



# **The health and social care cost- benefits of housing for older people**

A note for Lincolnshire County Council

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Housing Learning and Improvement Network

## Introduction

This note outlines the evidence for the health and social care benefits, and specifically cost-benefits, of housing for older people, particularly extra care housing. Overall there is reasonably strong evidence to suggest that housing for older people, particularly extra care housing, provide significant cost-benefits to the NHS and local authority adult social care.

- There is reasonably strong evidence that extra care housing residents **visit a GP less frequently**, most likely due to the support from on-site care staff and the resident community in general.
- There is evidence to suggest that extra care housing residents require **fewer community nurse visits**, for similar reasons as GP visits.
- There is evidence that specialist housing for older people can **reduce the number of ambulance callouts**, particularly in response to **falls** at home, due to the property being better designed and adapted to meet the needs of older people and regular contact with staff and other residents.
- There is reasonably strong evidence that the duration of **unplanned hospital stays** is **shorter** on average for those living in extra care housing. There is also some evidence that living in specialist housing for older people **reduces the frequency of unplanned admissions** overall. Communities where homes are accessible, care support is readily available and existing care needs are understood influence positively these cost-benefits.
- Extra care housing can be viewed as a **preventative alternative** to residential care for many people.
- Those living in extra care housing are **less likely to enter long-term care**, compared to those living in the community in receipt of home care.
- There is strong evidence that residents of specialist housing for older people have **improved wellbeing and quality of life**, including:
  - Reduced loneliness
  - Improved psychological well-being, mental health and memory
  - Higher feelings of autonomy and security
- Overall, the evidence indicates that one older person living in extra care housing generates health and social care cost-benefits of **£2,441 per annum**, not including some savings that are difficult to reduce to a per-person figure due to the nature of the evidence.
- In summary, there is a strong argument for providing more specialist housing for older people, particularly extra care housing, on the basis of the significant cost-benefits that it provides to the NHS and local authority adult social care.

## Summary: the health and social care cost-benefits of older people's housing

A review of secondary evidence undertaken by the Housing LIN for a private client indicates that there is a growing body of evidence pointing to the potential health and social care cost-benefits provided by older people's housing, and extra care housing in particular. It is reasonable to conclude that the benefits are in summary:

### **NHS cost-benefits and savings:**

- Fewer GP visits.
- Fewer community nurse appointments.
- Fewer ambulance call-outs.
- Fewer and shorter unplanned hospital admissions.

### **Savings compared to residential care:**

- Delayed moves to a residential or nursing care setting.
- Lower overall health costs.

### **Reduced care needs/reduced growth in care needs:**

- Less costly social care packages (especially for those with higher care needs).

### **Improved outcomes for individuals:**

- Increased sense of autonomy and security.
- Fewer falls.
- Reduced loneliness and depression.
- Higher perceived mental health and quality of life.
- Lower death rate in the period following moving in.

From the evidence reviewed, the specific cost-benefits have been calculated. Table 1 shows financial estimates of potential cost-benefits from extra care housing, drawn from a review of available secondary evidence.

Table 1. Cost-benefits/savings from use of extra care housing.

<b>Area of cost-benefit/savings</b>	<b>Cost benefit/saving (per extra care housing resident per year)</b>
<b>GP visits</b>	£144.78
<b>Community nurse visits</b>	£362.55
<b>Non-elective admissions to hospital</b>	£624.11
<b>Delayed Transfer of Care 'days'</b>	£465.30
<b>Falls</b>	£380.00
<b>Reduction in the number of hours in domiciliary care packages</b>	£427.98
<b>Reduced loneliness</b>	£36.30
<b>TOTAL</b>	<b>£2,441.02</b>

This evidence indicates that an older person living in extra care housing generates health and social care cost-benefits of £2,441 per annum.