

Nomination Arrangements in Extra Care Housing

Nomination arrangements are a key element in creating a successful extra care housing scheme. Since extra-care housing is a fusion of housing and care, clarity is needed as to its role in responding to the competing pressures of care and housing needs. Should extra care housing be used to minimise the admissions to residential care or should a 'balanced community' be created, including those with only a housing need? This factsheet explores this question and its implications.

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1. Why are nomination arrangements important?

Nomination arrangements are a key element in creating a successful extra care housing scheme. Since extra-care housing is a fusion of housing and care, clarity is needed as to its role in responding to the competing pressures of care and housing needs. Should extra care housing be used to minimise the admissions to residential care or should a 'balanced community' be created, including those with only a housing need? This factsheet explores this question and its implications. We hope therefore that it will be useful both to those developing new schemes and those considering increasing the use of existing provision to reduce care home admissions or offering move-on accommodation from other residential settings.

The term "nomination arrangements" is used here to refer to the eligibility criteria, processes and formal agreements that control the nomination of service users to extra care housing schemes. Where an extra care housing scheme has received public funding there will usually be nomination rights for the rented units (and shared-ownership, where applicable) granted to the local authority by the provider through a formal nomination agreement. This may be incorporated into documentation associated with a land transfer or subsidy arrangement. It will normally specify the proportion of vacancies to be offered, the criteria to be fulfilled by nominees, and the timescales for the various stages in the process. These nomination rights generally sit with the housing authority, are defined as housing allocations and subject to the legislation that covers all allocations. If allowed within the terms of land transfer or other funding agreements, a provider can offer nomination rights to other bodies, including local charities. Where a provider offers nomination rights to a local authority without housing responsibilities, such as County Councils, it would be sensible to assume that housing legislation will apply.

There will also be less formal processes at work, by which information is disseminated, potential service users are identified and individuals make choices. Nomination arrangements are therefore a key element in the 'gate-keeping' and 'brokerage' processes that are much debated in housing and social care provision. As a result, they are critical in relation to the independence and choice agendas.

Nomination arrangements will be influenced by criteria for eligibility and these in turn should reflect the objectives of the scheme; but equally nomination arrangements can affect the extent to which a scheme meets those objectives. They can influence the choices available to individuals, the impact that the scheme has on reducing residential care admissions, the balance of the community that is created, the risks faced by commissioner and provider, and even the outcomes for residents.

This factsheet identifies the key issues for housing authorities, social care commissioners and providers to consider in relation to nomination processes and agreements. It does not cover arrangements with Primary Care Trust (PCTs) around Intermediate Care or other short-term occupancy arrangements. The factsheet touches upon, but does not explore, resident selection criteria in private sector housing with care services. It is not a legal guide, and both purchasers and providers would be well advised to seek legal advice when negotiating nominations agreements; but we hope that it will be helpful in identifying what to look out for, and in formulating instructions to

lawyers. We trust that it will provoke thought about the role of extra care housing and how this is translated into the practicalities of allocating the accommodation.

Nomination arrangements are one small part of the framework of agreements that define the relationships between the parties involved in an extra care housing scheme. For a review of contractual frameworks please refer to Factsheet 21: *Contracting Arrangements for Extra Care Housing*. For further information on managing care in extra care housing, please refer to Technical Brief No1: *Care in Extra Care Housing*. Both are on the Housing LIN website www.icn.csip.org.uk/housing .

2. A policy perspective

Over the last few years, Government policy in the spheres of health, social care and housing has emphasised the themes of independence and choice and the provision of personalised care, 'closer to home'. (For example see *Quality and Choice in Older People's Housing*, DETR (2001); *National Service Framework for Older People* DH (2001); *Our Health, Our Care, Our Say; A new direction for community services - White Paper*, DH (2006); *Commissioning Framework for Health and Well Being*, DH (2007); and *Putting People First*, DH (2007). Extra care housing is seen as having a key role in furthering this agenda and this is evidenced by the funding provided - by the Extra Care Housing Fund in particular.

Extra care housing creates a tangible interface between housing and health/social care provision and aims to fulfil the agendas of both. This can sometimes lead to tensions in its role and who it serves, as discussed elsewhere in this factsheet. The DH guidance for commissioners issued in 2004 (*Extra Care Housing for Older People: An introduction for commissioners*) noted that there is a long standing tension even in traditional sheltered housing between the concept of a 'balanced community' and the need to make best use of public investment, and acknowledged the need to justify the costs of extra care provision in relation to the client group served by it.

There may also be problems in reconciling extra care housing models with the move towards personal budgets. Since extra care housing facilitates independence, ideologically the two fit together perfectly; but paradoxically it is the clustering of care in one location, delivered by one team, that makes extra care efficient and effective. Personal budgets may cause fragmentation of the care team and make an extra care service more difficult to deliver, a dilemma which is not acknowledged in the policy statements.

According to the 2008 bidding guidance, the Extra Care Housing Fund is seen as part of the transformation of adult social care described in *Putting People First* - DH (2007) and a contribution to the government's commitment to independent living for all adults set out in *Lifetime Homes: Lifetime Neighbourhoods – a National Strategy for Housing in an Ageing Society* – CLG (2008). The National Strategy places special emphasis on the fact that most older people live in non-specialist housing, but it still recognises the important role of specialist provision such as extra care housing in promoting independent living, and also notes the importance of community connection and well being. It states:

“Whichever ‘models’ make up existing stock, there should be a strong focus on well-being. High quality health and care services should complement social activity, mutual support and opportunities for active participation in the community”.

Whatever the objectives in terms of health and well being, local authorities must also work within the legal framework for housing allocations, which is set out in the 1996 Housing Act, amended by the Housing Act 2002. The legislation requires authorities to give a “reasonable preference” within their allocations schemes to certain categories of applicant. All authorities are required to introduce an element of choice in their allocations policy by 2010. Draft guidance issued in January 2007 has confirmed that the government’s definition of an element of choice involves advertising properties and applicants making bids for those properties – generally known as a Choice Based Lettings Scheme (CBL). The government is encouraging wider sub-regional CBL schemes, with more cross-boundary moves.

3. A strategic perspective

3.1 Partnership

Extra care housing is a complex service involving elements of housing, support and personal care. In some cases it also includes access to nursing care and may offer services such as health screening, day care and leisure facilities. There is often more than one organisation involved in service delivery; and several organisations, including housing authority, Supporting People authority, social care commissioner and PCT may be involved in commissioning and funding. The nominations agreement may be the tool used to protect and control the public funding invested in the scheme.

Partnership is critical to extra care housing and the contracts that express the nature of that partnership need careful consideration. This is as true of the nomination agreement as any other contract; but it will also impact upon a wide spectrum of organisations and individuals that are not signatories to the agreement. Therefore, it is important that nominations arrangements are part of a wider strategy for extra care housing, and that they link with other strategies that influence housing and care services for older people.

Where the impetus for extra care housing development comes from a desire on the part of local authorities with adult social care responsibilities to replace care homes, it is particularly important that the strategy is developed in conjunction with the housing authority (or authorities plural in two-tier situations) and with housing providers. Under these circumstances, it is important to avoid too great an emphasis on care and too much control being vested in social services. The focus needs to be on independence; otherwise it is possible to end up creating new institutions to replace the existing ones. This means embracing a culture of enabling and allowing choice for the individual. To achieve this, the social care authority may need to loosen its grip on the nominations process. This may be hard, because it goes against the grain where there is both pressure on the need to secure accommodation for people with high levels of dependency and to obtain maximum value out of public investment where there is a new, scarce resource at stake.

3.2 The impact of local strategy

Where there is no agreed strategy for extra care housing in the locality, there is potential for confusion. Without such a strategy, commissioners have found it difficult to manage the nominations process, because it has not been understood or owned by other professionals, let alone service users. There are examples where allocations decisions have been taken by ad-hoc panels which have then dissolved when key personnel have moved on. Without co-ordination of nominations the service may struggle to fulfil its potential to meet local needs and enhance the housing with care choices of older people and, where relevant, people with a disability or long term condition.

Quite simply, if the strategy is not clear and well communicated, front-line staff will not be able to identify possible referrals, resulting either in low demand or in a lot of people having their hopes raised that they will be offered a place, only to find they do not fit the allocations criteria. This is because, without a clear strategy, care managers (for example) may not understand what extra care housing can or cannot offer; or they may become aware of it too late, meaning that there is insufficient time to discuss the opportunity with potential applicants and work with them to prepare for moving. This may lead to insufficient referrals when a scheme first opens, resulting either in voids losses or the scheme being filled with inappropriate referrals.

The absence of a clear strategy may also lead to a lack of co-ordination with the wider network of services, such as GP surgeries and community nursing services. Larger schemes can put significant pressure on such services and this can lead to tensions unless the inter-relationships are discussed and the extra care housing service is understood by all parties. In contrast, a coherent, well publicised strategy can lay the groundwork for understanding and effective joint working from the start. For further information on developing a local strategy, see the Housing LIN Extra Care Housing Toolkit.

Extra care is still a relatively new concept and it takes various different forms as outlined in *Raising the Stakes*, an extra care research and promotion project funded by the Housing Corporation and the Housing LIN, which introduces a Quality of Information Kitemark. Whilst its evolution is likely to continue, it is important to establish a shared vision and shared language, remembering that understanding of the concept amongst the public will lag a long way behind the professionals. Where extra care housing is developed out of sheltered or very sheltered housing, a clear strategy will assist in managing the transition and explaining it to residents and relatives, which can be quite a challenging process.

Effective partnership depends to a large extent on effective communication. A clear strategy will provide a useful framework for that communication, but it will need to be followed up actively and imaginatively to ensure that the role of extra care housing is understood and the referral and nomination processes work smoothly and efficiently. For example, some authorities have held road shows and open days and have actively supported partners in promoting new schemes.

It cannot be assumed that everyone will immediately recognise the benefits of extra care housing. There are many examples of ambivalence from care managers, prejudice and scepticism from service users, and outright hostility from relatives! One project manager described it as a process of 'winning hearts and minds'.

It is important, particularly where extra care housing is replacing an existing service, that there is genuine consultation with services users and the programme is not presented as a 'done-deal'. The communication must also convey plenty of information to back up the strategy, so that it is not just a list of aspirations without any clear explanation of how they might be realised (see Factsheet 8: *User Involvement and Extra Care Housing*).

3.3 Provider strategies

Extra care housing is a complex form of housing to develop and manage. Providers will need their own clear strategies to inform their approach. In terms of nominations, they will need to be clear about the balance of care needs that the scheme can accommodate and communicate this effectively to referrers and applicants.

Communication and marketing strategies will therefore also be essential for providers. This is true for rented units but also where there are commercial risks associated with sales programmes for shared ownership and leasehold units. Providers need clear and effective marketing strategies if they are to explain the extra care housing concept to purchasers and differentiate it from the multitude of private retirement schemes that are available.

4. A balanced community or a replacement for residential care?

4.1 Different approaches to allocations

Since nominations arrangements can influence the age and care profile of the resident group, there is the potential for them to have a fundamental effect on a scheme, even to strike at the heart of the extra care housing concept. But this begs the question: what exactly is extra care housing? Some have argued that it is a concept rather than a model and certainly different providers have interpreted it in different ways, to produce slightly different models of housing, care and support.

For some, the purpose of extra care housing is to provide personal care in self-contained accommodation and therefore applicants must have a substantial minimum level of care needs to qualify. For smaller schemes, eligibility criteria may reflect the fact that there will be a minimum 'critical mass' of care-need required for the care service to be viable.

Others have stressed the importance of creating a 'balanced community' that includes a proportion of residents who have minimal care needs, but who benefit from the security and 'community' offered by extra care housing, and the preventative care offered to all residents. A typical approach is to aim for one third of the community with low care needs, one third medium and one third needing high levels of care. However, there are widely differing interpretations of what constitutes 'low', 'medium' and 'high'! (For example, the lowest level of care required for eligibility can vary from 0 to 15 hours.) In some more sophisticated allocation schemes, this may also be overlaid with age bands. As vacancies arise, new residents are selected that fit the profile and maintain the balance. Since there is a tendency for the average age of the community to increase, with an associated increase in care needs, the capacity of the scheme to accept new residents with higher levels of need may be very limited.

For the purposes of discussion, these two approaches are characterised here by the phrases “replacement for residential care” and “balanced community”. Many argue that their ‘balanced communities’ still offer genuine replacements for residential care; and equally those who have developed schemes catering primarily for higher levels of care argue that the schemes are still balanced communities because the residents have different levels and types of need, perhaps including learning disabilities and mental health needs. These arguments both have some validity and we do not wish to create an artificial divide. Nevertheless, schemes do differ in their character and composition and it is worth considering the connections that exist between nomination arrangements, resident profiles, management challenges and outcomes for residents.

4.2 Current trends

In order to gather feedback from a range of interested organisations, we spoke to people from almost 30 different local authorities, including commissioning managers in adult care services, Supporting People managers, and those managing the delivery of extra-care housing schemes and programmes. We also spoke to around 15 Registered Social Landlords (RSLs) who were providers of housing management, care or support in extra care housing schemes. We also obtained some information from a private sector provider. Many of the people we contacted had responded to questions posed on the Housing LIN website, both by ourselves and by Bristol City Council, who kindly shared their responses with us. We are grateful to all the individuals and organisations that assisted with our research.

The responses were varied. Some organisations had experience spread over many different schemes and a number of years, others were still at the planning stage.

Of the 27 local authorities contacted, only 4 saw the programme as primarily a replacement for residential care, with another authority seeing this as an emerging policy. Most acknowledged the budgetary pressures to reduce use of residential care and saw extra-care housing as one tool to achieve this, but most authorities continue to want to provide a balanced spectrum of needs across the scheme. 8 said that as a result of the budgetary pressures they were increasing the numbers of residents with higher care needs. This is a substantial percentage - 30% of our respondents. We do not argue that this was a representative sample and therefore it would be dangerous to extrapolate from this figure, but it is indicative of a major challenge facing extra care housing.

We asked about the eligibility criteria for extra care housing and whether this had changed. 8 authorities require a FACS* assessment of ‘substantial’ or ‘critical’ before consideration can be given for a place in extra-care, a further two will offer at an assessment of moderate need. A further 3 authorities apply this criterion to a proportion of the scheme ranging from 75 to 90%. In total, then, out of 26 authorities who responded, half require a substantial, critical or moderate FACS assessment for the majority of units within their extra care housing schemes. This is a significant shift from the original thinking about balanced communities but also reflects the lead role that local authorities with adult social care responsibilities are now taking in commissioning new schemes.

* Fairer Access to Care Services

Indeed, many of those who said that they were still working to the concept of a balanced community, aiming for approx one-third high, one-third medium and one-third low support needs, had also seen a shift towards higher care. Either this was achieved by shifting the proportions from 33/33/33 to 40/40/20 or similar, or it was achieved by reviewing the categories themselves. In one case, definition of low need had shifted from no minimum requirement to at least 10 hours of personal care per week. Definition of the different needs bands varied wildly, with one authority's high category equating to another's definition of low.

Responses to this changing pattern also varied. Some local authority respondents were very concerned that increasing numbers of high support residents going into schemes would mean that schemes moved from feeling vibrant and exciting places to be to becoming quite institutional in their approach. A number of people remarked on how any shift could rapidly become a spiral because those who were more active might choose not to move to schemes if they felt they would be the most active person there, described as "seeing your future up too close". Others were concerned about the financial viability of different aspects of the scheme, such as social activities, if fewer residents were able to support these.

However, others were more pragmatic and felt that the level of resource going in to extra-care more than justified the shift towards higher needs. Whilst recognising the challenge for providers, these authorities felt that there was no reason why the schemes should not continue to deliver the original vision of a vibrant and balanced community, albeit one where the point of balance was higher along the needs spectrum.

A few authorities were reviewing their allocations criteria to try and get a better balance between the financial pressures pushing towards higher care needs and the original vision of a mixed and balanced community.

Almost all providers had felt the pressure to increase the number of residents with higher care needs. Again there were mixed responses. Many appreciated the pressure on adult care budgets and had few qualms about meeting increasingly higher levels of need. One RSL with 4 extra care housing schemes was already exploring social, leisure and health activities appropriate for this higher needs group. Others felt that this shift was unwelcome and were keen to retain places for those with lower level needs, and to play a preventative role where possible.

4.3 Implications for health and well being?

A common argument in favour of the 'balanced community' is that frailer residents can benefit from the peer support, volunteering activities and greater vibrancy that are possible where there are younger, fitter residents. There is anecdotal evidence to support this argument, but it is not yet clear from the research literature. Evans and Vally (2007), and now set out in Factsheet 24, *Social Well-being in Extra Care Housing*, found that the most important factors affecting social well-being amongst tenants of the extra-care schemes they examined were:

- adequately funded activities that cater for a range of interests and abilities
- opportunities to develop and maintain a social life
- the involvement of interested parties at an early stage, to integrate housing schemes with the local community

- restaurants and shops as venues for social interaction
- care and support services outside core hours of work.

Opportunities to develop and maintain a social life and take part in activities may be increased where the community is more balanced; but equally the study found that some tenants are at particular risk of social exclusion and these included those people who did not have regular contact with family or friends and those with impaired mobility and/or reduced cognitive function. So frailer residents may not automatically benefit from being part of a more vibrant community.

Other studies have found that it is the more intimate and confiding relationships that are the most important ones in terms of maintaining health, a sense of well-being and self-identity in later life, Evans and Vallely (2007). It may therefore be that the benefits of extra care housing are more to do with factors such as enabling residents to retain long standing connections with the community, enabling couples to remain together, and offering a setting where family and friends can easily visit.

Another argument for balanced communities is that offering places to people who do not yet have care needs fulfils a preventative role in relation to increasing frailty. This is a very difficult area to measure and so far there has been very limited research in the UK. However, several studies have reported improved health status and perception of health in retirement village residents, compared with their community counterparts. (See for example Bernard et al (2004); and Biggs et al (2000) & Kingston et al (2001), cited in Croucher et al (2006)). Others have argued that in the absence of clear evidence to support the prevention argument, scarce extra care housing resources should be used to provide for those who already have a care need; in other words, that the 'prevention' should be of admissions to residential care.

What does seem to be clear, both from anecdotal evidence and from research is that there are benefits in maintaining independence, and of regaining it in the case of former care homes residents, sometimes with dramatic results. More research and monitoring of outcomes is needed to document these benefits. What is already well documented is that residents are consistently positive about the experience of living in extra care housing, Croucher et al (2006).

Many residents who are relatively fit and active when they move into extra care housing see it as an insurance policy to cover frailty and increasing care need in later life. This is often the case for married couples who recognise that the 'healthy' spouse may have an increasing burden of care for their partner who has growing care needs. Extra care housing is sometimes seen as a 'future-proofing' of housing and care needs that gives benefits to all residents no matter what their current level of dependency is.

4.4 Managing diversity

Balanced communities are also more diverse communities and they can therefore present greater management challenges. Not surprisingly, research has found that not all social interactions in age-segregated communities are positive! Various studies have reported tensions in particular between 'fit' and 'frail' residents. Even activities can present a challenge: Bernard et al (2004) who studied a retirement village (where the socio-economic status of residents was fairly homogeneous) commented on the fact that

the forty year age span in the village had led to disputes about styles of music for social events!

Schemes whose development has involved a transition from sheltered housing to extra care housing often experience resistance from existing residents, who feel that the scheme has become too much like a care home. It is understandable that residents may not wish to be reminded too often of their own mortality; as one resident put it: "I don't want to be the last one in the restaurant that can carry the tea tray"!

One or two studies have touched on the regular experience of bereavement within extra care housing settings, but little is known about the stresses resulting from such experience.

Although a few extra schemes have been developed to serve BME communities, another gap in the knowledge base is how well different models of housing with care work for older people from different ethnic groups - see Croucher et al (2006). More generally, there is evidence of continuing discrimination being faced by BME communities in relation to housing and care services and therefore both the nomination processes and the subsequent management arrangements need to pay special attention to the needs of BME applicants and residents. For example information about the scheme will need to be disseminated in different ways, recognising that as well as language barriers there may be cultural barriers to the concept of 'stranger care' or mixing with other cultural and faith groups. It will be important to engage with the wider community, for example through local voluntary organisations, rather than relying on the usual channels for nominations.

The management of the scheme will need to take full account of a range of cultural and religious needs, which could include for example, menus and food preparation, the need for multi-lingual staff, sensitivity over mixing of men and women, use of technology, provision of prayer rooms, and flexibility of care to involve families. There are various examples of good practice to draw on, for example see Patel and Traynor (2006) *Developing Extra Care Housing for Black and Minority Ethnic Elders: An overview of the issues, examples and challenges*, available on the Housing LIN website.

4.5 Leasehold and shared ownership

For schemes incorporating shared ownership and leasehold units, the balancing process is more difficult to control, because providers are more dependent upon self-referrals, and consumer choice, and there is the commercial pressure to sell units as quickly as possible. Where the percentage of leasehold units is relatively small, it is not too much of a problem, because the balancing of needs can be achieved by adjusting the needs profile in the rented units to compensate. However, as the percentage of older home owners increases and this is reflected in extra care developments with larger percentages of leasehold units it will be more of a challenge. One developer of mixed tenure care villages has developed a marketing machine which uses direct mailings, publicity events and extensive press coverage, to create a large database of potential purchasers, from which purchasers with the right profile of needs and ages can be selected.

A more assertive approach to marketing raises the issue of the messages that are communicated through that marketing - and whether they match the reality. Much will depend upon the image of the scheme that is conveyed: purchasers are less likely to want to purchase a unit in a scheme that has a care home image than one with an 'active retirement' image. This has long been recognised by developers of retirement-housing and private retirement villages. (Indeed this sometimes translates into pressure to move on when one becomes too frail to cope independently, for fear that re-sale values will be affected, an approach which must be deplored).

It is important that the marketing process provides as much information about the scheme as possible, to allow people to make an informed choice. On the one hand promotional literature can fall into the trap of suggesting that more care is available than is actually on offer; on the other it can present a picture of a Utopian lifestyle amongst a retired but very youthful (and good-looking) community! The new *EAC Quality of Information Mark* encourages providers to deliver better and more consistent information (see <http://www.housingcare.org/eac-quality-of-info-mark.aspx>).

There are examples of younger, fitter leaseholders in mixed tenure schemes complaining that the presence of very frail residents in the restaurant and coffee bar does not fit with the lifestyle choice that they believe they were sold. Unfortunately, the security and availability of care people want themselves does not always extend to an acceptance of diverse needs in others; but it is incumbent upon providers to be honest about what is being sold. In all extra care housing schemes frailty and dependence will increase over time, and 10 years after a development has opened, it is likely that average care levels in leasehold schemes will have increased substantially.

The marketing information also needs to take account of the fact that many will see the decision more as a property purchase (or in some cases a lifestyle choice) than a care choice. They will be less familiar with the issues associated with care provision and will be less equipped to evaluate options on this basis.

4.6 An alternative to residential care

It is not just where an extra care housing scheme is directly replacing a care home that there is pressure to increase the overall level of care needs in a scheme. The desire to offer service users something better than a care home placement, combined with the fact that any form of housing stock is subject, by nature, to a slow rate of replacement, means that there is a powerful driver to use extra care housing for people who would otherwise be referred to a care home. It is for this reason that many providers have experienced pressure from social services authorities to take more residents with high care needs, both at first letting and subsequently. Our research indicated that providers have generally tried to resist this pressure (both when negotiating agreements and at allocation panels) whilst also wishing to ensure that their contribution to meeting local needs is maximised.

Agreements that were negotiated several years ago often included a requirement that residents must be assessed as eligible to receive personal care. Owing to the trend towards tightening the eligibility criteria for care, in most areas this now means that only those with "substantial" and "critical" needs (as defined by FACS criteria) would qualify, which orientates the scheme towards residents with higher levels of need than originally

intended. This illustrates the need to keep nomination arrangements under review; and for flexibility on both sides to ensure that schemes fulfil their objectives and do not become institutional in character.

The key thing is to ensure that the scheme maintains its status as a housing scheme (with all that that implies) and that it's seen as such by the residents and the community. Even authorities that have embarked on programmes of developing extra care housing to replace care homes recognise that they need to work to create a balance of needs and ensure that 'enabling' and 'choice' are not compromised, if they are to avoid creating new institutions.

One such authority has recognised that its initial approach, of offering extra care as the only option when a care home closed, was simply not the right way to commence a service that was supposed to be about independence and empowerment. Now a range of options is offered where a care home is closed. They have recognised the need to move from 100% to 75% nominations after first letting, to enable the balance of residents to be adjusted. This allows more scope for people to enter the scheme as a direct choice through self-referral, too. They have also found that the culture created within the scheme is of paramount importance, so the right staff team, with the right philosophy, is vital.

4.7 Image and perception

As noted above, more research is needed into the outcomes for residents in different types of extra care housing schemes. What we do know, is that most schemes do not yet reflect the age and care profiles of care homes; that they do cater for some very frail residents; and that they are almost universally popular with residents. (See studies cited above and forthcoming research by Robin Darton and colleagues at the Personal Social Services Research Unit on the Housing LIN website.)

It must surely be a good thing that a range of different types of extra care housing schemes are emerging (since one size never fits all), provided that there is a range of provision in each area and that the gate-keeping processes which are necessary to protect public investment are flexible enough to allow genuine choice for service users.

It is clear that one of the key things that residents value about extra care housing is that "it is not a care home". A significant shift in orientation towards higher care needs risks the creation of a vicious circle of self selection, whereby applicants perceive a scheme to be like a care home and only the very frail will accept a tenancy in the scheme. Image and perception are powerful forces which commissioners and providers ignore at their peril.

5. Process issues

Successful allocation to extra care housing is a process which begins right at the beginning of the programme. A key area for consideration is communication of the aims and ethos of extra-care housing to all staff in housing and adult care services. Many of those we spoke to highlighted the importance of a shared language around extra care housing so that everyone had the same understanding of what was meant by particular

terminology. This shared understanding and a common vision then sets a framework for different organisations, and different parts of organisations, to work together, so that allocating places in extra care housing becomes one part of a continuing spectrum of work, rather than a standalone task.

5.1 Allocation panels

The majority of people we contacted had in place a multi-agency panel to assess individuals before they were offered extra care housing. Whilst being the norm, this approach is also considered good practice. Most panels had representatives from adult care services, the housing allocations team, and Supporting People. Many also involved the Primary Care Trust. Other than this core membership, membership seemed to vary with the nature and structure of the local authority. Thus, a two-tier county group might include representation from some or all of the districts. Some panels have ended up with quite complex arrangements. This appears to work while there is stability of membership, but can be quite challenging when there is turnover within those attending. A learning point for one organisation was the importance of written terms of reference for the panel to avoid any tension further down the line.

The most successful panels appear to be those where a large number of appropriate referrals come through from frontline staff who understand the role of extra care housing. Appropriate referrals are more likely when those front line staff understand the objective and ethos of the schemes and can speak about the benefits they offer, hence the emphasis on creating a shared understanding from day one. Front-line staff are also key to finding the right households to buy into extra care schemes.

Examples of an allocations policy and procedure are provided in the Suffolk *Design and Management Guide* available on the Housing LIN website.

5.2 Housing or care need?

The key issue for allocations panels, as highlighted in the analysis of feedback from respondents, is the level of care and support which the scheme is aiming to meet, and the level of nominations given to adult care services. Extra care housing is first and foremost a housing resource. Allocations must take into account the level of housing need as well as the need for care and support. Some of the allocations policies we looked at were very clear on this point, others less so. However, extra care housing must be allocated within the terms of relevant housing legislation and in particular according to the “reasonable preference criteria” from the 1996 Housing Act, as amended.

Where the requirement is for 100% nominations with FACS ‘critical’ or ‘substantial’ assessments, there can be a tension between the housing need and the care needs. Authorities should be mindful of the housing legislation and refer to this in their allocations policies. Many authorities rely on the reasonable preference category of a need to move on medical or welfare grounds, but this should be demonstrated and documented, even where the “bar” for entering the scheme is the FACS criteria.

Where the requirement is 100% nominations with FACS critical or substantial, there is clearly less of a role for a multi-agency panel. Even here, however, panels can be useful

in “holding the ring” between the nominating authority and the housing provider. Although some of the allocations policies we looked at give the provider a right of veto over individual nominations, we found very few examples of cases where this right of veto had been used unilaterally. The panels gave an opportunity to discuss the issues over individual nominations so that these could either be withdrawn or accepted.

5.3 Assessment processes

One area which affected how well the panels operated was the level and quality of information available to them. We asked respondents about the extent to which housing professionals had been involved in Single Assessment Process assessments, and what information had been shared. Our findings very much reflect those of Sue Garwood in her discussion paper for the Housing LIN on the *Single Assessment Process and Housing*. Generally, contact assessment information would be shared with the panel, and occasionally an overview assessment. However, it was unlikely that specialist assessments would be shared.

Few of the housing professionals we spoke to had been involved in undertaking an assessment which would then be recognised by other agencies. This does seem to be a missed opportunity and the allocations process offers potential to collect and share information about individuals on a wider basis. However, some providers did undertake the contact level assessment, and this information was then shared.

Many of the authorities we spoke to operate choice-based lettings (CBL) schemes and many had considered advertising vacancies in extra care housing through this route. The only example we found where an authority had actually done so, was where the adult services had failed to nominate within the specified time period and the provider was anxious to fill the vacancy quickly. Generally, the reason for not using CBL as a route for attracting a wider range of people was the level of nominations required by adult services. Another reason given was the requirement for care and support assessments – if these were not in place already then there could be a delay while they were carried out. However, both of these reasons are surmountable, and advertising through CBL would ensure that all those who wished to express an interest in extra care housing had the opportunity to do so. The Housing LIN has commissioned further work on CBL to gain a better understanding on the issues for extra care housing. This is due later in 2008.

We also explored the differences in approach to filling vacancies in units for rent as opposed to units for sale. There was a marked contrast. Whilst adult services commissioning managers generally wanted as much control as possible over the nominations for rented units, they took a very relaxed attitude to nominations/referrals for the sales units. This may have been down to a belief that the majority of purchasers would be self-funders for care. In practice, a significant number of those purchasing may not be self-funders for care, and some anecdotal evidence to this effect was shared with us, although we did not attempt to gather any hard data on this. These may involve households where there is sufficient equity in an existing home to purchase, but low levels of income. We also found examples where children had paid for the accommodation for their parents, but the parents’ income level brought them under the threshold for care.

This more relaxed attitude worked for the RSLs who were under extreme pressure to sell the units and wished to cast the net as widely as possible. It also allows for the vagaries of sales processes, which do not dovetail easily with rigid approaches to nominations (or funding approvals). However, if too relaxed it is a missed opportunity for adult care services. We found two examples where adult services had been particularly geared up to identify possible referrals for the sales units; in one case over half the units for sale had been sold to those referred by adult services. These were the exceptions, however, with the majority of adult services commissioning managers stating that they wished to be able to make referrals, but not actually putting any processes in place to identify possible purchasers.

5.4 Choice and influence across tenures

We talked to two 'zone agents' (organisations given the responsibility for marketing all Low Cost Home Ownership products in a given area) who both identified that it was much more difficult to sell extra care housing schemes "off plan" before they were completed. In part, this may reflect a lower level of awareness of extra-care housing amongst older owner occupiers, plus this is a stage of life during which people may be more cautious about making a move. It may also reflect inexperience and inadequate resourcing of the marketing function. There was some anecdotal evidence that people were more willing to buy "off plan" if the scheme had been introduced to them through the care services staff that they knew and trusted.

There are therefore good reasons on both sides for adult care services teams to be more involved in the housing for sale component of extra care housing schemes. For adult services, it is another opportunity to find appropriate housing for those whose housing situation might be contributing to reduced independence, while for the RSL it is a potential source of customer. For shared ownership units, there is public funding involved and therefore there should be local authority involvement in ensuring that the units meet an appropriate level of need. Even in leasehold sales, which do not involve direct public funding, the units are a resource and should be treated as such.

Issues over the sale units do not only arise at the point of first sale but also for subsequent sales. There will be a covenant in the lease requiring the unit to be sold on to someone of the appropriate age for the scheme. It is extremely rare to find other restrictions in the lease: a requirement to sell only to someone with a given level of care need would be unworkable. However, much can be done by informal agreement, and if adult services departments were able to maintain registers of people potentially interested in purchasing extra-care, these units would then become a resource. However, if many services find it too difficult to establish a process to identify referrals for the first sales, it is unlikely that they will take on an on-going role.

We were interested to explore the extent to which people can make a lifestyle choice to opt for extra-care housing. Many extra care housing providers are keen to stress individual choice as a component of their schemes, but with increasing pressure from adult care to take individuals with higher and higher needs, for the rented accommodation, at least, choice is a reducing theme. Those who can afford to purchase a property are, however, offered a real choice, provided the care and ancillary services are also affordable. In December 2007, the government issued an intention to transform adult social care by issuing a 'shared vision and commitment' in *Putting People First*. The effect will be to create a personalised adult social care system in which all

individuals have a choice as to how care will be delivered to them. As such, people who rent extra care housing apartments and receive personal social care will have wider choices about how their care is delivered, and by whom.

6. Nomination agreements

A number of people commented that the nominations agreement has to be drawn up at a very early stage in the development of thinking around a particular scheme, as often it is tied in to the land disposal. Yet thinking after that may well evolve in different directions. If the nominations agreement is too inflexible it may prevent the capture and implementation of future good practice. If too flexible it may leave both housing provider and social care commissioner feeling that they are not getting what they want out of the scheme.

A particular learning point from one provider was about getting the right people involved in the discussion on the nominations agreement. They had worked with a project manager from a social care background who had drawn up an allocations agreement without appropriate input from housing staff, and when they came to operate the agreement several years down the line it was unworkable.

Apart from the allocations process discussed above, most nominations agreements stipulate what happens if there is a delay in filling a vacancy. Vacancies generally mean a financial loss for the provider, at least in terms of rental income. The majority of care contracts are block contracts, and for some of these contracts void periods do not attract payment, thus any delays in filling voids represent a real issue for the provider. In many cases, however, the contract operates on guaranteed core hours, or allows unused hours for one accommodation unit to be transferred to other service users, thus reducing the financial penalty. Supporting People contracts tend to pay the support cost for a period of time, or on the basis of an average turnover rate. This gives some level of comfort to the provider, but still means there is financial pressure to fill voids quickly and there will still be the pressure to minimise rent losses.

For most of the housing providers we spoke to, the main protection when vacancies arise is the clause giving them the right to let the vacancy to any suitable person. Although some early schemes had void periods being underwritten by adult care services, most people have now moved away from this. There may be an exception at the beginning of a new scheme when a certain level of voids is anticipated.

As noted above, most nomination agreements will give the housing provider a right of veto over the nomination. In most cases there are caveats requiring this not to be used unreasonably. In reality, we found very few cases where the provider had unilaterally imposed a veto. Issues over individual nominations were generally discussed until agreement could be reached, but retaining the right to veto is important in relation to the provider's risk management strategy.

Where the access criteria for a scheme require the person to be assessed as FACS substantial or critical, this effectively moves the nomination rights to sit with adult care services, reducing the role for housing. This may be for 100% of the units available (the position taken by the majority) or for a lesser percentage – the lowest percentage we found was 75%, we also found 90% in a few schemes. 100% nominations sitting with

adult services may be a risk to housing providers in a number of ways, and this is discussed further below. However, even where the FACS criteria are in use, the actual nominations agreement is generally signed by both services.

Legally, for unitary authorities it makes little difference which services are signatories to the agreement, as the courts will always treat a local authority as one organisation. There are bigger issues for two-tier authorities which are legally separate bodies. If the housing service is not at least a signatory to the nominations agreement it is very difficult to argue that this is a legitimate housing allocation within the framework of the legislation. In practice, at the moment, most agreements do include both services as signatories, but this is a point to watch for the future.

7. Managing risk

There can be significant risk for both social care commissioner and housing provider in an extra-care scheme. Capital costs are high, although the resultant buildings can be flexible for other uses, if designed appropriately. Revenue costs are more flexible but even here a commissioner can find themselves committed to revenue funding for a number of years. The housing provider bears significant risk in terms of income and voids recovery on a scheme where their hands may be tied in letting vacancies. There are significant risks beyond the financial – management risks in trying to ensure the right service for each resident, and reputational risk if this goes wrong. A strong partnership approach and an element of risk sharing help.

The providers and commissioners we spoke to had differing concerns about the management risks of increasing the level of care needs in a scheme. Some were very concerned about losing what they saw as the central ethos of the scheme, the mix of care needs providing a livelier and more vibrant community. Others felt that even with significantly higher care needs it was possible to create a vibrant community, although they accepted that some residents would be less able to participate in certain activities. Some were concerned about the financial viability of services which relied on income from the residents, if higher care needs meant that some residents were no longer using those services.

There is clearly a risk to organisations providing housing management and housing related care if they do not have full information about the needs of individual clients. Given this, the comments above about housing providers often not having access to specialist assessments of care needs must be a concern. Providers do need to ensure that they have all available appropriate information in order to manage risks within the schemes.

In light of increasing pressure to accept more people with higher care needs, and increasing insistence by care services on 100% nominations, a key risk must be requirement by CSCI to register the scheme. The profile of this issue has been raised for many providers following the “Alternative Futures” case (Moore v Care Standards Tribunal and CSCI). The case concerned an organisation which wished to deregister, and was refused leave to do so. It is therefore different from an extra care housing provider of a scheme which has never been registered. Nevertheless, it contains some important indicators of the level of risk of being deemed registerable. CSCI have since

issued some further guidance which indicates that they will be looking carefully at extra care housing in future.

Each provider will need to look carefully at this case and take advice on the implications for their scheme. Key risk areas are the extent to which housing, care and support are seen as one package, and whether residents have real choice over who provides their care. Being deemed registerable would undermine the fundamental objectives of extra-care housing and if a significant number of schemes were to be deemed registerable then it is likely that extra-care housing programmes would fold.

Other financial risks are around voids, which are discussed above; and the relationship between the nomination agreement and the other contracts (See Housing LIN Factsheet 21 *Contracting Arrangements for Extra Care Housing*). One risk which has not been highlighted is that of increasing service charges. Extra-care schemes are vulnerable to large increases in costs for heating and lighting because of the extent of communal areas and the need to keep temperatures at a higher level than for some client groups. High service charges could impact on future allocations, if they are seen to make schemes unaffordable.

We also explored the potential impact of Direct Payments and Individual Budgets on extra care housing schemes. Most of the commissioners and providers we spoke to had considered this issue but few had experience of it. Generally, they anticipated that the impact would be low. A typical comment from providers was that they would be providing the best possible care so why would anyone go elsewhere? Given current low levels of take-up on direct payments it is perhaps not surprising that people are feeling a little complacent at the moment, but there is the potential for much more significant impact in the future. Even minor erosion of the scheme based care service in a small extra care scheme could affect the viability of the core service. If take-up becomes widespread *and* this leads to the purchase of alternative care services, extra care providers may have to find strategies for maintaining the viability of the core services. For example, they may need to consider ways of separating core 'response' services from individual, tailored care services; or expanding the scheme-based service to support users in the surrounding area.

8. Summary

Nominations arrangements can have a profound effect upon the choices available to people in need of care, support and security in later life. They should be set within wider strategies, to facilitate the marketing of new schemes and to maximise the effectiveness of extra care housing in meeting local needs. The criteria and the processes need to be carefully drawn to ensure that the intended outcomes are realised.

Extra care housing is a concept that has been interpreted in different ways and there is a spectrum of approaches, which may be characterised by an emphasis on creating a balanced retirement community on the one hand and replacing residential care on the other, although these approaches are not necessarily mutually exclusive.

At present the care need profiles of extra care housing residents are, on average, much lower than those of care homes. But there appears to be a trend towards using extra care housing to cater for more people with high care needs. Most commissioners and

providers accept in principle that extra care housing schemes should maintain a balance, including people with lower care needs, but interpretations vary wildly as to what 'balanced' and 'lower care' actually mean! The question as to how far the trend towards higher care can continue before extra care housing schemes are perceived as institutions for the very frail, remains to be answered. It is the perceptions of customers that are critical and perhaps particularly so at a stage in its development when extra care housing is still not widely known and understood amongst the public at large.

More research into outcomes is needed to determine the extent to which the balance of the community affects the health and well being of residents. What is clear is that residents are almost universally positive about living in extra care housing and that it is valued for its capacity to facilitate independence, sustain existing relationships, and provide care and support, but above all for the fact that it is not a care home!

Nominations agreements are important in defining the relationship between housing provider and social care commissioner, their agreed objectives and the sharing of risk. They need to be carefully considered at an early stage and be flexible enough to enable the profile of the community to be managed effectively.

The focus therefore needs to be on independence; otherwise it is possible to end up creating new institutions to replace the existing ones. This means embracing a culture of enabling and allowing choice for the individual. To achieve this, authorities may need to loosen their grip on nominations processes. This may be hard in the context of pressure on resources, but paradoxically it may be by letting go, within a clearly articulated strategy, that authorities can best achieve the outcomes they are striving for.

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- Factsheet no.2: **Commissioning and Funding Extra Care Housing**
- Factsheet no.3: **New Provisions for Older People with Learning Disabilities**
- Factsheet no.4: **Models of Extra Care Housing and Retirement Communities**
- Factsheet no.5: **Assistive Technology in Extra Care Housing**
- Factsheet no.6: **Design Principles for Extra Care**
- Factsheet no.7: **Private Sector Provision of Extra Care Housing**
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- Factsheet no.9: **Workforce Issues in Extra Care Housing**
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MCA Information Sheet 3: Paying for necessities and pledging credit
MCA Information Sheet 4: Statutory Duties to Accommodate
- Factsheet no 21: **Contracting Arrangements for Extra Care Housing**
- Factsheet no 22: **Catering Arrangements in Extra Care Housing**
- Factsheet no 23: **Medication in Extra Care Housing**
- Factsheet no 24: **Social Well-Being in Extra Care Housing**
- Case Study Report: **Achieving Success in the Development of Extra Care Schemes for Older People**