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Setting Standards for
Retirement Communities

Mixed Tenure in Extra Care Housing

TECHNICAL BRIEF

A comprehensive review of the principal ways of achieving mixed tenure in extra care housing developments

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Housing Learning & Improvement Network

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Part One:

Introduction to mixed tenure in extra care housing

This Technical Brief is intended to help housing and care providers with mixed tenure developments to anticipate and avoid some of the problems and risks inherent in mixed tenure, extra care housing.

In the latest Department of Health funding programme, a core element of Phase One of the £300m Care and Support Specialised Housing Fund (CASSHF) criteria was the need for mixed tenure developments.¹ This approach will also play a pivotal role in the proposed next phase of the programme specifically on the private sector, to be announced. Furthermore, both the recent Greater London Authority's and Homes and Communities Agency's 2015-2018 affordable homes programmes, and their respective Prospectus', make reference to the increasing delivery of mixed tenure schemes, including housing for vulnerable and older people.²

¹ www.homesandcommunities.co.uk/ourwork/care-support-specialised-housing-fund

² www.london.gov.uk/priorities/housing-land/increasing-housing-supply/the-mayor-s-housing-covenant-2015-18-programme and www.homesandcommunities.co.uk/ourwork/affordable-homes-programme-2015-18

Introduction

Nearly all the large retirement developments, including ‘villages’, recently completed or under construction are now mixed tenure developments. However, managing mixed tenure housing estates generally has proved challenging. Managing just leasehold housing for older people i.e. mono-tenure, for older people can also prove particularly challenging.

This can be understood in the context that there is:

- Limited experience of tenure mixing in retirement housing generally.
- What there is indicates a set of new issues that will be faced by both developers and managers.
- There is even less experience of “extra care” mixed tenure, where there is the added ingredient of care provision, possibly by an organisation separate from the landlord and for a generally frailer and more vulnerable group of people.

Extra care housing may also add a further layer of complication and opportunities for things to go wrong or be established in ways which may prove legally and financially difficult to unravel when mistakes emerge. This is because for example:

- Adult Social Services are often leading extra care housing development but knowledge and experience of housing may be limited. Leasehold or shared ownership for older people in an extra

care housing context is very new and knowledge is still restricted.

- Extra care housing will often incorporate shared equity or other novel funding arrangements which bring a further, separate set of issues and complexity.
- Registered Providers acting as developers of extra care housing may or may not have experience of retirement housing for sale. Even if they have developed or managed retirement housing, they may have no experience of mixed tenure retirement housing. There are complex issues which may not be known about; for example, the relationship between eligibility for Housing Benefit and other benefits and landlord’s maintenance responsibility.
- Where private developers have experience of retirement leasehold housing, this will not normally extend to working with older people who may be eligible for benefit assistance (although there are one or two exceptions like Retirement Security Ltd).

- Private developers may have little experience of shared equity sales. Some private developers also pass the management of retirement schemes on to a Registered Provider:
- Revenue funding models are under regular review and this may change the way services are funded or managed. The key examples are:
 - Withdrawal of Supporting People funding
 - Funding of care through personalisation,³ and
 - Implications of future welfare reform.

However, despite these concerns, the Housing Learning and Improvement Network (LIN) and Elderly Accommodation Counsel estimate that there will be a shortfall of 240,000 units of specialist mixed tenure accommodation for older people by 2030 in England.⁴ Their Strategic Housing for Older People Analysis Tool (SHOP@), endorsed by the Department of Health, is successfully being used by planners, commissioners, authorities and developers to help them better forecast the likely demand for specialist accommodation for older people in their area across a range of tenures.

³ www.housinglin.org.uk/Topics/browse/HousingExtraCare/Commissioning/CareCosts/?parent=8993&child=9012

⁴ www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/



Scope

This technical brief concentrates on legal and financial issues of mixed tenure and the practical management and maintenance consequences and solutions.

The guide also touches on but cannot address in detail, issues particular to mixed tenure in relation to:

- Design
- Care provision
- Marketing.

The origin for some of the difficulties that have arisen in mixed tenure retirement communities has been in failing to understand that leaseholders have distinct legal rights. These differ from the rights of tenants.

Leaseholders also tend to articulate a different set of expectations and aspirations in respect of extra care housing. This should be viewed positively as it creates a momentum for improvements in service delivery. The challenge in a mixed tenure development is to ensure that residents regardless of tenure are treated in as similar and as a transparent way as the legal frameworks allow.

It is presumed that leaseholders are more often paying directly for services or care (as well as owning their homes).

This may not be the case as leaseholders can also claim financial assistance. In some developments, 70% of leaseholders obtain financial assistance with the service charge. However, leaseholders are more likely to assert their rights which have been designed to offer them some control and protection.

This technical brief explains and identifies the differences in the legal and financial frameworks. It is intended to help:

- Avoid serious mistakes in how legal and financial arrangements are set up.
- Offer guidance on practical solutions to address problems in arranging and managing and maintaining mixed tenure developments for frailer, older residents.

As one manager of mixed tenure extra care housing puts it: “It is not that leaseholders challenge services, it is that mixed tenure presents challenges to managers”. Having mixed tenure development is though a positive mechanism for driving up the quality of service and the quality of housing choices available for older people.

Why mixed tenure?

The reasons for considering mixed tenure include:

- Changing **demographics** and the rise in older owner occupiers. As reported by Demos, over 80% of retired people are owner occupiers and own trillions of housing equity.⁵ Going forward developers need older peoples equity to facilitate project development. However, the care and support needs of owner occupiers are similar to tenants for specialised accommodation.
- Leasehold retirement housing is an **accepted** model. There are in excess of 100,000 retirement for sale dwellings in the UK.
- Encouragement by the Department of Health (both the 2004-2012 Extra Care Housing Fund and the CASSHF 2012-15); encouraging tenure diversification and increasing a range of extra care housing **choices** for older people and other client groups.
- The **high demand** for leasehold extra care housing found in some of the first retirement communities that offered shared ownership alongside renting providing empirical evidence of the market.
- To make **social rented housing affordable** by using receipts from sales to reduce borrowing and/or a route to cross subsidy.
- Regarded by institutional investors as a **'stable commodity'** and a good investment to lend against.

⁵ www.demos.co.uk/projects/topoftheladder



Demographics and trends

It is estimated that at the point of retirement 80% of people are owner occupiers although the spread across the country varies. This is expected to continue to rise. The market for “extra care” must therefore encompass home owners, especially those that wish to ‘downsize’.

Tenure by age of household – Great Britain 2011-12

	55-64	65-74	75+
Owner occupied, owned outright	48	72	70
Owner occupied, with mortgage	28	7	2
Total owners	76	78	73
Rented from Council	9	8	9
Rented from Registered Provider	8	8	12
Total social rented	17	16	12
Rented privately	7	5	5

Source: Office of National Statistics

In order to cater for less well-off owners, whose current homes have a market value which is less than the cost of providing a new “extra care” dwelling, shared equity arrangements are also being introduced in extra care housing. Shared equity may also in effect provide a way for an older home owner to release equity providing a cash sum to live on – or indeed to purchase care.

TRENDS

In just 9 years between 2003- 2012:

- The number of owner occupiers 65-74 grew from 66 to 72% and for the 75+ age group it grew from 64 to 70%. There was a corresponding fall in social rented housing with a drop from 25% for the 65-74 age range to 16%. Part of this change is the effect of social housing tenants buying under “right to buy” or similar Registered Providers’ arrangements. This is now one source of demand from less well off owners seeking more specialist, extra care housing.

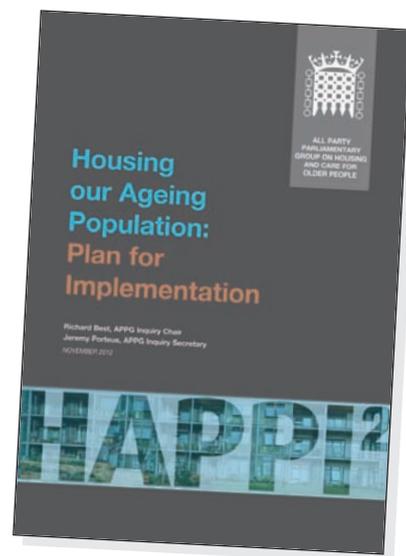
Leasehold: tenure diversification

Since the 1980s, housing policy has been to promote “tenure diversification”. The reasons have included concerns that mono-tenure areas were associated with social problems and lack of choice in the housing market. The means of achieving mixed tenure have included Right to Buy/Acquire and Low Cost Home Ownership through Registered Providers.

The principle policy focus has been on tenure diversification in large, local authority estates, and more recently new ‘Registered Providers’ developments and regeneration programmes. For the last 10 years, mixed tenure has been associated with orthodoxy of “sustainable communities”. More importantly, the increasing realisation that there is urgent need to use housing equity owned by older people to facilitate “care ready” developments that can meet the needs of a society with an increasing number of older people living with long term conditions and need varying levels of support. This concept has been clearly set out in two influential reports that address the housing needs and aspiration of an ageing society, overseen by Lord Best.⁶

However, doubts about the viability of developing mixed tenure remain and particularly so with some private developers. Their doubts about mixed tenure are based on the belief that social

interaction will have a negative effect the ability to sell a development. Nevertheless, there are now several examples of where private developers and Registered Provider partners are overturning these pre-held beliefs and making mixed tenure schemes viable (with or without public subsidy), especially where schemes can be built to scale and integrated as part of a larger retirement housing ‘village’ and or wider regeneration project, such as Halton Court in Kidbrooke, Greenwich. (See Housing LIN case study).⁷



⁶ www.housinglin.org.uk/Topics/browse/Design_building/HAPPI2/

⁷ www.housinglin.org.uk/HaltonCourt_CaseStudy

Funding

The Housing LIN Technical Brief, ‘Funding in Extra Care Housing’, provides comprehensive information on the diversity of funding models, including mixed tenure.⁸ This paper therefore only provides a very quick overview.

In short, offering some properties for sale outright on shared ownership terms helps to make schemes financially viable in four ways:

- i.** When a property is sold, the developer gets a receipt which immediately repays some of the borrowing reducing loan requirements.
- ii.** Sales using shared equity can transform the sales programme by reducing voids and thus improve scheme surpluses, which can help make a scheme deliverable. Consideration needs to be given to what rate of interest is chargeable on the unsold balance as compared to borrowing costs. Managed well, rents may be benefit-eligible.
- iii.** It is possible that the market value of the property sold will exceed the cost of provision. This surplus is obviously the incentive for a private developer to be in the market. In the context of social housing, the margin can be used to cross-subsidise the rented dwellings and/or be viewed as a way of funding the communal facilities.
- iv.** To the extent that shared ownership can meet the same need as a purely rented property, from the HCA/Treasury perspective, this is a better option. This is because the social housing grant required is significantly reduced from that necessary to provide the same property for rent.

⁸ www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/



Part Two:

Low cost home ownership and mixed tenure housing

There have been a variety of schemes to assist purchasers of extra care housing and retirement schemes. In general, there are two types of scheme:

- i)** Shared ownership means that the leaseholder buys a percentage share of the value of the home and then pays a rent based on the remaining share. The lease may allow for the leaseholder to buy out the whole or part of the remainder of the equity at a later date if he/she wishes to do so, and
- ii)** Shared equity, where the leaseholder buys a fixed percentage of the value of the home – say 70% – but can never buy the remainder. So at resale the leaseholder only receives the same share in the equity back again. The remaining equity always remains in the hands of the freeholder.

Low cost home ownership schemes in mixed tenure housing

The following schemes highlight the range of options available to develop mixed tenure accommodation for older and disabled people:

OLDER PERSON'S SHARED OWNERSHIP

As set out in its 2015-2018 Affordable Homes Programme, the Homes and Communities Agency (HCA) is offering potential grant support for one scheme. A purchaser can get help from a Help to Buy shared ownership scheme called, Older Person's Shared Ownership, if prospective purchasers are aged 55 or over. This is a purposely designed variation of the HCA's standard shared ownership product to help older people buy a home.

Older Person's Shared Ownership (OPSO) restricts the maximum share that can be purchased either outright or through stair-casing to 75% of the property. Other conditions attached to these schemes include, for example, shared owners must be 55 years or over; there must be no rent payable on the unsold share where the maximum share of 75% has been acquired, and the properties must be specifically marketed for older people.

In addition to the requirements listed above, leases must:

- Make provision for access to person-centered services to support individuals.

Where no resident warden is available the lease must detail the service available to the leaseholder for obtaining emergency assistance. This may be provided by a peripatetic warden employed by the Registered Provider, a Local Authority or a private agency:

- Restrict assignment to a person of or over the age of 55 at the date of assignment except where assignment is to a deceased leaseholder's spouse residing at the dwelling at the time of death. The restriction on assignment equally applies to a mortgagee.
- Contain a covenant prohibiting underletting of the whole or part of the dwelling.
- Not provide for the leaseholder to acquire the landlord's interest under an option to purchase.
- Contain a landlord' covenant to provide the leaseholder with a list of duties included in the basic management fee and itemise and price those which are to be charged separately.

The HCA does not produce a model lease for these Shared Ownership for the Elderly schemes but recommends amending one of its other model leases.

To be eligible for HCA funded shared ownership, an applicant may need to be:

- Whilst not universally sought – a tenant of a Registered Provider or Local Authority.
- On a housing waiting list and nominated by a local authority as in housing need.

Shared ownership is financed by a combination of:

- a) private mortgage taken out by the individual purchaser.
- b) Affordable Housing Grant (AHG).
- c) Registered Provider's private finance or reserves.⁹

HOME OWNERSHIP FOR PEOPLE WITH LONG TERM DISABILITIES

Home Ownership for People with Long Term Disabilities (HOLD) is another HCA funded scheme under the 2015-2018 Affordable Homes Programme that may be appropriate for certain purchasers on extra care housing schemes.¹⁰

In the past there have been a variety of other low cost home ownership programmes. Those most relevant to older people have been:

LEASEHOLD SCHEMES FOR THE ELDERLY

This shared equity programme ran until 1989. The purchaser acquired a fixed 70% of the equity. No rent was paid on the remaining 30%.

HOME BUY

In England and Wales, a programme called Homebuy was available under which a fixed 75% (70% Wales) of equity is purchased. The balancing 25% (30% Wales) was funded by grant and treated as an interest free loan to the purchaser. This was therefore virtually the same as the old LSE arrangements but not restricted to purchasers over 55 years.

Homebuy differs from shared ownership in that there is no flexibility in the amount of equity that can be purchased it therefore cannot be tailored to individual circumstances.

HELP TO BUY

In 2012, Homebuy was replaced by 'Help to Buy'. Purchasers of certain new homes could obtain assistance which would mean that they only have to find 5% deposits if seeking a mortgage.

⁹ More information on financing extra care housing in the Housing LIN Technical Brief, *Funding Extra Care Housing: A comprehensive review of the principal ways in which Extra Care Housing is financed*

¹⁰ www.homesandcommunities.co.uk/cfg?page_id=5524&page=56

In 2013, the ‘Help to Buy’ scheme was extended to the purchase of existing homes up to a value of £600,000 where a mortgage was sought from specified mortgage providers.¹¹ Thus far, the explanation of shared ownership has been based on grant aided, HCA / DH funded schemes. However, there is increasing interest in shared ownership amongst institutional investors and pension fund manager and, as a result, it is possible for enterprising Registered Providers and private developers to offer purely privately financed shared ownership. The advantages are to:

- Expand the market for extra care housing.
- Develop without the aid of grant.
- Avoid cost limits and other constraints implied by HCA’s regulations.
- To develop schemes in areas where the HCA will not provide an allocation, an increasing reality.
- Reduce dependence HCA’s with lease constraints and with it potential equity growth if a no equity growth lease is used.

The above summarised the principle policy reasons for shared ownership. In the context of older people in extra

care housing, there are some different or additional reasons for having shared ownership.

- Acceptable face of social housing linked with Section 106 agreements. Private developers may find shared ownership more attractive than pure social renting.
- Equity release in disguise – it is possible for some older people to in effect release equity by buying a part share after selling their previous home.¹² Careful advice is needed because of the ongoing rental cost in some models and interaction with state benefits.
- Meet aspiration to continue to own.
- An option for owners in poor condition property/low value. Shared ownership can enable some people to move to the kind of accommodation they now need but cannot afford to buy outright. 25% of older people own properties less than £125,000.
- Meet demand from ex-”right to buy” owners.
- Way of retaining an asset and becoming eligible for range of benefits.
- Financially beneficial in revenue terms if on Housing Benefit – which will fund management and maintenance if lease is appropriate.

¹¹ www.gov.uk/affordable-home-ownership-schemes/help-to-buy-equity-loans

¹² www.housinglin.org.uk/Topics/browse/HousingExtraCare/Tenants/?&msg=0&parent=3665&child=8921

Models of mixed tenure

There are three basic tenure options – to buy all the equity outright or with a mortgage, shared ownership (or Homebuy equivalent) where the leaseholder buys part and rents part from the landlord or to rent, normally as either a secure or assured tenant.

Mixed tenure and layout

Dwellings Layout	Outright Ownership	Shared Ownership	Rented
Integrated			
Segregated			
Hybrid			

There are also at least three design options which a development of mixed tenure must take some decisions about.

An **integrated model** means properties available to buy or rent are next door to each other usually with nothing to distinguish whether a property is owned or rented.

A **segregated model** is based on some physical separation or distinction between properties offered for sale or rent.

A combination of these is a **hybrid model** which offers some elements of both on

the same site and/or different ways of occupying the property.

The matrix shows there are nine permutations of mixed tenure. To illustrate some of the alternatives:

- An integrated model with a range of tenure is exemplified by recent Extra Care Charitable Trust villages. They in effect offer shared equity, outright ownership and properties for rent. The properties available for each arrangement are pepper potted throughout the scheme and are broadly indistinguishable. Indeed, it is possible

for a property to switch tenure. One previously owned may be let to the next resident. High levels of care can be provided in the individual's own home, through personal budgets. There is no separate care home. (See Housing LIN Factsheet no.4 – Models of Extra Care Housing and Retirement Communities¹³).

- St Monica's Trust Retirement village in Bristol (See Housing LIN Case Study no.5 – Village People: A Mixed Tenure Retirement Community, Bristol¹⁴) offers a range of tenure in the village but in physically separate blocks – a segregated model.
- Joseph Rowntree's Hartrigg Oaks village is a hybrid with elements of both integrated and segregated building layout and a range of methods of occupying property which in effect run from renting to ownership although there are some special and unusual arrangements for paying for the right to occupy the property and for care. While tenure is integrated across most of the dwellings there is a separate care home in the village thus an element of segregation. (See Housing LIN Factsheet no.4, the link is above).

- Denham Village – a large redevelopment of a retirement village is another example of a semi-segregated model. Owners and tenants are mixed across the site but in groups of owned and rented properties. A key reason for this is because of the different legal and financial arrangements, in particular in relation to accounting for and consulting on major repairs. (See Housing LIN Technical Brief no.1 – “Care in Extra Care Housing¹⁵”).

Furthermore, a developer of mixed tenure has to decide:

- Which of these combinations is appropriate in all the circumstances. These will include results of local market research, views of local authority, needs of the area, expertise of the provider/developer and many similar considerations.
- The type of shared ownership/equity model to offer, if any.
- The details of the home ownership offering such as 'buy back' provision, 'stair-casing up and/or down' limitation, minimum and maximum percentage of equity to dispose of and other details set out later in this guide.

¹³ www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/WhatIsExtraCare/?&msg=0&parent=3660&child=1630

¹⁴ www.housinglin.org.uk/HousingRegions/SouthWest/?&msg=0&parent=1025&child=1503

¹⁵ www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareProvision/SupportServices/?&msg=0&parent=990&child=1647

Shaping shared ownership

Where mixed tenure treats shared ownership as a distinct tenure the developer has to take a series of decisions about the nature of the product. To aid the process a checklist is provided overleaf to act as a guide to key decisions. There are likely to be a number of additional decisions for each scheme/circumstance/housing to be worked through. The tenancy and the lease must be drafted to ensure it matches the model derived.

CHECKLIST ON SHARED OWNERSHIP DECISIONS REQUIRED

1) Maximum equity to be sold	<input type="text"/>	%
2) What price to sell at between cost and full open market value? Mark up	<input type="text"/>	% <i>(Note: is more complex than this and will need individual or at least property type valuations in practice).</i>
3) Will you buy back on re-sale?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4) At what price will you buy back?	<input type="checkbox"/> Full market value	<input type="checkbox"/> Other
5) Will you charge rent on equity you retain?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If so are there any implications, given any HCA subsidy in the development?		
<input type="text"/>		
6) How are rents to be reviewed?	<input type="checkbox"/> Link to an index	
	(which?) <input type="text"/>	
	<input type="checkbox"/> Other	
7) Can people staircase up? <i>(Unlikely for older people)</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="text"/> Max%
8) Can people staircase down?	<input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="text"/> Min%

9) Can people occupy by renting prior to completion of purchase? Yes No
(Possible use of Assured Shorthold Tenancy)

10) What is included in service charge?
(Note: see example on page 29 but needs to be prepared carefully for each scheme)

11) How are service charges reviewed?
(Note: see section on service charges for possibilities)

12) How are major repairs to be funded? % purchase price p.a.
 Service charge

13) Pepper-pot or segregation layout? Pepper-pot
 Segregated
 Hybrid

14) Will the local authority have a right to nominate to some or all the properties both at initial lets and subsequent re-lets? Yes No

(Note: if yes consider carefully the financial impact and risk implied, how to get a process that works smoothly in practice, how to achieve the scheme care/age profile if there is one).(Potential to vary the agreement between the first and subsequent lets).

15) Voids. How will you deal with void costs? Prior to first occupation
 On re-letting
 On re-sale

In relation to: Rent and management and maintenance costs
 Service charges
 Care costs and overhead element of care provision

(Note: if landlord and care provider are different organizations , impact may vary).



Part Three:

Legal issues in mixed tenure housing

The lessons from the existing extra care housing and mixed tenure retirement for sale schemes are that:

- The lease must be very carefully considered and debated
- The definitions of maintenance and repair responsibilities and services to be provided need particularly close attention – these are normally set out in a schedule(s) to the lease
- Ensure as far as possible terms of the normal tenancy and lease for properties sold are similar and consistent for example in relation to landlord's repairing obligation. If one decides for some reason to offer tenants and leaseholders a different service be clear about why one is doing this and what the practical day to day implications may be for management, staff, relations with residents
- Putting details of care or support in the lease, requires careful thought as it potentially leads to the properties being registered as a residential care home. Preferably, make the agreements or contracts for care separate from ownership (or tenancy) of the property – This is important otherwise one runs the risk of becoming a care home.

Issues and clauses for leases in mixed tenure

Set out below is an initial checklist of the clauses and some of the issues to consider in drafting an extra care lease (and the parallel tenancy) which may be different to standard leases (or tenancy). Most of these points and the reasons why they are issues are considered in greater detail in the subsequent sections.

- 1) Who is an “Approved occupier”?
 - By age e.g. over 55, 60 or 65.
 - Someone in need of sheltered housing.
 - Someone in need of personal care(?) or support(?).
- 2) Is it in plain English? – explain terms e.g. “assign” if assignable lease, “successor in title”... These may be unfamiliar jargon.
- 3) What’s the rent – if any i.e. in shared ownership?
 - how is it increased for example – link with an index like Retail Price Index.
- 4) What are the elements of the service charge? When will it be paid and when is the financial year end? It is likely that a variable service charge is the most appropriate.
- 5) Do you need to control re-sales and if you do how do you control re-sales?
 - only dispose to an “approved occupier”? What is the approvals process? Can there be an appeal to a refusal?
- 6) Does it provide for access to give care to occupier in some way? Extra Care requires by definition access to provide care but a defining feature of a person’s own home for the purposes of a genuine tenancy (and lease) is control of who enters the premises – the right to refuse entry. Open access to provide care may tend to suggest registration as a care home rather than this is someone’s own home so probably not to put in lease/tenancy.
- 7) Is there provision for occupier not being an owner but without creating a tenancy? This is so, for example, relatives can buy for parents. It also allows, in theory, for a buy to let market. The OFT considers that leases that prevent sub-lettings are potentially unfair contracts but the HCA does not allow it in grant-aided schemes.

- 8) Is there an obligation to adhere to regulations “for the better management of the scheme/village”? This is to allow the landlord to set down general rules of behaviour for the scheme/village which have some enforceable basis – Catch all clauses are not liked by Courts.
- 9) Does it state clearly extent of landlords maintenance obligations e.g. does it extend to internal repairs? Internal redecoration? Could be a separate service but not an obligation under the lease.
- 10) Does it state clearly landlord’s service obligations e.g. gardens? – does this include private areas? All window cleaning? What if bungalows? If white goods supplied how often will they be renewed? How will you apportion costs of services like window cleaning to different properties if they vary in size/type?
- 11) Do you employ a manager of the extra care housing scheme, to answer emergency calls? Need to be careful exactly what you are committing yourself to for the next 30-40 years!!
- 12) Is there a clause to allow you to add to or vary services?
- 13) Does it define who takes responsibility for arranging all aspects of the management of the development, maintenance, cleaning and medical or personal care?
- Is there a separate care agreement – with landlord?
 - With care provider?
- 14) Re-sales – this is a critical area and consideration has to be given to OFT guidance – Retirement Housing Investigation into exit fees April 2013.¹⁶ The key guidance being the importance of consumers being able to see likely cost of any transfer fee at the outset of the lease being signed.
- 15) How do you define what you will deduct from sale proceeds?
- Service charges.
 - Rent.
 - Costs of resale/granting new lease.
 - Needs separate understanding on care charges.
 - From say death to point of resale.
- 16) What happens if resale is extensively delayed? Assignable leases will mean the lessee still pays service charges. Surrenderable leases may mean the landlord bears costs of voids. This will impact on running costs including increasing the average overhead costs. In addition, voids may threaten the viability of the financial model for providing care if there are long periods when properties are empty and it becomes impossible to have a charge for services.

¹⁶ www.offt.gov.uk/shared_offt/consumer-enforcement/retirement-homes/oft1476.pdf

MORE DETAIL ON CLAUSES IN LEASES

1) Payment Periods

The lease will require a statement of when the service charge should be paid. Quarterly or half-yearly payments are traditional for long leases. It may make sense to have the same periods as for rent payments by tenants, so calendar monthly is a compromise option. But note that if one pays the insurance premium annually in advance one may run into cash flow problems. If a private landlord, the trust fund for service charges should not be run in deficit. See below.

2) Financial Year End

The lease should state the financial year end to be used for drawing up service charge accounts. Use the same as for service charges for rented tenants to avoid extra accounting costs and confusion, but also add a condition that the year end may be varied in case the landlord decides to change its accounting year in future. If using a residents' management company for the scheme, make the service charge year end is the same as the company year end.

3) External Accountant's Report

What form of reassurance or external check on the annual service charge accounts is to be in place? Current best practice is to require a report by an independent accountant. Do not require the accounts to be certified or audited.

4) Ground Rents

Ground rents are traditional for private sector leasehold schemes. They have been ignored by Registered Providers but the income can be helpful in certain circumstances. For example, when pursuing debtors it is not always possible to recover the associated costs of tribunal or court actions.

5) Alterations and Improvements

It is common in leases to put clauses that ban all structural alterations by lessees and make non-structural ones subject to prior written consent. A complete ban is unreasonable, especially for extra care schemes where adaptations for disability may be required. The Equality Act 2010 also limits the restraints that landlords can put on alterations to within premises. Far better simply to make structural and non-structural alterations subject to reasonable consent. Registered Providers are under a public sector equality duty. (Part 11 Equality Act 2010) and should follow the Disability Equality Duty for Housing Providers Code of Practice from the Equalities and Human Rights Commission.

6) The List or Schedule of Services to be Provided

When drawing up leases and tenancy agreements it is far better to be detailed and specific about the services one will provide. Why? Because one will only be able to recover through the service charge what one names in the lease. Sweep up or "inter alia" clauses have been challenged in the courts; and the phrase "no say, no pay" is often used to sum up the courts' way of interpreting leases. This adage does not mean that one

cannot vary or add to services. As leases last for 99 or 125 years it is best to have a variation clause. But do add to the clause that it is subject to consultation with lessees and not completely at the landlord's discretion.

7) Frailty Clauses

These are clauses which are designed to allow the landlord to ask a frail leaseholder to leave if they are unable to live independently with the services on offer from the provider or other agencies. Such clauses are contentious and are probably unenforceable today with human rights

legislation. However, up to date legal advice may be required/advisable. It is commonly argued, in relation to residents who develop behaviour which becomes impossible to manage, for example, because it involves violence to other residents in schemes not designed to cater for people with severe dementia, that breaches of the tenancy/lease are likely to occur which becomes the basis on which a property is repossessed.

8) Re-sales Clauses

See the section below on re-lets and re-sales.

Key Points about Leases

- 1) Lease is fundamental to defining your relationship with owner or shared -owner-it is a legally binding contract.
- 2) You must manage in accordance with terms of lease.
- 3) You must get the lease right at the outset – it is difficult/expensive and almost impossible to vary the terms of a lease.
- 4) Leaseholders, courts and tribunals will enforce the terms.
- 5) Your ways of presenting information, accounting, and consulting will probably be different for tenants. This is in itself a source of difficulty and conflict.

Consultation

Leaseholders and tenants paying variable service charges have legal rights to be consulted prior to certain types of service charge expenditure. In summary these rights extend to major works (over £250 per tenant) and long term agreements (contracts for more than 12 months and £100 per annum per tenant). The consultation process is extensive with detailed prescribed contents of notices which must be sent out. Failure to follow the procedures may mean failure to recover most of the cost of works or services.

If one decides to charge “fixed” service charges for the rented units on a mixed tenure scheme one could avoid what is a lengthy and costly process of consultation. But one cannot avoid it for the leaseholders – their service charges are by definition variable (freeholders of bungalows or houses do not have these rights). Rather than treat leaseholders and tenants differently and have to explain why, a better choice would be to give all the same legal rights whether they apply or not.

GOOD PRACTICE

In addition to the above legal rights, the ARHM code of practice recommends the following for leaseholders.

- Managers should hold an annual meeting to allow residents to comment upon proposed changes to the service charge, and the extent and quality of services provided. In practice, many managers hold a minimum of 2

meetings, one for the budget and one for the accounts.

- A minimum of 2 weeks’ notice should be given for any meeting.
- Papers for the meeting should arrive with residents at least 7 days in advance of the meeting.
- Any commitments made at a meeting shall be confirmed in writing.

Once again this does not apply to rented tenants but it would be foolish to treat lessees and tenants differently in the long term. Many social landlords already offer similar good practice for their tenants, so far better to set out similar high standards of good practice for all.

VARIATION OF SERVICES

The ARHM code contains a specific chapter on the variation of essential services. It is aimed at how to handle changes to support services and communal facilities.



The first and most important point to make is that if a lease contains specific wording that a service will be provided, then one or a majority of or all lessees have no right to remove it, unless there is a variation of service clause in the leases. If a lease says there shall be a resident scheme manager, then that is what the landlord is contracted to provide (not a visiting one), and one can be sued for non-performance. Even if 99% of residents are in favour of change one is wrong in principle, and any complaint against you or court case will succeed. Even if a lessee changes their mind after voting for a change, you will be wrong not the lessee. But what if the lease is not specific and a change is proposed, say from a resident to a non-resident scheme manager service, or

to off-site alarm monitoring. The ARHM code sets out a process that ends in a secret ballot of residents, after written papers and a meeting given pros and cons of various (always more than one) options.¹⁷

RESIDENTS' ASSOCIATIONS

All managers usually have a commitment to encourage the formation of residents' associations. What is less well known is that leaseholders and tenants paying variable service charges have a legal right to seek recognition of an association. They can ask for a First-tier Tribunal (Property Chamber) to grant recognition. The Tribunal can give recognition to more than one association per scheme for example if there are several blocks.

¹⁷ www.arhm.org/pdfs/ARHM%20Code%20of%20Practice%20'05.pdf see also www.arhm.org/pdfs/ARHM_draft_code_of_practice.pdf

Right to Manage and Enfranchise

Lessees have two other powerful rights called the right to manage and the right to enfranchise. Right to manage gives a majority of lessees who form a right to manage company the right to choose a manager of the scheme of their choice and remove landlord or its agent as manager. Right to enfranchise is the right to collectively buy the freehold of the scheme; the effect will be the same, the landlord will lose control of the scheme.

The right to manage has been found by the courts to apply to any shared ownership lessees but it does not apply to rented tenants paying variable service charges. The case reference is Corscombe Close Block 8 RTM Co Ltd v Roseleb Ltd. UKUT o81 2013.

The right to manage or enfranchise can be enforced by lessees on a block by block basis. So if there is a large scheme built as several blocks with lessees concentrated or segregated in a 2/3 majority in certain blocks, the lessees of those blocks could seek to enforce their rights against the manager or landlord.

For more information, the Housing LIN has published a useful viewpoint on the Right to Manage¹⁸

RIGHTS ABOUT SERVICE CHARGES

- 1) Lessees and rented tenants paying variable service charges have, on request, the right to obtain a summary of the relevant costs from which the service charge is calculated. BUT it is good practice and should be the norm for all landlords to produce annual service charge accounts and send to all lessees and tenants without waiting for any request.
- 2) Once a lessee or tenant paying a variable service charge has received a set of service charge accounts, they have the right for a period of 6 months to look at the receipts and invoices and other documents that make up the figures. For example invoices for repairs, gardeners and window cleaners.

¹⁸ www.housinglin.org.uk/Topics/browse/HousingExtraCare/Tenants/?&msg=0&parent=3665&child=8601

The management organisation can insist that a lessee travels to its offices to view these documents. However, it is in the ARHM code of practice and good practice that copies of the receipts and invoices be made available for inspection at the scheme.

- 3) Lessees or tenants paying variable service charges have the right at any time to challenge the reasonableness and payability of a service charge at a First-tier Tribunal (Property Chamber). . The Tribunal, an independent body, can decide if the service charges disputed were reasonable or payable at all. There is a fee to apply to the Tribunal however it does have the power to direct that none, part, or all of the service charges are payable.
- 4) What about budgets and estimated costs? Lessees and tenants paying variable service charges can challenge estimated service charges before the money is spent. Once again they can ask a Tribunal to decide whether the proposed expenditure is reasonable, or payable at all under the terms of your lease.

RIGHTS ABOUT INSURANCE

The landlord will arrange the building insurance policy but it is obviously vital to you that this is done properly. So lessees and tenants paying a variable service

charge have the right to see the policy and proof of payment of premium. They can either ask to inspect it at the relevant office or be sent a copy. The management organisation has 21 days to provide a copy or arrange the inspection.

Right to replace a failing management organisation (not applicable to rented housing or if the landlord is a Registered Provider or Local Authority).

Any individual or a group of leaseholders who is unhappy with the management organisation can ask a Tribunal to appoint another manager. To do this they would have to pay a fee to the Tribunal, and prove to it that the management organisation is seriously failing in carrying out its obligations. For example had it failed to follow what the lease says about service charges and accounts, had it not followed important parts of the ARHM's code of practice, and not complied with relevant Landlord and Tenant Law (say failing to consult about major works).

The right to extend or renew a lease (not applicable to rented housing).

Lessees also have a right to extend or renew their leases at any time, but the catch is at a price. The right gives a new lease for 90 years at a peppercorn ground rent (i.e. no money), after the end date of the existing lease.

Part Four: Financial issues in mixed tenure housing

Managers of rented stock of Registered Providers have a choice: service charges can be fixed or variable. The distinction is not commonly understood but it does matter.

Variable service charges can be varied to cover costs, certainly an annual review is possible and any deficits or surpluses at the year end can be brought forward. Fixed service charges are fixed for the next rental period (annually for assured tenants). If the budgeted figure is too low then the landlord has to bear the cost of the deficit. Many Registered Providers using fixed service charges lose money on the provision of services, so reducing rent surpluses. Government rent restructuring rules that apply to Registered Providers and Local Authorities can also restrict the ability to recover the full cost of services. This is because they limit annual increases in charges to residents.

13 Service Charges: Fixed or Variable

The choice of fixed or variable is not straight forward. Choosing variable service charges means detailed separate accounts for each rented scheme, drawing up of annual accounting statements, repaying surpluses or additional billing of deficits. In addition, tenants paying variable service charges have legal rights to challenge service charges at a Tribunal and inspect all invoices/receipts for expenditure.

So what of leaseholders? There is no choice. Service charges will be variable and leaseholders will have legal rights. Even if one writes in the lease clauses to restrict increases or link increases to RPI, the service charges will still be variable in law.

So what choice to make on a mixed tenure scheme? The most obvious one is to choose variable so all tenants and lessees receive a similar regime and legal rights for service charges. However, if the lessees and tenants are in quite separate blocks, a segregated model of mixed tenure, then it may be easier to run different regimes. If lessees and tenants are living side by side in the same building, paying different levels of charge, as will happen with fixed and variable, this is a recipe for conflict.

WHAT SERVICES GO INTO THE SERVICE CHARGE?

Even if you have decided that the service charges for tenants and leaseholders will all be administered as variable ones, this

does not mean everyone will pay the same charges.

For lessees and shared owners the service charge has to cover all of the costs of repair, maintenance, insurance and communal services. (Shared owners pay a rent for the unsold equity plus a full service charge.)

For rented tenants, the rent will pay for repairs and maintenance of the structure and exterior of the property. The service charge will only include upkeep of common parts (halls, landings, staircases) and communal services (gardens, cleaning, door entry, alarm systems, scheme manager costs). So when planning the management of mixed tenure schemes one of the first steps is to draw up two lists: start with the services that will be paid for by lessees, and then one for rented tenants. If one do not do this, one will end up with the wrong budgets and charges, followed by endless queries and challenges by residents.

Included on pages 37-38, is a simple example based on an integrated single

block scheme, of how this exercise may look for a mixed tenure scheme.

Many mixed tenure schemes are more complex than the example attached and may have several different blocks with different facilities in each. In such schemes it is common to have two or three parts to the service charge. A block charge for each of the buildings calculated separately and a communal services charge for services used by all residents. A similar exercise to the example given would need to be carried out for each block charge and the communal services charge.

There are strong arguments for an integrated pepper potted approach but it is acknowledged that the complexity of calculating, collecting and accounting for and explaining service charges on mixed tenure schemes is reduced if lessees and tenants occupy separate blocks on the same scheme. A key consideration going forward is the need to be driven by consumer needs rather than organizational administration requirements. One of the largest providers of mixed tenure, Extra Care Charitable Trust, does this. Others have however decided that the legal and financial differences and complexities are such that it is necessary to physically separate owners and tenants.

APPORTIONMENT OF SERVICE CHARGES

By “apportionment” is meant the way in which the total cost of services is split between the residents.

For rented properties, the usual method has been to make an equal apportionment, because the service charge includes costs of communal facilities and services only, services which all residents can take advantage of.

For the courts and tribunals, there is not one approved method. The service charge for lessees will include the cost of external decoration and structural repairs and maintenance. There is a clear argument that schemes with several blocks should separate the block charges for apportionment and not be shared equally across blocks, particularly if there are different dwelling types, for example a terrace of bungalows and a flat block.

There is another argument about whether apportionment should be made on size of dwelling. It is common in the private sector for 1, 2 or 3 bed flats to pay different shares. Sometimes floor area is used which will often result in many different figures. Or a typical ratio of difference is used; say 2 bed flats pay 25% more than 1 bedrooms.

When planning the management of a mixed tenure scheme a decision has to be made on the apportionment. Whatever choice is made, the following factors should be taken into account:

- **Reasonableness** – Can one defend, explain and justify how one have apportioned costs to tenants, lessees or a Tribunal.
- **Certainty** – Anyone buying will prefer to know exactly how their share will be

calculated, otherwise it is unfair. A fraction or a percentage (more than one if there are layers to the service charge) is usual in leases. Just to say a “fair proportion” gives no certainty and gives every lessee and tenant the opportunity to argue every year what is fair.

- **Flexibility** – Even though there is a need for certainty of calculation it still makes sense to have a get out clause in leases and tenancy agreements that the proportions may be varied after due consultation with residents. In addition, if the scheme is to be built in different phases then it makes sense to allow variation of apportionments if the addition of phases alters matters. But do have a plan for any changes caused by phases that one can present to the first buyers.

ACCOUNTING FOR SERVICE CHARGES

For rented tenants paying a fixed service charge there is no legal requirement to produce an annual account; the landlord is taking the risk that the budgeted charge is correct.

For lessees and tenants paying variable service charges there is no statute legal requirement to produce an annual set of accounts unless required by a specific clause in the leases and agreements. There is an existing legal right for variable service charge payers to demand a summary of relevant costs on request but this legal right is no excuse for any landlord to provide full transparent

annual service charge accounts. Best practice is to produce annual service charge accounts, have them examined by an independent external accountant, and then send a copy to all lessees and tenants.

The ARHM code of practice goes further:

- Accounts should be drawn up annually using the accrual basis, and show income receivable and received (i.e. debtors).
- The accounts should be presented in a form which follows any budgets to allow comparison.
- The ARHM has a model layout for accounts which it recommends to members, which includes an income and expenditure statement and a balance sheet.
- The accounts should be the subject of an external accountant’s report.
- Copies of accounts should be sent to residents within 6 months of the end of the financial year.

For mixed tenure schemes there will be by the nature of them quite complex breakdowns and allocations of accounts. The same formats can be used for lessees and tenants but the actual figures will vary.

A policy of complete transparency and openness about the accounts for service charges is a must for any mixed tenure scheme. The level of detail given to lessees or tenants should be such that a resident can follow how the total costs for the scheme or block have been allocated according to the lease to tenants and lessees.

A PRINCIPLE EXAMPLE OF SERVICE CHARGE ANALYSIS FOR A MIXED TENURE SCHEME (Not current price base)

EXPENDITURE	TOTAL (1)	RENTED (2)	COMMENT
SCHEME MANAGER/RELIEF COVER COSTS	15,667	13,317	15% inc. in rent
TRAVEL EXPENSES	100		o
EMERGENCY CALL MONITORING	1,841	1,841	
EMERGENCY CALL MAINTENANCE	1,257	1,257	
EMERGENCY CALL TELEPHONE	306	306	
GARDEN MAINTENANCE	5,061	5,061	
CLEANING – COMMON PARTS	5,219	5,219	
CLEANING – PROPERTIES	1,796	1,796	
FIRE EQUIPMENT HIRE & MAINTENANCE	630	630	
LAUNDRY/KITCHEN EQUIPMENT MAINTENANCE	100	100	
HEAT & LIGHT (Electric only)	2,153	2,153	
WATER RATES – COMMUNAL FACILITIES	350	350	
COMMUNAL LIGHTING REPAIRS	500	500	
COMMUNAL AERIAL REPAIRS	o	o	
CCTV MAINTENANCE	175	175	
INSURANCE	4,001	307	Communal areas only Inc. in rent
POSTAGE	o	o	
STATIONERY COSTS & OFFICE EQUIPMENT	175	o	Inc. in rent
TELEPHONE	525	525	

AUDIT FEE	540	0	Inc. in rent
SUNDRY COSTS	125	125	
COMMUNAL RENEWALS PROVISION	3,933	3,933	
GENERAL REPAIRS & MAINTENANCE	9,516	0	Inc. in rent
SCHEME IMPROVEMENTS	0	0	Inc. in rent
SUBTOTAL	53,970	37,595	
MANAGEMENT FEE	13,500	5,639	
TOTAL	67,470	43,234	

NOTES TO EXAMPLE

- 1) This is a scheme of 54 units, 14 of which are leasehold. Service charges are apportioned equally between 54 units.
- 2) The estimated costs of services for the whole scheme is calculated first, and from this total the service charge for each lessee can be calculated. Each lessee pays 1/54th of column 1 total.
- 3) The rented column shows the total service charge less elements which are charged to rent. From this column the service charge for each rented unit can be calculated. Each tenant pays 1/54th of column 2 total.

Reserve Funds

The landlord will be responsible for maintaining the structure of the building and the communal areas and during the life of an extra care scheme some major capital expenditure must be anticipated.

This might be a new roof, replacing windows, re-surfacing the road and car park, replacing the lift, a new ventilation system, renewing bathrooms and kitchens, and similar items to ensure buildings are kept up to a good contemporary standard.

The usual way to provide for this type of expenditure is to build up a reserve or sinking fund so that when large lumps of capital expenditure are required the funding is available.

Registered Providers' finance works slightly differently but those providing retirement housing for sale (and most private developers) have recognised the potential problem and tackled it by creating a reserve from the outset of the scheme.

PRINCIPLES

The basic principle is that all those who live in a development like extra care housing should make some contribution to the eventual major repairs. All those who live in a scheme have the "use" of the roof (and any other facilities) while they are residents and should make a contribution to the eventual replacement. It would (in principle) be wrong for those who happen to be living

in a scheme at the time re-roofing are required to pay for this. Furthermore, even if older residents (mostly on limited fixed incomes) had the means to pay, what makes up the "product" in extra care is security and peace of mind. This includes reasonable financial security with no large, unexpected bills. In effect the charge is a deferment of a service charge item. Bear in mind the interest of the OFT who are seeking to ensure charges are reasonable and the fact that weekly payments i.e. no deferments of sinking fund contributions, are ineligible for benefits.

HOW DO YOU BUILD UP A RESERVE? WHAT IS THE TECHNIQUE?

Tenants generally will contribute to a sinking fund through the rent. For owners there has not been one single, accepted method of collecting sinking funds. There are three broad approaches:

- i) To include an element in the service charge.
- ii) To recover a capital sum when the property is sold and there are three main ways of achieving this:
 - Percentage of initial purchase price multiplied by period of ownership

- Fixed percentage of sale price not tied to period of occupation.

iii) A mixture of the above two ways.

(Do not use a percentage based on the resale price because of the concerns expressed by the OFT that such charges may be an unfair contract term.)

Those organizations which use a formula based on purchase price multiplied by the number of years typically set the percentage at 0.5% or 1.0% respectively and assume that re-sales will take place every say 12 years. In extra care the re-sales are expected to be much quicker (10 years?) and this will be affected by the lettings and sales policy in relation to levels of need, dependency and age at entry.

If it is decided to collect through the service charge then the correct approach is to carry out a survey using a building surveyor who will assess the life expectancy of building elements.

Defining major repairs to be paid for from the reserve or sinking fund is potentially a significant issue and there is considerable variation in practice:

- As many organizations include cyclical maintenance in sinking funds as exclude this item.
- One in five managers provide for some repairs and renewals within the curtilage of the individual dwelling.
- Some define major repairs by reference to a minimum expenditure limit but different levels were found.

- As a matter of policy one group of managers have deliberately avoided defining sinking fund items in order to maintain more flexibility.

PROS AND CONS OF DIFFERENT METHODS OF COLLECTION

The key advantage of approaches where a contribution is collected from the proceeds of sale of the property is that they do not reduce the income of the resident. The contribution to the sinking fund is obtained from the proceeds of the re-sale, which in extra care will commonly be on the death of the resident and thus from their estate, and is consequently a relatively painless way of making a payment. The disadvantage is that the precise contribution that will be made cannot be calculated in advance by either the landlord or the resident if the percentage is based on resale value, and the approach is not liked by the OFT.

Determining the appropriate level of provision to make is a second problem. The best approach is to either ask a surveyor to appraise each scheme using tables of expected component life or use a life cycle costing model. The latter is preferable.

A clause in the lease will specify what formula is to be used. A schedule is usually attached to the lease explaining what major repairs consist of. Note that leaseholders may dispute what items are legitimately funded from the reserve fund and what

should come from the annual service charge maintenance element so the schedules need to be carefully considered and defined.

In addition to a specific clause in the lease requiring the setting up of a reserve fund, the lease should also have a fall back clause allowing the landlord to recover the additional costs of repairs in the event that the reserve fund is inadequate.

OTHER ISSUES ABOUT RESERVE FUNDS

It is good practice to set up a reserve fund for leasehold properties, whatever method for building up the fund you use. However, collecting reserve funds raises some issues to consider on mixed tenure schemes.

Private sector landlords are required to hold all service charge monies including reserve funds in trust (section 42 of Landlord & Tenant Act 1987). Holding funds in trust will mean that any interest earned will be subject to taxation. The current rate of taxation is basic rate so the best approach is to ask your bank to deduct tax at source.

You will collect a reserve fund for the leasehold properties on a mixed tenure scheme, but should you do the same for the rented ones? The large items of expenditure that reserve funds are used to save up for, external decoration and replacement of windows, doors, roofs, etc. are paid for out of rent, not any service charge collected from tenants.

The arguments for making a contribution to reserve funds for the rented properties are:

- It demonstrates fairness of contributions to the leaseholders.
- It means that the money is available for repairs at the scheme when needed, and not subject to other priorities of the landlord at the time it is needed.
- It reassures leaseholders that if the landlord were ever to go into liquidation or the freehold of the scheme be sold or transferred, the reserve funds are fully paid into and available.

The argument against making a similar contribution is that it ties up the money of the landlord which might be wanted for other purposes. There is another difficulty. If you decide to use a deferred payment method based on sales prices and payable when a leaseholder sells on, then it is impossible to show fairness of contributions. It would still be possible for the landlord to contribute the fair proportion of expenditure at the time it is spent, but the arguments about insecurity and other priorities are relevant.

If you do use a contribution on sale method to build up reserve funds, you also put leaseholders who are claiming benefits in the situation that the reserve fund contribution, which is eligible, will not be paid as a benefit.

If the different tenures are in separate blocks or buildings on the same scheme the question of payments to reserve funds for rented tenants will not apply to structural repair and maintenance if the blocks are treated as separate accounting units. There will however still be the question of any funds used for external communal areas and shared facilities such as residents' lounges, restaurants, kitchens, etc.

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Consultation on major works and mixed tenure

One of the challenges to managers in mixed tenure schemes arises in relation to consultation on major repairs. Leaseholders have a right to be consulted on major repairs before capital expenditure over a threshold level incurred.

They can also propose tenders are obtained from specified contractors. A manager of a mixed tenure scheme has to decide how to manage this consultation if tenants do not formally have the same rights.

If tenants are paying variable service charges they must be consulted in the same way as long leaseholders. If the tenants are paying fixed service charges they have no such legal rights **BUT** it may be good practice to consult them in the same way as the leaseholders.

Tenants should be contributing to a major repairs fund through their rent. Some of the residents will in practice in a social rented scheme have the cost met through Housing Benefit. Leaseholders will possibly be contributing from the capital value of the property or their own resources where major repairs are collected via a monthly charge. In terms of presentation this may look inequitable.

Supporting People funding and Mixed Tenure

Whilst there are schemes which have housing related support, primarily rented schemes, the future funding using this route is only short term.

With the demise of the 'ring fence' most Local Authorities are significantly reducing or removing this funding stream leaving providers to solve the funding gap. Some authorities whilst not removing altogether the funding are tying it to those residents with high care needs and in effect linking it to the personal budget.

This has led to a significant funding gap for those providers who have become reliant on significant funding from this source.

These implications of withdrawal of funding in this area are beginning to work through but current approaches are taking 2 directions:

- Subject to current scheme rent levels some Registered Providers are looking to increase the rent by adding in an

intensive housing management charge. In recognition that older people are more likely to need more intensive support. There are limits to this approach if the rent that is set, seeks to remain to be affordable under Housing benefit regulations and there also concerns about potential future capping of rent and services charges in the future.

- Other providers have sought to resolve the gap caused by withdrawal of supporting people funding and reduced revenue for care due to the impact of personalisation and have started to charge a 'wellbeing charge. These charges are not benefit eligible and these make the service less affordable and are likely to lead to an older age profile, taking residence.

Re-lets and re-sales

When a rented unit is re-let the landlord has full control over the allocation process and can make sure any tenants meet whatever criteria are relevant for an extra care scheme. This right may have been waived as part of a partnership deal with the Authority which may have nominations rights on initial lets and possible on a percentage of re-lets.

When a leasehold unit is sold the landlord will only have control over who buys to the extent set out in the lease. If the clauses required in the lease are not specified clearly, then you will not be able to control re-sales. Here are the main options:

- 1) Do not try to control re-sales. Make the leases assignable and as easy to sell on the open market as possible. Such an approach is not a problem if the leasehold units are sold at 100% of value. Most purchasers are sensible about their care needs and you will not be flooded with persons putting unreasonable demands on your care and support services. There are some challenges with this approach and you can face numerous estate agent boards and beneficiaries seeking to extract the last few pounds of inheritance...Overall in the market the properties tend to fall in price on resale mainly due to a restricted market/poor marketing.
- 2) Surrender or assignable lease. An option commonly used in the past by Registered Providers is to enforce surrender of the lease on resale. In effect the provider buys the lease back and then sells a new one to a buyer of its choice. It is also possible with a lease surrendered for the landlord to change the tenure of the property. The next occupant could be a tenant or shared owner rather than outright owner.

There are arguments against surrender. Surrenderable leases are not liked by many solicitors and more importantly lenders. So you may make it more difficult for a buyer to be able to release equity to boost income. If the surrender clauses are not drawn very carefully the landlord may end up paying void service charges, council tax and utility bills for properties between the date of surrender and completion of the resale.

3) Assignable leases can be used with several ways of giving the landlord some control over re-sales. The most common are:

- Nomination rights for the landlord. Usually for a fixed period of say 4 weeks.
- Any assignment will need the consent of the landlord. Consent could include an interview and assessment process if the conditions of health for residents are set out in leases.
- An additional clause can also be added that the landlord can request an independent medical report to assist the decision regarding consent.
- If the lease is assignable consideration will be given to the price. This could either be market value or alternatives such as initial purchase price.

These are complex areas and it is important to take appropriate legal advice and take into account the recommendations of the OFT report, on transfer of lease premiums.

Voids

For those managing rented property voids are a common factor in performance measurement; re-let periods are kept as short as possible in order to reduce loss of rent, service charge and possibly care income.

But what about voids in leasehold properties? Quite obviously for the landlord there will only be voids on service charge payments (except for shared ownership schemes). There is a separate issue of the impact on the average costs of care to the care provider if properties remain empty.

The main period for voids for leasehold units will be during the initial sales period. At the date of the first sale of the first leasehold unit on a mixed tenure scheme, the service charge clock starts. It starts for drawing up service charge accounts and for payments by the first lessee. From that date the landlord will have to pay an equivalent service charge for unsold units into the service charge account for the scheme. Payments should be made at the interval for any other service charge payments by leaseholder, for example monthly in advance.

It is usual to budget for voids service charges in the development budget, for say an anticipated 12 months sales period a sum of half the full year's service charge budget should be earmarked.

But what of voids on re-sales? If the leases are assignable, the payment of service charges will always be the responsibility of

a lessee and voids will never be a problem. It should always be possible to recover arrears upon resale and no budget for arrears or voids is necessary.

If surrenderable leases are used there may be voids. It is possible to make the surrender clauses specific to limit the impact of voids so take advice if you choose to use surrender. Remember any void costs will come straight out of your funds. You will have to pay the equivalent service charge for any void period, you cannot expect other leaseholders to pay for void periods and you cannot budget for voids in the service charge budget.

There is an argument that for properties which are being sold mostly because of death of the owners it is not appropriate to charge for care services that cannot be used. If the support services are in a separate legal agreement to the lease then there can be flexibility in handling voids. However, any voids will be a "loss" of income to the landlord and one way or another will have to be budgeted for and funded.

If the majority of support services are provided in a hotel style menu with additional payments upon use, then this is a fairer deal for leaseholders upon resale.

Part Five:

Marketing mixed tenure in extra care housing

Recent headlines suggest that developers of specialist housing for older people are struggling with sales ‘imaging’, marketing, and the language for this sector.

Marketing of retirement housing is a major subject in itself and the Housing LIN, in partnership with the Association of Director of Adult Social Service and others, have several helpful documents that provide useful information for planners, commissioners, developers and managers of extra care housing on producing Market Position Statements.¹⁹ Therefore, here we simply highlight some of the lessons from those who have pioneered mixed tenure extra care housing.

¹⁹ www.housinglin.org.uk/siteSearch/index.cfm?page=doSearch&keywords=marketing

Marketing mixed tenure

The text book 4 P's approach to marketing applies as much to extra care as any other product. This is obvious in respect of properties to be sold. It is perhaps less obvious that:

- i) Taking a broad view of the marketing the “concept” of extra care may need marketing to a wide range of bodies and individuals.
- ii) The rented properties – whether subsidised local rent or market rent – may also need marketing.

The approach of ExtraCare Charitable Trust (see box) who spend considerable time and effort in building up an understanding of the “product” with commissioners exemplifies the “relationship” marketing approach.

4 P's

- Product.
- Price.
- Place.
- Promotion.

It has become a cliché but do research the market. Do you know the customer – who is the customer? At one level if you are a developer or care provider the “customer” may be the commissioner in a local authority. At another level it is the resident. A seismic shift is occurring in this area with the focus needing to be on the individual rather than corporate customers. If you are doing mixed tenure you will be selling some properties direct to the resident:

- Have you researched property price differentials?
- Do you know the catchment area from which purchasers will be drawn?

The importance of proper market research is exemplified by Anchor Trusts preparatory work before building Anchor Village. (See page 55 following).

LESSONS FROM EXTRA CARE CHARITABLE TRUST ON MANAGING AND MARKETING MIXED TENURE

The ExtraCare Charitable Trust is pre-eminent in the development of extra care villages. All the most recently completed villages are mixed tenure, as are villages in the pipeline. As a matter of policy circa 75% of properties in the villages, which are

around 200-300 dwellings, are offered for sale. The Trust probably has more experience of mixed tenure extra care, than any other organization in the UK.

The Trust in the past offered six levels of care which range from a standard sheltered housing service with no personal care, through to nursing care at the other end of the scale. Increasingly new funding arrangements are based on funding through personal budgets. During the development phase the Trust agrees with Social Services and housing commissioners a profile for the letting and sale of the scheme based on ability levels and age of the population. Subsequent sales and lettings through a panel are designed to maintain the agreed profile, therefore ensuring that the village doesn't become too dependent.. The villages are always developed in partnership with the local authority and in particular Social Services.

Design/layout

The villages are based on a mix of usually apartments and sometimes bungalows laid out around streets scenes. The Trust adopts a complete pepper potting approach. It is impossible to distinguish between properties for sale and those for rent. The Trust believes that any attempt to segregate owners and renters would be counterproductive and tend to set up a “gladiatorial” positions between different groups. The model is of the full range of tenures, integrated.

Culture

It is fundamental to the ExtraCare Charitable Trust that all residents are supported to be as independent as possible. The philosophy of the organization is to be as person centered as possible and to pass over responsibility to residents. Tenants and leaseholders are treated identically for the purposes of consultation and provision of information. Consultation takes place on a street basis and other consultative forums. As part of the culture of the Trust a wide range of activities are encouraged and promoted. Around each type of activity interest groups are formed and these become a centre for involving and passing over responsibility to residents. Residents are also encouraged to contribute their skills through volunteering roles which are available in all villages. The Trust believes enabling residents to feel useful and involved contributes to a better sense of Wellbeing.

Marketing

The Partnership approach of the Trust means that marketing takes on a very wide meaning. During the development and initial feasibility phase of each village

extensive discussions take place with the local authority and other stakeholders so that in the end all parties fully understand the model and implications. Marketing is not viewed as something unique or restricted to those properties for sale but all the scheme is “marketed”. The Trust learnt that it is vitally important to provide the fullest information and advice to both tenants and potential leaseholders both before they move in and subsequently. A purchaser’s information pack (PIP) required for leaseholders, is provided to everyone but there is substantial amount of face to face conversation, explanation and dialogue takes place.

Extensive marketing has to take place with all social care and health professionals including older people’s health and social groups to raise the profile of the village and it’s care services.

The Trust has learnt that it is important to correct misunderstandings or misinterpretations.

A significant marketing budget is required to turn the large volume of interest found into actual purchaser. As a guide £2000 per dwelling.

Management

Key lessons:

- 1) View the whole of the development phase as an integral part of the ultimate marketing scheme. The scheme has to be marketed to both tenants and owners.
- 2) Involve residents from the outset and inform them as accurately as possible. Explain clearly what the scheme is aimed at and what it will be like to live in the scheme. Be upfront about the fact that the scheme will house some people who are very frail. Enable potential residents to visit other village locations and meet extra care residents to get a feel for the lifestyle therefore enabling an informed decision.
- 3) Correct misunderstandings as soon as possible. Do not let concerns remain or fester. Be aware that people tend to “hear what they want to hear.”
- 4) In consulting with residents bear in mind that the minority of the males in the scheme may seek to dominate the majority female members. Provide similar information to tenants and owners as well as people on a support package.
- 5) Communication can help take the heat out of potential disputes and disagreements. Leaseholders will tend to present demands – they want the service that they are paying for – they may seek to challenge what you as a care provider, treating all

equally, normally do. Extra Care Charitable Trust has learnt to answer all questions in a reasonable and considered way. Also giving residents the opportunity to be directly responsible for as much as possible of the decision making on how activities are run, how for example profits of the bar are to be spent and so on helps to meet challenges.

- 6) View the challenges presented by leaseholders as a challenge to management. See it as a positive mechanism for driving up standards and quality for all.
- 7) Everybody entering one of the Trust extra care villages shares in common with everyone else a health or social care need or concern. This tends to have a levelling effect and take the heat out of some issues that might otherwise arise in for example traditional leasehold, retirement housing, mixed tenure schemes. The scheme is providing a mechanism for meeting a health care need, it isn't simply housing. Ultimately if a leaseholder does not like a service they can elect to leave.
- 8) Research for the Trust has said that if residents feel that they are forced to move in and feel negative about the move they tend to remain negative. It is difficult to win them round. It is far better for people to feel they have had a real choice. The Trust has evolved a 'happiness guarantee' to facilitate residents move out in the first year of a new scheme, with no extra care costs.
- 9) Pepper pot rather than segregate development. Treat all residents equally in every respect whether it be services, care, or information.
- 10) Understand that the decision to enter an extra care development is a lifestyle decision for both tenants and owners.

Two problems that large mixed tenure developments face which remain unresolved are:

- i) planners approach to car parking – owners in particular are likely to be also car owners and planners are tending to minimize the number of car parking spaces provided in the belief that public transport is the answer. People moving into retirement schemes are generally very unwilling to give up car ownership for a variety of reasons but including the ability to remain mobile. This is particularly acute at the time of initial opening given the high volume of visitors.
- ii) The ability to resell properties quickly in order to minimize voids and covering at least the overhead costs of services, if not all the direct costs, in unstable housing markets and chains where older people may be at the end of the chain, is a challenge for the management of mixed tenure developments.

Product, price, place and promotion

Central to traditional retirement housing “product” is security – that is what you are selling. This in marketing speak is “the offering”. In mixed tenure extra care it is more complex:

PRODUCT

- Extra care is offering a choice of a certain **lifestyle** part of which is independence and personal space. This is particularly obvious in village communities with a wide range of facilities and activities.
- The **Care** offering is an integral part of the product.
- **Security** means a variety of things including:
 - Financial – no unexpected bills.
 - Physical – theft, assault, warm, good health.
 - Environment – can go out, no barriers.
 - Personal – illness, accident, emergency.
 - Mental health – not isolated.

The product is a holistic concept.

- Services – including care – are part of the “product”. The key point is you are not just marketing a building – it is more complex.

PRICE

Price is not simply a case of buying a leasehold property or paying a rent. It includes a service charge and in extra care includes additional facilities.

leaseholders in particular and those renting without recourse to benefits will be acutely aware of costs and will call the landlord to account.

The cost of major repairs provision is particularly sensitive. Mixed tenure, which includes shared ownership, allows one to tailor to individual financial circumstances thus widening the market. Price also means value – what is long term value to person/their estate? In developing the “product”...be aware of any aspect that may tend to depress the eventual re-sale value of leasehold properties. What is price to consumer? Will HB pay rent?

PLACE

Demographics are key to deciding on a site suitable for mixed tenure extra care. Typically variables considered will include:

- Level and trends in population over 65 in area.
- Adequacy of supply of sheltered housing and residential care in area in relation to population using ratio of dwellings/ places/1000 population over 65.

- Level and trends in tenure of locality.
- Price differentials between 2 and 3 bed properties characteristic of the area and selling prices of leasehold properties and trends in values.

A private developer usually expects to sell the majority of properties to people living within 3 miles broadening to 10 miles or so of a scheme. Occasionally people move much further primarily pulled towards relatives or friends already living in an area. A good site for sheltered housing is traditionally taken as an indication of a good site for mixed tenure, extra care. However, with larger extra care developments a central location may be less critical. This is because one can afford to provide/build in services of facilities to counter balance negative features of a traditional sheltered site. For example, a more isolated site may be acceptable because buses can be persuaded to service the site, a shop can be provided on site. Place also needs to be considered in relation to service delivery – within one's own home.

PROMOTION

As already explained marketing extra care means rather more than simply selling a physical property.

- Market research will (or should) have shaped the product and helped determine prices of both dwellings and services
- Be clear who you are selling to..... Mailing lists produced (or purchased), choice of estate agent, who mail mail-outs are

sent to, which media are used, what is the best local magazine or newspaper to use are all effected by this.

A range of traditional sales techniques are likely to be relevant including:

- Scheme brochure.
- Mailing shots.
- Newspaper/magazine advertising.
- Show property/on-site marketing suite.
- Open days.
- Signage.
- Editorial/articles in local papers.

There are many subtleties and techniques relevant to marketing retirement schemes. There is also an array of newer marketing techniques.

Some points particularly to consider for mixed tenure extra care are:

- A Purchasers Information Pack is required – keep this simple and unambiguous.
- A lease and a plain English guide to the lease are required. Ensure this is available early on and does not delay sales.
- If the development is to be built in phases an explanation of how the costs of communal services will be apportioned during phasing.
- Sales staff (or whoever is dealing directly with potential residents) will need more thorough training than is common in both the PIP and lease also in the services and care provision and funding of shared ownership.

- A financial and care assessment or process may be required.
- Make provision for seeing purchaser/tenants several times and also possibly relatives.
- Two unique aspects of marketing extra care will be first, the necessity to liaise with and in some cases get prior agreement on letting or sales from Social Services. Second, the need to give benefits advice to some applicants
- Location of show flat/bungalow near entrance with accessible approach is particularly important.
- Have a mechanism and process for getting feedback from enquiries so you can adjust approach/details.
- It is valuable to provide a briefing to

local solicitors also a simple guide to how extra care works and any unusual or special aspects of the lease.

- Prior to sales/lettings possibly part of market research phase or building up relationship with commissioners, it is often possible to establish a substantial waiting list. One major provider for example routinely carries out several major “consultation” events in the planning phase. The result is that by the time the development is completed there are large numbers interested in viewing.

The Housing LIN has a previous model leaflet, ‘Thinking About a Move’, which can be used to provide an introduction to extra care. It can be downloaded from Elderly Accommodation Counsel’s website and adapted to local needs and circumstances.²¹

²¹ www.housingcare.org/downloads/kbase/2612.pdf



Lessons from Market Research for Design

A fundamental message for mixed tenure extra care housing to be successful is “know your market”. For a large multi-million development to make proper decisions and manage risk this means doing the market research.

In the case of the £62m re-development of Denham Village by Anchor Trust, research into every aspect of the ‘product’ and market included:

- Large scale, street interview, survey of over 65 age group in different geographical areas on perceptions of retirement housing and what was good and bad about it. What they thought of their present housing and what would they prefer.
- Revised plans and the ‘Vision’ for the village were then tested with three targeted groups:
 - Tenants in the existing village.
 - The landlord of the present tenants.
 - Older owner occupiers living in properties over a certain value.
- Details of the building design, layout, materials and fittings were all tested with additional focus groups of older people.
- A local estate agent was appointed to help market the development. They were involved in dwelling design at an early stage bringing in another aspect of market knowledge.

Anchor Trust learnt a considerable amount from the market research now reflected in extra care developments generally and indeed work with older people. To pick out a handful of lessons:

- There was a surprising lack of knowledge of how leasehold housing worked even amongst existing owners of retirement housing – concepts like sinking funds, reserves, maintenance responsibility.
- Clarity of communication is critical.
- A surprise was a consistent message from those retiring of, “don’t treat us as old fashioned, older people – give us contemporary”. In concrete terms when prospective residents had an opportunity during the research to specify services and buildings they would choose what emerged was a concept very similar to a Centre Parcs village.
- Less surprisingly (but in conflict with some aspects of present housing policy) residents did not want developments to be monotonous, standardised buildings – they did not want developments that resembled social rented housing.

The lessons lie in briefing architects/design team and choice of architect and possibly builder.

- The fact that the village would be mixed tenure did not discourage purchasers. However, in this particular case the local authority has no nomination rights, the initial cohort of tenants is already in place, and Anchor Trust will control lettings.
- The level of rents to be charged in the tenanted property was a crucial factor in making mixed tenure acceptable to potential owners.
- The market research influenced both the layout and range of facilities created. All dwellings are built to lifetime homes standards. Detailed design and choice of building components has been directly influenced by the need to minimise the level of sinking fund contribution required.
- Lessons for detailed design of dwellings include:
 - Gas hobs were preferred to electric in this locality.
 - In the houses and flats a focal point gas fire is preferred to electric.
 - Bulky low temperature radiators are not liked.
 - Avoid putting a dispersed alarm unit in a prominent position.
 - Level access, drive-in showers to the main bedroom which can also be accessed from circulation area are liked. People would however prefer some form of enclosure to the open shower arrangement.
 - Specify modern fittings that are more easily useable by an older person with some physical frailty. Select a manufacturer with marketing brand appeal/fashionable then select appropriately from the range. This choice of fittings relates to the idea of selling a particular “life style” in modern extra care. This applies particularly to kitchens and bathrooms.

Conclusion

In conclusion, these are 10 key issues anybody considering mixed tenure extra care housing should be able to answer.

10 KEY ISSUES ABOUT MIXED TENURE SCHEMES

- 1) Why am I developing mixed tenure?
- 2) What model of mixed tenure scheme will I develop?
- 3) Will leaseholders be in a separate building or be pepper-potted?
- 4) Will care and/or support services be part of the leases and tenancy agreements or will they be a separate legal agreement?
- 5) Who will be the care/support provider?
- 6) Can I draw up a detailed list of the services that will be charged to the owners and tenants? What will be the differences and why?
- 7) Will I charge the tenants fixed or variable service charges?
- 8) Who will pay for void services and what will be the budget?
- 9) What are the main clauses I want in leases?
- 10) How will reserve funds be collected?

APPENDIX A:

Guide to leasehold legal requirements for mixed tenure

Legislation	HA lessee Non- charitable	HA shared owner	Local authority lessee	Private sector lessee	Rented tenant with variable service charger
Right to manage	yes	yes	no	yes	no
Collective enfranchisement	yes	no	no	yes	no
Extend leases	yes	no	yes	yes	no
S20 consultation on major works and long term agreements	yes	yes	yes	yes	yes
Right of first refusal on sale of freehold	no	no	no	yes	no
Keep service charge funds in trust	no	no	no	yes	no
Supply statement of rights with service charge demands	yes	yes	yes	yes	yes
Right to challenge service charges at a Tribunal	yes	yes	yes	yes	yes
Ground rents demands in prescribed form	yes	no ground rent	yes	yes	no ground rent
Right to inspect invoices and receipts	yes	yes	yes	yes	yes
Right to inspect buildings insurance	yes	yes	yes	yes	yes
Appointment of another manager by LVT if fault proven	no	no	no	yes	no

APPENDIX B:

Role of Local Authority in Developing Mixed Tenure

The Local Authority has a strategic responsibility to plan services to meet the needs of older people who are owner occupiers. Mindful of their access to resources, such as land, they can play a critical role in facilitating mixed tenure developments. However, developing a product that is market sensitive is a relatively new area both for Local Authorities and some providers.

Proposals have to be thought through in partnership as mixed tenure schemes which are predicated on significant sales proceeds must be developed in desirable areas and levels of frailty need to be managed to ensure longer term sustainability of developments.

How might this work

The local Authority can play a variety of roles in managing stakeholder expectations, assisting in the needs assessment and facilitating multi-agency sign off to developments. It may be able to help in the provision of land at lower than market value in return for nomination rights or access to support services within the development.

Current development costs are in the range £1,200 – £1,400 a square metre. An apartment of 70 square metres plus limited communal space has an indicative cost £110,000 to £130,000 but rental yields may only drive a long term loan facility of say £80,000. This leaves a gap of circa £50,000+ which has to be funded.

This could be done in a number of ways:

- Subsidised land.
- Grant from a stakeholder.
- Sales cross subsidising rent.
- On a larger development site the ExtraCare housing development ‘soaking up’ some of the total site affordable housing.
- Flexibility on rent levels, consistent with customer affordability requirements.

It needs to be borne in mind that in a mixed tenure scheme the requirements for deficit capital funding may not simply apply to rental properties. It can also apply to shared ownership properties. It needs to be borne in mind that 25% of older people own property worth less than £125,000. Experience has shown that a scheme which seeks to sell circa 80% of equity overall; has the potential to maximise uptake of the scheme. Whilst rent may be payable on the balance a shared ownership property has the effect of reducing initial capital receipts at initial sale and this may require further subsidy.

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ABOUT ARCO

The Associated Retirement Community Operators (ARCO) is the main body representing retirement community sector the UK. Retirement communities may also be referred to as retirement villages; extra care housing; housing with care; assisted living; close care apartments; or independent living.

ARCO continually strives to:

- Promote confidence in the sector, ensuring that all members are providing a high quality service to their residents. To this end, all ARCO-registered schemes have to adhere to the standards laid out in the ARCO Charter.
- Raise awareness of the retirement community model amongst older people and stakeholders alike – ensuring that all older people are aware of the variety of housing options available to them; and that policy makers fully understand the ways in which this type of housing provision can meet the lifestyle, health and social care needs of our ageing population.
- Increase the volume and quality of expertise within the sector and share this with members, continually investing in research to better understand and promote the socio-economic value of the housing with care model.

For more about ARCO, visit their website at: www.arcouk.org

£10.00

About the Housing LIN

Previously responsible for managing the Department of Health's Extra Care Housing Fund, the Housing Learning and Improvement Network (LIN) is the leading 'learning lab' for a growing network of housing, health and social care professionals in England involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable adults with long term conditions, including dementia.

For further information on this and about the Housing LIN's comprehensive list of online resources on funding specialist housing for older people are available on our "Funding Matters" pages at: www.housinglin.org.uk/

To participate in our learning and service improvement activities, including 'look and learn' site visits and network meetings across housing, health and social care in your region, login to: www.housinglin.org.uk

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