
REPORT FOR: CABINET

Date of Meeting:	15 November 2018
Subject:	Extra Care Housing
Key Decision:	Yes
Responsible Officer:	Visva Sathasivam, Interim Director of Adult Social Care, and Nick Powell, Divisional Director of Housing Services
Portfolio Holder:	Councillor Simon Brown, Portfolio Holder for Adults and Public Health Councillor, and Phillip O'Dell, Portfolio Holder for Housing
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All wards
Enclosures:	Annexe A: Demand Modelling for Extra Care Annexe B: Equality Impact Assessment

Section 1 – Summary and Recommendations

This report sets out the Adults Services' vision for extra care housing in Harrow and the strategy to increase the supply of extra care housing for older people in Harrow.

Recommendations:

Cabinet is requested to:

1. Approve the strategic approach to increase the supply of extra care housing for older people in Harrow.
2. Approve the need for supported housing, particularly extra care housing for older people, to be a priority for consideration in development opportunities in Harrow.
3. Delegate authority to the interim Director of Adult Social Care and the Corporate Director Community, following consultation with the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Housing, to proceed with identifying and progressing suitable sites for extra care development.

4. Delegate authority to the interim Director of Adult Social Care and Corporate Director, Resources and Commercial, following consultation with the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Finance and Resources, to procure the provision of extra care wellbeing services.
5. Delegate authority to the interim Director of Adult Social Care and Corporate Director, Resources and Commercial, following consultation with the Portfolio Holder for Adults and Public Health and the Portfolio Holder for Finance and Resources, to award the contracts for the provision of extra care wellbeing services.

Reason (for recommendations): To progress the development and implementation of the strategy to increase Extra Care housing provision in Harrow.

Section 2 – Report

Introduction

1. This report outlines Harrow's Extra Care Housing Strategy and the implementation of phase one in line with the Adult Social Care vision. Harrow Council's Housing and Adult Social Care departments are working together to explore ways to increase the supply of Extra Care Housing for Older People in the Borough, through a combination of new development and re-commissioning existing older persons housing schemes owned by the Council and housing association partners. The aim is to meet the housing, care and support needs of older people as an alternative to costly domiciliary care and residential care which are not the most appropriate or cost effective approaches to meet needs and maintain health and wellbeing. This is particularly important in the context of an ageing population, increasing demand for services and budget challenges in local government.

Options considered

2. The following options have been considered:
 - Do Nothing – this will not enable the Council to meet the demands of an ageing population, and improve outcomes for older people within the current challenging financial context. Therefore new approaches have to be considered.
 - Develop new affordable extra care housing - Harrow currently has a very small amount of extra care housing for its older persons population. Extra care housing offers an alternative to costly domiciliary

care and residential care which is more appropriate and cost effective in meeting needs and maintaining health and wellbeing.

Current situation

3. There is a shortage of affordable housing options in Harrow, including for older people. Harrow has an ageing population with pressures on housing, health and social care. There is a limited amount of housing that is designed with older people in mind. Some older people are living in homes that do not match their needs and this has an impact on the housing market and availability of family size accommodation. Others are placed in residential or nursing care, or remain in hospital longer than necessary, because of a lack of suitable housing options locally.
4. The right kind of housing can keep older people healthy, support them to live independently and in the longer-term reduce the need for home care or residential care and lead to savings in health and social care budgets. Extra Care Housing has the potential to play a greater role in providing social care alongside home care and residential care.
5. There is currently one extra care housing scheme in Harrow, Ewart House, which is managed by Harrow Churches Housing Association. The care service is provided by Hales Group. Further schemes in the pipeline include Watkins House and Wolstenholme and officers are in discussions about proposals for developing extra care housing as part of the affordable housing requirements on a large private sector led development.

National and Local Drivers

6. The Care Act 2014 is the most significant change in social care law for 60 years. The legislation sets out how people's care and support needs should be met. The act's 'wellbeing principle' sets out a local authority's duty to ensure people's wellbeing is at the centre of everything it does.
7. The Housing, Communities and Local Government Select Committee published a report on 9 February 2018 following its Housing for Older People inquiry. The inquiry examined whether the housing on offer for older people is sufficiently available and suitable for their needs and considered how older people wish to live. The Committee took into account the context of significant housing shortages, rising numbers of older people, pressures on health and social care and that fact that only 2% of the country's housing stock is designed with pensioners in mind. This strategy contributes to the implementation of the recommendations. Through this vision there will be emphasis on outcomes and helping people to connect with their local community.
8. Dementia is a growing challenge and the prevalence is increasing with the ageing population. The Harrow CCG and Harrow Council have drafted a joint dementia strategy which provides a framework to improve the patients journey in terms of living well with dementia. In addition, Harrow Council's Overview and Scrutiny Committee have reviewed housing provision for people living with dementia.

9. Between September 2017 and February 2018, the Council's Health and Social Care Scrutiny Sub-Committee carried out a review into dementia friendly housing in the Borough. The outcome report was submitted to the Sub-Committee on 14 March 2018 and to Cabinet on 21 June 2018. The response report was submitted to Cabinet on 12 July 2018.
10. The review topic was chosen due to projections in the number of older people in Harrow with dementia and existing national and local focus on the issue.
11. The purpose of this review was to:
 - develop a greater understanding of what constitutes 'dementia friendly' housing;
 - develop a greater understanding of and clarity around whether current housing provision within the borough meets the needs of residents aged 65 and over diagnosed with dementia, or those that could develop the condition in the future;
 - identify measures that the Council could implement to help meet future housing needs. In doing so, identify what overall steps Harrow Council can take towards becoming more dementia friendly.
12. The aim was to provide strategic support to the Council's Housing and Adult Social Care departments and Harrow CCG, to help plan for the long-term housing and care needs of those with diagnosed with dementia.
13. One of the recommendations was for Harrow Council to undertake a needs analysis of demand for accommodation and support for older people in the Borough and those diagnosed with dementia and other complex conditions.
14. Another recommendation was for the review of the Housing Strategy next year to include expanding the supported housing section to incorporate the specific housing needs of older people, including those with dementia.
15. The intention is for new extra care provision to be dementia friendly and ready, as any older person can develop dementia, though feedback from experts in the sector indicates that specialist dementia units within extra care schemes do not always work well.
16. The draft New London Plan significantly increases the 10 year target for net housing completions in Harrow 2019/20 – 2028/29, setting it at 13,920. This translates to a target of 557 affordable units per year on a policy requirement that 40% of all new housing should be affordable. Policy H15 of the draft New London Plan deals with specialist older persons housing, which includes extra care housing, requiring such housing to deliver, amongst other items, affordable housing, accessible housing and the highest standard of accessible and inclusive design. The draft New London Plan also contains an annual indicative benchmark for Harrow 2017- 2029 for the provision of specialist older persons housing, including extra care accommodation, to inform local level assessments of specialist

housing need in the context of the total potential demand across London of over 4,000 units. Harrow's indicative benchmark is 165 units per annum. Our strategy for extra care housing will contribute to meeting the need for affordable housing and specialist older persons housing as required by the London Plan.

17. Locally, Harrow Council's Ambition Plan to 'Protect the Most Vulnerable and Support Families' includes developing a new relationship with the voluntary and community sector, so they are able to continue supporting our most vulnerable residents.

New Vision for Adults Social Care

18. A new vision for Adult Social Care, A Model to Develop Community Resilience in Harrow, was launched in November 2017 and the key messages of the new vision are:

- To pave the way for seamless health and social care integration.
- To respond to the continuing rise in demand for health and social care.
- To transform models of care.
- To enhance health, wellbeing and resilience with a preventative approach that embodies the 'wellbeing principle'.
- Delivering the right level and type of support at the right time and in the right place to keep people independent for longer.
- Manage customer expectation and increase customer satisfaction.

19. Increasing the supply of Extra Care Housing for Older People is a key part of delivering that vision and consequently is a high priority to progress.

Extra Care in Harrow

20. The overarching aim of the strategy is to ensure a long term framework is in place so that the Council and delivery partners such as housing associations have the certainty to bring forward schemes which enable independent living for as long as practically possible and quality care and support when it is genuinely needed.

21. The new Extra Care Housing Strategy will be incorporated into the Housing Strategy when it is reviewed by Housing Services in 2019.

22. The definition of extra care in Harrow is as follows:

- Form of sheltered housing but for older people who are becoming more frail and less mobile and have higher support and care needs.
- Self-contained homes and communal facilities with design features and care / support services which enable self-care and independent living.

- It enables older people with a wide range of needs to remain living independently in the community, whilst being able to access care. Staffed 24 hours and increasingly there will be the use of assisted technology to maintain independence
23. The overarching need is for affordable extra care housing for rent. It is also possible to provide combined schemes that allow for self-funders to buy or rent units. Demonstrating the demand for extra care housing for sale is an area that requires further research.
24. Extra care housing has potential to achieve a range of improved outcomes for citizens including:
- support the prevention agenda
 - reduce the number of hospital admissions / re-admissions and long term stays
 - prevent or delay more costly moves into residential care
 - provide dementia-friendly accommodation.
 - the future-proofing and flexibility built into the design can prevent the need for costly adaptations and home energy improvements at a later date
 - moves to high cost residential or care homes can be avoided
 - facilitating safe and timely transfer of care from hospital to home avoids prolonged and expensive in-patient stays
 - freeing up under-occupied homes (often with gardens) reduces demand for land-hungry larger family housing
 - health benefits from ability to live independently

Demand for Extra Care Provision in Harrow

25. Harrow has an ageing population, with an estimated 15 per cent (38,600) of people aged 65+. The number of people aged 65+ is projected to increase by 25% over the next 12 years. Dementia rates are projected to increase significantly over the next twelve years by an estimated 37%, from 2500 to just less than 4000. Approximately 67% of the population aged 65+ are White. The largest ethnic minority group is Asian/Asian British (27% of the 65+ population). Harrow will see an increase in the ethnic diversity of its older population. The number of people with dementia from Black and Minority Ethnic groups is also predicted to rise, due to the high incidence of high blood pressure, diabetes, stroke and heart disease within these communities, which are risk factors for dementia.
26. To project the estimated further demand for extra care, officers have reviewed a range of data including population projections, patterns of social care placements, trends in the primary need of citizens and case studies. The demand data is based on the current care package trends and includes an up-lift for population growth. A detailed analysis of need and demand is provided at Annexe A.

Extra Care as an Alternative to Residential Placements

27. Over 6 years to 2025 between 33 and 94 clients could be suitable for placement as an alternative to residential care, or up to 16 per year, on average. A number of practical and financial issues, such as those relating to home owning self-funders, need to be addressed for the higher projection to be feasible.

Extra Care as an Alternative to High Cost Community Based Support

28. By 2025, it is expected that a maximum of 119 new clients could be suitable for placement in extra care housing as an alternative to high cost support in their own homes, or up to 20 per year on average

Extra Care for those People with Higher Level Care Needs

29. If Extra Care facilities could cater for higher levels of care needs, then additional clients could be placed. This type of advanced Extra Care provision would need to be able to cater for needs such as hoisting, double-handed care, severe dementia etc. Table 1 below summarises the projected future need for extra care provision in Harrow.

Table 1: Demand from Citizens with Higher Level Care Needs

High Level Care Need / circumstances	Number of additional clients by 2025 at current demand level	Additional clients by 2025 through projected population growth	TOTAL ADDITIONAL CLIENTS by 2025
High risk of falling (without dementia)	36	4	40
Severe dementia	180	20	200
Other issues / risks (e.g. language requirements, funding arrangements)	84	10	94
Community Based clients with higher care needs	30	2-3	33
ADDITIONAL CLIENTS	Up to 330	Up to 37	Up to 367

30. By 2025 a range of between 153-580 people referred to the local authority could be catered for by extra care housing, depending on the type of provision and financial arrangements involved and assuming relevant provision will be available for those from a non-white ethnic background.

31. Over time it is expected to develop the extra care model so that these more complex care needs can be met by extra care provision. On this assumption the upper end of the range would apply.

Extra Care Supply and Pipeline in Harrow

32. Harrow currently has only one operational extra care scheme and several in the pipeline which would bring forward 109 units. Table 2 below summarises these schemes:

Table 2 Current and Pipeline Schemes

Current Schemes	Provider	No of Homes	Timescales
Ewart House	Harrow Churches	47	Current
Pipeline Schemes			
Watkins House	Harrow Churches	52	2020-2021
Wolstenholme	Harrow Churches	57	2020 -2021
Total		109+	

33. To meet the demand for extra care as projected and presented in Table 1, it is proposed to develop a phase approach to bring forward additional schemes. Each scheme will be supported by an individual business case. The table below outlines the three delivery phases:

Delivery Phase	1	2	3
Years	2020-2021	2022-2023	2023-2025
Units	109 Units	120 Units	120 Units
Sites	Watkins House	Site to be identified	Site to be identified
	Wolstenholme	Site to be identified	Site to be identified

34. A phased approach is proposed for the following reasons:

- The impact on outcomes of client’s needs to be assessed and monitored, to enable revisions to the wellbeing specification if required to promote greater independence and resilience, secure quality, value for money and to meet evolving needs
- Inclusion of developments in assistive technology
- Sites and providers need to be identified and commissioned
- Seek to avoid an oversupply of units leading to a higher level of voids following completion.

35. An implementation plan for each phase will be developed.

Extra Care Related issues

36. There are four related matters for consideration in bringing forward extra care schemes. These are outlined as follows:

Commissioning Wellbeing Care and Support Services and Accommodation

37. There are two functions required for extra schemes: the delivery of the accommodation and housing management services and the wellbeing care and support service. Extra Care schemes are delivered either by a single provider of both the accommodation and the care and support

services or a registered provider and care and support provider. The current extra care provision in Harrow has two different providers.

38. Through the procurement and market engagement processes officers will explore both options to secure the most cost effective and quality providers. As there is pipeline of supply planned, officers will also explore a procurement framework approach for the commissioning of the wellbeing care and support services. In addition, through this process existing contracts will be reviewed when they are due for renewal.
39. The wellbeing care and support service will need to be flexible to meet the changing needs of citizens and also to meet the diverse cultural needs in Harrow.

Land and Site issues

40. There are very few opportunities to develop extra care schemes in Harrow using Harrow's corporate land assets in isolation. A creative approach is required that explores opportunities provided by:

- Private developers
- Regeneration Programme
- Council assets
- Social Housing providers

41. There will be different capital financial implications depending on how the land or site is secured. Officers will need to consider the approach that will provide the best value for money schemes supported through a business case.
42. Regardless of the route, Harrow will secure full nomination rights for each provision. Therefore the Council will ensure that Harrow residents have priority in access these homes.

Planning Policy

43. The forthcoming review of the Harrow Local Plan provides an opportunity to identify sites which may be suitable for Extra Care accommodation and include criteria-based policies for assessing site suitability and setting appropriate design standards. This will be done involving relevant internal and external stakeholders.

Affordable Housing

44. The Council has challenging targets to meet for the provision of affordable housing and in meetings its statutory Homelessness Duties. Giving priority consideration to Extra Care housing will need to be considered in the context of the council's wider responsibilities for addressing homelessness. The draft London Plan also sets an annual benchmark target of 165 units for all specialist older persons housing (including extra care accommodation); the Harrow Local Plan review will need to demonstrate how this target will be met. The draft London Plan indicates that Extra Care housing should also deliver affordable housing (i.e. a minimum 35%, which in the first instance should be provided on-site). There is also scope for any 'cash in

lieu contributions' for affordable housing to be used for Extra Care housing, provided this meets the definition of affordable housing with respect to discount to the market, in perpetuity etc. How such funds are allocated between various affordable housing demands will need to be informed by demand and cost-benefit analysis.

Risk Management Implications

Risk included on Directorate risk register? Yes

Separate risk register in place? Yes

The key risks to this project are:

- Availability of sites for the development of new extra care facilities
- A lack of interest by providers to develop schemes in Harrow
- Unaffordable specification for wellbeing and care support services.
- Prolonged period of voids impacting on financial modelling

The strategic approach to the development of extra care as a cross council project will ensure that wherever development opportunities are considered, Extra Care will be included.

- Officers are engaging with providers to promote and stimulate the market
- The specification is being developed and procurement options are being considered and explored to secure best value for money.
- Officers are developing transition processes and planning for the citizens to take up placements within the extra care provision.

Procurement Implications

45. There are two components to the delivery of the extra care schemes: the building and the wellbeing and care support service. These can be provided by separate providers or a single provider.

46. The Council currently commissions a wellbeing and care support provider for the existing extra care provision. For the two schemes coming forward during 2020/2021, the housing provider has been appointed and the council will commission a separate wellbeing and care support provider. For schemes further in the future the approach to providers has yet to be considered.

47. As part of the strategy officers will explore the procurement options to commission a framework of providers to secure the greatest value for money and the Council will be able to appoint providers when the pipeline for extra care facilities are available. Officers will ensure that as existing contracts expire there will be the opportunity to align services. As part of this approach, officers will engage with the market to ensure that there is a range of providers in Harrow to meet the diverse and changing needs. Part of this process will be to explore options to have a single provider of

housing and wellbeing care support services. The top level evaluation criteria will need to ensure that the services provide value for money and secure outcomes residents.

Legal Implications

48. Under the Care Act 2014, local authorities are under a duty to carry out their care and support responsibilities with the aim of joining-up the services provided or other actions taken with those provided by the NHS and other health-related services (for example, housing or leisure services). This general requirement applies to all the local authority's care and support functions for adults with needs for care and support and for carers. The duty applies where the local authority considers that the integration of services will:

- promote the wellbeing of adults with care and support needs or of carers in its area
- contribute to the prevention or delay of the development of needs of people
- improve the quality of care and support in the local authority's area, including the outcomes that are achieved for local people

Financial Implications

49. The current costs of residential care reflect both accommodation and care costs. The extra care model effectively separates out these costs with the accommodation costs being funded by the resident (generally through rental and service charge payments to the accommodation provider) and the costs of care being provided by the Council, for eligible service users, through the procurement of care providers.

50. As a result, there is an expectation that the development of extra care provision will result in savings to the Council, the extent of which will be dependent on individual business cases.

51. To give an indication of the potential savings, and using Watkins House capacity (of 52 units) as an illustration:

52. The current average cost of residential placements is approximately £643¹ per week and is reduced by a client contribution in the region of £131 per week, resulting in a net cost to the Council of approximately £512 per week. 52 residential units would cost the council in the region of £1.385m (assuming a net weekly cost of £512 per week).

53. The amount of care provided within extra care settings will depend on the needs of residents and the procurement of the wellbeing care service will need to be sufficiently flexible to accommodate changes in care needs over the term of occupation by residents, whilst maintaining affordability for

¹ Based on the average for ALL residential placements for the over 65's at period 2 2018-19

the care provider. .

54. The cost of providing support in an extra care setting (52 units) could cost in the region of £0.867m (approx. 45,600 hrs) based on the assumptions detailed below:

- 31 residents (60%) need 2hrs care per day at £18² per hour - £0.407m
- 21 residents (40%) need 3hrs care per day at £20 per hour - £0.460m

55. This would result in a saving on the residential care budget in the region of £0.5m for 52 units, as there are no land or capital costs associated with this business case.

56. Comparative information from Hillingdon extra care setting (Parkview) indicates a potential saving of £0.550m for a 60 bedded unit, based on 1.6hrs average care being provided to residents per week at a cost of £14 per hour.

57. The estimated savings will need to be reworked as part of the individual business case for each scheme following procurement of the extra care provider and detailed requirements of the scheme. Business cases will need to include any transition costs of the new model which could reduce savings in the first year of operation. Costs are likely to reflect the impact of void units and the contractual costs of the care provision, although the procurement exercise will seek to minimise such costs whilst maximising affordability for providers.

58. The preferred model for the development of future extra care provision would be for registered providers to secure funding dependent on affordability plans. This may require the Council to sell or offer land, where economically viable, to support development, however this will be based on individual business cases which will set out the opportunities and costs for specific projects. In such cases there may be a capital cost to the council which will need to be included in the cost benefit analysis.

59. Given the underlying deficit within the Adult social care budget, any savings achieved through the development of extra care settings has been assumed to mitigate current pressures. Should the budget be brought back into balance ahead of the development of new provision, any savings achieved would contribute towards the corporate budget position to reduce budget gaps.

Equalities implications / Public Sector Equality Duty

60. An initial review of equalities impact has been undertaken and the overall conclusion of these assessments is that the implications are either positive or neutral. In particular an increase in suitable accommodation for an increasing population of over 65 year olds is positive for this age group. The commissioning of the wellbeing and care services will ensure that the

² Average hourly rate of home care 2017-18 £14.16 per hour – assumes increased rates to accommodate supervisory staff and more complex care requirements

provider is able to meet the needs of Harrow's ethnically diverse groups using the

61. The assessments have not identified any potential for unlawful conduct or disproportionate impact and conclude that all opportunities to advance equality are being addressed. The equalities implications will be kept under review and updated during the development and implementation of the strategy.

Council Priorities

62. The Council's vision is: **Working Together to Make a Difference for Harrow**

63. The Council Priorities are as follows:

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families

64. The Council Strategic Themes are to:

- Build a Better Harrow.
- Be More Business-like and Business Friendly.
- Protect the Most Vulnerable and Support Families

65. The recommendation supports these priorities and strategic themes by:

- Ensuring Harrow Council fulfils its statutory duties to provide care for those people who are eligible in accordance with the Care Act.
- Providing high quality homes and care for residents of Harrow.
- Seeking to secure further investment in housing and accommodation in Harrow for the benefit of its residents.

66. This report also meets the following themes from the Harrow Ambition Plan:

- Build a Better Harrow
- Protect the Most Vulnerable and Support Families

Section 3 - Statutory Officer Clearance

Name: Donna Edwards.....	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: ...9 October 2018.....		
Name: ...Sharon Clarke.....	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: ...9 October 2018.....		

Section 3 - Procurement Officer Clearance

Name: ...Lisa Taylor.....	<input checked="" type="checkbox"/>	on behalf of the Head of Procurement
Date: ...9 October 2018.....		

Ward Councillors notified:	NO
EqIA carried out:	YES
EqIA cleared by:	Dave Corby

Section 4 - Contact Details and Background Papers

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Background Papers: None

Call-In Waived by the Chair of Overview and Scrutiny Committee	NO – CALL IN APPLIES
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