

Striking the right balance.



**A SOCIAL RETURN ON
INVESTMENT STUDY OF
VERY SHELTERED HOUSING**

This study measured the **well-being benefits**, created by Very Sheltered Housing, and the **financial returns and savings** for the Scottish Government.

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**A SOCIAL RETURN ON
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FOREWORD

One of the key challenges facing Scotland is that of meeting the housing needs of an ageing population. The incidence of disability increases with age. So we know that there will be a very substantial rise in the number of disabled people seeking suitable accommodation over the next two decades.

Unfortunately much of our accommodation is not suitable. This is particularly true for those with high levels of need. In the past, many of these individuals would have been accommodated in care homes. But this sector has faced many challenges in recent years. Issues of regulation, finance and cost have halted and indeed reversed its growth. In 2010, there were 2000 fewer care home residents in Scotland than there were a decade earlier.

The introduction of free personal care was accompanied by significant pressure to change the balance of care – shifting the focus of care for the disabled from institutional to private care provision. In 2002, just after the policy was introduced, there were 24,000 people in Scotland receiving free personal care at home. A decade later, numbers have almost doubled. In 2012, 15,700 of these clients were being given more than 10 hours of local authority commissioned care each week.

But many private houses are not suitable for the provision of such high intensity care. While planning regulations have to some extent improved the extent to which new houses are "disabled friendly", the vast bulk of our housing

stock is not suitable for high intensity care provision. Hence the need to expand provision of intermediate care solutions such as Sheltered or Very Sheltered housing. It is important that such provision is both meeting the care needs of clients and is cost-effective in a very tight public spending environment.

Against this background, the publication of this research report by Bield, Hanover and Trust is especially welcome. The work by the Envoy Partnership on Stage 3 adaptations for those living in Sheltered or Very Sheltered Housing and on Very Sheltered Housing itself is a thorough investigation of the costs and benefits of investment in these care facilities. The research specifically shows that there is a significantly positive Social Return on Investment in these facilities. In addition, there are substantial well-being benefits to clients through their being able to maintain their independence, autonomy and maintaining existing social relationships. The research has drawn on both quantitative and qualitative sources in Scotland and used modern assessment tools such as the Adult Social Care Outcomes Toolkit developed by PSSRU at the University of Kent to arrive at its conclusions.

This is a substantive addition to the debate on how best to allocate limited resources in support of frail older people, which deserves to be taken seriously by all of the stakeholders involved in seeking the best possible outcomes for this vulnerable group of individuals.

Professor David Bell, FRIC
Professor of Economics, University of Stirling



INTRODUCTION

As we get older we face challenges to our physical and emotional well-being, which might mean moving out of a home that is no longer suitable.

It is not always easy to strike the right balance between a home where someone can be independent, see friends and family, and spend their time as they choose - and a home where someone is safe and receives the appropriate level of care.

Very Sheltered Housing strikes this balance. It consists of self-contained flats or houses for people that need regular support, and provides enhanced staff cover and additional welfare checks; as well as onsite communal meal services and 24-hour cover and assistance in some settings. It therefore provides a greater level of support and safety than a tenant may have living alone in the community, while still providing a significant degree of independence and autonomy. It is also a substantially cheaper option than a Care Home.

Bield, Hanover (Scotland), and Trust Housing Associations commissioned a Social Return on Investment (SROI) study to examine the value created by Very Sheltered Housing. It measured the well-being benefits of such housing, and the financial returns and savings for the Scottish Government. It provides a better sense of value for money, and informs the debate around the provision and funding of housing for older people.

The SROI referred to in this report has been independently peer-reviewed by Ellis Lawlor, co-author of the Cabinet Office's Guide to Social Return on Investment. It is the opinion of the reviewer that the analysis conforms to the SROI principles and methodology and gives a good account of the value created for tenants and for the Scottish Government by Very Sheltered Housing. The full report can be found online at: www.bield.co.uk, www.hsha.org.uk, or www.trusha.org.uk.

SUMMARY

An investment of nearly £18.3 million in Very Sheltered Housing leads to:

- **Levels of autonomy, well-being, and (in particular) independence that are significantly higher than in care home alternatives.**
- **Levels of social well-being - including contact with friends, family, and belonging to the community - that are also higher than in care home alternatives.**
- **In total, a Very Sheltered housing unit saves an estimated £19,000 a year in care home costs.**

The study demonstrates that the £18.3 million that Bield, Hanover, and Trust invest in Very Sheltered Housing developments creates £33.7 million of social value. 95% of this is through savings in care home costs; the remainder is through increased levels of well-being for tenants.

This gives a total return on investment of £1.50 to £2.00 for every £1 invested.

BACKGROUND: The demand for Very Sheltered Housing

The Scottish Government's population statistics show that the over 65 population is projected to rise by 21% between 2006 and 2016. The over 85 age group is projected to increase 38% by 2016, and by 144% by 2031 - almost two and a half times the number today¹.

According to the Scottish Government's "*Review of Sheltered Housing in Scotland*" (2008) housing associations own 85% of the 4,000 or so Very Sheltered or "*extra care home*" units in Scotland. The general view is that overall demand for Very Sheltered Housing and Extra Care Housing will increase over the next decade.

The substantial five to ten year growth projection of an ageing and longer-living population is a strong indication that the supply of Very Sheltered Housing will need to grow. Providers will need to balance this growing need with the aspirations of older people, who want to stay in their communities for as long as possible and have independence and control; they will be supported by personalised care packages that "*do not feel like care that is intrusive*".

¹ISD Scotland statistics 2010

Providers will need to balance this growing need with the aspirations of older people, who want to stay in their communities for as long as possible and have independence and control.



BENEFITS OF VERY SHELTERED HOUSING

Very Sheltered Housing consists of self-contained flats or houses for frail older people that need regular care and support. It allows tenants greater independence and autonomy than they would likely have in a Care Home. Although the provision and quality of Very Sheltered Housing varies between providers, the average annual cost is around £11,000 per property.

Consultation with tenants, their family members, and management and support staff identified a range of benefits that Very Sheltered Housing delivers. These benefits (or outcomes) are outlined in Table 1 and Table 2 below and on page 5.

- In most cases tenants would need Care Home provision were it not for Very Sheltered Housing. In a few cases tenants might have been able to remain in their previous home with some support.
- Most felt that Very Sheltered Housing enabled greater levels of independence, autonomy, control, and psychological well-being, and allowed greater access to friends and family than other housing alternatives.
- Very Sheltered Housing provision reduced stress and anxiety among family members, who felt reassured that their relatives are well looked after. Their relationships substantially improved.

TABLE 1: Outcomes for tenants

AREAS ASSESSED	OUTCOMES FOR TENANTS	WHAT TENANTS SAY
Personal well-being	Privacy	"I have my own flat, so I can be by myself when I want to be."
	Independence	"It enables you to keep thinking for yourself and do things for yourself - I've just been to the hairdressers for example."
	Confidence	"I get all the support I need here, and it does make me more confident."
	Autonomy & control	"It enables you to choose to do everything you are able to, when you want to."
	Sense of safety ²	"In this day and age, you need security and I feel very safe and secure here."
	Psychological well-being	"I was living with my daughter but her children were growing up and it was very stressful in a small house. I feel much better now."
Social well-being	Improved family relationships	"It gives my family great peace of mind to know I am happy, comfortable and safe."
	Social relationships with others	"My friends are nearby so I still get to see them when I want."
	Greater sense of community & belonging	"The sense of community is strong, and even us new people moving here change for the better and get into the spirit of things."
Financial	Reduction in (self-funded) Care Home need	"I dread going to a nursing home."



TABLE 2: Outcomes for families and the government

OUTCOMES FOR FAMILIES	OUTCOMES FOR THE GOVERNMENT
Reduced anxiety	Reduction in need for (Local Government funded) social care; ability to direct resources to other people in need
Reduced emotional stress	Reduction in (Central Government funded) Care Home need
Time & cost savings (e.g. through reduction in need to be "on call", or to travel to residence more often)	

QUANTIFYING AND VALUING BENEFITS

To create a strong evidence base to analyse the value for money and return on investment of Very Sheltered Housing, new research was conducted to add to the existing data held by the housing associations, and the other research evidence. Further details of this research can be found in the main report.

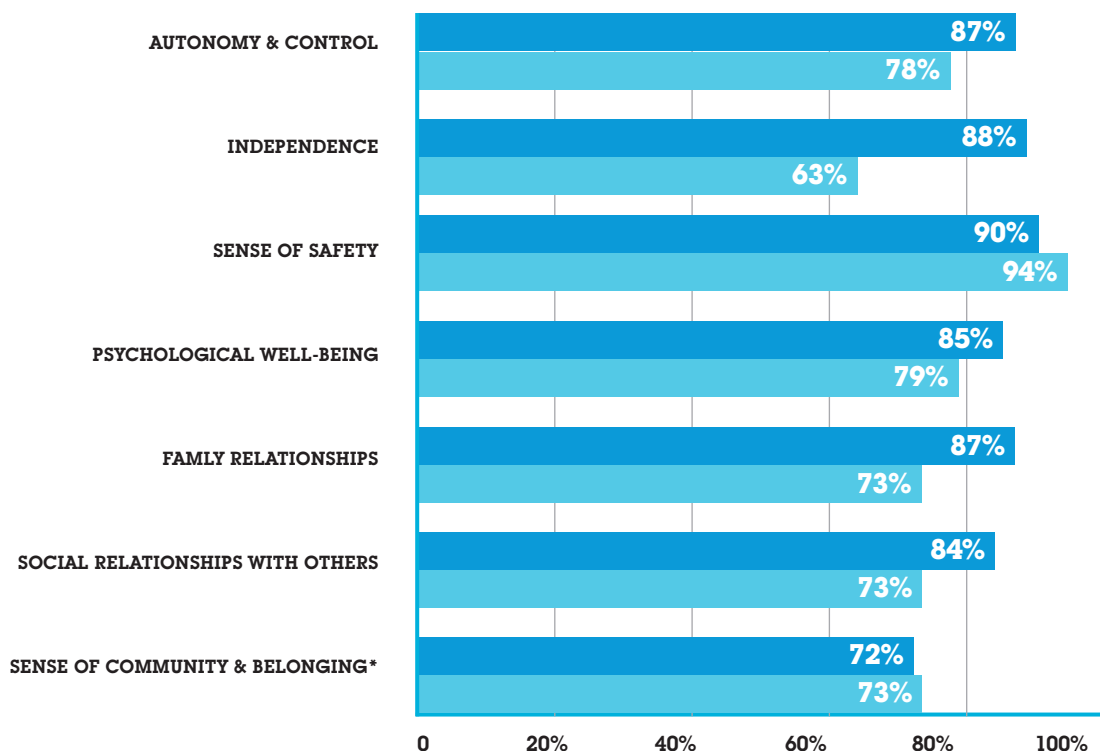
The study finds that the benefits of Very Sheltered Housing include:

1. A reduction in the need for Care Home provision worth £19,000 per tenant. The Scottish Government would have paid for approximately 63% of this
2. Greater levels of confidence, independence, autonomy, and relationships with friends and family than would be the case in alternative residential settings

3. An overall reduction in the need for care of 63 hours a year for those who would otherwise have been in their previous home, with a cost saving of approximately £1,300
4. Peace of mind for tenants' families, which reduces levels of anxiety and reduced emotional stress for all involved
5. Very Sheltered Housing assists partner agencies meet the needs of their clients.

Figure 1 below shows the comparison with levels of autonomy & control, independence, sense of safety, psychological well-being, and quality relationships in Care Homes.

FIGURE 1: Well-being comparison: Very Sheltered Housing and Care Homes



*Not statistically significant at the minimum level

■ VERY SHELTERED HOUSING
■ PSSRU BENCHMARK: Measuring the outcomes of Care Homes

A reduction in the need for Care Home provision worth £19,000 per tenant. The Scottish Government would have paid for approximately 63% of this.



RESULTS

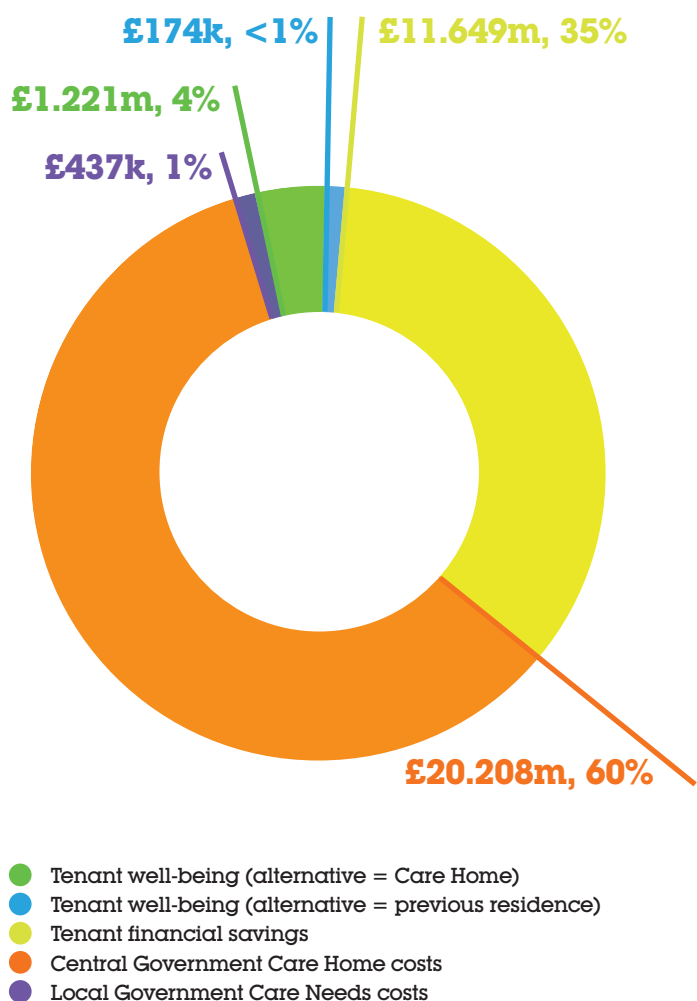
The study finds that every £1 invested in Very Sheltered Housing creates:

- Benefits to tenants of £0.50 to £1.00 (through improved well-being and reduction in self-funded Care Home cost)
- Savings in Care Home costs to the government of £1.00 to £1.50
- **A total Social Return of between £1.50 and £2.00 for every £1 invested**

The combined investment of £18.3 million in Very Sheltered Housing provided by Bield, Hanover and Trust, leads to a total return of £33.7 million.

This study shows that the combined investment of £18.3 million in Very Sheltered Housing provided by Bield, Hanover, and Trust, leads to a total return of £33.7 million. **Figure 2** below shows the breakdown of value between different outcomes.

FIGURE 2: Total Attributable Value Created by Very Sheltered Housing



CONCLUSIONS

The Scottish Government's objectives laid out in *Re-shaping Care for Older People (2010)* emphasises the need to "maximise benefits for older people while minimising the cost to the taxpayer", and "to promote an enabling approach".

This study contributes evidence that Very Sheltered Housing is an excellent way to achieve these objectives, and demonstrates the extent to which Very Sheltered Housing can help the Scottish Government in their programme to "Shift the Balance of Care" (2010) from care homes and hospitals. The study also demonstrates how successful this service is at delivering value for money, whilst enabling older people to live independently for as long as possible.

The study shows that Very Sheltered Housing saves substantial sums of money when compared with alternative forms of provision (particularly Care Homes), while at the same time delivering better outcomes for tenants. Existing research on future demand for Very Sheltered Housing is limited. However, an ageing population suggests that demand is likely to go up rather than down.

RECOMMENDATIONS

- That the Scottish Government, health and social care providers, and housing organisations utilise this evidence to inform their strategy for Very Sheltered Housing within the "Shifting the Balance of Care" context
- That a key part of this strategy is to grant fund the remodelling of Sheltered Housing
- That new supply of Very Sheltered Housing should be considered
- That the evidence of economic and well-being benefits of Very Sheltered Housing is more widely promoted to older people and their families, and other agencies (including commissioners)
- That a social-value approach is applied more widely to build evidence of the overall quality of specialist housing for older people, and the flexibility of alternative services being developed and implemented
- That further ways to integrate Sheltered and Very Sheltered Housing developments as assets within local communities are examined
- That further research is undertaken into Very Sheltered Housing for specific groups where demand is likely to increase in the future (e.g. those with specific health conditions; members of the BME community)

The study shows that Very Sheltered Housing saves substantial sums of money when compared with alternative forms of provision (particularly Care Homes), while at the same time delivering better outcomes for tenants.

SROI METHODOLOGY

SROI is a type of stakeholder-informed cost-benefit analysis that uses a broader understanding of value for money. It assigns values to social and environmental outcomes, as well as to economic outcomes, and aims to help organisations make improved spending decisions. Its development in the UK has been pioneered by organisations such as the *new economics foundation* and the SROI Network. This national development has been funded by the UK Office for Civil Society and the Scottish Government (through the *SROI Project*). It is increasingly used to measure value for money and is recommended by the National Audit Office as a recognised tool for social and economic analysis.

The steps followed in this SROI study draw from the UK Cabinet Office guide and Scottish Government's SROI Project, which are as follows³:

1. Establishing scope and identifying key stakeholders
2. Mapping outcomes
3. Evidencing outcomes & giving them a value
4. Establishing impact
5. Calculating the SROI
6. Reporting, using, and embedding

New primary research was carried out for this SROI study, which included:

Stakeholder engagement:

- Qualitative research carried out at five residences in Ayrshire, Glasgow, West Lothian and Edinburgh, run by the three housing associations in Scotland, which consisted of 50 interviews with tenants and family members, and additional interviews were conducted with staff.

Data collection:

- 448 quantitative surveys of tenants in Sheltered or Very Sheltered properties.
- A further 482 quantitative surveys of tenants living in Very Sheltered Housing.

This SROI evaluation drew on a variety of existing data from the three housing associations, from the Scottish Government, and from other academic and research resources. In particular, the analysis utilised expenditure data, tenancy tenure length, and average adaptation costs and types.

See the full report for more details of the methodology used in this SROI.⁴

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³ For more details see www.thesroinetwork.org/sroi-analysis/the-sroi-guide

ABOUT BIELD, HANOVER, TRUST, ENVOY

About the Housing Associations

Bield, Hanover (Scotland) and Trust Housing Associations are at the forefront of providing for the housing, care and support needs of older people across Scotland. As the three largest Scottish providers of supported housing for older people, we have developments in practically every part of the country.

The three organisations have a long and proud track record of working together on the issues that matter – on good practice, policy, joint procurement and equalities. We work closely with the Scottish Government and local authorities to develop appropriate housing and services for older people.

About Envoy Partnership

Envoy Partnership is an advisor in evidence-based communications and strategic research. We specialise in measuring and demonstrating the value of social, economic and environmental impacts.

We are dedicated to providing organisations, stakeholders, investors and policy makers with the most holistic and robust evaluation tools with which to enhance their decision-making, performance management and operational practices.

The study was conducted by Oliver Kempton, Andy Warby and David Williams.



Bield, Hanover and Trust are at the forefront of providing housing, care and support services for older people across Scotland.

We work closely with the Scottish Government and local authorities to develop new and creative solutions.

CASE STUDIES

Mrs Joyce Irvine, Morris Court, Dalry

Mrs Irvine is a 77 year old lady with Parkinson's Disease who had to move from her previous accommodation due to flooding and was temporarily placed within a Care Home for several months. She was extremely unhappy living in the Care Home and began to suffer depression due to isolation and reduced independence.

When Mrs Irvine moved to Very Sheltered Housing, her depression improved and she greatly valued and enjoyed the benefits and independence of having her own home. She has lived in very sheltered for 7 years. Staff were able to recognise the importance of spending time carrying out personal tasks to assist her, for example, in helping her apply makeup. These very simple tasks have helped improve her self-esteem.

Over the years Mrs Irvine's condition has deteriorated significantly and she became totally reliant on staff to provide assistance and care for her daily living. At her development integrated care and support services are now provided and this has helped Mrs Irvine remain independent. It has not only allowed continuity of care, but, more importantly for Mrs Irvine, she has fostered an excellent relationship with the staff team involved as she had very limited family support.

When Mrs Irvine moved to Very Sheltered Housing, her depression improved and she greatly valued and enjoyed the benefits and independence of having her own home. She has lived in very sheltered for 7 years.

Mrs Mary Stewart, Brae Court, Linlithgow

Mary moved to Brae Court 30 years ago with her husband, who had a heart condition (and has sadly since passed away). Mary was a nurse and enjoys interacting with people. Her great grandchildren call her "Supergran", and no wonder after reaching 100 years in stellar form.

"...I've lived here for 30 years, and I feel Bield's Very Sheltered Housing is an absolutely splendid idea. It allows me to keep my choice, my independence, liberty and dignity - this is what life is about! It enables you to keep thinking for yourself and do things for yourself - I've just been to the hairdressers for example - and choosing to do everything you are able to, when you want to - including helping others.

Everyone here is treated as family and most people are delightful, the Bield staff and managers are all so wonderful; This place lets me see the wider picture for people other than myself... the stimulus and physical exercise are here when you want it, which I do get involved in... and it gives my family great peace of mind to know I am happy, comfortable and safe. Independence and security are extremely important to them and to me, and I've never regretted coming here. I would recommend it to everybody."



***“It allows me to keep my choice,
my independence, liberty and
dignity – this is what life is about!”***

Mrs Mary Stewart

CASE STUDIES

Mr Frank Cairns, Morris Court, Dalry

A key example of the benefits of having a combined service was evident in the case of Mr Cairns, a 56 year old gentleman who is paralysed from mid chest down, with limited hand movement and no ability to move his head. Mr Cairns was previously placed in a Care Home outwith his local community. It was recognised by external agencies that he was inappropriately placed and would benefit from his care and support needs being met within a local homely setting.

Mr Cairns has full cognitive and mental capacity and, quite rightly, very strong views on his delivery of care. Staff in his new setting are trained on how to manage his specific needs taking into account his multiple health issues and this work was done in tandem with the local nursing team. This approach allowed Mr Cairn's complex care needs to be met whilst taking account of his personal wishes to ensure maximum choice and dignity.

The Care Home had not only left Mr Cairns socially isolated from his family and friends but was also costly. He said: *"for 3 years before my move my family could only visit at weekends"*. Mr Cairns now enjoys the continuity of a designated staff team and is now able to spend quality time with family and friends independently.


Staff in his new setting are trained on how to manage his specific needs taking into account his multiple health issues and this work was done in tandem with the local nursing team. This approach allowed Mr Cairn's complex care needs to be met whilst taking account of his personal wishes to ensure maximum choice and dignity.

Mr Jimmy Colligan, Brae Court, Linlithgow

Jimmy moved to Brae Court in 2010 from Whitburn, following a stroke and suffering from severe arthritis. Jimmy felt a move to Very Sheltered Housing meant he could still live independently, still drive his car and be part of a strong local community that he was familiar with.

"...In this day and age, you need security and I feel very safe and secure here. I know Linlithgow from before and my family are very close to here. The central location of Brae Court is excellent and accessibility is really really good. There's a great variety of things to do and see here. My flat has a great view and it's very comfortable in design.

I have my own furniture and I am free to come and go as I please. I like this element of freedom very much, as we all get to meet different people and we all help one another – the sense of community is strong, and even us new people moving here change for the better and get into the spirit of things. It's a really happy place, I'd recommend it to anybody, even the Londoners!... I feel really good, my well-being overall is much better, and I have a strong sense of control over how I live. It gives us a strong dignified life, and this is very important to myself and my family who don't have to worry in any way, they know the Bield residence staff here are excellent – it's unbelievable how good they are, top to bottom. And we can get very good meals when we need them."



“I’m free to come and go exactly as I please, and I like this element of freedom very much, as we all get to meet different people and we all help one another – the sense of community is strong...”

Mr Jimmy Colligan

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[†] A direct quote from a resident manager from one of the case study developments.

[‡] Families as well as tenants were interviewed as part of the qualitative research, and the survey of tenants asked about family relationships. However, a quantitative survey of family members has not been undertaken, and the positive impact on families identified in the qualitative research has not been quantified and valued in the SROI model.

This study demonstrates the extent to which **Very Sheltered Housing can help the Scottish Government** in their programme to “*Shift the Balance of Care*” (2010) from care homes and hospitals.

