

Open Report on behalf of Glen Garrod, Executive Director - Adult Care and Community Wellbeing and James Drury, Executive Director - Commercial

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| Report to: | Executive |
| Date: | 02 September 2020 |
| Subject: | Extra Care Housing Development at The Linelands, Nettleham, with LACE Housing Limited |
| Decision Reference: | I019235 |
| Key decision? | Yes |

Summary:

This report recommends a further £1.99m of the designated capital programme budget is released to enable The Linelands Extra Care Housing (ECH) scheme, to commence development in Spring 2021. The project is a proposed partnership between Lincolnshire County Council (LCC) and LACE Housing Limited (LH), to provide ECH for the anticipated demand in the West Lindsey District. Following the commencement of the De Wint Court scheme, in partnership with City of Lincoln Council, the remaining capital programme budget is £9.086m.

LCC's contribution of £1.99m towards The Linelands scheme will provide LCC with nomination rights on 20 units for 30 years; using a process of first refusal with no void risk. The scheme will help provide alternative accommodation choice for residents whilst enabling them to retain independence, and access services within the local community. LCC proposes to dispose of the Linelands site for nil value to LH, which is permitted under the state aid rules where the aid provided can be categorised as Services of General Economic Interest (SGEI) exemption. LCC's contribution is on the condition that LH acquires board approval, obtains planning permission and secures the additional funding required.

Recommendation(s):

That the Executive:

- (1) Approves the payment of a sum of £1.99m from the Extra Care Housing Capital Programme for Lincolnshire to LACE Housing Ltd through a Funding Agreement to support the development of The Linelands. Lincolnshire County Council and LACE Housing Ltd will enter into a Nominations Agreement and Funding Agreement to secure nomination rights for Lincolnshire County Council on 20 units, through a process of first refusal with no void risk; and

(2) Delegates to the Executive Director for Adult Care and Community Wellbeing, in consultation with the Executive Councillor for Adult Care, Health and Children's Services, authority to determine the final form, and approve the entering into of all legal documentation necessary to give effect to the above decision.

Alternatives Considered:

1) Do Nothing:

The lack of affordable and available ECH in Lincolnshire as a viable alternative to more costly residential services will continue to limit choice and increase revenue costs for LCC in the medium and long term.

2) Provide funding for The Linelands on the basis of a Collaboration Agreement rather than a Funding Agreement.

It is not possible to evidence the necessary collaboration in this instance to make this a viable option. This approach would require a greater degree of involvement in the Scheme and sharing of risk than can be achieved through a Funding Agreement.

Further assessment of the above options is set out in the body of this Report.

Reasons for Recommendation:

- To enable LCC to develop ECH in partnership with LH, thereby utilising LH's existing housing development resources and expertise, together with their capacity for the creation of the new scheme, to offset the higher revenue costs of residential care, and allow LCC to reinvest resources in preventative measures;
- To provide the means for LCC to use its existing and future best value care service contracts to support the new development; and
- The proposed contractual arrangements using the appropriate exemptions grants the ability for LCC to contribute compliantly with procurement and state aid obligations, together with providing the least risk in relation to the operation of facilities, and in particular financial implications in respect of voids.

1. Background

The Strategic Case

- 1.1 LCC has defined ECH as accommodation which promotes wellbeing and independence. It is designed in such a way it responds to individuals developing care needs as they grow older; consequently providing a more adaptable and flexible approach in the provision of care and support for Lincolnshire's older population.
- 1.2 The Adult Care ECH Capital Programme for Lincolnshire is intended to help older people achieve greater independence and improve wellbeing, by offering further choice over housing and care options within local communities. Furthermore, ECH will help divert a number of older people from moving into residential care, allowing LCC to reinvest resources in preventative services. The development of ECH presents an opportunity to generate a sustainable future for health and social care in Lincolnshire; meeting a key ambition of the sustainable services review.
- 1.3 ECH is a tried and tested model throughout the United Kingdom, and within Lincolnshire. There are currently eight ECH Schemes, providing a total of 293 units within the county. The relationship between local and national demographics is generally consistent and increasingly evident in Lincolnshire. The growth of older aged groups is forecast to accelerate in the next five years, linked to the longer term trend of rising life expectancy. Lincolnshire is a county people wish to retire to and is one of the largest geographical counties in England, and is predominantly rural. Evidence suggests local people wish to age in communities they are familiar with, and therefore, in response to their needs, LCC is aiming to provide a number of schemes across Lincolnshire to enable residents to access services closer to their home and support networks.
- 1.4 The national policy debate has shifted from a focus on frail or vulnerable people and treating ill health, towards an agenda for which the emphasis is:
 - Promoting independence;
 - Improving well-being;
 - Enhancing quality of life; and
 - Accessing services closer to home.
- 1.5 In addition, the national policy recognises the importance of investing in preventative services to facilitate residents in remaining as independent as possible, for as long as possible. The following are the key, consistent themes outlined in national, regional and local strategies:
 - **Transformation:** Public services to respond to demographic challenges presented by an ageing and diverse society, coupled with the rising expectations on health and social care to improve quality of life. The need to extend access to services and developing more effective links between health and social services, and other services such as housing, the voluntary and private sectors;

- **Personalisation:** Creation of an environment people can take greater control of and retain responsibility for their own lives, enabling them to make the choices that matter to them most;
- **Universally available preventative services:** Effective equipment provision which helps people maintain their independence, slows down deterioration in function, and supports and protects the health of carers;
- **Targeted early interventions:** To prevent or postpone the need for more costly services, for example, crisis intervention and hospital admissions; and
- **Information and advice:** People to be well informed about options available.

- 1.6 The most recently published national dataset regarding short and long term adult care support demonstrates expenditure remains on an upward trend. Gross expenditure in 2018/19 on Adult Social Care by local authorities was £18.7 billion, which represents an increase of £802 million from the previous year (4.5% increase in cash terms and 2.6% increase in real terms). The area of care which saw the largest increase in expenditure was long term support, which increased by £674 million to £14.6 billion in 2018/19 (an increase in cash terms of 4.8%). 1.9 million requests for Adult Social Care support from 1.3 million new clients, for which an outcome was determined in the year, were received by local authorities in 2018/19. This was an increase of 3.8% since 2017/18, and is equivalent to more than 5,245 requests for support received per day by local authorities; an extra 195 requests per day over the last year.
- 1.7 An ageing population coupled with rising numbers of profoundly disabled working age adults, presents public services, including housing, with a number of challenges to ensure the availability of adequate and appropriate services. These demographic changes have required a policy response from central government, local housing, health, and social care agencies.
- 1.8 In 2009 Housing our Ageing Population: Panel for Innovation (HAPPI) was commissioned by the Homes and Communities Agency, on behalf of Communities and Local Government and the Department of Health, to consider how best to address the challenge of providing homes which meet the needs and aspirations of older people. The report identified in meeting such needs housing should be a national priority.
- 1.9 In July 2012 the government published – 'Caring for our future: reforming care and support' – White paper and accompanying draft Bill. This outlined the plan to shift the system from one which responds to crisis, to one which focuses on wellbeing, and on an individual's ability to live independently for as long as possible. ECH was identified as a key part of this new system, offering positive solutions for the people who want to continue living in - and potentially owning - their own property, remaining as independent as possible as their needs change. In addition to this document, the government announced £300m in capital grants to support development, and stimulate the specialised housing market over the next five years.

- 1.10 LCC is committed to supporting residents to stay independent within their own homes and, reduce (or limit) the use of long term residential services. The authority has signalled its intent to expand the range of community based services, in conjunction with reducing residential placements. The 'Shaping Care for the 21st century' agenda was developed to provide choice across housing, support and care services, to meet future demand. This included designing and developing schemes which provide options, in lifestyle, accommodation size, location, tenure and services. Partnership with Health, Housing, and District Councils, the Supporting People service, Independent sector bodies and voluntary groups were seen as being essential. The closure of the eight LCC owned and managed residential homes eight years ago emphasised the need for modernised services such as ECH, which are fit for purpose in the 21st century.
- 1.11 The proposed plans will contribute to reshaping Adult Social Care services and opportunities in line with both national best practice and local priorities. The long term effect of this capital strategy will be investment in an infrastructure which supports improvements in choice and diversity of provision, alongside increased independence for residents. The vision is to provide an acceleration in LCC's ability to shift resources away from high cost buildings based services into more appropriate integrated community options. This investment will further develop ECH and support the Adult Social Care strategic intention to further diminish the number of long stay residential care placements, and provide more community based services.
- 1.12 ECH has been viewed as an alternative accommodation aiming to provide further choice for people as they grow older. The Commission on Funding of Care and Support (2011) identified ECH as providing a means by which people might exercise greater control over their lives by planning ahead, and moving to more suitable housing before developing significant care and support needs.
- 1.13 Department of Health commissioned a study by the Personal Social Services Research Unit into ECH. This study reported results of a national evaluation focused on the outcomes for residents, and evaluated the 'productivity' or cost-effectiveness of this promising type of provision, and draws on the results reported in more detail elsewhere; (Bäumker and Netten, 2011; Bäumker et al., 2011a,b,c; Darton et al., 2011a,b).

Key Findings of Personal Social Services Research Unit Work

1.14 Delivering person-centred outcomes;

- Outcomes were generally positive, with most people reporting a good quality of life;
- A year after moving in most residents enjoyed a good social life, valued the activities and events on offer, and had made new friends;
- People had a range of functional abilities on moving in and were generally less dependent than people moving into residential care, particularly with respect to cognitive impairment;
- One-quarter of residents had died by the end of the study, with approximately a third able to end their lives in the scheme;

- Over 90 per cent of residents still alive at the end of the study remained in the scheme;
- For most of those followed-up, physical functional ability appeared to improve or remain stable over the first 18 months compared with when they moved in. Although more residents had a lower level of functioning at 30 months, more than 50 per cent had still either improved or remained stable by 30 months; and
- Cognitive functioning remained stable for the majority of those followed-up, however; at 30 months a larger proportion had improved than had deteriorated.

1.15 Costs and cost-effectiveness;

- Accommodation, housing management and living expenses accounted for approximately 60 per cent of the total cost. The costs of social care and health care showed most variability across schemes, partly because most detail was collected about these elements;
- Comparisons with a study of remodelling appear to support the conclusion building new is not inherently more expensive than remodelling, when like is compared with like;
- Higher costs were associated with higher levels of physical and cognitive impairment and with higher levels of well-being;
- Combined care and housing management arrangements were associated with lower costs;
- When matched with a group of equivalent people moving into residential care, costs were the same or lower in ECH; and
- Better outcomes and similar or lower costs indicate ECH appears to be a cost-effective alternative for people with the same characteristics who currently move into residential care.

1.16 Improving choice

- People had generally made a positive choice to move into ECH, with high expectations focused on improved social life, in particular;
- Alternative forms of housing such as ECH are seen to encourage downsizing. Although larger villages appeal to a wider range of residents, different expectations can create tensions and misunderstandings about the nature of the accommodation and services on offer;
- While the results support ECH as an alternative to residential care homes for some individuals, levels of supply are relatively low;
- ECH funding is complex and, particularly in the current financial climate, it is important incentives deliver a cost-effective return on investment in local care economies if this is to be a viable option for older people in the future; and
- More capital investment and further development of marketing strategies are needed if ECH is to be made more available and appealing to residents of all abilities. Without continuing to attract a wide range of residents, including those with few or no care and support needs, as well as those with higher levels of need, ECH may become likened to residential care and lose its distinctiveness.

Rationale

1.17 In the context of austerity for local authorities in England, social care services for vulnerable adults are widely recognised as being under-resourced. In addition, services are experiencing growing demand and increasingly complex care needs across the age ranges. This is coupled with increasing NHS pressure and spiralling staff costs, as highlighted in research by the Association of Directors of Adult Social Services (ADASS). The research shows councils require a sustainable long-term funding strategy to underpin social care. Lincolnshire is no exception to this national picture and, as such, alternative approaches need exploring in order to deliver the most cost effective service. Housing is a key priority for the Health and Wellbeing Board and this project contributes to the impact on the following LCC Corporate Plan Strategies:

- Adult Frailty and Long Term Conditions;
- Special Adult Services;
- Carers;
- Adult Safeguarding; and
- Wellbeing.

1.18 The definitions of specialised housing and accommodation for people requiring a degree of care and support tend to be inconsistently used in the UK. For the purposes of this report the following definitions have been used, aligned to the definitions used by Housing Learning and Improvement Network (Housing LIN) in a recent report¹, commissioned by Lincolnshire District Councils, to research the needs of Greater Lincolnshire:

- **Housing for older people (HfOP):** social sector sheltered and age-designated housing and private sector leasehold retirement housing. This will include schemes, for rent and for sale, with on-site staff support, those with locality-based support services and schemes with no associated support services;
- **Housing with care (HWC):** includes extra care schemes, often called 'assisted living' in the private sector, with 24/7 care available on-site and housing schemes that offer bespoke care services, even if these are not full on-site 24/7 care, across both the social and private sector. People living in this type of housing have their own self-contained homes, their own front doors, and a legal right to occupy the property. It comes in many built forms, and properties can be rented, owned or part owned/part rented. Depending on the offering, housing with care can include communal facilities (residents' lounge, guest suite, laundry, health and fitness facilities, hobby rooms, etc.). Domestic support and personal care can also be made available, usually provided by on-site staff;
- **Residential care:** residential accommodation together with personal care, i.e. a care home; and
- **Nursing care:** residential accommodation together with nursing care i.e. a care home with nursing.

¹ Housing LIN report 2018 'Review of housing and accommodation need for older people across Greater Lincolnshire to inform future housing and accommodation options'

- 1.19 LCC has a duty to commission care to meet the needs of eligible residents. Residents must have the ability to select their own care provider and directly contract services. The initial offer to provide care services could be accepted by residents, however, there is no guarantee residents would continue to take services from LCC over the longer term. Therefore, LCC must satisfy the regulatory requirements as to the separation of the care provision from the accommodation provision. People should be able to exercise choice and control, and therefore, the Scheme will need to be structured so there is separation to allow residents to have a genuine choice in who supplies the care element.²
- 1.20 LCC is contributing to the development of a 'Homes for Independence' Lincolnshire strategy, the delivery of which will be overseen by Lincolnshire's Housing, Health and Care Delivery Group. The strategy will articulate the types of housing required to support those for whom LCC provides services, the scale of this need, and the geographic hotspots in the county. LCC will work in partnership with District Councils and with the supported housing commercial market to deliver the requirements, rather than delivering the housing directly. The strategy will be made publically available to enable the market to develop suitable delivery approaches.
- 1.21 The strategy will be completed in autumn 2020. Currently the main sources of evidence surrounding the need for housing with care in Lincolnshire are the Council's Extra Care Needs Assessment, which was undertaken in 2014 and updated in 2017, and the work of Housing LIN in 2018. For the purposes of this business case, data from both of these sources has been used as the evidence base.
- 1.22 The Needs Assessment introduces LCC's vision for the provision of housing with care, both now, and in the future. This business case supports the following pivotal strategic objectives outlined in the Needs Assessment:
- Provide choices for housing, support and care services, to meet future demand;
 - Design and develop schemes through innovative partnership which provide options in lifestyle, accommodation size, location, tenure and services;
 - Work collaboratively with Health, District Councils, independent housing providers and voluntary groups; and
 - Encourage older people's participation in the design and implementation of new schemes to better meet their requirements.
- 1.23 The Needs Assessment identifies nearly 50 per cent of LCC's Adult Care budget is allocated to providing services for older people, and therefore, this being part of the delivery model for providing housing with care will help LCC manage future budget pressures more effectively.

² Please see the care quality commission guidance "Housing with Care" October 2015 (especially pages 9 to 10): https://www.cqc.org.uk/sites/default/files/20151023_provider_guidance-housing_with_care.pdf

1.24 The Market Position Statement estimates approximately 2,500 additional housing units will be required to meet the potential demand over the next 20 years. The largest proportion of Adult Care expenditure is on Long Term Residential Care, and it is anticipated the provision of housing with care could significantly reduce this expenditure; providing an alternative for people requiring additional support. The Needs Assessment has found a quarter of people in long term residential care could have accessed housing with care had it been available, and such housing can provide a lower cost solution than long term residential care, as well as have a positive impact on the individuals wellbeing and quality of life.

Demographic Profile of Lincolnshire³

1.25 Lincolnshire has higher than the national average number of older people. 176,781 people aged 65 and over lived in Lincolnshire as of the end of 2017; which constitutes 48 per cent of the county's population. These numbers are predicted to increase by 44,286 to 221,067 by 2030, representing 25 per cent growth from 2018.

1.26 The proportion of Greater Lincolnshire's population which is aged 55 and over is increasing, and is projected to increase further to 2035. In Lincolnshire, districts with the highest number of residents aged 55 and over by 2030 are: East Lindsey, South Kesteven, North Kesteven, West Lindsey and South Holland. By 2030, it is predicted East Lindsey will have the highest proportions of older people of all the Lincolnshire districts, as follows:

- 50 per cent of the population will be people aged 55 and over;
- 35 per cent of the population will be people aged 65 and over;
- 17 per cent of the population will be people aged 75 and over; and
- 5 per cent of the population will be people aged 85 and over.

1.27 Older people

The evidence from the Housing Learning and Improvement Network (LIN) indicates there is not currently a balance of specialised housing choices available for the older population in Greater Lincolnshire. In summary,

- Overwhelmingly, the most predominant type of older people's housing is sheltered housing and other age-designated housing in the social rented sector;
- The current prevalence of private retirement housing for sale is very limited in most areas of Greater Lincolnshire;
- There is limited housing with care provision for rent when compared with the predominance of residential care beds;
- There is very little housing with care available to older people who wish to purchase;
- There is a high prevalence of residential care beds when compared to the average level of provision in English local authorities; and
- The current provision of nursing care beds is in line with the average level of provision in English local authorities.

The evidence indicates the following specialised housing needs for Greater Lincolnshire to 2035:

1.28 Housing designated for older people (for rent and for sale):

- There is net additional need of approximately 1,100 units of older people's housing for rent and approximately 8,000 units of older people's housing for sale;
- There has been a historic focus on development of older people's housing for social rent, both age designated housing and former sheltered housing;
- There is some additional need for social housing for rent, which is attractive, 'care ready' housing; and
- The bulk of net additional need is for housing offers for sale, both outright purchase and shared ownership.

1.29 Housing with care/extra care housing:

- There is net additional need of approximately 2,000 units of housing with care for rent and approximately 1,800 units of housing with care for sale;
- There has been significant under development of housing with care for both rent and for sale;
- There is a need for all tenures of housing with care, including mixed tenure developments; and
- There will be a need for shared equity models, as well as outright sale models, particularly where older people have relatively low equity in existing homes.

1.30 Registered care:

- There is no significant net additional need for residential care beds overall;
- There is net additional need of approximately 3,000 nursing care beds; and
- There has been an historic over reliance on the use of residential care.

2 The Business Case for The Linelands

2.1 This business case provides the information for a decision to be taken by LCC to proceed with securing nomination rights on 20 units within this project, as part of the LCC's ECH Programme at a cost of £1.99 million.

2.2 The Linelands is designed to provide an alternative housing option for people with care needs, where their home environment no longer meets their support or care requirements. Understanding by commissioners, designers, developers, providers, planners and other stakeholders of the place that purpose-built ECH occupies in models of housing, care and support for older and disabled people has changed and become more nuanced. From a housing perspective, ECH is regarded as an important response to the diverse needs and wishes of a growing older population, and to the needs of local communities. ECH is placed in the context of modern thinking in the development towards healthy and positive aging within neighbourhoods, towns and cities, which has been built to meet needs over a lifetime within a thriving community.

- 2.3 The project's aim is for individuals to remain in a home of their own connected to their local community, where they can be supported by their social networks, enabling them to live meaningful and independent lives. Individual tenancies provide privacy whilst communal spaces provide an area for neighbours, friends and family to meet, together with the opportunity to engage in group activities if they choose to. It utilises the 24 hour care and support which schemes can provide across a range of residents.
- 2.4 LCC residents will be able to access its care contracts, both via the Wellbeing Service, as well as through a range of options by which LCC supports people including, but not exclusive to, block contracted homecare, self-funded home care, Direct Payments, Personal Health Budgets, and other options developed over time. This care and support will be there to meet identified needs within a joint care and wellbeing vision. A draft nominations process will be drawn up and joint workshops will develop the practical delivery of the care and wellbeing vision, the allocations panel and nominations process for this project.
- 2.5 The purpose of the Linelands project is to deliver ECH provision in the District of West Lindsey, and enable LCC to nominate to 20 of the 43 units within the proposed new scheme for a period of 30 years, with first refusal and no void risk; subsequently helping to meet the identified need within the locality.
- 2.6 LCC owns the freehold of the Linelands site which has been vacant since 2011-12, and ear-marked for ECH, to aid the strategic need to support the development of ECH within the area. LCC has a duty to satisfy its best value obligations under section 123, Local Government Act 1972. LCC assumed it would transfer the site to LH for its market value of £500,000, evidence of which is outlined within the report commissioned by LCC from Banks Long & Co (Appendix D). However, LH will apply for Homes England funding to support the delivery of the scheme, and as such, Homes England requires grant applicants to take "all reasonable measures" to acquire land at nil or reduced consideration to minimise the amount of Homes England grant required.⁴
- 2.7 LCC is able to make an undervalue disposal without specific Secretary of State consent if it can meet the conditions of the Local Government Act 1972 General Disposal Consent (England) 2003. This states that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area, as long as the amount of the undervalue is less than £2 million. In this case, the undervalue is £500,000 as set out in the Report at Appendix D, and the disposal will help secure the promotion of social wellbeing by providing extra care facilities with all the advantages that such facilities bring as set out in this Report.
- 2.8 Alongside compliance with section 123 obligations, disposing of land at an undervalue, together with the giving of grant funding could also amount to state

⁴ Paragraph 81, shared Ownership and Affordable Homes Programme 2016-2021, Prospectus, 13 April 2016.

aid. In order for LCC to comply with their statutory obligations regarding state aid, LCC will rely on the Commission Decision (2012/21/EU) (SGEI Decision) on the basis that ECH is a Service of General Economic Interest (SGEI). LCC has sought external legal advice, which has outlined that aid provided in relation to the scheme is suitable for classification as SGEI. The SGEI Decision specifically refers to social housing and social services, which The Linelands will deliver. LCC, therefore, intends to transfer the site and provide the grant funding to support the construction of the proposed new ECH, which will provide both affordable and rental housing and social care to those who qualify and are nominated by LCC. The Funding Agreement will be drafted to incorporate the requirements of the SGEI Decision.

- 2.9 The benefits of ECH are outlined within the benefits and risk section of this report, however, LCC recognises the purpose of this project is to provide residents with alternative housing choice within West Lindsey, and help provide reassurance and support as people grow older and approach retirement. Research highlights that loss of roles, unsuitable housing, stress, and loneliness can have a significant impact on health and well-being. The Linelands will provide an environment which promotes a more positive and healthy lifestyle, enabling and encouraging motivation to remain independent, and the ability to participate in meaningful and purposeful activities. The scheme will encourage tenants to volunteer in sharing knowledge, skills and experiences, as well as strengthen the opportunity to develop and build new and continued social networks.
- 2.10 There is a significant financial impact on the NHS and social care services. The Building Research Establishment (BRE) 2011 reported that health conditions which have been impacted as a result of poor housing cost the NHS £2 billion, and these figures will continue to rise as the older population increases. This also has a significant impact on Adult Care as further support is required and for some, admission into residential or nursing home care facility.
- 2.11 The Linelands ECH scheme will play an important part in increasing resident's independence, wellbeing and longevity of life, as well as aid in the ability to stop and/or slow down further physical and psychological deterioration, in turn reducing Adult Care revenue budgets, and enabling LCC to reinvest resources into preventative measures.
- 2.12 The Linelands will provide an environment which encourages movement and opportunity for physical exercise which keeps the mind active, develops motivation, increases confidence and enhances creativity. Studies have shown even a small amount of physical activity can transform brain health and cognitive benefits show immediately. In addition, epidemiological studies have highlighted being part of a social network with daily social contact, such as the opportunities on offer at The Linelands, significantly protects against dementia. Participation in daily activities also reduces functional decline and dementia, and volunteering and engaging in social events helps provide a sense of self-worth, accomplishment and the feeling of being a contributing member of society.
- 2.13 Following the proposed sale of the Linelands site to LH, LH's proposal is to demolish the existing decommissioned care home and replace it with an extra care facility comprising of 41no one bedroom apartments and 2no two bedroom

apartments, with associated facilities to support independent living and encourage community involvement. Please see Appendix A for proposed site drawings. The project aims to reduce the long term costs of care provision, as cost avoidance, and provide choice for older people, in line with LCC strategy, the benefits of which are highlighted below. This will ensure people with care needs have alternative choice options to traditional residential support, whilst providing affordable options for local people to remain within their communities. The provision is not aiming to generate profitable income.

2.14 Construction is planned to commence in spring 2021, for completion in summer 2022. Prior to construction, LCC will enter into a Nominations Agreement and Funding Agreement with LH. LCC will purchase nomination rights for 20 units for a period of 30 years, with first refusal and no void risk. The funding model for this is set out later in this report.

Existing provision and estimated need of specialised housing for West Lindsey District Council (WLDC) – data from Housing LIN Report 2018

2.15 The following table summarises the current profile of older people's housing in the West Lindsey district, in relation to the nomination rights on the proposed new The Linelands scheme.

| | |
|--------------------------|---|
| Housing for Older People | Current provision of housing for older people for rent is significantly above the Greater Lincolnshire and national average. Older people's housing for sale is below both the Greater Lincolnshire and national average. |
| Housing with Care | No current provision of any housing with care. |
| Residential Care | Current provision is slightly below Greater Lincolnshire average but above national average. |
| Nursing Care | Very high level of current provision; significantly above the national average. Ranked 8 out of 326 Authorities. |

2.16 The table below shows a summary of the **current** provision of older people's housing in the West Lindsey district, the projected need and the shortfall/net need.

This project will aim to address the projected provision for Social (rent) in the Housing with Care section, highlighted in red in the table below.

| Type | Current provision | Projected provision required | | | | |
|---------------------------------|-------------------|------------------------------|------------|------------|------------|------------|
| | | 2018 | 2020 | 2025 | 2030 | 2035 |
| | | Units / Beds | Units/Beds | Units/Beds | Units/Beds | Units/Beds |
| Housing for Older People | | | | | | |
| Social (rent) Units | 1396 | 1396 | 1396 | 1396 | 1396 | 1396 |
| <i>Net need</i> | | 0 | 0 | 0 | 0 | 0 |
| Private(for sale) Units | 80 | 287 | 440 | 899 | 1171 | 1392 |
| <i>Net Need</i> | | 207 | 360 | 819 | 1091 | 1312 |
| Housing with Care | | | | | | |
| Social (rent) Units | 0 | 134 | 149 | 190 | 206 | 205 |

| | | | | | | |
|------------------------|-----|------|------|------|-----|-----|
| <i>Net need</i> | | 134 | 149 | 190 | 206 | 205 |
| Private(for sale)Units | 0 | 15 | 26 | 68 | 127 | 205 |
| <i>Net Need</i> | | 15 | 26 | 68 | 127 | 205 |
| Residential care Beds | 384 | 446 | 473 | 552 | 573 | 574 |
| <i>Net need</i> | | 62 | 89 | 168 | 189 | 190 |
| Nursing care Beds | 750 | 446 | 483 | 596 | 658 | 705 |
| <i>Net need</i> | | -305 | -267 | -154 | -92 | -45 |

Meeting the need for housing with care

2.17 Due to the need for housing with care having already been recognised across the county, partnership projects have been established with several different District Councils. These projects are partnerships between LCC and the relevant District Council, whereby the District Council acts as the lead and will recover the income through its Housing Revenue Account (HRA). However, where the District Council does not have such an account, a different approach is required.

2.18 The Housing LIN report commissioned in October 2018 summarised that, for the West Lindsey District, there is a predicted increase in the requirement for housing with care. This was with a focus on units for rent. The projected net need shortfall for the District is presented in the table below. The Linelands project proposed by LH supports the short-term need illustrated in the above table, by delivering 43 units for extra care. See Appendix A for site specific drawings.

| | Current Provision | 2018 Units | 2020 Units | 2025 Units | 2030 Units | 2035 Units |
|---------------------------------|-------------------|------------|------------|------------|------------|------------|
| <i>Housing with Care</i> | | | | | | |
| Social (rent) | 0 | 134 | 149 | 190 | 206 | 205 |
| Net Need | | 134 | 149 | 190 | 206 | 205 |
| Private (for sale) | 0 | 15 | 26 | 68 | 127 | 205 |
| Net Need | | 15 | 26 | 68 | 127 | 205 |
| Total Need | | 149 | 175 | 258 | 333 | 410 |

3 Benefits and Risks

3.1 LCC uses a continuum of 5 levels for risk appetite⁵ and corporately takes a 'Creative and Aware' approach, which is summarised as being: *'creative and open to considering all potential delivery options, with well measured risk taking whilst being aware of the impact of its key decisions; a 'no surprises' risk culture.'* This is deemed as a suitable risk appetite level for this project.

3.2 The aim of ECH is to provide high quality housing, support and care services which enable, support, and encourage people to live independently for as long as they wish to do so. The provision of ECH aims to avoid admission to hospital, which consequently expands the bed capacity within hospitals, increases the

⁵ The 5 levels are: Averse, Cautious, Creative and Aware, Opportunist and Mature (Hungry).

number of patients discharged from hospital, and decreases those who may have a need for residential care. Below is a list of the identified key benefits and risks of this project:

| Benefits | Risks |
|---|--|
| <ul style="list-style-type: none"> • Additional housing contributing to the current and projected needs; • Reduction in the long term costs of care provision; • Strengthening the partnership with WLDC and LH; • Increasing the availability of suitable housing with the most appropriate care provision; • Supporting residents within Lincolnshire to stay within their local communities as they grow older; • Multiple care needs can be managed on one site; • Decreased risk of service users going 'missing' with ability to monitor location; • Option available for one care provider managing the site care needs; • As older people are particularly prone to the effects of excess cold, they will benefit from new energy efficient accommodation; • Opportunity for added social value through developing a workforce development plan; • Bringing a vacant site back into use, enhancing the local community; • Promote independence for residents and other service users; • Encourage active lifestyles and social contact for residents and other service users; • Offer a living and care environment which has a positive effect on people's health and well-being and prevents or reduces the need for health care interventions; • Offer choice and self-direction or co-production of services for residents; • Be flexible in its style of service | <ul style="list-style-type: none"> • Creating too much accommodation capacity compared to demand; • Not managing demand and nominations effectively; • Service users do not want to move to the site; • Accommodation provision is over-subscribed, and older accommodation is no longer desirable; • Accommodation design is not flexible enough for multiple needs; • LH is unable to obtain their board approval; • LH is unable to secure planning permission; • LH are unable to obtain sufficient funding to ensure the schemes viability; • Site design is not sufficiently flexible to facilitate one and/or multiple care providers; and • Negative reaction from the local community and issues surrounding planning permission. |

| Benefits | Risks |
|--|-------|
| <p>delivery so that services respond well to people's changing needs;</p> <ul style="list-style-type: none"> • Release of local housing for rent and sale to benefit families; • Moderating the burden of family members caring at home; • New facilities developed in the local area for wider community use; and • Couples can avoid being separated as they can live together in extra care accommodation, even if only one is in need of care. | |

3.3 Potential economic benefits

- Additional use of, and income to, local businesses e.g. leisure centre, cafes, bus service;
- Additional employment opportunities e.g. on-site management/concierge provision, care provision, building construction, and site maintenance. Sheltered and ECH are both local employers, for each new ECH scheme of 250 units creates approximately 65 permanent staff (ARCO data, 2016);⁸
- Greater use of community facilities, thus supporting their longevity (e.g. GP surgeries);
- Residents providing volunteering in the community, with time banks, fundraising and befriending;
- Facilitates downsizing to more suitable housing, thus freeing up larger homes for the choice-based letting and/or sales markets;
- Delays and reduces the need for primary care and social care interventions including admission to long term care settings and hospital admissions. Unplanned hospital admissions reduce from 8-14 days to 1-2 days. Over a 12 month period, total NHS costs (including GP visits, practice and district nurse visits and hospital appointments and admissions) reduce by 38 per cent for extra care residents. Routine GP appointments for extra care residents fell by 46 per cent after a year. Falls rates in ECH measured at 31 per cent compared to 49 per cent in general housing⁶
- The national financial benefits of capital investment in specialist housing for vulnerable and older people have been examined by Frontier Economics in 2010. They compared the net capital cost of developing specialist housing over general housing, with the calculated net benefit of a person living in specialized housing converted to the net present value of these benefits over the 40 year lifetime of the building. They found an average net benefit of £444 per person per year; this was primarily driven by reducing reliance on health and social care services. The total net benefit for older people is greater than for any other client group due to the high numbers of older people;⁸

⁶ Holland, C, (2015). Collaborative Research between Aston Research Centre for Healthy Ageing (ARCHA) and the Extra Charitable Trust. Birmingham: Aston University. www.aston.ac.uk/lhs/research/centres-facilities/archa/extracare-project/

- Research by the Strategic Society found that a new specialist retirement housing unit may result in the savings to the state, per person, as set out below. In addition to savings to health and social care, also identified is the impact of new retirement housing to release housing stock onto the market and enabling younger people to get on the housing ladder and to fund their housing and care costs in retirement;⁸
 - Health and care needs - £9,700;
 - Local authority social care entitlement - £18,600;
 - First time buyers and future retirement wealth - £54,800; and
 - Total equals £83,100.
- For older people moving from the private rented sector to a rented sheltered housing property, it is estimated that the saving would be between £5,500 and £5,800 per year;⁸
- Limiting the demand on Housing Benefit – not all residents in a scheme will be in receipt of housing benefit and this creates additional checks and balances due to self-paying residents monitoring and keeping a downward pressure on rents and service charges, helping ensure they only cover the full costs. Compared to other groups, the average Housing Benefit spend per annum is around £5,200 per older person unit compared to £9,000 per working-age unit;⁷
- People in ECH can potentially use less care hours than if in the community, for example, if meals are provided by the scheme, less care hours may be required in preparing food etc.;
- Additional efficiencies can be gained by delivering care to a number of people on one site, reducing travel and mileage costs associated with domiciliary care in the community, and giving increased flexibility in the delivery of that care; and
- Accommodation is economic to heat and is of an appropriate and manageable size.

3.4 Potential individual benefits

- Support and maintain independence through the provision of accommodation options, enabling personal choice;
- Provide peace of mind, safety and security for vulnerable older people;
- Improved physical and mental health;
- Maintain and develop links with the community;
- Maximise incomes of older people (includes benefits income) and reduce fuel poverty;
- Environment is more likely to be free from hazards, safe from harm and promotes a sense of security, enabling movement around the home, including to visitors; and
- On-site support available.

3.5 Potential scheme specific benefits

- Land already in the ownership of LCC and highly developable;
- A very attractive setting with good access to local amenities;

⁷ Source – *The Value of Sheltered Housing report, Jan 2017, James Berrington – Commissioned by the National Housing Federation*; http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Value_of_Sheltered_Housing_Report.pdf

- Extensive communal facilities designed to be attractive, welcoming and flexible in their use;
- Excellent day-to-day services ensuring that the quality of the scheme environment and service offer will remain very high;
- Support and care services which can be targeted to those who need them and can flex with people's changing circumstances; and
- A genuinely affordable proposition with a focus on great value for money.

4 Market Sufficiency and Competition

4.1 The development and delivery of housing with care typically involves partnerships which include a mixture of local authorities, funding organisations, architects, construction companies, housing associations, private landlords and care providers. There is continuous work and analysis needed to fully understand Lincolnshire's market of those parties willing and able to deliver the county's housing with care needs, and in particular the scale of housing associations in this regard. Indications to date, through liaison with providers and other local authorities' experience, are that housing providers are looking to enter into the county. Lincolnshire has an issue regarding the low sale and rental value of property compared to other areas of the UK, which can affect the willingness of organisations to develop new property.

4.2 There are numerous examples of other local authorities taking the same approach, evidence of which is included below:

- **Nottinghamshire** (*£8 million Housing with care facility = 60 apartments*): This is a partnership development similar to the model LCC intends to use when working with District Councils and Housing Associations. Newark and Sherwood District Council has developed the facility through their Housing Revenue Account (HRA) and Nottinghamshire County Council has invested in return for nomination rights. The 60 apartments give older people, particularly those with low level dementia, the opportunity to live independently and safely. The scheme is the result of a successful funding bid of £1.5 million of funding from the Department of Health's Extra Care and Support Programme, administered by Homes England.
- **Powys** (*£7.5 million Housing with care facility = 48 apartments*): The state of the art £7.5 million development in Newtown, part funded by a £4 million Social Housing Grant from the Welsh Government, has been developed by Wales and West Housing, in partnership with Powys County Council. Wales and West Housing funded the remaining funding gap with £3.5 million to develop 48 energy efficient apartments for affordable rent.

- **Derbyshire** (£9.1 million Housing with care facility = 53 apartments): Geared to the needs of people over 55, Thomas Fields in Buxton, is a brand new £9.1 million facility incorporating 53no two-bedroom apartments, a residential care block for people suffering with dementia, as well as communal facilities. Seventeen of the flats are available for rent, 14 for sale under shared ownership arrangements, and 22 for outright sale. The project is being carried out through a partnership comprising of Housing & Care 21, Derbyshire County Council and community regeneration specialist Keepmoat. Communal facilities within the new building will include a restaurant, hair salon, residents' lounge, a well-being suite, hobby room, laundry, and gardens for residents and their guests to enjoy. The residential care unit incorporates 20 en-suite bedrooms available through Derbyshire County Council.

4 Delivery model

- 4.1 Districts Councils with HRAs are responsible for social housing stock and are able to rent domestic properties, and retain the revenue received, in order to plan and provide services to current and future tenants. District Councils are able to deliver their own projects without relying upon additional partners. This helps to inform which delivery option is more suitable. However, WLDC do not hold a HRA, and as such cannot apply for funding through Homes England, or deliver and operate schemes. They require a partner who is a Registered Provider and normally this partner would be a Housing Association.
- 4.2 In accordance with LCC's direction of travel and appetite for delivering ECH, the best delivery method has been sought to ensure LCC are legally in a safe position, to provide best value for money across the county and enrich the lives of as many residents as possible. Throughout the last 12 months the programme board have been developing an understanding of delivery options that will facilitate partnering with District Councils and Housing Associations. Advice and support has been sought from Legal Services Lincolnshire (LSL) and external legal advisers, Bevan Brittan.
- 4.3 The following options should be considered for successful and timely completion of this programme. In Option 3 care is not provided by LH:
 - **Option 1:** Do nothing and allow the market to deliver the needs of the county, using LCC's market position statement and a delivery plan as their guide;
 - **Option 2:** Deliver identified projects via the districts, alongside Housing Associations and Registered Providers who have already formed a robust business case to prove requirement, purchasing nomination rights at an agreed level through a funding agreement; and
 - **Option 3:** Deliver identified projects via the districts, alongside Housing Associations and Registered Providers who have already formed a robust business case to prove requirement, purchasing nomination rights at an agreed level through Hamburg co-operation agreements.

From these options, a shortlist of two for partnering with District Councils and Housing Associations has been identified, 1) a Funding Agreement and 2) A 'Hamburg' Collaboration co-operation agreement. Both options enable LCC to enter into agreement with partners.

4.4 Option 2 - A Funding Agreement

A Funding Agreement for nomination rights provides a simpler approach to partnering. The expectations from the partner and the commitment from LCC are far fewer. The partner sets up an allocation panel, a decision making body comprising a representative from:

- Housing Association (HA) or District Council;
- Adult Social Care (Local Social worker);
- Care provider; and
- Health.

For the Linelands scheme, LCC intend to deliver the scheme via LH who have already formed a robust business case to prove the requirement, purchasing nomination rights at an agreed level through a Funding Agreement.

4.5 Option 3 - Hamburg Collaboration co-operation agreement model

Whilst considering the current proposal, the legal requirements of the Hamburg Collaboration co-operation agreement model were reviewed. The model requires LCC to evidence true collaboration with WLDC and LH throughout the process, during the pre-procurement, procurement and eventual running of the ECH scheme.

4.6 The programme team has considered LCC's ability to provide evidence of true collaboration, reviewed organisational processes for void management, and the appetite for financial risk of voids. The conclusion is that the Hamburg model is not the correct approach for the current proposal. However, the model is one that could be used moving forward with planning from the outset to ensure true collaboration, with the shared void responsibility as one of the strands of evidence of collaboration, although not necessary to the process.

4.7 In either case, typically a panel will meet on a regular basis to review all applicants registered for the scheme; along with a review of the composition of the high, medium and low care and support needs against the individual scheme target. This ensures a combination of people, carer, and place needs is considered when allocating accommodation. In addition to scheduled panel meetings, a virtual panel will be called where a unit becomes available to allow the empty home to be promptly returned to use.

5 Risks and Opportunities

5.1 A Funding Agreement

| Risk/Opportunity | Benefit | Disbenefit |
|---|---|---|
| 'Bare' nomination rights. Rights given to place on allocations panel for all of accommodation | Tried and tested with certain Housing Associations. Influence on all allocation panels, thereby giving LCC clients stronger chance of allocation. | Requires discipline through staff management, governance and processes. |
| Simple legal agreement | Deliverable and more achievable, involving less time/cost from Legal and operational teams. | |
| Longevity | Commitment with RP to keep accommodation in a desirable standard to retain clients. | |
| Procurement compliance | A simple Funding Agreement securing bare nomination rights is not covered by the procurement rules. No procurement challenge. | |

5.2 'Hamburg' Co-operation Agreement

| Risk/Opportunity | Benefit | Disbenefit |
|--|--|--|
| Pooled resourcing of delivery and operation of the scheme | More collaborative working with partners. | Financial cost and possible legal challenge for failure to work collaboratively. |
| Nomination rights available with specific number of places guaranteed | Guarantee of specific number of places as per legal agreement but no more. | Cost of void for period of time determined in legal agreement – potential cost to LCC revenue budget. |
| Complicated legal agreement with evidence required throughout lifetime of contract | Legally stronger as a guarantee of places. | Delivery more expensive by involving more time/cost from Legal teams. Long-term revenue cost for operational staff to ensure no voids. |

| Risk/Opportunity | Benefit | Disbenefit |
|------------------------|---|--|
| Procurement compliance | Co-operation arrangements between Councils are exempt under Regulation 12 of the Public Contracts Regulations 2015. No procurement challenge. | |
| Longevity | | Raised risk of voids once building becomes tired and better options are available in the market. |

6 Recommendations

6.1 It is recommended LCC progress with the partnership with LH, whereby LCC contribute to the development of The Linelands scheme in accordance with Option 2 (Funding Agreement) of the options set out within this report and discussed in the 9th July 2019 Executive Report in relation to extra care and the De Wint Court development.

6.2 The inherent financial benefits of the approach in Option 2 (Funding Agreement) are as follows:

- **No void costs:** In previous models of ECH the agreement has included risk agreements which provided the Housing Provider with assurance that vacant properties would be filled within the specified period, with units able to remain vacant for a limited period of time before additional cost become due. The use of Capital Reserves as a financial contribution to any proposed schemes can be done so on the basis that the contribution allows LCC to place service users of their choosing within a pre-agreed proportion of units, over a pre-determined number of years without recourse to void costs; and
- **Diversions from Residential Placements:** The availability of additional extra care units directly funded via Capital Reserves allows for an additional number of services users who would otherwise be placed in residential establishments to be supported within an extra care environment.

6.3 By placing within ECH, LCC avoids expensive hotel costs which would otherwise be incurred, with costs funded via district housing benefit contributions instead. Care support via LCC's existing prime provider framework is also likely to be cheaper than existing residential care and non-care provision.

7 The Financial Case

7.1 Funding for the scheme is sourced via Adult Care Capital reserve which has been allowed to grow over a number of years as a result of grant funding awarded to LCC. The grants are specifically earmarked for use against capital investment within Adult Care with the current value of unused capital reserves totalling £9.086m (accounting for De Wint Court commitment).

- 7.2 The financial feasibility of the project (cost versus savings) is based on LCC's bespoke Financial Feasibility Model (Appendix C). This model has been used to develop the financial models for a number of other LCC housing with care projects and considers a number of options, including number of tenants, level, and cost of care and savings through diversion of care.
- 7.3 LCC's data as at 31 March 2019 shows that LCC is funding the care provision of 6,536 people aged 65 and over in either a residential and nursing placement or within a homecare setting (including existing extra care). The total placed in nursing and residential care homes being 2,397 and 4,139 within a homecare setting. The gross annual cost to LCC for this care provision for these areas of service in 2018/19 was £100.157 million; with a net cost to the Council of £71.974 million.
- 7.4 The financial benefits of ECH are predicated on the basis that the costs of providing care within an ECH setting are materially lower than in traditional residential and nursing settings. The expected cost for older people currently ranges from £502 to £553 per week in 2019/20, with the average annual residential care cost estimate to be £27,566 per annum. Initial analysis suggests the gross cost of providing care within an ECH setting at 20 hours per week would be £309 per week, with an annual cost of £16,111. This represents a gross saving of £11,445 per annum or 41.5 per cent which reduces to £9,118 (33 per cent) once the impact of income loss is taken into consideration as the average placement income within a residential setting is higher than service user contributions derived from an ECH setting.
- 7.5 It is important to note the following:
- LCC would lose a portion of property related income, linked to service users residential care whereby LCC receives income related to the user's house when it is sold (including interest on the amount owed);
 - It is very unlikely that all service users accessing residential care would be willing and able to move to housing with care;
 - The savings will be focused more on new service users rather than those residents already in residential care, though the possibility remains that some people in residential settings may prefer to consider ECH;
 - Placements within an ECH setting are predicated on 33 per cent of these placements being those diverted from a residential setting with the remainder placed via alternative community settings. This assumes that placements are split equally amongst those classified as Low, Medium or High dependency and existing care arrangements continue to be provided via the prime-provider home care contracts (for those categorised as Low and Medium). The majority of the saving will be via diversions away from residential;
 - Initial findings suggest that a £1.99m investment that allows LCC nomination rights on 20 properties supporting 20 individuals could generate an annual saving of £92,502 per annum based on 2019/20 prices; and

- On this basis and assuming a rate of inflation totalling 2 per cent for the duration of the scheme, it is estimated that the total savings will equal the total value invested (i.e. the breakeven point) after 19 years. However, this does not take into account the time value of the initial investment which will reduce over the same the period (i.e. the value of £1 in 2019/20 will be less in future years). An analysis of future savings growth is also included within the financial feasibility model along with data from the Housing Learning and Improvement Network (LIN).

8 Timescales

Below is a summarised and early estimation of a potential timetable. A date range of 1 July – 10 October for the decision to be taken has been agreed in light of increased flexibility required due to COVID-19. Construction commencement deadlines could also be affected due to COVID-19. Throughout the COVID-19 pandemic Adults and Community Wellbeing Scrutiny Committee and Executive will meet virtually.

| Activity/Milestone | Estimated Start Date | Estimated End Date |
|---|-----------------------------|---------------------------|
| Adults and Community Wellbeing Scrutiny Committee | 18 August 2020 | 1 September 2020 |
| Executive | 19 August 2020 | 2 September 2020 |
| Sign Heads of Terms with LH | November 2020 | December 2020 |
| Sign Funding Agreement with LH | January 2021 | February 2021 |
| Commence Development | Spring 2021 | Summer 2022 |

9 Legal Issues:

9.1 Equality Act 2010

Under section 149 of the Equality Act 2010, LCC must, in the exercise of its functions, have due regard to the need to;

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation. Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to;

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others. The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process.

It is fair to say that the key purpose of the service is essential to enabling all those individuals who require community care services to live more independent and healthier lives. In that sense, ensuring adequate provision of suitable ECH and associated care helps to advance equality of opportunity. The ability of the providers of housing and care to provide services which advance equality of opportunity will be considered in the associated procurement and providers will be obliged to comply with the Equality Act.

The service will not affect those with protected characteristics (age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation) differentially. The nature of the service makes it more likely that adults with additional vulnerabilities or increased risk of adverse outcomes will benefit most.

To discharge the statutory duty the Executive must consider the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified, consideration must be given to measures to avoid that impact as part of the decision making process.

An initial Equality Impact Analysis is attached at Appendix F. This will be kept under review. LH is itself subject to the Equality Act duty and LCC will use its influence to ensure equality issues are taken into account in relation to both the housing and care elements of the project as it progresses.

9.2 Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

LCC must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision.

LCC is under a duty in the exercise of its functions to have regard to its JSNA and its JHWS. The JSNA for Lincolnshire is an overarching needs assessment. A wide range of data and information was reviewed to identify key issues for the population to be used in planning, commissioning and providing programmes and services to meet identified needs. This assessment underpins the JHWS 2013-18 which has the following themes:

- Promoting healthier lifestyles;
- Improving the health and wellbeing of older people;
- Delivering high quality systematic care for major causes of ill health and disability;
- Improving health and social outcomes and reducing inequalities for children; and;
- Tackling the social determinants of health.

Under the strategic theme of improving the health and wellbeing of older people in Lincolnshire, there are two particularly relevant priorities;

- Spend a greater proportion of our money on helping older people to stay safe and well at home; and
- Develop a network of services to help older people lead a more healthy and active life and cope with frailty.

The provision of ECH will contribute directly to these priorities. It also supports the themes selected as priorities in the forthcoming refreshed JHWS; namely housing, carers, mental health, plus the cross cutting theme of safeguarding.

9.3 Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, LCC must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

In commissioning housing and care provision that is designed to provide a supportive and safe environment that enables potentially vulnerable customers to maintain their independence for longer, the provision of ECH may be said to contribute indirectly to the achievement of obligations under section 17.

11 Conclusion

LCC and LH ECH partnership will enable LCC to increase the provision of ECH in the county to assist in offsetting medium and long term revenue cost increases, and facilitate Lincolnshire residents to live independently for as long as possible within their local communities; subsequently improving the wellbeing and quality of life for Lincolnshire people. The Linelands scheme will deliver the initial need identified in the Housing LIN Report 2018.

12 Legal Comments:

The Council has the power to enter into the arrangement proposed.

The detailed legal implications in relation to disposal of land and state aid are set out in the Report.

The decision is consistent with the Policy Framework and within the remit of the Executive.

13 Resource Comments:

Funding of £1.99 million for the development of The Linelands exists in the form of previously received capital grants which form part of the Adult Care Capital Programme. LCC's contribution must fall within the processes for Capital expenditure.

14 Consultation

a) Has Local Member Been Consulted? - No

b) Has Executive Councillor Been Consulted? - Yes

c) Scrutiny Comments

The proposal is due to be considered by the Adults and Community Wellbeing Scrutiny Committee on 1 September 2020 and the Committee's comments will be reported to the Executive.

d) Have Risks and Impact Analysis been carried out?

An initial Equality Impact Assessment has been completed and there has been internal and external consultation. Internally, Council staff have been sent a link to the survey and a report will be formed from the results of this survey. Externally, the People's Partnership have been consulted, and they will work with

groups such as Age Concern and Just Lincolnshire. Additionally, WLDC have a survey on their website and Twitter feed as part of the Housing LIN Phase 2 work, and will share this with LCC as part of our consultation. These sources of information will inform future versions of the EIA as the matter progresses.

e) Risks and Impact Analysis - See the body of the Report

15 Appendices

| | |
|---|---|
| These are listed below and attached at the back of the report | |
| Appendix A | <u>The Linelands Extra Care Housing Proposed Site Drawings:</u> A1 Ground Floor Layout Plan A2 Ground Floor General Arrangement Plan A3 First and Second Floor Layout Plan A4 First Floor General Arrangement Plan A5 Second Floor General Arrangement Plan A6 Sectional Perspective – Foyer Area |
| Appendix B | The Health and Social Care Cost - Benefits of Housing for Older People – A Note for Lincolnshire County Council (<i>Report by Housing Learning and Improvement Network – May 2019</i>) |
| Appendix C | Extra Care Feasibility Tool – The Linelands July 2020 |
| Appendix D | <u>Banks, Long & Co Reports</u> D1 Report and Valuation – Linelands, All Saints Lane, Nettleham – 19 December 2019 D2 Addendum Letter – 31 July 2020 |
| Appendix E | The Linelands Extra Care Housing Initial Equality Impact Assessment form |

16 Background Papers

The following background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

| Background Paper | Where it can be viewed |
|---|---|
| Report to Executive - 9 July 2019 in relation to De Wint Court Project. | https://lincolnshire.moderngov.co.uk/ieListDocuments.aspx?CId=121&MId=5284&Ver=4 |

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