THE BUSINESS CASE FOR EXTRA CARE HOUSING IN SPALDING, LINCOLNSHIRE

EVIDENCE AND INFORMATION IN SUPPORT OF THE DEVELOPMENT OF SPECIALISED SUPPORTED HOUSING FOR OLDER PEOPLE

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INTRODUCTION

This business case provides evidence in support of the development of extra care housing in Spalding in Lincolnshire. The business case has been prepared by Social Care Strategies.

Social Care Strategies' experience and expertise includes:

- Managing whole system change in partnership with social care commissioners.
- Developing practical alternatives to residential care for older and disabled people.
- Supporting developers and inverstors to identify and deliver opportunities to provide extra care housing.

Social Care Strategies has engaged Rose Regeneration to provide specific technical expertise in socio-economic profiling.

- Rose Regeneration is an economic development business which works with national and local government, communities and businesses to help them achieve their full potential.
- The company provides its clients with reviews, evaluations, economic analysis and policy design.
- It brings organisations and people together to access grants, develop projects, set up partnerships and establish innovative approaches to delivering social change.

WHAT IS EXTRA CARE HOUSING?

Some people use the same terms to describe different things. In this report extra care housing describes purpose-built specialised supported housing with integral assistive technology and 24-hour support for older people.

Specialised Supported housing is defined by statutory regulation as supported housing:

(a) which is designed, structurally altered, refurbished or designated for occupation by, and made available to, residents who require specialised services or support to enable them to live, or to adjust to living, independently within the community,
(b) which offers a high level of support, which approximates to the services or support which would be provided in a care home, for residents for whom the only acceptable alternative would be a care home,
(c) which is provided by a private registered provider under an agreement or arrangement with—
(i) a local authority, or
(ii) the health service within the meaning of the National Health Service Act 2006(11),
(d) in respect of which the rent charged or to be charged complies with the agreement or arrangement mentioned in paragraph (c), and
(e) in respect of which either (i) there was no public assistance, or (ii) if there was public assistance, it was by means of a loan secured by means of a charge or a mortgage against a property.

EXECUTIVE SUMMARY

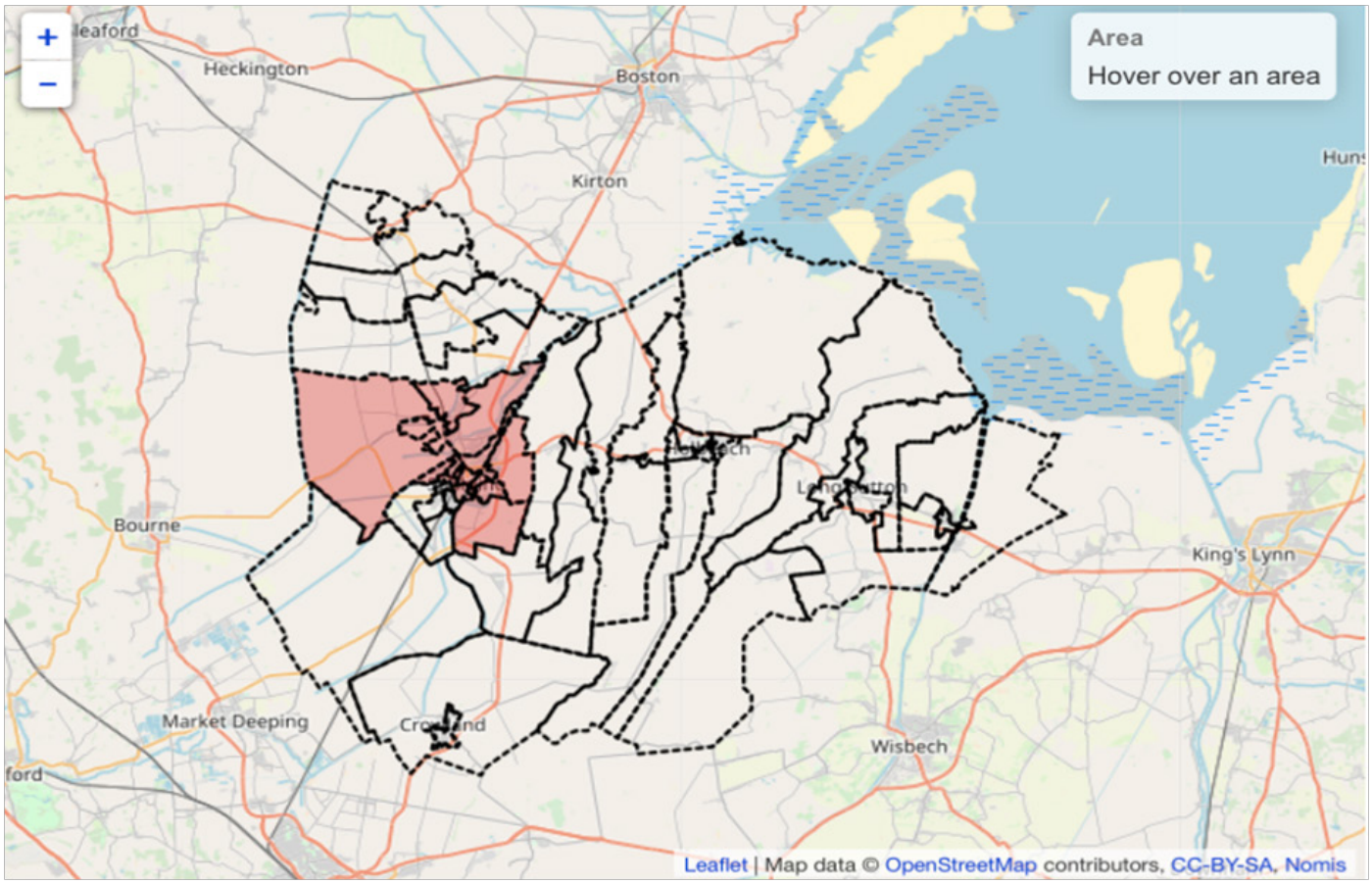
Spalding is the main town in the South Holland District of Lincolnshire. It is relatively affluent and well stocked with jobs. It has a higher than national average number of over 65s and good demand for extra care. Using ONS mid-year estimates and projections our extra care housing methodology gives an immediate requirement for Spalding of 121 places. A total of 136 places would be required by 2039. There is currently no extra care housing available in Spalding.

OVERVIEW STATUS REPORT

This report uses a red/amber/green approach to provide an 'at a glance' view of how Spalding compares to England. Where the data reveals a score for an area of analysis which is more than 25% worse than the England average, that feature is shaded red; where it is worse than but within 25% of the England average, it is shaded amber; where it is better than the England average it is shaded green.

Indicators Compared to England	Spalding
Deprivation (English Indices of Deprivation 2015)	
Overall Deprivation	
Income	
Employment	
Education	
Health	
Crime	
Barriers to Services	
Living Environment	
Employment	
Job Density	
Commuting	
Benefit Claimants	
Pensioner Credits	
Working Age Benefits	
Age Profile	
Over 65	
Working Population	

This profile provides a comparison between key socio-economic indicators for the agreed population catchment area for the proposed development and England. The following map shows the lower super output areas which map most effectively onto the town centre of Spalding and which have been used for this analysis. They are 5A-D, 6B-G and 7A-E.



RELATIVE DEPRIVATION

The English Indices of Deprivation (2015) provide a relative measure across the whole of England of the characteristics of each neighbourhood measured at a specific level called a lower super output area. Each lower super output area has a population in the region of 1500. The indices of deprivation cover: how poor people are; how hard it is for them to find work; how skilled they are; their health; levels of crime; how easy it is to access services and housing; and the quality and feel of the place they live in. The technical description of each of these features is set out below:

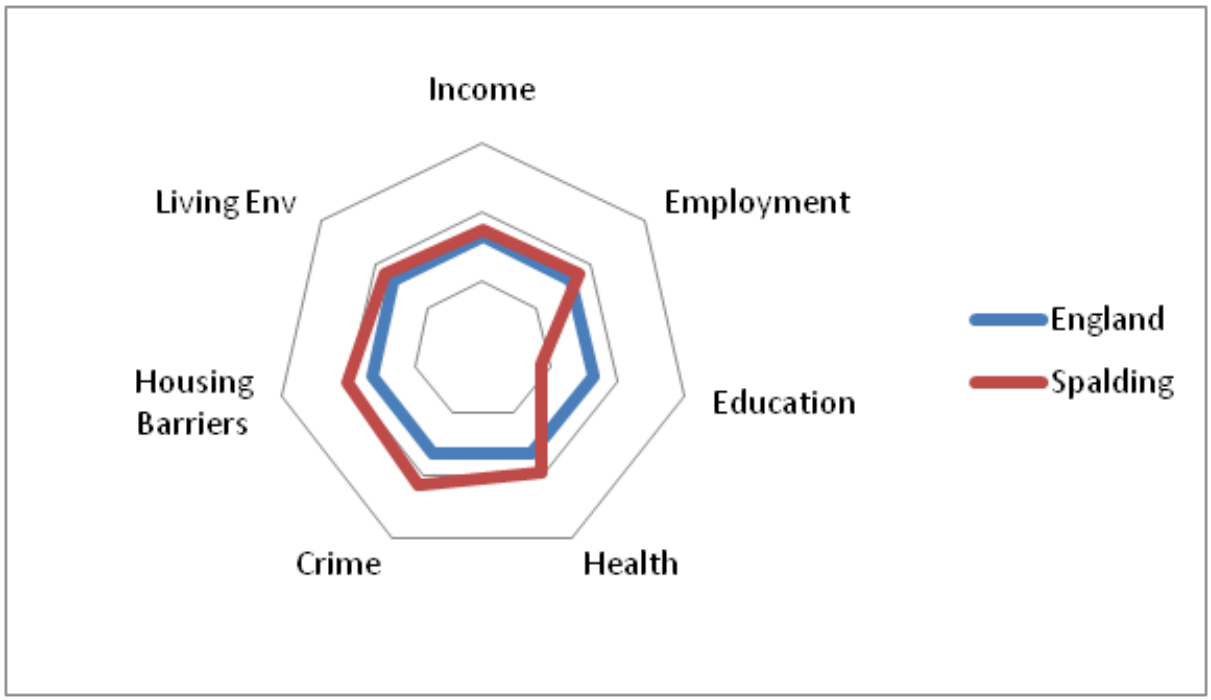
- The **income deprivation** domain measures the proportion of the population experiencing deprivation relating to low income.
- The **employment deprivation** domain measures the proportion of the working-age population in an area involuntarily excluded from the labour market.
- The **education, skills and training deprivation** domain measures the lack of attainment and skills in the local population.
- The **health deprivation and disability** domain measures the risk of premature death and the impairment of quality of life through poor physical or mental health. (The domain measures morbidity, disability and premature mortality but not aspects of behaviour or environment that may be predictive of future health deprivation).
- The **crime** domain measures the risk of personal and material victimisation at local level.
- The **barriers to housing and services** domain measures the physical and financial accessibility of housing and local services. (The indicators fall into two sub-domains: 'geographical barriers', which relate to the physical proximity of local services and 'wider barriers', which includes the issues relating to access to housing such as affordability).
- The **living environment deprivation** domain measures the quality of the local environment. (The indicators fall into two sub-domains: the 'indoors' living environment measures the quality of housing; while the 'outdoors' living environment contains measures of air quality and road traffic accidents.)

Comparative results for this neighbourhood are set out in the table below. There are 32,844 lower super output areas in England. The Index rates them from 1 (the most deprived on any given measure) to 32,844 (the least deprived). We have shown the average for the lower super output areas in our area in relation to each measure compared to England.

IMD	England	Spalding
Income	16,422	17,559
Employment	16,422	17,882
Education	16,422	8,755
Health	16,422	19,506
Crime	16,422	21,756
Housing Barriers	16,422	20,172
Living Environment	16,422	17,973

English Indices of Deprivation 2015

The radar chart below shows these results in diagrammatic form. Where the Spalding line is within the blue line, the area is more deprived than the England average; where it is outside the blue line, the area is less deprived.



English Indices of Deprivation 2015

Spalding performs better than the England average in respect of every domain apart from 'education'.

BUSINESS PROFILE

The following table shows (in the Location Quotient column) how the number of jobs in each profession in the Spalding catchment compares to the England average. Where there are a far higher proportion of jobs than the England average we have shaded the profession green.

Sector	LQ Spalding
A: Agriculture, forestry and fishing	0.23
B: Mining and quarrying	0.00
C: Manufacturing	2.81
D: Electricity, gas, steam and air conditioning supply	0.46
E: Water supply; sewerage, waste management and remediation activities	0.93
F: Construction	0.48
G: Wholesale and retail trade; repair of motor vehicles and motorcycles	1.46
H: Transportation and storage	2.23
I: Accommodation and food service activities	0.57
J: Information and communication	0.15
K: Financial and insurance activities	0.27
L: Real estate activities	0.48
M: Professional, scientific and technical activities	0.42
N: Administrative and support service activities	1.84
O: Public administration and defense; compulsory social security	0.33
P: Education	0.43
Q: Human health and social work activities	0.49
R: Arts, entertainment and recreation	0.47
S: Other service activities	0.46

Business Register and Employment Survey 2015

The comparative analysis of Spalding and England reveals particular economic strengths in the area in terms of manufacturing, wholesale and retail trade, transportation and storage and administrative and support activities.

There are just over 20,000 jobs in Spalding. Spalding has a working population of 18,403. Dividing the stock of jobs by the working population (and making an additional adjustment for self-employment) gives a useful indicator of the economic vibrancy of an area gives a percentage called job density. The job density for Spalding is 1.13. This is much higher than the England average of 0.84.

PENSIONER CREDITS

Pensioner Credits provide a useful proxy for the relative affluence of the older population of an area. The table below provides a comparison between the Spalding catchment and England:

Date	Spalding	%	England	%
Feb 2015	1,035	16	1,968,900	21
Feb 2017	875	14	1,695,300	17

DWP 2017

The area has lower levels of pension credit claiming, albeit the number of pension credit claimants is falling more slowly than the England average.

WORKING AGE BENEFITS

The table below shows the percentage of people in the Spalding catchment compared to England as a whole claiming working age benefits in November 2016:

Spalding	England
7.7	11.2

DWP 2017

These figures indicate Spalding is an area with the number of people claiming working age benefits below the national average.

POPULATION

The population of Spalding is 29,773.

Using mid-year population estimates for 2014/15 (the most recently available in the context of the geographies under consideration) shows that a higher proportion of the population of the area is aged over 65 years compared to an average around 20% for England as a whole. The area also has a working age population which is lower than the England average. The key population percentages for each area are set out in the table below:

Area	Middleton	England
% over 65	21.2	20.2
Working Population	61.8	65

ONS Mid-Year Population Estimates 2014/15

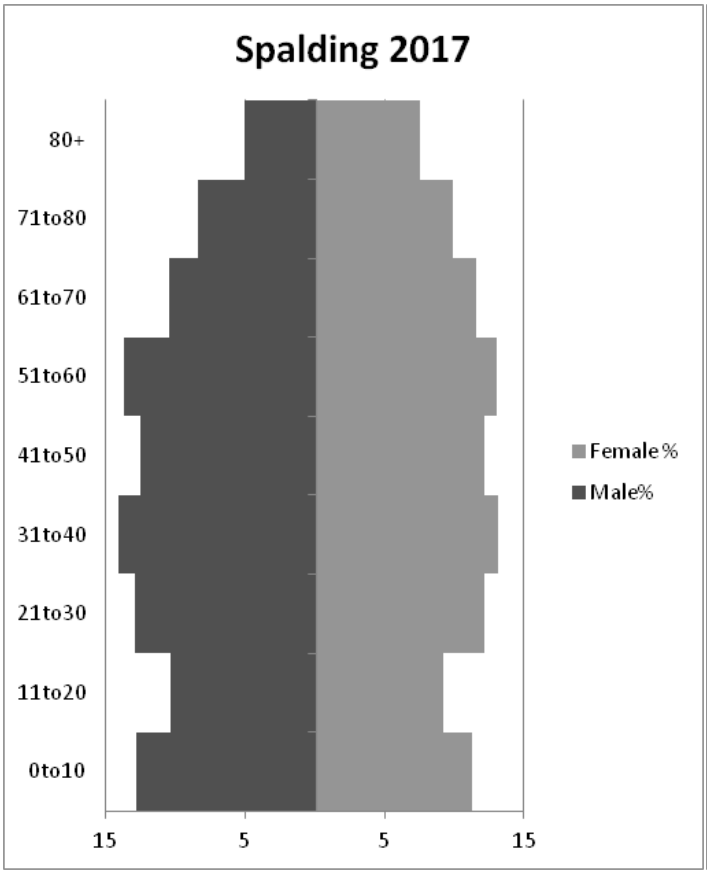
The population of Spalding is ethnically less diverse than England as a whole.

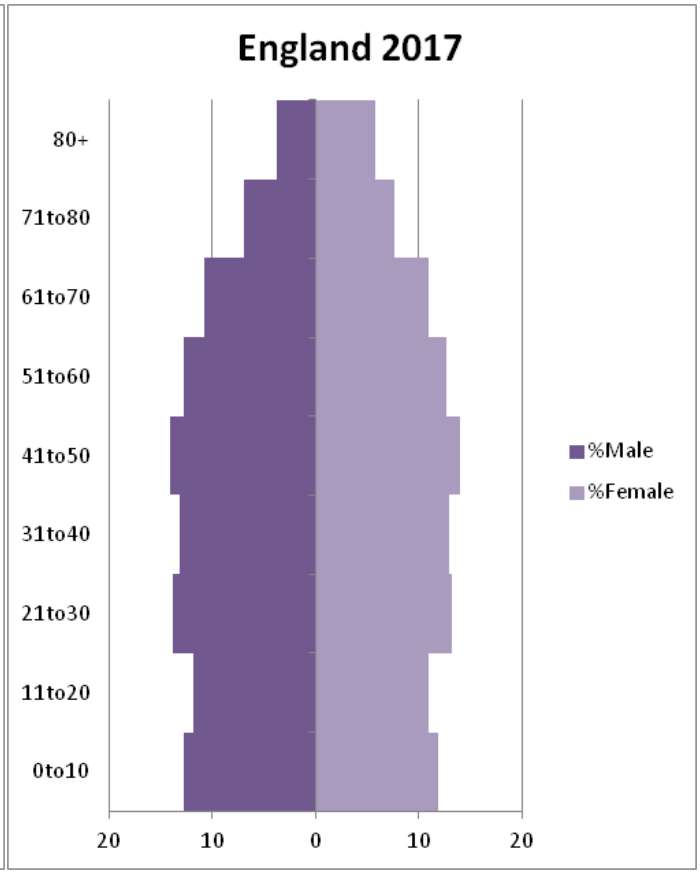
Ethnic Group	Spalding	%	England	%
White	26,094	97	45,281,142	85
Mixed/multiple ethnic group	326	1	1,192,879	2
Asian/Asian British	305	1	4,143,403	8
Black/African/Caribbean/Black British	97	0.5	1,846,614	3
Other ethnic group	53	0.5	548,418	1

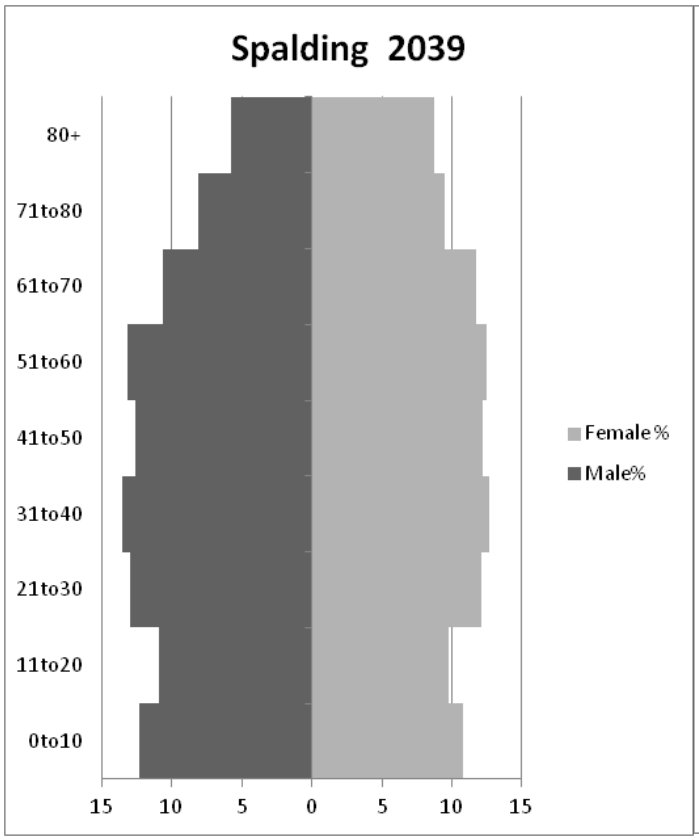
The following table shows the projected population change for Spalding between 2014 and 2039. It is illustrated in diagrammatic form alongside the current and projected population figures for England to provide a comparison. This has been calculated by aggregating the middle super output area population figures for the catchment. The projected population percentage increase from 2014-39 (only available at local authority level) for each 10-year age band in the table has been applied to the middle super output areas in each local authority area. All the areas have then been combined to give an overall figure.

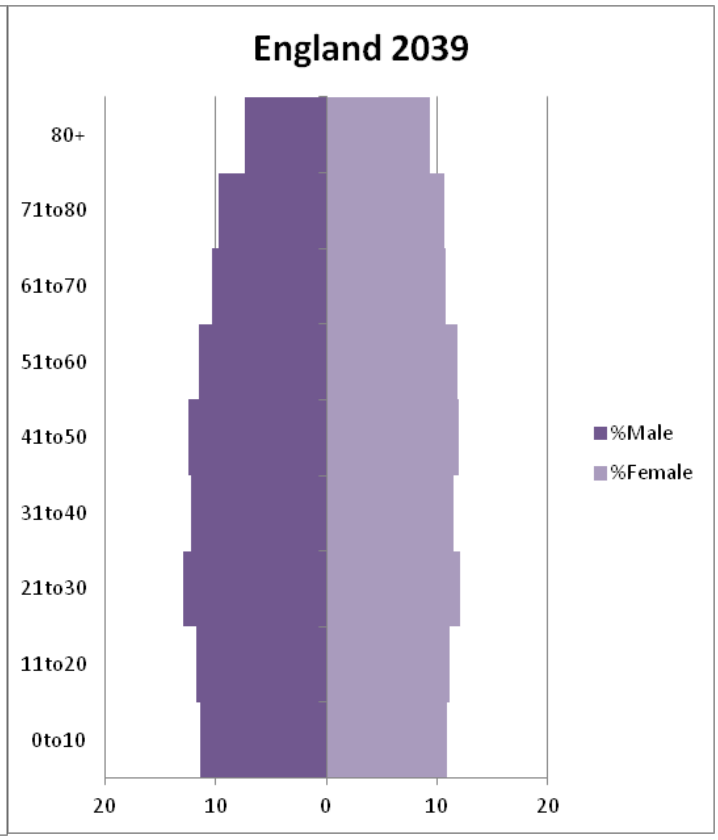
Age Band	2017			2039		
	Male	Female	Total	Male	Female	Total
0-4	947	864	1,811	947	864	1,811
5-9	946	817	1,763	946	817	1,763
10-14	792	698	1,490	871	768	1,639
15-19	736	683	1,419	810	751	1,561
20-24	807	760	1,567	888	836	1,724
25-29	1,107	1,052	2,159	1,107	1,052	2,159
30-34	1,096	1,035	2,131	1,096	1,035	2,131
35-39	984	935	1,919	984	935	1,919
40-44	861	840	1,701	947	924	1,871
45-49	990	973	1,963	990	973	1,963
50-54	1,059	1,028	2,087	1,059	1,028	2,087
55-59	969	915	1,884	969	915	1,884
60-64	750	823	1,573	750	823	1,573
65-69	802	909	1,711	882	1000	1,882
70-74	746	822	1,568	746	822	1,568
75-79	499	659	1,158	499	659	1,158
80-84	381	526	907	457	631	1,088
85+	361	601	962	433	721	1,154
Total	14,833	14,940	29,773	15,381	15,554	30,935

This table indicates a slower growing area than the national average. The Spalding population is projected to increase by 4% compared to an all-England growth of 16.5%. However, in line with England the proportion of over 75s will increase significantly over this period by 12.5%. This can be seen in the population pyramid charts below which compare Spalding and England.









ORIGIN AND DESTINATION DATA (2011 Census)

The table below shows the number of people from Spalding who commute to other locations in the near sub-region for work. The second column (shaded green) shows the number of people who commute to work in the area from each local authority in the area. The top row (shaded green) shows where people from Spalding commute to.

	Place of Work					
Live	Spalding	King's Lynn & West Norfolk	Peterborough	Boston	South Holland	South Kesteven
Spalding	6,226	93	935	512	7,890	576
King's Lynn & West Norfolk	135	38,885	520	69	901	43
Peterborough	638	214	55,300	139	1,141	2,682
Boston	1,615	91	269	18,205	2,920	312
South Holland	12,249	1,059	3,266	1,677	21,813	1,303
South Kesteven	885	78	7,791	321	1,339	30,494

2011 Census: Origin and Destination (Output Area Level)

This origin and destination information demonstrates that the area has a major employment relationship with its wider hinterland and is very self contained from an employment and commuting perspective. It is also a major employment centre for the wider South Holland district.

COUNCIL TAX BANDS

Band	A	B	C	D	E	F	G	H
England	5,869,590	4,707,100	5,227,820	3,698,840	2,284,110	1,207,430	841,740	140,850
%	24	20	22	15	10	5	4	1
Spalding	5,360	2,600	2,790	1,160	600	130	30	0
%	42	20	22	9	5	1	1	0

Valuation Office Agency 2017

Taken as a whole the area has a far higher proportion of houses in bands A and B than the England average.

PROJECTED REQUIREMENT FOR EXTRA CARE HOUSING

The norm for estimating the number of people suitable for extra care housing is 25 over 75s per 1000 population (2.5%). Applying this percentage to the Spalding population projections for 2039 of all over 75s provides a likely requiremento for 2017 of ***76 places*** and for 2035 of ***85 places***.

The Planning4Care methodology[1] suggests we should add 50% of those over 75s likely to have dementia, which it suggests is 10% of the population. We have therefore added five extra people per 1000 (0.5%).

The Planning4Care methodology also suggests we should add 33% of those aged over 75 suitable for supported housing, which it says nationally is 30 people per thousand. Therefore, we have added a further 10 people per 1000 (1%).

Using ONS mid-year estimates and projections this methodology gives a likely requirement for Spalding of ***121 places i***n 2017 and ***136 places*** in 2039.

For some tenants the new development will provide a direct alternative to residential care. Lincolnshire County Council currently commissions residential care for more older people than the England and Shire Counties average but for fewer than the average for the East Midlands region.

This table shows permanent admissions to residential care of people aged 65 years and per 100,000 population.

	2015/16	2016/17	2017/18
Lincolnshire	613	563	599
East Midlands	612	608	620
Shire Counties	579	560	556
England	628	610	585

ECONOMIC IMPACT AND MULTIPLIER

New jobs will be created to support tenants with social care needs. This section estimates the wider economic benefit of these new jobs.

Using tables setting out the impact of development on employment and expenditure in an economy developed by the Scottish Government called Input-Output tables, we can show the full economic impact of investment.

[1] *Based on a methodology in "Planning4Care - Projected need for long-term residential care services for older people in Cumbria Final report November 2009 Care Equation and Oxford Consultants for Social Inclusion"*

The economic impact of an activity is based on three elements – the direct value of the expenditure concerned, the indirect value of the expenditure concerned (namely the beneficial impact of the direct expenditure on the suppliers of the service concerned – i.e. how much of the money they receive circulates in the economy) and the induced impact of the expenditure concerned (namely the impact of the indirect expenditure on their suppliers – i.e. how much of the money they receive circulates in the economy).

The level of impact is determined by the nature of the economic activity and it can be expressed in terms of either jobs or money (through a term called Gross Value Added). As these two ways of expressing impact have different roots – one in jobs, the other in money - their multiplier impact is not always identical in percentage terms.

If the projected number of jobs directly employed at the proposed facility is seventeen full time equivalents, we know that the indirect effect of this is a further 60% (or ten jobs) and the induced effect is a further 20% (or three jobs) based on the employment effect in the Input-Output tables for Residential Care and Social Work – which is the best match for the nature of the jobs concerned.

If the projected turnover of the facility is £450,000, the indirect effect of this is 60% or £270,000 and the induced effect is 40% or £180,000. These figures are again based on the Residential Care and Social Work multipliers in the tables.

Overall then we can demonstrate that the investment concerned could generate thirty jobs and £900,000 of GVA annually.

DATA SOURCES

Area of Analysis	Data Source
Deprivation	English Indices of Deprivation - Department of Communities and Local Government 2015
Business Data	Business Register and Employment Survey - Office for National Statistics 2016
Pensioner Credits and Working Age Benefits	Department of Work and Pensions - 2016/17
Population	Office for National Statistics Population Forecasts 2014-39
Ethnicity	2011 Census
Origin and Destination	2011 Census
Council Tax Bands	Valuation Office Agency 2017

CONTACT INFORMATION

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