
UPDATE REPORT – EXTRA CARE HOUSING

Report by Director Strategic Commissioning & Partnerships

SCOTTISH BORDERS COUNCIL

15 December 2022

1 PURPOSE AND SUMMARY

1.1 The purpose of this report is to:

- (a) Provide an overview of progress made in the delivery of the Extra Care Housing Programme of work in line with agreed strategic objectives;**
- (b) Highlight the benefits and challenges of delivery so far;**
- (c) Highlight areas of the programme still to be progressed.**

1.2 The report presents a background to the proposals to build Extra Care Housing within the Scottish Borders followed by an analysis of the benefits and challenges experienced in delivery of Extra Care Housing to date.

1.3 The report also outlines the financial implications of the Extra Care Housing programme of work for the Council as well as highlighting the risk and mitigations associated with the delivery of Extra Care Housing in the Scottish Borders.

2 RECOMMENDATIONS

2.1 I recommend that Scottish Borders Council agrees to:-

- (a) Note progress to date in the delivery of the Extra Care Housing developments in line with the Older Peoples Housing Strategy of 2018-2028;**
- (b) Note the benefits realised and challenges experienced in delivery to date;**
- (c) Continue to support the delivery of the three outstanding Extra Care Housing developments in line with the Integrated Strategic Plan for Older People's Housing, Care and Support 2018-2028.**

3 BACKGROUND

- 3.1 Meeting the housing needs of older people is identified as a key priority for the [Local Housing Strategy 2017-2022](#). The “[Integrated Strategic Plan for Older People’s Housing, Care and Support 2018-2028](#)” assimilates the Council’s previous strategic intention to address the identified need for several extra care housing developments across the main towns of Scottish Borders, and also contributes towards desired delivery of 300 new homes for older people across all tenures including 211 for Extra Care Housing.
- 3.2 Extra Care Housing is primarily for older people and provides purpose-built, accessible fully self-contained properties where occupants have their own front doors and access to care and support services 24 hours a day. Occupants have tenancies or leases which give them security of tenure and the right to control who enters their home as well as access to shared communal spaces and facilities. Living in your own self-contained, fully accessible and modern home enables you to maintain your independence whilst benefiting from optional care and support packages that are tailored to your needs which are key strategic aims of the Scottish Borders Council Plan.
- 3.3 In September 2016 six Extra Care Housing developments across the Scottish Borders were approved by Executive Committee for delivery. **Table 1** below sets out the revised proposed project delivery timeframes for the delivery of pipeline Extra Care Housing developments across the Scottish Borders following Council approval in 2016:

Table 1
Proposed Delivery Timescales for proposed Extra Care Housing Developments

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Duns	30	-	-	-	-	-	-	-	30
Galashiels	-	39	-	-	-	-	-	-	39
Kelso	-	-	36	-	-	-	-	-	36
Hawick	-	-	-	-	-	40	-	-	40
Eyemouth	-	-	-	-	-	-	-	36	36
Peebles	-	-	-	-	-	-	-	-	30
Total	30	39	36	0	0	40	0	36	211

- 3.4 As a result of the Council-led selection process in 2016, Eildon Housing Association and Trust Housing Association were the two RSL partners selected to work in partnership with the Council to ensure efficient and effective delivery of up to six Extra Care Housing developments in a number of main Borders towns, which are estimated to provide around 211 flats.
- 3.5 The first 30 flat development completed was Longfield Crescent, Duns by Trust Housing Association (**Figure 1**) which completed in March 2021, with Eildon Housing Association completing its 39 flat Wilkie Gardens development in Galashiels (**Figure 2**) in November 2021. Following Covid related reprogramming, the next development is now underway at the

former High School Kelso which is being converted and remodelled by Eildon Housing Association (**Figure 3**) to form 36 flats. Current information estimates that this will complete in summer 2023.

Figure 1: Longfield Crescent Extra Care Housing Duns



Figure 2: Wilkie Gardens Extra Care Housing Galashiels



Figure 3: Proposed Extra Care Housing Kelso



- 3.6 Following consent from Scottish Ministers, the Council disposed of the Stirches site in Hawick to Eildon Housing Association in order that it may be developed to provide a new build development of around 36-40 Extra Care Housing Flats. In addition, the Borders Joint Learning Disability Service has identified unmet particular housing needs for a group of older people in Hawick. Responding positively to meet this need, the design team's brief has been extended, in order to bring forward proposals for around an additional 20 Amenity Housing homes at Stirches to provide for the Learning Disability Service identified need plus the balance for other older people.
- 3.7 In addition, it is anticipated that in due course the Council will also release a site to an RSL in order to construct the proposed new build Extra Care Housing in Eyemouth. Currently the Council is reconciling a number of development ambitions through a Council-led master-planning approach in relation to the former high school site in Eyemouth which may have implications for delivery of Extra Care Housing in the town. Currently redevelopment of this site identifies the potential provision of a 36 flat Extra Care Housing development plus some Elderly Amenity housing, thereby replicating the approach previously undertaken at Todlaw Duns. Once the master planning exercise and community consultation is complete there will be more certainty regarding site options for the provision Extra Care Housing in Eyemouth.
- 3.8 A site has yet to be identified for the proposed Peebles development, hence reason for no estimated completion year being illustrated in **Table 1**.
- 3.9 Prior to the approval of the delivery of six extra care housing developments by Executive Committee in 2016 the first extra care housing development commissioned in the Scottish Borders was Dovecot Court in Peebles. This facility was built by Eildon Housing Association and first became operational in 2013. Initially Scottish Borders Council Adult Social Care Team provided the care and Eildon provide housing support to tenants living within Dovecot Court however following review of this model of housing and to adopt a consistent model and enhance the outcomes for tenants SBC and Eildon worked collaboratively and transferred the care provision to Eildon Housing Association in 2021.
- 3.10 The transfer of care provision to Eildon Housing Association at Dovecot Court was driven by the need to ensure the same model of housing and care provision via a single provider for all extra care housing developments in the Scottish Borders. As well as financial benefits to the Council following the transfer of care provision at Dovecot Court other benefits include implementation of agreed eligibility criteria and revised charging for tenants at Dovecot Court in line with other Extra Care Housing developments.

4 BENEFITS

- 4.1 Assessment of historic care needs of current and proposed clients at Longfield Crescent in Duns and Wilkie Gardens in Galashiels has highlighted the materiality of the shift in care at home to care provided in these ECH developments.

- 4.2 **Table 2** below shows the number of clients living or accepted for tenancies in the Duns and Galashiels developments from when the developments first became operational up until 100% occupancy, their prior care at home requirements as well as the level of care assessed for individuals within each extra care housing development:

Table 2

	Longfield Cre., Duns	Wilkie Gardens, Galashiels
No. of <i>current</i> or accepted clients	24	37
Sum of <i>current</i> individual care needs (hrs/wk)	249	367
<i>Current</i> contracted or planned care provision (hrs/wk)	300	400
No. of <i>current</i> or <i>accepted</i> clients with prior care needs	10	28
Sum of <i>prior</i> individual care needs (hrs/wk)	112	326

- 4.3 Following analysis it is clear that care at home hours of 438 hrs per week have been released back into the community and a net additional 262 hrs per week are now being delivered between the two extra care housing developments currently in operation.
- 4.4 With home care services under extreme pressure to meet growing demand **Table 3** below outlines the positive impact the provision of extra care housing has had on capacity within the home care service over the past 12 months;

Table 3

Care at Home hours	Care at Home as at					
	01.09.21	% split	24.03.22	% split	21.09.22	% split
External Hours	4717	51%	3917	39%	3758	35%
Internal Hours	3713	40%	3442	35%	4423	41%
ECH	854	9%	2586	26%	2586	24%
Total Hours	9284		9945		10767	
% increase since Sep 2021			7%		16%	

- 4.5 Within a 6 month period of both Longfield Crescent and Wilkie Gardens Extra Care Housing developments being fully operational a 7% increase in home care capacity was achieved increasing to a 16% increase within 12 months.

5 CHALLENGES

- 5.1 A number of challenges were identified in the allocation of tenancies specifically in the Duns development and these are detailed below. A deep dive into the situation was undertaken by Officers to analyse slow uptake rate of the tenancies these were found to be:

- Slower rate of allocation of tenancies at Duns resulting in an initial large number of voids at Duns ECH with associated cost to SBC, which have subsequently been filled;
- The opening of the facility during the pandemic lockdown Jan-March 2021 – marketing could only be done virtually with limited opportunity for viewing properties or face to face engagement with key stakeholders;
- Potential impact with regards geography of Berwickshire area – spread out small population compared to more urban areas like Galashiels;
- Impact of affordability of tenancy following financial assessment.

Due to the slow rate of allocation of flats at Longfield Crescent in Duns, Corporate Management Team approved the proposal in October 2021 to utilise four of the 30 flats to offer a step up step down service to reduce the number of void tenancies as well as prevent hospital admission and facilitate hospital discharge over the winter pressure period and beyond.

- 5.2 The step up step down flats became operational in February 2022 and the step up step down flats are now fully utilised and offer a new model of care whereby people do not have to be admitted to hospital when in crisis needing care provision.
- 5.3 The rate of allocation increased to full capacity quickly after the summer months. The rate of allocation of the 26 permanent flats within the Duns development can be seen in the **Table 4** below with a breakdown in the rate of allocation of one bedroom flats compared to two bedroom flats presented in **Table 5**:

Table 4

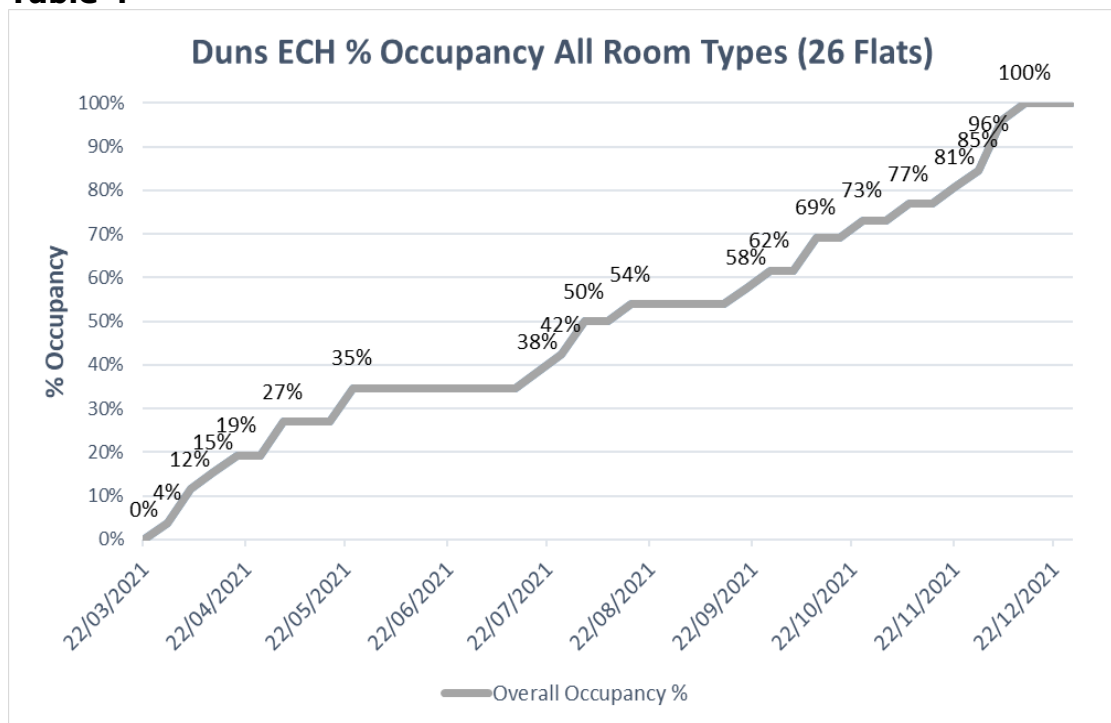
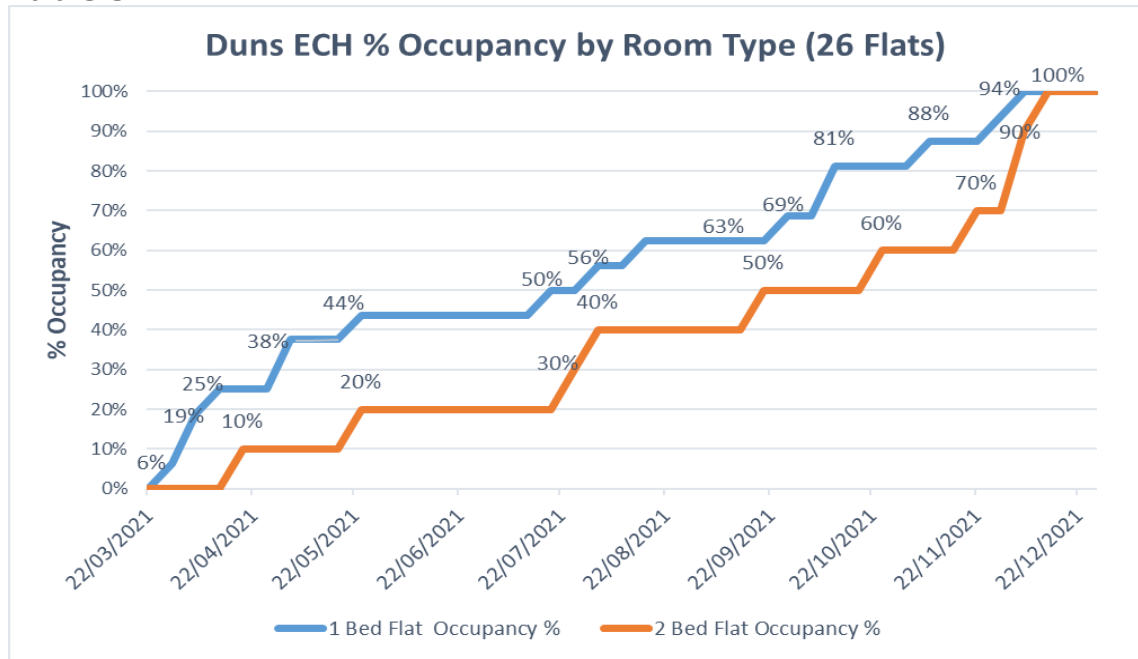


Table 5



- 5.4 It was impossible for Officers to determine exactly whether the delay in allocation of permanent flats within the development in Duns could be attributed to the lack of face to face engagement with key stakeholders due to the pandemic and subsequent lockdown at the start of 2021 or due to limited demand for this type of provision in a locality with a relatively small rural population as opposed to an more heavily populated urban locality.
- 5.5 In contrast to the slow uptake of flats in Duns all 39 flats within the Eildon development in Galashiels were allocated in principle quickly prior to the service becoming operational in January 2022 – the rate of allocations is detailed in **Table 6** below with the difference in rate of allocations of one bedroom and two bedroom flats presented in **Table 7**:

Table 6

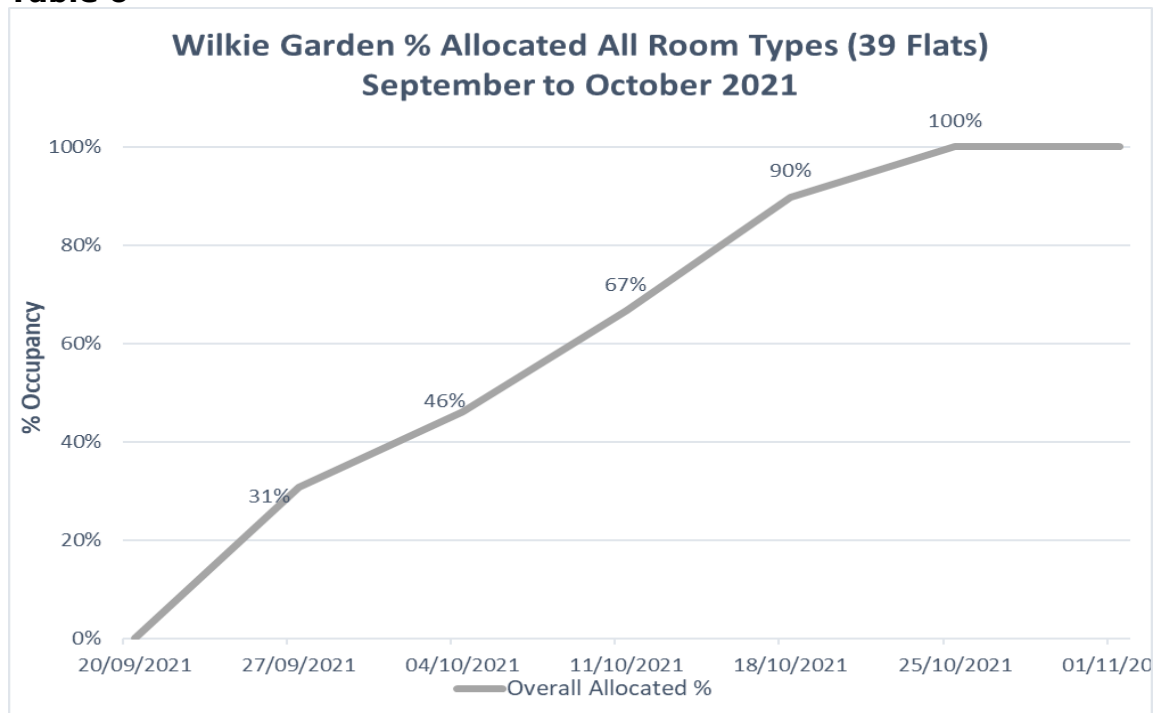
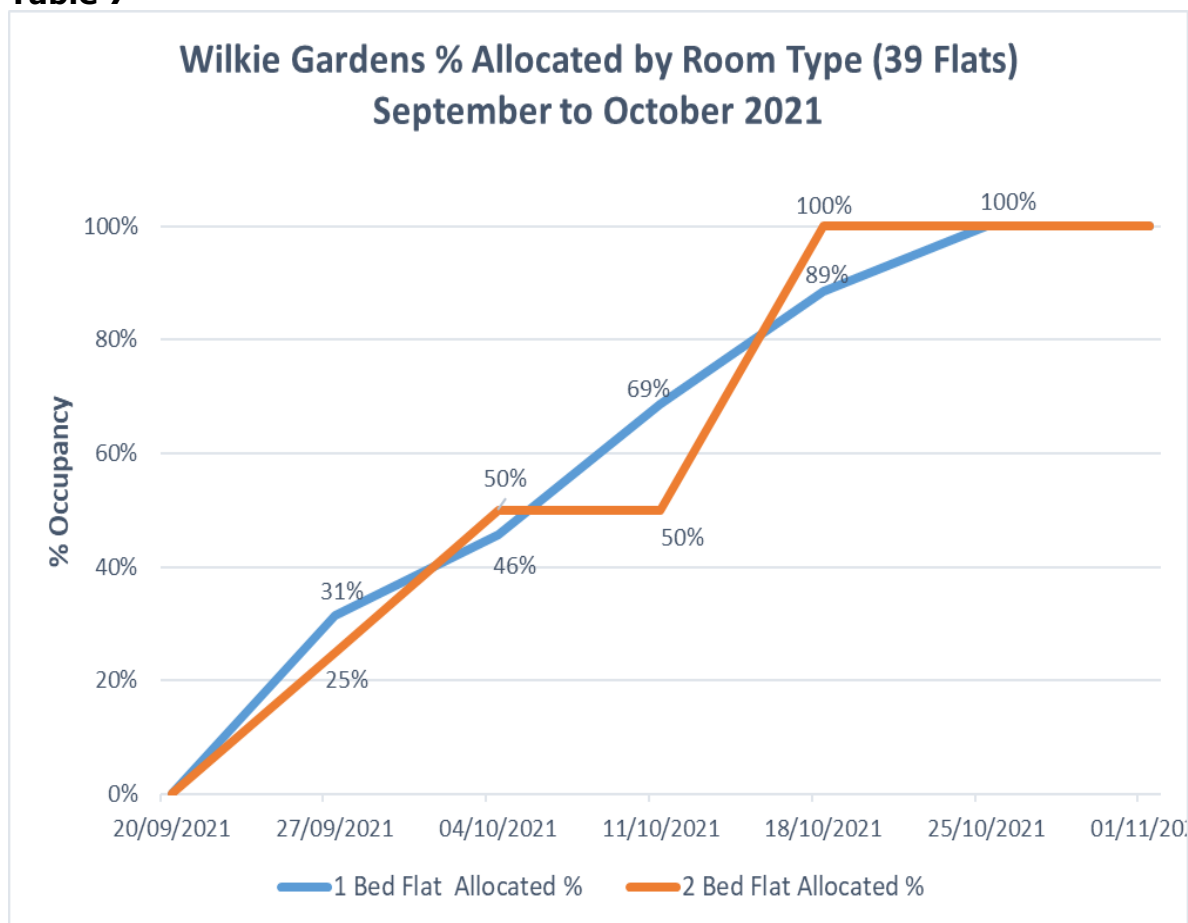


Table 7



5.6 It is clear when comparing **Table 4** and **Table 6** that the 39 flats within the ECH development in Galashiels were quickly allocated in principle over a period of 5 weeks due to significant interest in the properties as opposed to the Duns development which only had 69% of flats allocated over an eight month period and taking a total of 10 months to become fully occupied.

6 IMPLICATIONS

6.1 Financial

- (a) The Council deliberately built up an available balance being held in the Second Homes Council Tax Affordable Housing Investment budget in anticipation of it being used to assist delivery of extra care housing developments to augment Affordable Housing Supply Programme grant funding from Scottish Government's More Homes Division and Private Finance contributions from both Eildon Housing Association and Trust Housing Association. The Council committed to provide grant of £0.750m to Eildon Housing Association towards costs of delivery 36 Extra Care flats currently under construction through conversion and remodelling of the former High School building in Kelso.
- (b) It is envisaged that the Council will also be required to grant assist RSLs to deliver future Extra Care Housing projects and £2.25m has been earmarked to support capital funding for future developments in

Hawick, Eyemouth and Peebles. These Extra Care Housing developments are high cost projects, and the specification contains elements which are not eligible for Affordable Housing Supply Programme grant funding. It is possible, in the current climate, that additional capital funding may be required as future proposals develop. In order to ensure best value is achieved, lessons learned from Dovecot Court Peebles has helped inform designs going forward.

- (c) As highlighted above in section 4 of this report, despite opening in February 2021, Longfield Crescent in Duns operated under capacity for some time, only reaching full capacity in December 2021. Any under-utilisation of this and any future development had or will have significant financial implications to the Council. SBC is liable for costs relating to empty units as follows:
- (d) Void rent & Service Charges. Depending on the specifics of each contract with the care provider, the Council is contractually liable for the rental costs of any un-let units. Where SBC retain nomination rights for a room or unit within an Extra Care Housing development, after an agreed period of time, usually 28 days of a room or unit being empty, SBC is liable for Rent, Service Charges and Council tax. At full cost, this can amount to c. £1000 per unit per month.
- (e) Notional "lost care" costs. There is no reduction in care provision costs for void units due to the fixed nature of the contract with the provider – for example if the fixed contract for care hours is 300hrs per week the council requires to pay this even if there are void tenancies and the number of care hours being delivered per week is less than 300. For current and future developments no budget is in place to cover these costs. Any arising pressure relating to voids will require to be managed by the department.
- (f) The effect of multiple long term voids is a significant risk to any proposed ECH development. For example, assuming only 5 void units for 5 months amounts to an unbudgeted financial pressure of c. £45k. It is essential that these costs are mitigated against by robust needs assessments and strong marketing to ensure future developments are filled with clients on opening.
- (g) The Council's revenue budget in prior years has delivered growth sufficient to pay for care for clients in Duns, Galashiels and will do so in Kelso. No budget is in place for proposed Hawick, Eyemouth and Peebles developments. However this will be considered as part of the 2023-24 budget setting process as Hawick and Eyemouth are projected to open in 2025-26 and 2027-28 respectively (years 3 and 5 of the 2023-24 5 year revenue budget).

6.2 Risk and Mitigations

- (a) In line with the Risk Management Policy and Strategy 2021-24, risks to the objectives of the Extra Care Housing Programme (ECH) are being identified and assessed along with relevant internal controls and any further actions which will help to mitigate the risks identified. A Programme Risk Register is in the process of being developed to reflect

a number of strategic risks facing the programme and these will be managed and reviewed using a proportionate and value based approach. The management of risk is not a one-off exercise nor are the processes that underpin it and as such the ECH Programme Risk Register will evolve over time to encompass new strategic risks as they emerge and are identified. Subsequent controls and actions will then be established with the ultimate aim of keeping risks within tolerable levels. A number of threats and challenges are touched upon throughout the report and will inform the risk register as it is developed.

- (b) Furthermore, it is worth noting that wider Risk Management in action is evidenced throughout this report. For example, with regards to the challenges experienced with the Duns development, outlined in Sections 5.1 and 5.2, in order to offset some costs associated with void tenancies four flats were utilised to provide a step-up step-down provision. While helping to mitigate some financial consequences for the Council it also provided an opportunity to offer a new model of care and lessen the number of people being admitted to hospital when in crisis and needing care provision.
- (c) In addition, the report notes the extreme pressure facing the provision of care at home services, especially in the context of increasing demand (Section 4.4) and how the establishment of ECH developments in Duns and Galashiels have enabled a significant number of hours to be released back to the community (4.3), in essence highlighting how ECHs are serving to help mitigate wider pressures in the social care system. Continued support for the ECH programme, as set out in the Recommendations Section of the report, will allow further benefits to be realised in relation to releasing hours back to the community as developments in other towns are progressed.

6.3 **Integrated Impact Assessment**

The Extra Care Housing programme of work is outlined within the Local Housing Strategy and as such consideration of equality issues for the programme is included in the IIA for the LHS. The first part of an IIA has been developed specifically for the extra care programme of work and is aligned to the IIA for the LHS (Appendix 1).

6.4 **Sustainable Development Goals**

- (a) Delivering extra care housing promotes sustainable communities and helps to address many of the housing supply challenges identified in the Local Housing Strategy 2017-2022. These supply challenges are identified in the draft Local Housing Strategy 2023-2028.
- (b) Every year through the development of the SHIP and in accordance with Section 7 of the Environmental Assessment (Scotland) Act 2005 a pre-screening assessment is undertaken using the criteria specified in Schedule 2 of the Act. The pre-screening assessment identified no or minimal effects in relation to the environment

- (c) There are no adverse economic or social effects resulting in the delivery of extra care housing, and potential environmental effects from new build housing will be addressed through the planning process and national policies and standards.

6.5 Climate Change

- (a) While no direct impacts on the Council's carbon emissions arise as a result of the report recommendations, new provision (like any new housing) will have a general effect on the region's carbon footprint. However, these effects are addressed within the Council's Planning and Building Standards processes, and will be consistent with meeting requirements and standards as set out by the Scottish Government.
- (b) It should also be noted that at its meeting on 25 September 2020, the Council committed to setting a target 'as soon as possible' for achieving a reduction in the Council's carbon emissions, which is at least consistent with the Scottish Government's target of net zero by 2045 and the intermediate targets set out in the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. At its meeting of 17 June 2021, the Council agreed a Climate Change Route Map which set out a range of actions to progress in order to work towards achieving this strategic vision. The Council's planning and building standards will reflect the developing public policy positions nationally and locally within the Scottish Borders.

6.6 Rural Proofing

- (a) Rural proofing applies to all areas of Scottish Borders classified by Scottish Government as 'Remote Rural' or 'Accessible Rural'. This applies to all areas of Scottish Borders out with the towns of Galashiels/Tweedbank, Hawick, Peebles, Innerleithen, Selkirk, Eyemouth, Jedburgh and Kelso.
- (b) Each year while developing the SHIP, the SHIP project working group carries out a Rural Proofing exercise as part of the preparation process. During this process it was considered that there will be no unforeseen negative impact on the rural area, and is more likely to have positive effects by increasing the supply housing.
- (c) The Local Housing Strategy 2017-22 has been rural proofed and it is anticipated there will be no adverse impact on the rural area from implementation of the recommendations.

6.7 Data Protection Impact Statement

There are no personal data implications arising from the proposals contained in this report.

6.8 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made.

7 CONSULTATION

7.1 The Director (Finance & Corporate Governance), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have all been consulted and all comments received have been incorporated into the final report.

Approved by

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Background Papers: Delivering Extra Care Housing in the Scottish Borders: A Delivery Framework 2017-2022 (**Appendix 2**)

Previous Minute Reference: Executive Committee 20 September 2016

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Jane Robertson can also give information on other language translations as well as providing additional copies.

Contact us at Jane Robertson – Jane.Robertson@scotborders.gov.uk