



# LESSONS LEARNT: INDEPENDENT LIVING HOUSING PROGRAMMES

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# 01 WHAT IS INDEPENDENT LIVING AND WHY IS IT NEEDED?

We recently spoke to a number of local authorities we've worked with to set up Independent Living Programmes (also known as extra care) for both older people and adults with disabilities. We wanted to learn about what's worked and what hasn't to develop some lessons for the future.

## What is Independent Living?

Independent Living means living in an independent home with your own front door (usually a flat or bungalow) and having a 24/7 peace-of-mind care team based in the development who can respond quickly in the case of emergency, and who can provide further personalised care packages and spot care services when needed. Community connections are encouraged in various ways so that people do not feel isolated and have daily opportunities to be sociable and active members of their community. There is often some type of café or restaurant and increasingly, Independent Living is located within wider intergenerational mixed-use developments, whether in urban or rural settings.

Independent Living should be well designed so that moving into this type of housing is seen as a positive and aspirational preventative choice – enabling people to continue independent lives and have their care needs met if and when they arise. Beyond that core definition, there are varying views on what form Independent Living should take, and the need for flexibility depending on the development, location and residents in question to ensure as much need is met as possible.

The 2014 Care Act contributed to a growing awareness of the need to consider how a personalised approach to someone's care

can be supported. The purpose of the Act was to give people more choice and control over their future and ways to maintain their independence. In recent years there has therefore been a move away from residential placements that often constrain and struggle to meet individual need, in favour of more independent living, which offers choice and control to individuals to choose where and with whom they want to live.

## Our work between 2015 and 2020

The local authorities we partnered with had a number of drivers:

- An under supply of suitable Independent Living housing, so many people were being placed into residential care – often at the point of crisis – due to a lack of alternative options.
- Most of the authorities spent more than half their Adults Social Services budgets on residential care, with Adult Social Services budgets overall making up about half of local authority spend – despite residential care not being the most appropriate environment for many people.
- Demand was projected to increase in each locality, which is not surprising given one in five people in the UK are projected to be over 65 by 2025, and one in four by 2050, and they currently occupy over a third of UK housing stock.

Each Independent Living Programme was therefore designed to increase the pace, quantity and quality of Independent Living delivery of the right type and in the right locations, to prevent costly and inappropriate moves into residential care and to meet demand for Independent Living housing across all tenures.



## 02 UNDERSTANDING THE IMPACT

The difference Independent Living makes to residents:

*To me it's one of the best things I've done since I lost my husband 19 years ago. And that's it, I just felt my life had started again, you know...I used to get depressed and not go out for a couple of weeks...since the day I moved in here...I just don't feel lonely. (Housing & Care 21 video)*

*You have your own front door, it's your place, it's no different to living in a house or an apartment privately owned or rented. No different at all. When you actually see it, you realise they are nice, they are beautiful. (Housing LIN video)*

*It was quite a big change, going from an empty house and being on my own and then gradually mingling in with other people...If you are offered this, grab it, because it's the best place you can be in. (Housing LIN video)*

What good Independent Living looks like



Image of resident at Hortsley, Seaford. Copyright: RCKa architects.

Watch a video about this exemplar Pegasus Life development [here](#). (The Hortsley development wasn't delivered as part of a programme we've helped set-up but it offers food for thought on how the design and location of Independent Living can be approached.)

Photos used throughout this PDF are from Pegasus Life developments: Hortsley in Seaford and Park House in Harpenden – both designed by RCKa architects.



## 03 INVEST-TO-SAVE BUSINESS CASES

With each authority, we worked with them and the wider market to understand the barriers to supply, and then to design and capture a programme solution in an Outline Business Case (OBC) that systematically removes or reduces those barriers to maximise the chances of delivery.

We also produced a number of documents to inform the programmes, including:

- External-facing Market Position Statement for developer/ providers
- Internal-facing Programme Position Statement to ensure consistency across services.

We managed each project through a working group attended by key officers and developer/ providers. We required access to, and active engagement from: planning, legal, adult social care, housing benefits, property, procurement and finance.

Barriers to Independent Living typically include those set out in the table below.

Programme design should consider
Definition
Demand
Care model
Social care nominations
Land
Planning
Geography
Funding
Capital viability
Revenue viability
Market incentives

Each business case was endorsed by cabinet and committed to between £23m and £30m of capital funding (usually funded through prudential borrowing) to provide grants to incentivise developers to deliver Independent Living over a nine or ten year period. They also drew down up to £250k of revenue to fund the programme resource requirements until they become self-funding, just a few years into the programme.

**One business case sets out the following benefits (among others):**

- LA saving made on provision of care by placing suitable people within the affordable rent units
- The average revenue saving, considering the mix of care needs within a scheme, is £3,660 per person per annum
- Once the 10-year programme is fully delivered, 1,135 affordable units of Independent Living will provide £4.1m recurrent revenue savings per year to the LA (and an additional 1707 outright sale/shared ownership units).
- The net saving to the LA will depend on scheme and capital subsidy requirements
- The programme will also bring wider investment into the region.
- By encouraging diversification of the care market, the LA are meeting a key Care Act responsibility
- To ensure overall public value, programme guidance includes capping rents and eligible service charges at LHA benefit rates + 40%.

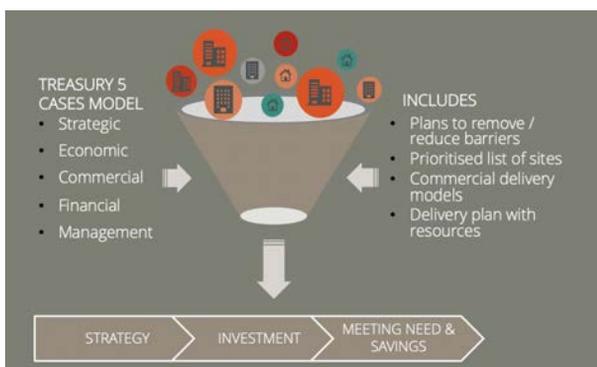


# 04 FEEDBACK ON INDEPENDENT LIVING PROGRAMMES

## Our impact

It was consistently felt that Inner Circle's work on the business cases, programme documents and setting up the programmes was effective in galvanising interest, enabling the development of the programme teams, creating a model that worked, building political support and boosting the supply of suitable Independent Living housing where it's needed.

One council contact said, "Independent Living is greatly needed and there is a policy case for it but policy isn't always as persuasive to politicians as invest-to-save cases, so ambitious figures were needed to get commitment but those figures haven't been achieved in practice yet for a number of reasons."



## Social care nominations

In two programmes, a key issue seemed to be that the social care nominations of eligible residents was not working as originally planned in the business cases. Each programme aimed to bring about developments that provided for an even balance of low care need (up to 9 hours/week), medium care need (10-15 hours/week) and high care need (15+ hours/week). This is to ensure an overall vibrant feel, creating a place where people choose to live possibly even before care

needs develop but so people will also be able to stay living there for life as their needs change.

The business cases anticipated this challenge and recommended a social care change manager be appointed to ensure social care teams fully understood Independent Living, as well as who would be best suited to living there. However, for various reasons, both authorities didn't appoint this role/work.

As a result, those being placed into Independent Living varied significantly across authorities, both due to social care nominations processes and due to wider systemic issues. In one authority, of those going into Independent Living, 70% would otherwise be at home and 30% in residential care – whereas the business case was predicated on a higher figure of residential care avoidance. There was a similar story at another authority, where people were moving to Independent Living due to a lack of suitable housing, rather than because they had significant care needs. It was also felt that social care weren't identifying people with medium and high needs and that due to COVID-19, they hadn't been able to view what care looks like in the new Independent Living schemes. However, more engagement with social care staff is planned, including showing them the schemes so they can have them at the back of their minds and consider them as part of their review processes.

Elsewhere in another authority, people were not moving into Independent Living due to older schemes referred to as extra care effectively being used as residential care by another name, housing people with only very high care needs, thereby negatively influencing perceptions among social care staff and potential residents and their families of what Independent Living actually is.



## 04 FEEDBACK ON INDEPENDENT LIVING PROGRAMMES

### Care costs

The other issue is that care costs can sometimes work out to be slightly higher initially in Independent Living, compared with domiciliary care rates – in some cases because larger housing associations have higher care rates and in others, because of the weekly wellbeing/peace of mind care response charge. One local authority found that for some, costs have reduced while for others, they've increased. These issues can be avoided to some extent by having clear programme frameworks that set acceptable levels of charges but given viability challenges, these can sometimes be difficult to enforce if there is limited interest from the market.

However, from an analysis of one authority's database, it was noted that although care costs can sometimes increase initially, they then flatten out because people are getting the care and support they need to live more independently, so their conditions do not worsen significantly as they tend to in less suitable settings. People are also able to stay in Independent Living for life and will not need to move to residential care at a later date.

### Lack of dedicated programme resources / capacity

One authority had no dedicated resources for the Independent Living Programme, although all had dedicated 'teams around a development' set up for each new development, bringing together the relevant parties.

Another authority felt they did not have the corporate capacity or capability to assist with the developer/provider's site capacity and viability work at Development Gateway One, and experienced challenges due to this as well as a lack of LA/ public sector land identified as suitable for Independent Living.

### Stigma

There can be a stigma attached to Independent Living due to a lack of understanding of what it is, and how it differs to sheltered housing and residential care for example. An informed, coordinated and consistent approach across local authority teams and health partners, as well as clear messaging to residents is therefore key to changing perceptions. Design standards also need to be high, so moving to Independent Living is seen as a pro-active and aspirational choice.

### Voids

There have been challenges in some schemes with voids both pre- and during Covid-19. People don't want to tend to move far away from their current locations, so schemes based in small towns without good connections can be harder to attract enough people to. The impacts of Covid-19 have also created more voids in schemes as social care staff are busy with hospital discharge cases. To mitigate the impact of voids, the programmes were set up with cascade agreements where councils have a certain time period to nominate people for the affordable rent units, and after that time has passed, providers can house people from their own waiting lists.

### High build costs / number of developments needed by a provider

In more remote parts of England, build costs tend to be higher and providers are only generally interested if they can have three or four developments within a reasonable distance of each other. To combat this challenge, one programme was designed with LA capital grant to address this, however the authority in question decided not to fund this grant and so have not been able to incentivise any new providers to the area.



## 04 FEEDBACK ON INDEPENDENT LIVING PROGRAMMES

### Shared ownership

Many developer/providers consider shared ownership to be higher risk. However, providing some shared ownership can be key to ensuring scheme viability, as many older people are homeowners and want to remain so. The tenure split should be determined on a site-by-site basis depending on a number of factors.

Shared ownership properties tend to be more desirable in better designed developments and appeal to homeowners who want to free up some equity through purchasing a shared ownership property, so they can pay for their care. Bungalows tend to be particularly attractive to buyers (both shared ownership and outright sale).

### Definition of Independent Living

Flexibility is needed on the definition of Independent Living to accommodate site-by-site and intended resident requirements,

beyond 24/7 on-call care and Independent homes. This should also include flexibility on site location, as some rural counties have many small towns that would not usually be considered for Independent Living but which could potentially work well.

Many providers only consider towns that have a population of 25k+. Only four/five towns meet this requirement in some rural counties and many developer/providers won't invest in a development that has Independent Living within 10 miles. More developments are therefore likely needed in more rural settings, as long as they have access to suitable transport connections and complementary amenities, such as cafes and GPs etc, and that community connections are actively supported. If a more rural model of Independent Living is not facilitated at county and district level then the supply pipeline could hit a ceiling before demand is met.



Image of Hortsley, Seaford. Copyright: RCKa architects.



## 05 PRO-ACTIVE PROGRAMME ADAPTATION

One council pro-actively adapted to their challenges. They decided to:

- Model a revised business case based on the residents of their two most recent Independent Living schemes. (The business case still rests on more higher quality accommodation with savings to adult social care.)
- Drop offering their LA capital grant due to there now being significant grant available from Homes England's Affordable Homes Programme and instead pursued a land-based model.
- For Independent Living for people aged 55/65+: Identify suitable land, get planning permission on some sites, commission to a housing association to build, and the HA obtain the Homes England grant.
- For adults with learning disabilities with complex needs: LA in-house developer builds units themselves (often completed as the affordable / specialist element of a wider market development), and the housing management and care is commissioned on completion. (These schemes provide for what the market is not providing, as people are often placed out of country. The schemes are designed based on the needs of the specific people who will live there – usually children who are soon to become adults.)

The above has resulted in a healthy pipeline which will result in the doubling of their Independent Living estate.

Another authority found that their capital grant programme wasn't enough and therefore decided to explore a range of potential delivery partner models that can help to quickly accelerate delivery through site identification (both public and private) and feasibility assessment, as well as construction. They felt there was a social imperative to invest as necessary to deter avoidable admissions into residential care, and to achieve the resulting savings for Adult Social Services – particularly in light of the coronavirus pandemic and its impact in care homes and on the most vulnerable, which includes many older people.

The authority have subsequently put out a Prior Interest Notification for a Strategic Supplier to get expressions of interest. They want to work with a provider who can deliver a number of developments.. Their initial call to the market required an idea of track record, rent levels, assumptions and heads of terms. With the most suitable respondents, they will work through legal, developer contract and leases, develop the detail of proposals and design, and undertake pre-planning work.

**This partnership way of working enables a common-sense approach and helps overcome procurement challenges. The local authority in question also has a dedicated programme team who can assist; offers access to capital grant per affordable unit on clear terms (specification, nominations etc), and a programme underway to identify suitable land in public sector ownership.**



Image of Park House, Harpenden.  
Copyright: RCKa architects.



## 06 OUR ADVICE FOR COUNCILS

### **Strategic leadership is essential**

Ensure Independent Living is a corporate priority driven by leadership that has buy-in and a consistent approach from across local authority and partner services. For example, ensure your regeneration teams are well briefed. Councils repurposing high streets and town centres in the wake of the pandemic provides real opportunities.

We suggest setting up a working group that includes: Property, Housing & Regeneration, Planning, Commissioning, Adult Social Care, Housing Benefits, Finance, Legal, Procurement and Health Partners.

### **Provide a clear definition of Independent Living housing and its care model**

Understand all barriers to supply and develop a business case and programme to address them (see table on next page) – including providing a clear definition of Independent Living housing and its care model.

### **Model demand and incorporate into planning**

Model demand and include demand in local plans, so demand is written into policy and leads to site allocations.

### **Have social care nominations agreements and processes**

Facilitate the delivery of Independent Living with local authority nominations. Also have a robust and well-communicated strategy for tenure and nominations – otherwise, financial drivers will send the land down different routes.

### **Have sufficient programme resourcing (in addition to 'teams around each development')**

Have at least a dedicated Independent Living Programme Manager to manage developer / provider relationships and oversee programme delivery, as well as to draw on established LA capacity across procurement and development.

Have a dedicated housing person working on each scheme who can then draw on the surveying

team when needed.

Preferably have a Programme Coordinator who can support the Programme Manager with:

- Marketing & comms (internally and externally for greater understanding of what Independent Living is across departments, how to communicate it, and what capital grant and support is available to facilitate its delivery)
- Social care change management
- Doing more work with district / borough councils on planning to ensure aligned objectives and the allocation of suitable sites.

### **Use positive language and clear communications**

There are misunderstandings around what Independent Living is, with many thinking the term 'extra care' means a care home. This is why we encourage the use of the term 'Independent Living housing,' so the emphasis is on people living independently in their own homes, with care and support available if and when needed.

Also try to avoid the use of terms like 'elderly,' 'seniors,' 'older people' and 'schemes,' so people can think of Independent Living as they would any other housing development that particularly caters for the needs of people aged 55+ and also provides other useful services and amenities.

### **Ensure inspiring functional design and connected locations**

Provide beautifully-designed and well-considered Independent Living in vibrant connected settings that people want and choose to live in long before they get to crisis point. This will mean more people remain active members of their community and stay happier and healthier for longer.

As university is to a teenager, Independent Living should be to someone thinking about how they can maximise their choice and independence as they age: an attractive option creating opportunities for a fulfilling life.



## 06 OUR ADVICE FOR COUNCILS

### Make land available and streamline processes

If a sufficient number of public sector sites are identified for Independent Living:

- Streamline the internal processes that the LA follows and create a consistent approach, including ensuring expected conveyancing information is prepared in advance and that all documents are readily available.
- Develop appropriate procurement/best value processes, depending on the delivery partner approach/es identified as most suitable. Some authorities avoid lengthy procurement processes through Direct Reward / Restricted Sale of land based on certain criteria.

### Continually review progress and adapt as required to ensure delivery

Regularly review progress and adapt your programme strategy as required.

### Systematic and collaborative programme design and communications

When designing your Independent Living Programme, take a collaborative approach with all relevant parties being consulted, including market providers. Also refer to the below table to ensure all barriers are sufficiently understood and that the programme sets out a feasible and systematic solution to reduce or overcome them. A comprehensive internal and external communications plan should also be developed and implemented, so you're clear on what you want, what you're offering and why, as well as how best to communicate it..

#### Programme design should consider

<b>Definition</b>	Definition of Independent Living (accommodation & site characteristics, eligibility etc)
<b>Demand</b>	Demand for Independent Living
<b>Care model</b>	Model for commissioning care
<b>Social care nominations</b>	Nominations processes for who is referred to IL, when and how – and awareness among social care teams
<b>Land</b>	Availability of suitable land (public or private)
<b>Planning</b>	Town planning site allocations and understanding by planning officers of what Independent Living is, how it differs from a care home its formal Use Class
<b>Geography</b>	Specific geographical barriers
<b>Funding</b>	Funding framework timelines and clarity
<b>Capital viability</b>	Each unit of affordable rent usually requires a subsidy
<b>Revenue viability</b>	Setting rent levels and eligible service charges that are affordable, ensure public value and can be substantiated within the rules of exempt accommodation
<b>Market incentives</b>	Clarity on the financial & non-financial incentives that the council offers (including capital grants for affordable rent units)



# AWARDS

## PLANNING AWARDS 2021 SHORTLIST

Planning Permission of the Year w/ HGH, Patel Taylor, and Notting Hill Genesis

## PLANNING AWARDS 2021 SHORTLIST

Planning Consultancy of the Year



Data and Innovation in the public sector



Rising Star: Andrew Mistry



Rising Star: Gyula Törzsök



Team Leader consultant of the year: Andy Starkie



Outstanding Achievement: Chris Twigg

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Best New Consultancy of the Year



Winner Best Employer



Team Leader Consultant of the year



Planning Consultancy of the Year



The EMD Cinema Best use of Arts, Culture or sport in placemaking



Waltham Forest Town Hall redevelopment. Best Use of Publicly-owned land in placemaking

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