Growing the Extra Care Housing (ECH) market in Oxfordshire...lessons learnt and future prospects...

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On-site at Stanbridge House ECH, Banbury
The numbers…on track to deliver 900 units in five years

- 2008 published our ECH Strategy
- 2010 had one scheme of just 20 units
- 512 flats now, on-site for 893 units by end of 2015, 16 schemes (average 56 units per scheme)
- 2016 onwards have plans for further 1,400 units at various strategic and brownfield sites
Why is Oxfordshire investing so much in ECH?

- Promotes independence; you are ‘in your own home…not in a home’
- Too high % of budget spent on care homes
- Replacement for most residential care (1/3), a different ‘care at home’ choice (1/3) and prevention/wellbeing (1/3)
- Better quality, fit for purpose housing offering greater security, activity and wellbeing
- An option for home owners to re-invest their capital and avoid ‘capital depletion’
Population growth 2008 – 2033 in Oxfordshire

<table>
<thead>
<tr>
<th>Age Group</th>
<th>2008</th>
<th>2033</th>
<th>Increase</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 65</td>
<td>96,600</td>
<td>171,200</td>
<td>74,600</td>
<td>77</td>
</tr>
<tr>
<td>Over 85</td>
<td>14,200</td>
<td>37,600</td>
<td>23,400</td>
<td>165</td>
</tr>
<tr>
<td>Over 90</td>
<td>4,600</td>
<td>16,900</td>
<td>12,300</td>
<td>267</td>
</tr>
<tr>
<td>Under 65</td>
<td>538,900</td>
<td>565,300</td>
<td>26,400 **</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>654,300</td>
<td>791,000</td>
<td>136,700</td>
<td>21</td>
</tr>
</tbody>
</table>

*Source: Office of National Statistics
** Only 19% of total population growth
Who will care for our older population?

• 2008 = for 1 retired person there are 4.63 non-retired people
• By 2033 = for 1 retired person there are only 2.5 non-retired people
• 36% of Oxfordshire’s economically active workers have a degree, the highest % in England
Number of people aged 65 and over in Oxfordshire 2011-2020 (0,000s)

- West Oxfordshire: + 30.1%
- Vale of White Horse: + 24.4%
- South Oxfordshire: + 23.4%
- Oxfordshire: + 23.3%
- Cherwell: + 22.9%
- Oxford City: + 7.1%
Prevalence of disability among Older People Aged over 65 in 2011 (%)

Day-to-day activities limited a lot
Day-to-day activities limited a little
Day-to-day activities not limited

Oxfordshire
Cherwell
Oxford
South Oxfordshire
Vale of White Horse
West Oxfordshire

Working for you

www.oxfordshire.gov.uk
Oxfordshire Strategic Housing Market Assessment (SHMA) 2014

- Recommending 100% increase in new homes = 100,000 new homes over next 20 years
- Current ECH projections will increase above current plans
- 61% of pensioner households (32,000) have 2 or more ‘spare’ bedrooms, of which 1,800 are social renters
- 56% of all pensioner households live alone
Demand model for ECH

- We used ‘More Choice, Greater Voice’ as a basis
- Agreed on 55 flats per 1,000 aged 75+
- This includes extra care, enhanced sheltered and dementia care housing
- Main advice is keep it simple and stick to it, has stood up to planning appeals
- Demand for 2,300 ECH now rising to 4,300 by 2031
Governance....

• Published a ‘framework strategy’ in 2008
• ECH strategy with designated Programme Management staff (1.5)
• Governance agreed by all 6 local authorities. Health & Wellbeing Board set target of 900 ECH flats by 2015
• Involved Members group, Managers group (including HCA) and Local Implementation groups
Influencing the Spatial Planning Agenda

• Briefed all planning managers, policy and development control
• ECH a key priority in Local Investment Plan
• Demand targets now feature in all Local Plans
• Made sure ECH features in Sec 106 Agreements on most major housing sites
• …has lead to many speculative applications featuring ECH, not all supported
Tenure, bedroom mix and design…

• Current/planned supply is 78% rent, 17% shared ownership and 5% market sale
• Almost all for purchase are 2 bedroom, 1 bedroom flats still popular for rent
• Sales have been good as are re-sales. Top value = £250k 2-bedroom sale.
• ‘Affordable rents’ up to £170 a week for 2 bedroom flat
Show Flat, Shared Ownership
Promotion and Marketing of the ECH Programme

• ECH newsletter
Extra Care Housing Oxfordshire Newsletter

• ECH Video
https://www.oxfordshire.gov.uk/cms/content/extra-care-housing

• Market Position Statement just been published
https://www.sourceoxfordshire.org.uk
County Council as co-investor; over £10m of capital grants (1)

- Agreed we had to ‘grow the market’ quickly
- Cabinet agreed £10m capital, 50/50 grant and prudential borrowing. Also 9 OCC sites provided.
- Used to help purchase sites, convert sheltered to ECH, match fund HCA allocations, gap fund and underwrite sales risks
- Grant based on ‘invest to save’ financial analysis of scheme costs and revenue savings for OCC
County Council as co-investor; over £10m of capital grants (2)

• Agreed a ‘benchmark’ of up to £30k grant per unit over entire scheme
• Oxfordshire Local Investment Plan agreed ECH as one of 17 key priorities…which led to…
• Eight schemes attracted HCA capital grant in 2011-15 NAHP (40% of all affordable housing in the County)
Commissioning care services
Growing the Care Market in ECH

• Care providers tendered (from Approved List) except in existing partnership contract…lots of provider interest
• Care provider charges for the 24/7 ‘core service’, to be paid by every household…
• …but we underwrite ‘core service’ cost on empty flats
• Providers told of target care hours per scheme…but these can be ‘personalised’ so not guaranteed
• Looking to have a ‘standard’ core charge of £25 and OCC to make ‘block payment’ on top to enhance core service
• Hourly rate is c£15, 25% less than home care costs outside of extra care housing
Vision of the future market (1)

• Proved that demand exists and the business model works. Future is less ‘Make it’ and more ‘Buy it’.
• Micro-commissioning, many contracts and capital subsidy of past probably not sustainable
• ‘Futures Programme’- A competitive market, fewer specifications, Personal Budgets and spot purchasing the future funding currency
• Market sale, shared ownership and affordable rents to fund capital investment? Already happening locally.
• Recycle our own Council capital grants to underwrite risk of shared ownership?
Vision of the future market (2)

- We are looking at issuing a ‘usual price’ for ECH core service cost and hourly care rate to encourage new providers
- We are investing in county wide marketing to raise consumer awareness of ECH
- We will encourage housing and care providers to form their own partnerships and open ‘care ready’ schemes
- Will still offer capital and revenue subsidy to innovative dementia specific ECH
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