

ANNEX 5 EXTRA CARE MARKET INSIGHT REPORT – KEY FINDINGS

A detailed market insight report was produced in May 2019 that outlined national drivers and trends for delivering extra care schemes. It ratified our working understanding that:

- Although becoming increasingly popular there are only a limited number of extra care housing schemes in most areas. Under-supply of high quality, affordable or desirable accommodation in the right locations
- Most developments are now mixed-tenure: a combination of leasehold apartments, which residents can buy to give them long-term security, and apartments for rent
- Urgent need to better provide a range of housing options to meet ageing population needs

Along with a number of case studies and a review of SCC spend data, the report gave detailed information on the following:

Care Market

- The combined care market value for care for older people, including local authority funded, voluntary and private expenditure, is estimated to be worth £22.2 billion, of which £13.4 billion is attributable to residential care and £8.8 billion to non-residential care
- Approximately 30% of people use some form of local authority funded social care in the last year of life
- As the single largest purchaser of home care, local authorities have significant influence on markets

Delivery Models and Other Local Authorities

The bulk of the report outlined a number of delivery model options and case studies from a number of other local authorities, including:

- Delivery through a council-owned Limited Liability Partnership (Eastbourne and Lewes)
- Self-delivery and development (Bournemouth Borough Councils)
- Shared Income model (Barnet Borough Council)
- Corporate Joint Ventures (Brighton Council / Hyde Group Limited Liability Partnership)
- Transfer of land to a provider at nil value (Norwich City Council)
- Capital and Revenue Investment (Essex County Council)
- Fully commissioned (Cornwall Council, Leeds Council)

A typical trend is that local district and borough with housing responsibilities have greater control of the housing element through their chosen delivery models, whereas county councils tend to commission the delivery of extra care schemes.

Nominations Arrangements

“Nomination arrangements” refer to the eligibility criteria, processes and formal agreements that control the nomination of service users to extra care housing schemes. The report emphasised the importance of nominations agreements, particularly when it is tied into land disposal. Due consideration must be made to age and care eligibility profiles, the level of control held by the local authority and implications of a delay to fill a vacancy. 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

Main Providers

Providers fit into a number of broad categories:

- **Housing Associations** are not-for-profit organisations providing rented social housing.
- **Voluntary sector and charitable organisations** which provide extra care housing:
- **Local council housing department** to access Local councils’ extra care housing. Councils normally have a set eligibility criteria for extra care housing places and it is also likely that an assessment from the social services would be required.
- **Private sector extra care housing schemes** are operated by private companies for profit. If care is required then it could be provided either by a company contracted, by the housing provider or through the local council’s social services department

A copy of the report is available upon request