4 x 1 bed bungalow (rent)
- 2 x 2 bed bungalow rent and 5 x owner occupiers
- 2 x 3 bed bungalow owner occupiers

- 1 x 2 bed house rented and 2 x owner occupiers
- 3 x 3 bed house rented and 1 x owner occupiers
- 1 x 4 bed house rented and 2 x owner occupiers
- 3 x 2 bed flat rented and 2 x owner occupiers
- 1 x 1 bed sheltered flat rented
- 3 x 1 bed flat rented and 1 x owner occupiers
- 2 households living with relatives
- 1 x privately rented bedsit.

#### Breakdown of homes released on re-let

- 1 x 2 bed house rented
- 1 x 1 bed flat rented
- 1 x 3 bed bungalow rented

#### **Context**

The scheme was not originally commissioned with the intention of freeing family housing. The motivation to develop these units was to provide suitable and appropriate accommodation for older people. However, the local authority were aware that the development of these extra care units would enable the release of family homes into the wider housing market, which would in turn help to improve flows within the market across tenure.

The site was chosen due to the availability of council-owned land, rather than an identified specific problem with under-occupation in the local area.

#### **Incentives for Older People to Release Homes**

The council does not provide any financial incentives to encourage older people to release larger, family housing. However, the council has resurrected council mortgages to help families to get on to the property ladder and to purchase homes that have been freed-up by those who have moved into extra care accommodation. This is an incentive to help encourage flows within the housing market, rather than to encourage older people to release under-occupied housing.

#### **Evidence of Cost-Savings/ Other Savings**

Cost saving analysis is currently underway. There have been cost-savings in terms of the reduction in the numbers of older people being referred to residential and nursing care due to the additional extra care units that have been made available.

#### **Funding**

The local authority contributed the council-owned land on which the development was built. Funding for the actual construction was provided by the Homes and Communities Agency and Housing 21, with Frank Haslam Milan as the construction partner.

## **Key Learning Points**

Sunderland City Council have produced a wealth of resources on the subject of extra care accommodation, including a design guide for extra care and an extra care management guide that was published for the Housing LIN. All of these resources are available to download from the Sunderland City Council website via the following link:

[www.sunderland.gov.uk/extracare](http://www.sunderland.gov.uk/extracare)

With regards to additional advice and learning points, the authority has listed the following:

- Partnership working is the key to a successful development – Sunderland City Council have worked closely with Housing 21, FHM and separately with Gentoo with regards to the design, marketing and operation of the extra care schemes. Communication is key.
- To tackle the lack of awareness and understanding amongst the local population of the concept of extra care, the authority have produced numerous press releases and marketing materials and have worked closely with health professionals to help them to refer older people to the schemes appropriately. This work is helping older people and professionals to understand extra care as a housing option and is helping to ensure that the schemes are sustainable and that there is a real choice of independent living for older households and an alternative to residential and nursing care for the households with higher care and support needs.

## **Future Plans**

The fourth extra care scheme being developed in partnership with Gentoo Group is due for completion in August this year. This will provide 40 two bedroom apartments and 7 two bedroom bungalows, the latter built to Passivhaus standards. This scheme will also provide four apartments for short term reablement and rehabilitation, prior to moving back to their main home. A further scheme is to be developed by Housing 21 and FHM in Sunderland, which will include specialist dementia provision.

Housing 21 and FHM are currently discussing the potential of providing a further 6 retirement villages within Sunderland, which, if the provision goes ahead, will provide just under 1,000 units of accommodation. The requirement for people with dementia and their carers will also be considered as these schemes develop. This will help to release a large number of family homes as well as providing an appropriate and high quality accommodation option for older people in the City. Engagement with the Health Authority is continuing to encourage reablement and dementia services within future schemes as appropriate.

## **6. Acknowledgments**

We would like to thank everyone who spoke to us over the telephone and/or completed our questionnaire. The contributions have been invaluable.

Thanks also to Jeremy Porteus, Housing Learning and Improvement Network, for his editorial contribution.

## 7. Other relevant LIN publications and References

- Housing LIN Factsheet 1 (2008), Extra Care Housing ‘What is it?’
- Housing LIN Viewpoint No. 19 (2011), Downsizing for Older People into Specialist Accommodation’
- Housing LIN report (2009), Extra Care Housing and the Credit Crunch: Impact and opportunities
- Housing LIN report (2009), Marketing Extra Care
- Housing LIN report (2008), Whose Market? Understanding the demand for Extra Care Housing: A Strategic Approach
- Report National Federation of Housing (2010), Research on under-occupation in the East of England
- Homes and Communities Agency (2011), Vulnerable and Older People Advisory Group Annual Report, “Meeting the needs and aspirations of an ageing population”. London: HCA
- Frontier Economics (2010), “Financial benefits of investment in specialist housing for vulnerable and older people”. London: HCA
- Housing LIN Factsheet No 32 (2010), “Private Extra Care Housing: a new market?”

## 8. Useful Contacts

Department of Health

[www.dh.gov.uk](http://www.dh.gov.uk)

Department of Work and Pensions

[www.dwp.gov.uk](http://www.dwp.gov.uk)

Department of Communities and Local Government (CLG)

[www.communities.gov.uk](http://www.communities.gov.uk)

### ***Organisations referenced in the Case Studies***

#### **Wealden District Council**

Vicarage Lane

Hailsham

East Sussex

BN27 2AX

#### **Sussex Housing & Care**

Ronald Simson House

24 Sutton Avenue

East Sussex

BN25 4LG

#### **Northumberland Care Trust**

County Hall

Morpeth

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NE61 2EF

**Milecastle Housing**

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NE46 4TU  
[enquiries@milecastlehousing.co.uk](mailto:enquiries@milecastlehousing.co.uk)

**Sanctuary House**

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LS14 6UF

**Sheffield City Council**

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Pinstone Street  
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[firstpoint@sheffield.gov.uk](mailto:firstpoint@sheffield.gov.uk)

**The ExtraCare Charitable Trust**

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Humber Road  
Coventry  
CV3 4AQ

**Nottingham City Council**

Loxley House  
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Nottingham  
NG2 3NG

**McCarthy & Stone Retirement Lifestyles Ltd**

26-32 Oxford Road  
Bournemouth  
Dorset  
BH8 8EZ  
[Info@mccarthyandstone.co.uk](mailto:Info@mccarthyandstone.co.uk)

**Sussex County Council**

Conquest House  
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KT1 1AB

**Housing 21**

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**Sunderland City Council**

Civic Centre  
Burdon Road  
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**National Housing Federation**

1st Floor  
White House  
111 New Street  
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B2 4EU  
Tel: 0121 634 1530  
[www.housing.org.uk](http://www.housing.org.uk) | [www.inbiz.org](http://www.inbiz.org)  
Email: [info@housing.org.uk](mailto:info@housing.org.uk)

For further information about the Housing LIN and to access its comprehensive list of on-line resources, visit [www.housinglin.org.uk](http://www.housinglin.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.

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