



The Future of Extra Care and Retirement Housing

July 2009

 **hanover**

Introduction

This paper, from Hanover's Chair and Chief Executive, seeks to draw conclusions from the past and considers options for the future. It is intended to accompany the valuable independent review of Hanover's '20 Years of Extra Care: A Review' from Nigel King of The Housing & Support Partnership.

We must begin – as inheritors of Hanover's past – by paying tribute to the earlier Boards and staff, and especially Ken Bartlett and John Gatward as the previous Chair and Chief Executive partnership, who did so much to develop and promote Hanover's Extra Care.

Today, although Hanover was a pioneer of the concept of Extra Care and still remains the largest provider of this type of housing in the UK, many other housing associations and commercial providers have helped to develop and promote the concept, to produce a varied spectrum of service models.

Twenty years on from our first Extra Care housing project, two key questions now need to be considered.

1. Has Extra Care proved to be a good model for providing housing for older people?
2. Is the concept of Extra Care housing necessarily going to be the best approach for the future?

This paper explores these two questions and concludes:

1. Extra Care housing has been highly successful and clearly meets the needs and aspirations of older people who live there.
2. We may need now to consider other ways to Reinvent Retirement Housing, to provide a potential alternative to Extra Care for the years ahead.

Extra Care has been a success

It seems possible to be unequivocally positive about Extra Care housing. Residents record extremely high levels of satisfaction with the quality of accommodation and communal facilities combined with the availability of meals and care services when required.

The framework of independence and support that Extra Care housing offers is deeply reassuring to both residents, who fear losing autonomy and control over their lives, and their relatives, who know that help is always on hand.

Hanover's principles for Extra Care development

There is no single prescription for delivery of Extra Care housing. There is strength in the myriad of different approaches and configurations of Extra Care housing, but we believe the model that Hanover has developed serves our residents particularly well. Hanover's position has three key characteristics.



Housing based

Hanover's origins and expertise lie in the development and management of housing services for older people. This emphasis has given us a legacy of high quality properties (with only 79 bed-sits out of the 19,000 properties we manage and all properties meeting or exceeding the government's Decent Homes Standard).

The quality, size and the design of the accommodation – including aspects such as location, security, accessibility, and private outside space – must remain central to the concept of Extra Care housing. Instead of simply being places for the delivery of care services – which is the essence of residential care homes – Extra Care housing provides opportunities for independent living. Unobtrusive designs, generous space standards, and personal privacy ensure that the Extra Care housing is regarded by residents primarily as their home and only secondarily as the means to access support and care when required.

Because the model is housing based, it adopts – in common with other housing provision – an imperative that residents of Extra Care are engaged in the governance processes of Hanover, through representation structures and processes. We are increasingly moving back from a deterministic management role to enable residents to have a say over how their accommodation is managed locally. Local Agreements are currently being put in place to allow devolved decision-making and give residents choice over the specification of the service they receive and how it is delivered.

Partnerships with experts

It follows from our emphasis on the housing service that Hanover needs to work with partners to ensure our residents have access to the care they may need and the benefit of specialist catering services.

This has meant working closely with the care experts in Local Authority Adult Care Services Departments who bring their skills in assessing individual needs and in commissioning or directly providing domiciliary care services.

There are distinct advantages in this separation of delivery of care from housing. At Hanover we concentrate on our core strength as a housing provider but can also act as a champion for the right of residents to access high quality care services. Because Hanover is not compromised by the challenges and responsibilities of delivering these services, we are in a position to help residents obtain the care and other support they need. Hanover staff are able to act as advisors and can be the allies, and sometimes the advocates, of those who live in the accommodation we provide.

Mixed and inclusive communities

We have tried to ensure that our Extra Care developments are inclusive places without divisions based on the ethnicity, disability or the income and assets of residents. Rather than establishing separate projects only for Black and Ethnic Minority groups, or poorer households, or residents with dementia, our hope is that each Extra Care development will reflect the balance of needs within the locality, leading to the establishment of a diverse and vibrant new community.

More than three quarters of people of retirement age are home owners and, just like tenants, many have a need for all that Extra Care can offer. Attracting home owners to move to Extra Care housing

helps to free up family size homes and also ensures that it is not seen as only for those on the lowest incomes. In keeping with the philosophy of mixed tenure housing, Hanover has now moved to provide Extra Care housing for owner occupiers alongside tenants.

In relation to differing levels of disability, the in-built flexibility of Extra Care also means that residents' needs can be regularly re-assessed. For some residents, the requirement for care may diminish after leaving unsuitable and stressful circumstances elsewhere; but for others, of course, care needs may increase, perhaps after a fall or a prolonged illness. Having a mix of people with varying levels of dependency in an Extra Care development not only provides scope for flexibility but can also help establish a sense of community in which residents support one another.

These three characteristics have been central to the success of Hanover's Extra Care housing.



Pressures on the Extra Care model

What lies ahead for the Extra Care model in the post 'credit crunch' era?

The UK is likely to face a period of very severe public spending constraint; hard decisions are going to be needed. In this more austere financial environment Hanover needs to ensure, more than ever, that its Extra Care developments continue to provide good value in terms of efficiency of design and delivery. Hanover, however, is also seeking to reappraise its relationship with residents to tap into their own resources and resourcefulness in order to achieve more with less public funding.

We need to recognise that not all older people (or their families) lack resources. Hanover is encouraging people to choose to use their personal funds not only to purchase Extra Care apartments, but also to pay for property upgrades and service enhancements. This process of 'co-payment' and 'co-production' enables residents (whether they are tenants or home owners) to have greater autonomy and choice as consumers, to determine what standards and services they want.





The principle of harnessing the latent resources of residents, however, extends beyond tapping into their financial assets. Faced with a significant demographic change and a substantial increase in the numbers of older people, the State will not be able to do as much as it previously has done to provide care and support. Deploying the self-help of those able to offer assistance and support to their neighbours may therefore become a necessity as well as providing a potentially fulfilling role for those who volunteer to give a helping hand.

What impact will the pressures from the changed economic environment have on the model of Extra Care housing?

We clearly have an obligation to consider whether we can get the benefits of Extra Care with less than the full scale Extra Care package currently requires. Is it possible to identify, with the benefit of Hanover's twenty years of experience, whether any ingredients in the current model could be supplied in an alternative and more cost effective manner?

Reductions in standards?

It would surely be the falsest of economies to back pedal on the size and quality of the accommodation we build.

Few older people are keen to leave their current homes and cannot be compelled to do so. So if the alternative on offer is not of a very high standard, they will not be willing to move out of their – often under-occupied – existing properties. This means we must maintain or even increase space standards. Hanover's resident surveys and focus groups tell us that two bedroom accommodation is soon likely to be regarded as the norm, that most people will be seeking. Resident feedback also emphasises the importance of good design for special features like walk-in showers, handrails and easy-turn taps, so that these fixtures do not give the appearance of an institutional, medical environment.

Nor can there be any compromise on the environmental sustainability of Extra Care developments, which addresses both climate change concerns and removes the hardships of fuel poverty for residents.



No on-site care?

The availability of personal care is an essential part of the Extra Care concept, but is it always necessary to provide the physical space and the overhead cost of accommodating a team of carers on-site?



Clearly there are advantages in the convenience of having care workers able to go swiftly from one apartment to the next, and the presence of staff on-site is certainly reassuring in case of emergency. But these advantages can be overstated.

Carers still travel to the Extra Care site for their shift and the economies of having them based on the premises may be outweighed by the expense of maintaining the necessary on-site staff and office facilities. Cutting out the capital cost of providing these facilities means more money and scope for additional apartments. This will also result in lower service charges, which will be of benefit both to those residents who pay their own charges and to the Exchequer for those who receive Housing Benefit.

Many Local Authorities are now supportive of moves toward a more personalised and choice based approach to meeting each individual's care needs, whether or not they are receiving Direct Payments to fund their own care provision. The presence of a contracted in-house care team in the Extra Care model limits the scope for individual choice by determining who supplies the care service on a collective basis.

The degree of care required is not a determining factor for an on-site care team, as people not in Extra Care housing may often receive higher levels of domiciliary care than is provided to many of the residents of Extra Care. In relation to sudden emergencies, modern technology makes it possible still to provide a highly effective and speedy response for residents in trouble. Hanover's On Call service means that, when help is summoned or an alarm is triggered, contact can quickly be established with an expert member of our support team who has instant access to all the necessary details of each caller. An ambulance can be summoned immediately; carers and relatives can be notified in minutes.

It is possible, therefore, to conceive of a model for housing with access to care that does not incorporate on-the-spot carers but where the organising capacity of the housing provider ensures that individuals' care needs are properly assessed and addressed.

Fewer communal facilities?

Extra Care developments often incorporate a lot of communal space. In some cases this has accounted for almost 40% of the floor area in Hanover's Extra Care developments.

Communal facilities include a restaurant area, fully equipped catering kitchens, common rooms and smaller lounges, a shop, hairdressing salon and even, in some cases, a cinema complete with tiered rows of tip-up seats. If there are hard times ahead, do Extra Care developments always need to incorporate such extensive communal features?

The cost of sustaining common space – repaying loans to cover the capital investment, and of maintaining, cleaning and heating these areas – presents a burden, especially if these areas are not always being fully utilised. Although these features are nice to have, they may come to be seen as more of a liability in the future, once the costs for self payers and for the State become fully apparent.

In terms of physical appearance, it may also be that too much space may inhibit the creation of a vibrant and intimate communal place for residents to mix and socialise.

In a development intended to offer opportunities for a range of support and interaction it would surely be a mistake not to provide at least one attractive room capable of being used for a multiplicity of purposes (from keep fit classes to Christmas parties). However, a radical reduction from the area often given over to communal space in Extra Care housing may be a price worth paying to allow for the funding of additional living accommodation and lower service charges.

No meals?

Lunchtimes in Hanover's Extra Care developments are important for more than the nutritional benefits of good cooking: for many residents they are a focal point of the day. A restaurant meal provides the chance to socialise and engage with other residents and staff. Removing this daily opportunity to stay and chat and meet neighbours would indeed be a loss.

Nevertheless a universally provided daily meal does not suit everyone. The economics of providing a midday meal reduces choice by requiring everyone to commit to paying for the catering whether or not they want a meal on a particular day.

Is it possible, therefore, to substitute the comprehensive lunchtime meal service currently provided within Hanover's Extra Care with something that requires less dedicated space for preparation and eating, less management and less cost? Whilst we would be reluctant to wind down a service that residents say they value, we must consider alternatives such as lunch clubs run in partnership with external caterers or opportunities for residents to organise meals for themselves.



Beyond Extra Care

Necessity is the mother of invention. In an era of reduced public spending and increased numbers of much older people, we may be forced to consider alternatives to the current formulation of Extra Care.

Hanover remains committed to the ongoing development of the highly successful concept of Extra Care that we were proud to pioneer two decades ago. We recognise though that there is a significant cost to providing top quality Extra Care accommodation with all its associated facilities. Faced with restricted funding, and with residents rightly wanting more say over the choice and costs of the services they receive, Extra Care may not be a solution we can continue to provide for everyone. Rather than just staying with a really excellent “Rolls Royce” service but rationing its availability to a fortunate few, we have to consider alternatives that could address the needs of a greater number of older people.

Meanwhile, it is worth heeding the wise warning from John Hills, in his report on The future of social housing (2007), not to get so focused on new developments that we forget the problems and potential of the existing housing stock.

Over recent years the reputation of what many still refer to as “sheltered housing” has steadily declined; many social landlords’, including a number of Local Authorities’, own developments are hard to let. Some properties have been pulled down and some of those that remain – particularly bed-sit accommodation and even some with shared bathroom facilities – are quite unsuitable for the 21st century.

But there is clear evidence that older people are attracted by well designed apartments and bungalows, with sufficient space

for furniture and treasured possessions, a modern kitchen, highly efficient heating system, good insulation and other appealing features. If this type of accommodation was more readily available, it seems likely to prove very popular. More older home owners could then downsize to release some of their housing equity. Many other older people would be more inclined to move out of under-occupied family properties (often with gardens) and release them for the next generation. But only if the alternative offers something more than their current accommodation.

The Hanover 1,000 Project

Hanover is seeking to achieve a renaissance of retirement housing. We are focusing on maintaining and improving the quality of our existing properties; but with the support of the Homes and Communities Agency our plan is to build at least 1,000 new retirement properties in mixed tenure, high quality developments to demonstrate that this too can deliver many of the benefits Hanover has established with its Extra Care housing.

While the quality of a person’s home is of primary importance, access to flexible and responsive care services if and when they are needed is also a key concern. Increasingly, however, older people seem less inclined to want intensely managed ‘one size fits all’ services, when often they only require ‘that little bit of help’. If we can provide, in partnership with Local Authorities, access to care when residents require it, alongside on-call help and support from our housing staff, this may meet aspirations for independence while introducing more cost effective services that fit comfortably with the principles of ‘personalisation’.

Conclusion

Our hope is that, as the financial pressures on the development of Extra Care developments intensify, we can 'Reinvent Retirement Housing' as a place where residents remain in control of their lives, with power to determine how their properties should be run, and the costs of managing and administering only those services which, individually and collectively, those residents choose.

We conclude with our thanks to all the partners, particularly the enlightened and progressive Local Authorities throughout England who have been on the Extra Care journey with us. We now hope to work closely with all our partners in the challenging next decade when, perhaps, 'Reinvented Retirement Housing' can prove just as life-enhancing and fulfilling an opportunity for many thousands more older people.



**Lord Richard Best OBE,
Chair**



**Bruce Moore,
Chief Executive**

Hanover Housing Group
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**Hanover Group
Hanover House
1 Bridge Close
Staines
TW18 4TB**

**Call 01784 446000
www.hanover.org.uk**

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