

Extra Care Housing Evidence Base

Corporate policy

21 December 2015

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Aims

- 1.1 This paper reviews the need for Extra Care housing among older residents of London Borough of Richmond upon Thames, i.e. residents aged 65 and over. It intends to inform housing, health and social care commissioners and assist Registered Providers (RPs) reviewing their housing stock or considering developing new build extra care schemes.

What is Extra Care?

- 1.2 Extra Care Housing provides self-contained accommodation with care available on site. Schemes generally have communal areas for socialising and leisure activities as well as staff offices. Some extra care schemes are based on community hub models, where members of the local community can also access services or activities. Crucially it allows older people to live independently in their own home whilst getting the care they need, avoiding the need to move into a residential care setting. Extra care can offer a number of benefits to residents including improving health and wellbeing, quality of life and allowing the continued involvement of family carers.
- 1.3 Extra Care also offers cost savings to local authorities as households maintain independence and do not require residential care. These cost savings are derived from provision of flexible care and procurement efficiencies (providing care on one site rather than multiple sites) amongst other factors¹. Research shows that each year a resident postpones moving into residential care, the State saves on average £28,080².
- 1.4 There is also evidence on the benefits of extra care to physical and mental health (although evidence/literature is mixed on some issues). Research does highlight that extra care is associated with a '*deceleration of diminution in functional ability*' and residents in extra care schemes are less likely to suffer from a fall. The literature also highlights the improvements in the health of informal carers (this may be through more formal care being available)³.
- 1.5 A longitudinal study from 2002 to 2010 and covering 1400 to 1600 extra care properties found that extra care residents were less likely to be admitted to hospital initially than those in unsupported housing in the community and were more likely to be admitted only once a serious condition had developed. The research did find extra care residents were more likely to stay longer in hospital if they were admitted. Residents in extra care schemes are, however, more likely to have care needs (as this is normally an eligibility

requirement /and were admitted for serious conditions). There is still an estimated potential cost saving to the NHS from a reduction in hospital admissions of up to £512 per person per year⁴.

- 1.6 In terms of mental health there is evidence that extra care residents have a good quality of life and good levels of wellbeing. This is assisted through enhanced opportunities to interact with neighbours, communal facilities and offering leisure and meaningful resident led activities. These activities are recognised as contributing to the reduction of isolation and loneliness. Extra care can also benefit residents with mild to moderate dementia with research demonstrating they maintain quality of life as long as residents without dementia⁵. Extra care has also been the source of some of the more innovative approaches to dementia care.
- 1.7 Nationally, approximately two thirds of Extra Care housing is lived in as a 'home for life'. The remaining third of residents eventually move to more care-intensive settings, such as specialist nursing care.

Methodology

- 1.8 A literature review was carried out and a review of policy drivers that could influence the need for extra care provision. A number of quantitative data sets e.g. population and migration (with Borough data) were analysed. Information on the number of applicants entering residential care and also the profile of those entering extra care schemes was also reviewed. Finally residents understanding of and views about extra care were also sought.
- 1.9 This approach was chosen because although there are toolkits to estimate projected local need for Extra Care provision these are unrealistic, give different results and are too general to be readily applicable to the Richmond Borough context.
- 1.10 As part of developing the evidence base a number of questions relevant to discussions with housing providers guided the work including;
 - Is there need for additional provision of extra care housing and if so by how many units?
 - What tenure should these units be?
 - What bed size should units be?
 - In terms of housing costs what can older people who wish to buy into property (shared equity product⁶) in an extra care scheme be likely to afford?

Overview of Housing for Older People in Richmond upon Thames

Tenure

- 1.11 The majority of older people in Richmond upon Thames own their own home (76.5%). A further 16.3% rent from a housing association and 7.1% rent privately or live rent free⁷

Specialist Housing relevant to Older People

- 1.12 In 2014 there were 873 older person *rented* units⁸ (the majority sheltered housing) in Richmond owned and managed by Registered Providers (RPs). Sheltered housing is pre-retirement and retirement housing intended for people aged 60 and over (55 and over in exceptional cases). In a sheltered housing scheme, residents live in self-contained flats and may share a garden. A scheme manager is on-site during working hours to provide estate management support and basic tenancy support, e.g. checking on residents regularly if this is desired. Sheltered housing residents manage their care independently.
- 1.13 The 2008 Review of Older Person's Accommodation Assessment also reported an additional 221 sheltered housing units available in Richmond for *shared ownership or outright sale*.
- 1.14 Extra Care provision is still a relatively new element of housing provision in the borough, the most recent being a purpose built scheme offering 41 units, developed in 2012. The remaining scheme has 26 units for a total of 67 units across the two schemes.

2. Policy Context

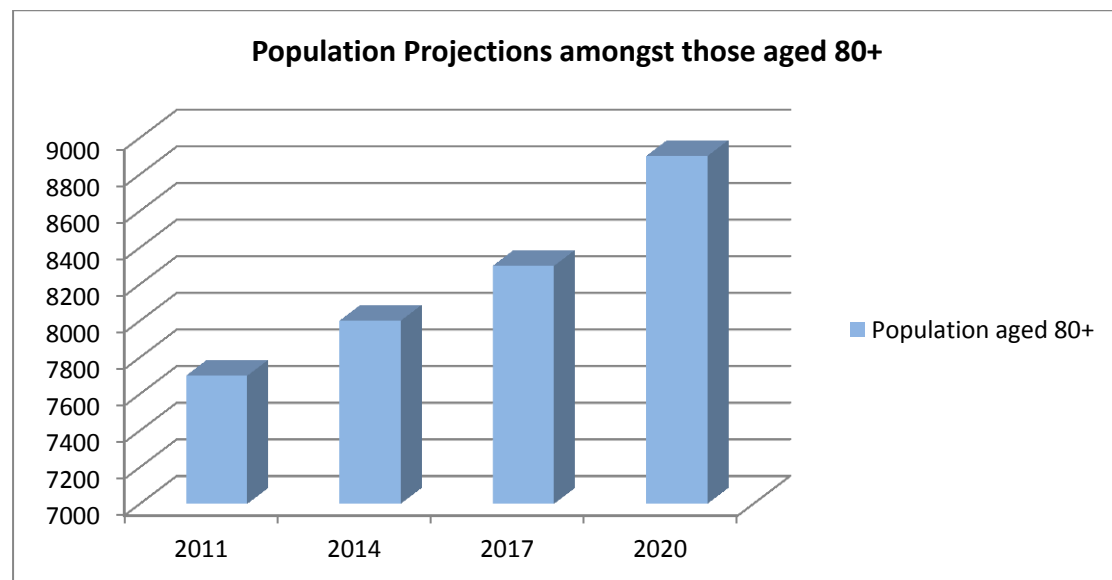
- 2.1 Extra care housing provision involves a range of stakeholders (Local Authority housing, social care, commissioning and public health functions), Registered Providers and Care Providers, and older people themselves. Each stakeholder is responsive to a number of different legislative and business drivers related to them - which make the policy drivers for extra care complex and numerous. One criticism of the many models to estimate extra care provision is the lack of consideration of the complex interplay of policy drivers and their outcomes at the local level.
- 2.2 In Lifetime Homes, Lifetime Neighbourhoods⁹ (2008) the Government recognised the importance and benefits of housing, health and social care working together and the need for more specialist older peoples accommodation. The need for collaborative working is now enshrined in the Care Act 2014 as is new duties to promote wellbeing of residents and to provide preventative services to prevent care needs worsening.

- 2.3 There has also been national recognition of the benefits extra care housing can have as a replacement to residential care. The All Parliamentary Group (the HAPPI 2 inquiry)¹⁰ documented these savings (derived from provision of flexible care, reduced risks of falls, fewer hospital admissions and improved mental health).
- 2.4 The Housing Learning and Information Network (Housing LIN), a network promoting innovation and housing choices for older people have published numerous best practice reports including “*More Choice, Greater Voice*” (2008, updated 2013). Key drivers recommended include offering a real choice in accommodation and flexible options around care. They also highlight the benefits of extra care for couples with different levels of need and for people with cognitive impairment (e.g. dementia). It also highlighted the need for schemes to balance the level and mix of care needs, to ensure schemes do not become care homes by another name. Having a mix of needs is likely to ensure resident led social activity, a key element in reducing isolation and loneliness. Research by the Institute of Public Care¹¹ (IPC) also mirror the need for schemes to not just cater for those with high care needs or risk losing their appeal to older people wishing to purchase their own extra care accommodation.
- 2.5 At a regional level the Revised London Housing Strategy (2014) sets out (Policy 33) the need for increased provision of older people’s housing including the need to deliver a range of products (including shared equity), in mixed tenure developments. The strategy also highlights the benefits of new supply to the London housing market, in encouraging down-sizing.
- 2.6 In Richmond upon Thames an [Older People’s Supported Accommodation Review \(2008\)](#) recognised the potential for extra care provision to help older people maintain their independence. The Borough’s [Housing Strategy 2013 – 2017](#) indicates the Council’s intention to work with Registered Providers in the Borough to provide additional extra care housing.
- 2.7 Richmond’s Out of Hospital Care Strategy 2014-2017 sets out plans to provide services that are personalised, integrated and closer to home i.e. in community settings. The strategy identifies the scope for extra care housing to reduce the number of admissions to residential care.

3. Demographics

- 3.1 Any review of the need for extra care housing needs to consider demographic factors, Richmond’s ageing population and how this will affect demand. There are 25,296 older people aged 65 who make up 13.5% of the population¹². Richmond upon Thames is ranked the seventh highest for the percentage of population aged over 65 in Greater London. Richmond is also ranked joint second (with three other London Boroughs) for the highest percentage of population aged 90+, at 0.8% of the population.

- 3.2 Office for National Statistics (ONS) projections confirm that the older borough population will increase in the next five years and 80+ age cohort will increase from 7700 to 8900 older people.
- 3.3 Research shows the majority of moves into extra care are from people aged over 70 (84%) with 67.5% who moved over the age of 75¹³.
- 3.4 The average life expectancy in Richmond is 82 for men and 86 for women, some of the highest levels in England. Richmond residents have the highest 'healthy life expectancy' (the number of years spent in good or very good health based on an individual's perception of their own health) for men in the country (at 70 years) and 2nd best for women (at 71 years)¹⁴. This means the period of life spent in poor health is shorter than many other areas.



Source: Interim 2011 based subnational population projections for England, ONS 2012

- 3.5 Internal migration estimates for the United Kingdom (2011) estimated that 400 older people (65+) moved into the Borough and 600 moved out. Numbers are therefore low. Many moves were to neighbouring authorities including Spelthorne, Kingston and Elmbridge. Moves into the Borough were largely from Inner London boroughs including neighbouring Hammersmith and Fulham.
- 3.6 Research by Housing LIN indicates that people move into extra care from within a limited geographical area¹⁵.
- 3.7 Older people currently aged 60 to 70 will have higher requirements and expectations of retirement housing compared with the 70+ generation¹⁶.

What does this mean for extra care provision?

1	An ageing population and higher number of residents aged 80+ is likely to increase demand for the provision of extra care housing.
2	With older people in Richmond having the best 'healthy life expectancy' in England with subsequent reduced periods of life in 'poor health' - there may be less demand for extra care provision than population statistics alone suggest.
3	Migration of older people is not a large factor in terms of effecting new provision, with only a small number of older people moving into or out of the Borough and research indicating people generally move for extra care within very limited geographical areas. Preference to live in a local area may be further amplified by scheme allocation policies for rented units which prioritise local residents.
4	National research stresses the fact that 'younger' older people (60 to 70 years) are likely to have higher expectations (in relation to design and floor space standards) than older generations.

4. Health and Wellbeing Factors affecting demand for extra care

- 4.1 The prevalence of disability increases with age with 45% of people over state pension age having a disability compared to only 16% of working age adults¹⁷. Local data is available from the Census 2011 with 44% stating they had a disability. Of these 5,133 (20% of those with a disability) said their day to day activities were limited 'a lot' by their disability.
- 4.2 Multi-morbidity is the co-existence of two or more long term health conditions in an individual. Long term conditions are those that cannot be cured but can be managed through medication/therapy over a period of years or decades¹⁸. Multi-morbidity increases with age, with older people having more long term health conditions than younger people. Evidence is also available that multi-morbidity drives the need for additional care¹⁹. Extra Care may be beneficial in that it provides residents with co-ordinated care which is of importance to those with more than one long term health condition.
- 4.3 The health effects of social isolation and loneliness have been reviewed by public health colleagues in Richmond's Joint Strategic Needs Assessment (JSNA). They include early mortality, cardiovascular problems, depression, high blood pressure and psychological distress. Loneliness is also associated with and predictive of dementia. Older people are more likely to report feeling lonely²⁰ and the JSNA highlights they are more likely to be vulnerable to social isolation with highest levels in those aged 80+. Richmond has the highest proportion of older people living alone in Greater London and the JSNA estimates numbers of older people aged 75+ will increase from 6,397 in 2014 to 7,259 in 2020.

- 4.4 Dementia is a decline in mental ability which affects memory, thinking, concentration and perception. It is degenerative and a person may have mild, moderate or severe dementia. Nationally two thirds of people with dementia live in the community and a third live in residential or nursing care homes²¹. In 2013 the Department of Health published “*Dementia - a state of the nation report on dementia care and support*”. It highlighted that around 670,000 people in the UK have dementia and this figure is set to double over the next 30 years. Dementia currently costs £19 billion per year and the report highlighted this is likely to increase significantly. In Richmond an estimated 1860 residents have dementia²².
- 4.5 Nationally only 50% of people with dementia currently receive a formal diagnosis. Public Health Richmond aim to increase the dementia diagnosis rate to 65% by 2015²³. There is also a local aim to minimise hospital admissions for older people with dementia.
- 4.6 Extra care housing has been shown to meet the needs of and provide a good quality of life for many people with dementia, enabling them to live in a community setting and retaining their independence as long as possible. Extra Care is also a feasible alternative to residential care, allowing flexibility of care to cater for changing needs²⁴.
- 4.7 Extra Care schemes contain some units that are wheelchair accessible. The communal features of schemes also benefits residents with limited mobility, such as socialising with other tenants. It is estimated that the number of people aged over 65 who are unable to manage at least one mobility activity on their own (e.g. going out of doors, walking down the road, getting up or down stairs) will in Richmond upon Thames increase from 5049 in 2014 to 5916 in 2020. This is an increase from 18% to 18.9% of the over 65 population.

What does this means for extra care provision?	
5	Levels of disability and multi-morbidity increase with age. Extra care provides an appropriate housing option for those with care needs.
6	Extra care allows the co-ordination of care needs, which is beneficial for those with multi-morbidity.
7	Richmond has the highest levels of older people living alone in London and older people are more likely to be at risk of loneliness. Extra care schemes can play a preventative role in tackling isolation and contributing to resident’s health and wellbeing.
8	With high numbers of older people living alone Registered Providers may want to consider the predominant unit size with <i>need</i> largely for one bedroom extra care units. (Older people may however want to move into two bedroom units so that family/friends can stay or for belongings gathered over a lifetime).
9	With the number of residents with dementia increasing the demand for extra care housing (that can support both the person with dementia and

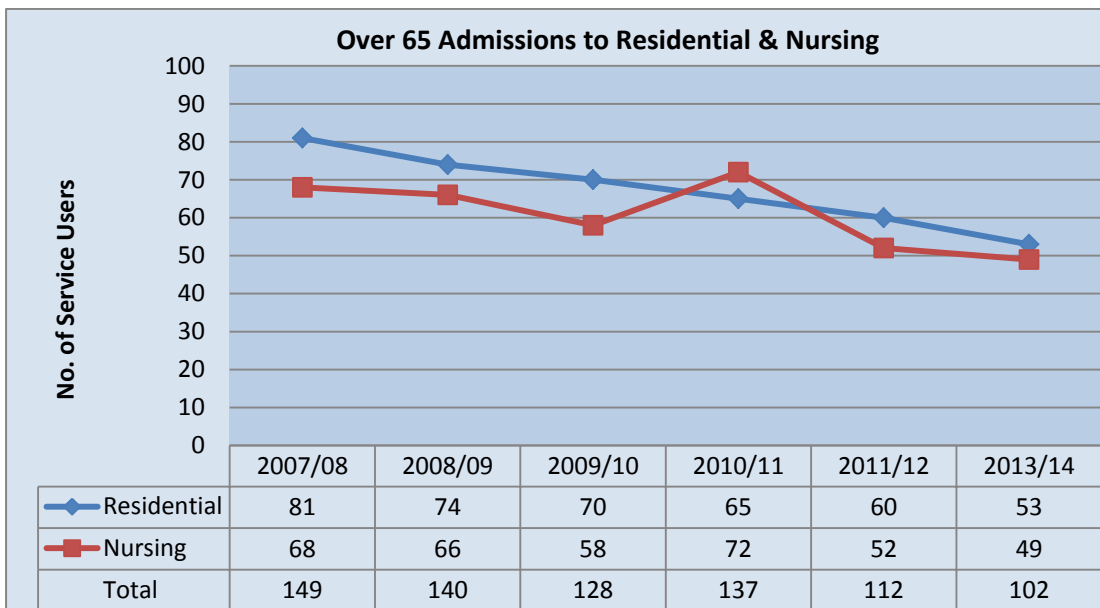
	their spouse) will increase.
10	National best practice recommends that Registered Providers should consider 'dementia friendly communities' and 'dementia friendly design' when developing extra care schemes.
11	National best practice would recommend that all units within an extra care scheme should be built to wheelchair accessible standards and the principles of lifetime homes and neighbourhoods (following Housing LIN guidance).

5. Care Provision for Older People

5.1 Care needs can be provided either in the community (at home) or in a residential or nursing care home. A nursing home differs in that a resident receives care from a qualified nurse on site.

5.2 There are 21 care homes in Richmond upon Thames with a total of 812 bed spaces. As at 31st March 2014 644 older people permanently live in these care homes with at least some funding from Richmond Council and 44 bed spaces are vacant²⁵. The remaining 124 bed spaces are occupied by residents who receive no Council funding towards their care (self-funders).

5.3 The rate of care home admissions of people aged 65 and over is lower than the England average but higher than the London average. This may reflect the fact that residents have some of the best healthy life expectancy rates in England. Also rates in London may be lower due to lower rates of privately run care homes (per head of population over 65) in London generally.



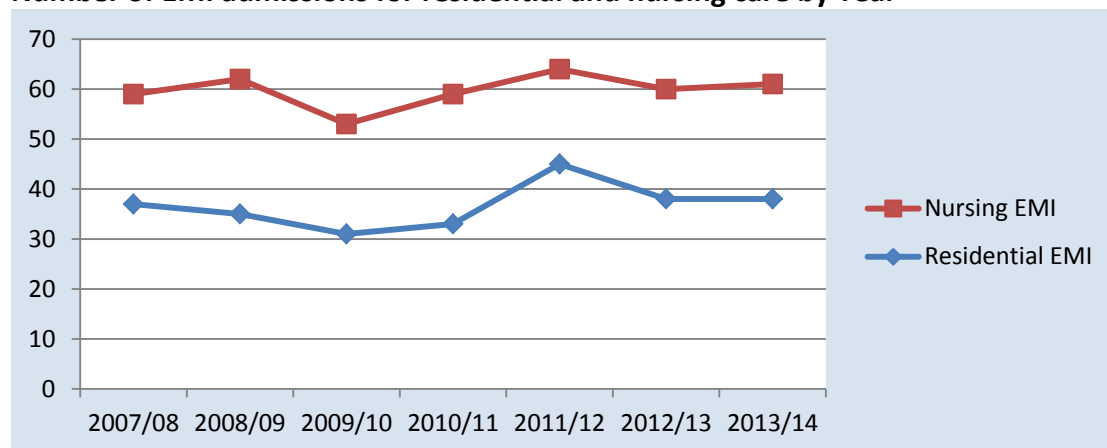
Source; ACS Performance and Quality Assurance Team, Richmond upon Thames

5.4 There has also been a downward trend in admissions of older people to care homes in Richmond upon Thames with a decline of 29% between 2007 and

2013. This compares to a national average that has remained stable between 2001 and 2011. These statistics are in line with the Borough's strategic drive to reduce care home admissions through a number of services including 'Livewell Richmond', the Community and Independent Living Service (CILS), Richmond Response and Rehabilitation team and Disabled Facility Grants, all of which help to support people to remain in their own homes.

- 5.5 Whilst there has been a downward trend in overall admissions those for Elderly Mentally Ill (EMI) beds for both residential and nursing care has remained fairly constant.
- 5.6 Community (i.e home) care provision can be formal or informal. Formal care is paid for either through an Adult Social Care budget or privately (self-funders). Informal care is also provided by family members or friends.
- 5.7 There are 19 providers of community care or home care in the Borough, of these, 7 are contracted to Richmond Council.

Number of EMI admissions for residential and nursing care by Year



Source; ACS Performance and Quality Assurance Team, Richmond upon Thames

- 5.8 The Fair Access to Care (FACS) framework was the national eligibility framework in England for prioritising the use of adult social care resources fairly, transparently and consistently. It assessed a person's circumstances including need for care and risks into bands which are 'low', 'moderate', 'substantial' and 'critical'. From 2014 the Council provided services only to new applicants who are in the substantial or critical bands (with some exceptions). The FACS framework has since been superseded by the Care Act 2014 with a new 'Adult Eligibility Threshold'.
- 5.9 During 2013, 1422 borough residents aged 60+ were assessed for a FACS banding. Of these 736 residents were assessed as having substantial banding and 36 were assessed as critical. A large number of 'substantial' applicants were aged 80 or over (488). Housing LIN has highlighted the importance of considering and balancing the 'mix' of care needs within an extra care housing scheme to ensure they do not turn into residential care homes by default.

- 5.10 Residents using a learning disability service may confront issues related to ageing at an earlier stage in their lives. National research estimates a 14% increase in the number of adults with learning disabilities using social care services between 2011 and 2030²⁶. This may increase demand for extra care housing. It should be noted that an extra care scheme may not be the preferred housing option for some e.g. they may prefer a shared house with care.
- 5.11 Across England 10% of the population provide unpaid care to family or friends. In Richmond upon Thames 15,802 people identified themselves as informal carers, of these 15% provide 50 or more hours of care per week.
- 5.12 National research highlights a 'family care gap' where the number of older people in need of care outstrips the number of adult children able to provide it²⁷. This is expected to occur from 2017 and may lead to increased demand for formal care.
- 5.13 With greater labour mobility and freedom of choice over where to live the physical distance between where parents and children has increased²⁸, making informal care more difficult.
- 5.14 This factor may be particularly relevant to Richmond upon Thames which has the highest house prices in Outer London. Adult children are more likely to move out of the Borough as they cannot afford to purchase a home appropriate for their family size. This move may take place before an elderly parent has substantial care needs. When care needs start to develop they are then not in a position to provide informal care. This is likely to be a long term driver for increased demand for extra care provision. The need for overnight carers (unpaid or paid) is also likely to increase demand for two bedroom units within extra care schemes.

What does this mean for extra care provision?	
12	Extra Care housing can be used as an alternative to residential care placements.
13	The number of residents requiring residential care locally is declining as more households receive care at home.
14	Whilst overall numbers are decreasing the number of residents requiring EMI beds locally has remained constant. Providers of Extra Care should consider the needs of the Elderly Mentally Ill and dementia care within their schemes.
15	National research highlights the need for Social Care commissioners to consider the 'mix' of care needs within a scheme (moderate to high), with a range of needs preferred.
16	National evidence suggests demand for extra care housing may increase from older residents with a learning disability. Registered Providers should consider their needs in service provision.

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The 'family care gap' with reduced levels of informal care from families has been identified as an issue by researchers. It is likely to be a long term driver affecting demand for additional extra care provision. Locally extremely high house prices in the Borough and the influence this has on the housing choices of adult children (locating to cheaper areas) may exacerbate this effect. The need for carers (paid and unpaid) to stay overnight may increase demand for two bedroom units within extra care schemes.

6. The Tenure of Older People in Richmond

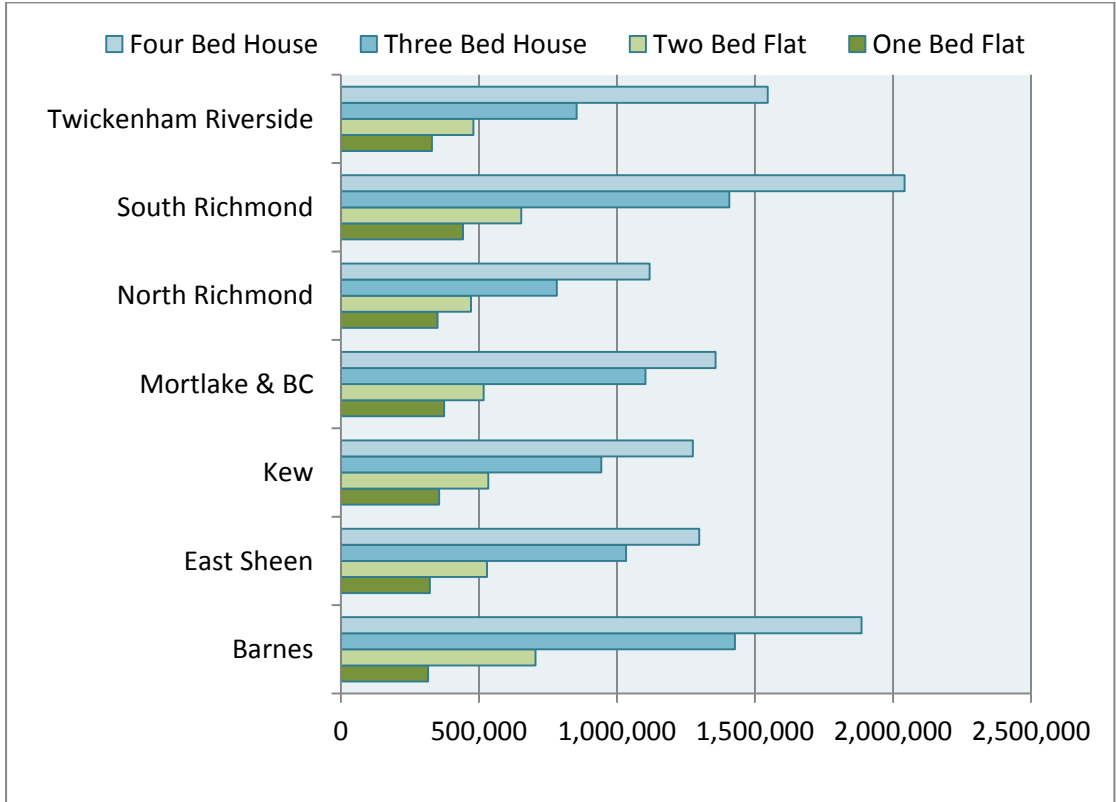
- 6.1 The majority of older people in Richmond upon Thames own their own home (76.5%) whilst just over 16% rent from a housing association and 4.9% rent privately. Just over 2% live rent free.
- 6.2 Many older people are happy living in their own home and do not wish to move to age specific specialist accommodation. Many prefer to maintain independence in their own home through care provided at home. Moving is also stressful and may take a person away from friends and neighbour support networks. Both national and local research would suggest that older people are more likely to consider moving to extra care if a scheme is near where they currently live and their social networks.
- 6.3 Research has highlighted that older owner occupiers are more likely not to move from the known to the unknown or want to relinquish 'control' over their housing. Examples include not wishing to move from a freehold to leasehold property or to a property with service charges²⁹. This may reduce demand for extra care provision from older owners.
- 6.4 Disabled people are twice as likely as the non-disabled to be social housing tenants³⁰. This would support a higher requirement for rented units within an extra care scheme compared to the tenure make-up of the Borough.
- 6.5 Research³¹ highlights older owner occupiers are unlikely to choose to downsize into properties without at least two bedrooms. There are a number of personal and social reasons for this including rooms for family and friends to stay, storage space and room for hobbies. The research found that 87% of moves by older people downsizing in the private sector over the last five years were into properties with at least two bedrooms. This may influence the bedroom 'mix' of shared equity units provided by RPs, with the market requiring more two bedroom units. Tenants from within social housing are allocated property sizes based on their family composition and need for certain sized accommodation.
- 6.6 Owner occupiers looking to downsize are likely to have substantial equity in their home. This amount will vary between different areas of the Borough.

- 6.7 Broadly the likely equity will reflect the housing market of the Borough with highest prices achieved in eastern wards (Barnes, Kew, Mortlake and Barnes Common, South and North Richmond and Twickenham Riverside). Substantial equity will also be achieved in ‘central’ wards (Teddington, St Margarets, South Twickenham, Hampton Wick and Hampton) Equity will generally be lower in comparison in ‘western’ wards (Fulwell and Hampton Hill, Hampton North, Heathfield, West Twickenham, Whitton).
- 6.8 It should be noted that as the most expensive Outer London Borough ‘lower equity’ remains a relative term and equity is likely to be higher than in many other London Boroughs. Equity will also vary depending on the size and type of property an older person is selling so a four bedroom house in western wards would likely have more equity than a two bedroom flat in eastern wards (this may not always be the case e.g. a 2 bedroom flat in Barnes is higher priced than the average four bedroom house in Whitton, Heathfield and Hampton North).
- 6.9 Equity will also be ‘comparative’ to the costs of purchasing in the same area, as shared equity purchasers may wish to reside near to their existing home and social networks.
- 6.10 Releasing this equity will likely be a consideration in deciding to move or downsize. Alongside the costs of moving, equity will be needed to finance care. Equally older people will look for equity to fund continued outgoings (7% of an older person’s income nationally is derived from investments) or finance personal goals/interests or family responsibilities. *Therefore the likely equity value of an average property by size/type will not correlate to the prices an RP could charge for a shared equity product.*

What does this means for extra care provision?	
18	Whilst the majority of older people in Richmond upon Thames are owner occupiers demand for extra care is likely to be slightly higher from the housing association sector and slightly lower from the owner occupied sector. As such it is recommended that a tenure split of 40% shared equity and 60% rented units be used for extra care schemes rather than the existing 20% (intermediate) and 80% (rented) affordable housing tenure ratio.
19	Extra care schemes should provide two bedroom as well as one bedroom units. National research evidences that this may be of particular importance to purchasers of shared equity products who are less likely to downsize into a one bedroom home.
20	Older people in Richmond owning three and four bedroom houses are likely to have substantial amounts of equity available in their property compared to other Outer London boroughs. Equity is likely to be highest in the eastern wards of the borough and lower in western wards. RPs should remember there will be a range of equity likely by bed size, property type and area.

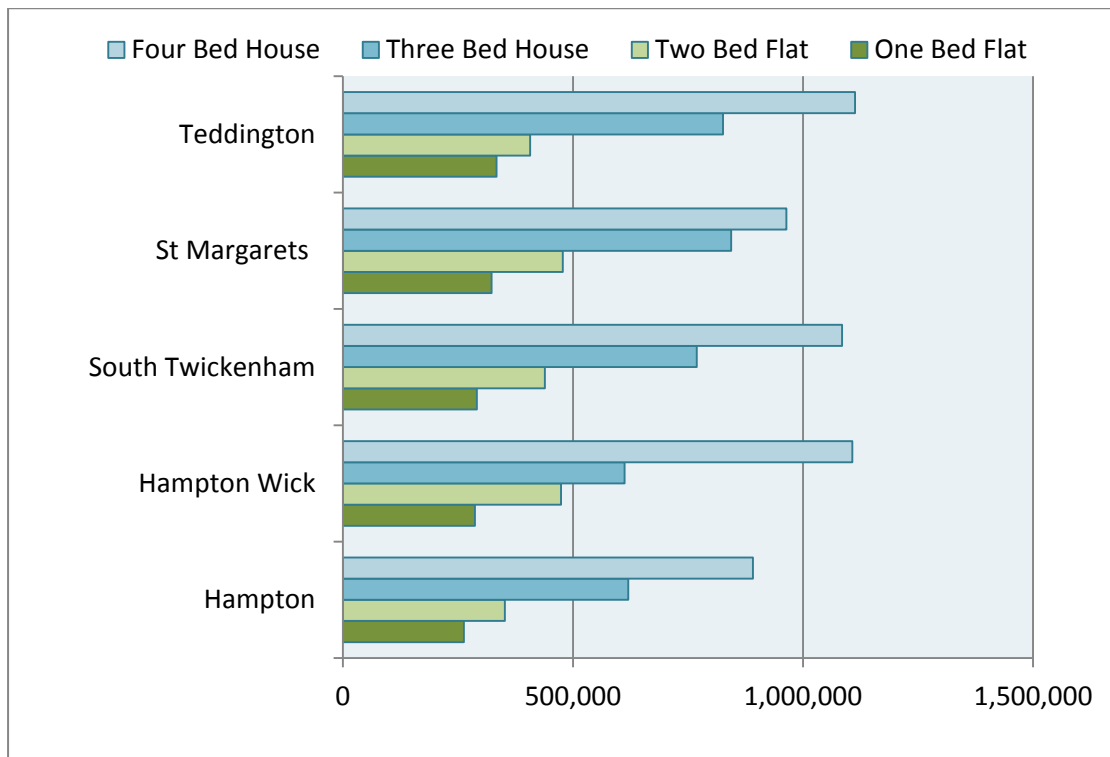
- 21 National research on older people’s use of equity emphasizes that older people will want to use equity for a range of purposes including funding care, for day to day income generation and for family and social purposes. Registered Providers should consider the wide range of uses when considering the sale price of units.
- 22 Both national and local research stresses that older people are more likely to want to live in schemes near to where they currently live so that family, friend and neighbourhood networks can be maintained. RPs should consider the local and surrounding ward data on house/flat sale prices when considering the likely equity available to purchasers and calculating sale price of shared equity units.

Estimated Equity based on property sales and valuations - Eastern Wards



Source: Hometrack, sales and valuations, Jan 15',
Rounded up /down to nearest £1000.

Estimated Equity based on property sales and valuations – Central Wards



Source: Hometrack, sales and valuations, Jan 15',
Rounded up /down to nearest £1000.

Estimated Equity based on sales and valuations – Western Wards



Source: Hometrack, sales and valuations, Jan 15',

7. Income and Savings Profile of Older People in Richmond upon Thames

- 7.1 Knowledge about the income and savings of older people in Richmond upon Thames is relevant to the development of extra care in that it can influence tenure decisions as well as the financing of the scheme (e.g. what residents can afford to pay for housing and care costs).
- 7.2 In 2010/11 70% of UK households which included a pensioner were in receipt of a private pension³². The proportion may be higher in Richmond upon Thames due to the relative affluence of Borough residents. An indication of this is the fact that the former employment of 45.5% of Richmond older people was in highly paid professions (managers, directors, professionals, associate professionals) compared to the England average of 26%³³.
- 7.3 Whilst many older households in the Borough may have a private pension there were 3410 older people households in Richmond claiming the 'guarantee' element of Pension Credit during August 2012³⁴. This is a benefit for low income older people topping up a pensioners income if it below £151.20 per week for a single pensioner or £230.85 for a couple.
- 7.4 Overall 1 in 7 older person *households* in the Borough claiming a state pension also claim pension credits.
- 7.5 National data for 2010/11 found that pensioner households under 75 had an mean average income of £21,684 per annum and those over 75 had a mean average income of £15,652. Pensioner couples under 75 had a mean average income of £34,164 and £25,896 for couples aged over 75³⁵.
- 7.6 In 2007 Fordham's Local Housing Assessment found older people in Richmond had a mean average income of £17,728 per annum for single person households and £27,318 for households with two or more pensioners.
- 7.7 There is no more recent current local data available. Reviewing national data from the Department of Work and Pensions there has been an approximate 5% increase in income for pensioners under 75 between 2007/08 and 2010/11. Using this as a proxy we can roughly estimate that pensioner households in Richmond upon Thames have an average mean income of £18,614 for single pensioners and pensioner couples have an average mean income of £28,683.
- 7.8 A review of available literature and websites found no data source available on the average amount of savings older people have. The 2007 Fordham's Local Housing Assessment found that owner occupiers who own their home outright (which a majority of older people will) have median savings of

£24,501 whilst those in a housing association tenancy had median savings of £6,251. Notably 22% of households (all ages) in the Borough had no savings.

What does this mean for extra care provision?	
23	RPs should note that older people in the Borough are likely to have a range of income and saving levels. That said a proportion of older people in the Borough are likely to have private pensions, a reasonable level of income and savings - compared to other Outer London boroughs.
24	Income data stresses the need for rented units to be developed that are affordable to households on low to moderate incomes, including those reliant on pension credit and housing benefit.
25	Best practice would recommend that RPs consider the cost of housing service charges for households in shared equity units and for those in rented units, who may be on fixed incomes.
26	Best practice would recommend that RPs consider the impact of annual rent increases for those on fixed incomes when initially setting rental levels for extra care schemes.

8. The views of older people in Richmond upon Thames on Extra Care Housing

- 8.1 Officers carried out a questionnaire survey with older residents at the annual 'Full of Life' fair for older people during October 2014 to understand what they knew about extra care housing. Forty seven older people completed the survey forty three from Richmond upon Thames and the remainder from neighbouring boroughs.
- 8.2 The participants' tenure broadly matched the tenure profile of older people. Interestingly 80% of respondents had a private pension. Twenty six of the respondents lived in homes with three or more bedrooms. The majority of respondents required one bedroom (as a single person or couple). One respondent had five spare bedrooms in their existing home.
- 8.3 The majority of respondents had heard of sheltered housing, care home and nursing homes but only one fifth had heard of extra care housing. After being told the basic features of extra care 25 (53%) said they would consider moving to extra care.
- 8.4 Key points relating to extra care included the *small geographical area that respondents would consider moving to*. Almost all indicated interest only to move within their current ward or to an immediately neighbouring ward. The two exceptions to this were when there was a desire to move nearer to relatives.

Extra Care Applications for rented units during 2013

- 8.5 A review of applicants for the social rented extra care units was carried out looking at all applications during 2013. The review found that extra care units were over-subscribed with thirty applicants for ten available units. Of those re-housed into Dean Road the average distance moved was 2.8km, one applicant moved just 200m whilst another moved 1km. This reflects the national trend that applications to extra care tend to live near to where the scheme is.

What does this mean for extra care provision?	
27	Both national and local research underscores the need for extra care schemes to be geographically spread across the Borough to reflect resident's preference to remain in their own neighbourhood. RPs should note this (including the location of existing schemes and schemes in development) through co-ordinating with the Housing Development Manager.
28	Many older people in Richmond are used to large amounts of space in their current home and additional bedrooms. Best practice and national research stresses the need for extra care schemes to consider the 'offer' to residents including good space standards and two bedroom units.
29	RPs should follow the Intermediate Housing Marketing Statement when marketing new schemes. Local evidence would recommend they should also be encouraged to carry out broader information sharing to residents on what extra care is and the benefits of extra care.

9. Estimating the need for additional Extra Care Units in Richmond upon Thames

- 9.1 A number of sources provide detailed toolkits to estimate projected need for extra care housing. Unfortunately these models often fail to take into consideration both policy drivers that will assist older people to remain within the family home and also older people's personal aspirations to do so. Based on population data they are likely to be highly optimistic in their estimation of need. From a pragmatic viewpoint they do not take into consideration the *availability of sites* in a Borough or *competing housing priorities* such as *general needs affordable housing* or *supported housing*. Local authorities also face non housing competing priorities, such as the provision of schools.
- 9.2 This report is a pragmatic document used to guide local RPs about the need to develop new extra care provision over the period 2015-2020. As such it has adopted the approach outlined in "*What makes older people chose residential care and are there alternatives*"³⁶. This approach is based on a review of case files for those entering residential care. It found that a total of two thirds of older people who had recently been admitted to care homes

could have benefited from extra care provision, either by moving now (one third) or if they had moved earlier (a further third).

- 9.3 Using this approach does require commissioners to consider a range of care needs (not just high needs) when nominating households to extra care schemes. This is in order that the ‘preventative third’ of older people who would have otherwise moved into residential care at a later date are captured. It also protects schemes from defaulting to operating as residential care homes by another name.
- 9.4 Similar to this approach is the case review carried out by Poole Council³⁷ who found that that 44% of those moving to residential care would be suitable for extra care now and a majority of cases would be suitable if they had moved earlier.
- 9.5 There were 102 Richmond Council funded new permanent admissions to care homes during 2013/14. It is estimated that there were a further 19 new permanent admissions of self-funders. Therefore there were 121 total admissions.
- 9.6 Based on this approach it is estimated that there could be a need for an *additional 81 extra care units* in the Borough using the above assumptions. This figure should be reviewed again in 2018/19 but should provide RPs with sufficient guidance for the period 2015 – 2020 on the need for provision.
- 9.7 It is envisaged that the 81 units would be based on two to three schemes covering different areas of the Borough. This is based on the assumption that a certain number of units are likely to constitute a viable scheme and that the intention is to improve the geographical spread across the Borough.
- 9.8 RPs should where appropriate consider the use of any decommissioned sheltered schemes that do not meet current requirements for extra care provision where there re-use /redevelopment could be highly valuable.

What does this means for extra care provision?

30	RPs are guided that the estimated need for extra care housing provision is 81 additional extra care units, to be provided over two to three schemes. Taking a pragmatic approach the timescale for provision is the period 2015 to 2020 when a further review of need will be required.
31	Schemes should follow the tenure ratio of rented/shared equity units previously outlined i.e. 60% rented and 40% shared equity.
32	Schemes should be distributed geographically across the Borough (as evidenced by both national and local research).
33	RPs should consider their existing sheltered housing offer and how it might be remodelled when developing their plans for extra care.

10 Conclusions

- 10.1 Summaries of key points are outlined throughout the report in chapter tables. The following conclusions also provide recommendations for policy makers, commissioners and Registered Providers to have due regard to.

Conclusions for Policy Makers, Commissioners and RPs	
1	Demographic and health and wellbeing factors are likely to increase the need for extra care provision over the longer term in Richmond. National research highlights that extra care can assist in maintaining independence, co-ordinate care for patients with multi-morbidity, reduce isolation/loneliness and meet the housing needs of people with dementia. Extra care can also reduce the cost of residential care placements and potentially save the NHS money.
2	Taking a pragmatic approach to assessing the need for new extra care provision locally, there is an estimated need for at least an additional 81 extra care units in Richmond upon Thames provided over two to three areas of Richmond upon Thames Again a pragmatic timescale for provision is the period 2015 to 2020. RPs should consider their existing sheltered housing offer when developing their plans.
3	Internal migration is not likely to impact on the demand for more extra care housing. Where mobility is relevant is that demand is likely to be extremely local, with residents wanting to access extra care schemes in their own neighbourhood. This national research finding is reflected in our own responses from local residents. Extra Care schemes should therefore be geographically spread across the Borough and RPs should consider the existing location of all schemes when developing their plans.
4	The majority of older people in the Borough own their own home although national research highlights that demand from owner occupiers for extra care is likely to be slightly lower and demand from residents in housing association property higher than tenure levels suggest. This report therefore recommends a tenure ratio for extra care schemes of 60:40, rented units to shared equity units. This differs from the Council's agreed ratio for affordable housing of 80:20 rented to intermediate units. The shared equity units should contain a number of two bedroom homes, reflecting the market demand for two bed units.
5	With high numbers of older people living alone in Richmond the predominant need is for one bedroom units although some will require two bedrooms to enable carers (paid and unpaid) to stay overnight. That said national research stresses that older people may want to move into two bedroom units so that family/friends can stay or to allow for hobby space or for belongings gathered over a lifetime. RPs should also consider the amount of space and storage facilities available in units.

6	<p>A review of research literature underlines that changing generational expectations (such as demanding higher specifications or a better quality living environment) means that the housing offer to ‘younger’ older people (60-70) needs to be more considered. The higher expectations of owner occupiers considering purchasing shared equity units in a scheme is likely to combine with higher expectations of ‘younger’ older people – leading to requirements for ‘higher spec’ living environments. <i>RPs and commissioners therefore need to think about the requirements of ‘younger’ older people and how purchasers may have higher expectations across a range of issues including a) design b) number of bedrooms and c) ensuring nominations into a scheme include a range of care needs (moderate to high).</i></p>
7	<p>National research further supports the need for schemes to cater for a range of needs to support resident led activities, which reduce isolation and loneliness. <i>Social care commissioners therefore need to consider the ‘mix’ within a scheme (moderate to high care needs) with a range of needs preferred.</i> Older purchasers will not aspire to buy into a scheme that operates similar to a residential care home because too many residents with high care needs have been nominated into a scheme.</p>
8	<p>Older owner occupiers in Richmond upon Thames are likely to have substantial equity available in property compared to many other London boroughs. Equity is likely to be highest in the eastern wards and lower in western wards. RPs should be aware that older people are likely to want to purchase in a scheme near to where they currently live and so (apart for those downsizing from larger properties) equity levels may vary from substantial to more moderate amounts. National evidence suggests that older people will also want to use equity for a range of purposes including funding care, day to day income generation and for family and social purposes. <i>RPs should consider the wide range of uses when considering equity and the sale price of units.</i></p>
9	<p>RPs should note that older people in the Borough are likely to have a range of income and saving levels. That said a high proportion of older people in the Borough are likely to have private pensions and reasonable levels of savings and income compared to other London boroughs. One in seven pensioners in Richmond upon Thames do however claim pension credit. <i>RPs should therefore develop rented units that are affordable for households on low to moderate incomes, including pension credit.</i></p>
10	<p>Whilst residential care placements are declining the need for Elderly Mentally Ill beds has remained constant, making up a greater proportion of care needs. In developing any new scheme <i>Registered Providers need to have considered how their scheme meets the needs of EMI residents. Best practice would suggest schemes should deliver ‘dementia friendly communities’ and include ‘dementia friendly design’.</i></p>

11	Best practice would suggest all units within an extra care scheme should be built to wheelchair accessible standards and the principles of lifetime homes and neighbourhoods (following Housing LIN guidance).
12	A steering group of Council officers (commissioners, housing policy/development/planning policy, social care colleagues, Public Health) and local RPs is set up to co-ordinate and take forward plans on extra care provision including identifying resources/funding streams.

Footnotes

¹ *“Establishing the Extra in Extra Care Housing”*; International Longevity Centre UK, (ILC-UK), 2011.

² *“Fit for Living Network: Position Statement”*, Housing Associations Charitable Trust, (HACT), 2010.

³ *“Establishing the extra in extra care”*, (2011), Kneale, D, International Longevity Centre

⁴ *“Establishing the extra in extra care”*, (2011), Kneale, D, International Longevity Centre

⁵ Ibid

⁶ Shared Equity is where the home owner buys a fixed % of a property, say 70% but can never buy the remainder, which always remains with the freeholder.

⁷ Census 2011

⁸ Statistical Data Return 2014

⁹ *“Lifetime Homes, Lifetime Neighbourhoods, a national strategy for housing in an ageing society”*, (2008), DCLG/DoH/DWP publication.

¹⁰ *“Housing our ageing population: plan for implementation (HAPPI 2 Inquiry), all party parliamentary group on housing and care for older people”*, (2012), available at http://www.housinglin.org.uk/library/Resources/Housing/Support_materials/Other_reports_and_guidance/Housing_our_Ageing_Population_Plan_for_Implementation.pdf

¹¹ *“What makes older people chose residential care and are there alternatives”*, (2004), Kerslake, A, IPC.

¹² Census 2011

¹³ *“Establishing the extra in extra care housing”*, (2011) International Longevity Centre.

¹⁴ Richmond’s Public Health Report 2014/15

¹⁵ *“Housing LIN’s submission to London Assembly’s Housing Committee Investigation into sheltered housing”*, (2013)

¹⁶ *“Market assessment of housing options for older people”*, (2012), IPC

¹⁷ Family Resources Survey 2010/11, ONS

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- ¹⁸ *"The Annual Report of the Director of Public Health"*, (2013/14), London Borough of Richmond upon Thames
- ¹⁹ "The prevalence of multi-morbidity in primary care and its effects on health care utilisation and cost", (2011), Glynn LG et al, *Biomed Central Family practice* 28 (5).
- ²⁰ *"Condition of Britain briefing 3: getting older and staying connected"*, (2013), IPPR.
- ²¹ *"Dementia 2012: a national challenge"*, (Alzheimer's society)
- ²² *"JSNA Newsflash"* – December 2013
- ²³ *"The Annual Report of the Director of Public Health"* (2013/14), London Borough of Richmond
- ²⁴ *"Extra Care Housing and People with Dementia"* (2009), Housing 21 on behalf of the Housing and Dementia Research consortium.
- ²⁵ *"The Self Funder Population"*, ACS Performance and Quality Assurance, (2014), Richmond upon Thames
- ²⁶ *"Estimating future need for social care amongst adults with learning disabilities in England: an update"*, (2011), Learning Disability Observatory report, DoH.
- ²⁷ *"The Generation Strain: collective solutions to care in an ageing society"*, (2014), IPPR.
- ²⁸ *"Loneliness amongst older people and the impact of family connections"* (2012), WRVS
- ²⁹ *"Market assessment of housing options for older people"*, (2012), Pannell et al, NPI.
- ³⁰ *"Disability in the UK 2011 – Facts and Figures"*, Papworth Trust
- ³¹ *"The top of the ladder"*, (2013), Wood, C, Demos
- ³² *"Pension Trends: The labour market and retirement"* (2013), ONS
- ³³ Census 2011
- ³⁴ ONS Neighbourhood statistics, August 2012
- ³⁵ *"The Pensioner Income Series"* (2010/11), DWP
- ³⁶ *"What makes older people chose residential care and are there alternatives"*, (2004), Kerslake, A, IPC.
- ³⁷ *"Assessment of the need for extra care housing in Poole"* (2012), Poole Council.