

**108-110 ELM GROVE, HAYLING ISLAND, HAMPSHIRE,
PO11 9EH**

STATEMENT OF CASE

PLANNING APPEAL



ON BEHALF OF CHURCHILL RETIREMENT LIVING

Description of the Proposal:

APP/15/00950 - Demolition and redevelopment to form 44 sheltered apartments for the elderly including communal facilities, access, car parking, landscaping and redevelopment to form one commercial unit with one flat above with associated parking and landscaping.

January 2016

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1.0 INTRODUCTION

- 1.1 Planning Issues Limited is a subsidiary company of Churchill Retirement Living (Group) Limited and has been engaged to provide professional planning evidence in respect of this appeal. The company has provided planning advice to the appellant in regards to the proposed redevelopment of the appeal site since 2014 and has acted as agent on behalf of Churchill Retirement Living in pre-application discussions, submitting and pursuing the planning application that is the subject of this appeal.
- 1.2 This Statement of Case has been prepared Planning Issues Limited (acting on behalf of Churchill Retirement Living Limited (CRL) (the appellant)).
- 1.3 It relates to an appeal by Churchill Retirement Living (CRL) against the refusal of a Planning Application for *'Demolition of retail unit and associated outbuildings and redevelopment to form 44No. sheltered apartments for the elderly including communal facilities, access, car parking, landscaping and substation. In addition, provision of 1No. retail unit with flat above with associated parking and landscaping.'*
- 1.4 The application was submitted in full on behalf of Churchill Retirement Living to the local planning authority on 28 August 2015. The application was registered by the LPA on 14 September 2015 with the reference number APP/15/00950.
- 1.5 The application was refused at the Havant Borough Council Planning Committee on 22 December 2015 against the advice of the Havant Borough Council Development Manager (**Officer Report & Committee Minutes, Appendix 1**). The following reasons for refusal are;

- 1) *The proposed development by reason of its bulk, height and site coverage would be an incongruous feature to the detriment of the visual amenities of the area, and would not provide satisfactory waiting and turning facilities for servicing vehicles within the site, and as a result would be prejudicial to the safety and amenities of users of the highway network in the surrounding District Centre. As such the proposed development would be contrary to Policies CS16, CS20 and DM7 of the Havant Borough Local Plan (Core Strategy) 2011 and the National Planning Policy Framework 2012.*
- 2) *In the absence of binding arrangements for the provision of on site affordable housing or alternatively an acceptable contribution in lieu of on site provision the proposal fails to make adequate provision for affordable housing in the interests of creating mixed communities and responding to housing need. As such the proposed development is contrary to Policy CS9 of the Havant Borough Local Plan (Core Strategy) 2011, the adopted Havant Borough Council Housing SPD July 2011 and the National Planning Policy Framework 2012.*
- 3) *The proposal, without completion of the appropriate binding arrangements to secure a contribution towards the Solent Recreation Mitigation Project, is contrary to the Council's Policy on contributions towards measures of mitigation adopted by the Local Planning Authority. These seek to ensure that the provision is made from new development towards mitigating against increasing recreational pressure on the Solent SPA. The development is therefore contrary to policies CS11 and CS21 of the Havant Borough Local Plan (Core Strategy) 2011 and Policy DM24 of the Havant Borough Local Plan (Allocations) 2014 and the National Planning Policy Framework 2012.*

2. THE APPEAL SITE AND SURROUNDING AREA

- 2.1 The site, which comprises approximately 0.3 hectares, is roughly rectangular in shape. It is located off Elm Grove in a secondary shopping area
- 2.2 It comprises vacant commercial buildings which were previously associated with the Pullingers furniture stores and storage buildings. There is a car park and a storage area to the rear of the site.
- 2.3 The site is allocated under Policy HY1 - Hayling Island Housing Allocations, ref – HY13 for residential use.
- 2.4 The site is to the North of the Town Centre which contains a wide range of shops and community facilities. Bus services run on Elm Grove and there are also a number of bus stops within the town centre serving several routes. The site therefore has excellent access to the shops and services within the town centre and local public transport, making it an excellent location for elderly people.

3. THE APPEAL PROPOSAL

- 3.1 The proposed development will provide 44 units of private sheltered accommodation for the elderly, one commercial unit with one flat above with associated parking and landscaping.
- 3.2 The proposal includes 14 car parking spaces for the retirement development. This equates to a parking space ratio of 0.32. The commercial unit with flat over will be served by 3 parking spaces.
- 3.3 The site will be served by an access off Elm Grove.
- 3.4 Careful consideration has been given to ensure that the proposed development

would not result in material harm to the living conditions of adjoining residents. This has been achieved by setting the proposed building away from the site boundaries to provide generous separation distances to the surrounding buildings.

3.5 The development will include a high quality landscaped amenity space which wraps around the building and will be maintained in perpetuity by the management company.

3.6 The proposal, application site, and the surroundings are fully described and analysed in the Design and Access Statement accompanying the planning application. Further discussion of the design rationale and the impact on the character and appearance of the area is also included within this statement.

3.7 The accommodation proposed comprises sheltered housing which may be defined as being:

“Housing which is purpose-built or converted exclusively for sale to elderly people with a package of estate management services and which consists of grouped, self-contained accommodation with an emergency alarm system, usually with communal facilities and normally with a warden.”

3.8 The apartments are sold with a lease containing an age restriction which ensures that only people of 60 years or over, or those of 60 years or over with a spouse or partner of at least 55, can live in the development.

3.9 Notwithstanding the age restriction, it is found that the average age of the purchasers of Churchill Retirement Living retirement apartment is 79 years and that the typical occupier is a widow. The decision to purchase this type of accommodation is predominantly needs-based.

4. PLANNING HISTORY

4.1 Please see Statement of Common Ground.

5. PLANNING POLICY FRAMEWORK

5.1 Please see Statement of Common Ground.

6. THE NEED FOR HOUSING

The Need for Older People's Housing

6.1 The Appellant will demonstrate that there is a significant forecast growth in the number of older people in the Havant District whose housing requirement will not be met by the existing housing stock.

6.2 The ageing population and need for private sheltered housing is explained in a report by David Couttie Associates *"The need for Private Retirement Housing in Havant"* The conclusions (p.13/14) of the report highlight the significant increase in the elderly population and the consequential need for private sheltered housing in Hayling Island.

6.3 The Top of the Ladder report by Demos (**Appendix 2**) was published on 12 September 2013 as part of the HBF Campaign for Housing in Later Life. The Executive Summary highlights the level of demand for retirement housing and makes recommendations as to what steps could be taken to stimulate this market.

6.4 In April 2012 the Housing and Homelessness charity Shelter published a report 'A Better Fit' (**Appendix 3**) which considered the housing needs of older people and

the increasingly ageing population. The report highlights the under occupation of the housing stock by over 55 households (p.11 and p.12) and the need for a significant increase in the supply and range of suitable housing for older people (p.23). The report recommends that the planning system must support the development of housing for older people (p.27).

- 6.5 In May 2011 Professor Michael Ball from the University of Reading, Henley, published a report (Housing Markets and Independence in Old Age) (**Appendix 4**) which analysed why older people in the UK do not have enough choice about where they live and how the challenges of providing more private sector housing can be addressed. Professor Ball highlights (p.6) how the National Planning Policy Framework and the Localism Agenda could make a real difference to older homeowners now and in the future.
- 6.6 In February 2008 the Government published A National Strategy for Housing in an Ageing Society (**Appendix 5**). The strategy (Chapter 2) examines the scale of demographic change in the population over the age of 65 that will occur in the next twenty five years.
- 6.7 A Better Life: Private Sheltered Housing and Independent Living for Older People (2003) (**Appendix 6**) sets out the findings of a study into private sheltered housing in the United Kingdom based on the opinions of over 1,500 current and prospective residents of private sheltered housing. The national need for private sheltered housing is set out on p.10. The factors influencing residents' decision to move into sheltered accommodation are set out (p.12). It is stated that 45% of current residents had moved from within 5 miles of their previous home and 62% within 20 miles (p.23).
- 6.8 There is a significant level of unmet market demand for sheltered housing and therefore a need to provide such housing.

6.9 The need to provide specialist housing for older people is also recognised specifically in Paragraph 21 of the National Planning Practice Guidance. The guidance recognises that sheltered housing can help free up under-occupied housing and its provision is of vital importance, given the projected increase in households over the age of 65.

- **Housing for older people**

The need to provide housing for older people is critical given the projected increase in the number of households aged 65 and over accounts for over half of the new households (Department for Communities and Local Government Household Projections 2013). The age profile of the population can be drawn from Census data. Projection of population and households by age group should also be used. Plan makers will need to consider the size, location and quality of dwellings needed in the future for older people in order to allow them to live independently and safely in their own home for as long as possible, or to move to more suitable accommodation if they so wish. Supporting independent living can help to reduce the costs to health and social services, and providing more options for older people to move could also free up houses that are under occupied. The future need for specialist

7. THE MAIN ISSUE IN DISPUTE

7.1 The Appellant identifies that there are three issues to be addressed in consideration of the merits of the Appeal proposal, namely:

- 1) Whether the building by virtue of its height, scale and massing represents an unacceptable overdevelopment that fails to adequately respond to its context.*
- 2) Whether, in the event that, contrary to the Appellant's case, it is held that the proposals would cause harm to the visual amenities of the area such harm would be outweighed by the benefits.*
- 3) Whether it is necessary to provide onsite waiting and turning facilities for servicing vehicles within the site.*

8. ISSUES NOT LIKELY TO BE IN DISPUTE

8.1 Please refer to Statement of Common Ground.

9. THE APPELLANT'S CASE

The Officers Report sets out the details of the proposal and a strong recommendation for approval. The following paragraphs are pertinent to the case;

- 7.2 *The application site is situated within an urban area where further development is considered acceptable subject to the usual development control criteria*
- 7.3 *With respect to the housing proposal the site has specifically been allocated for residential development in the adopted allocations Plan under policy HY1 as site reference HY13. This allocation gave an indicative number of 14 dwellings. This number was not prescriptive and had anticipated a standard dwelling layout. However, the proposed sheltered apartment scheme makes better use of previously developed land in a sustainable location adjacent to the District Centre and Planning Policy have advised that this form of development is acceptable in principle as the site is within the defined urban area.*
- 7.4 *The proposal will contribute towards meeting the borough's housing requirement of 6,300 new dwellings between 2006 and 2026 in accordance with policy CS9(1). It will also provide accommodation for the ageing population in accordance with policy CS9(6) of the Core Strategy.*
- 7.7 *Having regard to the relationship of the development to its surrounding context it is therefore considered that the proposal is acceptable in respect of its scale, massing and street scene implications to Elm Grove and its wider impact under the requirements of CS16 of the Core Strategy.*
- 7.8 *It is therefore considered that in terms of the relationship of the new development to neighbouring residential properties, the impact upon them will be satisfactory under the requirements of Core Strategy policy CS16.*

7.9 There is scope within the garden and on the boundaries of the site to implement the planting scheme that is considered suitable.

7.11 Against the background of the appeal evidence and the survey data, and when recognising the sustainable location of the development adjacent to a District Centre and with options for alternative modes of transport in the form of a regular bus service, it is considered that the level of car parking proposed for the scheme is acceptable and the highway authority has advised that there is not a parking ground for refusal on the basis that the St Mary's Road car park is for multiple use. There will, however, need to be an age restriction condition included on any decision.

8.1 It is considered that the proposed development would make a valuable contribution to the borough's housing requirements by providing retirement accommodation on a site allocated in the Local Plan, and also provides a retail unit on the Elm Grove frontage to meet the policy requirements for the secondary retail frontage. The assessment provided concludes that the form of the development, including its 3 storey height, is appropriate having regard to the site context, and that being in a sustainable location the car parking provision is acceptable on the basis of the development being age restricted. It is therefore concluded that subject to a Section 106 securing the payment of the SRMP payment and an agreed contribution in lieu of affordable housing that the proposal is considered acceptable.

The appellant is of the opinion that the Havant Borough Council Planning committee were more concerned about the proposed parking provision than the eventual reasons for refusal.

In response to questions raised by members of the Committee, the officers advised that:

- (2) *the applicant had provided evidence of car usage in their other similar developments which showed that the parking provision for this application as adequate: the Council had no proof that these projections were incorrect;*
- (6) *the density of the development was 133 dwellings per hectare; it was difficult to compare the density of this development with other developments in the area as the density would vary according to the location, size and characteristic of each site;*
- (9) *due to the spatial setting of the development it would be difficult to justify refusal on the grounds of overdevelopment;*

1) *Whether the bulk, height, and site coverage of the appeal proposal, has responded to the context and character of the area and represents a development that will preserve or enhance the visual amenities of the area.*

- 9.1 The main opportunities identified at an early stage where to provide a sheltered housing development, which would take into account constraints, opportunities and contextual considerations to create a successful building design and attractive living environment for future occupants, make more efficient use of previously developed site, improve the character and appearance of the area, reduce the extent of hard commercial parking, and retain an active retail frontage with additional accommodation.
- 9.2 As set out in the Design and Access Statement this proposal has been designed by a professionally qualified architect, and is the product of a full analysis of the context, the character and appearance of the area and the policy framework. The resulting proposal provides an appropriate response to its context.
- 9.3 The Island can be broadly split North and South, with the South of the Island being more developed. The area of the site falls within this Southern area. The Architecture of this area is a diverse and wide mix of functions, styles, layouts and

sizes where no one genre stands out. There is a diverse mix of uses, designs, scale, mass and disposition. A set of photographs is attached at **Appendix 7** to highlight this diversity and a range of buildings of similar scale to the proposals.

- 9.4 The current collection of vacant buildings and large areas of hardstanding detract from the visual amenities of the area.
- 9.5 The provision of a two storey retail/flat unit will create an appropriate frontage to the secondary shopping area on Elm Grove.
- 9.6 The mass of the retirement development will be articulated to provide visual interest and respect the character of the Area. The height of the building transitions gradually by stepping from single, two upto two and a half and three storeys in height for reduced impact.
- 9.7 Care has been taken to articulate the massing of the building into well defined elements using drops in building heights at various locations within the development, and variation in frontage alignment in conjunction with variations in eaves and ridge heights. Further articulation is achieved by variations in the plan depth of the flats, along with projecting bays of various height, style and width, and by overlaps in the overall building footprint layout itself.
- 9.8 The front elevation of the retirement development is set back approximately 40metres from the road frontage and is obscured from the buildings set on the street frontage.
- 9.9 The spatial setting of the building in context of the Bowling Club/Allotments/Recreation Ground and the distances in between neighbouring properties allow for a two to three storey building on the site.

9.10 Careful consideration has been given to ensure that the proposed development would not result in material harm to the living conditions of adjoining residents. This has been achieved by setting the proposed building away from the site boundaries to provide generous separation distances to the surrounding buildings.

9.11 The site can be seen from a number of positions:

1. Elm Grove – with the vast majority of the building being located behind the road frontage – there exists only narrow angles close to the site where the building is significantly visible. At these points, the totality of the building cannot be seen in one “elevation” but is indeed constantly being screened.
2. The properties to the rear on Poplar Grove and Hawthorne Grove are approximately 157m from the Eastern boundary. The scale, at which the proposed building is therefore generally seen, is quite reduced.
3. The building is set 65m from the bowling clubhouse. The building will provide a building frontage onto the bowling club site. The development will provide natural surveillance to the area.
4. The residential properties to the South are between 28m and 46m away.

9.12 A Site Plan is attached at **Appendix 8** which identifies the distances provided to reinforce the positive and generous relationships between the proposed development and the existing properties.

9.13 The proposals will achieve a suitable density of development (133dph) for the location, taking into account accessibility to public transport, shops and services in addition to respecting the surrounding landscape, character and built form.

9.14 The coverage of the building footprint is appropriate taking into account the quantum of high quality landscaped grounds which are proposed around the building. Landscaping is an important feature of the development and the landscape strategy provides an indication of the proposed planting levels to make the most effective use of the space as well as make a positive contribution to the amenity value, making it a more pleasant environment.

9.15 The landscaping design is of an extremely high standard and will improve the environmental quality of the site for prospective residents. The prospective residents generally move from large family houses with well maintained gardens and as such the landscaping amenity areas for Churchill Retirement Living developments are of extremely high quality and impact.

9.16 The existing site is mainly hard standing with little or no ecological or visual interest and poor sustainable drainage. The proposed landscaping within the development will provide a positive contribution to the views into the site.

9.17 It has been demonstrated that the bulk, height, and site coverage of the appeal proposal, has responded to the context and character of the area and represents a development that will enhance the visual amenities of the area.

2) *Whether, in the event that, contrary to the Appellant's case, it is held that the proposals would cause harm to the visual amenities of the area such harm would be outweighed by the benefits.*

9.18 It will be demonstrated that if, in the unlikely event, it is found that there is harm to the visual amenities of the area, that harm is outweighed by the public benefits of the proposal.

9.19 The decision to move into sheltered housing is overwhelmingly needs-based. The reasons that typically inform such a decision include the following considerations:

1. Relinquishing the burden, in terms of cost and worry, of running and maintaining a house and garden;
2. Relocating to somewhere with easy access to shops, essential facilities and public transport (often associated with relinquishing the burden of running and maintaining a car);
3. Reducing loneliness and isolation;
4. Providing the reassurance of someone who can be called upon in an emergency;
5. Reducing security worries;
6. Providing purpose-built accommodation more suited to the frailty associated with the elderly.

9.20 In November 2003, “A Better Life: private sheltered housing and independent living for older people” was published. The report, which set out the findings of one of the largest studies into sheltered housing in the UK, confirms these benefits. Pages 12 and 13 illustrate the important factors which influenced residents’ decision to move into private sheltered housing and which characteristics they feel are the most important. It can be seen that the most important factors were the availability of Careline – the emergency alarm system, and the proximity to shops and facilities.

9.21 Page 23 of the Report indicates the distance that residents have moved to sheltered housing and it can be seen that the largest proportion of people have moved 5 miles or less from their previous home.

9.22 Chapter 4 illustrates that, not only do local economies benefit significantly from sheltered housing being located in their area (pages 27-29), health services are

also less burdened (pages 31-35). It can be seen that the local economy benefits from a development in the area as 62% of residents prefer to shop locally. This emphasises the need for such developments to be well located to facilities and shopping centres.

9.23 Sheltered housing gives rise to many social benefits by providing specialised accommodation to meet a specific housing need. In summary, sheltered housing:

- provides purpose built specifically designed housing for local elderly people - a recognised housing need (according to the latest research by Churchill Retirement Living of their existing sheltered housing developments, over 50% of occupants of sheltered housing come from within a 10 mile radius of the development);
- helps to reduce anxieties and worries experienced by many elderly people living in housing which does not best suit their needs in retirement by providing safety, security and reducing management and maintenance concerns;
- provides companionship and a community which helps to reduce isolation, loneliness and depression;
- provides a form of housing which addresses the on-set and increasing problems of mobility/frailty;
- is very well located in relation to shops and other essential services, being within easy walking distance or readily accessible by public transport which can reduce isolation and reduce the worry of depending on a car;
- helps to maintain an independent lifestyle; and
- helps to maintain health and general well-being.

9.24 The above are benefits which can also help to reduce the demands exerted on Health and Social Services and other care facilities - not only in terms of the fact

that many of the residents remain in better health, both physically and mentally, but also that doctors, physiotherapists, community nurses, hairdressers and other essential practitioners can all attend to visit several occupiers at once. This leads to a more efficient use of public resources.

9.25 There are also many planning benefits which include:-

- planning policy seeks to ensure that the entire range of housing needs is met, including those of the elderly whose numbers are predicted to grow substantially in the coming decades;
- sheltered housing releases under-occupied housing and plays a very important role in the recycling of stock in general;
- there is a 'knock-on' effect in terms of the whole housing chain enabling the more effective use of the existing housing stock;
- sheltered housing maximises the use of previously-developed land;
- because of its location, sheltered housing reduces the need to travel by car (the elderly living in more remote locations will remain far more dependent upon the private car);
- helping to introduce mixed land uses in town centres and revitalising such areas; and
- adding to the overall vitality and viability of the town centre

9.26 At page 35 the report identifies, that 56% of private sheltered housing residents are freeing up family sized houses, while a further 30% are making bungalows available to smaller families or others downsizing from larger homes. This illustrates how private sheltered housing can assist with the availability of general housing stock.

9.27 The “*The top of the ladder*” report by Demos (published September 2013) found that, while retirement properties make up just 2 per cent of the UK housing stock, or 533,000 homes, with just over 100,000 to buy, that:

- *One in four (25 per cent) over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally.*
- *More than half (58 per cent) of people over 60 were interested in moving.*
- *More than half (57 per cent) of those interested in moving wanted to downsize by at least one bedroom, rising to 76 per cent among older people currently occupying three-, four- and five-bedroom homes.*
- *These figures show that 33 per cent of over 60s want to downsize, which equates to 4.6 million over 60s nationally.*
- *More than four in five (83 per cent) of the over 60s living in England (so not Scotland, Wales or Northern Ireland) own their own homes, and 64 per cent own their home without a mortgage.*
- *This equates to £1.28 trillion in housing wealth, of which £1.23 trillion is unmortgaged. This is far more than the amount of savings this group has (£769 billion).*
- *Therefore the over 60s interested in downsizing specifically are sitting on £400 billion of housing wealth.¹*
- *If just half of the 58 per cent of over 60s interested in moving (downsizing and otherwise) as reported in our survey were able to move, this would*

¹ All those interested in moving is 58 per cent of over 60s – 58 per cent of the £1.23tn unmortgaged equity they own is £701 billion. Of this group, 57 per cent would want to downsize – or 33 per cent of over 60s. They own £400 billion in housing equity.

release around £356 billion worth of (mainly family sized) property² – with nearly half being three-bedroom and 20 per cent being four-bedroom homes.³

- *If those wanting to buy a retirement property were able to do so, this would release £307 million worth of housing.⁴*
- *Combining NewPolicy Institute (NPI) analysis of current market chain effects of older people dying and moving each year with our own analysis of ELSA, we can estimate that if all those interested in buying retirement property were able to do so, 3.5 million older people would be able to move,⁵ freeing up 3.29 million properties, including nearly 2 million three-bedroom homes.⁶*
- *If just half of those interested in downsizing more generally were able to do so, 4 million older people would be able to move,⁷ freeing up 3.5 million homes.*

Apart from the obvious gains to the housing chain, there is robust evidence that retirement housing has a very beneficial effect on older people's health, wellbeing and social networks, and could save health and care services considerable resources. The equity released could help tackle pensioner poverty and have wider economic benefits.

With all of this in mind, it is somewhat surprising that the current government

² All those interested in moving is 58 per cent of over 60s – 58 per cent of the £1.23tn unmortgaged equity they own is £701 billion. Half of this is £356 billion.

³ The proportion of people owning homes of different bedroom size was taken from the responses to our survey – see Appendix 2.

⁴ This is calculated as 25 per cent of £1.23tn owned by over 60s. 25 per cent of over 60s in our survey reported to be interested in buying retirement property.

⁵ 25 per cent of 14 million people – the number of over 60s in the UK.

⁶ Using proportions identified through NPI analysis.

⁷ 33 per cent of over 60s.

has not done more to work in partnership with the private sector to encourage greater supply of retirement property.

9.28 Private sheltered housing is a 'good neighbour' in all respects. There is a very low traffic generation, and the general lack of peak hour traffic movement ensures that conflict does not occur with other peak traffic movements such as school and work journeys. It is evident from the appellant's current developments that noise levels are low and the use of outdoor space is generally confined to sitting outside residents' ground floor apartments in the warmer months.

Sustainability

9.29 In addition to the above mentioned benefits the proposal provides a number of key sustainability benefits by:

- 1) Making more efficient use of land thereby reducing the need to use limited land resources for housing;
- 1) Providing high density housing in close proximity to services and shops which can be easily accessed on foot thereby reducing the need for travel by means which consume energy and create emissions.
- 2) Providing high density housing in a location highly accessible by public transport thereby enabling longer journeys to be undertaken by these modes thereby reducing the need for travel by car;
- 3) Providing shared facilities for a large number of residents in a single building which makes more efficient use of material and energy resources.

9.30 It is therefore considered that the proposal should be considered favourably in the context of the presumption in favour of sustainable development.

3) *Whether it is necessary to provide onsite waiting and turning facilities for servicing vehicles within the site.*

9.31 The application is supported by a Transport Statement prepared by Mott MacDonald to provide advice on matters of sustainable modes of transport, traffic, access, servicing and parking. A detailed assessment of the site has been undertaken in respect of this proposal.

9.32 The vehicular access for the proposed development will be taken from Elm Grove using the existing service access to no. 112. The site access and parking area has been reviewed to confirm that all necessary movements can be undertaken. The two-way movement of cars is achievable through the site access and along the access road. This demonstrates that the site layout can accommodate the manoeuvres of residents' vehicles and those of shop customers.

9.33 The site layout will accommodate the turning manoeuvres of 3.5tonne vans and these will be the vast majority of service vehicles that would visit the site. Larger vehicles that occasionally visit the site will service the site from Elm Grove. There are no loading restrictions on Elm Grove along the site frontage, and servicing of the existing buildings from the street is currently permitted. Bins for the sheltered housing, the shop unit and flat will be wheeled out from the respective refuse stores to Elm Grove and so there will be no requirement for refuse vehicles to enter the site.

9.34 Deliveries to the Pullingers premises previously took place via the Tesco car park. HGVs do not turn within the Pullingers premises but instead reverse from Elm Grove. HGVs delivering to Tesco similarly reverse from Elm Grove.

9.35 Given that the application site does not function as an HGV turning area for either Tesco or Pullingers deliveries, and as HGV deliveries to Pullingers will no longer take place, the proposed development will result in a reduction in conflicts in the Tesco car park relative to the existing situation. Furthermore, movements associated with larger service vehicles will be occasional in nature for the application site. For these reasons, there should be no highway concerns relating to the proposed access arrangements.



9.36 It has been calculated that the proposed development will generate fewer trips than the previous use. Moreover, CRL sites do not typically generate vehicle trips during peak hours. As such, the expected trip generation levels associated with the proposed development will not result in any material capacity impacts on the local highway network.

9.37 In an urban location it is not considered necessary to provide onsite turning facilities for the occasional visit of a large service vehicle or a refuse vehicle to serve a weekly collection from 44 retirement apartments. The more regular service deliveries to the site will be undertaken by 3.5T vans, and this has been allowed for within the design of the site.

10 OTHER MATERIAL CONSIDERATIONS

Local Finance Considerations

10.1 The Council and County Council will receive £337,737.00 over a six year period.

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and their use. This is a local finance consideration. By virtue of section 70(2)(b) of the Town and Country Planning Act 1990 regard is to be had to local finance considerations when determining planning applications and appeals.

National Planning Policy Framework

10.2 Paragraph 49 states that;

“Housing applications should be considered in the context of the presumption in favour of sustainable development.”

10.3 Paragraph 17 refers to twelve core planning principles and of particular relevance to this appeal are that planning should;

“proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth...”

“always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings.”

“encourage the effective use of land by reusing land that has been previously developed (brownfield land), provided that it is not of high environmental value.”

“actively manage patterns of growth to make the fullest possible use of public transport, walking and cycling and focus significant development in locations which are or can be made sustainable”.

10.4 In respect of housing local planning authorities are required at paragraph 47 to;

“boost significantly the supply of housing...”

10.5 Paragraph 50 explains that local planning authorities should;

“plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community.”

10.6 The different groups include older people.

10.7 The appeal proposals accord with the development plan and therefore the presumption in favour of sustainable development, as set out in paragraph 14; applies to this appeal and it should be approved without delay.

11 RESPONSE TO OTHER ISSUES RAISED BY THIRD PARTIES

11.1 Seventeen representations were submitted to the council objecting to the development. Ten of these were the same letter signed by different parties. The concerns related to parking provision, local traffic congestion, lack of public parking facilities, capacity of local health care facilities, design, appearance and layout of the development, and impact upon privacy and outlook.

11.2 The council have no dispute with the majority of concerns raised. Please see Statement of Common Ground for all issues agreed and list of agreed conditions. None of the issues raised gives rise to a reason to justify refusal of planning permission.

12 CONCLUSIONS

- 12.1 As outlined above the Appellant will demonstrate that the Appeal proposal is acceptable in all respects.
- 12.2 The proposed development will bring a vacant site back into beneficial use.
- 12.3 The proposed development will provide a high quality scheme of specialised accommodation for local older people whose housing needs will not be met by the existing housing stock.
- 12.4 The proposed development will provide a retail unit and two bedroom flat on the Elm Grove frontage which will in turn add to the vibrancy and vitality of the secondary shopping area.
- 12.5 The Appeal site is well located in relation to shops, services, transport links and community facilities and will provide a safe and secure retirement for the intended older residents.
- 12.6 The proposed development will enhance the character and appearance of the Area.
- 12.7 There will be no adverse impacts upon local residential amenity.
- 12.8 The provision of 14 parking spaces and cycle storage for the sheltered apartments is considered appropriate based on evidence from similar established sheltered housing sites. There will be adequate provision to cater for the needs of vulnerable road users. The proposed development would not result in a detrimental impact on the local road network.

12.9 The proposal will result in a plethora of economic, social and environmental benefits.

12.10 The appellant will seek to enter into a legal agreement to secure the commuted financial sum towards Affordable Housing and the Solent Recreation Mitigation Project prior to the appeal.

12.11 The council will receive a significant financial contribution from the New Homes Bonus scheme, which is material finance consideration.

12.12 Therefore it is the appellant's submission that there is no valid or reasonable reason why planning permission should not have been granted by the Council. Accordingly, the Inspector will be requested to agree that the Appeal should be allowed subject to suitable conditions.

12.13 The Appellant will rely upon and refer to the following documents (which have either already been provided or attached). The Appellant reserves the right to add to this list following consideration of the LPA's statement of case, representations made by other parties, and any evidence submitted.

- Planning Application Submission
- National and Local Planning Policy (see SOCG)

Appendix 1 – Officer Report & Committee Meeting Minutes, 22/12/15.

Appendix 2 - The Top of the Ladder report by Demos (2013).

Appendix 3 - 'A Better Fit' by Shelter (2012).

Appendix 4 - Housing Markets and Independence in Old Age by Professor Michael Ball from the University of Reading (2011).

Appendix 5 - A National Strategy for Housing in an Ageing Society by National Government (2008).

Appendix 6 - A Better Life: Private Sheltered Housing and Independent Living for Older People (2003).

Appendix 7 – Context Photographs

Appendix 8 – Distances Site Plan

Appendix 1

Officer Report APP/15/00950 & Committee Meeting
Minutes, 22/12/15.

Site Address: 108-110 Elm Grove, Hayling Island, PO11 9EN
 Proposal: Demolition of retail unit and associated outbuildings and redevelopment to form 44No. sheltered apartments for the elderly including communal facilities, access, car parking, landscaping and substation. In addition, provision of 1No. retail unit with flat above with associated parking and landscaping.

Application No:	APP/15/00950	Expiry Date:	14/12/2015
Applicant:	Churchill Retirement Living	Team:	Team 1
Agent:	Mr McFarlane Planning Issues	Case Officer:	Sally Smith/Steve Weaver
Ward:	Hayling East		

Reason for Committee Consideration: At Councillor Perry's request

EHPE Recommendation: **GRANT PERMISSION**

1 Site Description

- 1.1 The application site lies at 108-110 Elm Grove, Hayling Island, PO11 9EN, which is the Pullingers retail unit on the Elm Grove frontage. It also includes the large car parking area to the rear, together with an area previously used as a builder's yard and a building used by Pullinger's for storage/showroom and offices to the rear of 104 and 106 Elm Grove, the previous Tesco retail unit. That unit is now vacant. The current access is through the car park between 106 and 108 Elm Grove. The rear of the site is bounded by a high leylandii hedge. The site is approximately 0.3 ha in area.
- 1.2 The site lies within the Gable Head District Centre and the frontage is defined as a secondary frontage in the adopted Havant Borough Local Plan (Allocations). To the north and south of the site are retail units on the Elm Grove frontage adjacent to the existing frontage buildings. Opposite the site on the west side of Elm Grove are residential units. Directly north of the site is 112 Elm Grove which is a further retail unit, also a Pullinger's unit at present, with a telecommunications mast and ground unit in the yard to the rear. To the rear of that is a parking area associated with the British Legion Club and the Bowling Green. To the south are the rear gardens of residential properties in Palmerston Road and to the east are Allotment Gardens to the east of which again is Mengham Junior School and a Recreation Ground.

2 Planning History

- 2.1 There is no relevant planning application history in respect of proposals for the redevelopment of the site.

3 Proposal

- 3.1 Demolition of retail unit and associated outbuildings and redevelopment of entire site to form firstly, a development of 44 No. sheltered apartments for the elderly including communal facilities, access, car parking, landscaping and substation; and secondly the provision of 1No. retail unit with flat above with associated parking and landscaping. The apartments are to be for people of 60 years or over, or for those over this age with a partner of at least 55 years of age, and in terms of scale vary between one and three stories in height. The retail unit with flat above would be two storey with a pitched hipped roof. The access to serve this and the 44 flats to the rear is proposed between this replacement frontage unit and 112 Elm Grove to the north. The car park between 106 and 108 Elm Grove is excluded from the application site and is proposed for retention with 104 and 106 Elm Grove.

- 3.2 The sheltered apartment block comprises a courtyard approach. The main frontage elevation to the west is mainly 3 storey in height but steps down to two and then single storey elements to each side with a succession of hipped roofs. When viewed from the south the building is predominantly 3 storey but the third storey is provided within a half-dormered roof construction. This element is set away from the southern boundary by a distance of 14.5m and has the main garden area located between the building and the boundary. The northern elevation is separated into a number of distinct elements by extending the gable ends at the east and west ends beyond the central frontage and providing some variance in the plan depth. This elevation is designed as 3 storey. The east elevation has the shortest frontage and is predominantly 3 storey although it steps down to 2 storey at its southern end.
- 3.3 The approach to the design is traditional with details such as stone window cills, stone window heads, brick window heads, projecting horizontal band detailing, chimney stacks and areas of vertical tile hanging. At ground floor, flats are provided with glazed door units and small discrete private patio areas. Materials are proposed as a mixture of red and stock bricks, render, red and brown concrete tiles with grey slate effect tile for central roofs and some of the lower roofs.
- 3.4 The flats are provided with 14 car parking spaces and pedestrian access is taken though the car park to the main entrance of the building, sited at the southern end of the main frontage. A second access for residents is provided to the front of the north elevation and an amendment has provided a defined footway through to this entrance which will be protected by a porch detail. The flat and commercial unit is provided with 3 parking spaces to the rear, served from the main access for the development.
- 3.5 The application is supported by a number of documents:

Affordable Housing & Viability Statement
Housing Needs Assessment
Archaeological Desk Based Assessment
Transport Statement
Landscaping Strategy
Ecology Report
Contamination Desk Study
Flood Risk Assessment
Design and Access Statement

The application has also been supplemented by further parking information in respect of the use of the St Mary's Road public car park which lies nearby the site, and a Report into the Assessment of Bat Potential in the Trees. An offer has been made to make a financial contribution in lieu of affordable housing, which is being reviewed by a third party, and a contribution towards the Solent Recreation Mitigation Partnership.

4 Policy Considerations

National Planning Policy Framework 2012

Havant Borough Local Plan (Core Strategy) March 2011

CS16	(High Quality Design)
CS17	(Concentration and Distribution of Development within the Urban Areas)
CS20	(Transport and Access Strategy)
CS21	(Developer Requirements)
CS4	(Town, District and Local Centres)
CS9	(Housing)
DM11	(Planning for More Sustainable Travel)

DM13	(Car and Cycle Parking on Residential Development)
DM2	(Protection of Existing Community Facilities and Shops)
DM7	(Elderly and Specialist Housing Provision)
DM8	(Conservation, Protection and Enhancement of Existing Natural Features)

Havant Borough Local Plan (Allocations) July 2014

HY1	(Hayling Island Housing Allocations)
AL1	(Presumption in Favour of Sustainable Development)
DM24	(Recreational Disturbance to Special Protected Areas (SPAs) from Residential Development)
AL3	(Town, District and Local Centres)

Havant Borough Design Guide SPD

Havant Borough Housing SPD

Listed Building Grade: Not applicable.
Conservation Area: Not applicable.

5 Statutory and Non Statutory Consultations

Building Control, (Fire Access Consultation):

Potential fire brigade access issues towards the eastern end of the building. No public sewer in the area.

County Archaeologist:

No archaeological issues

Hayling Health Centre:

No response received

Economic Development - Retail and Town Centres:

It is doubtful if a retailer wishes to take on the existing site, and if there has been no interest, the proposal is reluctantly supported.

Environmental Health Manager

The submissions leave uncertainty regarding SUDs feasibility and therefore a condition is proposed requiring approval of SUDs design in order to demonstrate how drainage is to be provided. On the matter of energy provision an air-source scheme is preferred to a ground source heat pump in view of ground condition considerations. Noise details of any air-source scheme would be required by condition. An informative is requested to provide advice on the treatment of any asbestos found during demolition. The development is unlikely to represent an adverse impact on air quality. In view of the previous use of the site, particularly the rear area for storage and builder's yard contamination mitigation conditions are requested.

Hampshire Fire & Rescue

Fire access will be dealt with under the Building Regulations. Advice provided for information with respect to access for high reach appliances, water supplies, sprinklers, fire fighting and the environment and timber framed buildings.

Development Engineer - Highways

Layout

The total parking number meets the one space per 4 units (0.25 per unit) which is the

historic standard we have used for similar developments within Havant (with a minimum age condition). This standard is not referred to in the HBC Parking Standards. This application is for 44 units with 14 spaces (0.32 spaces per unit). In the determination of a 2007 Havant Planning Appeal Decisions for a Churchill Retirement Living in New Brighton Road, Emsworth the Inspector accepted 12 spaces for 34 units (0.35 spaces per unit).

I would suggest the proposed parking is acceptable however the area of hard standing for car parking needs to be modified to enable vehicles including cars, emergency vehicles, delivery vehicles, refuse lorries to turn on site and emerge onto Elm Grove in a forward gear.

The site should also have long and short time storage for cycles.

There should be provision made for the storage and charging of mobility scooters.

I note that there are electric gates shown between the shop parking turning/parking area and the residents parking service area. Service vehicles waiting to gain entrance through the gates will cause congestion and possibly reversing into the highway causing highway safety problems

I would suggest a separate footpath should be provided for the residents. It should be of a width to accommodate wheelchairs.

If the above points could be resolved the Highway Authority would have no adverse comment on this application.

Traffic Generation

Original comments: The original Traffic Assessment makes reference to the availability of the St Marys Road public car park for visitors (which will include medical, carers and tradesmen etc.) but the number of these trips are not quantified. This information is required to evaluate the availability of this car park for Elm Grove shoppers and therefore its impact on the economic viability of the area.

Comments following receipt of further information: The survey of St Mary's Road car park shows there is sufficient space in the St Marys Car park. So if we accept the principle that the car park is for the multi use of the public there is no reason for refusal.

Housing:

The proposal would need to comply with Local Plan policy CS9.2 and provide 30 - 40% affordable housing on-site; this would equate to a minimum of 14 units. If an offer included a majority of 1 bedroom units this would be acceptable. Demand in the borough for affordable sheltered accommodation was 279 applicants registered with HHC as at 24/9/2015 and the number has risen consistently since 2012. This is partly attributed to the 'bedroom tax'. There is therefore a demand for sheltered flats from the social sector. However, an argument has been made that the provision of affordable housing is not viable and it is agreed that a financial contribution in lieu of on-site sheltered affordable accommodation is acceptable. Shared ownership could be considered but it is accepted that Affordable Rented accommodation within a predominantly owner occupied block would be a management issue for all parties concerned. However, the viability appraisal needs to be referred to a third party for review.

The size of the units complies with guidelines issued by the Homes & Communities Agency. The location of the development is in a very sustainable, desirable area with access to amenities in the form of public transport, health provision and retail opportunities and is in an area popular for those seeking retirement accommodation.

Waste Services Manager

No response received

Landscape Team

Built-form scale and massing relative to the local character

The proposed retail unit corresponds with the predominantly two storey, semi-

detached and short terrace local vernacular. The sheltered apartments do comprise a larger built-form, but this is proposed a reasonable distance from adjacent dwellings and transitions gradually in height for reduced impact.

Landscape setting and design quality

I am concerned the apartment building will be viewed from Elm Grove across a tarmac car park with minimal landscape provision. This does not demonstrate a landscape setting of sufficient quality.

The establishment of a high quality landscape setting is required to ensure the proposals are appropriately integrated with the surrounding local landscape character. I recommend this should include:

- Generous provision for ornamental trees, shrubs and climber on supports as boundary screening
- Planting for attractive outlook views and amenity space for residents, staff and visitors to enjoy
- Secure boundary and access control treatments that don't appear intimidating or out of character.
- Quality, accessible hard landscape surfacing to delineate routes and provide means of access

Safe, intuitive pedestrian access

A safe and naturally intuitive pedestrian route is required for residents, staff or visitors arriving at the sheltered apartments. This should contribute an attractive and accessible pathway, which leads from Elm Grove up to the building main entrance. Surfaced with quality paving, there should also be sufficient visual contrast with the adjacent car park paving.

Parking and servicing provision

Given that parking provision is set to the frontage of the sheltered apartments, I recommend that particular consideration is also required for the appearance and surfacing material selection.

Although provision for on-site car parking seems very limited, I would emphasise that this should not be at the expense of safe and legible pedestrian access.

There needs to be sufficient space to move refuse and recycling units to an appropriate collection point from the designated store. This currently appears to be obstructed by proposed parking bays.

I am satisfied that the above comments can be addressed and resolved by way of appropriate landscape conditions in respect of boundary treatments, soft landscape and hard landscape.

Crime Prevention -Major Apps

Advice provided in respect of safety and security; the level of parking is questioned as it would be of concern if an additional burden was placed on the existing on street parking provision; consideration should be given as to how the electronic gates will work to all visitor access; consideration should be given to relocating the communal access door from the southern end of the western elevation to the northern end of the western elevation in order to safely deliver pedestrians and reduce the opportunity for accidents.

Local Lead Flood Authority HCC

The submissions in respect of surface water run-off have not been prepared in line with new technical standards of March 2015. (Note: a condition requiring drainage details is proposed to address this.)

Planning Policy

Policy Status:

The Local Plan now comprises of the Core Strategy (2011) and the Allocations Plan (2014).

CIL Charging Schedule:

On the 20 February 2013, the Council approved the Havant Borough Community Infrastructure Levy Charging (CIL) Schedule. CIL is payable on new residential floorspace at a rate of £100/sqm in Hayling Island.

Solent Recreation Mitigation Project (SRMP)

The SRMP contribution will be payable in accordance with policy DM24. I have noted that this doesn't appear to have been allowed for in the development costs used in the submitted viability assessment.

Retail Provision:

The front part of the site has most recently been used for retail purposes and is defined as secondary frontage in the adopted Local Plan (Allocations). Policy AL3(4) requires 25% of the units in secondary frontage to be retained in retail (A1) use. I have noted that the proposal includes provision of a ground floor shop unit onto Elm Grove which should help to satisfy the requirements of this policy.

Housing

Part of the site is specifically allocated for residential development in the adopted Allocations Plan (2014) under Policy HY1 (site reference HY13). This gave an indicative number of 14 dwellings. The number indicated in the plan was never intended to be prescriptive and if a satisfactory scheme has been designed that makes better use of what is previously developed land in order to provide further new homes then the principle should be supported. In any case the overall application site is larger than what was allocated. This is acceptable in principle as it is in the defined urban area (CS17).

The proposal will contribute towards the borough's housing requirement of 6,300 new dwellings between 2006 and 2026, in accordance with policy CS9(1). It will also provide accommodation for the ageing population in accordance with policy CS9(6).

Policy CS9(2) requires the provision of affordable housing. At 30% this would equate to 13.5 dwellings. The applicant has submitted information to suggest on site provision is not appropriate or possible (for practical and viability grounds). Their argument against on site provision is supported by case law evidence. I have no objection to the principle of a financial contribution in lieu of affordable housing in this instance. However, the amount payable needs to be tested.

Taking into account viability they have suggested a financial contribution of £120,000 in lieu of affordable housing provision (and to allow the scheme to remain viable). In accordance with the supportive text to Policy CS9 this viability assessment should be 3rd party tested at the developer's expense. Should this viability assessment subsequently be found correct (following 3rd party check) then the proposed financial contribution in lieu would be acceptable. However, it may be found that a larger contribution is possible and appropriate.

Parking

I have read the relevant section of the submitted Transport Statement which seeks to justify the 0.32 spaces per unit proposed. This falls significantly short of the adopted and emerging targets for parking.

- Adopted SPD non allocated = 0.9 spaces for 1 bed, 1.3 spaces for 2 bed
- Emerging SPD (as above but expressed as a minimum)

I am concerned that there may be some reliance on the free parking currently available in the nearby St. Marys Road public car park and at the Co-op (page 20 of the submitted Transport Statement). The availability of these car parks is important to support the local shops and businesses in providing customer parking. Clogging up these spaces with residential parking *could* have implications and undermine the local shops/businesses.

I recognise that there are shops and services and bus routes easily accessible to the site but I remain concerned as to the extent the parking provision falls short of the adopted standards.Summary

No policy objection to the principle of the development, subject to issues regarding viability and parking being resolved.

Southern Water

There is inadequate capacity in the local network to provide foul sewage disposal to service the development. Either off site works will be required or it will need to be demonstrated that there will be no overall increase in flows into the foul system. An informative is requested that a formal application will need to be made to Southern Water. Initial investigations indicate there is capacity to provide surface water disposal and a further informative is requested in this regards. A condition is requested with respect to foul and surface water sewerage disposal.

Arboriculturalist

No objection to the removal of the trees as they should not be a constraint to development due to their status. However, the requirement for a comprehensive tree planting plan should be conditioned.

Consultant Ecologist

Original comments: The application site is of limited ecological interest but there may be potential for one tree to have moderate potential to support roosting bats. Further clarification is required.

Comments following receipt of further information: Further investigation has concluded that the tree does not offer bat roosting potential. Clarification has also been provided on the requirement for bird nesting habitat compensation. I am content that all ecological matters are now resolved.

6 Community Involvement

This application was publicised in accordance with the Council's Code of Practice for Publicity of Planning Applications approved at minute 207/6/92 (as amended), as a result of which the following publicity was undertaken:

Number of neighbour notification letters sent: 32

Number of site notices: One

Statutory advertisement: 20/11/2015

Number of representations received: 19

Summary:

1. 14 car parking spaces for 44 flats is of concern and there appears to be no visitor parking provided. Utilising St Mary's Road car park necessitates a walk along a dark alleyway and the need to cross Elm Grove so raising safety concerns. It is not a

satisfactory alternative to on site parking. The situation will change should it become a chargeable car park. The survey undertaken is not representative; it is full regularly, particularly during school hours. The situation will also worsen when part of the Hayling Billy car park is taken out of use.

2. Vehicles will have difficulty turning within the site and there will be conflict with delivery and refuse vehicles.
3. Concern whether the health centre has capacity for the new residents.
4. The analysis of vehicle use should not be based on figures taken from outside the area.
5. The congestion in traffic and parking that occurs at school opening and closing times is not taken into account.
6. A supporting photo regarding activity in the vicinity of the vehicular access is misleading as is taken at a time of light traffic and pedestrian usage.
7. There is no risk assessment with respect to proximity to the Fire Station and the impact of traffic during construction.
8. Concern over proximity of mobile phone mast to the development.
9. The three storey building is far in excess of any other building within the area; it will have an unacceptable impact on neighbouring properties, the bowling green, allotments and the school as well as impacting the skyline over a large area. It will also cause overlooking and overshadowing and will be visible from the AONB. The use of white UPVC windows will make this impact even harsher.
10. The building would be acceptable at two storey and if more car parking was to be provided.
11. Nature of boundary treatments queried.

Officer Comments: *The transport and traffic implications of the development, and its impact upon the character of the area are discussed below. The capacity of the Health Centre to treat additional patients is not considered to be a material consideration for this particular application and is an issue for the NHS to address. A condition can be proposed to require parking details during the construction phase but the approach has to be via Elm Grove. This would be the case for any development proposal upon the site.*

7 Planning Considerations

- 7.1 Having regard to the relevant policies of the development plan and all other material considerations it is considered that the main issues arising from this application are:

- (i) Principle of development
- (ii) Impact upon the character of the area
- (iii) Impact upon residential amenity
- (iv) Highway and Parking considerations
- (v) Other Issues

- (i) Principle of development

- 7.2 The application site is situated within an urban area where further development is considered acceptable subject to the usual development control criteria. The site lies within a secondary frontage of the Gable Head District Centre and policy AL3 of the adopted Local Plan (Allocations) requires 25% to be retained in retail use. In this regard the proposal replaces the existing retail unit with one of a narrower frontage in order to provide a suitable access along its northern side. The retail frontage is therefore only marginally reduced and it is considered the provision of the ground floor retail unit should help satisfy this requirement. This view has been endorsed by the Planning Policy consultation response.

- 7.3 With respect to the housing proposal the site has specifically been allocated for residential development in the adopted allocations Plan under policy HY1 as site

reference HY13. This allocation gave an indicative number of 14 dwellings. This number was not prescriptive and had anticipated a standard dwelling layout. However, the proposed sheltered apartment scheme makes better use of previously developed land in a sustainable location adjacent to the District Centre and Planning Policy have advised that this form of development is acceptable in principle as the site is within the defined urban area. The proposal will contribute towards meeting the borough's housing requirement of 6,300 new dwellings between 2006 and 2026 in accordance with policy CS9(1). It will also provide accommodation for the ageing population in accordance with policy CS9(6) of the Core Strategy.

- 7.4 Policy CS9(2) of the Core Strategy requires the provision of affordable housing and at 30% this would equate to 13.5 dwellings. The applicant has submitted information to suggest on site provision is not appropriate or possible for a sheltered scheme of this kind for both practical and viability grounds. They have supported their argument with case law evidence. With respect to this aspect the Housing Development Officer has advised that Hampshire Home Choice currently has 98 households registered for sheltered housing. The rehousing of these people would enable the larger units they currently reside in to be used more effectively to accommodate families. However, it is appreciated that it would be a difficult management issue to include social units in an owner occupied block. Planning policy has no objection to a financial contribution in lieu of actual provision. However, the amount payable needs to be means tested and this work is in progress. The current offer is £120,000. It is therefore considered that the principle of the proposal is acceptable subject to the completion of the review of the viability submission. The location of the development is in a very sustainable area with access to amenities in the form of public transport, health provision and retail opportunities and so is considered to be a very suitable location for retirement accommodation.

(ii) Impact upon the character of the area

- 7.5 On the Elm Grove frontage, the replacement retail unit with flat above is designed in a traditional two storey hipped roof manner and will relate appropriately to the existing character of the street scene.
- 7.6 For the apartment block behind, elements of all elevations are three storey in height although on the southern side the third floor is provided by a half dormer design. The frontage facing Elm Grove is also stepped up with single and first floor elements to the north and south of the full three storey element which has a height of 11.5m. The building lies 40m back from the Elm Grove frontage and will be viewed either through the previous Pullinger/Tesco car park or the new access to the development located to the north of the replacement retail unit and flat above. At this distance from the Elm Grove frontage it is considered that a development of this scale, with the particular approach taken to its detailed design and massing and which features a significant amount of articulation, will result in a building that will not be detrimental to the character of the Elm Grove street scene. In terms of the wider impact upon the character of the area, to the north of the site is a car park and bowling green and the actual British Legion club is at a distance in excess of 55m; to the west are the open areas of the Allotment Gardens with a width of 45m and beyond the Allotments are the car park of both Mengham Junior School and, to the north of that, the Recreation Ground. These neighbouring uses are not all public areas but are uses that provide community uses that are visited by the public. Their generally open character provide a spacious land use context for the new building beyond the site itself, and whilst the new development will be clearly prominent in this context, the relationships and distances to the adjoining land uses are considered to be such that the proposal to introduce a three storey building would not, in itself, be detrimental to the character of this particular area. To the south of the site are rear gardens of a terrace of two storey dwellings in Palmerston Road and that detailed relationship in terms of residential amenity is considered in the section below. However in terms of general principles of scale, the fact that the new development will lie some

14.5m off the shared boundary with these properties is considered to mitigate the change in storey heights that will be seen between the existing Palmerston Road development and the new development proposed.

- 7.7 Having regard to the relationship of the development to its surrounding context it is therefore considered that the proposal is acceptable in respect of its scale, massing and street scene implications to Elm Grove and its wider impact under the requirements of CS16 of the Core Strategy.

(iii) Impact upon residential amenity

- 7.8 As detailed above the site is only bordered by residential properties on the southern side. The use of the half dormer design results in a lower overall height for the three storey element of 10.5m on this elevation. The distance between the rear of the dwellings and the three storey element with the half dormer roof accommodation is 36m at its closest. This is in excess of the 24m required by the Havant Borough Design Guide SPD for a three to two storey relationship between residential developments. Also on this boundary new fencing is proposed to be provided together with hedging on the side of the proposal. It is therefore considered that in terms of the relationship of the new development to neighbouring residential properties, the impact upon them will be satisfactory under the requirements of Core Strategy policy CS16.
- 7.9 With respect to the amenity of the residents within the sheltered apartment development the ground floor units have doors to outside patios and there is a garden provided on the south side. The wing on the west side of the southern frontage element of the building makes this area secluded from the activity on the Elm Grove frontage. There is scope within the garden and on the boundaries of the site to implement the planting scheme that is considered suitable. In addition amended plans have defined a pedestrian entrance for the development for residents to address the concerns raised by the Landscape Officer in this regard, and secures a route to the apartments which prevents the need for the elderly to cross the car park and conflict with any vehicle turning movements. On this basis it is considered the environment for the residents will be acceptable.

(iv) Highway and parking considerations

- 7.10 The sheltered apartment scheme is provided with 14 car parking spaces which equates to a parking space ratio of 0.32 per flat. This is greater than the one space per 4 units (0.25 per unit) which was the historic standard previously used for similar forms of developments within Havant that have a minimum age condition. This standard is not however referred to in the adopted parking standards as expressed in the Residential Parking SPD. Under those standards the provision falls short of the general parking standard of 0.9 spaces for 1 bed flats and 1.3 spaces for 2 bed flats when spaces are unallocated; in respect of parking for sheltered housing in particular the standard varies between 1 space per unit (general) down to a maximum of 0.5 spaces per unit in Havant town centre. A number of representations received in connection with the application make reference to car parking issues, and concern has also been expressed by Planning Policy that there may be over reliance on the free parking available in the St Mary's Road car park which is an important facility to support the local shops and businesses in providing customer parking. It has been queried that residential parking in this car park could undermine the local shops/businesses.
- 7.11 In response to these issues the agent has provided various appeal decisions to demonstrate that the level of parking proposed is similar to other sites operated by the applicant and which have been accepted on appeal. It is argued, against the background of their surveys of existing other Churchill developments and the appeal evidence that the level of parking on site will accommodate residents and visitors. However, they have undertaken a survey of the St Mary's Road car park on a Thursday between 0900 and

1600 and on a Saturday between 0900 and 1200. The maximum percentage of spaces occupied was 71% leaving 16 spaces still available, at 1500 on the Thursday. This is at the time of school pick up and so demonstrates that if there is the need for visitors or carers to park in the car park that there is capacity to accommodate both them and other visitors to the wider District Centre. Against the background of the appeal evidence and the survey data, and when recognising the sustainable location of the development adjacent to a District Centre and with options for alternative modes of transport in the form of a regular bus service, it is considered that the level of car parking proposed for the scheme is acceptable and the highway authority has advised that there is not a parking ground for refusal on the basis that the St Mary's Road car park is for multiple use. There will, however, need to be an age restriction condition included on any decision.

- 7.12 Concern was also raised about the ability to turn on site but further submissions have shown tracking and turning is possible within the site. Access to the main entrance for pedestrians through the car park was not thought desirable for elderly residents but an amendment has developed a pedestrian route to a side entrance for residents on the northern side. A canopy porch is also proposed for this entrance. The distance to this secondary entrance is shorter than to the main one so should indeed be attractive to the residents to use. On this basis the layout of the car park is considered acceptable. Whilst the absence of further landscaping within the car parking area, referred to in the Landscape Officer's response, is regrettable, given the secluded location of the car park within the site and the use of a varied palette of materials to distinguish the various functions of this space, this is not a matter which is considered to be of sufficient weight to justify the refusal of the scheme. Conditions are proposed to address the provision of the car parking and cycle parking.

(v) Other Matters

- 7.13 In view of the potential for contamination from the open storage use on the site conditions are proposed to ensure any potential contamination of the ground is addressed. Conditions can also be imposed to address Environmental Health requests with respect to an air-source scheme and the details of any SUDs scheme. An informative is also proposed to highlight that there may be asbestos upon the site.
- 7.14 With regard to ecological matters, agreement has been reached with the Consultant Ecologist that the development will not prejudice bat and bird habitat. With regard to the impact on the Solent Special Protection Area, this development would increase the number of dwellings within the 5.6km zone identified as significant in potentially increasing recreational pressure on the Solent SPA. Natural England's advice with regard to all new housing development within this zone is that it is likely to have a significant effect on the SPA. The measures of mitigation adopted by the LPA at the end of June 2014 requires a payment of £172 per dwelling to the Solent Recreation Mitigation Partnership (SRMP) – this is to secure accordance with Policy DM24 of the Allocations Plan 2014. The required financial contribution has been offered and this can be secured through a S106 agreement.
- 7.15 Any S106 will also need to secure an appropriate financial contribution in lieu of affordable housing on the site, as discussed at Paragraph 7.4 above. The figure currently offered has still to be agreed, and members will be updated of progress in this issue prior to the Committee meeting. The development will also be liable to a CIL payment.

8 Conclusion

- 8.1 It is considered that the proposed development would make a valuable contribution to the borough's housing requirements by providing retirement accommodation on a site

allocated in the Local Plan, and also provides a retail unit on the Elm Grove frontage to meet the policy requirements for the secondary retail frontage. The assessment provided concludes that the form of the development, including its 3 storey height, is appropriate having regard to the site context, and that being in a sustainable location the car parking provision is acceptable on the basis of the development being age restricted. It is therefore concluded that subject to a Section 106 securing the payment of the SRMP payment and an agreed contribution in lieu of affordable housing that the proposal is considered acceptable.

9 RECOMMENDATION:

That the Executive Head of Planning and Economy be authorised to **GRANT PERMISSION** for application APP/15/00950 subject to:

(A) The entering into of a S106 Agreement, acceptable to the solicitor to the Council, to secure the required SRMP contribution and contribution in lieu of the provision of affordable housing; and

(B) Conditions to address the following matters, and any others that are considered appropriate (the detailed wording of such to be delegated to the Executive Head of Planning and Economy):

1. Timing condition
2. Age restriction condition
3. Details of materials
4. Details of hardsurfacing and its implementation
5. Details of landscaping and its implementation.
6. Details of means of enclosure and their implementation.
7. Survey and mitigation of ground contamination
8. Details of foul and surface water drainage.
9. Details of any air source heat pump provision and an acoustic assessment.
10. Details of parking provision during construction
11. Development to be in accordance with approved plans

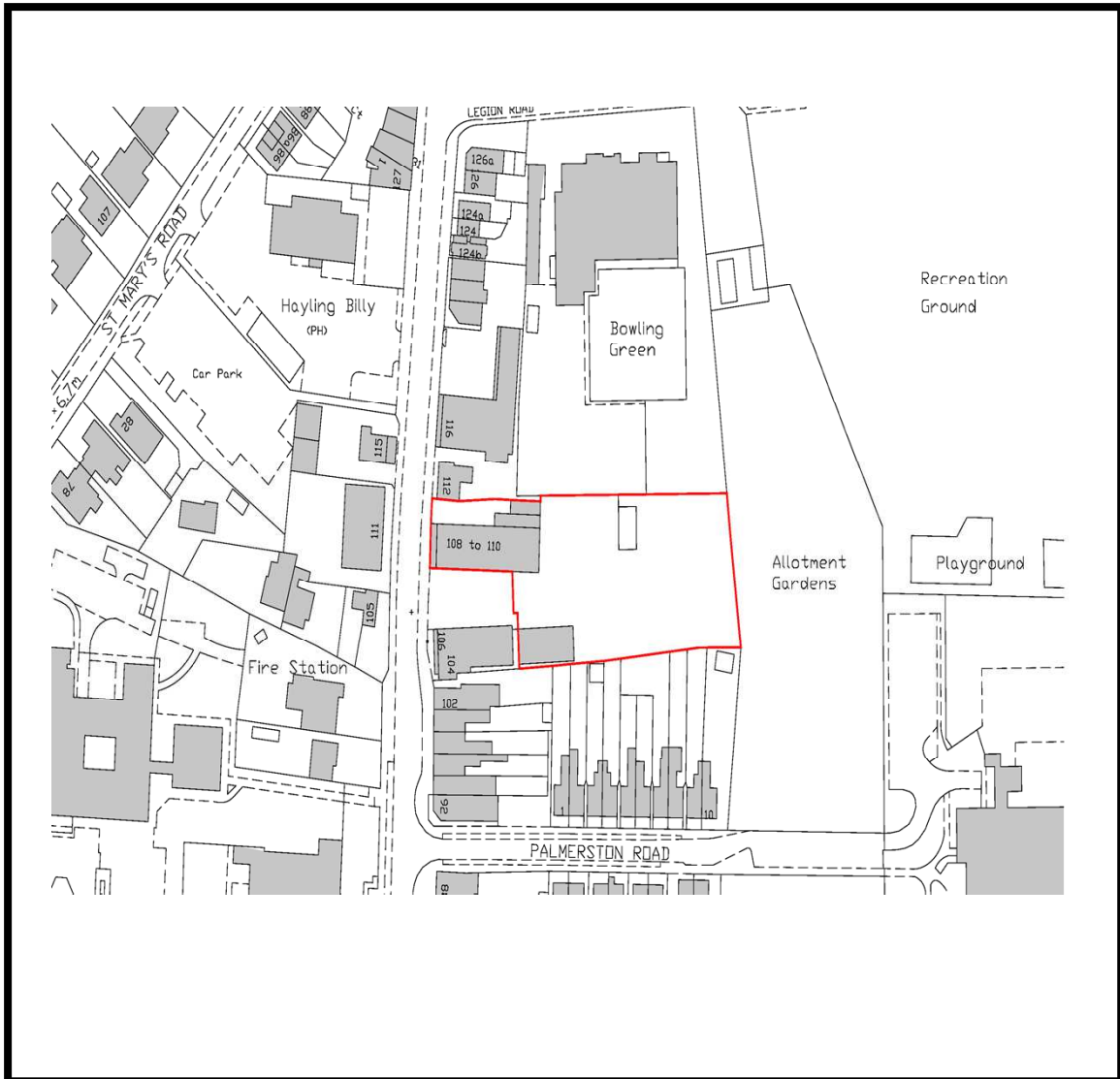
Appendices

- (A) Location Plan
- (B) Site Layout
- (C) West Elevations
- (D) South Elevations
- (E) East Elevations
- (F) North Elevations
- (G) Shop & Flat Elevations
- (H) Model Views

Additional Documents

<http://tinyurl.com/zdhreyb>

LOCATION PLAN



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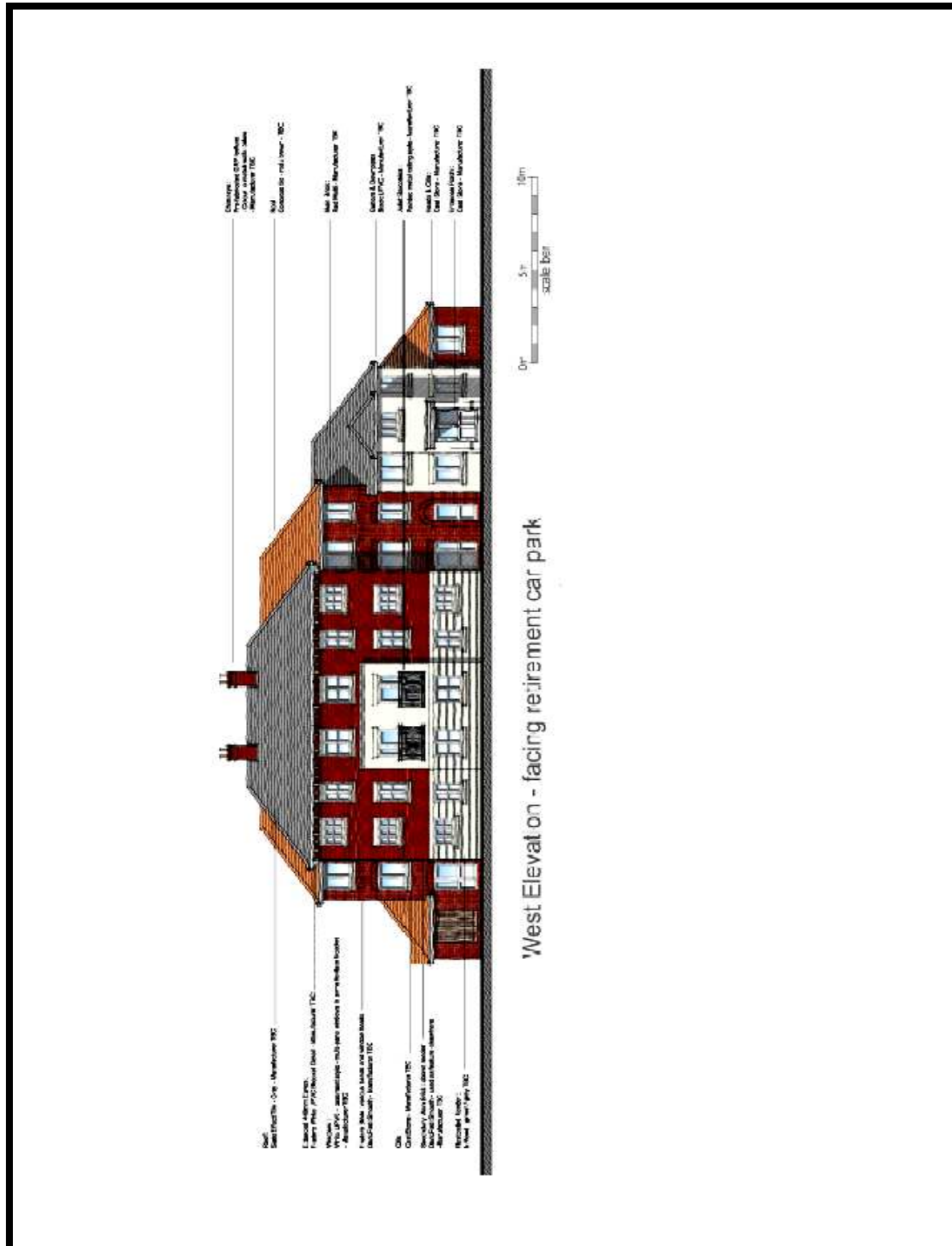
SITE LAYOUT



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APPENDIX C

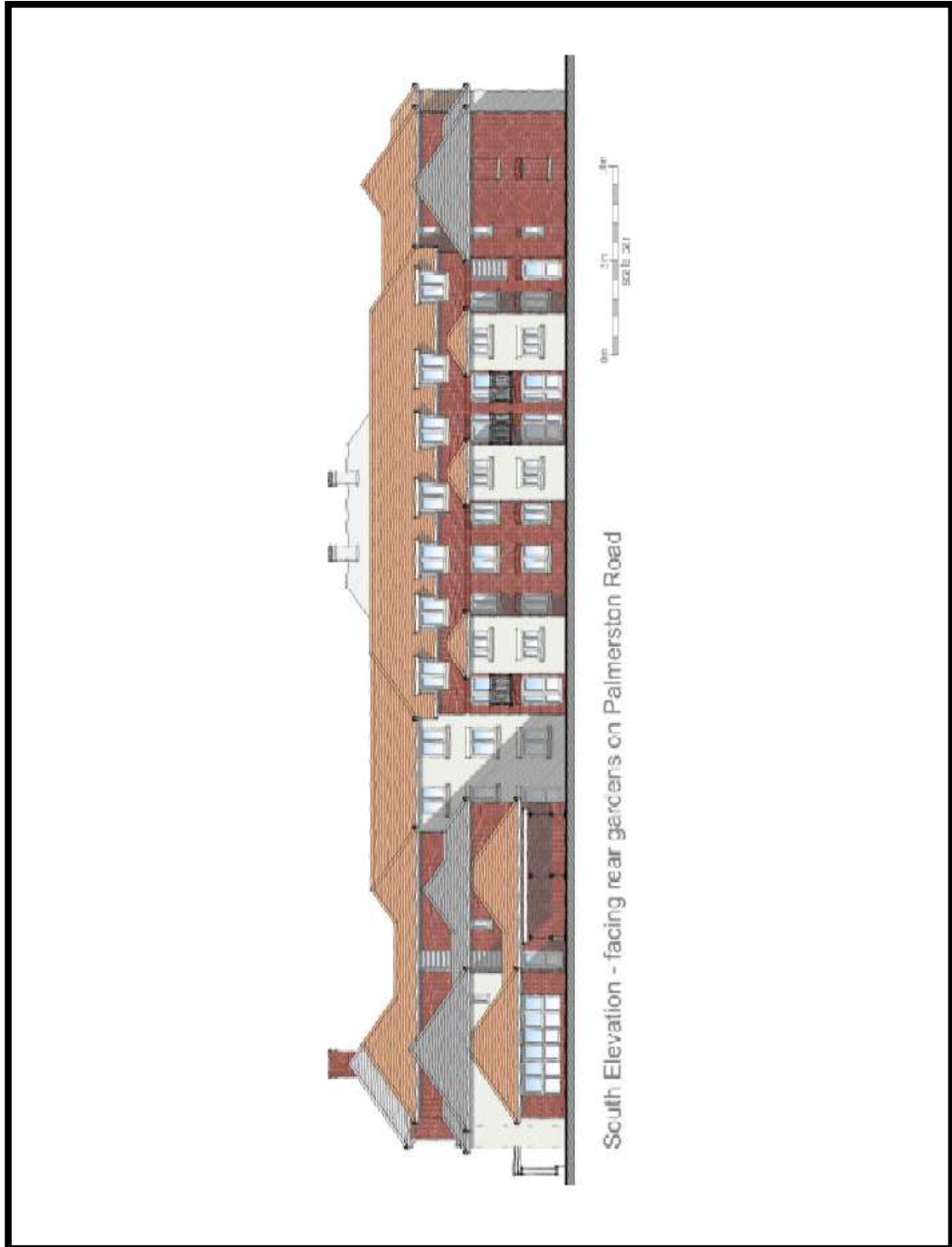
WEST ELEVATIONS



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APPENDIX D

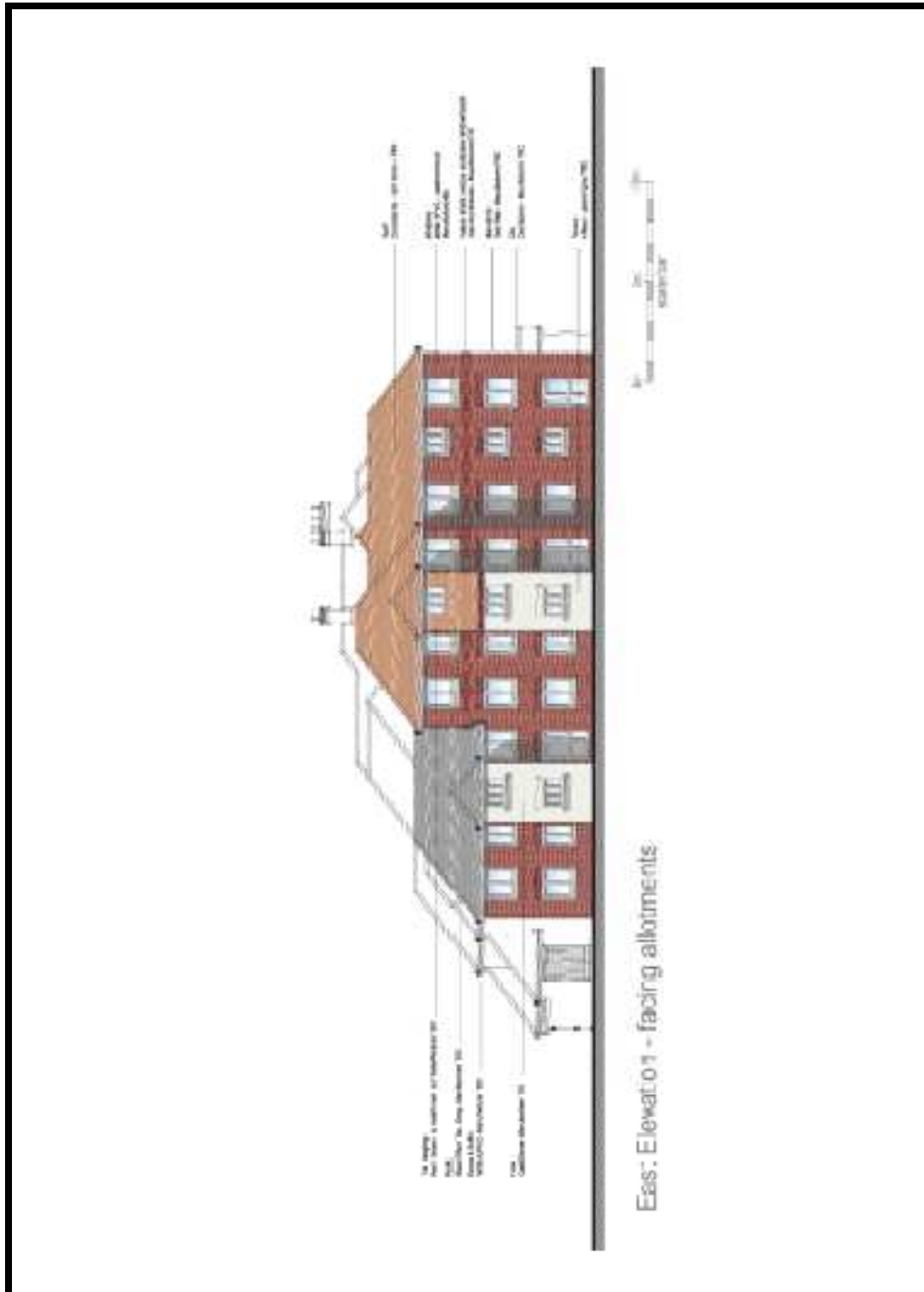
South Elevation



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APPENDIX E

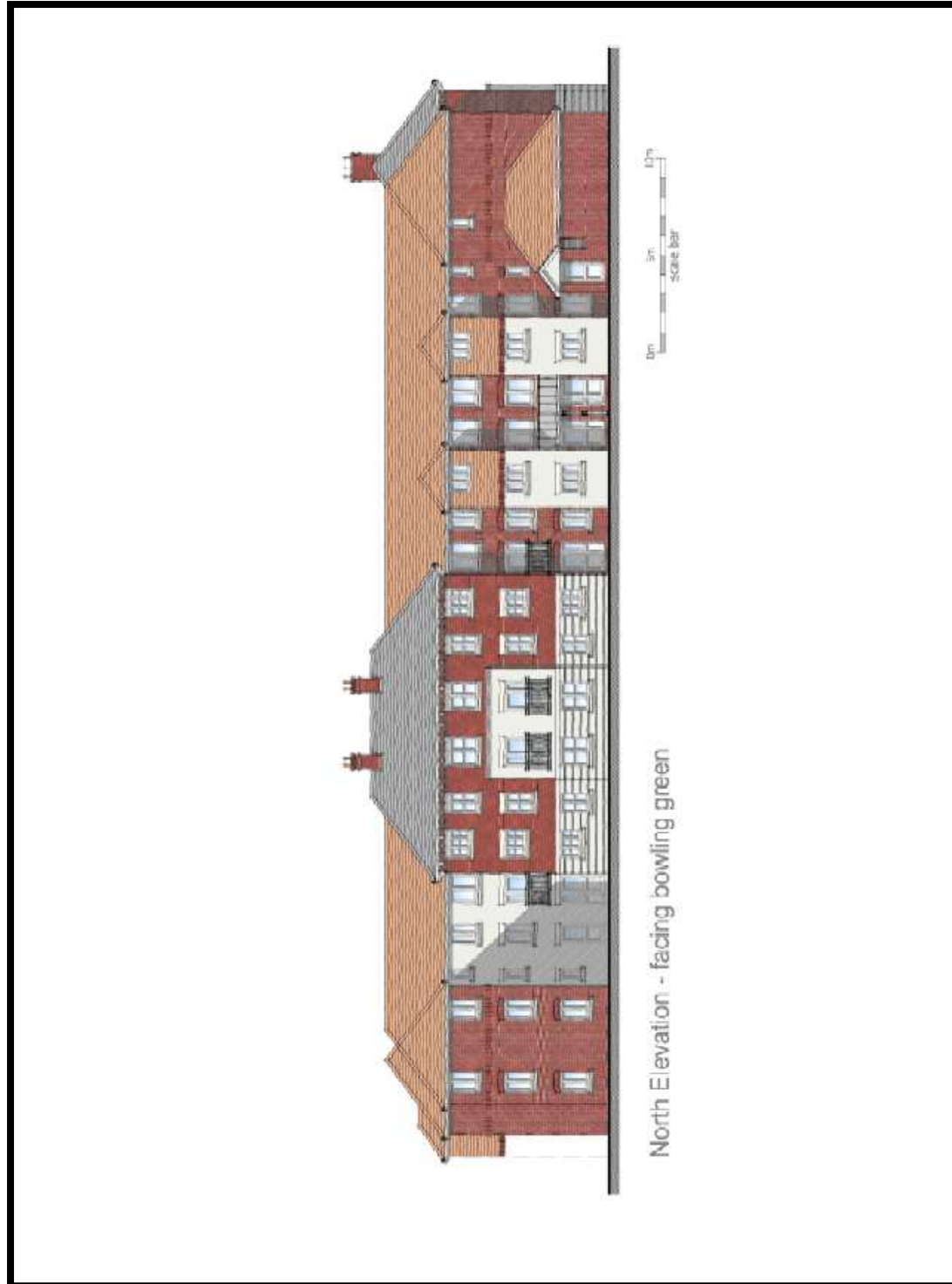
EAST ELEVATIONS



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APPENDIX F

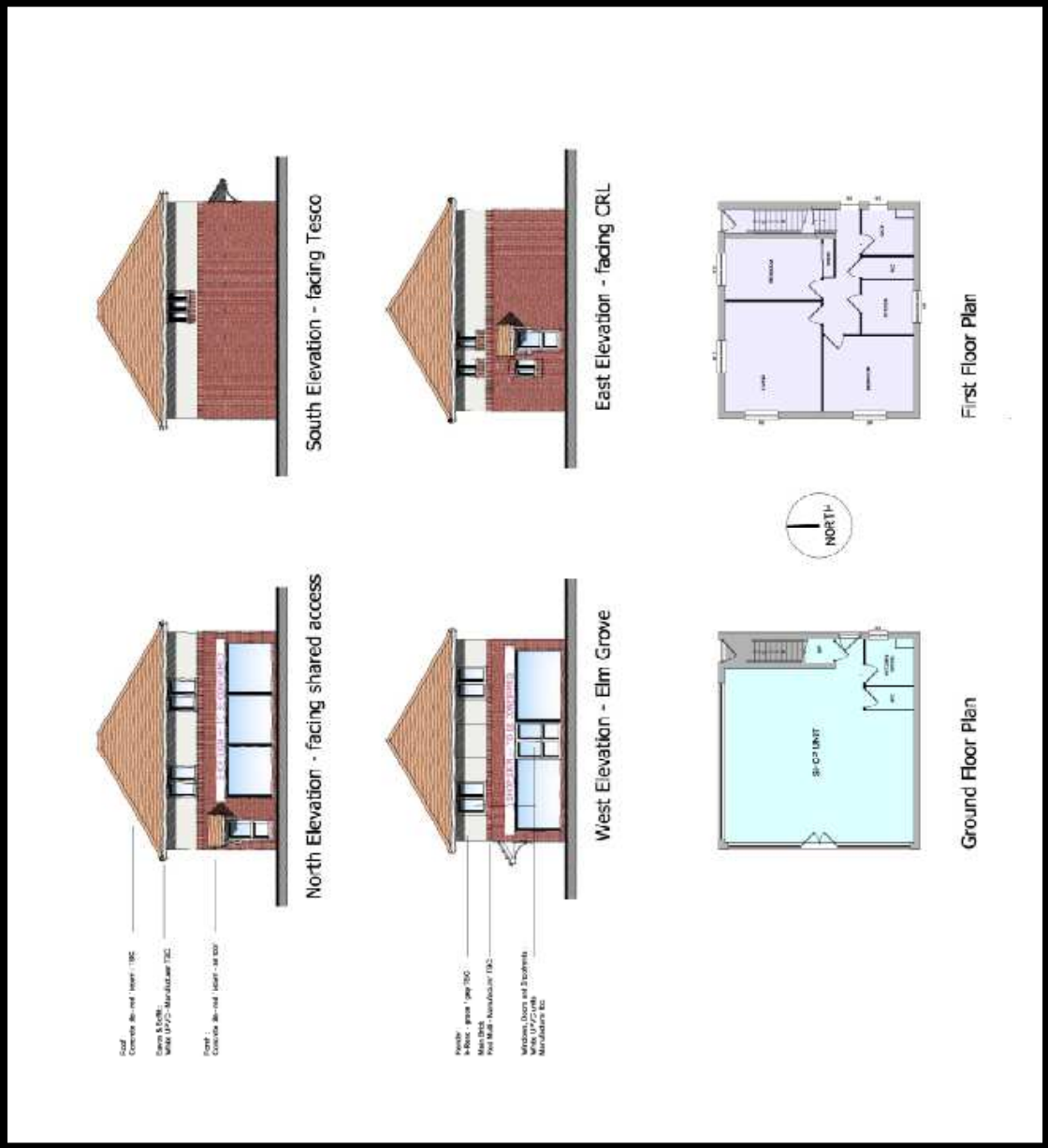
NORTH ELEVATIONS



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APPENDIX G

SHOP AND FLAT ELEVATIONS



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MODEL VIEWS



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Agenda item

APP/15/00950 - 108-110 Elm Grove, Hayling Island

- Meeting of Development Management Committee, Thursday, 17th December, 2015 5.00 pm (Item 75.)
- View the background to item 75.

Proposal: Demolition of retail unit and associated outbuildings and redevelopment to form 44No. sheltered apartments for the elderly including communal facilities, access, car parking, landscaping and substation. In addition, provision of 1No. retail unit with flat above with associated parking and landscaping.

Minutes:

(The site was viewed by the Site Viewing Working Party)

Proposal: Demolition of retail unit and associated outbuildings and redevelopment to form 44No. sheltered apartments for the elderly including communal facilities, access, car parking, landscaping and substation. In addition, provision of 1No. retail unit with flat above with associated parking and landscaping

The Committee considered the written report and recommendation of the Executive Head of Planning and Built Environment to grant permission.

The Committee received supplementary information, circulated prior to the meeting, which:

- (a) gave details of additional representations received since the agenda was published;
- (b) included recommended conditions; and
- (c) included a cross section of the site.

The Committee was addressed by the following deputies:

(1) Mr A Walker advised that he had no objection to a retail development on the site but objected to this proposal for the following reasons:

- (a) the proposal was contrary to Policy CS4 which sought to accommodate additional retail space in Elm Grove;
- (b) the off street parking outside the application site did not have the capacity to accommodate the additional demand for off street parking likely to be generated by this proposal. The proposed closure of the Hayling Billy car park after Christmas and the loss of car parking facilities currently on the site would create a greater demand for off street parking, which could not be met. As a result there would be a loss of trade to the detriment of the economic vitality for the area and an increase in congestion to the detriment of other road users;
- (c) there was a lack of consultation on the proposal; and
- (d) the proposal would lead to job losses at his business as there would be inadequate parking for his staff, who currently used the Hayling Billy car park, which would be closed after Christmas;

(2) Mr M Walker, supported the comments made by Mr A Walker and emphasised that a lack of parking in the area would lead to loss of trade to the detriment of their business and other businesses in the area;

(3) Mr McFarlane, the applicant's agent, supported the application for the following reasons:

- (e) the proposal was in accordance with the National Planning Policy Framework and the Council's Local Plan;
- (f) the scheme would provide much need accommodation for the elderly and at the same time free up under-occupied accommodation for younger families;
- (g) the proposal would add to the vitality and vibrancy of the area;

- (h) the location of the development will make a positive and sustainable contribution to the local economy in terms of placing development where it is needed in an accessible location;
 - (i) the development was of a high quality design;
 - (j) although the development might in the short term lead to an increase in demand for off street parking outside the application site, evidence demonstrated that, in the long term, the proposed parking provision was adequate;
 - (k) a traffic survey showed that the current St Mary's car park was underused and could accommodate any additional demand for off parking likely to be generated by this development; and
 - (l) the proposal would result in substantial CIL contributions.
- (3) Councillor Perry, objected to the proposal for the following reasons:
- (m) the number of parking spaces required for this development had not been properly quantified: a decision on the number of spaces required should be based on similar developments on Hayling Island and not elsewhere in the Borough;
 - (n) the car parking provision on the application site was inadequate and would either encourage parking on the street to the detriment of other highway users or in the nearby St Mary's car park to the detriment of the shops in the locality and visitors to the area;
 - (o) Inadequate visibility splays were to be provided at the junction of the access with the highway and this would cause danger and inconvenience to users of the adjoining highway and in particular pedestrians;
 - (p) The proposal did not incorporate adequate facilities to enable a vehicle to turn on the site and so enter a highway in a forward gear which was essential in the interests of road safety;

- (q) the traffic generation survey related to developments completed before 2014 and to sites outside of Hayling Island; some of the sites were outside of the Borough of Havant;
- (r) the development made no provision for mobility scooters or cycles as suggested by the Development Engineer;
- (s) the parking survey did not take into account the proposed closure of the Hayling Billy car Park and the impact this would have on the capacity of the St Mary's car park;
- (t) the parking survey was not a true representative of the usage of St Mary's car park;
- (u) the survey did not take into account the additional construction traffic and parking, which would be generated by this development;
- (v) the height and massing of the development would be an incongruous feature in the street scene and the nearby Area of Outstanding Natural Beauty;
- (w) there was no record of a response from Chichester Harbour Conservancy
- (x) the proximity and height of the development would give rise to overlooking to nearby residential properties especially to those properties to the north of the site.

Councillor Perry requested that if, the Committee was minded to grant permission, all the conditions be rigorously enforced.

- (4) Councillor Lenaghan supported the previous objections to the scheme and raised the following additional concerns:
 - (y) the development would be out of keeping with the area and detrimental to the street scene;
 - (z) the parking provision on the application site was inadequate and relied upon a public car park to accommodate any overspill to the detriment of other users of the car park;

- (aa) the lack of an adequate parking provision would also encourage parking on the street thereby exacerbating the existing traffic problems associated with traffic in this area;
- (bb) the proposed new access with a lack of adequate vision splays would be hazardous to pedestrians;
- (cc) The traffic survey did not adequately take into account the characteristics of Hayling Island, which due to its isolation from the mainland encouraged the use of cars;
- (dd) the closure of the Hayling Billy car park would result in staff working in nearby business competing with visitors/residents of the proposed development for parking spaces in the St Mary's Car park;
- (ee) due to problems with the usage of the St Mary's Car park, the Council's Parking Team was considering introducing a 3 hour maximum waiting limit. If this was introduced, the car park would not be available for the period assumed in the car park survey;
- (ff) businesses in the locality would be adversely affected if potential customers could not park due to parking places being occupied by other users; and
- (gg) the Parking Team had not been consulted on the potential impact of this development on a Council car park.

In response to questions raised by members of the Committee, the officers advised that:

- (1) Hayling Billy car park and the current parking area on the application site were not public car parks so would not have included in the parking survey;
- (2) the applicant had provided evidence of car usage in their other similar developments which showed that the parking provision for this application as adequate: the Council had no proof that these projections were incorrect;
- (3) a survey of the traffic generated by the local school did not form part of this application;
- (4) the comments of the Fire Service were set in paragraph 5.12 of the report;

- (5) that site had been specifically allocated for housing in the adopted allocations plan. Therefore Haying Health Centre would not have been consulted;
- (6) the density of the development was 133 dwellings per hectare; it was difficult to compare the density of this development with other developments in the area as the density would vary according to the location, size and characteristic of each site;
- (7) a CIL contribution of £120,000 offered by the applicant towards affordable housing was reviewed by an independent assessor. Such an assessment was purely indicative and the Council was not duty bound to rely upon this assessment as the final contribution required for this development. In view of this assessment a sum of £305,000 was agreed with the applicant, which was acceptable to Housing;
- (8) A condition requiring details of the foul and surface water sewerage to be submitted and approved by the Council before development commenced was proposed to overcome the concerns raised by Southern Water Authority;
- (9) due to the spatial setting of the development it would be difficult to justify refusal on the grounds of overdevelopment;
- (10) it appeared that laundry facilities would be provided in each apartment;
- (11) a communal bin store would be provided for residents of the sheltered apartments; separate bins would be provided for the retail unit and flat above; and
- (12) there would be a weekly refuse collection

The Committee discussed this application in detail together with the views raised by the deputies. Although one member of the Committee expressed support for the application, the majority of the Committee considered that:

- (i) the proposal by reason of its bulk height and site coverage would be an incongruous feature detrimental to the visual amenities; and
- (ii) the lack of parking and turning facilities on the site for service vehicles would be detrimental to other users of the highway.

The Committee also considered refusing the application on the grounds that:

- the additional traffic likely to be generated by the proposal would have a detrimental impact on other users of the highway,
- the development would result in the loss of car parking spaces
- the development would provide satisfactory living conditions for the occupants of the proposed apartments

However, in view of advice given at the meeting, it was acknowledged that there was insufficient evidence to justify a refusal on these grounds.

During the debate, the officers advised that if the Committee was minded to refuse permission, it should also refuse on the grounds that the required SRMP and affordable housing contributions had not be secured.

RESOLVED that Application APP/15/00950 be refused on the grounds:

- 1 The proposed development by reason of its bulk, height and site coverage would be an incongruous feature to the detriment of the visual amenities of the area, and would not provide satisfactory waiting and turning facilities for servicing vehicles within the site, and as a result would be prejudicial to the safety and amenities of users of the highway network in the surrounding District Centre. As such the proposed development would be contrary to Policies CS16, CS20 and DM7 of the Havant Borough Local Plan (Core Strategy) 2011 and the National Planning Policy Framework 2012.
- 2 In the absence of binding arrangements for the provision of on site affordable housing or alternatively an acceptable contribution in lieu of on site provision the proposal fails to make adequate provision for affordable housing in the interests of creating mixed communities and responding to housing need. As such the proposed development is contrary to Policy CS9 of the Havant Borough Local Plan (Core Strategy) 2011, the adopted Havant Borough Council Housing SPD July 2011 and the National Planning Policy Framework 2012.

- 3 The proposal, without completion of the appropriate binding arrangements to secure a contribution towards the Solent Recreation Mitigation Project, is contrary to the Council's Policy on contributions towards measures of mitigation adopted by the Local Planning Authority. These seek to ensure that the provision is made from new development towards mitigating against increasing recreational pressure on the Solent SPA. The development is therefore contrary to policies CS11 and CS21 of the Havant Borough Local Plan (Core Strategy) 2011 and Policy DM24 of the Havant Borough Local Plan (Allocations) 2014 and the National Planning Policy Framework 2012.

Appendix 2

The Top of the Ladder report by Demos (2013).

“A new generation of retirement housing could set off a property chain reaction...”

THE TOP OF THE LADDER

Claudia Wood

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First published in 2013
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*Magdalen House, 136 Tooley Street,
London, SE1 2TU, UK*
ISBN 978 1 909037 39 7
Series design by modernactivity
Typeset by Chat Noir Design, Charente
Printed by Lecturis, Eindhoven
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Cover paper: Flora Gardenia
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THE TOP OF THE LADDER

Claudia Wood

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Acknowledgements

This report has benefited from the support, hard work and expertise of a huge number of people.

First, I would like to thank the members of the Home Builders Federation, whose generous funding made this research possible.

I am grateful to the experts whom we interviewed during the course of this research, for sharing their time, knowledge and ideas. Thank you also to Professor Les Mayhew at the Cass Business School at City University London for his analysis of the English Longitudinal Study of Ageing, which allowed us to model the potential impact of older people downsizing on the rest of the housing chain.

At Demos, huge thanks go to Jo Salter, for coordinating and carrying out the field work for this report; Rishab Mehan, who put in some long hours pulling together the data on ownership, housing size and equity; and Chris Tryhorn, whose literature review was helpful in shaping the final report. I would also like to thank several of our excellent interns for their help with this project – particularly Lindsay Pain, Callum Anderson, Laura Russell and Marco Bartholdy.

Credit for expertly guiding the report through the production and launch stages goes to Ralph Scott, Rob Macpherson, Sophie Duder and Sophie Hind.

All errors and omissions remain my own.

Claudia Wood
September 2013

Executive summary

This report brings together the evidence regarding the UK's 'next housing crisis' – the chronic undersupply of appropriate housing for older people. While all eyes are on those struggling to get on the bottom of the property ladder, those at the top are often trapped in homes that are too big and unmanageable. They struggle to compete with first time buyers (supported by Help to Buy and other initiatives) for small properties currently in the market – nor would they necessarily want to. A lack of choice of suitable homes to downsize into is having a negative effect not just on older people's health and wellbeing, but on the rest of the housing chain, as 85 per cent of larger family homes owned by older people only become available when someone dies.

Many policy reports have been written on this issue and a range of robust evidence already highlights the benefits of retirement housing. And yet little has been done so far to implement the proposals made in these reports. We lack a coherent strategy at national level and guidance at local level on retirement housing and this shows in everyday planning decisions and the attitudes of those dealing with developers. Retirement housing remains in an uneasy space between general needs housing and residential care, and suffers from association with both.

Demos sought to distil the evidence presented from a range of sources (academic, policy orientated and grey literature) on the scale of the problem, the impact this was having, the benefits or resolving it, and how to go about this. We supplemented these findings with new polling of our own and analysis of the English Longitudinal Study of Ageing (ELSA) to get a better picture of the housing chain effect that could be achieved if more of those older people interested in downsizing or moving to retirement properties were able to. We also spoke to a range of experts

(listed in appendix 1) for their suggestions on how to tackle supply and demand issues regarding older people's housing. We found that, while retirement properties make-up just 2 per cent of the UK housing stock, or 533,000 homes, with just over 100,000 to buy, that:

- One in four (25 per cent) over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally.
- More than half (58 per cent) of people over 60 were interested in moving.
- More than half (57 per cent) of those interested in moving wanted to downsize by at least one bedroom, rising to 76 per cent among older people currently occupying three-, four- and five-bedroom homes.
- These figures show that 33 per cent of over 60s want to downsize, which equates to 4.6 million over 60s nationally.
- More than four in five (83 per cent) of the over 60s living in England (so not Scotland, Wales or Northern Ireland) own their own homes, and 64 per cent own their home without a mortgage.
- This equates to £1.28 trillion in housing wealth, of which £1.23 trillion is unmortgaged. This is far more than the amount of savings this group has (£769 billion).
- Therefore the over 60s interested in downsizing specifically are sitting on £400 billion of housing wealth.¹
- If just half of the 58 per cent of over 60s interested in moving (downsizing and otherwise) as reported in our survey were able to move, this would release around £356 billion worth of (mainly family-sized) property² – with nearly half being three-bedroom and 20 per cent being four-bedroom homes.³
- If those wanting to buy a retirement property were able to do so, this would release £307 billion worth of housing.⁴
- Combining NewPolicy Institute (NPI) analysis of current market chain effects of older people dying and moving each year with our own analysis of ELSA, we can estimate that if all those interested in buying retirement property were able to do so, 3.5 million older people would be able to move,⁵ freeing up 3.29 million properties, including nearly 2 million three-bedroom homes.⁶

- If just half of those interested in downsizing more generally were able to do so, 4 million older people would be able to move,⁷ freeing up 3.5 million homes.

Apart from the obvious gains to the housing chain, there is robust evidence that retirement housing has a very beneficial effect on older people's health, wellbeing and social networks, and could save health and care services considerable resources. The equity released could help tackle pensioner poverty and have wider economic benefits.

With all of this in mind, it is somewhat surprising that the current government has not done more to work in partnership with the private sector to encourage greater supply of retirement property. There are a range of relatively low-cost steps which could stimulate the market, including:

- giving retirement housing special planning status akin to affordable housing, given its clear and demonstrable social value.
- tackling S106 and community infrastructure levy (CIL) planning charges, which make many developments untenable and affect them disproportionately compared with general needs housing developments.
- quotas and incentives for reserving land for retirement housing, and linking this to joint strategic needs assessment and health and wellbeing strategies for local areas.

Of course, we cannot assume that 'if we build it, they will come'. While poor supply does drive down demand, there are other factors at play, both practical and emotional. Methods of overcoming these include providing practical help to older people to move, giving financial incentives (such as stamp duty exemption) and – some have argued – bringing in financial penalties for under occupation.

We conclude by reflecting on the fact that the housing needs of our rapidly ageing population (the number of over 85s will double by 2030) is the next big challenge this government faces. And yet the costs associated with overcoming this are far lower than those related to the effects of the ageing population

on health or social care. The money is there already – locked up in over a trillion pounds' worth of assets across the country. Hundreds of millions of pounds could be released to stimulate the housing market if (low-cost) steps were taken to unlock the supply to meet the demand already there – let alone if demand were further stimulated. While there must always be a place for social housing and affordable tenancy for older people, the vast majority of older people can be helped into more appropriate owner-occupied housing without any direct delivery costs incurred by government or local authorities.

So the fact that no recent government has yet grasped this nettle is a surprise, given how substantial the benefits could be. The Coalition Government has focused significant attention and resources on the currently more visible plight of renters unable to afford their first home and others unable to move because they lack the necessary deposit. Somewhat inevitably this focus has largely ignored the specific needs of housing the elderly.

We argue that the government needs to have a 'whole chain' view of the housing market – recognising that assisting the private sector to help serve older people will have a trickle-down effect of unlocking supply and benefiting those on every other step of the ladder.

1 The UK housing crisis

We have not built enough homes to keep pace with demand for many years. Looking at long-term trends, the National Audit Office concluded that there has been no consistent growth in private house building since 1970.⁸ Demand for extra homes in England is now estimated at around 210,000 properties a year to meet population growth, and yet the average output from house builders and social housing providers has been 154,000 extra homes a year since 2008. Moreover, building is slowing down – 146,000 dwellings were added to the housing stock in 2011, 43 per cent down on the figure for 2008, while in 2012 this had fallen to 112,500 – almost half the number required. The Joseph Rowntree Foundation (JRF) calculated that at the current rates of building, the gap between demand and supply would be a shortfall of 1.1 million homes in 20 years' time.⁹

The most obvious and direct result of this shortage is spiralling rental and house prices, with young, first time buyers bearing the brunt of this problem. Between 1997 and 2011 there was a 20 per cent increase in the number of 20–34-year-olds living with their parents, and now considerable attention is given to first time buyers and the shortage of housing for the under 30s (the so-called 'generation rent').¹⁰ To try and help this group, the Government has recently extended its First Buy scheme with Help to Buy, as part of a package of measures to enable people buying new homes with small deposits to secure 95 per cent mortgages.¹¹

However, it is important to recognise that the UK's housing crisis is not simply a case of a shortage at the bottom of the housing ladder – it is a shortage across the housing chain, which is preventing families from moving into bigger homes and making space at the bottom of the ladder for first time buyers.

To help ‘generation rent’ trying to get on the bottom of the housing ladder, as well as those families struggling to find bigger homes, one needs also to look at the top of the housing ladder – older people who may be in homes which are too big or otherwise no longer suited to their needs, who we might call ‘generation stuck’. Enabling this group to move to smaller properties – essentially extending the housing ladder – will have a domino effect down the housing chain, freeing up family homes and in turn freeing up smaller properties for first and second time buyers.

2 Housing at the top of the ladder

Although an important solution to the shortage of housing in this country would be to enable older people to move out of large family homes into more suitable and smaller properties, there are currently very few specialist properties. Just 2 per cent of the UK housing stock – or 533,000 homes – meets the needs of older people, and most are in the social rented sector – just over 100,000 are for ownership.¹² This number is dwarfed by an over-65 population of 10 million and an over-60 population of 14 million.

Demographic change, supply and demand

The numbers of older people are increasing rapidly. As part of a parliamentary committee set up last year to explore the implications of demographic reform, the following projections about ageing were considered:

- There would be 51 per cent more people aged 65 and over in England in 2030 than there were in 2010.
- There would be 101 per cent more people aged 85 and over in England in 2030 than there were in 2010.
- 10.7 million people in Great Britain can currently expect inadequate retirement incomes.
- There would be over 50 per cent more people with three or more long-term conditions in England by 2018 than there were in 2008.
- There would be over 80 per cent more people aged 65 and over with dementia (moderate or severe cognitive impairment) in England and Wales by 2030 than there were in 2010.¹³

With these sobering statistics in mind, the committee produced a 100-page report detailing the various ways in which this change in our demographic make up would affect our lives – from health and pension spending to our welfare system and housing needs. Related to this latter point, the committee concluded:

The housing market is delivering much less specialist housing for older people than is needed. Central and local government, housing associations and house builders need urgently to plan how to ensure that the housing needs of the older population are better addressed and to give as much priority to promoting an adequate market and social housing for older people as is given to housing for younger people.¹⁴

The fact that of the older population, the ‘very old’ (those in their 80s) are increasing in number more rapidly than other segments of the population is particularly important: 69 per cent of over 85s currently have a long-term illness or disability, compared with 34 per cent of 65 to 74s.¹⁵ This increasingly old population may well need housing that offers care and support services on site.

Yet the chronic undersupply of specialist retirement housing – built with the physical and social needs of older people in mind – is a long-standing problem exacerbated by rising demand associated with larger numbers of older people. McCarthy & Stone’s submission to the aforementioned parliamentary committee provided some sense of the demand for this housing – it stated that a third of older people would consider living in retirement housing, and quoted statistics from the 2006 Wanless Review showing that 27 per cent of older people would consider this form of accommodation if it were available, and a YouGov poll for Shelter in February 2012, which found that 33 per cent of people over 55 were interested in it.¹⁶

Research produced by the University of Reading in 2011 provided detail on the level of supply supposedly meeting this potential demand: the author noted that there were around 105,000 units of owner-occupied private retirement accommodation in the UK, just 2 per cent of the total number of

homes for those aged 65 and over. If that share of the total were to grow to 5 per cent of the over-65 market over the next decade or so, 16,000 units would need to be built a year, up from just 4,400 delivered in 2007. The report argued that because of restrictive planning and housing policies, many older people were not being provided with the opportunity to purchase a unit.¹⁷ This is discussed in more detail in the following sections.

Again, McCarthy & Stone's parliamentary submission illustrates this problem – they explained that planning constraints meant that provision of retirement housing lagged far behind other developed countries, while build rates for specialist housing in the UK were lower now than in the 1980s. In 2010, just 6,000 units for rent and 1,000 for ownership were built, down from 17,500 for rent and 13,000 for ownership in 1989 – yet the number of older people has increased rapidly within the same time frame. Unsurprisingly, only 2 per cent of the UK's housing stock is retirement property, housing 1 per cent of the 14 million over 60s (compared with 17 per cent in the US and 13 per cent in Australia).¹⁸

Box 1

What do we mean by 'retirement housing'?

In this report we use 'retirement housing' as a generic term for specialist housing for older people, which includes sheltered housing (also known as warden assisted), retirement villages and extra care schemes. Key features include individual dwellings with their own front door (whether for rent, sale or shared ownership), communal areas such as lounges and restaurants, scheme managers (or other types of support service) and varying levels of personal care and support.

Sheltered housing is the most widely known form of retirement housing; schemes include a house manager, shared lounge and laundry and other facilities. The term has generally now been superseded by 'retirement housing', although it is still used in planning circles.

The term enhanced sheltered housing is used to describe sheltered housing that provides more in facilities and services than traditional sheltered housing but does not offer the

full range of support that is found in an extra care housing scheme.

Extra care housing is the term used for a complex of retirement housing that also provides care in a style that can respond flexibly to increasing need while helping individuals to retain their place within their community. There is usually a range of 'lifestyle' facilities for social, cultural, educational and recreational activities, including restaurants, gyms, libraries and other facilities.

Retirement village is a term generally used to describe large-scale extra care or continuing care retirement community developments, generally in the range of 90 to 350 units, with developments of around 250 units being common. They provide a range of accommodation and tenure options, potentially with a care home on site.

The term very sheltered housing has largely been superseded by extra care housing.

Where specific types of scheme are referred to in the evidence we will identify it as such rather than use the general term 'retirement housing'.

3 Policy background

As there is such potential demand for retirement housing, and yet such poor supply of it, it would be interesting to know why nothing has been done at national or local policy level to remedy the situation and ease the wider housing crisis at the same time. In reality, much has been written, discussed and proposed on this issue, but very little action has been taken or policies implemented. In 2008, the Labour Government published its blueprint for the future of housing in an ageing society: *Delivering Lifetime Homes, Lifetime Neighbourhoods*.¹⁹ It described ‘two nations in old age... increasingly polarised by housing wealth’. Following a 2007 green paper on housing, it promised to build more mainstream and specialised homes for older people over the next three years, including increased investment in social housing and equity sharing. It also outlined a new approach to a national housing advice and information service, with strengthened local housing information services, to enable older people to find out about their housing options, whether to stay put or move home, or to consider equity release.

The strategy argued in favour of making it easier and safer for people to stay in their own homes, near their family and neighbours. It also outlined a ‘new positive vision’ for specialised housing for older people as somewhere they might aspire to live. The Labour Government said it would create ‘more homes and more choice’, through increased funding for public housing and by encouraging private sector provision through reform of the planning system.

However, relatively little was achieved following these policy pronouncements, and in June 2009, the Homes and Communities Agency set up Housing our Ageing Population: Panel for Innovation (HAPPI) to build on the work of *Delivering Lifetime Homes, Lifetime Neighbourhoods* and to examine what

further reform would be needed ‘to ensure that new build specialised housing meets the needs and aspirations of the older people of the future’.²⁰

The panel’s focus included ‘influencing the availability and choice of high quality, sustainable homes and neighbourhoods’, ‘challenging the perceptions of mainstream and specialised housing for older people’, and raising aspirations to demand higher quality, more sustainable homes.

Among its many recommendations, it urged house builders and housing developers to recognise ‘the extent of the commercial opportunity’ and to develop new types of housing for older people that would respond to the aspirations of this burgeoning market.

However, as a consequence of the economic downturn and a new Coalition Government in 2010 much of the good work undertaken by HAPPI fell by the wayside and its recommendations were not followed through. HAPPI 2 – published in 2012 to review the progress of the original panel and make further recommendations, stated:

*the publication of the HAPPI report coincided with a worsening economy and policy uncertainty following the 2010 General Election. It was also suggested that the austerity measures adopted by the incoming Coalition Government created nervousness in the housing market and reduced public and private sector appetite for innovation. Clearly this operating environment has limited the take-up of the recommendations in the HAPPI report.*²¹

It urged the government to act, stating that improving housing options for older people could lead to reduced health and social care costs and create new housing options for younger people and families if older people could be moved from large, under-occupied family homes into retirement accommodation. It recommended that 100,000 retirement, supported housing and extra care homes should be built every year.

In spite of a lack of progress since 2008, the panel was encouraged by the new Coalition Government’s report *Laying the Foundations*, published in November 2011, some 18 months after coming to power.²² The document noted that ‘for some older

people a move to a smaller, more accessible and manageable home can also free up much-needed local family housing'. The Government promised to work with planners and developers to produce guidance for local strategic planning and delivery of a wider range of housing for older people. However – crucially – it said it did not intend to introduce national regulation, and that decisions on the number of 'lifetime homes' within each development should be made at a local level, according to need. Moreover, the New Deal for Older People's Housing announced in the strategy focused mainly on keeping older people independent and living in their own homes (and out of residential care) for as long as possible. This included maintaining investment in repairs and adaptations, and even the investment in housing advice through the First Stop service was described as 'independent advice to older people looking to plan their future housing needs – whether in their own homes, or in care homes'.²³ The exclusion of a middle way – a move into specialist retirement housing – is telling.

In 2011 the Government also published *Lifetime Neighbourhoods* to pick up on the original themes in the 2008 report, but this addressed the question of housing in just one chapter, and focused on house design and housing-related support services rather than issues of housing supply or demand.²⁴ It noted: 'A range of choices – from standard housing through to sheltered or extra care housing would help to maximise the value of neighbourhoods, and the range of choices available to older people' but – like many of the previous strategies – gave little indication as to how this would be achieved.

4 Obstacles to supply

We have thus far presented information regarding the current housing shortage in the UK, the government focus on creating effective demand and getting people on to the housing ladder as a solution to this, and the potential for a longer term and more meaningful solution coming in the form of enabling older people at the 'top' of the housing ladder to downsize. We have also explored briefly the limited supply of older people's housing compared with the rapid and significant increase in the number of older people in the UK, despite several policy documents issued on this subject.

In this section, we consider why so few older people live in specialist retirement housing in this country, compared with, say the US or Australia.

There has been a significant amount of research exploring why the supply of older people's housing has been limited in the UK. Reviewing the assembled evidence, there seems to be three key obstacles.

Commitment at local level

First, the benefits of such housing have not been understood at a local level despite warm words from central government departments. The 2012 National Planning Policy Framework states that local authorities must address

*the need for all types of housing, including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities).*²⁵

But a report from Policy Exchange concluded:

*Councils are not even able to put in place up-to-date broad [strategic housing market assessments], let alone plan specifically for ageing populations in their areas.. But even where they have such plans in place they do not address the housing needs of an ageing population. In fact they often make it worse.*²⁶

The Home Builders Federation (HBF) similarly cast doubt on the effectiveness of strategic housing market assessments (SHMAs). They concluded that they ‘vary greatly; they are often deficient, looking mainly at the housing needs of younger people, first time buyers, and those in the social sector’.²⁷

The experts we interviewed for this report made many similar observations about local authorities’ approach to retirement housing. They commented that older people’s housing assessments carried out by local authorities tend to focus on social sector stock and issues (eg extra care housing), with very few addressing the needs of owner occupiers or private renters. Where strategies for older people do exist (in local authorities and in the NHS), they are often light on detail about how strategies would be delivered.

The experiences of two of the housing providers we spoke to for this project is informative. One provider – Hanover – reported that it had particularly concentrated in the past on providing extra care housing, predominately for social rent, and had experienced few difficulties in gaining planning consent for this. This is because local authorities are generally positive about providing extra care in the public sector and can see a clear link between housing with care models and reductions in demand for care from those who qualify for care on their registers, who may otherwise need (for example) traditional residential home settings.

In contrast, another provider – McCarthy & Stone – had looked more to owner-occupied housing. As Gary Day, Land and Planning Director, put it: ‘our focus has actually been on the other end, it has been on the private market’. As a consequence, McCarthy & Stone struggled more to convince local planners of the value of their offer. Around two-thirds (65 per cent) of the housing developments for older people it operates were permitted only on appeal after being rejected by local planners,

who have a poor understanding of the need for such housing in the private sector. Many schemes were opposed at the planning stage because local authorities were concerned about the impact of an increased older population on local services, such as GP practices and hospitals – which the company suggested indicated a ‘lack of joined up thinking’.

Interestingly, Hanover now too wants to provide housing in the owner–occupier market. Gillian Conner, Head of External Affairs at Hanover, told us that public funding for extra care was harder to come by following care cuts, but a big driver in moving away from this provision was feeling ‘increasingly not in control of our own development in this area’ – local authorities were setting out terms and conditions for extra care, and making referrals, increasingly of people with higher needs. Hanover is keen to shift to more preventative models of housing (care-ready housing that helps people maintain their independence for longer), but a barrier to this was that ‘local authorities focus strategy on older people with care needs, which only constitute 5 per cent of all older people’.

Jeremy Porteus, chief executive of Housing LIN, admitted there was a narrow focus when it came to local approaches to housing supply for older people:

It's been seen as a numbers game. About the number of units we need, not the prices and how we'd be able to market them. It's not really about understanding what the aspirations of the older people will be. As a result, we've tended to build to a lower common denominator and the benefit of that has been 'Yes, we've met housing targets', we can say we've done x, y and z in terms of good density ratios, we've developed x number of care homes for people etc, but it is not clear whether this is going to be desirable in 20–30 years' time.

This point was echoed by Bill Gair, CEO of Urban Renaissance Villages, who felt that local authorities and central government were displaying a lack of imagination over planning and delivery of housing, measured purely by number of units rather than any wider outcomes.

Planning rules

The second main obstacle to supply relates to planning rules. For example, Section 106 agreements of the Town and Country Planning Act 1990 are designed to offset the impact of new developments, with developers of private housing charged so that local authorities can invest in affordable housing. This treats private retirement housing the same as private general needs housing, even though the social value of the former, and the important role it plays in local communities, is greater than the latter.

The additional costs of S106 charges are often passed to the buyer in the form of higher prices, and a recent report by the University of Reading concluded that as a lot of affordable housing provides accommodation for younger people, elderly middle income households were subsidising younger buyers and the process was ‘discriminatory’ against older people.²⁸ Joe Oldman, housing policy adviser at Age UK, also told us that affordable housing quotas are an issue for private retirement developers (not for registered social landlords, as all their housing is affordable), which stifles innovative models, such as cooperative housing and cohousing, which could deliver the same sense of community as retirement housing, but in a way that allows residents to maintain more control.

Another extra cost burden borne by private retirement developers, which makes them less competitive compared to open market housing providers, is the CIL. A flat rate planning charge, CIL has been criticised as being ‘one size fits all’ and based on standard residential properties rather than specialist provision which may have services on site or communal areas. CIL is charged as a flat rate per square metre on new housing development, but a third of the floor space in normal sheltered housing developments is shared, so not sellable. Such developments are therefore hit disproportionately by CIL. Gary Day, Land and Planning Director from McCarthy & Stone, told us that CIL was ‘causing us real concern, in fact that’s one of our biggest business threats at the moment, because that could stifle supply for us’.

The disproportionate – some may say discriminatory – effect of S106 and CIL, driving up the cost of supply (or simply

making it not possible) is, many believe, a lack of appreciation of what role retirement housing plays at local and national level. As the HBF explains in a parliamentary briefing, retirement housing is

*a complex form of accommodation. The need for specific design features and services, such as on-site care and support provision as well as the need for individual care packages, make developing this form of accommodation different from general needs housing. Developers of all tenures provide more than simple bricks and mortar – it is the ‘lifestyle’ provided to the residents who chose or need this type of housing, that ensures a successful housing scheme.*²⁹

Retirement housing occupies an uneasy space between residential care and general needs housing and seems to lose out as a result – penalised by general needs planning rules, and misunderstood by social services.

Some of the experts we spoke to suggested that this uneasy position – bringing with it a different and inappropriate set of planning rules, the complexity of coordinating service provision with housing, and a negative attitude among planners – was discouraging new entrants from entering this part of the house building market.

The requirements of retirement housing

A third obstacle to supply is related to the requirements of retirement housing itself. First, such developments are ‘capital-hungry’ because they needed to be entirely completed before sales are made rather than sold ‘off plan’ like other housing, as prospective buyers need to see the entire development, with communal spaces and services already in place, rather than just their own apartment, before purchasing. Therefore a considerable amount of up-front working capital is required, to complete the development entirely, before revenues from the sales of apartments come on stream.

A second issue is that such developments also need to be located near shops, services and transport links, where residents

wished to live. This makes good sites hard to find, in higher value areas and in demand for a variety of uses, both residential and non-residential. McCarthy & Stone reported that it had lost out on sites to drive-through restaurants, car parks, storage companies and care homes. Gary Day told us:

It does make it difficult to find good sites, and they are critical to the success of this type of housing. You've got to get the site right – even if you have a wonderfully designed apartment and all the facilities – the whole idea is to let people remain as independent as possible.

This impact of this shortage of supply was described by the JRF when interviewing groups of older people seeking to move home. They noted that for those wanting to move for a long time:

a key issue was the availability of a suitable property. Waiting lists for warden-controlled properties were seen as problematic. The perception of being overlooked and 'fobbed off' led to frustration at the lack of progress and ability to do anything about it... Obstacles for home-owners included the affordability of bungalows, limited supply of owned properties for older people and not being comfortable with the idea of renting.³⁰

5 Build it and they will come? Obstacles to demand

Of course, the lack of older people's housing may be more than a supply-side issue. Perhaps, culturally, the UK's older population do not warm to the neatly laid out retirement villages so frequently seen in the US and prefer to stay in their (albeit difficult to maintain and too large) family homes. The attachment to our homes – as places we raise our children, fill our lofts with their belongings and then hand over to them when we die – makes us cautious about downsizing. Recent research by Demos for Hanover Housing also found an aversion to 'age segregated' housing and communities among the over 60s living in mainstream housing, and an association between this form of housing with 'ghettoisation'.³¹

As retirement housing can be associated in people's minds with either public sector sheltered housing or residential care, private developers (building owner-occupied properties) can lose out. Gary Day told us:

Historically the private sector has suffered – still suffers to an extent – with the reputation of historic public sector provision, because a lot of local authorities developed sheltered housing on sites that we certainly wouldn't have considered suitable. There is a lot of sub-standard accommodation.

Andrew Burgess, Managing Director of Planning at Churchill Retirement Living, suggested that all 'sheltered housing' should be renamed 'retirement housing' to avoid some of the historical stigma attached to the term 'sheltered housing'.

Nonetheless, our previous research suggests that if the 'right' sort of housing was available – as we describe in the next section – then attitudes are more positive and receptive to the prospect.³² To gather a more precise picture of the demand for smaller and/or more suitable homes among older people, Demos

carried out a survey of 1,500 over 60s. We asked a variety of questions related to their current housing situation, their ideal situation, and what factors they considered when staying put or considering a move (see appendix 2).

The findings suggest that there is considerable appetite among the over 60s for moving to a new property at some point in the future, with 58 per cent of people saying they would consider this – this equates to over 8 million people nationally. People in semi-detached and detached houses and those who owned their property outright (with no mortgage left to pay) were more likely to consider moving in the future. Those in slightly larger and more expensive properties were also more likely than average to say that they would consider moving. The mean house size for ‘movers’ was between 3.47 bedrooms and the mean value of home was £270,000, compared with 3.4 bedrooms and £240,000 for ‘non-movers’.

But does this interest in moving automatically involve downsizing, or moving to specialist retirement properties? One-quarter (25 per cent) of the over 60s in our survey (increasing to 41 per cent of the 76–81 age group and 34 per cent of the over 81s) said they were interested in buying a purpose-built retirement property, and 25 per cent also said they would be interested in renting one on an assured tenancy (which gives tenants the right to live in the property as long as they wish). This equates to over 2 million people.

Our findings seem in line with the information developers shared with us – for example, the average age of McCarthy & Stone’s customers is 79, in the peak demand group in our survey. In their assisted living schemes, the average age is 83. Hanover has seen this age profile increase recently – formerly it was people in their 60s, now it is people in their 70s, and this is in part due to increasing numbers of referrals for the more frail elderly people with higher support needs.

Of course, many older people may be able to secure a more suitable house simply by reducing the size of their property and considering things like stairs and garden maintenance. By asking about the size of people’s current homes, and the number of bedrooms they would like to have if they were to move, we were

able to ascertain how many of the 58 per cent of over 60s who were interested in moving specifically wanted to downsize. Unsurprisingly, more people were interested in downsizing to another home than purchasing a specialist property.

Excluding older people living in one-bedroom properties, only 4 per cent on average of those interested in moving wanted a larger home: 57 per cent of those interested in moving wanted to downsize – this represents 33 per cent of over 60s, or 4.6 million nationally. However, this figure rose to 76 per cent of those interested in moving who are currently occupying three-, four- or five-bedroom homes. Only 1 per cent of those with five bedrooms or more did not want to downsize. Of all those who wanted to downsize, 56 per cent opted for a reduction of one bedroom, and 44 per cent a reduction of two or more bedrooms. Only those currently in two-bedroom homes were more likely to say they wanted to stay in the same size home if they moved rather than downsize (73 per cent said this). Indeed, two-bedroom properties were the most popular choice across the board, with the majority of all groups stating that their preferred move would be into a two-bedroom property. This is in line with other previous research on this issue, such as JRF's 2012 review of evidence into downsizing, which found:

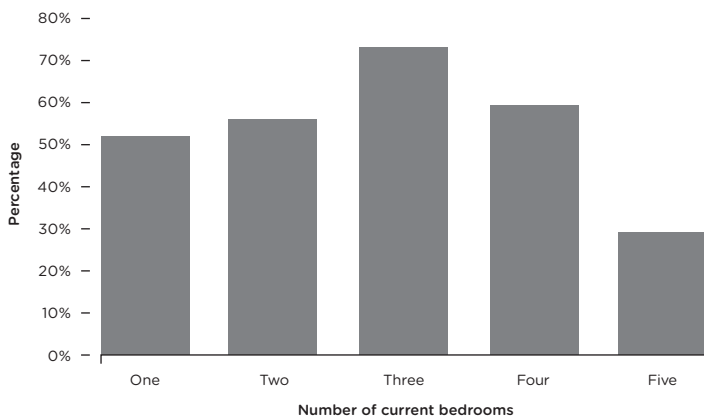
Two bedrooms is the minimum that most older people will consider, to have enough space for family visitors, a carer, storage, hobbies, or separate bedrooms for a couple. Analysis of moves by older households in the last five years within the private sector (rent or owner-occupier) shows that 87 per cent move into a dwelling with two or more bedrooms.³³

The second most popular choice was three-bedroom properties, particularly among those in larger (four and five or more bedroom homes) with 57 per cent and 68 per cent opting for this respectively.

For those in one-bedroom properties, downsizing is not an option. Nonetheless, 41 per cent of those in one-bedroom properties said they would like to move to another one-bedroom property, while 52 per cent said they would like two bedrooms.

This appetite among older people to buy smaller, more manageable properties, of two or three bedrooms in size, is

Figure 1 **Percentage of over 60s wanting a two-bedroom property, by number of current bedrooms**



relevant for retirement housing developments. As explained below, much of the existing supply is one bedroom only, and for rent – two factors likely to put off the average ‘downsizer’. We will return to this point in the next section.

Push factors

As they get older, people want to move for different reasons. Often these are practical considerations associated with physical limitations (opting for a bungalow, a smaller garden, or another a home which is generally more easy to maintain), social considerations as a result of becoming widowed and/or wanting to move nearer to family or friends, or financial – downsizing as a form of equity release to pay for care or a better quality of life in retirement.

Our polling explored the reasons most commonly cited by the over 60s reporting an interest in moving home: 43 per cent of this group said it was because they wanted a more suitable property – one that had a garden that was easier to maintain, or had fewer stairs, for example; 26 per cent said their property was

too big for them – rising to 44 per cent of people with four bedrooms and 60 per cent of those with five or more; while 19 per cent said maintenance was now a problem. Interestingly, while maintenance and size problems were less frequently given as reasons to move by over 60s in one-bedroom properties, the response ‘I want to live somewhere different’ was far more of a push factor for this group, as was the need for more support or care. Those in one-bedroom properties were more likely to be in social economic groups DE and also older (81+), and to be renting from the council or a housing association. This suggests these older people may be single and unsupported by health or care services, and perhaps also socially isolated.

Pull factors

While retirement housing is not for everyone, there are clear reasons why people are unnecessarily discouraged from even considering this as an option. There is a dual barrier at play here – many more older people would no doubt downsize, if they could, while a proportion of those might also look to retirement property as an option if there were not a series of barriers to this. In this section we consider what these might be.

First, and most obviously, there is a lack of understanding among older people about what ‘retirement housing’ is and the lifestyle it offers. As Gary Day commented:

A lot of our customers that walk into our showrooms walk in and say, ‘I didn’t realise it was going to be like this’ – they had this image of it being more like a care home than simply different standards of living for later life.

This issue is exacerbated by some of the terminology used, with different people talking about the same thing using different names (‘retirement’, ‘sheltered’, ‘warden assisted’ are used interchangeably, while an ‘extra care home’ can be assumed to be a care home). This makes it very difficult for older people to know what their options are, and there is a general dearth of information, advice and help for older people to navigate the housing market.

Therefore few people are making a positive choice to move to retirement housing until something forces them to do so – a death of the partner, an accident or a fall within the house, burglary or major maintenance problem. A move to retirement housing is more akin to a last resort or ‘distressed purchase’, commonly seen in moves to residential care, rather than a preventative or – better yet – aspirational move for a more active retirement.

People’s tendency not to think about the future or plan ahead for ageing or future care and support needs exacerbates this reluctance to move; they perhaps worry about energy bills and maintenance but do not consider a move, which requires them to accept that they may well need care and support in the future.

But older people’s reluctance to move is not simply a lack of awareness, information or planning. We should not underestimate other pull factors – perhaps practical or emotional issues, which discourage older people from moving even if they recognise their current home is too large or unsuitable for them. JRF’s research with older people considering a move illustrates this. The researchers found that moving home was a ‘developmental process’ – ‘a series of steps or a combination of factors that contributed to participants’ decision-making and the practicalities of moving’; many older people worked up to a move but were often deterred before taking the final step:

While many older people recognised the sense in moving to smaller, more manageable properties, they had concerns – for example, the daunting process, the emotional ties to their home, they would miss their garden, the new property’s rooms would be too small, uncertainty about sleeping on the ground floor and not knowing where to go. Participants also mentioned psychological barriers to moving to a property that was designed specifically for older people... As with reasons for moving, barriers to moving were often multifaceted, with a range of practical and emotional factors in play.³⁴

In our survey we asked the 42 per cent of over 60s not interested in moving to tell us why this was the case. The most common responses were:

- My current house already suits my needs (88 per cent).
- I am close to family and friends here (32 per cent).
- It would be too stressful (23 per cent).
- My house/the local area has sentimental value to me (21 per cent).

We then asked the 43 per cent of over 60s reporting that it would be difficult to move (whether they wanted to or not) why this was the case. The most common answers were:

- The process of packing up all my belongings would be too stressful (50 per cent).
- It would be too expensive (45 per cent).
- I would find it physically difficult (29 per cent).
- There are no suitable properties available (26 per cent).

Only 5 per cent of the non-movers said that there were no suitable options available for them, rising to 16 per cent of people aged over 80, and 10 per cent of people currently living in one-bedroom properties. More than half (56 per cent) of people aged over 80 said it would be too stressful to move.

Overall, 52 per cent of people felt that it would be easy for them to move, if they wanted to, compared with 43 per cent who felt moving would be difficult or impossible. The importance given to ease of moving broadly increased with age – from 53 per cent in the youngest age group (60–65) to 26 per cent in the oldest (81+); 44 per cent of those considering moving in the future said they would find it difficult or impossible. This compares with 49 per cent of people who said that they would find it easy to move, but would not want to.

Physical difficulty and stress of moving were highlighted more by older people, while expense was highlighted more by younger older people. For people living in larger properties (with four or five bedrooms), the biggest obstacle was the stress of packing up personal belongings and the sentimental value of the house and local area. In contrast, for people in smaller properties (one or two bedrooms), expense and physical difficulty were highlighted as bigger problems.

The process of packing and moving seemed to put people off the idea the most, with 63 per cent of people who would not choose to move highlighting this as a barrier, compared with only 41 per cent of people who would consider moving.

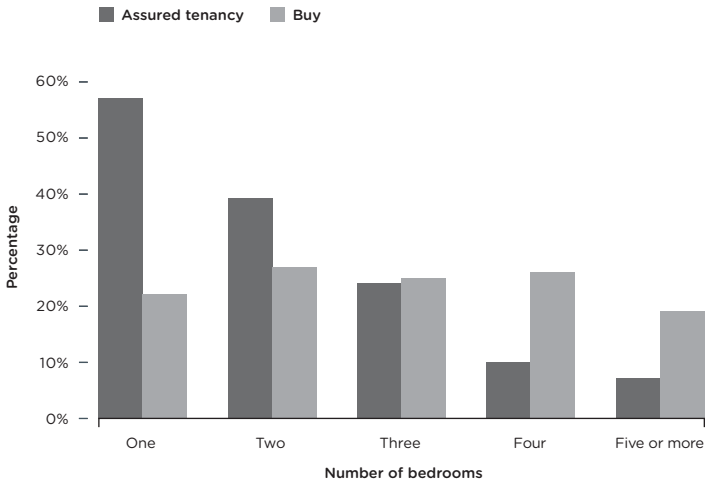
It is interesting to compare this list with the reasons given by those not wanting to move: 5 per cent of those not wanting to move said they didn't want to move because no properties were available, but for those reporting difficulty in moving (44 per cent of whom want to move), 26 per cent said there was a lack of suitable properties. Indeed, a lack of suitable properties (and to a lesser extent, not knowing how to go about looking for another property) were the only factors that was more of a problem for people who would like to move (30 per cent) than for people who would not like to move (20 per cent). This suggests that these are the key obstacles that stand in the way of people who would otherwise like to move.

Supply and demand

The evidence reviewed above suggests that both supply and some demand factors have prevented older people at the top of the housing ladder from downsizing, moving into retirement property or finding an otherwise more suitable home in later life. However, it is clear that supply and demand are linked, with issues of supply likely to be dampening demand. If the 'right' sort of housing – which meets the needs and preference of prospective buyers – is not available, then obviously people will not pursue the possibility of moving in the first place.

This could be a potential problem as relatively few developers operate in the marketplace for specialist retirement housing (mentioned above), so there may be a lack of choice and variants of the retirement housing model in areas where people want to live. The quality and location of much of the available housing can also be off-putting – Gillian Conner of Hanover Housing explained how much of the existing public provision is not ideally placed: 'If you were building units now, you would never build them where they are – tucked away behind an estate, not on a bus route, not near shops.'

Figure 2 **Percentage of people who would be interested in a retirement property, by number of bedrooms in their current property**



Our polling and the wider literature on this subject suggests that most older people would want a two- or perhaps three-bedroom home to move to. And yet, a considerable amount of specialist retirement property has only one bedroom.³⁵ It is also noted that while 76 per cent of older people are owner occupiers, only 23 per cent of retirement property is for sale, with the remainder for rent.³⁶ It is suggested that older people's desire to remain property owners for a greater sense of stability therefore deters them from moving to rented retirement homes,³⁷ although our survey suggests people would equally be interested in moving into retirement properties with an assured tenancy – giving them the sense of permanence and security they need. Older people with one-bedroom properties (57 per cent) and two-bedroom properties (39 per cent) were particularly attracted to this option.

Policy Exchange also reflected on how a poor supply of the 'right' housing would dampen downsizing to general needs housing more generally:

There is already a huge financial gain for those downsizing. The idea pure cash gain will make most people move from a large family-sized home, one that often contains precious memories, to a smaller one, is disproved by the evidence... what are needed are the homes that older people like and so would like to move into. But planning policy prevents these homes from being built.³⁸

One developer we spoke to had recently experienced higher than expected demand for purpose-built accommodation designed for the 'active elderly downsizer', compared with another local development, which was targeting the same market but where properties were more 'formulaic', where low demand forced the developer to discount the properties by 30 per cent in order to liquidate the stock. The lesson he and his colleagues learnt from this is that not all retirement housing is the same, and it can be made more attractive through good design and knowing one's market.

Then there is the issue of affordability – as outlined above, problems of planning and associated charges and the demand for well placed land can drive up the price of retirement property. Many of the studies on this issue assume that all older people have significant housing equity to enable them easily to cover the costs of purchasing specialist housing, but this is not always the case, and less wealthy older home-owners can be priced out of the market. There is a risk that housing models like extra care – which are fairly expensive per resident – become unattainable for all but the very wealthy. This can lead to regional variations in provision, as retirement property is built near homes where adequate equity can be released from nearby housing to increase the chances of purchases by people from the local community. Therefore retirement housing may not be available in some poorer parts of the country. As Karen Croucher told us:

[Private developers have] not concentrated on nice retirement housing in places like Barnsley, Hartlepool or Blackpool, but on the nice market towns... so that's fine if you have a house you can sell in those places, but not so nice if you wanted to sell in not so nice an area.

In conclusion, there is likely to be a complex interplay of push and pull factors when people consider moving into retirement housing. As JRF's recent report regarding downsizing concluded:

The current discussion of downsizing is misleading because it presents the issue as a simple matter of older people holding onto housing. This ignores both the lack of housing choice, as well as older people's psychological and social reasons for staying put. If the government believes that more older people should move to smaller homes, it must make choice its watchword, finding ways to induce providers to offer a range of attractive alternatives.³⁹

6 Helping those at the top of the ladder – a win-win-win

We now know why older people may (or may not) downsize or move to retirement housing, and the supply and demand problems at play. In this section, we explain why resolving these supply and demand problems is so critically important – for older people themselves, for the housing market and for the wider economy.

Benefits to older people

Evidence suggests older people who move to specialist retirement housing enjoy a higher quality of life than they did before they moved and improved social networks, reducing isolation and loneliness. Evaluations also show positive outcomes in health, and safety and wellbeing tends to improve, while moving to smaller, more energy efficient accommodation can help older people to stay warm and save money on energy bills. One survey carried out by the University of Reading among the owner occupiers of retirement properties found:

- More than eight in ten residents reported that they generally feel happier in their new home.
- Almost 45 per cent of residents reported having better or much better contact with family and friends; a further 48 per cent reported no change.
- Half of residents thought that their energy bills were lower.
- Residents reported spending less time in hospital and nearly a third felt that their health had improved since moving.⁴⁰

A review of retirement villages on behalf of the JRF found that developments for older people that included communal areas help improve the social relationships of isolated older

people, and those with facilities such as leisure or learning activities can increase older people's wellbeing and help them to stay mentally and physically active. Other benefits on offer in larger scale sites included: finance and benefits advice services, healthcare, and on-site care homes, so residents did not have to move if their needs increased. The researchers also noted:

As homes are purpose built, decent and accessible, they are safer and warmer; particularly beneficial if people develop mobility problems or ill health... Residents tend to feel safer and have less fear of crime [and] there are self-reported improvements in health and well-being.⁴¹

Gary Day confirmed this:

There is a strong community benefit in that, previously [older people] would live in their family house and be more remote from the community, they didn't have that sense of wellbeing, companionship, security and everything else we offer. They didn't have the confidence to go out and involve themselves in the local community.

A review in 2011 of 19 extra care schemes by the Personal Social Services Research Unit (PSSRU) found that the occupants had considerably lower rates of mortality than a matched sample in care homes.⁴² Over 40 per cent were also at an improved level of physical functioning after moving in, and had improved levels of social interaction. This supports the findings from three earlier evaluations cited by the Institute of Public Care (IPC). The first was a survey in 2004 of over 300 residents in sheltered housing, which found that over 50 per cent believed that their housing helped to promote good health, while 55 per cent considered their health to be good or very good. The average age of this group was 79; in the wider population only 41 per cent of 65–74-year-olds feel their health is good, falling to 32 per cent for those aged 75+.⁴³ The second was a study by Biggs et al, which suggested that on average the residents in a retirement scheme they reviewed improved by more than 35 per cent in mobility and 20 per cent in functions of daily living. They also found a 25 per cent reduction in the use of medication by

residents after admission.⁴⁴ Finally, research undertaken by the Extra Care Charitable Trust found that superficial physical assessment scores improved by an average of 50 per cent, mobility by 35 per cent, daily living functions by 20 per cent, and sensory ability by 10 per cent,⁴⁵ and (as the study by Biggs et al found) there was a 25 per cent reduction in the use of medication.⁴⁶

Of course, all of the evaluations cited above relate to retirement housing or extra care housing, which unsurprisingly have health benefits thanks to the presence of support services, and include communal spaces to improve social networks, physical and mental activity. However, it is clear that simply downsizing into general needs housing that is more efficient to heat and maintain, or perhaps has adaptable bathrooms, or is on one floor, will have a range of health and financial benefits associated with staying warm, avoiding fuel poverty and reducing the risk of falls.

Downsizing and moving into retirement property can both release equity and boost the financial wellbeing of older people. Analysis of a group of retirement property owners found that their property was around 10 per cent cheaper than the median values of their previous homes, giving significant average equity release. Over 40 per cent of the group studied were able to withdraw £25,000 or more in housing equity as a result.⁴⁷ For downsizing into general needs housing the gains could be larger – analysis of housing markets by the NPI suggests £100,000 of equity would be released on average, across most areas of the UK, by moving from a detached home to a semi-detached or apartment.⁴⁸ Policy Exchange considered London and the South East specifically and found potentially greater gains:

*An older couple moving from an average detached property in London to a semi-detached property in London would move from a £751,184 property to a £459,182 property, gaining nearly £300,000. In the South East, downsizing from a detached to semi-detached property would mean moving from a property worth £438,891 to a property worth £259,922, gaining around £180,000.*⁴⁹

The HAPPI2 report (2012) summed up the evidence on the benefits of retirement property thus:

Solutions to health and social care problems so often lie in provision of specially designed, high quality homes: these reduce risks of falls; provide safety and security; protect against the effects of cold homes and fuel poverty; enable earlier discharge from, and fewer re-admissions to, hospital; prevent the need (both temporary and permanent) for institutional residential care. And the companionship that comes with retirement housing can combat the depression and poor health that so often results from isolation and loneliness. These factors can save public (NHS and local authority) funds as well as conserving private resources.⁵⁰

The housing market

As explained in the introduction to this report, the housing market in the UK is under considerable pressure. Supply is not matching demand and the result is unaffordable house prices and extortionate rents. At the time of writing, the Halifax house price index reported that house prices are rising at their fastest rate since August 2010, and in the three months to July 2013 were 4.6 per cent higher than the same period in 2012.⁵¹

The Government has responded by making borrowing easier for those with smaller deposits, in the hope that more first time buyers will be able to get on to the housing ladder and this increase in demand will stimulate an increase in supply. But increasing supply need not only involve building more property for first time buyers or family homes. An efficient chain reaction can be created by increasing the supply of a range of retirement properties to enable those at the top of the housing ladder to move to somewhere more suitable. This, in turn, frees up a range of properties for families of different sizes, which in turn frees up smaller properties for first and second time buyers to move into. The entire housing chain benefits as a result. When thinking about ‘whole chain’ improvements in this way, it is obvious that focusing on first time buyers will not solve the challenges of the housing market on its own. As Shelter’s 2012 report explained:

The market is currently stagnant, but it operates on swaps, chains and cycles, with households trading up and so allowing others to enter at the bottom of the ladder. If more households were to downsize they would obviously need somewhere to move to. While there are potentially enough smaller homes in the market they are not necessarily the right kind, in the right tenures or the right areas. Building more homes that are suitable for older people could help to stimulate the market by increasing their propensity to downsize.⁵²

Shelter calculated that if those in the 20 per cent of older households which are currently under-occupied were to downsize, around 840,000 family-sized homes would be released, including 760,000 in the owner-occupied sector:

This approach would potentially be at a lower cost than building the equivalent number of new family homes and would create family housing more quickly – it has taken eleven years for 828,000 new homes with three or more bedrooms to be built. This is a big ‘if’, as we have seen that developers are not currently catering for the older market or building sufficient levels of new specialist housing⁵³

Analysis from the University of Reading found that two-thirds of residents currently living in retirement property had moved from homes with three or more bedrooms. The researchers calculated that for every 5,000 retirement units sold, property to the value of £1.1 billion would be released into local housing markets.⁵⁴ However, as JRF pointed out, 85 per cent of homes with three or more bedrooms are currently ‘released’ by older people as a result of death rather than a move to a smaller home.⁵⁵

For this report, Demos carried out new analysis of the latest wave of the English Longitudinal Study of Ageing (ELSA)⁵⁶ to get an up-to-date picture of how those at the top of the ladder might affect the housing market if they were to move.

Our analysis shows that 83 per cent of the over 60s living in England (so not Scotland, Wales or Northern Ireland) own their own homes, 64 per cent without a mortgage. Rates of home ownership peak in the 76–80 age bracket (at 91 per cent), before

sharply dropping (this may be the point at which people generally enter residential care). This equates to £1.28 trillion in housing wealth, of which £1.23 trillion is unmortgaged. This is far more than the amount of savings this group has (£769 billion).

Therefore the 33 per cent of the over 60s looking to downsize (57 per cent of the 58 per cent over 60s interested in moving) are sitting on £400 billion of housing wealth.⁵⁷ If just half of the 58 per cent of over 60s interested in moving generally, as reported in our survey, were able to move, this would release around £356 billion⁵⁸ worth of (mainly family-sized) property – with nearly half being three-bedroom and 20 per cent being four-bedroom homes.⁵⁹ Whereas if those 25 per cent of over 60s interested in buying a retirement property were able to do so, this would release £307 billion worth of housing.

Analysis from the NPI suggests that 200,000 older people (defined as over 55) move each year, while 271,000 die. This releases 189,000 owner-occupied properties back on to the market for other (non-older-person) families: 43,000 two-bedroom properties, 101,000 three-bedroom and 21,000 four or more bedroom properties each year, once any moves by older people into the properties have been taken into account (table 1).

Combining this NPI analysis with our own analysis of ELSA, we can conclude that if all those interested in buying retirement property were able to do so:

- 3.5 million older people would be able to move.
- This would free up 3.29 million properties, including nearly 2 million three-bedroom homes.

If just half of those interested in downsizing more generally were able to do so:

- 4 million older people would be able to move.
- This would free up 3.5 million homes.

However, change on this scale would be impossible because of the inadequate supply of housing that is suitable and

Table 1 **Estimated annual change in use of housing stock by older households due to mortality only, and mortality and moves combined, 2008/09–2009/10 (thousands)**

	Owner-occupied		Private rented		Social rented	
Number of Bedrooms	Mortality	Mortality & moves	Mortality	Mortality & moves	Mortality	Mortality & moves
0 or 1	-5	0	-3	1	-24	3
2	-61	-43	-4	-2	-21	-28
3	-101	-117	-9	-13	-17	-38
4 or more	-21	-28	-2	-3	-3	-3
Total	-189	-189	-17	-17	-65	-65

desirable for older people to move into. It is a startling fact that it would take 20 years to see this level of change at the current rate of movement in the current market. By that time, the population of over 85s in the UK will have increased by 101 per cent.

Wider benefits of building more homes suitable for older people

House building – in whatever form it takes – is seen by many as highly beneficial to the economy in the current climate. It would stimulate growth and create jobs in a variety of construction-related industries, reduce spending on housing benefit and bring down the cost of living.⁶⁰ Developers calculate that a 40-unit scheme puts around £5 million into the economy, with 50 people directly employed during construction and 17 jobs created in a typical extra care development.⁶¹

Enabling older people to downsize would have additional benefits – the equity they release through downsizing would increase consumer spending and reduce costs to services such as the NHS associated with pensioner poverty.

The building of retirement properties would combine the benefits associated with both of these, but may then (as the University of Reading argues) also have benefits for the environment, as properties are far more energy efficient than the homes older people move out of.⁶² McCarthy & Stone's submission to the Lords committee on demographic change also stated that retirement housing made efficient use of previously used land – brownfield sites.⁶³

There are also cost savings to be had – by promoting better health outcomes cost savings are made to acute care services in social care and the NHS, fewer hospital admissions, and so on. The HAPPI2 report summed up the range of savings very well, ranging from reduced risk of falls to combating mental health problems.⁶⁴ Specialist housing for older people delays and often prevents the need for residential care. Since for each year a person postpones moving into residential care the state would save on average £28,080,⁶⁵ the cost savings can be substantial. Both the University of Reading and IPC calculated net cost savings to the NHS of hundreds of millions of pounds in building more retirement housing.⁶⁶

7 The top of the ladder – recommendations for policy and practice

In the previous sections, we have gathered the available evidence and combined it with new analysis on the problem of the supply of older people's housing meeting demand; the barriers to further demand; and the potential benefits in overcoming these. In this section, we tackle the most important question – how can we improve both supply and demand?

As we explain above, this is a multifaceted problem. There is no 'magic bullet' here. Nonetheless there are a number of fairly obvious issues that, if tackled, would make a huge difference.

Unleashing supply

Guidance from above

Retirement housing currently makes up around 2 per cent of housing for the over 65s – making it a small, niche area and perhaps easy to overlook by the Government. It also presents no obvious problem: older people with their own homes who are unable to move are understandably less obvious a challenge to policy makers than younger people unable to get on the housing ladder in the first place. This is seen as a more obvious, direct and urgent issue, but the two are fundamentally linked. It is vital that the government connect the present housing crisis of unaffordable rents, spiralling housing benefit and young people living with their parents to the lack of options available to older people to downsize.

The government needs a 'whole chain' focus rather than simply looking to first time buyers, but it is clear from policies such as the spare room subsidy (or 'bedroom tax') – from which older social renters were exempt – that older renters and home

owners are simply seen as a static link in the chain, not to be moved while all other links take the strain.

Without fully appreciating the benefits of retirement housing to individuals, the housing market and the wider economy, encouraging policy statements are made without adequate follow-through. The Government's strategies and guidance on the need for more retirement housing remain unclear, and several bodies have made similar suggestions of ways to address this. The HAPPI² report recommended setting up a Cabinet Office task force to bring together the Department of Health (DH) and the Department for Communities and Local Government (DCLG) to work towards building the homes needed by an ageing population.⁶⁷ This echoes the call by McCarthy & Stone for the formation of a ministerial working group on specialist housing for older people to bring together the key decision makers in the DH and DCLG to develop policies to support this kind of housing.⁶⁸ In a briefing note for MPs in July 2012 entitled 'Increasing build rates of specialist housing for older people', the HBF added its voice to this and called for a housing, health and planning working group to be set up to build greater understanding of the link between better housing and improved health, and to see how planning should play a role in this.⁶⁹

All of these organisations recognise that some type of national cross-departmental coordination is required to push for a national strategy and a clearer position on this issue. The Lords committee report on demographic change, referred to in the introduction of this paper, presents an opportunity to do this.⁷⁰ The Government could review its position on older people's housing and take a coherent line on how to encourage both demand and supply as part of its response to the report. The Government's initial written response to the Lords report was muted, without any promise of new legislation to tackle the range of problems (including housing supply) identified. Nonetheless, the Government has yet to follow up the initial response with further policy statements – so the window of opportunity for action in this area has not yet closed.

Local direction

A clearer national strategy, underlining the importance of a greater housing offer for older people and the need to work in partnership with a range of providers, would no doubt trickle down to local level, where retirement housing schemes encounter most problems.

However, leadership at local level is also vital. Council chief executives need to consider the Lords committee report on demographic change very carefully and think what the implications might be for service provision and ensuring local markets are fit for purpose, across all departments. The priority need for having a local housing market which meets the needs of older people must be articulated not just across housing and adult services, but in all departments.

With this vision at the top, subsequent changes would then need to be made. For example, the local plans that each local authority must have in order to lay out the overall development plan for the local area must include a strategy for ensuring that local housing reflects demographic change. The National Planning Policy Framework stipulated that these plans needed to be up to date, and look ahead – preferably with a 15-year time frame – to the needs of the local population.⁷¹ It seems unlikely that any 15-year plan would be able to avoid the issue of an exploding over-65 and over-85 population and what that means for planning policy.

The HBF has also advocated clear guidance for local SHMAs, which (as explained above) have been described as patchy and inadequate. The HBF said local authorities should be encouraged to review the need for specialist housing for older people across all tenures in their assessments.⁷² It also suggested neighbourhood forums should be encouraged to consider the housing requirements of their ageing populations, while HAPPI2 recommended that local housing and social care departments should give strategic priority to assessing and investing in older people's housing. Jeremy Porteus told us that the

idea of local strategies is really important but it shouldn't be about the numbers, it should also be around the quality of outcomes, such as lifestyle and design outcomes, and have a greater recognition of the links between those.

Demos has also in the past argued that housing providers should be represented on health and wellbeing boards, given how important housing is to public health generally.⁷³ However, retirement housing's role as (in some cases) an alternative to residential provision and (in others) a way of preventing or delaying this makes this particular form of housing a key player in the local market of health and care services. The Care Bill currently being debated in parliament places considerable emphasis on the prevention of acute health and care needs and the promotion of wellbeing. Inclusion in joint strategic needs assessments and representation on health and wellbeing boards should be the very least retirement housing should expect at local level, and these in turn must engage with planners to address the disconnect that currently exists when applications for retirement housing are considered.

The planning system

Perhaps the key problem stifling supply and driving up costs at local level is problems with planning, which at least in part stem from lack of coordination at local and national level between housing and health teams, and a lack of strategic direction and guidance on the role of retirement housing. The effect on the ground – as explained earlier in this report – is a housing and planning policy which is not fit for purpose when dealing with retirement housing.

Several measures have already been suggested to help remedy this by a range of organisations. The University of Reading and several others producing research in this field have come to the conclusion that owner-occupied retirement housing should be treated as a form of affordable housing, and given 'enhanced planning status' alongside low-cost home ownership for younger households. Developments of retirement properties should be exempt from paying Section 106 charges towards affordable housing, and a proportion of the charges levied from other private developments ought to be put towards helping develop older people's housing. This would in turn reduce the

costs of these properties, making them more affordable, and stimulate demand.

The argument for such a move is strong. Planning policy is currently used to encourage the provision of affordable homes for groups particularly disadvantaged in the current housing market, as this has clear social value. But building homes for older people which can improve their health and wellbeing also has obvious social value. It can also be argued that older people are disadvantaged in the housing market – they may not be struggling to afford the rent, but many are struggling to maintain their current homes and cannot remedy this by moving home. Being unable to buy a home should be seen as a crisis not just for renters, but for home-owners too, stuck in the wrong property. When older people are risking their health and wellbeing as a result, this obviously vulnerable group is clearly in need of special planning measures. Current housing policy seems to focus almost entirely on issues of finance, with affordability being the only measure of social good. A more joined up way of thinking would enable the DCLG at national level and planners at local level to recognise the close relationship between housing and wellbeing and that social value is derived from more than just its price.

Other steps planners could take if they were to prioritise older people's housing as part of the overall housing market include developing quotas for local provision (part of recognising that this housing has value in its own right), putting aside land specifically for retirement housing developments, and operating with a presumption that planning permission will be granted (currently around half of the sector's applications are refused, and two-thirds are then won on appeal⁷⁴ – adding costs and delays). CIL tariffs for retirement homes could be set at more viable levels by exempting communal space in designated retirement properties (perhaps up to a capped amount, set in consultation with planners and reviewed as new innovative models are developed). The IPC also suggests that incentives should be provided to local authorities to release land for the development of older people's housing schemes.

Specific measures – changing S106 and CIL rules – could be trialled in pathfinder areas of the country to establish what the impact might be on speed and cost of development and resulting demand (eg developers involved could pledge to use the money they save to reach out to the local community, improve awareness, ensure they understand local preferences and needs, and encourage take-up).

Working in partnership at national and local level

It is worth remembering that retirement housing need not be built by local authorities or housing associations. Indeed we have focused primarily in this report on the barriers of retirement housing being built by private developers, suggesting it is a nascent market currently being stifled by lack of understanding by national and local government and the public. The reasons for this focus are twofold. First, we know that many older people want to remain home owners, and yet there is a lack of retirement properties to buy, with more than three-quarters of the current properties for rent. Building more council-owned or social housing tenancies is less urgent than encouraging private providers to improve the supply of homes to buy.

Second, in the current economic climate councils are not in a position to embark on or subsidise large-scale home-building schemes. The strategic housing policy officer for West Dorset Council told us that while the council had previously relied on government grants for affordable housing, these were drying up. The council could therefore no longer afford to ‘build their way out’ of the problem, and those in the housing department are having to think more cleverly about their existing housing stock. They have tended to focus on funding services that help people to remain in their homes and live independently, such as floating support, home improvement agencies, loan schemes, and energy efficiency and retrofitting.

With these two factors in mind, it is clear that solutions to the issue of older people’s housing must be sought in partnership with the private sector at national and local level. The focus of these partnerships are more likely to be about market facilitation

– making properties easier to build and therefore more affordable to buy – than about engaging in costly direct provision. While the IPC suggested that there should be ‘support to developers in sharing financial risk through the development of interest-free loan schemes to be repaid as properties are sold’, many of the ways the market can be encouraged are relatively low cost or cost neutral – related as they are to changing planning rules, refocusing strategies and (as outlined in the next section) ensuring there is adequate information and support given to older people to help them move.

At national level, the HAPPI2 report said the DCLG should encourage and incentivise the private sector and registered social landlords to meet the rising demand of people seeking to move to ‘elegant, functional, sustainable and manageable homes’ for later life.⁷⁵ While the University of Reading observed,

*Though social providers are clearly important and costs of social care are high and of concern to both central and local government, particularly at a time when expenditure is being squeezed, the opportunities offered by the private sector are under-played.*⁷⁶

While developers would prefer regulatory reform (like the reforms outlined above) to state funding, the Care and Support Specialised Housing Fund announced by the DH in July 2012 is a step in the right direction. Although much of the focus of this fund is on affordable properties for older and disabled people, £160 million has been put aside to look at how ‘to stimulate development in the wider private market’.⁷⁷ Jeremy Porteus told us that this scheme marked a promising new era where the Homes and Communities Agency is no longer just a grant giver, but also a place shaper by working in partnership with private providers. We would urge the Government to use the findings of this work to feed into a more robust response to the Lords committee on demographic change (mentioned above) aimed at age proofing our housing market in partnership with private developers and landlords, social housing organisations and local authorities.

At local level, the concept of market facilitation is not new. Local authorities have increasingly been shaping the care and support market for many years as these services have moved from direct in-house provision to being offered by a range of third sector and private providers. Local authorities now have to issue ‘market position statements’ as part of the national programme Developing Care Markets for Quality and Choice (DCMQC),⁷⁸ which sets out the outcomes they hope to achieve in care and support, a demand analysis, how they think this should be met, and so on.⁷⁹ The key assumption behind these statements is that local authorities are providing very few (if any) services themselves, but rather working to ensure other providers know the types of services in demand in the local area and the types of services the local authority is likely to commission. There is an opportunity for these statements to also cover housing needs – to give a clear steer to providers of the local demographics and care and support profile of the area, and to give the local authority a chance to consider the housing-related health outcomes the local authority is focused on (and indeed, what steps they might take to facilitate or encourage this in partnership with private and social housing developers and providers).

Encouraging demand

Back to supply

There is already healthy interest among older people in retirement housing, and many more express the wish to downsize in order to have a more manageable home. Nonetheless, what the sector can offer is generally poorly understood and there remain several reasons why any older person wanting to move would find it difficult to do so. Retirement housing certainly will not be for everyone but how can we ensure older people know of the benefits it can offer, and can be supported to move if they decide it is right for them?

Perhaps most obviously, the housing offer needs to be of the right quality, in the right location, have the right number of

bedrooms and look like the type of home an older person would want to live in. It also has to be available to buy – at a reasonable price – for those who want to maintain a sense of asset ownership and security. As Gillian Conner commented: ‘You’ve got to get the housing right first, making it aspirational, somewhere people want to live.’

If supply is too scarce, in the wrong place, of the wrong type or too expensive, then we should not be surprised when no one wants to move in. Many older people have spent years making their own family homes comfortable and attractive places to live, so the pull factor has to be strong in order to tempt them to move.

This then comes back to the supply-side solutions outlined above – tackling planning problems may well lead to a larger number of and more affordable schemes. It may also encourage more developers to enter the market, bringing new models and ideas to meet different preferences. This would create greater variety for older people to choose from, and again potentially reduce costs.

We must remember that while 83 per cent of older people are home owners who would therefore be able to release equity, not everyone can afford retirement property or indeed afford to downsize. Karen Croucher from York University explained this latter problem using a local example. She explained that in Barnsley, a three-bedroomed ex-council house was worth £70,000. But a one- or two-bedroomed bungalow in the same town was worth £120,000. For older people in this housing market, downsizing could actually be more expensive. She felt that there should be more tenure choices, such as shared ownership and shared equity (as under HomeBuy), to help make retirement property more affordable, particularly for people who are selling in low house price areas. She felt the social rented sector had a role to play as many were now developing homes to buy, not just rent. She commented, ‘The boundaries between social rented sector, private sector landlords and private sector developers are becoming quite blurred.’

Support and advice

Offering a good range of housing options will only do so much to encourage older people interested in moving. We also have to consider what is holding them back. Our polling, and the findings of the polling carried out for Shelter in 2012, suggests this is a combination of practical and emotional issues. While the latter may be harder to help with, the former is certainly easily remedied.

First and foremost there needs to be a far better local offer of practical help for older people looking to move. The physical strain of moving – packing up years of belongings from a large home, storing, giving away or disposing of items and moving into a smaller property – is a mammoth effort for all of us, so for someone in their 80s (as our polling suggests) this may seem an insurmountable problem. The experts we spoke to suggested that age-friendly removal services should be encouraged to develop (perhaps as part of local authorities' market position statements) in the same way as age-friendly handymen and gardeners are. Local 'housing options services' already exist, which can provide advice to people who are weighing up the pros and cons of moving and provide practical help, such as being there when the removal van comes, and helping to disconnect and reconnect utilities in a new property. These services were encouraged through Care & Repair England's initiative 'Should I Stay or Should I Go?', though this ceased several years ago. While many of these housing options schemes still exist, awareness of them is fairly low and many of those we reviewed for this project were focusing on more traditional local authority challenges – social housing waiting lists, affordable housing and homelessness. However, in Dorset a large population of older people has prompted a more comprehensive offer from the Dorset Housing Options Service.

Box 2 **Dorset Housing Options Service⁸⁰**

We recognise that 'staying put' in their own home is no longer the best option for a proportion of older people. However, the idea of having to even consider the options that might be

available can be very daunting and often that alone puts people off at the start.

The Dorset Housing Options Service has been developed by the Dorset Home Service to provide older people with the information, specialist advice and practical support that they need to enable them to make informed choices about whether to move property or to stay put at home.

On occasions, a single visit may be all that is required to look at options. In other cases people may want more support to:

- appraise the housing options available*
- advise on repairs and grant assistance*
- arrange property viewings*
- help with packing belongings*
- help with the sale of unwanted furniture*
- help with the safe disposal of household records*
- make contact with removal companies*

This sort of comprehensive service ought to be the standard fare in all local authorities. In the Care Bill currently being debated in parliament there is a duty on local authorities to provide information and advice services on people's care and support options and how to fund them. As retirement housing (and indeed downsizing to more suitable property) is an important means of promoting wellbeing and preventing or delaying care needs, and releasing equity can pay for care, we suggest that advice on downsizing and housing options is included as part of this duty and that housing options services are reinvigorated and brought within the remit of the duty presented in the Care Bill.

Financial incentives and penalties

In addition to support of this kind, others have also suggested financial incentives. The Intergenerational Foundation among many others has suggested that stamp duty should be scrapped

for downsizers, while the IPC and others have suggested there should be a reduction of stamp duty and/or a council tax abatement for those downsizing or for buyers of specialist retirement properties.⁸¹ The IPC suggested these as well as providing financial support for legal and conveyance fees (older property owners of smaller homes reported in our survey that they were put off by the cost of moving), as well as extending the Help to Buy scheme for older buyers (who are downsizing or moving to retirement property).⁸² The costs of such measures are likely to be recouped (in part at least) by a housing chain reaction, generating stamp duty as families are able to move into the properties vacated by older people (which is more than could be said for financial assistance given to first time buyers, whose ability to get on the bottom of the ladder has no effect on potential buyers above them on the housing ladder).

It is also worth noting that many local authorities offer financial incentives to working age council tenants to downsize and free up properties.⁸³ The reasoning behind this is that a voluntary move to a smaller property enables the family to avoid facing the bedroom tax and the costs that could follow as a result of arrears and eviction. A similar cost-saving calculation could be made regarding the health and care savings made if older people were financially encouraged (in the ways outlined above) to sell their homes and move into more appropriate housing.

Financial penalties have also been considered by some, alongside incentives. Currently there are no penalties for older under-occupiers in the social rented sector (as they are exempted from the bedroom tax), although extending this charge to older people has been mooted. So too has the idea of withdrawing some universal older people's benefits from owner occupiers living in houses worth over £500,000. The Intergenerational Foundation also proposed the abolition of council tax concessions for single occupation, to 'eliminate a perverse incentive which currently encourages single occupants to remain in large houses'.⁸⁴

Such suggestions should be treated with extreme caution, if not dismissed out of hand. The spare room subsidy (or bedroom tax) has proven extremely controversial, leaving many families in

a dire financial situation. It is likely that such policies will more effectively exacerbate pensioner poverty than induce people to downsize. For those who do downsize, a forced move is unlikely to reap the benefits associated with voluntary and planned moves, such as improved wellbeing and sense of security. In short, penalty systems may deliver some benefits to the housing chain, but the negative impact on older people's health and wellbeing would far outweigh these.

8 Concluding thoughts

This report has drawn together existing evidence and supplemented it with new analysis to create a clear picture of the next big housing crisis we face – the fact that our housing supply is not fit for purpose in an ageing society where the population of over 85s will increase by 100 per cent in the next 20 years.

On review, it is clear that the evidence on the problem, how to overcome it and the benefits of doing so is thorough and robust: we know exactly what the problem is, how to fix it, and who stands to gain if we do.

We also know – crucially – that this does not involve massive investment in housing building by the government. Unlike costs related to health or social care, the costs associated with overcoming the challenges of housing an ageing society are relatively small, because the money to stimulate supply of new housing, built by the private sector, is there already – locked up in over a trillion pounds' worth of assets held by older people across the country. Hundreds of millions of pounds could be released to stimulate the housing market if (low-cost) steps were taken to unlock the supply to meet the demand already there – let alone if demand were further stimulated.

The lack of appropriate housing supply cannot be remedied by the government building housing itself – this is economically unfeasible. We also know that many older people want to remain home owners, and yet more than three-quarters of the current retirement properties on offer are for rent. Building more council-owned or social housing tenancies is less urgent than encouraging private providers to improve the supply of homes to buy.

While there must always be a place for social housing and affordable tenancy for older people, the vast majority of older

people can be helped into more appropriate housing without any direct delivery costs incurred by government or local authorities.

The retirement housing market is a nascent market currently being stifled by lack of understanding from national and local government, and the public. It would take a small number of relatively low-cost steps to unlock it. So the fact that the Government has yet to grasp this nettle remains one of the great mysteries of UK policy making, given how substantial the benefits could be. One can only assume that the more obvious, seemingly more urgent and visible plight of renters unable to afford their first home is clouding the issue. The Government needs to have a 'whole chain' view of the housing market – recognising that helping the private sector serve older people at the top of the ladder will have a trickle-down effect of unlocking supply, benefiting those at every other step of the ladder.

Summary of policy recommendations

Unleashing supply

Guidance from above

The Government needs a 'whole chain' focus rather than simply considering first time buyers. To achieve this, some vehicle for cross-departmental coordination is required. This may take the form of a Cabinet Office task force to bring together the DH and the DCLG, or a ministerial working group on specialist housing for older people across housing, health and planning to build greater understanding of the link between better housing and improved health, and to see how planning should play a role in this. The need to respond to the Lords committee for demographic change is a good opportunity for the Government to take such steps.

Local direction

Leadership at local level is also vital. Council chief executives need to consider the Lords committee report on demographic change very carefully and think what the implications might be for service provision and ensuring that local markets are fit for purpose across all departments. The priority need for having a

local housing market that meets the needs of older people must be asserted, not just across housing and adult services, but in all departments.

In particular, local plans, in which each local authority lays out the overall development plan for the local area, must include a strategy for ensuring local housing reflects demographic change. SHMAs also need to be improved to include a strategy for developing retirement housing.

Given the vital role housing plays in public health, and the way retirement housing can delay or prevent the need for residential care, there should be representatives from local retirement housing schemes on health and wellbeing boards and should feed into joint strategic needs assessments. These in turn must engage with planners to address the disconnect that currently exists when applications for retirement housing are considered.

The planning system

Developments of retirement properties should be exempt from paying Section 106 charges, which are put towards affordable housing, and a proportion of the charges levied from other private developments ought to be put towards helping develop older people's housing. This is based on a strong argument regarding its clear social value.

CIL tariffs for retirement homes should be set at more viable levels by exempting communal space in designated retirement properties (perhaps up to a capped amount, set in consultation with planners and reviewed as new innovative models are developed).

Other ideas to improve the planning regime for retirement property ought to be considered, including developing quotas for local provision (part of recognising that this housing has value in its own right), putting aside land specifically for retirement housing developments; and operating with a presumption that planning permission will be granted (currently around half of the sector's applications are refused, and two-thirds are then won on appeal⁸⁵ – adding costs and delays to housing supply).

Encouraging demand

Back to supply

There are many ways we might encourage supply, but perhaps most obviously, the housing offer needs to be of the right quality, in the right location, have the right number of bedrooms and look like the type of home an older person would want to live in. It also has to be available to buy – at a reasonable price – for those who want to maintain a sense of asset ownership and security. This then comes back to the supply-side solutions outlined above – tackling planning problems may well lead to a larger number of and more affordable schemes. It may also encourage more developers to enter the market, bringing new models and ideas to meet different preferences. This would create greater variety for older people to choose from, and potentially reduce costs, encouraging more people to purchase property.

Support and advice

Offering a good range of housing options will only do so much to encourage older people to move. We also have to consider what is holding them back. First and foremost, there needs to be a far better local offer of practical help for older people looking to move. The physical strain of moving – packing up years of belongings from a large home, storing, giving away or disposing of items and moving into a smaller property – is a mammoth effort for all of us, so for someone in their 80s (as our polling suggests) this may seem an insurmountable problem.

In the Care Bill, currently being debated in Parliament, there is a duty on local authorities to provide information and advice services regarding people's care and support options and how to fund these. As retirement housing (and indeed downsizing to more suitable property) is an important means of promoting wellbeing and preventing or delaying care needs, and releasing equity can pay for care, we suggest that advice on downsizing and housing options is included as part of this duty and that the housing options services are reinvigorated and brought within the remit of the duty presented in the Care Bill.

Financial incentives

In addition to support of this kind, others have also suggested financial incentives. The Government should consider a reduction or exemption of stamp duty and council tax for downsizers or for buyers of specialist retirement properties.⁸⁶ Financial support for legal and conveyance fees as well as extending the Help to Buy scheme for older buyers (who are downsizing or moving to retirement property) are also viable proposals.⁸⁷ The costs of such measures are likely to be recouped (in part at least) by a housing chain reaction, generating stamp duty as families are able to move into the properties vacated by older people.

Appendix 1

We interviewed the following experts during the course of this research:

Chris Branch, Strategic Housing Policy Officer, West Dorset Council

Andrew Burgess, Managing Director of Planning Issues, Churchill Retirement Living

Gillian Connor, Head of External Affairs, Hanover

Karen Croucher, Research Fellow, Centre for Housing Policy, University of York

Gary Day, Land & Planning Director, McCarthy & Stone

Bill Gair, Chief Executive, Urban Renaissance Villages

Joe Oldman, Policy Adviser (Housing), Age UK

Jeremy Porteus, Director, Housing LIN

John Slaughter, Director of External Affairs, HBF

Amy Swan, Policy Officer, NHF

Appendix 2

Questions put to 1,510 over 60s on 17–18 July 2013

- 1 What type of property are you currently living in?
 - a Semi-detached house
 - b Detached house
 - c Bungalow
 - d Terraced house
 - e Flat or apartment
 - f End-of-terrace house
 - g Static caravan
 - h Other

- 2 Do you own or rent your property?
 - a Own outright (mortgage paid off)
 - b Own (with a mortgage)
 - c Rent from a council or housing association
 - d Rent from a private landlord
 - e Other

- 3 How many bedrooms does your property have?
 - a 1
 - b 2
 - c 3
 - d 4
 - e 5 or more

- 4 FOR OWNERS – Approximately what value band does your property fall into?
- a Less than £150,000
 - b £150,001 – £200,000
 - c £200,001 – £300,000
 - d £300,001 – £400,000
 - e £400,001 – £500,000
 - f £500,001 – £750,000
 - g £750,001 – £1 million
 - h Over £1 million
- 5 How many people are living in your house in total (including you)?
- a 1
 - b 2
 - c 3
 - d 4
 - e 5 or more
- 6 If you were able to, and suitable properties were available, would you consider moving from your current property in the future?
- a Yes – definitely
 - b Yes – maybe
 - c No – unlikely
 - d No – definitely not
 - e Don't know
- 7 If YES – What would be your main reasons for wanting to move? Please tick all that apply.
- a I need a property that suits my needs better (eg no stairs, smaller garden that is easier to maintain)
 - b I want to live somewhere different
 - c The house is too big for me
 - d Ongoing maintenance is becoming an increasing problem
 - e I am too far from family and friends here
 - f I need to reduce my fuel bills
 - g I need to free up cash for other expenses

- h I need more support and care
- i I can no longer afford my current property
- j Other (please state) [open]

- 8 IF YES – What number of bedrooms would you ideally be looking for?
- a 1
 - b 2
 - c 3
 - d 4
 - e 5 or more
- 9 IF YES – How likely would you be to consider the following options when planning a future move?
- a Buying a purpose-built retirement property
 - i Very likely
 - ii Quite likely
 - iii Neither likely nor unlikely
 - iv Not very likely
 - v Not at all likely
 - vi Don't know
- 10 Renting a purpose-built retirement property on an assured tenancy (which gives you the right to live in the property for as long as you wish)
- a Very likely
 - b Quite likely
 - c Neither likely nor unlikely
 - d Not very likely
 - e Not at all likely
 - f Don't know
- 11 IF NO – What are your main reasons for not wanting to move?
- a My current house already suits my needs
 - b I am close to family and friends here
 - c It would be too stressful
 - d My house/the local area has a sentimental value to me

- e I have only recently moved to my current home
 - f There are no suitable options available to me
 - g I do not want to move until my children/grandchildren are independent
 - h Other (please state) [open]
- 12 How possible do you feel it would be for you to move if you wanted to?
- a Very easy
 - b Quite easy
 - c Quite difficult
 - d Very difficult
 - e Not possible
 - f Don't know
- 13 IF DIFFICULT/NOT POSSIBLE – What are the main reasons why it would be difficult for you to move? Please tick all that apply.
- a The process of packing up all of my belongings would be too stressful
 - b It would be too expensive to move
 - c I would find it physically difficult to move (due to illness or age)
 - d There are no suitable properties available to me
 - e My house/the local area has a sentimental value to me
 - f I would find it too difficult to leave behind memories
 - g I have no family or friends who could help me
 - h I would not know how to go about looking for a new house
 - i Other (please state) [open]

Notes

- 1 All those interested in moving is 58 per cent of over 60s – 58 per cent of the £1.23tn unmortgaged equity they own is £701 billion. Of this group, 57 per cent would want to downsize – or 33 per cent of over 60s. They own £400 billion in housing equity.
- 2 All those interested in moving is 58 per cent of over 60s – 58 per cent of the £1.23tn unmortgaged equity they own is £701 billion. Half of this is £356 billion.
- 3 The proportion of people owning homes of different bedroom size was taken from the responses to our survey – see Appendix 2.
- 4 This is calculated as 25 per cent of £1.23tn owned by over 60s. 25 per cent of over 60s in our survey reported to be interested in buying retirement property.
- 5 25 per cent of 14 million people – the number of over 60s in the UK.
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The chronic undersupply of appropriate housing for older people is the UK's next housing crisis. While all eyes are on those struggling to get on the bottom of the property ladder, those at the top are often trapped in homes that are too big and unmanageable. This is due to a lack of suitable homes to downsize into and in turn has a negative effect not just on older people's health and wellbeing, but on the rest of the housing chain.

The Top of the Ladder uses original quantitative research to investigate older people's housing preferences, and the likely impact of giving them greater choice. It estimates that if all those interested in buying retirement property were able to do so, 3.5 million older people would be able to move, freeing up 3.29 million properties. Apart from these gains, retirement housing has a very beneficial effect on older people's health, wellbeing and social networks, and could save health and care services considerable resources.

The report suggests that this would be a triple-win for government, improving older people's lives while stimulating the property and home-building market, at little cost to the public purse. It recommends changes to the planning code to encourage the development of retirement housing, while also providing practical help and giving financial incentives to encourage downsizing. It concludes by arguing that the Government should adopt a 'whole chain' view of the housing market, as helping those at the top of the ladder will unlock supply and benefit those on every other step.

Claudia Wood is Deputy Director of Demos.

Appendix 3

A Better Fit' by Shelter (2012).

Policy: report

A better fit?

Creating housing choices for an ageing population



Shelter

Foreword



The ageing society is one of the most well-documented and universally accepted facts of our time, so it is surprising that the housing system – both public and private – has been so slow to adapt to the changing needs of this important group. After all, the cohort of baby boomers now entering older age are both numerous and politically influential. Many of them have accumulated wealth, much of it in the form of housing equity. There is clearly a market opportunity to offer more and better housing options tailored to the needs and aspirations of older people.

At the same time, the over 55s group includes some of our most vulnerable and excluded households. Poor health, social isolation and fuel poverty are all more common among older people. There have been many attempts to respond to these problems with public policies and new initiatives – but few have sought to tackle the fundamental housing questions at the heart of many of these issues. As the work of Lord Best and the HAPPI project have highlighted, older people are a very diverse group and no one housing solution will work for everyone. However, there is clearly more that could be done to ensure everyone can live in a comfortable home suited to their needs as they get older.

In this context, Shelter wanted to explore the opportunities for better housing options designed to meet the needs of an ageing society. Older people's housing does not exist in a vacuum: it is a terrible irony of our housing crisis that single older people struggling to maintain or heat homes that are too big for them coexist with appalling overcrowding. Every under occupier enabled and supported to downsize into a better home for them frees up a larger home that could house a family in need of space – whether in the market or the social sector.

In this report, we demonstrate that there is both a need and a real opportunity to improve the lives of millions in our society – old and young alike – by giving greater focus and drive to our efforts to build quality homes for our older people.

A handwritten signature in black ink that reads "Campbell Robb". The signature is written in a cursive, flowing style.

Campbell Robb
Chief Executive, Shelter

A better fit?

Creating housing choices for an ageing population

April 2012

Written by Nicola Hughes

Cover photograph Kate Stanworth

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Acknowledgements

Our thanks go to the stakeholders who have advised and helped with the development of this report.

We are also grateful to the Joseph Rowntree Foundation, who jointly funded the New Policy Institute research project, and to McCarthy & Stone who contributed funding to the YouGov poll.

Shelter's work is independent and the views expressed in this publication are those of Shelter.

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Summary: A better fit?

England's population is ageing, and fast. By 2030 one in three people are projected to be aged 55 and over. Older people will be a diverse group, ranging from economically powerful 'baby boomers' to over-85s with high care and support needs. How will the housing market respond to this demographic change? Do we have the right kinds of accommodation for older people, in the right places?

Older people and housing today

There are approximately 14.7 million older people and 7.3 million 'older households' in England today. These are households where everyone is aged 55 or over. Most are couples or single people living alone; in particular there are many single women aged 75 or over.

Most older people are owner-occupiers and have already paid off their mortgages. Older people, in particular older owner-occupiers, tend to live in larger homes than other households. Sixty-eight per cent of older homeowners live in a home that has at least two spare bedrooms, technically known as 'under-occupation'. This measure is controversial, not least because most older people think that their home is about the right size for them. However, there is also a growing problem of intergenerational housing inequality with younger households unable to buy their first home without over-leveraging on debt.

Older people's attitudes to housing

Many older people want to stay in their current home for as long as possible and have strong emotional ties to their home, possessions, or neighbourhood. Moving house can be a very daunting and stressful experience for some older people, and they are often unaware of their housing options, or simply perceive that there are no suitable homes available for them.

While some older people plan a move, or move for lifestyle reasons, many only move later in life or at a time of crisis, for example when care needs or health problems become unmanageable. Tailored support and practical help can assist older people with their housing needs.

Although a minority, a significant number of older people we surveyed felt that their home was difficult to manage, or would become difficult in the next ten

years. The need for social interaction, and for a safe, warm and accessible home often becomes more important with age. Older people want housing that is attractive, in a safe, well-connected neighbourhood. They typically value homes that are well insulated, have some outdoor space, and have a spare bedroom. Over a third of older people are interested in the idea of retirement housing either now or in the future, suggesting a latent demand for this market.

The current market for older people's housing

Specialist housing – that is available only to older people – makes up a small proportion of the market and the majority of older people live in general, mainstream housing. There are approximately 533,000 specialist homes in England, mainly in the social-rented sector with some support facilities to give residents practical day-to-day help.

There is very little specialist housing available to buy or rent privately, and very little mid-range specialist housing for older people who are not wealthy but do not rent socially. In the mainstream housing sector there is an under supply of bungalows relative to demand, and not all homes are easily accessible to those with limited mobility.

Few developers are active in building for the older people's market and they are constrained by complex planning regulations, financial viability and a lack of strategic vision at local authority level. We need a much greater supply of specialist housing for older people. If demand for specialist housing remained constant, the supply would need to grow by 70 per cent just to accommodate the growth in the number of older households over the next twenty years, some of which may be met through turnover in the existing stock but some of which must come from new builds.

The benefits of expanding options for older people

Evaluations of retirement housing schemes have largely shown positive outcomes for older people. Residents' health, safety and well-being tends to improve and there are increased opportunities for social interaction. Moving to smaller, more energy efficient accommodation can help older people to stay warm and save money on energy bills. Economic benefits can include employment opportunities for the local community and cost savings to the NHS through improved health and the reduced likelihood of accidents and falls. However, service charges and reductions in on-site care facilities are contentious issues for some older people living in specialist accommodation.

When older people downsize to smaller accommodation, there is a market chain effect and larger properties become available to other households. This is a complex picture however, as new buyers may themselves 'under-occupy'.

How to increase housing options for older people

England has a rapidly growing population of older people, but few strategies exist to ensure that they will all be able to live somewhere decent and affordable that meets their changing needs. There is also very little recognition among policy makers of the wider socio-economic benefits of such provision. For older people themselves, the fear of the unknown and the lack of suitable and attractive options present further barriers to more widespread downsizing.

Recommendations

- We need a significant increase in the supply and range of suitable housing for older people, including private-rented and owner-occupied specialist housing.
- Developers should build attractive and well-designed homes for older people and specialist providers must be upfront about their services and charges.

- The planning system must support the development of housing for older people. The introduction of the National Planning Policy Framework provides an opportunity to give housing for older people a higher priority and to clarify the guidance on how housing for older people should be classified.
- Older people need to be better informed about their housing options at an early stage and to plan ahead accordingly. Many need practical help and support with their housing and with planning their later life.
- Local government can do more to facilitate schemes that help older people move to accommodation that's more suited to their needs.
- Local planning authorities must factor older people's housing into local plans, strategies and housing market assessments, while integrating these with health and social care strategies.

Methodology

This report was informed by:

- A market assessment of housing options for older people carried out by the New Policy Institute (NPI) on behalf of Shelter and the Joseph Rowntree Foundation. The full analysis can be downloaded from NPI's website at www.npi.org.uk
- A survey of respondents aged 55 and over carried out by YouGov Plc on behalf of Shelter in February 2012. This survey has been weighted and is representative of GB adults aged 55 and over.
- Secondary analysis of existing literature and data sources, as well as informal consultation with sector stakeholders.

Introduction

The demographic shape of England is changing profoundly and this shift will have major impacts on the way that we live. As life expectancy in England has improved over the last 25 years, there has been an increase of some 2.3 million people aged 55 and over to 14.7 million people. The over 55s now account for 28 per cent of the total population (up from 26 per cent in 1985)¹, and these trends are set to continue – by 2030 one in three people are projected to be aged 55 and over.

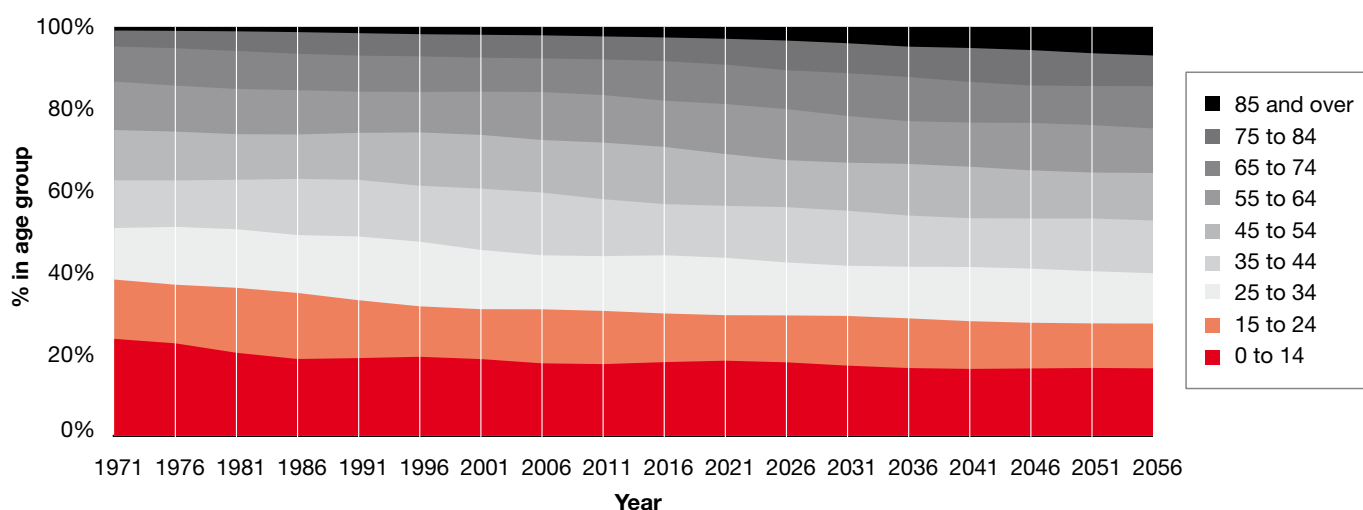
Older people are clearly not a homogenous group and the needs of over 85s (one of the fastest growing age groups) will be different from the needs of those in their 50s or 60s.

Furthermore, the future older population will not be the same as today. For example, older people will be more ethnically diverse. Continued advances in medicine and the understanding of health mean that the physical health of older people will generally be better and their life expectancy longer. Their working life patterns will be different in a flexible labour market, where retirement ages shift and freelance or portfolio working becomes more common. Their attitudes and behaviours will be different too, and we cannot predict exactly how society will adapt to

demographic change. The ‘baby-boomer’ generation for example, is often typified as economically powerful; they are demanding consumers with different social and political attitudes compared to previous generations.² What will this mean for the way older people interact with society and markets as they age? Will they demand more from housing than previous generations?

The demographic shift is nuanced, but clearly poses some significant policy challenges, in particular how tomorrow’s older people will be able to fund their care needs.³ It must also make us reconsider the availability and suitability of housing for older people. Shelter believes that providing the right kinds of accommodation for older people, in the

Figure 1: Age Profile, England – Trend Data and Projections



Sources: 2010 Mid Year Population Estimates, England, Office for National Statistics (ONS); 2010 Principal Population Projections, England, ONS.⁴

¹ Office for National Statistics, *2010 Mid Year Population Estimates*, England.

² Huber, K & Skidmore, P, *The New Old; Why baby boomers won't be pensioned off*, Demos 2003.

³ A question considered by the Dilnott Commission; see Commission on Funding of Care and Support, 2011.

⁴ Accessed online at tinyurl.com/7y8436v (February 2012).

right places, would lead to positive well-being and health outcomes for them, and would help to create movement in the housing market by freeing up family-sized homes for those who are stuck in unsuitable or overcrowded accommodation. It is in the context of this demographic shift and at a time when there is huge pressure on the housing market that Shelter is examining housing options for older people in more detail. This report aims to:

- Set out the evidence about older people's housing at present: where older people are living, their aspirations and their attitudes about housing, particularly their attitudes to downsizing.
- Explore the social and economic benefits associated with providing more housing for older people.
- Make the case for increasing the supply of housing for older people and recommend policy changes that can support this.

It is clear from research that many older people do not want or intend to move home. Those that wish to stay in their homes should of course be supported to do so, and we welcome efforts to provide repair and refurbishment services, advice and support to these households.

In this report however, we will be focusing specifically on potential home-movers, how to promote greater supply of housing for older people and how to facilitate home moves for those who choose to move. As there is a large body of existing work that focuses on the provision of accommodation for older people

in the social sector, and given that the majority of older people are currently owner-occupiers, we will be focusing mainly on homeowners and the private housing market.

Methodology

This report is informed by:

- A market assessment of housing options for older people carried out by the New Policy Institute (NPI) on behalf of Shelter and the Joseph Rowntree Foundation, December 2011 – February 2012. This analysis is referred to throughout and is hereafter cited as New Policy Institute (NPI), *Market Assessment of Housing Options for Older People*, 2012.⁵ The methodology included statistical analysis, desk research and stakeholder interviews.
- An online survey of respondents aged 55 and over carried out by YouGov Plc on behalf of Shelter in February 2012.⁶ This survey has been weighted and is representative of GB adults aged 55 and over. In order to preserve the sample size, figures have not been filtered down to England only.
- Secondary analysis of existing literature and data sources, as well as informal consultation with sector stakeholders.

There is a wide and complex spectrum of types of housing designed for older people, each with different characteristics and levels of support or care provision that are set out in more detail in Chapter 2. We will be talking about a broad range of specialist housing that is suitable for older people.⁷

Throughout this report we will use the following definitions:

- **Older households** refers to households where all members of the household are aged 55 or above. This is a wide definition and households are split into different age cohorts (for example, over 65s, over 85s) where necessary. Due to the differing data used in different surveys, these cohort groups are not consistent throughout all sources. Where the age of a household is mentioned, this refers to the 'household reference person' (HRP).⁸
- **Older people** is also used for ease of reference to refer to the broader population of over 55s.
- **Specialist housing** is used to describe housing that is only available to older people; much of this also contains on-site facilities such as communal hubs. It can be public or private and includes retirement housing.
- **Mainstream housing** is used to describe housing, generally on the open market, that is not restricted to older people but may be accessed by them.

5 The full analysis can be downloaded from NPI's website at www.npi.org.uk

6 Total sample size was 897 adults. Fieldwork was undertaken between 3–6 February 2012. The figures have been weighted and are representative of all GB adults (aged 55+).

7 This excludes residential care homes, which are classed as accommodation rather than housing.

8 Household Reference Person (HRP) is a term used for data collection in the *Survey of English Housing*. It is defined as the householder with the highest income. If two or more householders have the same income, the oldest householder is selected.

Chapter 1: Older people and housing today

Who are England's older people and where do they live now? In this chapter we outline the facts about the ageing population and consider the arguments about the nature and level of under-occupation.

Housing and older people

There are approximately 14.7 million older people, and 7.3 million 'older households' in England today. This is equivalent to more than a third of all households.⁹ As Figure 2 opposite shows, the region with the highest proportion of older people is the South West (40 per cent) while London has the lowest proportion of older people (22 per cent).

They are largely two-person households, often 'empty nesters' whose children have grown up and left home. Living alone is also very common among older people and particularly so among over-75s, who are more likely to be widowed. Over half of households comprised of over-85s are single women.¹⁰

Tenure

The vast majority of older people are homeowners and most do not have any outstanding mortgage debts, particularly in the older age groups. Figure 3 opposite shows a more detailed picture of current tenure trends among the different age groups.

What type of housing do older people live in?

Older people tend to live in houses and only a small number live in flats:

- 65 per cent live in houses (detached, semi-detached or terraced)

- 20 per cent live in bungalows
- 16 per cent live in flats.¹¹

It is notable that a much higher proportion of older people than the wider population live in bungalows; 20 per cent of older households live in a bungalow compared to four per cent of other households.¹² Bungalows are easier to manage for older people who have mobility issues. Disability and illness become more common with age. More than half of older person households aged 85 and over have someone in the home with a serious illness or disability¹³, which means they are more likely to need step-free, accessible homes with features such as wide doors and hand rails.

Although older people own a lot of housing equity, are most likely to be satisfied with their future financial security¹⁴ and are much less likely than other age groups to be living in poverty, not all older people are wealthy. Many rely on state benefits as their main source of income and savings rates are fairly low. Household wealth may have a major impact on older people's attitudes to housing and their behaviour within the housing market; people will only tend to move home if it makes financial sense for them to do so.¹⁵

9 An older household or older person household is a household that contains only over-55s. The figure for the overall number of older people is therefore much higher, as many households contain more than one older person (eg couples). Older people also includes people who do not live in an exclusively older household (eg a two person household where one person is under-55).

10 NPI analysis of the *English Housing Survey*, 2008–09 to 2009–10.

11 New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

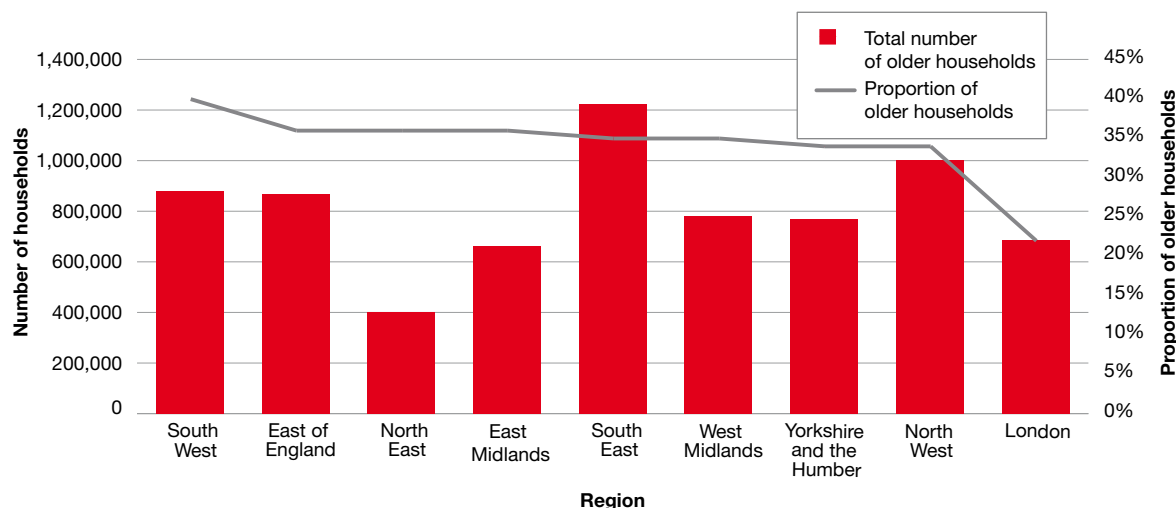
12 *ibid.*

13 *ibid.*

14 72 per cent of over-65s said they were satisfied with their future financial security, higher than any other age group. Department for Environment, Food and Rural Affairs, *Survey of public attitudes and behaviours towards the environment*, 2011.

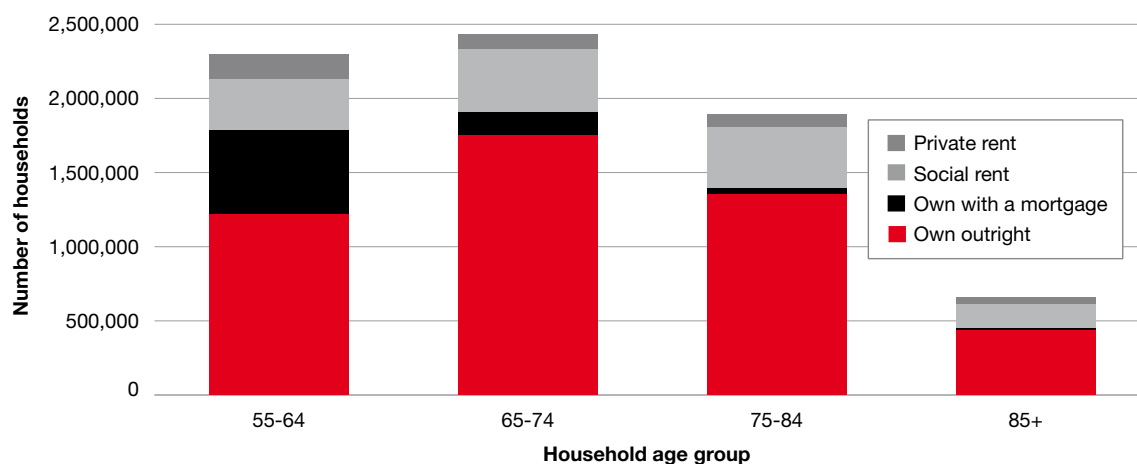
15 Other reasons why older people do and do not move home are discussed further in the report.

Figure 2: Number and proportion of older households in the English regions



Source: NPI analysis of *English Housing Survey* household data. Average for 2008–09 to 2009–10.

Figure 3: Tenure of older households (England)



Source: NPI analysis of the *English Housing Survey*. Average for 2008–09 to 2009–10.

Under-occupation

The size of homes that older people currently occupy is a contentious subject. Under-occupation is very common in England; nearly half of all owner-occupiers (of any age) have two or more bedrooms above the bedroom standard¹⁶, a government standard used to approximate the use of rooms compared to the numbers within the household.¹⁷ In this context, under-occupation usually means that people have at least two unused bedrooms. Empty nesters are those most likely to under-occupy, particularly couples over 60 with no dependent children.¹⁸

According to the bedroom standard, approximately 57 per cent of over-55 households are under-occupying, which is more than any other household age group. As Figure 4 overleaf shows, under-occupation is more common among the ‘younger old’, while over-85s are more likely to live without spare bedrooms. Renters are far less likely to have spare bedrooms than owner-occupiers, indeed very few social renters under-occupy. Although the bedroom standard is a useful proxy for determining whether a home might be considered too small or too large for its occupants, it is a simplistic measure.

¹⁶ *English Housing Survey*, 2009–10.

¹⁷ The bedroom standard calculates the size of a property a household needs so that no one has to share a bedroom unless they are a couple; both aged under 10, or aged between 10 and 21 and of the same sex. A different measure is used in the Census 2001. In this report we refer to under-occupation based on the *English Housing Survey*.

¹⁸ Shelter, *Taking Stock: Making the most from housing – an assessment of under utilisation of the housing stock in England, 2011*, see shelter.org.uk/policylibrary

It does not reflect house size in terms of square footage, it is based on survey evidence¹⁹ and does not account for other uses of bedrooms.²⁰ It can also be a value-laden term, implying that the home is larger than the household needs. Occupiers rarely consider themselves to be under-using their home; people tend to enjoy having lots of space and are entitled to do so in a free market economy, regardless of how this fits with a pre-defined government standard. Most older people who are able to, choose to live in a three bedroom home. Around three

quarters of over-55s believe that their home is 'about the right size' for them. The trend in Figure 6 shows that those with three or more bedrooms are more likely to say that they consider their home to be 'too big' than those with one or two bedrooms.

Why does under-occupation matter?

Despite these issues with defining under-occupation, it is clear that housing space is not evenly distributed between different income brackets and between

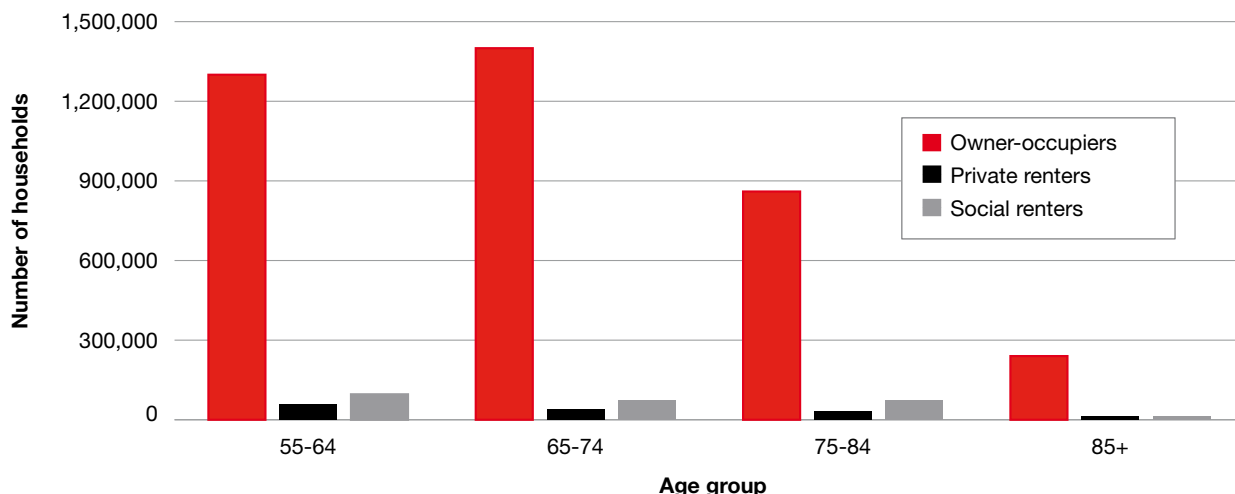
Figure 4: Number and proportion of under-occupying older households by household age group and tenure*

Household age group	Owner-occupiers		Private renters		Social renters		All tenures	
	Number (000s)	%	Number (000s)	%	Number (000s)	%	Number (000s)	%
55-64	1,300	73%	58	35%	96	28%	1,500	64%
65-74	1,400	71%	41	40%	74	17%	1,500	61%
75-84	860	62%	33	37%	74	18%	970	51%
85+	240	52%	13	30%	12	7%	260	40%
All older households	3,800	68%	150	36%	260	19%	4,200	57%
Other households	3,300	36%	410	14%	140	6%	3,800	27%

*Numbers may not add up to 100% due to rounding.

Source: NPI analysis of the *English Housing Survey*. Average for 2008-09 to 2009-10.

Figure 5: Number of under-occupying older households by age group and tenure



Source: NPI analysis of English Housing Survey. Average for 2008-09 to 2009-10.

19 The data is gathered by interviews, and as 'bedrooms converted to other uses are not counted as available unless they have been denoted as bedrooms by the informants', people may respond to the question in different ways.

20 Such as using rooms to occasionally accommodate family or friends.

Figure 6: Attitudes to size of home, by number of bedrooms*

Do you think the size of your home is too big, too small or about the right size for the number of people in your household?	1 bedrooms	2 bedrooms	3 bedrooms	4 bedrooms	More than 4 bedrooms	all
Too big	–	2%	11%	28%	39%	13%
About the right size	51%	80%	79%	68%	55%	74%
Too small	49%	18%	10%	4%	4%	12%

*Numbers may not add up to 100% due to rounding.

Source: YouGov, 2012. Base: 897. GB 55+ weighted. 'Don't know' responses are not shown in the table.

different age groups. There are 25 million 'empty' bedrooms in under-occupied homes²¹, and there are technically enough bedrooms in England for every adult and child to have at least one, even if all couples slept separately.²²

This matters because housing in England is a scarce resource and some families have to over-crowd or live in highly unsuitable accommodation. It also relates to intergenerational opportunities and asset building: while younger households have taken on large debts to get a foot on the housing ladder, or remained in the private rented sector rather than buying a home, many older households have benefitted from the boom in house prices over the last thirty years and hold substantial housing assets.²³ Some £1 trillion of un-mortgaged equity is owned by the over-60s.²⁴

In the absence of greater housing supply for everyone, policy makers need to consider how effectively existing housing stock is used. This is a controversial and sensitive subject – a recent report encouraging more downsizing attracted significant criticism in the media.²⁵ Nobody should be forced to move home and there is nothing intrinsically wrong with small households occupying a large property. The potential capital gains and the extra space for friends and families or hobbies are attractive features of a larger home.

Nonetheless, the scale of the housing crisis is such that a sensible discussion on the merits of downsizing is required. Better options for older households could deliver a range of benefits and these should be discussed openly without attaching value judgements or blame to different generations. It is likely that downsizing would be viewed more positively if attractive options were available to older people and less emotive and negative language was used.

Downsizing is more common in other countries including the United States and Australia where there is a greater tradition of retirement communities.²⁶ Other European countries also have a good track record of supplying more attractive and well-designed housing for older people, including co-operative and quasi-public housing.²⁷

In this chapter we have seen that the vast majority of older people are owner-occupiers. Many have at least two spare bedrooms and enjoy the benefits of extra space. Some commentators have argued that the older generation have unfair advantages in housing, but the debate around under-occupation is extremely sensitive and measures to tackle it court controversy.

21 Griffith, M, *Hoarding of Housing: the intergenerational crisis in the housing market*, Intergenerational Foundation, 2011.

22 There were around 52 million people living in England in 2010. In 2010/11 there were over 60 million bedrooms in England – which is more than one per person. The *English Housing Survey Headline Report 2010–11*.

23 Willetts, D, *The Pinch: How the Baby Boomers Took Their Children's Future – And How They Can Give it Back*, Atlantic Books, 2010; Howker, E, Malik, S, *Jilted Generation: How Britain Has Bankrupted Its Youth*, Icon Books Ltd, 2010.

24 Bailey, L, *2010 Retirement Housing Report*, Knight Frank, 2010.

25 Griffith, M, *Hoarding of Housing: the intergenerational crisis in the housing market*, Intergenerational Foundation, 2011.

26 Only one per cent of over-60s in the UK are estimated to live in retirement homes compared to 17 per cent in the United States and 13 per cent in Australia; Sutherland, J, *Viewpoint on Downsizing for older people into specialist accommodation*, Housing Learning and Improvement Network, 2011.

27 HAPPI, *Housing our Ageing Population: Panel for Innovation*, Homes and Communities Agency, 2009.

Chapter 2: Older people's attitudes towards housing

It is important that housing policies for older people are based on what older people themselves aspire to or need. In this chapter we consider older people's attitudes towards housing in general, towards their home in particular, and towards the idea of moving home.

To stay or to go?

A big decision facing older people, particularly as they become less mobile and their care needs may increase, is whether to stay in their current home or to consider a move to smaller home that is better suited to their needs.

A number of qualitative studies have shown that the incentives to stay, the 'pull' factors that compel people to remain living in their current home for as long as possible, are strong. For example, even where there are clear problems with the home – it has become too difficult to get up stairs or heat the whole home – many people prefer to cope rather than move.²⁸ Some of the factors that bind people to their homes are emotional and powerful, and are largely outside of the control of policy makers. Older people have often invested in their homes over the long term and often feel a strong sense of attachment to their space and possessions, or to their neighbourhood and local community. The sense of having built up a family home and the fear of the unknown can make the prospect of moving an extremely daunting one.²⁹

There are also deterrents to moving; transaction costs, removals costs, an inability to sell and a poor choice of suitable, affordable housing to move to. Cultural attachment to home-ownership and the status of having a large property mean that older owner-occupiers may associate downsizing with negative connotations and a loss of importance or status³⁰, not to mention equity in what has, up until recently, been a well performing investment vehicle.

Figure 7: Staying in the home – competing pressures



28 Croucher, K, *Housing Choices and Aspirations of Older People Research from the New Horizons Programme*, Communities and Local Government (CLG), 2008.

29 *ibid.*

30 New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012; Griffith, M, *Hoarding of Housing: the intergenerational crisis in the housing market*, Intergenerational Foundation, 2011.

A recent think-tank report noted the cultural attachment to equity and argued that:

‘It may sound strange to say, but we need to encourage in society a more consumerist attitude towards later life. It is tragic that many older people have to live out the last years of their lives in houses falling around them solely because they are trying to preserve the inheritance they pass on to their children.’³¹

By contrast, the ‘push’ factors can be unexpected or sudden and can often force a move. Loss of income, bereavement, or severe health problems may prompt older people to move into a smaller home or into accommodation that has support or care services.

Ironically it is at these times of crisis that moving home is likely to be the most difficult and stressful. These crisis movers are often older (75 or over), but in one study, older focus group participants who had moved home expressed that they should have done it sooner, when they were younger, more able and more in control of their decisions.³² Once they have moved, older people generally report satisfaction with their decision and their new home³³, but making the decision to do so in the first place is a major barrier.

Encouraging people to start thinking about their housing options at an earlier stage would be a positive step, encouraging them to make informed, realistic plans while they are well equipped to do so. Other households will make a lifestyle choice to move at an earlier stage, sometimes triggered by children having left home, or following retirement. As Figure 4 shows (see page 12), under-occupation is most common among the ‘younger old’, and encouraging them to move to smaller or more appropriate housing would, crudely, release the most amount of housing space (ie bedrooms) to the market.³⁴

Help and support

Good information and advice, and often practical support, are needed to support older people with their housing choices, particularly for the very old, isolated people who do not have family networks

available, and those with care needs. Moving home in particular is very daunting and stressful for someone who has lived in their home for a long time. Evaluations of services to help older people make decisions about their housing or to give them practical support with the moving process have been very positive.³⁵

For example, a recent review of the publicly funded FirstStop advice service for older people tested the cost benefits of different scenarios for an older woman, ‘Mrs Jones’, living in an unfit home:

‘Scenario 3 (being supported by First Stop to move home) is the cheapest option, with the new housing reducing the need for intensive care and support, as well as reducing the risk of falling. Scenario 1 where Mrs Jones stays in her current home is the next cheapest, but unsustainable. Unsurprisingly, Scenario 2, a fall and admission into a nursing home is most expensive: over three times the cost of Scenario 3’.³⁶

Managing in a large home

Although a minority, a significant number of older people think that their current housing is difficult to manage, or will become so in the future:

- Twenty-seven per cent of older people say that they are currently managing to keep their home tidy and move around the house, but anticipate that it will become harder in the next ten years.
- Six per cent are already finding it difficult.
- One per cent are finding their home so unmanageable that they would like to move.³⁷

Being able to stay comfortable, warm, safe and mobile in the home becomes increasingly important to older people. About a third of all people aged over 65 fall each year, and the resulting cost to the NHS is huge.³⁸ Winter deaths are linked to poorly heated or insulated homes, while older people, particularly over-75s, are more likely to feel lonely, isolated or trapped in their homes.³⁹ More suitable housing options could help to alleviate all these problems.

31 Centre for Social Justice, *Age of Opportunity Transforming the lives of older people in poverty*, 2011.

32 Croucher, K, *Housing Choices and Aspirations of Older People Research from the New Horizons Programme*, CLG, 2008.

33 *ibid*; Ball, M, *Housing Markets and independence in old age: expanding the opportunities*, Henley Business School, 2011.

34 It is not necessarily the case that new homebuyers would not also be under-occupiers; this is discussed in greater detail in the following chapters.

35 O’Shea, N, *Helping older people choose the right home for them*, EAC 2012; Burgess, G, et al, *Evaluation of the FirstStop Advice Initiative*, Cambridge Centre for Housing and Planning Research, 2012.

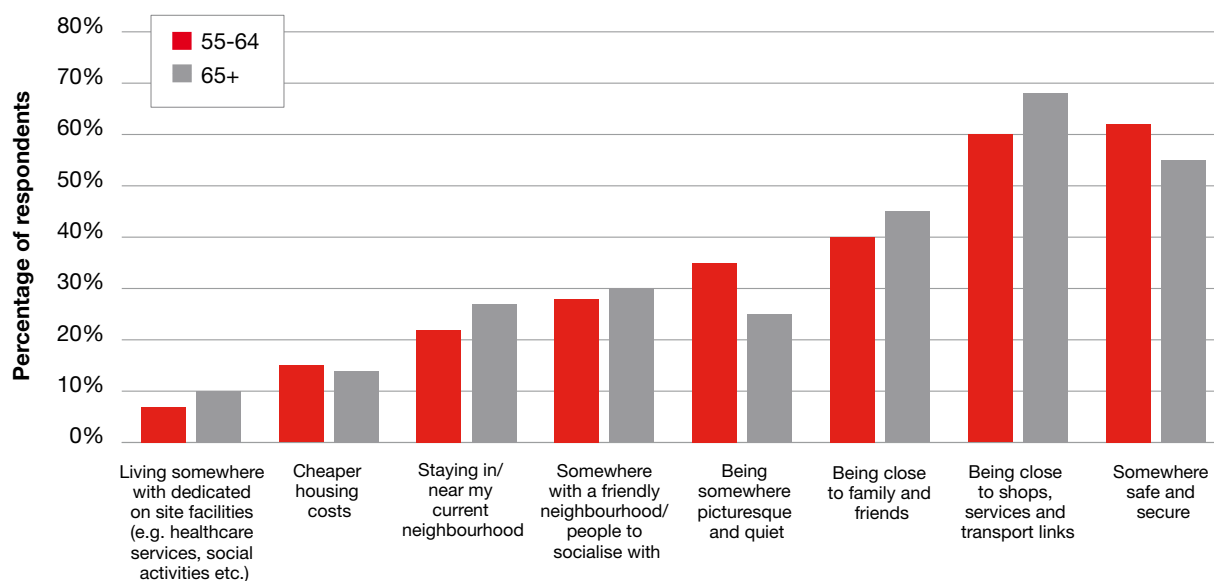
36 Estimated annual costs are as follows: Scenario 1 – staying in the home: £27,366, Scenario 2 – move to nursing home: £59,085, Scenario 3 – supported to move home: £17,826.11.

37 YouGov 2012. Base: 897. GB 55+ weighted. Participants were asked to choose one of five statements about the manageability of their home: Which ONE, if any, of the following statements BEST applies to your current home?

38 The combined cost of hospitalisation and social care for hip fractures (most of which are due to falls) is £2 billion a year – British Orthopaedic Association, *The National Hip Fracture Database National Report 2011*, 2011.

39 Age UK, *December 2011 Factsheet: Later Life in the United Kingdom*, 2011.

Figure 8: Which three neighbourhood features would be the most attractive to older people if they were to move?



Source: YouGov, 2012. Base: 897. GB 55+ weighted. 'Don't know' and 'none of these' responses are not included.⁴⁰

Housing aspirations

One of the factors that puts people off moving home is a concern that there is no suitable housing available for them. Like all people, older people want to live in decent, secure housing, in a place that is well suited to their needs. As Figure 8 shows, being safe and secure is something that older people would look for in a home. Proximity to shops and services, family and friends are also key features that older people would look for if they were to move, as well as living somewhere picturesque and quiet.

It is interesting to note the relative lack of attachment to their current area and a lack of concern about cheaper housing costs (although it would be expected that those on lower incomes would value cheaper housing costs more highly). The survey suggests that older people value a safe home, an attractive, welcoming area with good facilities, transport links and services, where they will be close to friends and family.

The property features that older people would look for if they were to move within the next ten years vary, suggesting that there is no 'one size fits all' property type for potential movers as Figure 9 opposite shows.

Awareness of housing options

Another key barrier to moving is simply a lack of suitable options:

'Currently, many older people want to stay in their existing home because they have no information about other options and more people would want independent living with flexible support if they knew it existed.'⁴¹

Our YouGov survey suggested however, that over a third of older people are interested in the idea of retirement housing, or would be in the future. (See Figures 10 and 11 on page 18 for more details.)

This equates to over six million older people⁴², and suggests that there is latent demand for retirement housing; an opportunity which the market is yet to fully exploit. It is possible that with better awareness and more targeted marketing, demand could grow further.

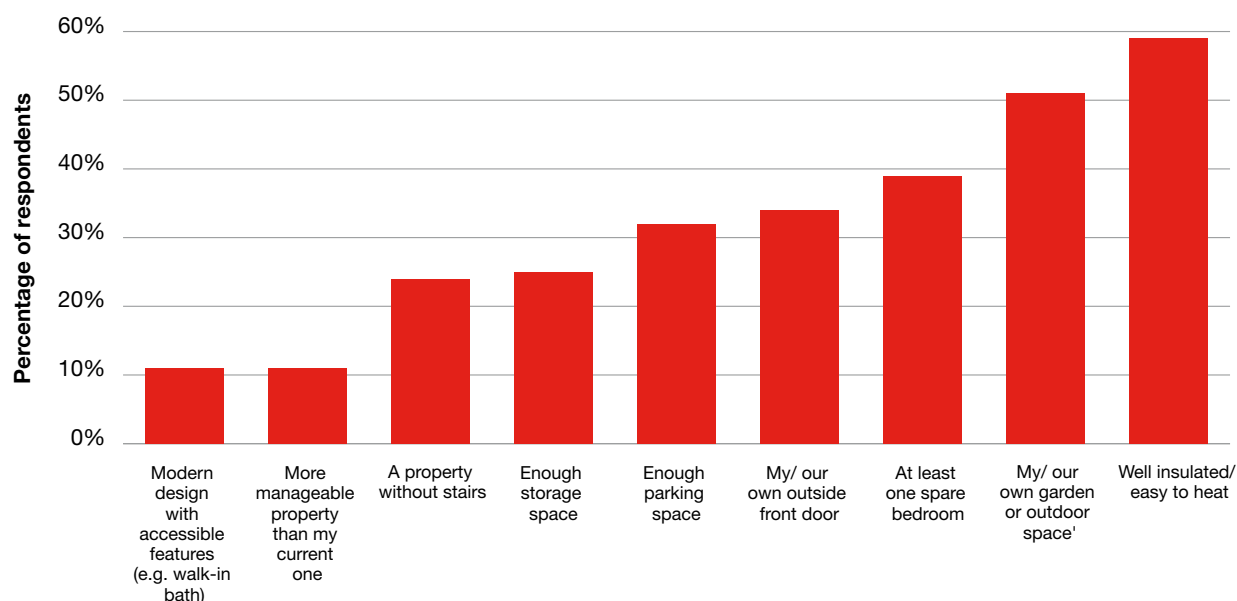
Although the bases are too low in some groups to draw any meaningful conclusions, we can see that interest in retirement housing is particularly high among older outright owners.

⁴⁰ Participants were asked: Thinking about the next ten years... Which THREE, if any, of the following neighbourhood features would be MOST important to you if you were to move house? (Please tick up to three options.)

⁴¹ Sutherland, J, *Viewpoint on downsizing*, Housing Learning and Improvement Network, 2010.

⁴² Results from the YouGov survey were grossed up to the GB population aged 55 and over (17.2m) using the ONS Mid Year Population Estimates 2010.

Figure 9: Which three property features would be most attractive to older people if they were to move?



Source: YouGov, 2012. Base: 897. GB 55+ weighted. 'Don't know' and 'none of these' responses are not included.⁴³

Of those who are not interested in retirement housing now, and do not think they will be in the future, the vast majority (nearly three quarters) state that a key reason is because they want to stay in their own home or have no intention of moving now or in the future. It is unlikely that they will be moved to change their minds in the short term. It is possible that renters see themselves as more likely to move due to the flexibility of rental contracts. Other reasons older people were not interested were because of negative views about the size (30 per cent) and affordability of retirement housing (21 per cent), or because they expressed a preference for living in mainstream housing or mixed-age communities (57 per cent).

Another way of assessing older people's attitudes to moving is to look at their past behaviours. It is estimated that just three per cent of older households move every year⁴⁴, and their reasons for doing so

are most often related to personal or family reasons. However, around a fifth move because they want a smaller home; older households are much more likely than other households to downsize when they move.⁴⁵

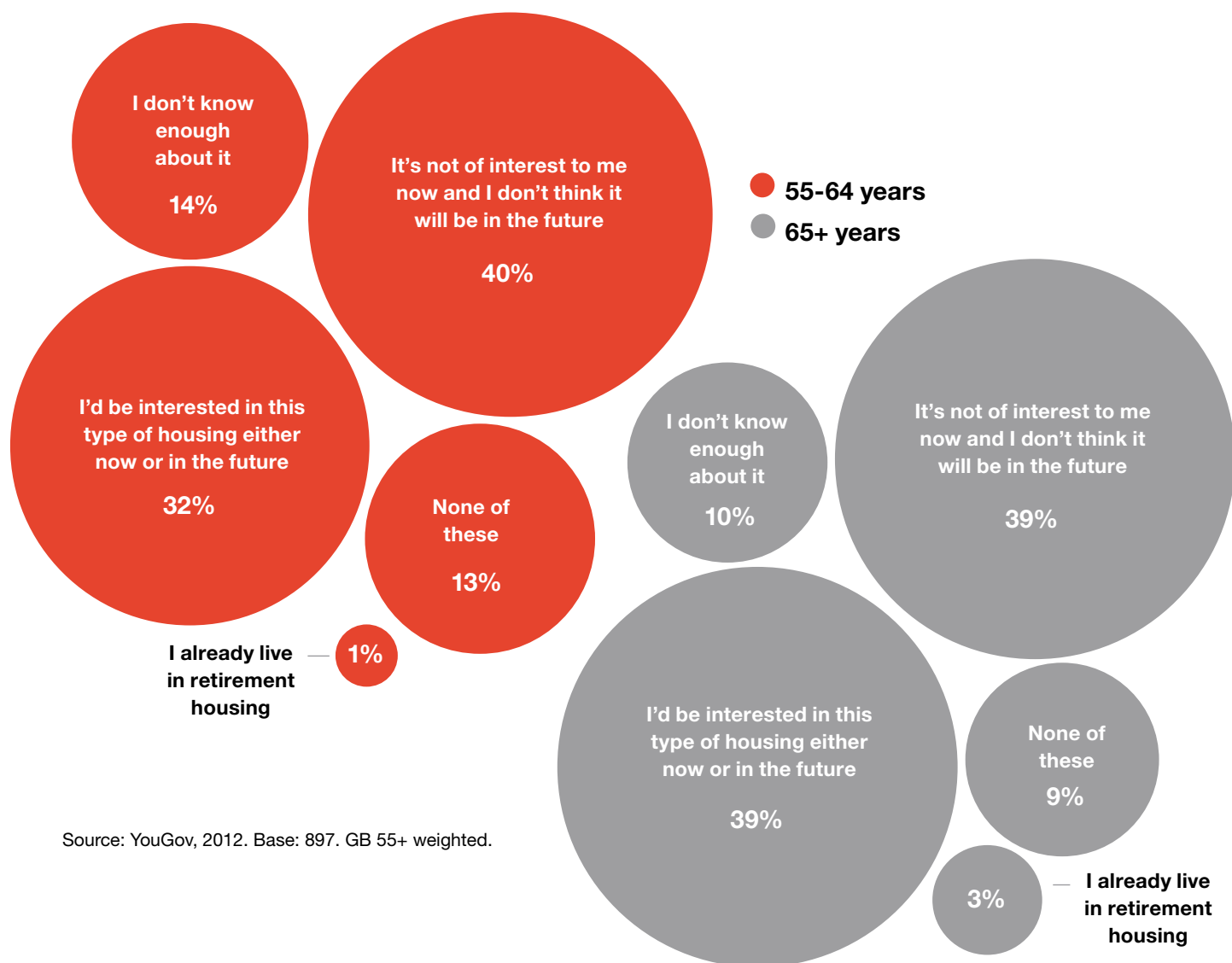
There are strong disincentives to moving to a smaller or different property but some households are interested in moving and have clear ideas about what kind of housing they would wish to move to. Older people's needs and aspirations are diverse, but there is some demand for retirement housing and a clear preference for attractive homes in good neighbourhoods. In the next chapter, we examine how well the market meets those needs.

⁴³ Participants were asked: Still thinking about the next ten years... Which THREE, if any, of the following property features would be MOST important to you if you were to move house? (Please tick up to three options.)

⁴⁴ This is lower than across other age groups – older person households are much less likely to have moved in the last ten years than other households (28% compared with 66%, NPI 2012).

⁴⁵ New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

Figure 10: Interest in retirement housing, by age group⁴⁶



Source: YouGov, 2012. Base: 897. GB 55+ weighted.

Figure 11: Interest in retirement housing, by tenure

	All	Own outright	Buying with a mortgage/loan	Rented from local authority	Rented from private landlord*	Rented from housing association*	Live rent-free (including rent-free in relative/friend's property)*	Other*
I'd be interested in this type of housing either now or in the future	36%	38%	28%	31%	54%	32%	21%	28%

Source: YouGov, 2012. Base: 322. GB 55+ weighted. *Denotes base size under 50.

⁴⁶ Participants were asked: By 'retirement housing' we mean private flats or bungalows specifically built for, or marketed to, older people. Which ONE, if any, of the following BEST applies to you?

Chapter 3: The current market for older people's housing

There is clearly some demand for older people's housing, but is the market providing for this growing demographic? In this chapter we consider the make-up of the current market, and the challenges and benefits facing market players.

Specialist housing

Very few older people live in 'specialist' housing, ie housing that is built or available only for older people and usually features support or care services and other communal facilities. It is estimated that 90 per cent of older people stay in mainstream or general needs housing while ten per cent move to specialist housing.⁴⁷

The Elderly Accommodation Counsel, which collects the most reliable data on specialist housing, estimates that there were about 533,000 specialist housing units in England in 2010. These are largely only available for the over 55s, and the current supply is equivalent to about 73 units per 1,000 older households.⁴⁸ These are principally social rented homes with support facilities and much of the stock, often bedsits built in the 1960s, is difficult to let.⁴⁹ Housing Associations are the dominant providers.

The range of needs of older people and varying trends in funding and types of provision means that specialist accommodation can come in many and various guises, often with confusing labels:

'Over the last 20 years, the range of specialised or supported housing options has expanded from 'sheltered housing'; it now includes 'very sheltered', 'assisted living', 'retirement homes', 'retirement villages', 'extra care', 'close care',

'continuing care', and more besides... Newer typologies – often 'complexes' designed to serve a range of care needs – often feel institutional. Residential and nursing care home types have also compounded and now include specialist facilities for dementia, palliative care, and the shorter-term functionality of respite and intermediate care. The impression is one of almost bewildering choice. But when push comes to shove – especially in a crisis – there is no choice at all.'⁵⁰

It is striking that the majority of specialist housing is rented when the majority of older households are owner occupiers. Only 124,000 homes – just under a quarter of the total specialist stock – are owner-occupied homes. Sixty nine per cent of people we surveyed said that they would be most likely to buy with a mortgage or buy outright if they were to move⁵¹, and it is likely that many older people will want to retain the security and equity attached to being a homeowner, or believe that they will not be eligible for social rented housing. But the market is not delivering enough specialist housing for sale.

A recent report for one provider of privately-owned retirement homes suggested that build rates need to quadruple to keep up with potential demand.⁵² It tends to be the case that specialist housing is:

47 Sutherland, J, *Viewpoint on downsizing for older people into specialist accommodation*, Housing Learning and Improvement Network, 2011.

48 New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

49 'Support' refers to practical help – preparing meals or shopping for example, while 'care' is more intensive, referring to personal care such as help getting dressed or bathing. Of the current housing stock, around 78% is for rent and 22% for sale. 91% is classified as housing with support and 9% is classified as housing with care.

50 HAPPI, *Housing our Ageing Population: Panel for Innovation*, Homes and Communities Agency, 2009.

51 YouGov 2012. Base: 897. GB 55+ weighted. Participants were asked: If you were to move home in the future... Which ONE, if any, of the following types of home would you be MOST likely to move into? (If you are not sure, we'd still be interested in which type of home you think you would move into).

52 Ball, M, *Housing Markets and independence in old age: expanding the opportunities*, Henley Business School, 2011.

‘Polarised between retirement villages for the affluent and subsidised sheltered housing for people on low incomes, with little in-between... there is very little on offer to the ‘inbetweeners’. They represent the majority of older people living in privately-owned medium priced family homes on mid-to-low incomes with limited savings or pension arrangements.

The housing association sector has not yet addressed this in any major way and as business models of providers and builders have to alter to deal with rapid changes in funding and planning regimes, there is an opportunity for the sector to widen its appeal to large numbers of older households.’⁵³

There is also an under-supply of private-rented specialist accommodation. Girlings, the leading provider of private-rented retirement housing for the over-55s, report high demand for their products and note that the offer of secure tenancies is particularly important to older people. Moving from owner-occupation to renting can allow older households

to release capital and avoid the hassle and cost of repairs and maintenance.⁵⁴

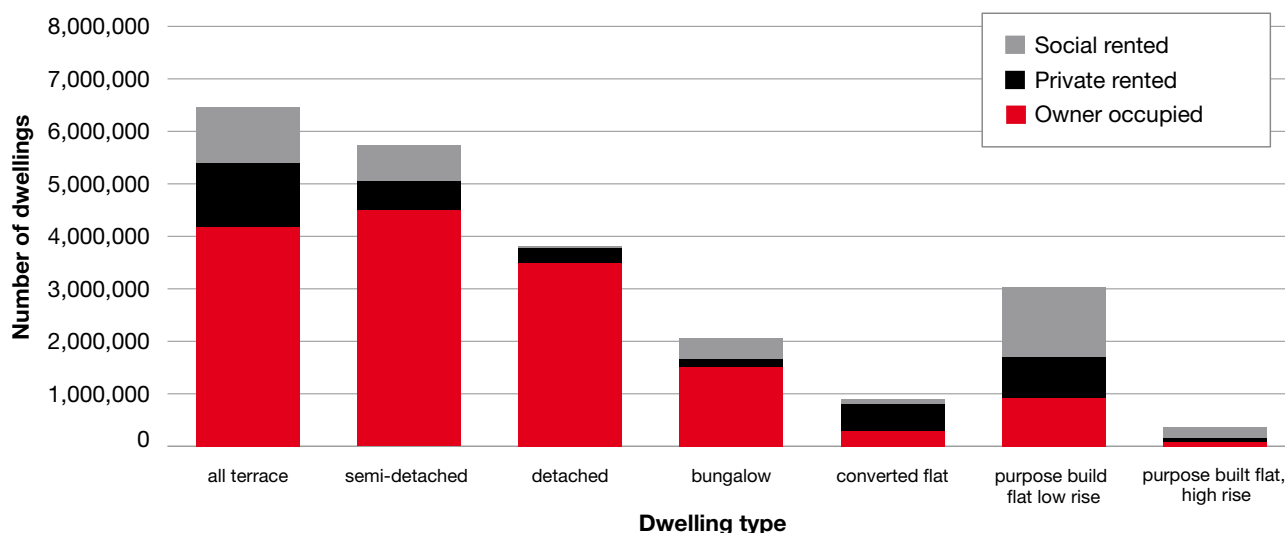
Mainstream housing

Most older people move within the mainstream housing market, that is to say they move to non-specialist accommodation either on the open market or within the general needs social-rented sector.⁵⁵ Inevitably it is difficult to demonstrate what sort of mainstream housing is available for older people as it isn’t any different from other types of housing. Figure 12 shows the overall housing stock profile in England, by tenure.

As a little under a tenth of older people say they would look to move somewhere without stairs⁵⁶, the relatively short supply of bungalows may be a concern. Builders are more likely to build flats or houses than bungalows as bungalows take up a larger amount of land, increasing costs to the developer.

It is possible to assess how many homes in the general housing stock would be broadly suitable for older people in terms of property features, and particularly how far they meet the ‘lifetime homes’

Figure 12: Stock profile, England, 2009



Source: *English Housing Survey summary statistics*, 2009.

⁵³ Housing Forum/NHBC, *Everyone Needs a Home: Report of Working Groups*, 2011.

⁵⁴ Housing Learning and Improvement Network, *Housing Learning and Improvement Network Factsheet no. 32 Private rented Extra Care: a new market?*, 2010.

⁵⁵ Older social renters are more likely to downsize than owners or private tenants (NPI 2012).

⁵⁶ See Figure 9 on page 17.

standards.⁵⁷ Figure 13 shows that the majority of mainstream housing stock is accessible, or could be adapted if necessary⁵⁸, to meet the needs of older people with mobility problems.

There is a risk that in the future, fewer homes will be built with these features as housing policy becomes increasingly localised. The recent government housing strategy stated that:

‘...we do not intend to introduce national regulation. Future needs will vary considerably at a local level and we believe that decisions on the number of Lifetime Homes within each development should be made at a local level, in proportion to local need and aligned with other local housing support and information services.’⁵⁹

Although these homes have some accessible features, it does not necessarily mean that they will be attractively designed. A major commission into the design of older people’s housing noted the need for flexible, light, spacious, well-ventilated homes with imaginative use of shared

spaces.⁶⁰ This contrasts against the ‘institutional’ feel of much of England’s older specialist housing stock and to mainstream stock that is not usually designed in an age-friendly way.

New build mainstream housing

Large developers are not generally building mainstream housing with the older people’s market specifically in mind; website information from the major developers is largely aimed at new buyers, for example. New housing for sale tends to be quite small⁶¹ and is often marketed at first-time buyers or investors, although this may change if mortgage availability for younger buyers continues to be scarce and developers see increasing value in targeting equity rich older people.

Alternative housing models

Outside of the major providers of specialist housing and the larger private volume house-builders, there is some limited provision of alternative housing options for older people. Co-housing, a new model of housing provision in which a group of people

Figure 13: Accessibility features in mainstream housing stock*

Feature	Already has	Could with amends	Not feasible
Facilities at entry level		moderate re-plan	
Potential living space	94%	0%	3%
Potential bedroom	83%	0%	6%
WC	60%	25%	9%
Shower/bath**	23%	57%	9%
Entering and leaving the home***		minor amends	
Level access to the main entrance	16%	59%	23%
Flush threshold to the main entrance ⁶²	20%	80%	0%
Car-parking space	54%	18%	2%

Source: NPI analysis of English House Conditions Survey (report), 2007.

*Numbers may not add up to 100% due to rounding.

**Dwellings with three or more bedrooms (not required by lifetime homes for one- or two-bedroom dwellings).

***For flats, no account was made of whether there was a lift in the block.

57 ‘Lifetime homes’ were developed in the 1990s. There are 16 Design Criteria, based on five principles: inclusivity, accessibility, adaptability, sustainability and good value for money. The aim is to make all new housing suitable for older and disabled people and to make future alterations easier and less costly. We have featured seven of the accessibility features that are most relevant to older people. More information can be found at www.lifetimehomes.org.uk

58 ‘Minor amends’ means repairs costing up to £1,000 while a ‘moderate re-plan’ could cost up to £15,000.

59 Department for Communities and Local Government, *Laying the Foundations: A Housing Strategy for England*, 2011.

60 Ten design principles were set out, also including energy efficiency and adequate storage space. HAPPI, *Housing our Ageing Population: Panel for Innovation*, Homes and Communities Agency, 2009.

61 Griffith, M, *Delivering reform of the Building sector to meet the UK’s Housing and Economic challenges*, Institute for Public Policy Research, 2011.

62 This means that the threshold has no major obstructions and allows a wheelchair user to enter easily.

join together to purchase or build and manage their own housing development with communal facilities, is growing in popularity, especially among older people.⁶³ By utilising the equity held by older homeowners to provide purpose built accommodation, this approach may have potential to open up a new form of housing that older people can be directly involved with, and offer efficiencies in terms of shared facilities and services. The specialist housing association Hanover is seeking to develop more co-housing schemes for older people.

Why aren't more developers building for older people?

There has been a general slump in house building and housing market liquidity, with the general shortage of housing causing major problems for households today.⁶⁴ However, looking beyond these recent causes, developers have always been slow to build specialist or mainstream houses for older people. Why have commercial developers neglected such a large and affluent generation, and why are so few now seeking to get involved in this market?

In terms of specialist housing, particularly housing with some level of communal services or care facilities, large developers are put off by the additional land requirements and costs attached. Communal facilities, for example, do not generate sales income in the way that flats for sale do. High density first-time buyer housing is generally considered to be easier to sell, to generate more 'bang for buck', and to have a greater chance of being successful at the planning application stage – a powerful combination of incentives.

Retirement properties can take longer to sell, slowing cash flows. Ongoing management and commitment is needed, and specialist housing is undoubtedly more complicated and costly to design, market, deliver and manage than other types of housing. This barrier could perhaps be overcome by greater partnership working between specialist providers and volume builders.

Developers also report that planning can be a significant barrier for them⁶⁵:

- Local authorities have, to date, been fairly poor at recognising the importance of housing for their local ageing populations and planning ahead accordingly.
- There is little steer or strategy from Central Government, and older people's housing is often considered in the narrow context of care. This can mean that developers who want to build for the older people's market encounter a lack of interest and understanding from the local authorities they need to work with, and poor data on need and demand.
- High-density housing tends to be favoured by planners over the more spacious, low-density housing preferred by older people.
- Planning authorities take different approaches to classifying specialist housing; which can be seen as either a residential institution (class C2) or as dwelling houses (class C3).⁶⁶ This is important to developers for a number of reasons, particularly as development classed as housing (C3) can generate an obligation on the developer to build a proportion of affordable housing under Section 106 agreements, which affects the development's profitability and potentially the viability of the site.
- New housing for older people is not immune to some of the wider problems developers report in negotiating planning consents: opposition to new development or 'nimbyism', restrictions on greenfield land, slow and burdensome processes and regulatory costs.

Existing developers of housing for older people are also having to reconsider their models in light of financial pressures. Hanover housing association, who manage several 'extra care' developments, are considering ways to cut back on costs by scaling back on some 'nice to have' features in their developments, such as on-site care, certain communal facilities and free meals. But they maintain that: 'it would surely be the falsest of economies to back pedal on the size and quality of the accommodation we build.'⁶⁷

63 Durrett, C, *Senior Cohousing: A Community Approach to Independent Living*, New Society, 2005.

64 Shelter, *Held Back Households – How the housing system squeezes people on low-middle incomes*, 2012; see shelter.org.uk/policylibrary

65 The planning system is currently undergoing fundamental reform – this is discussed in greater detail in Chapter 5, see page 27.

66 King, N, *Planning Use Classes and Extra Care Housing*, Housing Learning & Improvement Network, 2011.

67 Hanover, *The Future of Extra Care and Retirement Housing*, 2009.

Future development

The supply of new housing for older people has fallen since the financial crisis and the ensuing economic downturn. There is scepticism among developers that provision of either mainstream or specialist housing for older people will increase significantly in the short-medium term due to the barriers outlined above, and the wider economic outlook means that new housing supply generally is likely to remain depressed until the market picks up.

Over the longer term, supply of both specialist and mainstream housing needs to grow. Around 6,000 new specialist homes were delivered in 2010, a slight improvement on build rates from previous years since the financial crash of 2007 when building rates plummeted.

Projecting up to 2033, when the older population will have boomed, there is a huge development challenge. To maintain a similar proportion of both public and private specialist housing stock for older people as we have currently (ie if the ratio of specialist housing: older households remained constant) we would need to build around 10,000 new specialist homes per year.⁶⁸

An alternative way of projecting required stock is to look at current demand. If the same proportions of older people moved to specialist housing each year as they currently do, annual demand would be for 86,000 units per year.⁶⁹ In other words, if the proportion of over-55 households moving into this type of accommodation remains constant, there will be an increase in annual demand of 70 per cent.

It is possible that this could increase even further if the proportion of over-55 households who want to move into specialist housing grows over the next 20 years. Some of this demand may be met through churn in the existing specialist stock, but new building will undoubtedly be required.

If all older people were to stay within their current tenures, these 86,000 specialist homes would need to be split across owner-occupation (around 76 per cent), social-rented (18 per cent) and private-rented (six per cent). It is not projected that the tenure split among older people will have changed dramatically by 2033, although this is obviously difficult to predict.

There are, however, many variables and unknowns – while some older people will wish to stay in their current tenure, for example to preserve equity, some will choose to move to other tenures if they are available and accessible. At present, around 30 per cent of moves to specialist social-rented housing are from the private sector.⁷⁰

There is a narrow range of housing available to older people. The principal model is social-rented housing with support, which will be unsuitable for many older people, particularly lifestyle movers and owner-occupiers. There is little new development at present and it is unlikely that this situation will improve without policy intervention or greater incentives for developers.

68 New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

69 England. Around 50,000 households move into specialist accommodation each year. Data from CORE (the Continuous Recording of Lettings and Sales in Social Housing in England) shows that among households headed by someone aged 55–84, around 0.6% move into specialist accommodation each year. For those with a household reference person aged 85+ it is around 1.1%. Applying these proportions to the projected number of households in each age group, in 2033, this would amount to an annual demand of around 86,000 units of specialist accommodation. This is an increase of 70%. New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

70 *ibid.*

Chapter 4: Why expand housing options for older people?

Our research has shown that housing options for older people are limited and that there is latent demand for a wider range of more appropriate homes across different tenures. What would be the benefits of improving the housing offer for the burgeoning population of older people, and why should developers and planners pay attention to this market?

What are the potential benefits of housing for older people?

Assessments of existing housing schemes for older people have generally shown positive socio-economic outcomes for those who move into them.⁷¹ A positive choice to move into more suitable

accommodation can help people to maintain healthy, independent lives in a variety of ways. The following table outlines the estimated benefits of one model – owner occupied retirement housing – based on a survey for the specialist developer McCarthy and Stone⁷²:

	Evidence	Potential wider benefits
Health and well-being aspects	■ More than eight in ten residents report that they generally feel happier in their new home. ■ Almost 45 per cent of residents reported having better or much better contact with family and friends, a further 48 per cent reported no change.	■ Greater mental well-being and less isolation for older people.
Financial aspects	■ Half of residents thought that their energy bills were lower.	■ Older people save energy, which has environmental benefits and are able to heat the whole home, which has health and safety benefits.
Housing market aspects	■ Two thirds of residents had moved from three- or four-bedroom homes.	■ More family-sized homes are released to the market, bringing liquidity and more opportunity for younger buyers to trade up or buy their first home.
Economic aspects	■ Residents were frequent users of local shops, cafes, restaurants, libraries and post offices. ■ Residents reported spending less time in hospital and nearly a third felt that their health had improved since moving.	■ Local business and jobs are supported. ■ Costs to the public purse are saved through reduced hospital use.

⁷¹ Porteus, J, *Housing, prevention and early intervention at work: a summary of the evidence base*, Housing Learning & Improvement Network, 2011.

⁷² Ball, M, *Housing Markets and independence in old age: expanding the opportunities*, Henley Business School, 2011.

Developments for older people that include communal areas can help isolated older people to have more interaction with other people and many developments offer facilities such as leisure or learning activities which can increase older people's well-being and help them to stay mentally and physically active. A review of retirement villages on behalf of the Joseph Rowntree Foundation noted further benefits of larger scale sites⁷³:

- Services such as finance and benefits advice and healthcare facilities are available, made possible through economies of scale. Additional services also provide employment opportunities for the wider community. Some retirement villages provide on-site care homes so people don't have to move again later in their life.
- As homes are purpose built, decent and accessible, they are safer and warmer; particularly beneficial if people develop mobility problems or ill health.
- Residents tend to feel safer and have less fear of crime.
- There are self reported improvements in health and well-being.

However, there have been criticisms of some aspects of specialist housing from residents – particularly around the transparency of the housing offer and the fee and charges schedules. Older people want to know exactly what they will be getting for their money, for example if care or support will be available onsite all the time or whether they can be certain that warden services will not be withdrawn to cut costs. Following campaigns by Age UK and others, an investigation is being carried out into the nature and level of exit fees charged to retirement housing leaseholders.⁷⁴

Specialist older people's housing can also generate savings for society as a whole. A study for the Homes and Communities Agency analysed the net cost benefits of investment into specialist accommodation for vulnerable and older people. These benefits mainly arise from reduced reliance on health and social care services and were estimated to be around £219 million for nearly 12,400 older people.⁷⁵ At a time

when Government is seriously concerned about the costs of providing health care and social care, it is vital to recognise the role that housing can play both in improving older people's health and well-being, and in meeting wider policy objectives.

This was acknowledged in the recent work of the NHS Future Forum:

'We have heard that there is little understanding of the dependencies between health, social care, housing and other services, especially in relation to the effectiveness of housing in preventing, delaying, reducing or diverting demand on more costly health and social care services. For example, the NHS spends £600m treating people every year because of 'category 1' (the most severe) hazards in poor housing, the vast majority being associated with falls.'⁷⁶

The benefits of moving to mainstream or non-specialist housing are harder to quantify; although one benefit to moving owner-occupiers is the release of equity. Moving from a detached home to a smaller one – a flat or semi-detached home for example – would release around £100,000 on average⁷⁷, although this will vary regionally. There is less potential to release sufficient capital for those moving to more expensive types of housing, such as in-demand bungalows, and any capital released will be offset to some extent by transaction costs.

Those moving to a smaller mainstream home may also find that it is easier to heat and keep warm, which itself has positive health implications⁷⁸, and easier to take care of and clean. In turn, these effects feed through to lower fuel, maintenance and tax bills for down-sizers.

Finally, better provision for older people may have cumulative effects on social attitudes towards new house building, though these will necessarily be diffuse and difficult to measure.

Older, more affluent people are among the most likely to oppose new housing development⁷⁹, perhaps because they see themselves as having little to gain from the supply of new homes. The provision of high quality, attractive homes for older people could help

73 Croucher K, *Making the case for retirement villages*, Joseph Rowntree Foundation, 2006.

74 Age UK, *Putting Retirement Housing in Order*, 2010.

75 Frontier Economics, *Financial benefits of investment in Specialist housing for vulnerable and Older people: A report for the homes & communities agency*, Homes and Communities Agency, 2010.

76 Department of Health, *Integration – A report from the NHS Future Forum*, 2012.

77 New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

78 Staying warm is important for older people's health: 'There is a strong relationship between poor insulation and heating of houses, low indoor temperature and excess winter deaths of older people...there were 24,430 excess winter deaths of people aged 65 or over in the UK in 2010/11.' Age UK, *December 2011 Factsheet: Later Life in the United Kingdom*, 2011.

79 Shelter Housing Insights for Communities, see england.shelter.org.uk/professional_resources/housing_insights

overcome this perception by demonstrating that development can be directly beneficial to people like them, and so lessen this group's propensity to oppose planning applications.

How would better housing options for older people affect the housing market?

While few older people move every year, for reasons outlined in the first chapter, data shows that those who do move have fewer bedrooms than those who have not moved within the last five years.⁸⁰ Given the large number of under-occupying older households, even a small proportion moving would have impacts on the housing market. Freeing up three- or four-bedroom owner-occupied homes does not directly benefit new households or low income households in housing need. Around two-thirds of all moves are from within the same tenure⁸¹ and those buying larger homes are likely to be established owner-occupier households with sufficient equity to trade up.

Owner-occupied housing is traded in the open market and it is possible that those who moved into vacated homes would themselves be under-occupying. Based on current trends, over half of younger owner-occupiers who have moved into a three- (or more) bedroom home within the last three years have children. Ninety-one per cent of younger movers to three-bed homes have at least one spare room and 58 per cent of them under-occupy (ie they have two spare rooms or more).⁸² However, many younger families buy a larger property in anticipation of having more children in the future. There could also be a trickle-down effect from enabling more downsizing at the top of the market; the housing

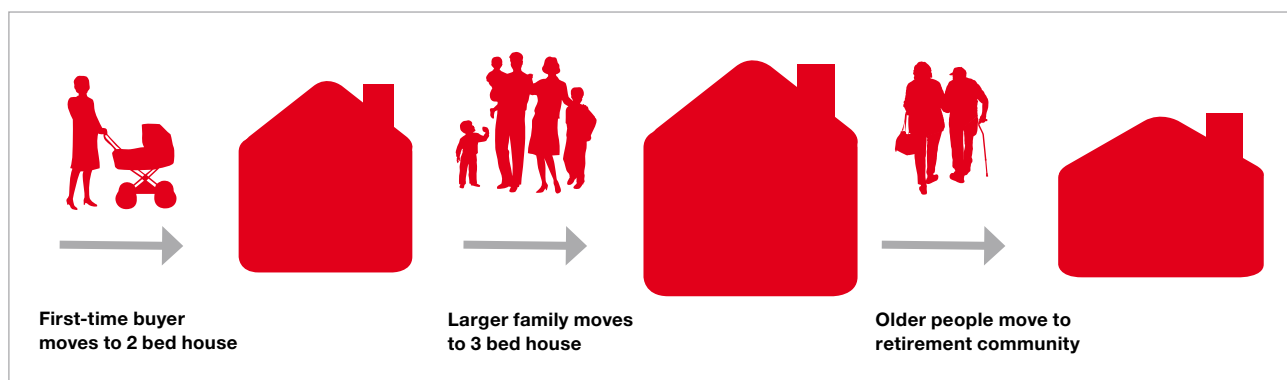
market is currently stagnant, but it operates on swaps, chains and cycles, with households trading up and so allowing others to enter at the bottom of the ladder.

If more households were to downsize they would obviously need somewhere to move to. While there are potentially enough smaller homes in the market⁸³, they are not necessarily the right kind, in the right tenures or the right areas. Building more homes that are suitable for older people could help to stimulate the market by increasing their propensity to downsize.

If, for example, 20 per cent of older households who currently under-occupy were to move to new, more suitable, attractive, purpose-built accommodation, around 840,000 family-sized homes would be released, including 760,000 in the owner-occupied sector. This approach would potentially be at a lower cost than building the equivalent number of new family homes and would create family housing more quickly – it has taken eleven years for 828,000 new homes with three or more bedrooms to be built.⁸⁴ This is a big 'if', as we have seen that developers are not currently catering for the older market or building sufficient levels of new specialist housing. In Chapter 5, we explore how these problems might be overcome.

Housing built for older people can deliver excellent health and well-being benefits as well as helping to free up space in the housing market. However, market chains are complex, and are subject to multiple drivers, including older people's ability and willingness to move.

Figure 14: Illustration of a market chain effect



80 The average number of bedrooms among recent older movers (2.59 for owner-occupiers, 2.04 for private-renters and 1.30 for social-renters) is lower than the corresponding figure for non-movers (2.93, 2.37 and 1.87 respectively); New Policy Institute, *Market Assessment of Housing Options for Older People*, 2012.

81 *ibid.*

82 *ibid.*

83 ie those that would be made available by families moving up to larger homes.

84 The last eleven years for which data are available. Department for Communities and Local Government, *Live Table 254 Housebuilding: permanent dwellings completed, by house and flat, number of bedroom and tenure, England* (online).

Chapter 5: How to expand housing options for older people

In this chapter we discuss how some of the barriers to providing better housing options for older people might be overcome and how to better encourage and support home moves.

Encouraging development

Planning in England is to be radically reformed, localised and simplified following the passing of the Localism Act in 2011. The National Planning Policy Framework (NPPF) sets out the broad principles by which planners should assess housing development, among other things. In recognition of the coming demographic shift, the NPPF encourages planning authorities to ‘plan for a mix of housing based on current and future demographic trends’ and to consider a range of housing, including for older people, in local housing market assessments.⁸⁵

It is questionable whether these broad statements fully recognise the centrality of demographic change or will encourage a step change in local authorities’ approaches to planning housing for older people. The planning framework might also be used to encourage local authorities to think about housing for older people in a more strategic, integrated way. Housing for older people, including mainstream developments, should be seen as part of local authorities’ wider strategies for their local housing markets, linking to local health care and social service strategies. Planners must recognise that new developments for older people, including mainstream or private developments, are socially useful and have knock-on market impacts – they are not just a means to more housing units.

Developers are unlikely to enter the specialist market until there is greater clarity within the planning system, notably the inconsistent application of planning use classes for retirement homes. Developers also need to be confident that a planning application will not be an excessively costly and lengthy process.

The kinds of homes that older people really want to live in, that promote health, well-being, safety and independence are the ones that need to be built. The design principles and inspiring international examples set out in the HAPPI report should be more widely adopted. We need energy efficient homes that are well lit and ventilated, can be easily adapted to suit changing needs and have layouts that promote social interaction.

Supporting home-movers

Many older people want to stay in their own homes and it is important that this is respected. But given the potential benefits of downsizing and particularly the social benefits associated with moves into specialist accommodation, how can we encourage more older people to move and support people through the process?

One way of encouraging downsizing is through incentives; some groups have suggested stamp duty tax breaks for downsizers⁸⁶, although the likely effectiveness and cost benefits of such tax breaks are not entirely clear cut.

The private sector could potentially attract more demand by offering incentives to downsizers, such as part-exchange schemes, or ‘try before you buy’ schemes to help people overcome their fear of moving by spending time in a new development before they commit to it. Inclusive packages that offer older people practical support with moving would also be attractive. An offer that included, for example, help with removals, negotiating with energy suppliers, redirecting mail, selling unwanted goods, dealing with administrative and legal issues and post-

85 Department for Communities and Local Government, *National Planning Policy Framework*, 2012.

86 Griffith, M, *Hoarding of Housing: the intergenerational crisis in the housing market*, Intergenerational Foundation, 2011.

move support, would take much of the stress away from older people considering a move, particularly those who do not have any family support. Some independent firms are already offering these kinds of services for a fee.⁸⁷

Developers can also help to incentivise moves by marketing their offers for older people in a more positive and appealing way. Awareness of retirement housing is fairly low, but our survey suggested that there is an underlying interest among older people that could be better exploited through marketing, PR and testimonials that highlight the positive benefits of moving. Government also has a role in communicating to older people and encouraging them to start planning their housing options for later life. Existing channels, such as the First Stop advice service and Direct Gov can be better used and promoted as useful hubs for information, but both local authorities and Central Government could be more active in promoting older people's housing and setting out a coherent, positive vision for its future.

Some councils have been taking innovative approaches to encourage downsizing. The Redbridge 'FreeSpace' pilot allows homeowners to lease their home to the local authority while they move to specialist accommodation. The rental income is used to fund the older person's space in specialist accommodation and the older person is able to hold onto their equity until they sell their home or die. This approach, while limited to some degree by administrative complexities⁸⁸, has the potential to provide local authorities with a home that can be used to accommodate homeless families. It may also give the older person a new lease of life in suitable

accommodation and save them money. Councils could explore other variations on this such as buying homes from older people or helping them to sell on the open market.

Recognising the benefits of housing for older people

Moving to more suitable accommodation can increase people's well-being. It is important that housing is not seen in isolation but is considered alongside other social strategies, something local authorities should consider as more power is devolved to them. To this end, a recent resource pack for an independent learning organisation, the Housing Learning and Improvement Network, and the Association of Directors of Adult Social Service recommends that local authorities should show active leadership and improve their understanding of the demand and supply of housing for older people across all tenures in their areas. It advocates the value of producing locally determined Market Position Statements that provide the intelligence to better inform, plan, design and deliver housing that older people want now and in the future.⁸⁹

The new Health and Wellbeing Boards⁹⁰, that have been set up as part of a more devolved health service provide an excellent opportunity for more strategic consideration of housing and health. They should consider housing issues and have strong links to housing providers and shaping investment in local communities.

87 Seamless Relocation: www.seamlessrelocation.com

88 A dedicated team is needed to guide older people through the process and there may be some difficulties with the state of repair of the home etc.

89 Institute of Public Care, *Strategic Housing for Older People*, Housing Learning & Improvement Network/ADASS, 2011.

90 Fora for local health and social care commissioners as well as elected representatives.

Conclusion

England has a rapidly growing population of older people, but few strategies exist that ensure they will all be able to live somewhere decent and affordable that meets their changing needs.

Many older people will want to remain in their family home for as long as possible, and should be supported to do so. Expansion of Homeshare schemes⁹¹ or increases to the Rent a Room tax relief⁹² could encourage more sharing of space while allowing older people to stay in their own homes.

The housing needs and aspirations of older people are diverse – from those in their 50s and 60s who are still working and active, to those in their late 80s who are more likely to have some support or care needs. While some choose to move for lifestyle reasons, others may have to move following a crisis, often reluctantly.

Making a positive, informed, planned choice to move to more suitable accommodation can improve older people's health and well-being, helping to deliver wider policy objectives and save reliance on institutional care. It can also help to free up much-needed family-sized homes, with positive impacts on the housing market. But there are barriers on both supply and demand sides which mean that few older people choose to downsize:

- Strong attachment to the home and fear of the unknown. Older people may struggle to find the right information and advice needed to help them make decisions and struggle to find practical support to move.
- A lack of suitable, attractive, affordable housing options to move to, hampered by low rates of new development for older people and poor recognition of the importance of housing for older people in planning policies.

In order to create an environment in which older people are encouraged to make positive choices about their housing, Shelter makes the following recommendations.

Housing developers

- We need a **significant increase in supply and a greater range of housing that is suitable for older people, including private-rented and owner-occupied housing**. This will vary for different age groups and those with different preferences and care needs, but developers are not currently providing enough for this growing market and realising its potential.
- In order to raise competition and increase affordability of retirement housing, developers, including volume builders, should be encouraged to enter the older people's market, partnering with smaller specialist providers where they need additional expertise.
- In order to overcome some of the barriers that face older people considering whether or not to move, we need greater support and advice services. Developers should play a part here by **offering inclusive packages** that support people through the moving process. They could also take away some of the fear of moving through 'try before you buy' schemes.
- Providers of specialist housing must offer older people **transparency and certainty about their consumer rights**, setting out clear and fair schedules of fees and charges.
- Alongside much greater provision of specialist housing for older people, more suitable mainstream housing is needed – in particular well-designed, well-insulated homes and bungalows.

91 Homeshare schemes match people with spare rooms with people in housing need who are seeking a low-cost housing solution. Homeshare lodgers may provide some support and care for the older people they stay with. See www.sharedlivesplus.org.uk for further details.

92 The Rent a Room scheme provides a £4,250 tax exemption to households who take in a lodger. The threshold was set in the late 1990s and has not risen in line with rental inflation.

National Government

- The **planning system should support development** of housing for older people and provide greater clarity about application of planning use classes.
- **Government should encourage and enable, but not push, people into downsizing**, communicating earlier and more clearly to people about their future housing and care needs and encouraging advance planning.
- **Advice and information services** and locally run schemes to support people through the moving process should be properly funded and promoted. This should include toolkits to help older people decide on and plan their housing for the future.

Local government

- Local authorities **must show greater leadership and take a more strategic approach to housing for older people, taking into account the wider social and economic benefits** that older people's housing developments can have for the local community. This should be reflected in their housing market assessments.
- Local authorities could also facilitate or run innovative schemes such as **helping older people to sell or lease out their homes** while being supported into new, more suitable housing.
- Local authorities should base their requirements for homes to be built to the Lifetime Homes standard on detailed local demographic data and projections, and encourage developers towards more ambitious design criteria such as those set out in the HAPPI report. Planning applications for homes with these features should be favoured.

Until there's a home for everyone

In our affluent nation, tens of thousands of people wake up every day in housing that is run-down, overcrowded, or dangerous. Many others have lost their home altogether. The desperate lack of decent, affordable housing is robbing us of security, health, and a fair chance in life.

Shelter believes everyone should have a home.

More than one million people a year come to us for advice and support via our website, helplines and national network of services. We help people to find and keep a home in a place where they can thrive, and tackle the root causes of bad housing by campaigning for new laws, policies, and solutions.

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Appendix 4

Housing Markets and Independence in Old Age by Professor
Michael Ball from the University of Reading (2011).

Housing markets and independence in old age: expanding the opportunities

Executive Summary | May 2011 | Professor Michael Ball

This report highlights the benefits of specialised private retirement accommodation and recommends a number of simple policy changes at no cost to the public purse to help increase its supply and address the challenges of housing an ageing population.

Introduction – why OORH matters

This report outlines the findings of a major piece of research on housing for older people who live in specialist private retirement accommodation, called owner occupied retirement housing (OORH). This type of housing is purchased, on a leasehold basis, and found in specially designed blocks of apartments which have communal facilities, house managers and other networks of support integrated within them. There are currently around 105,000 OORH dwellings in the UK, about 2% of the total number of homes for those aged 65 and over.

Why should policy makers be concerned about OORH? The reason is that it delivers a series of benefits for residents, their families, communities, the public sector and society in general. The key benefits of OORH are:

Personal

- A higher quality of life for residents and their families. The report notes that 92% of OORH residents are very happy or contented and the great majority would recommend the accommodation to others.
- Greater security and convenience, and reduced feelings of isolation and vulnerability.
- Improved independence, well-being and health.

Environment and neighbourhood

- Environmentally better than traditional housing, with reduced energy use, including less travel. The report states that 51% of OORH residents said that their energy bills were noticeably less.
- Sustains local shopping and other services, helping to sustain local communities. 80% use the shops almost daily or often; over 40% used the library or post office almost daily or often.

Government/social

- Private rather than public – its provision entails no cost to the public purse.
- Reduced demand on public sector resources and health services. Residents manage better and spend fewer nights in hospital.
- The release of home equity in retirement; though not all release home equity.

Communities

- Most OORH residents have family and friends in the locality. Older people form an important part of the core of most communities.
- Increases availability of much-needed family housing in areas of shortage. On moving, most OORH residents free up substantial family homes, with two thirds moving from homes with three or more bedrooms. This boosts supply in local housing markets.

This report highlights that far more elderly people could benefit from this type of accommodation than live in it now. However, due to supply side constraints created by restrictive planning and housing policies, many older people are not being provided with the opportunity to purchase OORH. **Relatively simple policy changes could address this without any cost to the public purse.**

Why the supply of OORH needs to increase

The population is ageing but older people have not featured much in recent policy discussions about localism, housing or planning. As the UK's population grows and ages over the next 20 years, **the number of households over 65 years old will increase at a particularly fast rate. There are expected to be an extra 3.5 million older households by 2033 in England alone, a 60% increase on today.** By then, a third of all households will consist of those aged over 65, up from 28% in 2008.

The ageing of the UK population is going to have a substantial housing impact. Many older households will face growing health and housing difficulties as they continue to age. Although people are living longer, unfortunately the incidence of age-related ailments is not being delayed at the same rate to progressively older ages.

Home owners aged 65 and older collectively own £1 trillion of housing equity and most want to stay where they currently live for as long as possible. However, as many as 130,000 older people moved in 2008. Many move to be in preferred accommodation or to enjoy living at a different location and few are motivated by releasing housing equity. But, for others, the drivers are primarily push factors associated with being unable to manage in their current home: due to declining health, increasing isolation or financial problems. Even amongst non-movers, there will be many potential reluctant stayers. This is coupled with the fact that most home owners wish to maintain ownership of their home. OORH offers the opportunity for an improved lifestyle while remaining an owner occupier.

However, the report notes that due to policy restrictions surrounding housing and planning, the supply of OORH has not matched growing demand. Build rates are low and need to grow four times from that achieved even before the 2007/8 downturn to cope with just a moderate increase in demand. Forecasts in the research show a potential increase in the use of this accommodation from 2% currently to 5% of housing for those aged 65 and over the next decade or so. This would generate a build rate of 16,000 OORH units a year, compared to just 4,400 delivered in 2007.

In a society which is increasingly searching for ways of growing private provision, housing for the elderly seems an obvious candidate for a greater emphasis on the private sector, especially as so many older households are now owner occupiers. Also, within private provision, the benefits of direct property ownership can be maintained.

The benefits of OORH

The report notes the substantial benefits of OORH for many older people. OORH dwellings are around 10% cheaper than the median values of the previous homes sold, giving significant average equity release, while maintaining continued housing equity. Over 40% are able to withdraw £25,000 or more housing equity but, at the same time, many others have none. An overall increase in the supply of OORH would lower the price of this type of housing, enabling millions more of the elderly to contemplate this as a lifestyle.

The report outlines the following benefits of OORH:

- **A higher quality of life for its residents.** The report notes that 92% of OORH residents are very happy or contented and most would recommend their accommodation to others. 83% said they were happier in OORH and 51% also said that their energy bills were noticeably less.
- **Improved health for residents and reduced impact on the NHS.** The overall balance of residents' perceptions of being able to manage their health was that it was better since their moves. As OORH accommodation is designed for impaired mobility, residents can manage better and spend fewer nights in hospital. This finding is important because of the high costs of in-patient care for older people.
- **OORH is good for the environment.** 51% of OORH residents said that their energy bills were noticeably less than they had been in their previous homes. This is backed up by comparative analysis of the energy costs of larger, older homes and new purpose-built energy-efficient flats. What is more, people tended to travel less once living in OORH, because they are often closer to friends and relatives and to shops and other facilities. Moving into OORH also allows the new owner of the previous home to undertake renovations to improve the energy efficiency of that house, increasing the energy savings potential.
- **OORH boosts local neighbourhoods.** Older people regularly use shops and local facilities during weekdays, when they are often underutilised, and at weekends. 80% use the shops almost daily or often; over 40% used the library or post office almost daily or often. The elderly are integral to any local area and because most have lived there for a long time have built deep roots in their neighbourhoods. This is reflected in extensive family and friendship networks. So, providing OORH means a much wider group of people benefit than simply the person or couple buying the property. Many local market-based services are under threat with the growth of out-of-town shopping and the Internet, but the elderly are more likely to use local amenities than many other residents.
- **OORH has a positive impact on local housing markets.** On moving, most residents free up a substantial family home, with two thirds moving from homes with three or more bedrooms. This boosts local housing markets – for every 5,000 OORH sold, property to the value of £1.1 billion is released into local housing markets. The turnover of this type of housing is essential for a healthy housing market.

Appendix 5

A National Strategy for Housing in an Ageing Society by
National Government (2008).

Chapter 2: Context and Evidence – Housing an Ageing Population

Summary

This chapter looks at some of the dimensions of an ageing society. The ratio of people of working age to those of pensionable age in the UK will fall from 3.3 in 2006 to 2.9 by 2031. The number of people aged 85 or over will increase by 2.3 million by 2036 – 184 per cent increase – the oldest age groups are growing fastest. At the same time, older people represent a considerable economic and social resource, whether as workers, volunteers, or carers. But emerging evidence suggests that as we live longer, we also spend longer in ill-health.

The overarching picture of population ageing is one of increasing affluence, but this masks a much more complex reality, with many asset rich but income poor older people. The vast majority of older householders (68 per cent) owned their own home in 2001, and this is projected to rise to 75 per cent by 2026. Households of people over the age of 60 owned £932 billion of equity in their homes in 2004.

30 per cent of all households are already headed by someone over retirement age. Older people will make up 48 per cent of the increase in new households by 2026, with this figure reaching as high as 90 per cent in some areas. Older people are key to the housing market and may become even more dominant in a less buoyant market. Because the housing market is dynamic, housing decisions that older people make – whether to move, stay put, make improvements or adaptations – will impact across the entire market.

As we grow older, we spend more time in our homes, and they become more important to us and more likely to enhance or undermine our health and well-being. Older people tend to be the most satisfied with their accommodation, but for some this perception is likely to be because they have lower expectations. Many older people in fact live in the worst housing conditions or lack suitable accommodation, with a third of older people (2.1 million households) living in non-decent or hazardous housing. These hazards bring many costs which could be significantly reduced, for example, if we could prevent older people from falling and being hospitalised or institutionalised too early.

Facing the future: our ageing society

Population ageing is hardly a new phenomenon; it has been monitored for over 100 years.⁹ But, in every generation, there has been a very understandable reluctance to face up to the challenges of growing older.

⁹Between 1900 and 2005 the number of people aged 65 years and over in the UK grew from 1.7 million to 11.2 million, and these figures are set to increase over the coming decades.

“Thinking back when I was 60 odd like some of these gentlemen here I thought I was bomb proof quite frankly, I didn’t think about having to provide things that I might need later on, it’s only when it begins to happen to you and things change that you think: well I’ve now reached a point where I ought to do something, or I ought to think about something... ...Looking back, in hindsight, now in my mid eighties, it’s something everyone ought to think about at an age when you’re able and capable of making these decisions and making the moves in preparation.”

Owner occupier, aged 85,
living with his wife in family house but looking for a bungalow to buy¹⁰.

Making the right decisions means understanding the extent of the changes that we will see in the next twenty years in this country alone.

In 2006, there were 3.3 people of working age for each person of pensionable age in the UK. This figure is expected to fall to 2.9 by 2031¹¹. Over the next 30 years, the population aged 65 years and over is set to rise from 9.7 million to 17 million, an increase of 76 per cent. The predicted increase is even more dramatic for older age groups. The number of people aged 75 years and over is expected to increase by 4.4 million, or 95 per cent, and the number of people aged 85 years and over is likely to rise by 2.3 million, an increase of 184 per cent¹² (see Figs 2.1 and 2.2). Looking further into the future, a child born today has a one in five chance of celebrating his or her one hundredth birthday.

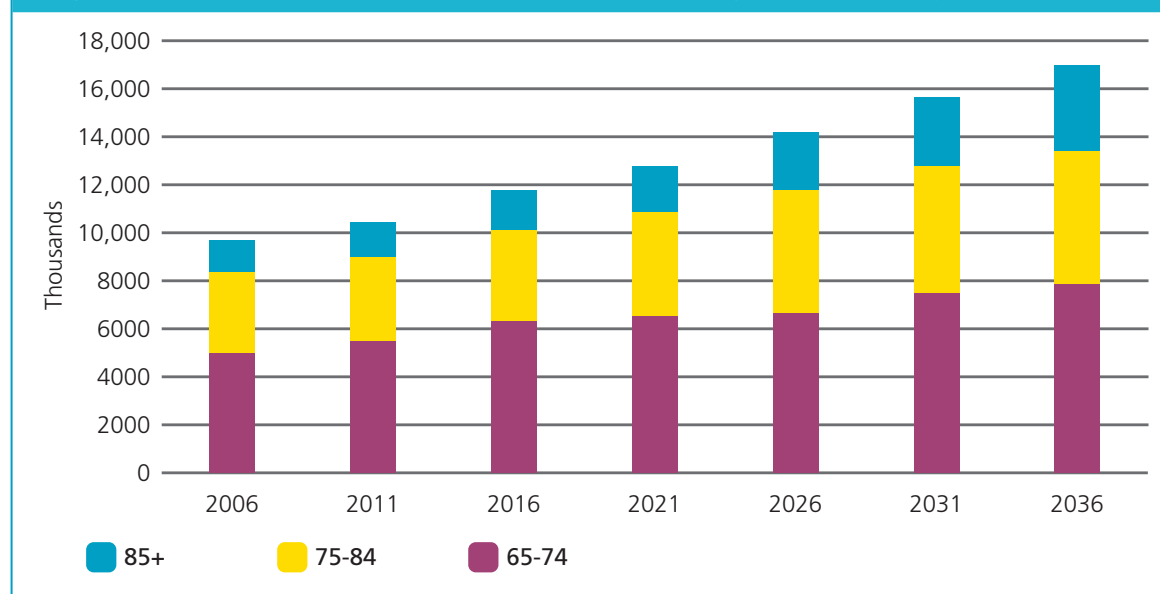
Figure 2.1: ONS 2006-based UK population projections (65+ years)

Ages	2006	2011	2016	2021	2026	2031	2036
65+	9,688	10,494	11,854	12,900	14,220	15,778	17,033
75+	4,659	4,975	5,480	6,309	7,477	8,223	9,087
85+	1,243	1,436	1,653	1,947	2,342	2,876	3,525
(thousands)							
Percentage increase over 2006 base							
65+	.	8	22	33	47	63	76
75+	.	7	18	35	61	76	95
85+	.	16	33	57	88	131	184

¹⁰ Croucher (2008).

¹¹ taking into account the future changes to state pension age. ONS/GAD (2007).

¹² ONS/GAD (2007) 2006-based UK population projections.

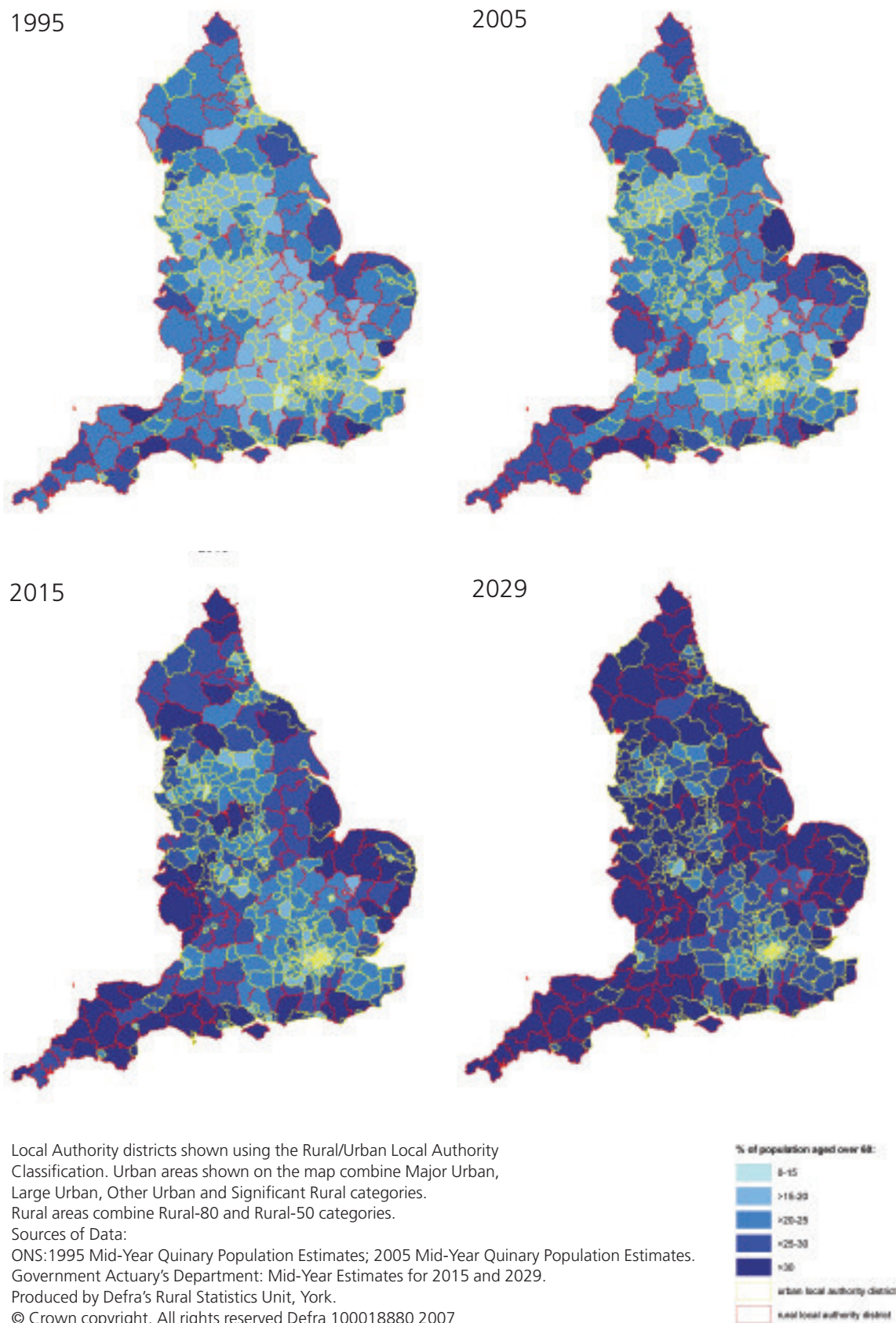
Figure 2.2: ONS 2006-based UK population projections (65+ years)

National figures hide variations in local rates of population ageing. The population of rural England is both growing and ageing faster than the English population as a whole, and there are significant regional and local variations¹³ (see Fig 2.3).

By 2029, projections show that 36 per cent of the population in the most rural Local Authority Districts will be aged over 60, compared to just 23 per cent in the most urban. Over the 25 years to 2029, the population aged 75 years and older is projected to rise by 47 per cent in urban areas, and by 90 per cent in rural areas.

¹³(Defra/ONS).

Figure 2.3: Population aged over 60 in rural and urban local authority districts



Older people: a national resource

Part of the task facing society as a whole is to change the image of older people from one of decline and dependency to the reality, which is that without an active older generation, our lives and communities would be, literally, much poorer.

In terms of the economy:

- Around half a million people remain in the workforce after the age of 65, contributing substantial skills and experience.¹⁴
- The over 50s account for 40 per cent of consumer spending, 60 per cent of total savings, and 80 per cent of UK wealth.¹⁵
- From 1970 to 2000, gains in life expectancy added about \$3.2 trillion per year to US wealth. In the UK the figures are proportionally similar.¹⁶

In terms of community and family life:

- Two thirds of volunteering is undertaken by the over 50s with approximately five million people over 50 taking part in unpaid voluntary work.¹⁷
- The over 50s provide half of all unpaid care, estimated to be worth £87 billion annually¹⁸, with many older people providing childcare to enable younger parents to work, or looking after older family members.

In 1950, the average man retired at 67 and could expect to spend 10.8 years in retirement. Today's children have the prospect of spending a third of their lives in retirement, and of seeing their own children retire.

¹⁴ Madouros (2006) ONS projects a rise in the number of economically active over-65s from 582,000 in 2005 to 775,000 in 2020.

¹⁵ cited in Hardill *et al* (2004).

¹⁶ See Franco *et al* (2007).

¹⁷ Age Concern England (2006).

¹⁸ Carers UK (2007).

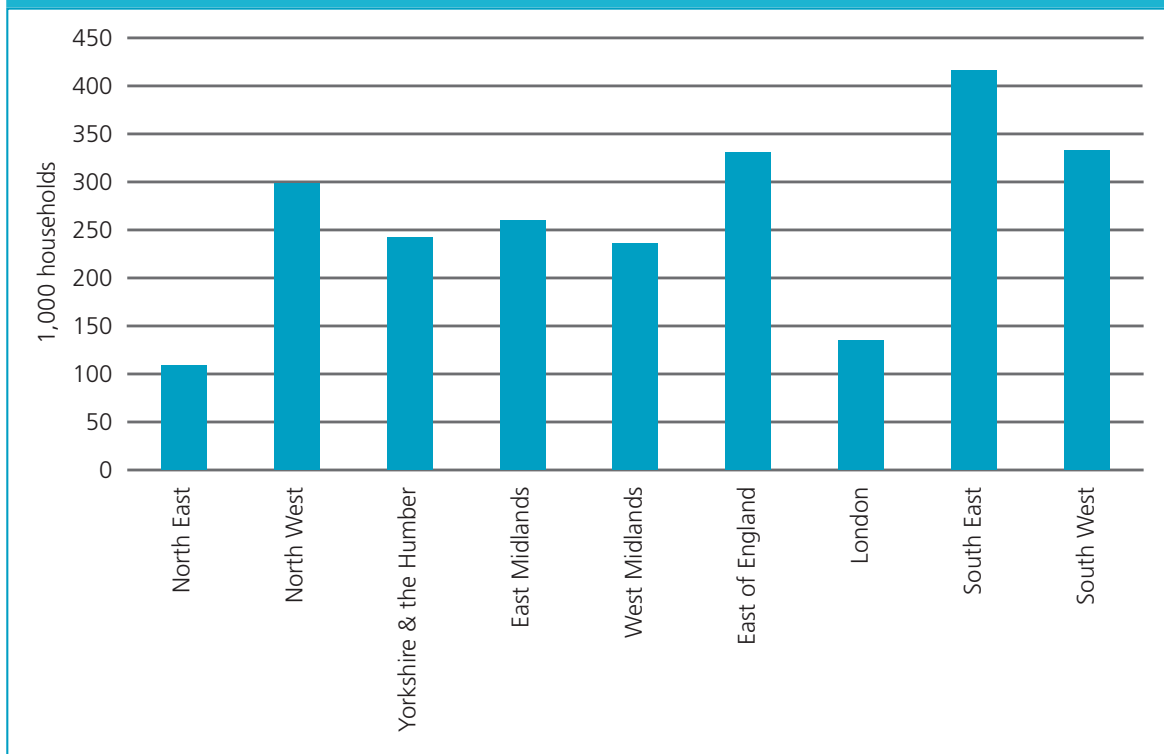
Our ageing society and housing

Research shows that:

- 30 per cent of all households are **already** headed by someone over retirement age.¹⁹
- Older people will make up 48 per cent of the increase in new households by 2026,²⁰ with this figure reaching as high as 90 per cent in some areas (see Figs 2.4 and 2.5).
- 68 per cent of householders aged 65 and over owned their own home in 2001, and this is projected to rise to 75 per cent by 2026.²¹
- Households of people over the age of 60 owned £932 billion of equity in their homes in 2004.²²

In short, what developers, local authorities, planners and policy makers all need to recognize now is that older people are key to the housing market and may become even more dominant in a less buoyant market. Because the housing market is dynamic, housing decisions that older people make – whether to move, stay put, make improvements or adaptations – will impact across the entire market. In many areas, older people are already driving the housing market, and they will do so increasingly in the future. It is not just that the housing market needs to reflect their needs, it needs to match their aspirations.

Figure 2.4: Projected number of new older households by 2026

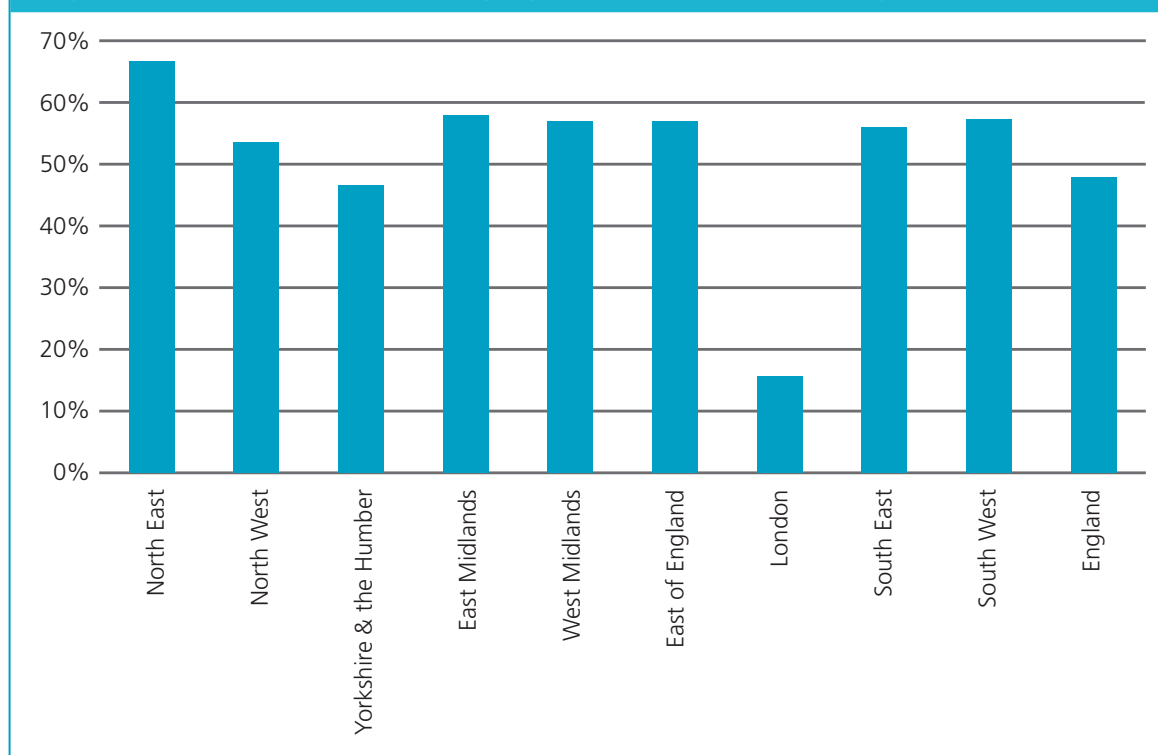


¹⁹ ONS (2002) table 3.2.

²⁰ Communities and Local Government (2008).

²¹ Communities and Local Government (2008); 78 per cent of households where the eldest person is aged 60-74 own their own homes.

²² Wilcox, S. (2007).

Figure 2.5: Projected percentage growth in households aged 65+ by 2026²³

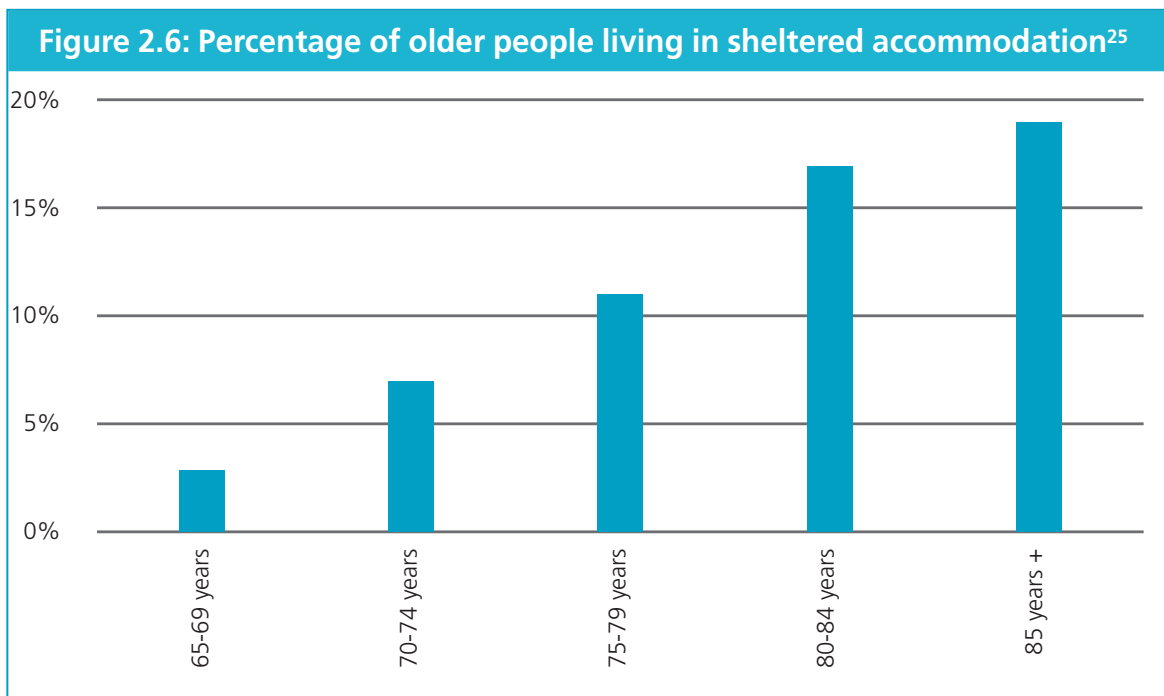
Where do older people live? Where do they want to live?

The vast majority of older people choose to live in their own homes in the community well into later life, often with the informal support of their family.²⁴

- Just under three quarters of people aged 90 and over were living in a private household in 2001.
- Older people are less likely to move house than younger householders.
- Only a minority of older people live in sheltered housing, even amongst those aged over 85 years (19 per cent); see Figure 2.6.

²³ Communities and Local Government (2008).

²⁴ Tinker *et al* (2001).



The trend is that older people prefer mainstream housing, and, increasingly, owner occupation. In 2002 there were 1.982 million people aged 60 and over living in social housing. There was a slight decrease to 1.786 million in 2007. The number of people aged 80 and over formed about 27 per cent of the total for both 2002 and 2007 (see Fig.2.7).

²⁵ Laing and Buisson (2005); census 2001 data.

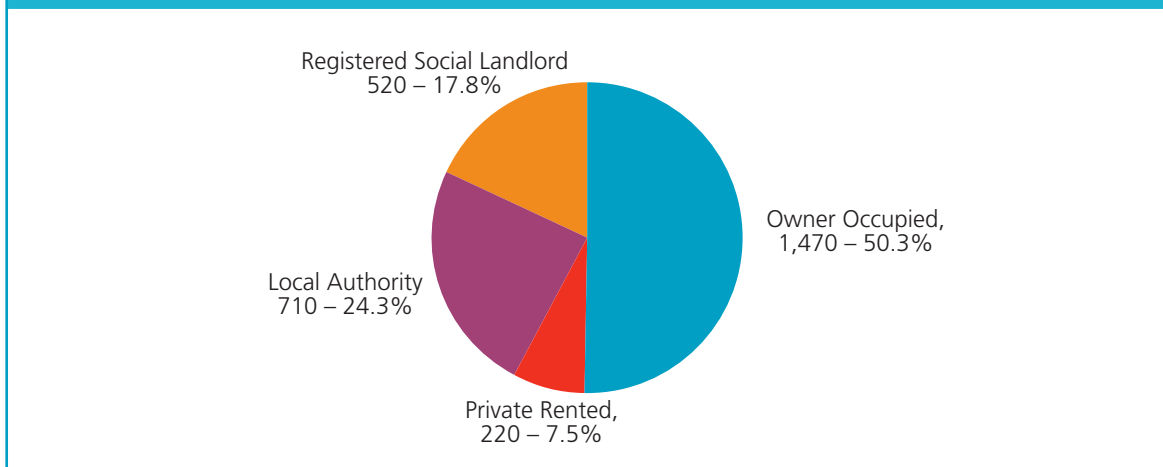
Figure 2.7: Persons aged 60 or over in social rented accommodation by age by household type (England)

	60-64	65-69	70-74	75-79	80 or over	Total 60 or over
Household reference persons – 2002						
Couple, no dependent children	84	91	76	66	74	392
Couple with dependent children	6	5	3	1	1	16
Lone parent with dependent children	4	4	2	0	1	10
Other multi-person	29	19	21	15	18	102
One male	57	59	67	64	81	328
One female	72	83	128	149	306	738
Total	251	260	297	297	481	1,587
Household reference persons – 2007						
Couple, no dependent children	70	83	68	52	66	339
Couple with dependent children	4	4	2	1	0	11
Lone parent with dependent children	3	4	2	1	0	11
Other multi-person	21	16	21	15	24	96
One male	62	67	60	54	82	326
One female	76	96	94	121	257	643
Total	236	269	247	244	430	1,426

Source: Office for National Statistics, Labour Force Survey

Most vulnerable²⁶ older households live in the private sector. Just under 3 million vulnerable households include someone aged 60 or over. Around half of these households own their own homes (see Fig 2.8).

²⁶ Those in receipt of principle means tested and disability related benefits.

Figure 2.8: Numbers (000s) of vulnerable older households by tenure (2005)

Whilst it is true that older households are more likely to be classified as “under-occupiers”,²⁷ meaning that their homes could accommodate more people than currently live there, it is wealth rather than age that largely accounts for the size of house we occupy. For many older people, staying put is a positive choice to enjoy what they have earned and worked hard to make their own. For some, down-sizing can be a positive move, releasing equity and ensuring a more manageable home. For others, staying put becomes the only option because there are no attractive alternatives available within their community. These older people face a difficult choice between staying in housing that is increasingly inappropriate, but in familiar surroundings, and moving away from important social networks. For many of the older old, staying in their own home remains possible only through considerable informal support from a spouse or family member.²⁸

Diverse nations in old age

The overarching picture of population ageing is one of increasing affluence, but this masks a much more complex reality. There are two nations in old age, and they are increasingly polarised by housing wealth. Housing wealth accounts for 42 per cent of household wealth, up from 22 per cent in 1971. The wealthiest 30 per cent of children will have access to 58 per cent of housing wealth by 2013, rising to 66 per cent by 2023. On the one hand this is the story of the consolidation of advantage, of a generation of people who have done well for themselves and can afford to fund the next generation of advantage. On the other hand there is also the prospect of the consolidation of poverty. For those who have missed out on life’s chances, for whatever reason, those chances become fewer in old age, and the opportunities to replenish meagre resources diminish. And even among those with significant housing assets, income can be low.

²⁷ 56 per cent of pensioner households compared with 46 per cent overall. Harding (2007a).

²⁸ Tinker *et al* (2001).

Moreover, our older population is increasingly diverse. Future generations of older people will be more ethnically diverse, and family structures more complex. Today, older women significantly outnumber older men, but this imbalance will reduce. 60 per cent of today's over 85 year olds live alone²⁹, and the number of older single-person households is set to rise by just under fifty per cent over the next two decades, from 2 million to 2.9 million.³⁰

Gypsy and Traveller households

Not all older people live in conventional bricks and mortar housing, and this can present particular challenges to health and well-being. Around one in four Gypsy and Traveller households living in caravans currently have no authorised place to stop, often resulting in repeated evictions and difficulty accessing health and other services. Older Gypsies and Travellers may move into conventional housing as a result of ill health – but this can present its own difficulties with isolation from friends and families, and difficulty maintaining a tenancy.

Shelter has recently published good practice guidance on housed Gypsies and Travellers.³¹

Lifestyles are changing fast, which can impact on housing choices and aspirations. New lifestyle choices which have been the hallmark of the 'baby boomer' generation are maintained in retirement as some older people are choosing to remain in the workplace longer, or take up second careers after retirement. Others are electing to go on a 'gap year', or move overseas. Social attitudes are changing as technology makes more possible. The 'silver surfers' number millions, and the internet and mobile phones are making it possible to work, maintain family life, to shop and access news in different ways.

Living longer and living well?

It is in the area of preventable isolation, disability and disadvantage that the greatest gains are to be made in terms of better housing and better health.

Demographic projections can only give us the bones of what our future society will look like. Emerging evidence suggests that as we live longer, we also spend longer in ill-health;³² but we cannot be sure what differences medical advances could make in the longer term, nor what impact our current lifestyles will have on our future health.

²⁹ compared with only a third of younger older people.

³⁰ 2006 to 2026 projections; Communities and Local Government (forthcoming).

³¹ Shelter (2008); for more information on Gypsies and Travellers, see

www.communities.gov.uk/housing/housingmanagementcare/gypsiesandtravellers/

³² The expected number of years spent in poor health in Great Britain rose from 6.4 to 8.8 for men between 1981 and 2002, and from 10.1 to 10.6 for women. ONS (2004).

What we do know is that, as we grow older, we spend more time in our homes, and they become more important to us and more likely to enhance or undermine our health and well-being. The over 65s spend over 80 per cent of their time in their homes, and this figure rises to 90 per cent for over 85 year olds.³³

Older people tend to be the most satisfied with their accommodation,³⁴ but for some poorer social groups this perception is likely to be because they have lower expectations. In fact, many older people live in the worst housing conditions or lack suitable accommodation. A third of older people (2.1 million households) live in non-decent or hazardous housing, with the worst conditions in the private rented sector. Whist recent figures show a modest improvement in conditions for older people,³⁵ there is still a long way to go.

Older people are twice as likely to be unable to afford fuel in winter, and thermally inefficient housing has been linked to the increase in deaths during the colder months.³⁶ Older people are also at highest risk of dying in a dwelling fire. Poor housing conditions can exacerbate existing medical conditions. 40 per cent of those aged 80 and over report a long-term illness or disability and there are currently 1.5 million people with a medical condition or disability requiring specially adapted accommodation.

The number of disabled older people is projected to double from approximately 2.3 million in 2002 to approximately 4.6 million in 2041.³⁷ Based on current prevalence rates, the number of older people with dementia could rise from 684,000 to 1.7 million by 2051, an increase of 154 per cent (see Fig.2.9³⁸). Gypsies and Travellers have a life expectancy of between 10 and 12 years less than the settled population, and may require support earlier in life than would be usual amongst the general population.

If we do nothing to change the current housing situation, occupied places in care homes and hospitals would need to rise by 151 per cent, from around 450,000 to around 1,130,000 by 2051, and some estimates project long-term care expenditure as rising by around 325 per cent in real terms between 2002 and 2041.³⁹

³³ Adams and White (2006).

³⁴ EHCS (2005).

³⁵ EHCS (2004): 30.3 per cent of those aged 60+, and 33.3 per cent of those aged 75+ lived in non-decent homes; these figures fell to 28 per cent and 30.8 per cent respectively in 2005 – CLG statistics.

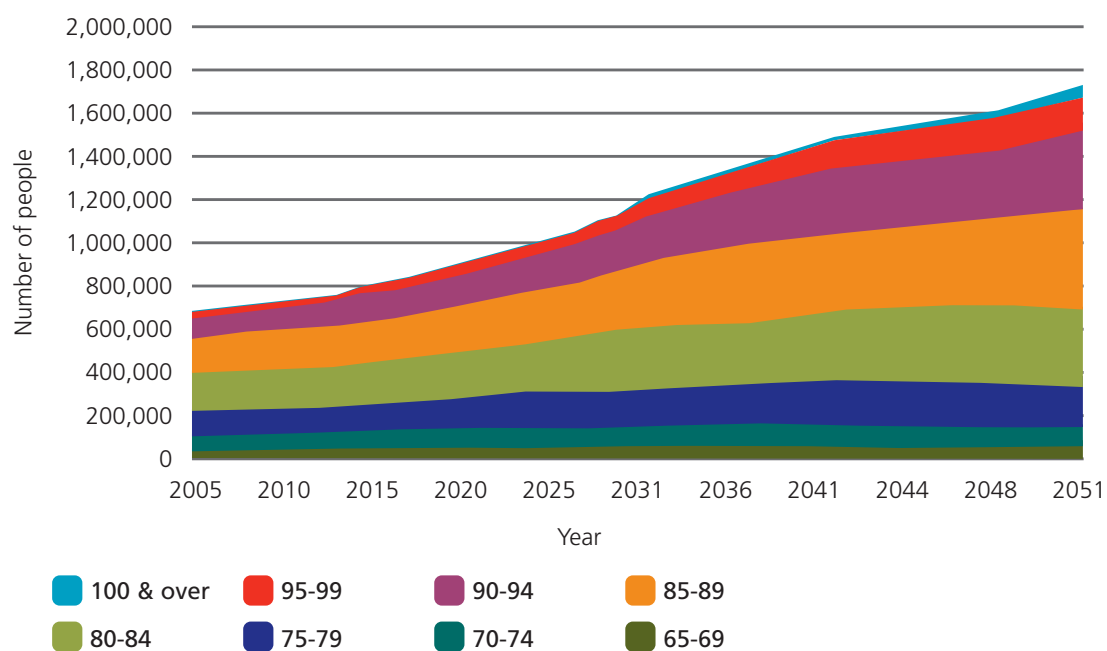
³⁶ JRF (2001); ONS (October 2006) In winter 2005/06 there were 20,200 more deaths among those aged 75+ compared to levels in the non-winter period, compared with only 5,500 more deaths among those under 75. Respiratory and circulatory diseases are responsible for most of these excess winter deaths. See also Curwen (1997).

³⁷ Wittenberg *et al* (2006).

³⁸ PSSRU (2007).

³⁹ Wittenberg, R. *et al* (2006) *op. cit.*

Figure 2.9: Projected number of people with late-onset dementia by age group (UK)



Projected number of people with late-onset dementia by age group (UK)

In England, just over three quarters of a million people aged 20 or older are estimated to have a learning disability, but only a minority of older people with a learning disability may currently be known to services. It has been estimated that in 2001, only 15 per cent of those aged 60 or older with a learning disability were known to services compared to 23 per cent of those aged 20-64.⁴⁰

The growth in the numbers of older people with learning disabilities is set to increase significantly, with estimates ranging from a 37 per cent increase to 59 per cent in the numbers of people aged 60 and over with learning disabilities between 2001 and 2021. This has significant implications for the providers of both specialised housing and for support services for older people in mainstream housing.

Living with risk

If we could reduce the number of older people who accidentally fall we could save lives, cut down on preventable pain, and reduce NHS costs.

One older person dies every five hours as a result of a fall.⁴¹ Older people's falls alone cost the NHS around three quarter of a billion pounds each year.⁴² 1.25 million falls a year result in hospital admissions. Most of the very serious injuries and deaths resulting from these falls are among older people.

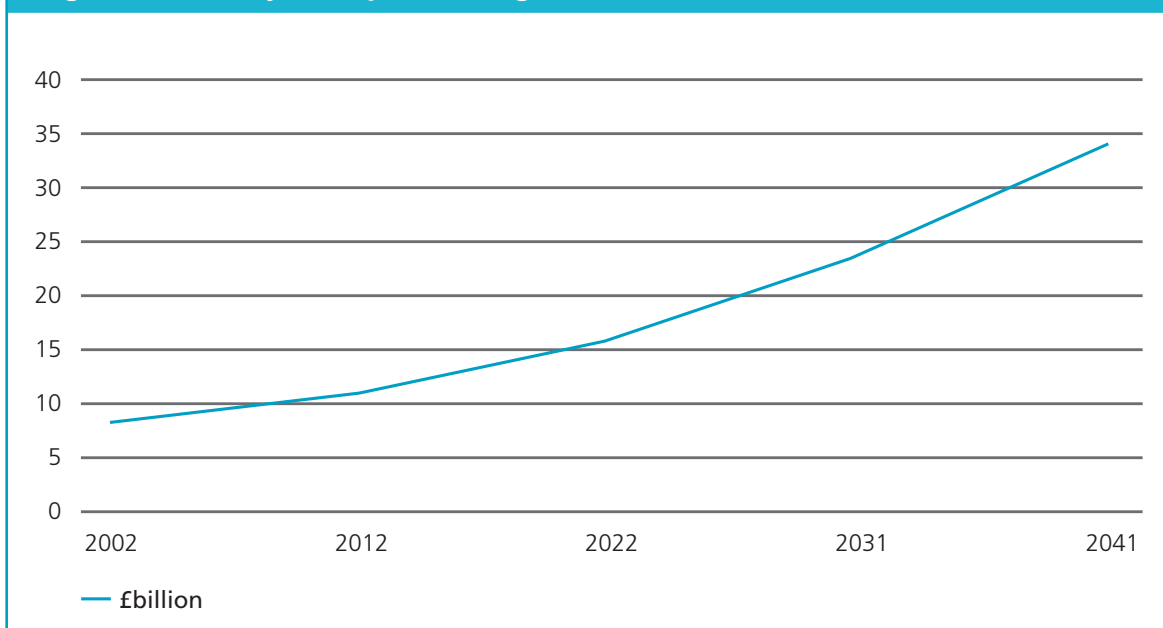
⁴⁰ Emerson, E. and Hatton, C. (2004).

⁴¹ DH (2007).

⁴² £726 million Parrott (2000).

A fall can precipitate a permanent move into a care home simply because the person can no longer manage to live independently in their own home. A common route into a care home is after hospitalisation⁴³ often after a fall. ROSPA estimate that falls account for 71 per cent of all fatal accidents to those aged 65 and over, and 54 per cent of all injuries.⁴⁴ Department of Health projections, based on current prevalence rates, suggest that, without appropriate interventions, falls-related admissions to hospital Accident and Emergency departments could rise from 515,000 to 735,000 by 2025, and expenditure on housing with care is projected to increase significantly (see Fig.2.10). If we provide appropriate housing, we can prevent costly health and care expenditure.

Figure 2.10: Projected public long term care costs 2002-2041



PSSRU 2007 data

This is a critical area where housing design and adaptation can reduce risk and promote independence and Chapter Five shows in more detail how a modernised housing adaptations service can play its part. One study, for example, found a 60 per cent reduction in the number of falls experienced by older people after minor home safety modifications were made.⁴⁵ Other studies report more modest reductions in fall-related injuries, ranging from 6 to 33 per cent.⁴⁶ Effectiveness is reduced if poorly targeted.

The role of the built environment is also vital in fostering health and social well-being among older people living in housing with care. Good design can be enabling for people with physical and cognitive impairment. Key factors which appear to mediate the relationship between design and quality of life in long-term care include choice and control, a sense of community, normalness, comfort and personalisation.⁴⁷

⁴³ PSSRU (2001).

⁴⁴ See www.rospace.com/homesafety/advice/olderpeople/accidents.htm#footnotes.

⁴⁵ Plautz *et al* (1996).

⁴⁶ McClure *et al* (2005).

⁴⁷ Evans and Vally (2007) p.21.

It is clear that a fair and effective housing strategy for an ageing society must therefore:

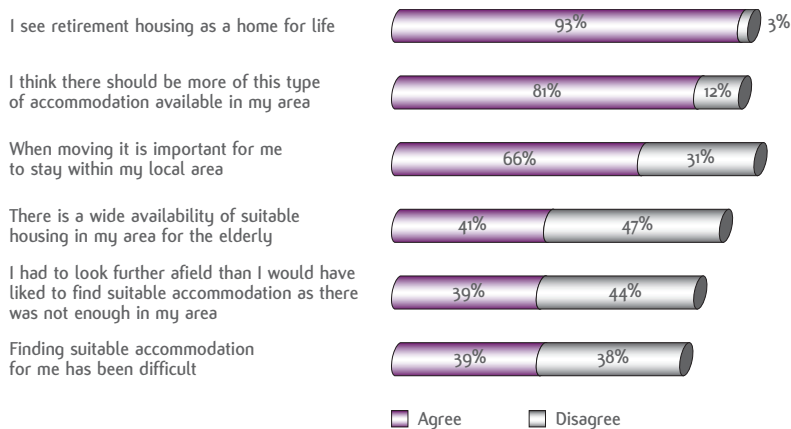
- be fully mainstreamed into all policies for housing and planning
- be flexible and far sighted enough to take account of relative wealth and affluence across the housing market
- concern itself with expanding choices and driving up quality irrespective of tenure, but with a particular care for those now living in the worst housing
- confront and deal with the hazards of social isolation and avoidable risk through economic and social planning as well as housing improvement and adaptation
- recognise that compound disadvantage and disability needs focused policies across the lifetime.

Appendix 6

A Better Life: Private Sheltered Housing and Independent Living for Older People (2003).

The Urgent Need for Private Sheltered Housing

Prospective Residents were asked... Q. Thinking about when you decided to move out of your home, how strongly do you agree or disagree with the following statements about the availability of suitable accommodation for elderly people?



At present there are only approximately 50,000 private sheltered housing units in the UK which is wholly insufficient to meet demand. For example, 75,000 expressions of interest have been registered with McCarthy & Stone in the past twelve months alone. Thus, existing demand for private sheltered housing units is approximately 125,000.

On average, approximately 3,000 units of private sheltered housing are built each year in the UK⁹.

By 2020, it is estimated that 12.02 million (19.3%) of the UK population will be over 65¹⁰. This is a 28.4% increase on the current 9.36 million people of that age¹¹.

With the projected growth in elderly population, we predict demand for this type of housing will increase by a minimum of 35,500 homes by 2020¹². Assuming the rate of demand remains constant, there will be a shortage of 62,500 units by 2020 if the rate of provision does not increase¹³.

It is important to bear in mind that this is a very conservative estimate, not least because of the effort that local authorities have been making to solve the problem of their hard-to-let accommodation, which will enhance the reputation and demand for sheltered housing in general. In addition, we have assumed the demand for housing from only one private sector

provider (albeit the market leader with around seventy percent of the market).

However, the rate of demand for both private and good quality public sector sheltered housing may well increase and the need will therefore possibly be far higher than this very conservative figure. All in all, this points to a critical shortage of private sheltered housing now and in the future.

The paucity of supply is illustrated by the fact that nearly forty percent (39%) of prospective residents are having difficulty in finding suitable private sheltered housing.

Despite the wishes of two thirds of prospective residents to stay within their local area – thirty seven percent within five miles of their current house – nearly forty percent (39%) have had to look further afield due to the lack of suitable private sheltered housing in their locality. Without growth in supply, some older people will have to move away from their communities if they want the security and independence that private sheltered housing offers.

This concern is widely voiced by prospective residents, 81% of whom believe that there should more private sheltered housing in their area.

“I want to find somewhere suitable for my wife, where she is comfortable if something happens to me, because I have cancer.” Male prospective resident, 60, Reading

⁹ McCarthy & Stone figures

¹⁰ Government Actuary's Department, 2001-based National Population Projections

¹¹ Office for National Statistics, Key Population and Vital Statistics Series VS no.28, PP1 no.24, (London: The Stationery Office, 2001), Table 1

¹² This assumes a proportional increase in demand for private sheltered housing as the UK population over the age of 65 grows by 28.4% from existing demand and supply of 125,000 units.

¹³ Total demand of 160,500 units minus the existing 50,000 units and 3,000 new units pa for period 2004 – 2020.

“I got robbed. My daughter doesn’t want me to be on my own . She likes the idea of there being a warden and me being able to socialise.” Female prospective resident, 67, Surrey

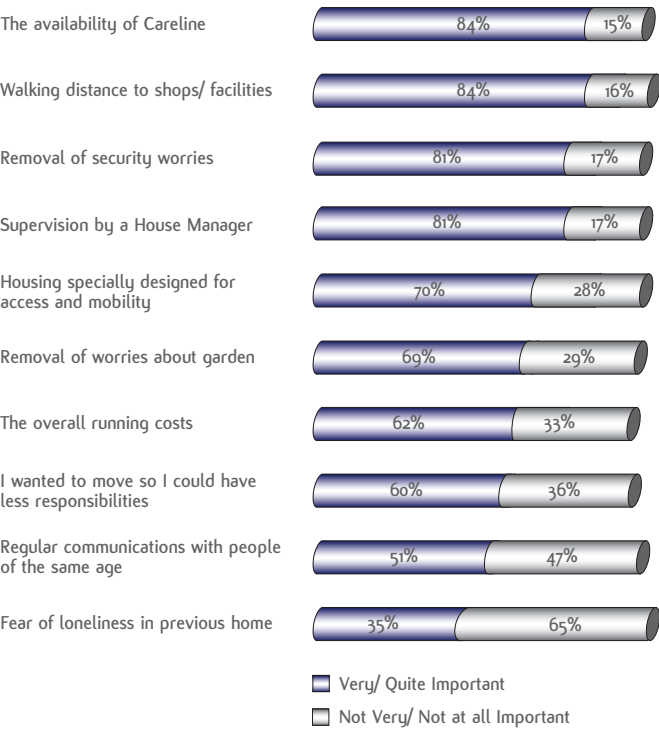
Private Sheltered Housing v
“Stay Put and Adapt”

To be effective for its residents, there are certain criteria that sheltered housing needs to meet. In defining a policy for housing and older people, Government advice highlights the importance of security, distance to shops, amenities, transport links and cultural amenities as well as physical aspects of the housing stock¹⁶.

Our research wholly supports this and, in doing so, highlights one of the key problems with the “Stay Put and Adapt”

argument proffered by some opinion formers: that what older people really need when it comes to housing cannot always be provided by alterations to their existing properties but are wholesale environmental improvements that can only be guaranteed through the provision of quality purpose-built housing, effectively located. That is not to say, of course, that adaptation of existing property does not have an important role to play in ensuring genuine housing choice for older people. It nonetheless ought not to be seen as a panacea.

Residents were asked... Q. How important were each of the following factors in influencing your decision to move into this accommodation? (Percentaged on those giving a response, including don't knows)



¹⁶ DETR, Quality and Choice for Older People’s Housing: a Strategic Framework, (London: DETR, 2001), Chapter 7

Characteristics such as being within walking distance of shops or a doctor's surgery (given a mean score of 9.23 and 9.01 respectively by residents as of utmost importance), lift access (9.14) and links to public transport (8.95) cannot necessarily, or often, be delivered by adapting ordinary housing.

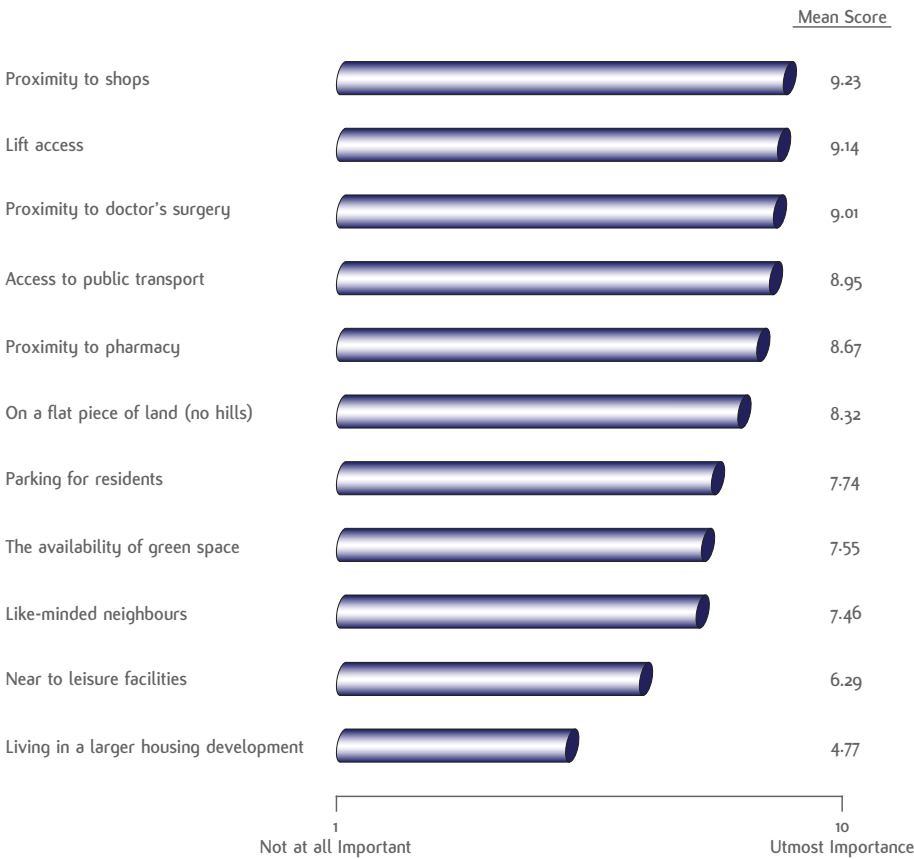
The majority of older people demand housing that is specially designed for access and mobility. And, whilst there have been huge steps forward in the provision of services to older people who remain in ordinary housing, significant doubts remain about the efficacy of it as a solution.

As our research demonstrates, “Stay Put and Adapt” does not necessarily offer older people what they require and demand. As a solution it does not remove concerns about security (of importance to eighty one percent of residents), nor remove responsibility for a garden or the responsibilities of running a house (sixty nine and sixty percent respectively). Neither, of course, does it offer a house manager (deemed important by eighty one percent of residents).

In an age where we have the capacity to offer older people meaningful choices about where they live, it is unfortunate if “Stay Put and Adapt” is promoted as a universally effective option. For many older people, (including the seventy one percent of prospective residents who think their current home is too big), “Stay Put and Adapt” offers little if anything to alleviate the worry and concerns that the responsibility for a larger house causes them.

The issues that influenced older people to move into private sheltered housing 15 years ago remain the major attractions today. In a study from 1989¹⁷, the availability of Careline (77%), the proximity to local shops (75%) and the supervision by a house manager (72%) were major attractions for those seeking this type of housing. **The importance of security remains highest, but as an issue of concern, it has doubled in importance over fifteen years.**

Residents were asked... Q. How important do you think the following characteristics are when considering the location of housing for older people?



Conclusion

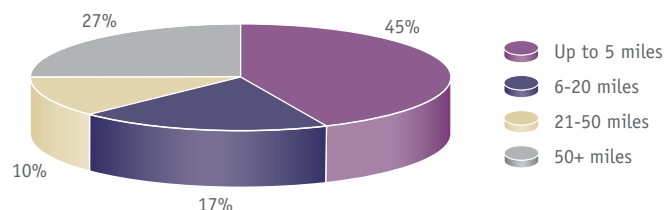
Quality private sector sheltered housing is at a premium in the UK. Over the next two decades, demand will significantly increase as our population ages.

Unless this demand is satisfied by increased provision of this type of special needs housing, generations of older people will be denied the security, comfort and independence that they require and deserve.

¹⁷ Harris Research Centre, The Facts and the Future: A Survey on Sheltered Housing for the Elderly, (UK: Harris Research Centre, 1989), p.17

i. Family Proximity Not Dependency

Residents were asked... Q. What was the approximate distance you moved from your previous home to your current accomodation?



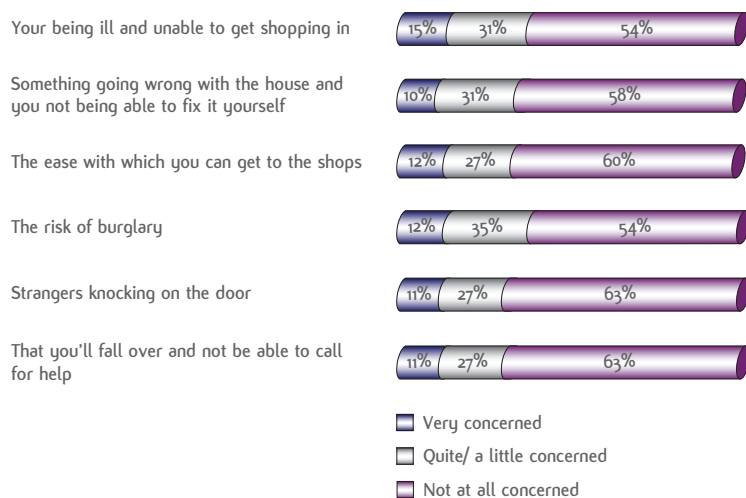
The concerns of family members about older relatives are also an important contributory factor to the decision to move. Nearly half of prospective residents (47%) acknowledge that their children are concerned about them becoming a victim of burglary whilst they remain in ordinary housing. Just under this number are concerned about their parents' ability to fix problems in the house and the ease with which they can get to the shops.

Over a third of prospective residents (38%) believe their children are concerned about them falling over and not being able to get help. The older the person, the greater the concern.

There is a desire on both sides – older people and family members – for older people to live nearer and in a safer environment.

But this does not mean that those moving into private sheltered housing are necessarily moving a long distance. Forty five percent of current residents had moved within a five mile radius of their former home – and almost two thirds within twenty miles.

Prospective Residents were asked... Q. How concerned about the following do you think your children/ younger family are about you and where you currently live? (Base: Those with children)



“Older people tend to shop locally, they don’t go into town much, they just come to us for things like groceries.” Newsagent, Gosforth

Vital Contributors to the Local Economy

Private sheltered housing schemes play a vital part in the life of local communities. The propensity of older people to spend locally is high, assuming there is access to local shops which ordinary housing cannot guarantee.

Builders of private sheltered housing seek only to open schemes within walking distance of local amenities. As our study shows, by doing so they are generating substantial revenue for local businesses even when compared to alternative land uses.

By selling houses which, amongst residents, have been lived in for an average of 21.8 years, sixty four percent free up equity in addition to that used to purchase the private sheltered housing. In doing so, they meet the concern of the Royal Commission on Long Term Care which reported that ‘around forty percent of older homeowners are income poor but equity rich’²⁴. By freeing up equity, the ability of older people to spend more on their day to day living is improved.

Over sixty percent (62%) of residents prefer to shop locally – and just over a third (34%) do so on a daily basis. The benefit to local businesses of the arrival of a private sheltered housing scheme is therefore significant. Just under half (45%) of all residents buy the bulk of their shopping within one mile of their scheme. Just under two thirds (65%) travel no further than two miles to shop.

Full Economic Benefit to the Local Economy

Annex B sets out the economic benefits that a private housing scheme can deliver to a local economy. Each week a typical private sheltered housing scheme (of forty five apartments housing around 55 residents, together with a manager’s apartment) generates a weekly spend of £11,735 (£610,000 per year).

Such schemes generate an additional £1,750 per week (£92,000 over a year) in local spending after allowing for leakage, multiplier effects and deducting spending which would have been generated in a conventional housing scheme (deadweight). Over the lifetime of a scheme, this equates to around £2.3 million more in

local spending than would have been generated by a conventional scheme. A conventional housing scheme with the highest level of density was used for comparison to provide the most local economic benefit of the typical alternative uses on McCarthy & Stone sites.

The case studies below set out how local stakeholders believe private sheltered housing benefits their businesses.

Case Studies

(Case Studies contain verbatim comments from a selection of over twenty in-depth interviews)

The Local Pharmacy

“Since the retirement housing scheme opened three years ago, business has definitely increased by ten to twenty percent. Businesses locally do well because elderly people tend to shop locally”.

“It saves us time delivering to people in the retirement home and the customers appreciate it because it saves them walking backwards and forwards. It probably takes twice as long to deliver prescriptions if people aren’t all located in the same place.”

“If we are delivering to ten people it can take ages as we deliver over a very large area, but if we were delivering to ten residents in sheltered accommodation we can save up to three hours. We are quite stretched with our delivery service and so it does make a difference being able to deliver in this way. It saves in terms of time, driver costs and petrol costs. And these all add up.”

“Delivering to a number of people in one block certainly makes it a lot easier for us. It is also much better as they are warden controlled and so even if we can’t get access to the customer we can leave their prescription with the warden. It saves a lot of time.”

“I think the warden is a benefit. It also means that old people are less isolated. It’s better for the elderly people as they have a community and look out for each other whereas if they live a long distance from each other and aren’t very mobile this can be difficult.

It’s also good for local businesses as it brings them a regular stream of customers. Elderly people are always popping into local shops, within a five minute walk for bits and pieces.”

²⁴ Royal Commission on Long Term Care, With Respect to Old Age: Long Term Care – Rights and Responsibilities, (London: The Stationery Office, March 1999), 5.22

“Local businesses benefit as the scheme means there are more people in the local area during the daytime. Also, because older people will shop more locally rather than going into Oxford, it benefits the smaller local businesses.” Ward Councillor, Bucks

The Local Service Providers

The Taxi Company

“Lots of the elderly people use us. They go on all sorts of journeys from a short one to Sainsbury’s to longer journeys to the coast. Any housing development for the elderly is perfect for a taxi company as it provides us with more customers. They are less likely to have cars and they make lots of short journeys.”

The Hairdresser

“The Scheme has had a positive impact on my business; I have them all together there. I don’t need to travel; I try to do all their hair in one go. It’s about one afternoon’s work per week.”

Federation of Small Businesses

“Old people don’t really want to drive as much or don’t have cars and so they shop locally. They built the local Scheme close to the High Street so the old people can get there easily and use the shops. The effects of such a development depend on the type of business – a chiropodist, dentist etc would do well from it, as they are services that an elderly person will use. It’s good for business services that come to the customer’s home, as lots of elderly people can’t get out so much.

Retail can do well from it too. Old people have to buy clothes and food – they also tend to shop for their grandchildren, buying toys and gifts. I think local shops selling food do well. Chemists also do well, as they tend to offer a delivery service.

Elderly people are also less likely to do decorating or repairs themselves, and so are going to need decorators etc. There are a whole range of service industries that can gain from them.”

Conclusion

Private sheltered housing schemes have a vital role to play in the success of the local economy. Older people living in such schemes contribute significantly to the revenue of local shops. Private sheltered housing schemes benefit local businesses more than other types of housing.

As chapter five illustrates, these benefits are by no means confined to the private sector.



“People are living longer so planners and councils need to be ready to adapt to different housing needs. A mixture of both council and private housing for the elderly is needed. Sheltered accommodation is necessary and needed.” Ward Councillor, Bucks

The Benefits to Society

Whilst this study has illustrated the immense benefits to the individual that accrue from living in private sheltered housing, it is not only the individual that benefits. The knock-on effects of the personal improvements in independent living that residents find are substantial in the provision of public services, the environment and in freeing up housing stock for sale to families and younger couples.

Significant Savings for the NHS

Our study shows the personal health benefits that private sheltered housing brings to its residents in terms of improved wellbeing and less need for health and care provision. But, in addition to the undoubted personal benefit that this brings to the individual, the benefit to the Exchequer is also significant.

Whilst less than a quarter (21%) of residents have received inpatient care over the past twelve months, (slightly higher than the seventeen percent of those aged 75+ amongst the general population²⁵), they have remained in care for an average of 7.4 nights, under half the average amongst the general population of 75+ of 17 nights.

This staggering result, made more so by the older average age of residents, illustrates the burden that private sheltered housing removes from the NHS by creating the circumstances and environment in which it is easier to allow patients home rather than keep them in hospital care. Patients recovering from hospital care are more able to look after themselves in private sheltered housing and can be released earlier by medical staff in the full knowledge that they will be able to manage at home because they have the suitable environment and accommodation necessary for recuperation.

Delayed discharges from hospital are estimated to cost the NHS around £170 million a year and account for 1.7 million lost bed days annually. Reducing delays is now a major Government priority, with a new cross-charging system in place to try to end widespread bed-blocking by 2004. However, a recent report by the Public Accounts Select Committee concluded that a long term solution to the problem would only be found if NHS Trusts and Primary Care Trusts “involve independent providers” and the public and private sectors worked together to achieve the right post-hospital living and care arrangements for older patients.²⁶

This research has shown that sheltered housing provided by the private sector has a significant role to play in shortening stays in hospital for older patients, a role that should be accounted for by local health authorities. At present, we calculate that private sector sheltered housing saves the NHS £2,598 per resident receiving inpatient care per year²⁷.

For Primary Care Trusts, the figures are likewise encouraging. On average over a year, residents visit their GP only 4.2 times and their practice nurse 2.5 times. This is far lower than amongst the general population in that age group. People aged 65-74 had an average of five NHS GP consultations a year in 2001 and six consultations per year for those aged over 75²⁸. In 2001, twelve percent of those aged over 65 had consulted a practice nurse. This was done on average four times that year²⁹. The average cost to the NHS of a visit to a GP is £18³⁰.

On average, each private sheltered housing resident is saving the NHS £14.40 per year (rising to £32.40 for those over 75) in costs to primary care practices in visits to GPs alone. For a typical forty five unit private sheltered housing scheme, this would produce savings of £1,782 per year.



²⁵ Office for National Statistics, Living in Britain – General Household Survey, (London: The Stationary Office, 2001) Table 7.32)

²⁶ House of Commons Public Accounts Select Committee, 33rd Report, Ensuring the effective discharge of older patients from NHS acute hospitals HC459

²⁷ Based on Annual Financial Returns of NHS Trusts Y/E 31/03/2002 which estimate a cost per night of inpatient care of £270.64

²⁸ Office for National Statistics, Living in Britain – General Household Survey, (London: The Stationary Office, 2001) Table 7.19

²⁹ Office for National Statistics, Living in Britain – General Household Survey, (London: The Stationary Office, 2001) Table 7.27

³⁰ R. E. Cooley et al, A Ready Reckoner of Staff Costs in the NHS, Volume 1, (UK: PSSRU, December 1998)

“You’ve got peace of mind. You’ve got an environment in which people are in the same situation as you. Everyone in that unit knows what you’re going through, whereas if you live independently your neighbours tend to be off at work all day and so don’t know your needs. It’s only if you work with old people or you are elderly that you understand – it’s difficult to explain how lonely it can be.”

Client Services Manager, Age Concern, Kent

Cost Savings For Home Visits, But Less Need

As our case studies show, significant savings in time and cost are available to care providers by visiting a number of residents at one time in a scheme. Three out of four residents, however, have not required a GP to visit them at home in the past twelve months; and less than a fifth (18%) have required a practice nurse to do so.

By living in safe, purpose-built accommodation and by the lifestyle advantages and wellbeing improvements that their independence gives them, residents have less need for the NHS than those living in ordinary housing.

Many of those in private sheltered housing look increasingly to the private sector to achieve their aspirations and, as set out in chapter four, the revenue for small local service providers are considerable. For public service providers, working with residents in private sheltered housing schemes makes their job easier and assists flexibility and choice.

This is echoed by the words of Chris Mullin MP when Parliamentary Under-Secretary of State for the Environment, Transport and the Regions, “older people’s aspirations are rising. Individuals increasingly expect services to respond to their specific needs and preferences. Quite rightly, they are no longer prepared to put up with ‘one size fits all’ services. Flexibility, choice, independence, information and involvement are the key issues raised by older people in relation to the accommodation and services that they receive.”³¹

The case studies below set out, in their own words, how care providers feel private sheltered housing benefits their work and society as a whole.

Case Studies

The Social Worker

“I work for Social Services and we deal with elderly people. Our aim is to provide them with services so they can stay in their own houses rather than go into care. People are generally happier if they can stay in their own house.

Deteriorating health is a problem for the elderly which, as a consequence, causes difficulties for people in caring for themselves and being mobile. Housing has a significant impact on health. This is especially true if they have deteriorating health such as Parkinson’s or a similar disease, when you have to look ahead to their needs a few years down the line.

Unfortunately, people often don’t want to move from their homes and their community as it may not improve their quality of life if they lose the social contacts that are important to them.

But retirement housing allows elderly people to continue living in their local area. It provides them with some sort of social support network there which means they might not need our help.

If you have a warden on site who can provide a meal in a dining area, or even just some sort of social interaction, it is really useful. And likewise if they can just keep an eye on people every morning or help with medication it is very helpful for us. They are also important in flagging up problems to the relevant professionals like GPs. They have an important monitoring role.

We can provide more effective care assistance to people in retirement housing and sheltered accommodation. Instead of having one Social Worker going to an individual’s house for half an hour regardless of whether they are ready to see us or not, with retirement housing we can have carers visiting more frequently. It means the services offered to these people are better and more flexible.

I hope you get an idea from this research about how the options for older people are changing. I hope that people like developers take into account all the new ideas and technologies that exist so that people can have choices about their housing.”

³¹ H. C Deb, Vol. 351, Col. 271WH

“Sheltered accommodation makes it easier to disseminate information to the elderly. I can think of future campaigns that we will be running – you go in and you’ve got a ready made audience there. It’s great for this sort of work. We don’t exclude people that don’t live in sheltered accommodation, but it certainly does make it more practical and easier in lots of ways.”

Support & Advice Services Manager, Age Concern

The Meals At Home Unit Manager

“We provide hot and cold chilled meals delivered to the door of the elderly. We can have real problems gaining access to a property due to people with hearing difficulties; they don’t hear the doorbell or the intercom system. Hearing difficulties are our biggest problem.

Obviously, delivering to retirement accommodation is easiest in situations when you can’t gain immediate access. They usually have a warden or you can ring on a neighbour’s door. There are people around to help you. It also certainly saves us time and money. If you were doing sheltered accommodation with ten people next to each other, you’re talking about half an hour there and back but, in individual houses, you could be talking four hours. So delivering to locations with multiple clients is a lot quicker and you save quite a lot of money. About 10% of the people we deliver to currently live this way.

From the experience I’ve had in dealing with them, I think the advantages for the elderly are tremendous, because they are with people of their own generation and have access to help if they need it. This is in direct contrast to the extreme of living alone.

These retirement homes are modern, with all mod cons, whereas in their own houses, people could be dealing with equipment that is years and years old. I think also these houses are second to none for social advantages – it stops people possibly becoming incarcerated in their own homes.

The elderly fear they are going to lose their independence if they lose their home, but they’re not. As they get older, they aren’t going to be able to cope with their homes and their independence is going to mean very little, whereas in retirement housing they can maintain their independence for a longer time.”

Combating Loneliness and Depression

Polling conducted by MORI on behalf of Help the Aged shows that more than a million people over the age of sixty five feel trapped in their own home. In the twelve months prior to that survey, seven percent of older people had felt like nobody knew they existed³². Older people need and deserve to be given independent living opportunities, so that they can avoid isolation and loneliness.

The presence of an in-built community offers residents of private sheltered housing the option of company and a social life should they choose it. Just as important, the reduction in household responsibilities (e.g. in managing a large house and garden) that comes with downsizing to private sheltered housing increases the independence and quality of life of residents.

In terms of mental health, the Audit Commission identified depression as the most prevalent mental health problem in older people, especially amongst women³³. Our research suggests that private sheltered housing can act to reduce this. The availability of companionship was the second most important advantage highlighted by residents of moving to private sheltered housing, emphasising the importance residents place on avoiding loneliness and depression. Amongst prospective widowed residents, nearly half (48%) say they spend more time on their own than they would like to.

³² Mori/ Help the Aged British Gas Partnership (Great Britain, October 2000)

³³ Audit Commission, Forget Me Not: Mental Health Services for Older People (Great Britain Audit Commission, 2000), p.12

“I would have thought it increases market choice and in terms of housing facilities you’d actually release housing. When elderly people move home they are probably releasing three bedroomed semi detached houses in fairly good areas of the city. People would presumably be trading down so it would release a stock of family accommodation.” Housing and Strategy Officer, North East

A Home for Life

The overwhelming majority of respondents to this report (ninety three percent of prospective residents and eighty six percent of residents) believe that private sheltered housing is a home for life. It is not a stepping-stone to long term care or assisted living.

Eighty seven percent of prospective residents believe that moving into private sheltered housing will alleviate the need to move later into a form of assisted living accommodation.

The average age of residents is 79.5 years. This compares with a current life expectancy amongst the general population of 75.3 years for men and 80.1 years for women³⁴. In the year 2000, a man reaching 75 years could expect to live for another 9.4 years. A female of the same age could expect to live for another 11.6 years³⁵.

Whilst some residents will of course end their lives in hospitals, the vast majority will see out their days in their homes. For two thirds of residents, the move to private sheltered housing is the last they will ever make.³⁶ Living and dying in private sheltered housing offers a more comfortable and dignified end to life for residents and places less pressure on health and social services.

Annex B sets out the full economic model for public sector cost savings in delivering care in private sheltered housing as opposed to public sector assisted living schemes. **It illustrates that, by building private sector housing to suit the needs of the older population, there are potential savings of £15,000 to £25,000 for every year that a resident is delayed in going into residential care.**



³⁴ Government Actuary's Department, Interim Life Tables 1999 – 2001

³⁵ Ibid.

³⁶ McCarthy & Stone figures

“When there’s only two of us in a five bedroom house, we need something smaller.”

Female prospective resident, 60, Cambridgeshire

Freeing Up Housing Stock for Others

By moving into private sheltered housing, older people are freeing up a substantial amount of housing stock which can then be used by families, young couples and first time buyers seeking to enter the housing market.

The majority (66%) of those seeking to move into private sheltered housing are looking to do so within their local community. In doing so, over half (56%) are freeing up family sized houses whilst a further thirty percent are making bungalows available to smaller families or others downsizing from larger houses. The twelve percent selling flats do likewise or bring housing onto the market for first time buyers.

These figures are similar for residents, forty five percent of whom sold their properties to families or young couples. Seventy one percent of widowed residents sold their properties directly to couples or families thereby at least doubling the occupancy of the housing stock. Of course, this doesn’t include those who sold their properties to developers or in part exchange.

When faced with planning applications for private sheltered housing, it is naïve and inaccurate of local authority planning committees to assume that this type of housing fails to benefit either the local economy or the supply of larger housing stock in a locality. There is a distinct and measurable benefit that private sheltered housing brings regardless of the huge benefits it brings to older people whose lives are transformed by it.

Conclusion

The residents of private sheltered housing are healthier, live longer and have less call on the state than those who remain in ordinary housing.

The decision to downsize frees up both family-sized housing, and flats and bungalows, creating a better use of housing space within a locality.



Appendix 7

Context Photographs



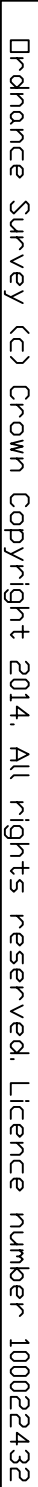






Appendix 8

Distances Site Plan



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Client



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