



## Housing, prevention and early intervention at work: a summary of the evidence base

This Viewpoint provides an overview of the evidence base and personal account of the key housing and housing with care and support issues relating to prevention and early intervention. It was written to help inform priority area 4 of the Department of Health's *Caring for our Future: Shared ambitions for care and support* consultation and the work of the NHS Future Forum.

Written by **Jeremy Porteus**, Author of All Party Parliamentary Group on Housing with Care for Older People *Living Well at Home* Inquiry Report, for the Housing Learning and Improvement Network

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## Introduction

There is growing evidence that housing and housing related care and support services can make a significant financial contribution to health and social care economies by offsetting health and social care expenditure. However, this is often poorly understood by health and social care professionals and those developing public policy.

Recent policy developments have been underpinned by seeking to:

- transform local services to provide greater quality and choice
- increase productivity through an integrated service delivery model
- offer greater personalisation of care and support; and
- achieve efficiencies to obtain savings or enable monies to be reinvested in front-line services<sup>1</sup>.

However, too often, health, housing and social care services have been siloed, with little understanding of the financial dependency between each of these services, especially in relation to the effectiveness of housing in preventing, delaying, reducing or diverting demand on more costly health and social care services.

This is beginning to change and the Housing Learning and Improvement Network<sup>2</sup> is well placed to articulate how housing and prevention works on the ground, drawing on latest policy implementation and practice developments. For example, as outlined in the recent All Party Parliamentary Group on Housing and Care for Older People Inquiry<sup>3</sup>, the current financial climate means that:

- there is less capital and revenue resources available and ‘more for less’ is an economic reality
- any investment decisions need to demonstrate how they will provide a return and/or deliver care efficiencies to enable older people to ‘live well at home’
- commissioners, providers and developers need to get much closer to the market to better understand the needs and aspirations of older people and vulnerable adults with a long term condition (the demand) and begin to raise the capacity/facilitate the provision of housing and housing related care and support (the supply) as a realistic alternative to more costly and intensive inpatient and residential care services.

## A health and social care dividend

In the light of the above, this summary briefing explores the latest research and findings on the preventive aspects of both capital and revenue housing interventions in local care economies and the wider benefit realisation. In particular, it captures research that evidences the cost benefit of support for older and vulnerable adults with a long term condition in extra care housing as an alternative to residential care to findings from preventing to unnecessary admissions into acute hospital settings. This evidence shows the care efficiencies that can be achieved and the potential for savings on the public purse.

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<sup>1</sup> Caring for our Future - consultation exercise, Department of Health (2011)

<sup>2</sup> For a range of related case studies and factsheets, visit [www.housinglin.org.uk/products/](http://www.housinglin.org.uk/products/)

<sup>3</sup> *Living well at home*. All Party Parliamentary Group on Housing and Care for Older People (2011)

For example, the NHS spends £600million treating people every year because of ‘category 1’ hazards in poor housing, the vast majority being associated with falls. A range of evidence demonstrating the resultant cost benefits of home repairs, adaptations and hospital discharge housing related help has been identified by the recent findings from the Fit for Living Network<sup>4</sup>. It reveals:

- an evaluation of handyperson services, (which provide fast, low cost help with adaptations and repairs), indicates that, for every £1 spent on these services, £1.70 was saved, the majority to social services, health and the police<sup>5</sup>
- hospital discharge schemes offering housing help to speed up patient release save local government social care budgets at least £120 a day<sup>6</sup>
- an analysis by Care and Repair Cymru of the outcomes of their Rapid Response Adaptations programmes identified that every £1 spent generated £7.50 cost savings to the NHS. These savings were associated with speeded up hospital discharge, prevention of people going into hospital and prevention of accidents and falls in the home<sup>7</sup>
- the national evaluation of the Department of Health Partnerships for Older People Projects pilots (POPPs) found economic benefits from targeted intensive interventions to prevent crisis (e.g. falls services) or at a time of crisis (e.g. rapid response hospital admissions avoidance services) or post-crisis re-ablement services. For every £1 spent on such services to support older people, hospitals were found to save £1.20 in spending on emergency beds<sup>8</sup>
- each year, 1 in 3 people over 65 and almost 1 in 2 people over 85 experience one or more falls, many of which are preventable. A single fall at home that leads to a hip fracture costs the state £28,665 on average – over 100 times the cost of installing hand and grab rails in the average home. Hip fractures are the event that prompts entry to residential care in up to 10% of cases<sup>9</sup>
- where it is appropriate, postponing entry into residential care for one year saves an average of £28,080 per person<sup>10</sup>
- providing an adaptation in a timely fashion can reduce social care costs by up to £4,000 a year<sup>11</sup>
- adaptations can reduce the need for daily visits and reduce or remove costs of home care (savings range from £1,200 to £29,000 a year)<sup>12</sup>

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<sup>4</sup> *Pathways to prevention: Maximising the opportunities of the integration of health with social care and housing for the benefit of low income, older home-owners*, Housing Association Charitable Trust (2011)

<sup>5</sup> *Handyperson evaluation: interim findings*. Department of Communities and Local Government (February 2011)

<sup>6</sup> *National evaluation of POPPs*. Personal Social Sciences Research Unit for Department of Health (2010)

<sup>7</sup> *Care & Repair Service Impact Report – 2009-10 Reporting Year – Rapid Response Adaptations Programme*. Care and Repair Cymru (2010)

<sup>8</sup> *How can local authorities with less money support better outcomes for older people?* Joseph Rowntree Foundation (2011)

<sup>9</sup> *Falls and fractures: effective interventions in health and social care* Department of Health (2009) .

<sup>10</sup> See 6 above

<sup>11</sup> *Time to Adapt: home adaptations for disabled people*. Care & Repair England (2010)

<sup>12</sup> *Better outcomes, lower costs*. Heywood et al (2007)

- Dorset Partnership for Older People Project (part of its Total Place pilot) identified evidence of cost savings from the work of Housing Options for Older People Case Workers addressing housing and support in the home issues for individuals. This work reduced the need for care home placements and home care packages by 60, a cost saving of over £1million<sup>13</sup>

Furthermore, a number of other studies have identified the savings that can be realised with early housing interventions but the return on this investment is over a long term and not within an annual budget cycle or spending review period. For example, research by the Chartered Institute of Housing found that every £1 spent adapting 100,000 homes, could save the NHS £69.37 over 10 years and that every £1 spent improving 100,000 cold homes, could save the NHS £34.19 over 10 years<sup>14</sup>.

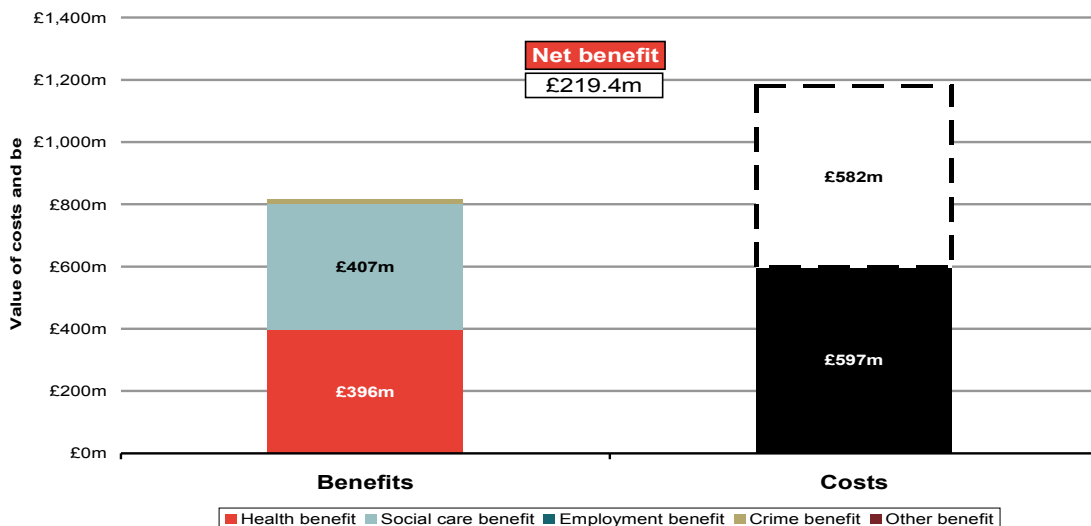
### Putting the extra in extra care housing: prevention at work

Between 2004 and 2010, the Department of Health invested £227m in Extra Care Housing, in partnership with the Homes and Communities Agency (HCA), this levered in over £800m of other funding sources, including land, other public and private finance.

Research by Frontier Economics for the HCA highlights that in recent years ‘macro’ capital investment in extra care housing resulted in a net benefit to health and social care.

The most significant benefits are achieved where the provision of specialist housing reduces the use of institutional care. This includes residential and social care, particularly for older people (by far the largest client group).

In particular, the research showed that with regard to costs and benefits of specialist housing for older people, a capital net benefit of nearly £220m (see diagram below)<sup>15</sup>:



<sup>13</sup> Bournemouth, Dorset & Poole. *Total Place Pilot: Final Report* (2010)

<sup>14</sup> Reported in *Good homes in which to grow old? The role of councils in meeting the housing challenge of an ageing population*. LGA (2010)

<sup>15</sup> *Financial benefits of investment in specialist housing for vulnerable and older people*. HCA (2010)

Two further independent evaluations of extra care housing have also found significant revenue savings in relation to domiciliary care and residential care.

Home care: research by the ILC-UK<sup>16</sup> indicates the potential fiscal benefits that could result from a reduction in care needs within an extra care housing setting. For example, a movement from low support needs to very low support needs equating to a potential saving of over £5,000 annually per person.

Furthermore, where a block amount is charged for care provided at higher FACS levels of care, ILC-UK found that 26% of those who enter on a higher support package experience a decrease in care needs within 5 years. They conclude that this equates to a potential annual saving for residents who rely on social services contributions, and who move from a higher care package, of £5,432.60 per person or;

Taking an average scheme of 60 housing with care apartments for older people, this potentially results in annual revenue saving on home care of £326,000 per annum.

Residential care: Forthcoming research by the PSSRU at the University of Kent<sup>17</sup> reports that better outcomes and similar or lower costs indicate that extra care housing appears to be a cost-effective alternative for people with the same characteristics who currently move into residential care.

However, it is not just about the finances, the research cited above also provides evidence that extra care housing offers qualitative improvements to the health and wellbeing of residents and can compress morbidity up to 9 years, thereby avoiding more costly care interventions at an early stage. Indeed, a survey of triggers for a move to residential care by the Institute of Public Care found that as many as 31% of placements could have been avoided if alternative housing choices had been available locally<sup>18</sup>.

### **A better framework for measuring the costs and benefits**

More recently, FirstStop has commissioned a short report on the economic case for offering support to older people who are considering changing their home, or moving<sup>19</sup>. The forthcoming report will examine 5 models of support and advice offered to older people which help them consider where they want to live and to implement those choices. These are themed around:

- a HomeShare organisation
- helping owner occupiers and social tenants to decide where they want to live
- Advice and support to sustain independent living
- Practical help, advice and support on care and repairs
- The organisation of moves for older people who are downsizing

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<sup>16</sup> *Establishing the extra in Extra Care: The costs and benefits of living in extra care housing*. ILC-UK (2011)

<sup>17</sup> *Improving Housing with Care Choices for Older People: An Evaluation of Extra Care Housing*. PSSRU/Housing LIN (2011)

<sup>18</sup> Kerslake A and Stilwell P (2004), *What makes older people choose residential care and are there alternatives?* Institute of Public Care in Housing, Care and Support journal, Pavilion

<sup>19</sup> [www.firststopcareadvice.org.uk](http://www.firststopcareadvice.org.uk)

The report will be an extremely useful framework for demonstrating the benefits of housing interventions and evidencing some of the cost-avoidance, financial benefits and indirect financial benefits that are attributable to those services. In turn, this will help support local investment decision making, in particular:

- 1) Building the capacity and capability of commissioners who are considering which models would benefit their area, given housing tenure, circumstances and demography
- 2) Supporting providers who want to demonstrate why their service is a sensible funding proposition and are 'in tune' with the transformation of local services
- 3) Enabling investors who are interested in the potential for services to expand existing and/or create new markets, including self-funders

### **If the evidence is so compelling, what's preventing housing playing a role?**

As highlighted above, there are now a number of validated examples that demonstrate the role housing can and does play in prevention and the resultant calculated benefits. However, there still appear to be a number of factors that prevent the widespread acceptance of housing's contribution to prevention and early intervention. Some of this is due to the lack of a common lexicon that is shared and understood across clinical, housing and social care interventions coupled with a 'silo' mentality and/or a 'mono' culture within health, housing and social care organisations – in styles of leadership and governance, the rigour of research methodologies applied, systems for financial accountability and performance management, the practice and language used in delivering person-centred services, operational short-termism and so on. These, more often than not, lead to the exclusion of effective partnership working, transparent pooling of resources, and enabling holistic outcomes for citizens, whether they are patients, residents and/or clients.

### **Conclusion**

What is clear is that for prevention and early intervention to be effective and deliver on these outcomes requires a multi-dimensional approach which can, in turn, attribute benefits, efficiencies and any cash releasing savings. In the current climate of austerity, this requires a new way of thinking within and engaging across local care economies that rewards closer integration, offers incentives to encourage innovation and market development, supports investment in physical (housing and environment) and social (people and community) capital and thereby realises longer term rewards. The prize is that health, housing and social care can build that new home together.

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Housing Learning & Improvement Network  
c/o EAC,  
3rd Floor, 89 Albert Embankment  
London SE1 7TP  
Tel: 020 7820 8077

Email: [info@housinglin.org.uk](mailto:info@housinglin.org.uk)

Web: [www.housinglin.org.uk](http://www.housinglin.org.uk)