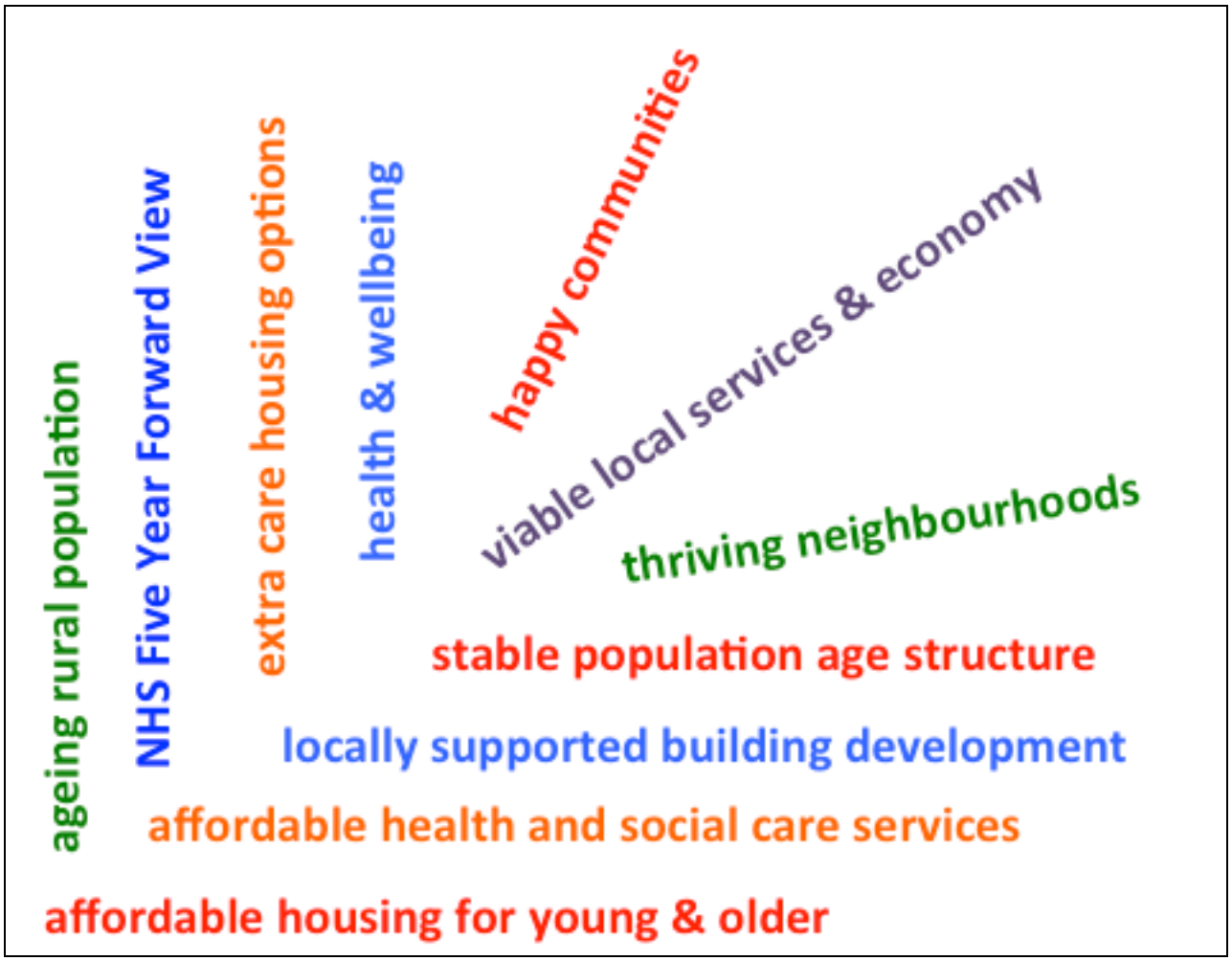
Bridport Local Area Partnership - Local Needs Housing Briefing no. 2

Challenges, Opportunities & Solutions:

Older People's Housing and Neighbourhood Planning



Introduction

This briefing may be used in conjunction with the previous report "Local Needs Housing Briefing: Focus, Strategy & Delivery" which details the current rural housing crisis in West Dorset, and reviews options and strategies to meet local demand and need.

The focus here is meeting the housing needs of local older people, and consider how an innovative and creative approach to provision is required to reduce future demand and costs of health and social care provision. There is a significant shortage of desirable and specialist older people's housing, coupled with an expected dramatic increase in the numbers of older people needing it in the coming decades.

The challenges we face are made all to clear. The opportunity here is to bring together housing and health and wellbeing in an integrated locally driven strategic policy.

Bridport Area Vision 2030 Neighbourhood Plan is unusual if not unique, in encompassing five parish areas, at a time of fundamental reviews into the design and delivery of health, housing and social care programmes taking place at local and county level.

There will follow consideration of strategies for meeting specialist housing needs, whilst at the same time, allow the freeing-up of existing family housing stock under-occupied by older people, to meet the needs of the younger generation, and put a halt to the unsustainable exodus of young people from the region.

The implications for current planning policy, and necessity for a fresh, cohesive, and integrated approach centred on health and wellbeing, social care and demographic needs, will become all to obvious.

The priority for the West Dorset Local Plan must be to meet the needs of **all** the existing population. A continuation of the status quo of ever-increasing house prices, ever-increasing inward migration of retirees, and continued forced exodus of young people and key workers, will go from being a 'challenging' situation to catastrophic, if it is not adequately addressed and remedied!

The action that is needed, however, is not remedial, but proactive, progressive, as well fiscally prudent, honest and responsible.

Key Recommendations

1. Facilitate the full engagement and support of the local community to make provision for older people's housing, a key element in the Bridport Area "Vision 2030" Neighbourhood Plan.

2. Seek to fully engage Dorset County Council, Dorset National Health Service, Dorset Clinical Commissioning Group, Dorset Health and Wellbeing Board, the Department for Communities & Local Government, and the Department for Health, to work together in an integrated effort to support the design and delivery of older peoples housing within the Neighbourhood Plan, perhaps as a national pilot and demonstration project.

3. Consider working in partnership with specialist and expert agencies in the preparation and delivery of the draft neighbourhood plan (e.g. Local community land trusts and housing associations, Housing Learning & Improvement Network, Royal Institute of British Architects, All Party Parliamentary Group on Housing and Care for Older People – HAPPI, The Housing & Ageing Alliance, Chartered Institute for Housing, National Housing Federation, Rural Service Network).

4. Fully consider ways of using the provision of new-build older people's housing units to free up existing stock to address the current housing crisis, particularly local needs affordable housing (see FreeSpace Scheme, below).

5. Ensure consideration of a variety of older people's housing units and schemes, to include intergenerational, retirement community, and supported to extra care housing.

6. Promote health, wellbeing and social inclusion as fundamental design principles in the planning of new-build housing units and schemes.

UK Government Planning Practice Guidance
Health and Wellbeing

(Updated: 06 03 2014)

http://planningguidance.planningportal.gov.uk/blog/guidance/health-and-wellbeing/

What is the role of health and wellbeing in planning?

Paragraph: 001 Reference ID: 53-001-20140306

Local planning authorities should ensure that health and wellbeing, and health infrastructure are considered in local and neighbourhood plans and in planning decision making. Public health organisations, health service organisations, commissioners and providers, and local communities should use this guidance to help them work effectively with local planning authorities in order to promote healthy communities and support appropriate health infrastructure.

What are the links between health and planning?

Paragraph: 002 Reference ID: 53-002-20140306

The link between planning and health has been long established. The built and natural environments are major determinants of health and wellbeing. The importance of this role is highlighted in the promoting health communities section. This is further supported by the three dimensions to sustainable development (see National Planning Policy Framework paragraph 7).

Further links to planning and health are found throughout the whole of the National Planning Policy Framework. Key areas include the core planning principles (see National Planning Policy Framework paragraph 17) and the policies on transport

(see National Planning Policy Framework chapter 4), high quality homes (see National Planning Policy Framework chapter 6), good design (see National Planning Policy Framework chapter 7), climate change (see National Planning Policy Framework chapter 10) and the natural environment (see National Planning Policy Framework chapter 11).

The National Planning Policy Framework encourages local planning authorities to engage with relevant organisations when carrying out their planning function. In the case of health and wellbeing, the key contacts are set out in this guidance. Engagement with these organisations will help ensure that local strategies to improve health and wellbeing) and the provision of the required health infrastructure (see National Planning Policy Framework paragraphs seven, 156 and 162) are supported and taken into account in local and neighbourhood plan making and when determining planning applications.

The range of issues that could be considered through the plan-making and decision-making processes, in respect of health and healthcare infrastructure, include how:

- development proposals can support strong, vibrant and healthy communities and help create healthy living environments which should, where possible, include making physical activity easy to do and create places and spaces to meet to support community engagement and social capital;

- the local plan promotes health, social and cultural wellbeing and supports the reduction of health inequalities;

- the local plan considers the local health and wellbeing strategy and other relevant health improvement strategies in the area;

- the healthcare infrastructure implications of any relevant proposed local development have been considered;

- opportunities for healthy lifestyles have been considered (e.g. planning for an environment that supports people of all ages in making healthy choices, helps to promote active travel and physical activity, and promotes access to healthier food, high quality open spaces and opportunities for play, sport and recreation);

- potential pollution and other environmental hazards, which might lead to an adverse impact on human health, are accounted for in the consideration of new development proposals; and

- access to the whole community by all sections of the community, whether able-bodied or disabled, has been promoted.

Who are the main health organisations a local authority should contact and why? Paragraph: 003 Reference ID: 53-003-20140306

The first point of contact on population health and well-being issues, including health inequalities, should be the Director of Public Health for the local authority, or at the County Council for two-tier areas.

Working with the advice and support of the Director of Public Health and their team, local authority planners should also consider engaging and consulting appropriately with the following key groups in the local health and wellbeing system:

- The Health and Wellbeing Board – which can provide a valuable forum through which partners can help ensure that planning proposals, where appropriate, are likely to have a positive impact on the health and wellbeing of local communities. Health and Wellbeing Boards bring together local authorities, the NHS, communities and wider partners to share system leadership across the health and social care system; and have a duty to encourage integrated working between commissioners of services, and between the functions of local government (including planning). Each Health and Wellbeing Board is responsible for producing a Health and Well-being Strategy which is underpinned by a Joint Strategic Needs Assessment. This will be a key strategy for a local planning authority to take into account to improve health and well-being. Other relevant strategies to note would cover issues such as obesity and healthy eating, physical activity, dementia care and health inequalities. Data and information from Public Health England is also useful as part of the evidence base for plan-making.

- The local Clinical Commissioning Group(s) and NHS England are responsible for the commissioning of healthcare services and facilities which are linked to the work of the Health and Wellbeing Boards and the local Director of Public Health. These bodies are listed as consultees for local plans. These bodies in consultation with local healthcare providers will be able to assist a local planning authority regarding its strategic policy to deliver health facilities and its assessment of the quality and capacity of health infrastructure as well as its ability to meet forecast demand. They will be able to provide information on their current and future strategies to refurbish, expand, reduce or build new facilities to meet the health needs of the existing population as well as those arising as a result of new and future development.

- Engagement with the local community is also important. As part of this work, local planning authorities should consider approaching their local Healthwatch organisation (which represents users of health and social care services) and other community groups as appropriate.

How should health and well-being and health infrastructure be considered in planning decision making?

Paragraph: 004 Reference ID: 53-004-20140306

Local authority planners should consider consulting the Director of Public Health on any planning applications (including at the pre-application stage) that are likely to have a significant impact on the health and wellbeing of the local population or particular groups within it. This would allow them to work together on any necessary mitigation measures. A health impact assessment may be a useful tool to use where there are expected to be significant impacts.

Similarly, the views of the local Clinical Commissioning Group and NHS England should be sought regarding the impact of new development which would have a significant or cumulatively significant effect on health infrastructure and/or the demand for healthcare services.

Information gathered from this engagement should assist local planning authorities consider whether the identified impact(s) should be addressed through a Section 106 obligation or a planning condition. These need to meet the criteria for planning obligations.

Alternatively, local planning authorities may decide the identified need could be funded through the Community Infrastructure Levy.

What is a healthy community?

Paragraph: 005 Reference ID: 53-005-20140306

A healthy community is a good place to grow up and grow old in. It is one which supports healthy behaviours and supports reductions in health inequalities. It should enhance the physical and mental health of the community and, where appropriate, encourage:

- Active healthy lifestyles that are made easy through the pattern of development, good urban design, good access to local services and facilities; green open space and safe places for active play and food growing, and is accessible by walking and cycling and public transport.

- The creation of healthy living environments for people of all ages which supports social interaction. It meets the needs of children and young people to grow and develop, as well as being adaptable to the needs of an increasingly elderly population and those with dementia and other sensory or mobility impairments.

Ready for Ageing?

Report by the House of Lords Select Committee on Public Service and Demographic Change – March 2013

1. The UK population is ageing rapidly, but we have concluded that the Government and our society are woefully underprepared. Longer lives can be a great benefit,

but there has been a collective failure to address the implications and without urgent action this great boon could turn into a series of miserable crises.

2. The Committee focused on the implications of an ageing population for individuals and public policy in the near future, the decade 2020–2030. Key projections about ageing include:

    - 51% more people aged 65 and over in England in 2030 compared to 2010
    - 101% more people aged 85 and over in England in 2030 compared to 2010
    - 10.7 million people in Great Britain can currently expect inadequate retirement incomes
    - over 50% more people with three or more long-term conditions in England by 2018 compared to 2008
    - over 80% more people aged 65 and over with dementia (moderate or severe cognitive impairment) in England and Wales by 2030 compared to 2010.

6. Social care and its funding are already in crisis, and this will become worse as demand markedly increases. The split between healthcare and social care is unsustainable and will remain so unless the two are integrated. **Sufficient provision of suitable housing, often with linked support, will be essential to sustain independent living by older people.**

Housing and wider public services

37. A better health and social care system to support people to stay living independently needs adequate housing and support in the home. The work done by housing adaptation and repair charities is commendable, but needs to become universal. 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** (see Annex 16).

38. Other services such as urban planning, banking and product design will need to adjust to an older population and an older consumer base, and will have an important role in preventing the social isolation of older citizens. Older people must be involved in their design (see Annex 17).

ANNEX 16: HOUSING PROVISION (see paragraph 37)

Preserving independence

262. If preserving independence is to be a central goal, appropriate and safe housing

will become increasingly important. Well-designed housing can also be cost-effective. For example, by providing a warm environment or making adaptations to prevent falls, investment in housing can reduce hospital admissions.

263. Services that help older people adapt their own homes to allow them to live there for longer will become more important in the coming decades as the population ages. We heard impressive claims from Care & Repair Cymru about the cost-effectiveness of their Rapid Response Adaptations scheme, which makes small adaptations to housing to keep people out of hospital, or get them discharged more quickly, following referrals from professionals. Chris Jones, Managing Director, Care & Repair Cymru, told us that they had calculated that in Wales over the past 10 years, "the scheme has saved the NHS around £100 million through the reduced cost of hospital stays and hospital beds, and stopping accidents, which equates to £7.50 saved for every £1 spent". **The work done by housing adaptation and repair services such as Care & Repair Cymru is commendable and must be supported. Similar schemes should also be made accessible across England: currently only around 85% of residents in England have access to a home improvement agency. Government, including local government, also have a role to play in providing advice on how to access housing adaptation services.**

264. The Government can incentivise older people to adapt their homes by simplifying funding options such as the Disabled Facilities Grant process. There is currently some concern that the process for accessing Disabled Facilities Grants is too long and bureaucratic. **The Government should support the development of housing adaptation services across England and Wales, both by ensuring adequate public funding and by encouraging the growth of a secure and easy-to-understand equity release market that can unlock funds to pay for housing adaptations** (see Annex 7)**.**

265. The Government could also support research into initiatives such as life-long homes and the use of technology in the home to support older residents. New assistive technologies can, for instance, monitor older people remotely for falls. Telecare products (also discussed in Annex 14) can help people keep on track with complex medication regimes. Independent Living suggested that such schemes could save local authorities and the NHS significant amounts of money. Age UK agreed. Professor Anthea Tinker of King's College London (KCL) related how "quite small" changes to the home can be cost-effective, and improve the lives of older people. These might include simple aids and devices to support both older people and their carers, such as small and easy-to-lift kettles and easy-to-use tin openers. While local authorities should consider assistive technologies as part of their preventive care strategies, they should not lose sight of less expensive adaptations that could bring cost benefits. In addition, local and central government should support schemes such as Neighbourhood Watch and Meals on Wheels that mobilise local people, many of them older people themselves, to assist and keep an eye on frail elderly people in their own homes.

Ensuring adequate housing provision

266. According to Care & Repair England, while the majority of older people's homes

are in a reasonable state, poor housing conditions remain. This is especially true for the 'older old'; low-income, long-term resident homeowners; and private tenants. Falling property values (outside London, parts of the South East and a few high-demand areas), combined with a stagnant market due to lack of mortgage availability and rising unemployment, will impact on 'moving on' or 'downsizing' options.474

267. Some local authorities and private housing developers provide staffed 'extra care housing', which offers more assistance than traditional 'sheltered housing'.475 While cost-effective, this type of housing usually requires support or funding from other agencies. Encouraging stronger links between social care authorities and health providers such as home nurses could help to ensure that there is enough funding and service provision to meet care needs. In addition, private developers might ask users to 'buy in' using capital freed from selling their old home, or from other sources.476 Housing associations potentially have a major role to play in providing access to extra care housing. Those associations that take on residents could likewise use the housing capital that has been released by the tenant moving from their own home. Or they could acquire the resident's property, manage it and collect rental income in order to pay for long-term care needs.477

268. At present there is little scope for housing associations to get involved. In countries that have direct, person-based long-term care and social health insurance (the Netherlands for example), not-for-profit housing agencies can enter this market because the individual has an assured flow of cash once they are independently assessed to be in need of a certain level of care. Budget constraints and uncertainty about the levels of care provision that English local authorities can offer mean that promises made by authorities to fund tenants' long-term care may carry commercial risks. This is likely to become especially true as the overall demand for care rises as the population ages. Not-for-profit housing associations are unable to provide the necessary levels of care when faced with such liabilities. Individualised budgets and a national pattern of assessment may change this situation, but fragmented care provision and funding uncertainty make this unlikely.

Stimulating the market in housing for older people through better planning

269. Many localities have a need for greater provision of more suitable housing for older people, with more support services. The 2006 Wanless Social Care Review reported that 27% of older people would consider specialist housing if it were available. In February 2012, a YouGov poll for Shelter concluded that 33% of people over 55 were interested in specialist housing, which equates to more than six million people.

270. Despite growing demand for specialist housing and the substantial wealth held by some older people (see Annex 7), there is a gap in the market. There are just 106,000 units of specialist housing for home ownership and 400,000 units for rent in the UK as a whole. Build rates are lower now than in the 1980s. In 2010, just 6,000 units for rent and 1,000 for ownership were built, whereas in 1989, 17,500 units for rent were built as well as 13,000 for ownership. These figures do not compare well with other countries. Just 1% of over-60s in the UK are

estimated to live in retirement homes compared to 17% in the United States and 13% in Australia. Shelter noted that if demand for retirement housing remained constant, supply would have to increase by more than 70% in the next 20 years. McCarthy & Stone told us that "This is not going to happen without reform of the planning system".

271. This is an issue not just for older residents but for the whole population. The Government have made efforts to improve access to housing for younger people, but if the country had an adequate supply of suitably located, well- designed, supported housing for older people, this could result in an increased release onto the market of currently under-occupied family housing, expanding the supply available for younger generations. **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.**

272. Major developers have not geared up for delivering developments of specialist housing for older people. Gary Day explained that there are major barriers to entry into this market, and that "Public policy does not proactively encourage innovation and increasing supply in this sector". Developers working in the market often lose out to businesses such as supermarkets and car park operators when applying for planning permission. An efficient and trusted equity release market could provide some of the capital needed to stimulate the market in housing for older people, but many consumers do not have confidence in equity release schemes (see Annex 7).

273. **Local government should signal their intention to ensure better housing provision for older people by insisting that local planning agents both encourage the private market in housing provision for older people, and by making specific mention of older people's needs when drawing up their planning strategies.** Developers of housing for older people would also benefit from a more favourable regulatory environment. Gary Day told us that the Community Infrastructure Levy (CIL) and Code for Sustainable Homes have serious cost implications. He argued that home builders were competing for sites against others who were not subject to the same obligations: for example, supermarket developers did not have enhanced building costs, because there was not an equivalent sustainability code for supermarkets, and did not have an obligation to provide affordable housing. He pointed out that in some instances supermarkets' CIL charges were lower, because the local authority wanted to encourage retail activity. This illustrated that housing developers were not operating on a level playing field for land acquisition, despite the growing need to ensure specialist housing supply. Anchor, a care homes provider, told us that "new housing for older people should be exempt from the planning restrictions that apply to mainstream housing".

274. Sites for older people's housing are best located either in urban centres, or at least in non-remote areas that have easy access to town or city centre amenities and activities. The National Planning Policy Framework of March 2012 signalled that it is important to consider future demographic change when making planning

decisions. The Framework said that it is also crucial to "address the needs of people over retirement age, including the active, newly-retired through to the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family housing and the full range of retirement and specialised housing for those with support or care needs". However, the Committee heard that the Framework's mention of older people's housing needs was too vague to address the demand for suitable housing provision. **Central and local government should jointly review how the National Planning Policy Framework's suggestions might be clarified and tightened to do more to ensure sufficient housing provision for older people.**

275. Bad housing has knock-on costs for the NHS. We heard from Care & Repair England that the costs to the NHS of poor housing are over £600 million per year. Many of the chronic health conditions experienced by older people have a causal link to, or are exacerbated by, particular housing conditions. The housing-health link becomes more important with age, they suggested, as people become more prone to trips and falls and more susceptible to cold or damp-related health conditions, while poor thermal standards are a quantifiable contributor to excess winter deaths. Professor Anthea Tinker concurred, arguing that damp housing can cause, or, exacerbate breathing and other health problems, inadequately heated homes can lead to hypothermia, and badly maintained homes can cause accidents. **Health and Wellbeing Boards, on which local planners should be represented, should draw up plans for how communities can prepare themselves for older populations and involve housing associations and private developers to ensure that there is enough specialist housing, adequate transport and other easily accessible facilities for older people. Health and Wellbeing Boards should consider housing in tandem with health and social care provision because well-designed housing, as well as older people's capacity to avoid social isolation, are strongly linked to better health outcomes.**

Government Response to the House of Lords Select Committee on Public Service and Demographic Change Report of Session 2012-13: 'Ready For Ageing?'

Summary

Enabling people to live longer, more prosperous and healthier lives

1. Our country is and must continue to be a great place to live an active and fulfilling life into older age. The fact that people are living longer and healthier lives should be celebrated, not portrayed as a burden on future generations.

2. Our strategy is therefore about empowering individuals to fulfill their ambitions for

later life and provide for their families, whilst promoting advances in diagnosis and treatment for ill-health and continuing to support the most vulnerable.

3. We are reforming public provision to ensure we meet the challenges of our ageing population and supporting people to stay independent for as long as possible.

Empowering individuals

4 Each individual has personal responsibility for planning for their later life, making choices and exercising control. We must ensure that we support and enable people to undertake this planning, and remove barriers to people maintaining their independence.

5 Reform across the welfare and pensions systems along with reforms to employment laws will help support older people who want or need to work; meet the future requirements of an ageing workforce; and ensure more people are saving to improve their income in later life.

6 We are also introducing greater choice in the health and care systems. Work is ongoing to try to ensure we support everyone's individual housing choices, whether that is about moving to a smaller property or to stay in their current home enabled by adaptations.

Autonomy and accountability for local communities

7 This Government has been clear that to respond to the key challenges faced by our society, we need to draw on the skills and expertise of people across the country and put more power into the hands of local communities.

8 Local authorities are better placed to make decisions about the needs of their local communities than central government and from 2013, local councils will be able to decide how most of their grants from central government should be spent in their area.

9 Local government is also now at the heart of driving forward health improvements through the role of local health and wellbeing boards and with devolved responsibility for investment in public health.

10 This response summarises a range of work being undertaken across Government to address the challenges set out in the Committee's report. However, as that report points, out major challenges remain.

11 Our approach is continuously evolving. Since Ready for Ageing? was published in March, the Government has taken further major steps to address the challenges of an ageing society including:

- Announcing in February our intention to introduce a cap on the costs that people will have to pay for social care and a universal deferred payment so

that people will not have to sell their home in their lifetime to pay for residential care

- Announcing in March our backing for a new Big Lottery Fund supported Centre for Ageing Better to receive up to £50m of Lottery funding

- Publishing in March Living Well for longer: a call to action to reduce avoidable premature mortality to focus attention on premature mortality and challenge the health and care system to do more

- Announcing, on 10 May, a ban on consultancy charges which force pension scheme members to pay for pensions consultant advice to their employers

- Introducing the Pensions Bill to Parliament in May 2013 to introduce a flat rate, single tier state pension from April 2016 and a statutory mechanism to regularly review the State Pension age

- Introducing the Care Bill to Parliament also in May 2013, introducing changes to make the care system clearer and fairer, with a greater emphasis on choice and promoting well-being

- Announcing, on 15 May 2013, more ambitious targets for dementia diagnosis rates – to increase to two-thirds by 2015

- Announcing, on 26 June, a commitment to new pooled health and social care budgets worth £3.8bn from 2015-16

- Publishing in July a call for evidence on quality standards in work based defined contribution pension schemes in the summer

12 We also recognise the need to continuously develop our thinking and that we have to consider how we can improve co-ordination of work across Government. We therefore also intend to:

- Ask the Government's Chief Scientist to lead an analysis of the challenges of an ageing society

- Publish an assessment of key challenges in relation to retirement incomes including an analysis of the combined impact of existing measures

- Publish an action plan on measures to extend working lives

- Develop for the Autumn the detail of a new NHS England plan for vulnerable older people to cover primary care services; urgent and emergency care and removing barriers to integration

- Launch a consultation in the Autumn on proposals to cap charges on Defined Contribution pension schemes

- Publish a further response to the Francis Inquiry in the Autumn, setting out progress and next steps to securing compassionate care

- Work closely with the pensions industry and consumer organisations to explore Defined Ambition ideas with a view to publishing a paper.

Section 4 Enabling, promoting and supporting independence

135 If we are to realise our ambition to make this country a great place to grow old in, we must think beyond the health and care system and pensions provision to think about wider issues.

Housing and Wider Public Services

136 We know that the vast majority of people want to remain independent and be supported in their own home as far as possible. We need to try and support everyone's individual housing choices, whether that is to move to a smaller property that might be better suited to their needs or to stay in their current home.

137 One of the key tools we have to achieve the second of these objectives is the provision of aids and adaptations through the Disabled Facilities Grant (DFG). This funding helps people make the necessary practical changes to help them remain in their own home through the addition of adaptations such as grab rails, walk-in showers, stair lifts and ramps.

138 We know this can make a real difference to helping older people and disabled people stay in their current home and postpone or even prevent the development of serious health and care needs.

139 Despite the economic strictures, over the current Spending Review the Government has increased its funding for the DFG. Over the last two years, the Government has put an extra £60 million into DFG; £20 million in 2011/12 and £40 million in 2012/13.

140 In addition, the Department for Communities and Local Government (DCLG) provides £51m (2011-2015) to support the provision of local Home Improvement Agencies (HIAs) which are small, not-for-profit organisations which assist a quarter of a million older, vulnerable and disabled people to repair, maintain or adapt their homes a year. HIA coverage in England is currently 82%.

141 We know houses and flats specially designed for the needs of disabled and older people help people stay independent for longer. Most importantly of all we know that those in well designed specialised housing are happier with their health and wellbeing than those who move to residential care.

The Committee concluded that the housing and other public service needs of older people should be better addressed through improved planning and involvement in their local communities.

142 We need more designated specialised housing for older people and disabled

adults. The level of provision is not keeping pace with our ageing population. We are lagging behind other nations, and lack of development is limiting the care and support system, as well as the wider housing market.

143 That is why the Government announced a capital grant of up to £300m at the end of October 2012. The Care and Support Specialised Housing Fund will support the development of specialised housing for older and adult disabled people across the country.

144 It is the Government's aim to address unnecessary planning barriers wherever possible, to enable a healthier market that can respond to demand and the needs of the local area.

145 The National Planning Policy Framework (NPPF), which was published on 27 March 2012, asks local planning authorities to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in their housing market area.

146 Local planning authorities should also deliver a wide choice of homes and plan for a mix of housing based on demographic trends and the needs of different groups in the communities, such as older people.

147 It will help ensure that planning decisions reflect genuine national objectives while allowing for local councils and communities to produce their own plans, reflecting the distinctive needs and priorities of different parts of the country.

148 The National Planning Policy Framework and the policies on housing supply contained within it are designed to apply nationally but to be interpreted and applied locally.

149 We recognise that there will be areas where some additional guidance would be welcomed, and the DCLG will publish revised planning guidance by this summer, in line with Lord Matthew Taylor's recommendations.

150 Local government is now at the heart of driving forward health improvements and forging stronger relationships across a complex health and social care system. As such they are best placed to use public health funding most effectively to meet local demand and to the benefit of their communities and local residents.

151 Local government wanted and has been given maximum flexibility on the membership of health and wellbeing boards to be able to keep them small and nimble. The reality is that it is not always practical or workable for health and wellbeing boards to include everyone with a potential stake in improving the health and wellbeing outcomes of the local community. There are limits to representation, however in the true spirit of localism, this has been left to local discretion.

Transport

152 To help people stay active in their community we want transport provision to respond to the differing needs of older people. We acknowledge that this is not

the case in all areas. The ability to access transport can help in maintaining a sense of independence and freedom, a good quality of life, including social contact with others and the chance to engage in physical exercise.

153 We are looking to build on progress made so far by improving accessibility on buses, trains and taxis. The vast majority of older people are already able to take advantage of concessionary travel on buses and trains and this will continue. We are also looking for improvements in transport provision to support the sustainability and independence of those living in rural communities. At the same time we will support older people to continue to use their own cars through the use of vehicle adaptations, driving assessments and by improving accessibility and inclusivity in the design of streets and other such public places.

Loneliness and isolation

154 Loneliness is a serious issue that is blighting the lives of many older people across our country. The campaign to end loneliness estimates that there are 800,000 older people in England who are chronically lonely. And that loneliness is as bad for us as smoking 15 cigarettes a day. It also increases the risk of heart disease, puts people at greater risk of blood clots and dementia, and makes them more likely to exercise less and drink more. Socially isolated and lonely adults are also more likely to undergo early admission into residential or nursing care.

155 The Care Bill sets out in law that local authorities have a duty to promote a person's well-being. That includes their physical and mental well-being, their personal relationships, control over their day to day lives such as how care is delivered and their contribution to society. To do this, local authorities will we will need to align professional and community support. For example care services will need to consider the strengths and interests of older people and to connect them to local clubs and social groups. This will strengthen communities themselves and helps to keep people safe and reduce, delay or prevent needs for acute care.

156 For the first time we are helping local authorities to measure how lonely or isolated people in their area are. From April 2013, Local authorities are able to identify areas where people suffer from isolation as part of the updated Adult Social Care Outcomes Framework for 2013/14.

157 This information will help them identify how serious the problem is in their communities and what action is needed to tackle it.

158 By working together to reduce loneliness and social isolation, older people will have a chance to lead significantly healthier and happier lives.

All our futures... Housing for ageing

View from the Summit

In the Spring of 2015 leading figures from the housing and ageing sectors came together at a summit to map out the actions required to address the critical issue of housing for an ageing population.

It was agreed that:

- Housing is fundamental to dignity and security in older age
- Housing underpins health and well being. It is the foundation of a sustainable NHS and social care system and needs to be an equal part of the integration agenda
- At a time of unprecedented demographic change, housing, planning, health and social care must all systematically address population ageing
- Housing plays a critical role in the UK economy. Older people live in a third of all homes and are the major driver of household growth. Housing and ageing is therefore of enormous economic importance.

This report summarise the key messages about housing and ageing for everyone who wants this country to be a good place in which to grow old.

The Housing and Ageing Alliance

What does 'good' look like?

A good place to live in older age includes safe, suitable homes and neighbourhoods that are well designed or adapted for later life.

Citizen choice and control over where and how to live in older age is the shared vision across the housing and ageing sectors.

The outcome for all plans related to housing and ageing should be extended healthy, inclusive, independent living.

A 'good' strategy to achieve this outcome will be rooted in realistic analysis of the data and evidence with regard to:

- Profile of the current national housing stock
- Physical impact of the ageing process and the significant variations
- A 'triple lock' approach which addresses suitability for population ageing of
  - the current housing stock
  - all new and planned general housing
  - specialist housing
- Support for well informed decision making by individuals

What action is needed?

Buildings last much longer than people or policies.

This is why taking a balanced long term view on housing and planning for demographic change is so critical.

Plans and decisions about home building tend to be made to address immediate pressing issues eg housing shortages for young, single people. This risks neglecting the longer term, well evidenced, enormous fiscal gains of making all homes and neighbourhoods healthy, inclusive places to live at all ages and stages of life for current and future generations.

An integrated approach is needed, working across national government, local government and the NHS, to make homes and communities good places in which to grow old.

Critically, it needs to be recognised that a coherent approach to better housing for an ageing population stimulates economic activity and yet it does not require large scale government investment.

Most of the suggested measures below require zero or minimal cost to national or local government whilst reaping significant savings eg through improved health and well-being reducing health and care costs.

Act now

In the housing and ageing sectors there is a genuine desire to act to address demographic change and to work alongside national and local government in order to deliver genuine choice and lasting benefits.

The Act Now list below summarises key points put forward at the Summit.

Our overarching message is to:

- ***Embed population ageing considerations into every decision about housing***
- ***Embed housing considerations into every decision about older people, particularly health and care integration***

90% of older people live in mainstream housing and 6% in purpose built housing for older people (in c. 500,000 specialist housing units)

Act now

Summary of recommendations from the Summit

Strategic

- Set a national objective of enabling older people to live independently and well, in a home of their choice.
- Create a Cabinet sub-committee to drive the shared integration agenda on Health, Social Care, Housing and Wellbeing

Specific Issue Proposals

1. Health, Social Care and Housing Integration

- The emerging integrated health and care structures and systems must include connections with housing and embed consideration of the home into all aspects of planning for integrated health and care.
- At an operational level, housing should be incorporated into all related health and care pathways. For example; dementia, long term conditions management, hospital discharge, falls prevention.

- Training for all health and care workers operating in the emerging integrated systems should include awareness raising about impacts of the home on health and wellbeing and embed general knowledge about housing options, referral pathways and prevention measures eg adaptations, energy efficiency etc.
- Set the aim of transforming the emerging integrated community health and care infrastructure to incorporate housing related provision. For example, if making GP surgeries the hub, with co-location of allied health professionals & Social Services, include home equipment/adaptations provision and delivery of advice & information about housing, care and related finance options. Drive forward widespread application of successful pioneer models.

2. Current Housing Stock

- Prevention of health and care needs is a key part of making the NHS affordable. With the vast majority of older people living in mainstream housing it is critical to embed preventative housing interventions (such as adaptations, equipment and removal of home hazards) into the emerging systems of integrated health and care.
- To achieve the aim of preventing/delaying needs, the current housing stock needs to be of a decent standard, suitably adapted and maintained. Every local authority should be required to have a strategy to address improving and maintaining the quality of the housing stock (across all tenures) in order to support healthy, independent ageing.
- Home adaptations for older people are proven to be pivotal to enabling healthy, safe, independent ageing. They should be embedded in all new health and social care integrated systems. This should include innovation in faster delivery systems, enabling greater self help (eg through Independent Living Centre or similar models) and setting adequate shared budgets based on local needs analysis (including deferred payments & recycled funding).
- Set Outcomes targets for Health and Wellbeing Boards (and any successor bodies) with delivery measures and incentives for addressing housing related causes of poor health eg. linked to dementia, falls prevention and cold related health problems.
- Drive retrofit of the current stock through a 'Homes for Health' programme, incentivising and prioritising use of prevention funding from health, housing and social care to improve the home in ways which deliver health and care outcomes and support improved health and wellbeing.

3. New Mainstream Housing Stock

- Improved space and accessibility standards have important economic and social benefits that need to be recognised not only by planners but also across the housing, health and care sectors. Poor access standards prevent the delivery of homes that promote the health and well being of older people and prevent needs. Therefore local authorities should ensure that mainstream homes are built to the new category 2 standard as a minimum.
- Housing should be designed for a range of age groups both to achieve balanced communities and also to accommodate changing needs across the life course. This needs to be reflected in planning guidance that also encourages age friendly infrastructure.
- Mainstream housing options need to reflect the range of needs and preferences of older people, including the availability of bungalows. Adopting best practice and implementing tried and tested design solutions which make these options realistic and viable should be set as an outcome for local housing authorities.

- Use public land to develop healthy mixed communities and places which meet the range of housing needs and aspirations of all ages. Garden cities and new town developments are an important opportunity to pursue this inclusive approach, as exemplified by the Olympic Village.
- Topical issues in the mainstream housing sector eg leasehold reform, security of tenure, are of particular relevance to older people, particularly those considering their longer term housing and care options.
- Recognise the wide spectrum of housing aspirations and needs of older people. Support and encourage the housing market to respond to this diverse market. For example, some people will prefer to live in centrally located and well designed mainstream apartments, others in specialist retirement housing. A variety of accommodation types need to be designed and built to offer flexible living options in later life.

4. New Specialist Housing Stock

- Following the Care Act 2014 and NHS 5 Year Forward View, ensure that Health and Wellbeing Boards have the necessary information and tools to contribute to local housing plans. Those plans will need to include housing provision, not only current stock but also innovative specialist and supported housing, within their new and emerging models of care and support.
- Ensure that local authorities, planners and Health and Wellbeing Boards understand the market for, and social and economic benefits of, specialist housing better, and have access to robust data analysis and clear evidence about need, demand and benefits, to inform public and private sector investment in the provision of new specialist and supported housing stock.
- Define new categories of specialist housing for planning purposes so that local authorities are better prepared and can plan to meet the shortfall of specialist and supported accommodation developments across all tenures.
- Improve the design and build quality of new specialist housing to ensure longevity and flexibility.
- Raise awareness of the quality of life improvements, safeguards and lifestyle choices that older people may experience in specialist housing which meets their particular needs and aspirations.

5. Informed Decision Making about Later Life Housing and Care

- Ensure that any information and advice services that central government invests in are joined-up, integrated and designed to address all of an older person's housing, health, care and related financial advice requirements.
- Monitor the implementation of the Care Act 2014, and its associated Guidance and Regulations, with regard to the Duty to provide information and advice, to ensure that local authorities commission impartial, integrated information and advice that straddles social care, housing options and financial considerations and which – delivered properly – can prevent, delay and reduce the need for care.
- Provide where necessary updated Regulations and Guidance to local authorities and clinical commissioning groups to ensure the commissioning of integrated information and advice services which enable informed decision making, self help and address all older people's housing, health, care and related financial issues.
- Set national Outcomes Frameworks for Adult Social Care, Public Health, the NHS and housing which support informed decision making and drive the provision of integrated information and advice services that address housing, health, care and related finance in later life.

Dorset County Council Older People's Housing Plan 2013 – 2018 Enabling Independence

Introduction *(section 1)*

Plan Development *(section 1.1)*

The Dorset County Council Housing & Support Services: Commissioning Strategy 2013- 2018 sets out an overarching vision for supported housing services in Dorset.

This plan focuses on the delivery of services for older people.

The development of this plan is taking place during a period of unprecedented reduction in public expenditure. However, the majority of savings needed in expenditure on older people's housing services have been made and this plan focuses on the development of services taking account of best practice and aims to result in the continued provision of cost effective and high quality services for service users.

The aim of the plan *(section 1.4)*

To ensure older people have access to a range of housing options and housing related services that enable them to remain independent and to lead a full and active life. To help to achieve this the following priorities have been identified:

- The need to provide high quality information and advice services for older people
- The provision of decent, accessible, warm and safe homes for older people
- Promoting independence
- Increasing housing choice

Services are generally available to all older people however provision is based on need. For instance, housing association sheltered housing is generally not available to owner occupiers who have the option of purchasing private sector sheltered housing.

Key commissioning principles *(section 1.5)*

The Housing and Support Strategy for Dorset, 2012 to 2015, which was published in autumn 2011 set out a number of key commissioning principles for accommodation based services:

- Services should not be commissioned in isolation, but should form part of a "whole system" approach.
- Service models and contract arrangements should be designed in such a way as to increase service users' choice and control.
- Service models should be sufficiently flexible and dynamic, offering genuine pathways to greater independence

- Service users must be involved in decisions about their services
- A positive relationship with the provider sector is of the highest importance
- Where both care services and housing related support services form part of a service, they should be commissioned together
- Services must achieve good outcomes for service users
- Services should make maximum use of opportunities to engage with the voluntary and community sector.
- Procurement methods should be flexible enough to ensure the best possible outcome is achieved at best possible value
- The approach to savings should be strategic not based on across the board cuts
- Dialogue should be maintained with neighbouring authorities.

These principles have informed this plan.

National Context *(section 2)*

'**A Housing Strategy for England' [DCLG, 2011]** *(section 2.10)*

Addresses the challenge of an ageing population in relation to housing policy. The strategy sets out "a new deal for older people's housing, with a better offer to support older people to live independently for longer". Key messages from the strategy are that:

- Some 60% of projected growth in households to 2033 will be aged 65+.
- Good housing for older people can reduce caring pressures on working families. It can also prevent costs to the National Health Service and social care providers.
- Attractive choices to move to smaller, more suitable homes can free up much-needed local family housing.

The main elements of the new deal are:

- Enabling older people to make an informed choice about their housing and care in later life, through a £1.5m investment in the FirstStop information and advice service
- Protecting funding for DFGs, with the national allocation due to increase from £169m in 2010/11 to £185m in 2014/5. This funding is not ring fenced.
- Help for small repairs through £51m funding for handyperson schemes between 2011- 15. This funding is not ring fenced.

- Work to help extend the reach of HIA services and to ensure that the Green Deal works for older people

- Stimulating the development of attractive equity release products

- Encouraging local authorities to make provision for a wide range of housing types across all tenures, including accessible and adaptable general-needs retirement housing, and specialised housing options including sheltered and ExtraCare housing for older people with support and care needs

- Continued promotion of Lifetime Homes standards

- Promotion of innovative solutions such as Homeshare (matching someone who needs some companionship or a little help to carry on living in their own home, with someone who is willing to give a little help and needs accommodation)

- Promoting Lifetime Neighbourhoods

SHOP: Strategic Housing for Older People *(section 2.12)*

Published by ADASS and Housing LIN, December 2011 and refined in April 2013. This strategic housing for Older People Toolkit provides a framework for addressing the housing demand and supply challenges for an increasingly ageing population.

Key messages are:

- The way we have thought about, designed and funded housing for older people has to change

- Housing and care solutions need to be much more positive and attractive than those that have been seen as appropriate in the past

- Predicting demand is complex, but we know that whilst there is a clear preference by older people to remain in their family home, many older people contemplate a move to alternative accommodation, although few people wish that to be residential care

- The wish to move and preference for where to move to is heavily influenced by what is available and suitable. Show attractive and affordable alternatives that match peoples desires and they are much more likely to opt for change. For example, in the Netherlands where there is a wider choice of specialist accommodation, the numbers wishing to move to alternative accommodation is greater than the UK. The numbers of people wishing to remain in their family home may be heavily influenced by limited choice rather than by a real preference.

SHOP identifies two main approaches to projecting future demand:

- Care home demand. The SHOP report suggests that at least one third of

residents could have been diverted to other more appropriate forms of housing with care, such as extra care, and possibly up to two thirds if appropriate information and advice had been available

- Population data.

There is a range of other recent information and guidance available on the Housing LIN website (www.housinglin.org.uk).

Local Context *(section 3)*

Dorset County Council (DCC)'s Corporate Plan 2011-2014 *(section 3.1)*

Includes the objective to provide housing accommodation with support and advice, to maintain or develop independence for vulnerable households.

Dorset Housing and Support Commissioning Strategy 2013-2018 *(section 3.3)*

The strategy is designed to support those national drivers outlined in section 2, whilst meeting DCC's and partners' specific local needs.

The Strategy sets out the aims and objectives of DCC and the Dorset Supporting People Partnership. A key task of the Partnership is to achieve the best possible value from the earmarked budget, made available mainly by Dorset County Council, for the purpose of purchasing housing-related support services. It also seeks to respond to the rapidly changing environment in which public sector health, housing, support and care services are provided and commissioned.

It is an "overarching" strategy, setting the framework for a number of existing or emerging client group based housing and support strategies, including this one.

As an overarching strategy it focuses on issues common to all client-groups. The strategy seeks to address the short-term goal of delivering the necessary efficiency savings but also to take a longer term view on transforming the delivery of housing and support services. The strategy is aligned with other county-wide strategies such as the Move-On Strategy, Domestic Violence Strategy and Homelessness Strategy as well as district and boroughs' own housing strategies.

A number of Housing Plans, including this one, flow from this strategy.

Ageing Well in Dorset. Published by Dorset County Council, 2009 *(section 3.4)*

Dorset County Council is working with partners including NHS Dorset and voluntary organisations to support people to stay healthy and independent for as long as possible and lead full and active lives. During 2009 over 4000 older people took part in an consultation exercise which asked them what they thought they needed to help them to achieve a healthy and active older age and what currently prevented them from doing this.

The consultation found that older citizens in Dorset want to:

- Feel secure and safe

- Feel free from discrimination
- Be socially integrated and not isolated
- Make a positive contribution and experience fulfilment as a result
- Have dignity, choice and control throughout their life
- Be in good health in mind and body
- Have housing suitable for individual needs
- Feel financially secure

Representatives from the county council, NHS, district councils, the third sector and older people are working collectively to using the information collected to support older people to live healthy independent lives and to promote positive attitudes towards ageing. This work is called *Ageing Well in Dorset*.

Managing the care of people with long-term conditions

House of Commons Health Committee – second report of session 2014-15 HC402

Summary

The challenge of managing long-term conditions

Effective management of long-term conditions (LTCs) is widely recognised to be one of the greatest challenges facing the 21st-century National Health Service in England. Thanks to advances in the care and treatment of many common long-term conditions, a greater proportion of the population is now able to lead a longer and more active life: but this care and treatment consumes a greater proportion of the NHS's finite resources. 70% of total expenditure on health and care in England is associated with the treatment of the 30% of the population with one LTC or more, and the number of people in England with one or more such condition—currently 15 million—is projected to increase to around 18 million by 2025. Care for LTCs presently accounts for 55% of GP appointments, 68% of outpatient and A&E appointments and 77% of inpatient bed days. Cost pressures on the health and care system deriving from management of LTCs and treatment of the increasing prevalence of comorbidities is likely to add £5 billion to the annual costs of the system between 2011 and 2018.

The NHS Call to Action in 2013 demanded improvement in the service provided to support the needs of people with LTCs and to help them manage their own condition. The Health Committee has in the past recognised the structural challenge to the NHS from a lack of integration and coordination of support across the health and care system. In this inquiry we found that in many cases commissioning of services for LTCs remains fragmented and that care centred on the person is remote from the experience of many. The NHS and social care services also face significant financial challenges: demand for services is exceeding the funding available at present, a situation which on present demographic projections is only likely to worsen.

Written evidence from the National Housing Federation (LTC 55)

1. The Scope for Varying the Current Mix of Service Responsibilities so that more People are Treated Outside Hospital and the Consequences of such Service Re-Design for Costs and Effectiveness

1.1 There is real potential to alter the current mix of service responsibilities to ensure people are able to live and receive treatment in their own home, rather than in hospital. Good housing is a fundamental part of this kind of care and support, as it helps people to manage their conditions more effectively and independently.

1.2 Housing is a vital part of an integrated health and social care system, which prioritises preventative care and speeds a person's recovery to independence. The White Paper "Caring for our Futures" supports this, stating: "housing plays a critical role in supporting people to live independently, and helping carers to support others more effectively ... Fragmented health, housing, care and support are letting people down. A failure to join up also means that taxpayers' money is not used as effectively as possible, and can lead to increased costs for the NHS."

1.3 Joining-up health, care and housing would produce clear benefits in terms of both costs and improved outcomes for those living with long-term conditions. Department of Health research[343] has found that investment in housing-based care services (rather than more traditional services like residential care) produces better health outcomes and gives people greater independence. It also reduces costs for the taxpayer by avoiding hospital admissions and reducing the number of children taken into care. Our report, "Providing an Alternative Pathway", shows how housing can be used effectively as a health and care service and highlights the savings that can be made. It showed that integrated services can deliver savings of up to £17,992 per person per year, when compared to less integrated pathways. In one of the report's examples, a housing service saved a total of £241,670 to local health and social care budgets in just 18 months.

1.4 More specifically, investment in housing-related support services are also cost-effective as they often reduce the need for more intensive care interventions, such as a move to a care home.[344] A review of the Supporting People programme (which funded housing related support services from 2003–09)[345] found that a £1.6 billion investment in housing-related support services generated an annual cost saving of £3.41 billion to the taxpayer.

1.5 Frontier Economics found that capital investment in specialist housing with care and support for nine client groups delivered an annual net benefit to the exchequer of £639 million. This includes £219 million a year from older people's housing, £199 million a year from specialist housing for adults with learning disabilities and £187 million a year from specialist housing for people with mental health problems.[346] The Department of Health has since highlighted the findings of this research to local authorities commissioning these kinds of services[347]

2. The Readiness of Local NHS and Social Care Services to Treat Patients with Long-Term Conditions (Including Multiple Conditions) within the Community

2.1 Although there are examples of innovative services which allow those with a long-term condition to be managed within the community, they are not yet common practice. Partnerships between the local NHS, social care commissioners and housing providers are key to achieving better outcomes and reducing costs, yet a number of significant barriers to full integration still remain across the design, commissioning and delivery of services. One of the main challenges is the need to join-up strategic and local commissioning between housing, social care and health.

2.2 NHS trusts and local commissioners need to focus on preventing hospital admissions and readmissions by investing in support services and specialist housing. Housing organisations have a good track record of providing specialist housing and delivering services focussed on restoring independence—for example, by adapting the homes of people with long-term conditions to prevent falls and other accidents. These services have been proven to prevent admission and readmission to hospital, allow re-ablement after an accident or illness, delay the need for intensive care services and reduce the likelihood of emergency admissions.[348] One

case study of an individual with dementia living in Extra Care housing shows savings of up to £17,222 a year to health and social care budgets.[349]

2.3 The Federation's most recent report, "Dementia: Our Housing Challenge", highlights how the NHS and social care commissioners can use housing as part of the treatment for people living with dementia. Dementia is a significant challenge for the NHS with an estimated 40% of hospital beds occupied by people with dementia.[350] Currently 60% of people with dementia enter hospital from their own home, but just 36% return home after discharge.[351] People with dementia stay longer in hospital than other patients who go in for the same procedure and are often subject to delays when leaving.[352] The longer the hospital stay, the worse the effect on the symptoms of dementia and the person's physical health. Longer admissions also make discharge to a care home and the prescribing of antipsychotic drugs more likely,[353] which are often not the best option for the patient. People with dementia in hospitals are also dying at a significantly higher rate than people without the condition.[354]

2.4 The Dementia Commissioning for Quality and Innovation (CQUIN) payment framework aims to incentivise the identification of patients with dementia to ensure appropriate referral and follow up after they leave hospital. Part of this referral stage should include engagement with services in the housing sector to ensure patients are able to return home as quickly as possible.[355] There is a need for similar incentives for early-intervention across the health and care system to ensure people get the support they need to live independently for as long as possible.

3. The Practical Assistance Offered To Commissioners To Support The Design Of Services Which Promote Community-Based Care And Provide For The Integration Of Health And Social Care In The Management Of Long-Term Conditions.

3.1 For effective integration, it is crucial that housing be considered at every stage of service planning, commissioning and delivery. However, there is a lack of practical assistance for commissioners to support them in redesigning services to support independent living in the community and to support integration of services across housing, health and social care to manage long-term conditions.

3.2 The Health and Social Care Act 2012 does not provide a specific framework for housing to engage with health and vice versa. Though the draft Care and Support Bill creates an environment more conducive to this, it does not guarantee it. We are particularly supportive of Clause 4 in the draft Bill, which promotes co-operation between the local housing authority and the adult social services departments. These two teams should work together to identify gaps in specialist housing provision by establishing and maintaining a register of adapted and accessible housing, as part of their oversight of the local care market.

3.3 However, the draft Bill is lacking a duty for co-operation between health and housing. Local authorities, the NHS and other local partners must align priorities and funding streams to both deliver and gain local support for services like specialist housing. The Bill and accompanying guidance could do more to ensure local authorities consider housing when recommending the most relevant service for a patient's circumstances. This would also encourage Clinical Commissioning Groups and Health and Wellbeing Boards to see specialist housing and related adaptation and support services as part of the solution when considering an individual's care and support needs.

3.4 The draft Bill needs to be amended to support local authorities to join up housing, care and health to create more outcomes-focused commissioning through pooled funding. This will provide vital preventative care and support services, saving the NHS and local authorities a significant amount of money by reducing demand and providing effective alternatives through more preventative services that intervene earlier or cost less than traditional service.

4. The Ability of NHS and Social Care Providers to Treat Multi-Morbidities and the Patient as a Person rather than Focusing on Individual Conditions

4.1 The most effective examples of the NHS and social care providers treating multi-morbidities arise when the patient is treated as a person, rather than just for one individual condition or illness. While there are many NHS and care services that do this already, it is far from the standard experience of health and care. To achieve this more consistently, local authorities and the NHS need to engage and partner with services traditionally viewed as "health-related" like housing. Housing associations are more than just an important stakeholder in local service provision. Experienced community providers like housing associations can be the driver and delivery channel for integrated offers that respond to the whole person. This might include a specialist package of support and accommodation, or simply a co-ordinated offer of a timely home adaptation.

4.2 For example, housing can play a key role in end-of-life care, when patients often have several different illnesses. The Good Death project, established by Public Health North East and managed by the housing association Home Group, brought together housing, health and social care services to make practical arrangements for residents to enable them to remain in their own homes for as long as possible at the end of life. A support officer worked with 63 people over the course of nine months to make small adjustments to their living conditions. The project saw a 10% reduction in accident and emergency attendances, and a 55% cut in GP consultations among its clients. Participants also reported a 65% increase in their feeling of "being in control" over the course of the project, and a 74% increase in their quality of life.[356]

4.3 However, in a recent survey by the Local Government Information Unit, only a quarter of councils said that their housing departments were engaged with end-of-life care issues,[357] despite the often crucial role of housing in improving the quality of a person's life when they have multiple morbidities near the end of their life. The survey also found that many councils see end-of-life care as being a priority, but have yet to put in place the necessary structures to deal with it.

4.4 As the new commissioning structure beds in, health providers and commissioners should be open to developing new partnerships that meet the needs of the whole person. This could include partnering with housing providers to create clearer referral routes between services, and using the home as a hub to deliver care. Clinical Commissioning Groups should also be open to these kinds of approaches when deciding how to commission, as well as what services to prioritise. Health and Wellbeing Boards can also play a role by supporting the pooling of funds or appointing a lead commissioner to deliver more integrated services in the local area.

5. Current Examples of Effective Integration of Services Across Health, Social Care and other Services which Treat and Manage Long-Term Conditions

5.1 For integration to be effective, Health and Wellbeing Boards and Clinical Commissioning Groups need to look beyond traditional health and care interventions. When services like housing-related support can be accessed as part of a wider package of support, individuals are able to both manage multiple and long term conditions more effectively, and pressure on the NHS alleviated.

5.2 The following examples show how housing can be effectively integrated across health and social care:

- *Housing with care and support* enables people to remain independent and receive care services in their own home rather than moving to a care home.
- *Preventative services,* such as housing-related support, reduce the need for more intensive care, reducing overall demand on the care system by helping people live independently in their own home.
- *Reablement services* get people home from hospital quickly, prevent hospital readmissions and help them to recover their independence after illness.
- *Timely home adaptations* assist with discharge home from hospital, facilitate the delivery of care in people's own homes, and encourage independent living.
- *Good quality homes* help to maintain good health, speed recovery from illness and reduce the incidence of respiratory and other diseases.

5.3 If housing is effectively used to help treat long-term conditions, demand on the care system would be reduced and the reach and outcomes of existing care services would be improved. Appendix 1 details further examples of well integrated services which effectively treat and manage long-term conditions.

6. The Implications of an Ageing Population for the Prevalence and type of Long Term Conditions, together with Evidence about the Extent to which Existing Services will have the Capacity to Meet Future Demand.

6.1 The likelihood of disability, illness and poor health increases as people age. More people are living longer with more complex conditions such as dementia and chronic illness. An estimated 3.9 million (33% of people aged 65–74 and 46% of those aged 75+) have a limiting long-standing illness and there are 700,000 people in the UK with dementia, with numbers likely to increase to 1.4m in the next 30 years.[358]

6.2 Levels of unmet need in terms of care and support for older people are deeply worrying. Budget increases for social care have failed to keep pace with the needs driven by demographic change and rising costs of equipment and staff.[359] Many thousands of vulnerable people are still not receiving the care or support they need. The Commission for Social Care Inspection estimated a shortfall of 1.4m hours of care in 2006–07 to 450,000 older people.[360]

6.3 Some specialist homes are being developed for older people, but as demand outstrips supply older people will find it increasingly difficult to secure a suitable property. Supply in some areas is falling rather than rising, as traditional forms of sheltered housing are decommissioned where they no longer meet current expectations. A conservative estimate suggests there are already around 70,000 people aged 60+ in urgent need of housing and related support services.[361] However, an ageing population brings new opportunities to develop housing and services which take into account the high levels of owner occupation and housing equity owned by older people. Households of people over 65 collectively own around £500bn of unmortgaged property equity,[362] while over 50s account for 40% of consumer spending, 60% of UK total savings, and 80% of the nation's wealth.[363]

7. The Extent to which Patients are being Offered Personalised Services

7.1 In its 2010 Adult Social Care Strategy, the UK government set an ambitious target of having all council-funded service users and carers on personal budgets, preferably as a direct payment, by April 2013.[364] As of March 2012, 53% of on-going users of community services in England were on personal budgets,[365] an increase of 38% on the March 2011 figure.

7.2 The Federation, however, is concerned that an emphasis on personal budgets overshadows the full benefits of personalisation. The principle of personalisation encourages concentration on outcomes determined by people and communities and engaging solutions beyond the narrow definitions of social care. The overall aim is to secure a shift to a position where as many people as possible are enabled to stay healthy and actively involved in their communities for longer and delaying or avoiding the need for targeted services.

7.3 To achieve this aim, local authorities need to facilitate a broad range of choice in the local care and support market, including housing options, and personalise the way in which care and support services are delivered wherever people live. Local councils, the NHS and their local partners need to integrate health and social care commissioning around agreed outcomes to support independence, working closely with housing providers to continue developing a wide range of options that enable independent living.

7.4 This will help to promote the delivery of a broader range of housing, home adaptations and support service designed to offer living environments which enable people with care and support needs to live independently in the community. Once an effective care market is in place, people also need to have the information and advice, including advice on housing options and adaptations, to make care and support decisions which work for them.

FOR FUTURE LIVING - INNOVATIVE APPROACHES TO JOINING UP HOUSING AND HEALTH

Institute for Public Policy Research 2014

Housing provision needs to change to reflect the serious impact that inadequate housing stock has on the health of our older population and on the state of public finances.

Helping people to adapt their homes

First, policy needs to be designed to offer more to people who want to stay living independently in their own homes for longer. People should be encouraged to take responsibility for adapting their owner-occupied property as they age. Two mechanisms offer a way forward, while potentially shielding the already overstretched system of disabled facilities grants (DFGs): an adaptations insurance premium on buildings cover for over-50s, and equity release loans and low-interest loan facilities provided by local authorities.

For low-income social renters, the way that DFGs are allocated should be reformed to ensure that the long delays of the current system are not getting in the way of adaptations that could provide a preventative benefit. To this end, GPs should be able to 'prescribe' home adaptation grants where a patient's health would benefit.

Ensuring housing reflects societal changes

Second, new housing provision needs to reflect social change by offering the additional space that older people seek and meeting higher building standards that support independent living in older age. Doing so will limit the future spill-over costs of poor housing to the NHS and adult social care system.

Decent space standards and the Lifetime Homes standards should be phased in to national building regulations requirements. However, previous experience of public leadership in housing standards, such as that provided by Parker Morris in the last century, has shown that improved standards in the social sector can drive better behaviour in the private sector. To this end, the Homes and Communities Agency (HCA) should ensure that building homes both to minimum space standards, and adaptable to Lifetime Homes standards is a condition of public funding. These standards should extend to all homes supported with public money, including developments financed by local authorities and ALMOs.

In addition, central government should allow local authorities to apply their own additional minimum space and accessibility standards for developments. To compensate for the additional costs of building to Lifetime Homes standards and space standards, local authorities should be allowed to offer new homes built to these specifications discounted stamp duty up to a sale value of £500,000 where the buyer is over 55. As an additional benefit, incentivising housing transactions among older people should increase the availability of larger family homes in the property market.

Supporting people to look after one another

Third, there needs to be a much more supportive environment for people who want to continue to live independently, and take responsibility for looking after each other. One part of the answer is to deliver more specialist sheltered housing. The limits of private development in this market mean that social housing providers will need to be more active in delivering sheltered accommodation. With capital grants to fund new developments dwindling, local authorities should deploy their borrowing capacity via housing revenue accounts and housing corporations to invest in sheltered accommodation.

Any new developments should also enable older people to do more for themselves and for each other. Older people already provide mutual support in the home, bringing together housing and health in direct and informal ways. It is estimated that the informal care market is larger than the formal care market, with around 1.2 million people in England over the age of 65 providing some form of informal care to adult children, partners or friends (ONS 2014f). International evidence highlights 'intentional community' models – such as multigenerational housing and senior cohousing – that support this form of care bespoke housing developments and the retrofitting of existing clusters of homes.

'Intentional community' models should be systematically tested in the market by social housing providers and the Department of Health. Local authorities and the Department

of Health (DoH) should make available their surplus land to bids by organised and interested community groups looking to provide mutually supportive living arrangements.

The international evidence offers examples of how households across the income spectrum can participate in developing appropriate housing for independent living:

- For middle-income groups, there should be a more supportive environment for people seeking to build community housing themselves. Local authorities such as Leeds City Council and housing associations such as Hanover have shown that self-starters can successfully deliver community housing, with their support.

- For lower-income groups, local authorities and housing associations looking to develop new schemes should invite their own tenants to form community housing groups to 'co-design' and drive future developments. These arrangements should be closely monitored to gauge their impact on demand for social care.

The preferences of older people are not supported by the inadequate choices available in the English housing market. In most cases, it will be appropriate to better support people to live in their own homes for as long as possible. The new housing stock of the future must reflect this, and our existing stock must be adapted to it. At the same time, there needs to be a more comprehensive offer for those who seek to move on, which demands more innovative approaches to delivering housing that is capable of supporting both formal and informal approaches to maintaining good health in older age.

Background: age, housing, ownership and occupancy

Over-65s make up the fastest growing section of households in the UK. Longer lives are a positive development, but there is a growing proportion of people, especially on low incomes, who live alone. There are also substantial health problems among the older population, with over half managing a condition that limits their daily activities.

As most own their properties – outside of either the bespoke 'retirement' housing market or residential care – many will need some combination of formal and informal support to allow them to continue to manage their health conditionsand live at home. They will also need a living environment that can support their condition. However, many are reluctant to move when their health or living circumstances change.

What do people want as they age?

The key demands of older people in the housing market are much the same as those of other people in the housing market: reasonable-sized houses, in good places, with modern fittings that are cheap to run.

What is also clear is that when health needs change, people appear to prefer to remain in their own home with support either in the home or in the community, rather than be transferred into institutional care facilities. This is not to imply that as people age they are not aware that where they presently live may not be appropriate forever or may need to be adapted. While they may be reluctant to plan their housing needs far in advance (Pannell et al 2012), our focus groups showed that people in the younger group (50–55) were aware of the potential changes to family size, income and health that might affect what they need from their accommodation and what compromises might be necessary.

The challenge for the market, social housing developers and policymakers is to develop housing both that people want to live in, and that permits people to live healthy, independent lives in their home for as long as possible. Our current stock of housing falls well short of supporting either aim.

Unhealthy housing: the state of England's housing options for older people

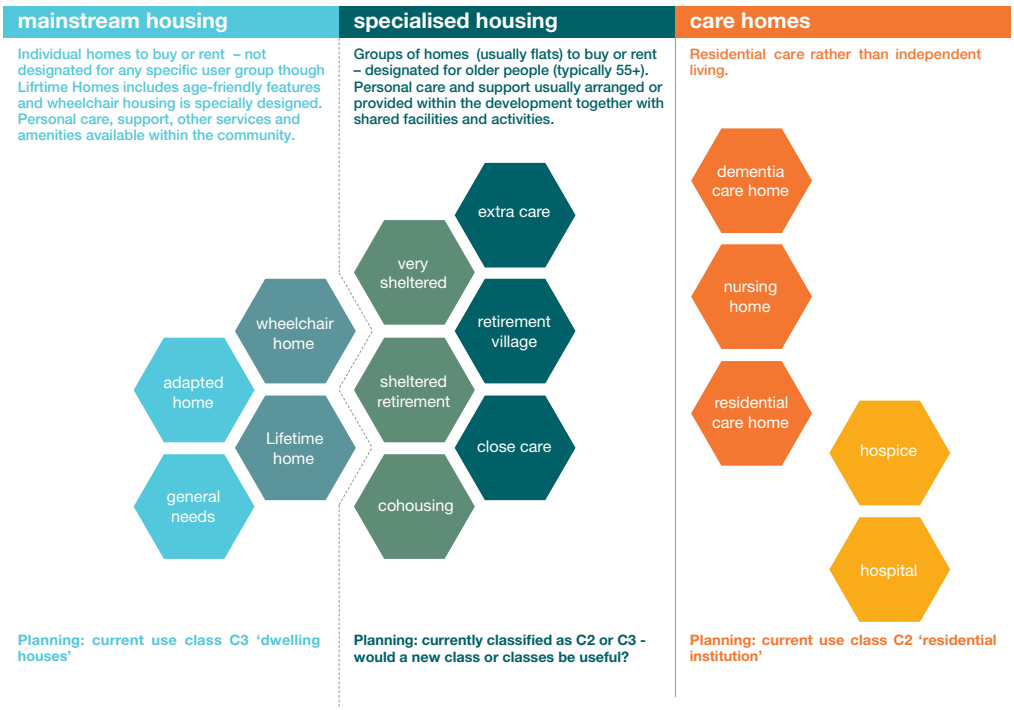
Whether or not it is convenient, either for planning policymakers in Whitehall or delivery agencies at the local authority level, housing and health are connected. The World Health Organization says that 'poor design or construction of homes is the causeof most home accidents. In some European countries, home accidents kill more people than do road accidents' (WHO 2014). A briefing for the Housing Learning and Improvement Network summarises the connections succinctly:

'Housing quality and suitability is a major determinant of health and well- being, and hence impacts on demand for NHS services. Older people are the main users of both hospital and primary care and their homes are a particularly important factor in maintaining physical and mental health and addressing health inequalities.

'There is a causal link between housing and the main long term conditions (eg heart disease, stroke, respiratory, arthritis) whilst risk of falls, a major cause of injury and hospital admission amongst older people,is significantly affected by housing characteristics and the wider built environment.'

Housing Ageing Alliance 2013

Mainstream, specialised and care-home housing: the HAPPI spectrum



Source: Best and Porteus 2012
Note: This diagram was supplied to the All Party Parliamentary Group on Housing and Care for Older People as part of the 'Housing Our Ageing Population Plan for Implementation' programme, or HAPPI 2.

The links between poor health and poor housing are clear, but as policy areas they are distinct. If hospital admissions are to be reduced and the strain on adult social care

provision contained then it is essential that other policy areas are supporting healthier independent living at home. Yet the housing offer for older people and vulnerable people is inadequate.

Homes in England are smaller than in other comparative countries. This can prevent people from getting the in-home support that they need, and discourage others who want to move to find more appropriate housing. Small spaces also prevent adaptations that would allow people to stay at home. Furthermore, only one in twenty homes is fully accessible, according to government definitions, and there are considerable challenges to retrofitting the existing stock to allow people to live independently as they age.

Specialist stock, while better equipped for older and vulnerable people, remains in very short supply, accounting for as little as 5 per cent of the market. This is far below the potential demand for the stock. With these figures in mind, it is unsurprising that over-65s hold around one-third of the English housing stock but are responsible for as few as one in 10 property transactions (Pannell and Blood 2012). Alternative options are insufficiently attractive or available (or both) to encourage older people to move.

Ultimately, with the pressure on social care and NHS budgets reaching unsustainable levels, reforms to other policy areas that can contribute to reductions in health costs should be promoted to meet shared objectives. In housing, this should focus on providing a housing offer that supports healthy, longer-term independent living and reduces pressures on other public services. At present, policy is not aligned, and the environment is ripe for innovation. The gaps between housing and health are bridged in other countries that, like England, are facing the challenges of an ageing population.

International perspectives: support for older people's housing

Different countries have adopted differing strategies, from promoting informal care in the home, to emphasising the role of care facilities in supporting people to move back into their home after receiving care elsewhere.

Austria is among Europe's highest spenders on care and support for the elderly (HELPS 2012). It has a rich variety of housing options for older people, from mixed to designated communities, a degree of multigenerational housing, adapted homes, and flat-share arrangements akin to the Shared Lives concept (several of whichare discussed in greater detail below). Despite this, the emphasis has increasingly been (as elsewhere) on supporting people to remain in their own homes. The federal government and state governments are increasingly active in providingtax incentives and subsidies to encourage developers to build accessible and appropriate housing for older people.

The UK has, comparatively, been light-touch in terms of both providing incentives for developers to focus on building homes that are appropriate for all generations and using legislation to drive up standards in new developments. As noted inthe previous chapter, the government's response to the recent consultation on accessibility asserted that it would support increased regulation only where it would not prevent development going ahead.

In addition, the Austrian government has sought to make effective use of the informal care sector. Family members are able to purchase insurance as a family caregiver to cover lost income from caring responsibilities, via a voluntary uplift in their social insurance premiums to be drawn on in the future. This flexible approach is a significant

step beyond the limited British system of carers' allowance, which provides a modest income for family carers.

In an alternative approach, Finland offers considerable support through heavy subsidies for housing adaptations, which people can access by applying to their municipal government:

'In normal cases, subsidies amount to at most 40 per cent of the total costs of the repair. In exceptional cases, up to 70 per cent of the costs may be assumed if failing to make the repairs would mean that the resident would need to relocate long-term because mobility within the living space is limited or the provision of social and care services cannot be guaranteed.' Stula 2012

Long-term care insurance

Japan has been in the midst of a demographic crisis for much longer than comparator countries, and has the largest over-65 population share of any developed economy. As in England, levels of owner-occupancy in Japan are high, and housing is a highly prized asset.

The care system is financed by a system of mandatory 'long-term care insurance' (LTCI), introduced with reforms to the health and care systems in 2000. The objective of these reforms was to distinguish financially between the health andcare systems, to add transparency to the costs and implications of long-term health and care needs, and to prevent 'social hospitalisation', where older people are effectively abandoned to the healthcare system because too little residential support was available (see Curry et al 2013). The scope of the LTCI system is wide but there are two aspects that are worthy of further attention: substantial support for home adaptations and an emphasis on institutional rehabilitative services.

On home adaptations, the majority of older people in Japan (83 per cent) live in privately owned housing (Shirakawa 2011). Of those who need care, around four- fifths receive care at home or in the community, rather than in institutional settings (ibid). This naturally therefore demands housing that can be adapted to allow them to remain in their own home. The Japanese LTCI system covers some of the costs to enable people to do so by funding adaptations through the health insurance fund. Consequently, the Japanese housing market is much better prepared for demographic change than the UK's.

By comparison with England, the level of adaptation in the Japanese housing market is enviable, and the wide availability of financing support for all LTCI policy-holders contrasts with the means-tested DFGs available in the UK (see Murphy et al 2013).

The remaining quarter of people not living in their own home receive some form of residential care. One group of residential facilities falls under the banner of 'LTCI facility'.

Japan: LTCI facilities

There are three types of LTCI facility (Shirakawa 2014):

- 'Daily care assisted' (6,241 facilities): facilities which provide services such as meals, and help with bathing and toileting. The facilities are aimed at people who need 24- hour care. Medical care is not usually provided.
- 'Rehabilitation' (3,709): aimed at helping people recently discharged from a hospital who require rehabilitation to be able to return to their home.
- 'Medical care' (1,883): providing both medical care and long-term care. Such a strong emphasis on institutional rehabilitative services is unusual, and may help to reduce the cost burden of hospital readmissions. In general, these facilities are massively oversubscribed, yet they often exist in isolated areas, despite the fact that in Japan, as elsewhere, people would rather remain in their homes as they age. Clearly, this is problematic from a cost-intensity perspective, as evidence shows that as contact 'between the elderly and their family decreases, this often leads to (is a key factor in) the move to institutional care' (HELPS 2012).

Independent living in community settings

The case for recognising, supporting and ultimately harnessing the skills of the informal care market is set out at length by McNeil and Hunter (2014). A key lesson from this research is that some living arrangements lend themselves favourably to supporting informal care networks. One creative model has the potential to cover the spectrum of societal care needs. In Germany, the country with the second oldest population in the developed world, after Japan, the federal government supported the development of a radical housing experiment that provides mutual support for and by different age-groups.

Germany: *Mehrgenerationenhäuser* (multigenerational housing)

Mehrgenerationenhäuser developments are intended to achieve a shift away from the limited, formal retirement village model (of the kind we see in England), and to replace it with cross-generational communities capable of providing a system of mutual support for everyone living there, young and old alike.

In particular, the objective is to provide low-cost childcare, tackle loneliness and enhance community cohesion by giving older people a clear and significant role in childcare while keeping keeping them active and at the heart of the community. The model is delivered through community buildings that simultaneously act as community centres, daycare centres and the equivalent of a retirement home's communal areas – offering company for older people, and affordable childcare for local parents. There are around 500 of these *Mehrgenerationenhäuser*, supported by federal funds (McNeil and Hunter 2014).

Providing supportive community settings for the delivery of informal care in the UK while simultaneously tackling social isolation would be a valuable and worthwhile outcome, and would build on the already considerable informal care market. Providing mutual support for partners and family is already a common occurrence; to do so in a more

supportive setting could offer a promising way of linking up issues around housing and health.

New developments are not strictly necessary: such community living models could be retrofitted to countless community centres up and down the country, if the requisite collective enthusiasm for the system could be identified and harnessed. Several of our focus group participants recognised the value of doing so, which is crucial; for the model to work, there has to be sufficient enthusiasm among older people to provide the childcare element. Our focus groups were asked particularly to appraise whether an intentional community approach might work.

UK: Shared Lives

One model that may offer a guide for retrofitting care to communities is the Shared Lives model that has emerged in various places in England. Shared Lives promotes elderly or vulnerable people moving in with or visiting carers, to receive care. The model works by introducing the vulnerable or elderly person to the intended carer, through a system which matches the needs of the individual and the support capacities of the carer. The would-be carer's accommodation will be checked to see whether it can be adapted to the needsof the individual, and if the arrangement suits both people involved then the individual will move into the carer's home, or visit as appropriate.

This approach is less expensive for the cared-for individual than live-in support, andhas met all of the five core standards expected by the CQC inspection regime (CQC 2014b). Looking ahead, it is possible that with the permission of local authorities, housing associations could foster a Shared Lives approach through their allocations policy, encouraging recognised carers to move into newly available properties in areas with high care needs, and exchanging care support for access to social rents.

However, where multigenerational living arrangements cannot be retrofitted to existing community centres, new housing developments would have to be built. In this case, the intentional community approach often requires groups to collectively design and develop their own properties, something that is rare in the UK. Self-build (or more precisely custom-build) represents only around 7.6 per cent of the UK development market, which is low by international standards (Wallace et al 2013). Alex Morton has reported that, given the opportunity, a majority of Britons would like to self-build (Morton 2014) but the appetite for collective self-build needs to be explored further.

Research by the University of Sheffield argues that the groups most likely to be able to launch new community developments are 'empty-nesters' and 'baby- boomers' who are both asset-rich and put off by the current offer of retirement communities (CCB 2014). Examples of private, self-starting models of mutual support have emerged in some developments in the US, which have built in their own arrangements should the health of residents decline.

United States: senior cohousing, Wolf Creek Lodge
The Wolf Creek Lodge project is a medium-sized community housing project for privately funded house-buyers over the age of 50. The project currently has 30 individual homes on the site, and a large common house at the centre of the development that supports community social activities, such as meals, physical exercise and group meetings.

The members collectively have emphasised community living and environmentally friendly building practices. Of particular interest within the model is the potential for the development to adapt to changing healthcare needs. The group says:

'[We] have a one-bedroom suite above the Common House that can be used bya caregiver should the need arise. In the event that one or more members require professional assistance, a caregiver could live on site. This suite is currently used as an additional guest room.'

Source: http://www.wolfcreeklodge.org/common-house/

The test for self-starting communities providing mutual support is to get the right group of people together. When asked about how this kind of system might work, our focus groups reflected not only on an individual's ability to opt out but also on how people were chosen for the community in the first instance, with a system of 'try before you buy'.

While the American model is suitable for asset-rich, self-starting baby-boomers, a large number of older people are neither income- nor asset-rich. Equally, while the German *Mehrgenerationenhäuser* model could work well for people who want to live in a mixed-age environment, some older people want to live more closely with other people of their own age.

Senior cohousing on the continent
On the continent, older people's cohousing or 'senior cohousing' is often actively supported and delivered by government and housing associations. Senior cohousing is the development of new housing units that are built to the specifications of their members and include mutual community governance and support arrangements, such as informal care, structures for formal care, and mutual support through cooking and social activities. As Brenton reports, in the Netherlands:

'Official promotion of the concept of the 'living group' in central government policy was based on the grounds that it sustains health and wellbeing and therefore reduces demand on health and social care services. This was combined with its practical implementation through partnerships between Dutch local authorities and housing associations.' Ibid

In this case, older residents of government housing or housing associations would be encouraged to codesign their future accommodation and living arrangements, with governance structures put in place with the support of either the municipal government or housing association. Once in place, the allocation of properties in the new communities, within reason, is left to its residents.

Denmark: Senior cohousing in practice
Denmark, one of the principal drivers of the cohousing movement, has had some success in delivering cohousing for older people (Gooding 2010).

'There are about 350 collective housing units for senior citizens with 5–6000 residents. The smallest examples of collective housing have five and the largest has 106 residences. Most of them between have 15 and 30 residences around a common house. There are about 140 intergenerational collective housing units where children, young people and elderly people live together.'

Given that such models are typically voluntary and involve new developments, it can take a number of years for op-cohousing developments to get the right people together, to plan and design the community, and to agree on a system of rules of self-governance.

DKS is one example of a co-ownership scheme, with residents contributing about one-quarter of the building costs. It has a minimum entry age of 55 (though several communities also have a maximum entry age of 65 or more); would-be residents must not intend to have any children living with them, and must be able to look after themselves. Anyone on the social housing provider's waiting list can apply to DKS and people are accepted on a 'first come, first served' basis, but residents ensure that all applicants understand the ethos of DKS (Bamford 2005).

The model of cohousing for people at the same stage of their lives was, among our focus group participants, a more popular approach to delivering intentional communities.

In the UK, senior cohousing is taking small steps, some with the help of RSLs, such as Hanover Housing Association, which specialises in providing RSL properties for older people. One of the more advanced plans is the Older Women's Cohousing project, where Hanover has helped a women's group to secure land for their project and continues to provide technical support in the design process (see Pati 2011).

As well as fostering the right environment for self-build to take place, another challenge to the model is presented by the additional support needs of people as they age. The Danish model described above, for instance, required that residents are able to care for themselves. In the Netherlands and Denmark, given that partof the purpose is preventative – that is, to keep people active and supported to prevent (or delay) the need for institutional support – when people's care needs become greater, they will often move out if they cannot arrange to have professional care in situ.

In Sweden, there are around eight senior cohousing developments, with fourin Stockholm. John Killock has reported that, while uncommon, some senior cohousing developments are able support care arrangements, including an example of where cohousing is combined with service housing to provide professional care for those who need it (Killock 2012).

Sweden: Cohousing with care

An example of embedding formal care arrangements within a collective community is found in Sweden, where in the 1980s a large new development was supported by the local government.

The development is state-owned, and the care arrangements are provided on site by public health organisations who share the facilities with the residents (Vestbro 2014): *'In Linköping a model was developed that combined the self-work idea with care facilities run by the municipality. The cohousing project, called Stolplyckan, drew on the experiences of Hässelby family hotel.*

'In order to provide an economic base for the municipal services, the project comprised as many as 184 apartments, 35 of which were for elderly people and nine for the disabled.'

Older residents and those with disabilities are encouraged to use the communal facilities on site to receive support and ensure that to tackle isolation.

Members of one group in the UK, the London Countryside Cohousing Group (LCCG), have agreed among themselves to provide some informal care. Formed in 2006, the LCCG has recently acquired land and planning permission for a senior cohousing development for 23 homes. The group is intending to build properties to 'passive house' standards (in order to support low running costs), and expects to provide some care services for its members as their health becomes more difficult to manage independently.

Nevertheless, housing associations or local authorities could reasonably design housing with specifications that could accommodate more extensive care support, equivalent to the extra-care model outlined in the previous chapter, and invite social care providers to arrange on-site provision.

Forging a middle-ground between the purely private and purely public sectorsis crucial to providing an inclusive housing offer. Mixing tenure options within a community housing development is potentially advantageous for two reasons. First, capital grant money from the HCA is dwindling, and RSLs and local authoritiesare having to depend more heavily on cross-subsidy to finance new building – cohousing developments are just one alternative setting for doing so. Second, single-tenure communities are more likely to encounter hostility, such as that associated often with gated communities, communes or 'ghettos'. Indeed, to combat common misconceptions, fostering these kind of models is the UK is partly about providing people with more information about what these kind of intentional communities are and – critically – what they are not.

Summary

These international examples illustrate a variety of ways to support people tolive better and longer in their own home, such as through more accessible and generous adaptation grants. Some places, like Vienna, go so far as to stipulate that the existing stock of housing should be retrofitted to support people with old age and disabilities.

The international evidence also illustrates new ways of living that would tackle isolation and reduce the burden on the adult social care system by aligning housing developments with new collective models of living. Nonetheless, these diverse models share a common and distinctive core:

- emphasising independent living through mutual but informal support structures
- facilitating these structures either through the design of new developments or through retrofitting support spaces to existing facilities.

Given the current stresses on the adult social care system in England, pursuing these models potentially offer a better way of life for people looking to move property in older age, and a reprieve for overstretched care services. While models in England are in their infancy, tentative steps towards more collective housing options are beginning to emerge, with the backing of local government, housing associations and dedicated community housing networks that provide technical advice and support.

Right now, the UK housing market and social care market present many barriers to these new models, whether because of the fragmentation of the housing and care funding systems, reduced state investment in capital, the development disincentives facing major housing developers, or the cultural factors that differentiate the UK from its European neighbours. What is clear, however, is that continuing along the current path – characterised by limited specialist housing development and the production of small, inappropriate and inflexible housing – will not serve successive generations as they age. The policy environment is thus ripe for experimentation with new ways of devising, funding and developing housing.

CONCLUSIONS AND RECOMMENDATIONS

Over-65s are the fastest growing age-group of the UK population, but our housing market is failing to keep pace with their numbers, their health, and their expectations. The expectations of older people in the English housing market are clear. Generally older people want what younger people want: spacious housing that has roomto accommodate guests and hobbies, that is located near local amenities, and is economical to run. Most also want to stay in their homes, independent of expensive institutional care, for as long as they can. In theory, government policy reflects these preferences, in as much as it seeks to contain the costs of older people's conditions on NHS and adult social care budgets.

However, the English housing market is not supporting this these mutual objectives. Existing housing stock is ill-equipped to cope with population ageing. As little as 5 per cent of homes are fully accessible, by the government's definition, and a quarter of English houses have no accessibility features whatsoever. When over half of over-65s are managing a health condition, for our housing and health policies to be operating in such an unsynchronised manner is unsustainable.

Equally, the lack of decent space standards for new developments has resulted in ever-smaller new dwellings that older people do not want to live in, still largely fail to meet accessibility standards, and are difficult to adapt in response to people's changing health needs. Coupled with the fact that bespoke retirement accommodation accounts

for only 5 per cent of the stock, and that most of that is only available for rent, it is no surprise that older people are reluctant to free up larger family homes.

England, however, is not alone in facing this housing-and-health problem. Other countries face similar demographic challenges, and have managed to supplya better housing offer for their elderly populations, and so to bind more closely together the different strands of housing and health policy, to achieve better outcomes for both. To make similar gains in this country, the policy environment, where health and housing domains remain largely separate, will need reform to ensure that both are pushing in the same direction.

Are Housing Associations Ready for an Ageing Population?

By Martin Wheatley © The Smith Institute January 2015

Executive summary

The scale of population ageing is massive: 2.5% a year (over 65s) and over 3% a year (over 85s). By the mid-2030s, there will be over 16 million older people, nearly 3 million of them over 85. There will, however, be considerable variations in population structure between places, and in the circumstances and expectations of older people. Old age is associated with increasing levels of frailty, notably mobility problems and dementia; yet over half of those in their 70s, and a third even of those in their 80s are *not* disabled. The proportion of people over 65 still working is also rising rapidly. All these factors make the task of housing an ageing population complex and inter-connected.

There are big differences between the population of social housing residents and the general population: it is very likely that the ageing social housing population over the next 20 years will experience poorer health and lower life expectancy than the general population – unless there is much more concerted effective action on health inequalities than hitherto.

The vast majority of older people do not live in specialised housing (though the proportion is higher in social housing), and its development is in decline. There are also stronger aspirations for downsizing within the general housing stock than for specialised housing, perhaps because the latter has negative connotations for many older people.

The scale of population ageing and the greater vulnerability of social housing residents to poor personal, economic and social wellbeing, poses a massive challenge to the housing association sector.

Our survey of landlords suggests high general awareness of population ageing, though it is not clear that landlords' business planning matches the scale of the challenge. The response tends to be short term and symptomatic rather than longer term and preventive. Landlords are naturally concerned about the economics of new development; they are heavily dependent on funding from shrinking local authority budgets, and relationships with the healthcare sector mostly appear weak.

Our findings suggest that housing associations need to:

- Understand their existing ageing customers better, and potential new customers; and actively listen to them as well as using hard data

- Be clear about the implications of population ageing for their capital programme, existing stock and new build. How the latter should best cater for older people is a crucial question

- Develop service offers which emphasise the promotion of personal, social and economic wellbeing, and are based on strong partnership with the world of healthcare and local councils. The sector is well placed to be a strong part of better, more effective local service provision for older people.

The current public policy response is inadequate to the scale of the challenge. National government needs to show stronger leadership in:

- Ensuring that there is sufficient funding to meet the housing needs of older people. This must form an important part of the step change in housing investment required more broadly.

- Strengthening the emphasis of national planning policy on development for meeting the needs of older people.

- Promoting and enabling strong concerted local responses bringing together health, councils (across functions) and housing associations.

Putting Older People First in the South West: A Market Assessment

South West Housing Learning and Improvement Network – January 2010

Executive Summary

1 Introduction
In August 2009 The South West Housing Learning and Improvement Network (LIN), working in partnership with the Government Office of the South West, South West Councils, and the Regional Improvement and Efficiency Partnership, commissioned the Institute of Public Care (IPC) to carry out a market survey of health, care and housing support to develop an understanding of current activity and identify examples of good practice that could be shared across the region.

2 Why Was the Market Assessment Needed?
In recent years, both local and national government has increasingly come to recognise the importance and implications of the growth in the population aged over 65.

Current national policy supports two twin themes. Firstly to increase the supply of accommodation available for older people through regulation (in terms of the development of new building to lifetime homes standards); while maximising the housing options across tenure and property types for older people to support independent living and access to appropriate services where needed, for example,

through support for the development of extra care housing.

The second plank of policy through social care – and increasingly through health – is to develop the government's personalisation agenda. Supported by an inter- departmental protocol, this aims to transform social care in particular, through giving older people greater choice and control over services and funding.

The forthcoming White Paper on the future of care builds on the recent Green Paper "Shaping the Future of Care and Support Together". The latter set out a vision for a new care and support system. It highlighted the challenges faced by the current system and the need for radical reform, to develop a National Care Service that is fair, simple and affordable for everyone. Its proposals included:

- Prevention services - the right support to stay independent and well for as long as possible and to delay care needs getting worse.

- Joined-up services - all the services will work together smoothly.

- Information and advice - the care system will be easy to understand and navigate.

- Personalised care and support - services will be based on personal circumstances and need.

Recent national initiatives and guidance, including the 'Total Place' pilot projects, and the 'Use of Resources' Guide for local authorities reiterate the importance placed on more effective integrated care and support for older people.

Related to this national agenda in the South-West specifically, the SW Housing Learning and Improvement Network's (LIN) report "Putting Older People First in the South West" identified a range of urgent issues facing the region over the next 15-20 years:

- A major growth in the numbers and proportion of older people within the region.

- A corresponding decrease in the proportion of middle-aged people, and potential providers of care, in the population.

- Gaps in service provision for older people and an ageing, in some instances inappropriate, sheltered housing stock.

- Rural isolation and increasing costs of providing services in rural areas.

- A lack of strategic planning (Don't Stop Me Now (Audit Commission, 2008) found that South West local authorities were the least prepared in England for the ageing population).

The purpose of the survey was to explore how commissioners and providers were responding to this challenging agenda, and how regional support might best be targeted to help them in the future.

3 How Was It Conducted?
There were eight surveys produced, each tailored to its particular audience, as follows:

- Commissioners: Adult Social Care, Strategic Housing, Supporting People , Health and Local Authority Planners.

- Providers: Housing, Housing related support and Care. The surveys were distributed electronically by a number of agencies as relevant to particular audiences. There were a total of 64 completed surveys returned, of which 39 were from commissioners and 25 were from providers.

4 What did it find?
Details of the responses are available in the main report, but in summary the key findings were:

- There does appear to have been progress made in developing evidenced- based commissioning strategies for housing services for older people, but work is still underway on these in a number of authorities.

- There appears to be limited understanding of the private market and what it could contribute in delivering these strategies. In addition, there is a mixed picture about the level to which existing sheltered housing is being reviewed and taken into account in developing new services.

- There remains the need to raise the profile of older people housing issues amongst key stakeholders to ensure they are consistently represented in key strategic documents and taken into account in service development. A particular issue appears to be the profile housing has as a preventative tool which could impact on demand for health and social care services.

- The development of services for older people in the community is “patchy”, and there is limited evidence of commissioners and providers developing innovative integrated approaches to service delivery.

- There are concerns from both commissioners and providers about the impact the personalisation agenda will have on the market and the viability of their businesses.

- Finally, there is clearly a high level of concern about the impact the current economic climate and future spending cuts will have on services, particularly those perceived to be on the fringes of provision or seeking to mainstream, such as assistive technology.

5 What Regional Support is Needed?
The surveys asked respondents what support they would find useful from the SW Housing LIN and other regional bodies to help them deliver the agenda set out in “Putting Older People First in the South West”. An enthusiastic response included:

- Requests for access to further web-based information, good practice and toolkits.

- Both commissioners and providers placed value on meeting colleagues face to face and engaging in structured opportunities to learn from each other. There were a wide variety of suggestions in how this could be achieved including networking, events, action learning sets, peer support, and mentoring.

- Linked into the concerns expressed about future funding there was felt to be need for the older person's housing agenda to be given a higher priority in the distribution of resources by councils.

- There was an identified need for improvements in communication in specific areas. Commissioners feel that they need help in managing the market and communicating national and local priorities to their providers. In turn providers often wanted to engage with the commissioners' agenda more than they were invited or permitted to be, and wanted the value that they can add to be recognised and utilised.

Putting Older People First: Our vision for the next five years

A whole system approach to meeting housing, health and wellbeing outcomes for our older populations in South West England

South West Housing Learning and Improvement Network/Public Health England
October 2015

1. Our vision: a whole system approach to meeting housing, health and wellbeing outcomes for our older populations
We are a group of leaders working across South West England in the housing, health and social care sectors. We represent a range of different organisations and services but share an aspiration to build a whole system approach to meeting housing, health and wellbeing outcomes for our older populations across the region. We aim to:

- Act as role models and leaders in our field, and so influence practice more widely across the region and nationally.

- Co-produce directly with older people to ensure our work is in tune with future expectations.

- Improve the way we work together to develop, share and diffuse good practice and expertise in the design and delivery of our services across housing, health and social care.

- Identify opportunities and create new and innovative ways of working as a response to the issues facing the region.

- Encourage and build effective networks to add value to the strategic partnerships between the sectors.

2. Why do we think this is important in the South West?
Some of the key characteristics why this is important include:

We have a rising older population across the region**:** the over 65 population across the South West is set to increase by almost 40% by 2030.

We have high numbers of older owner occupiers in the region**:** there are relatively high levels of owner occupation across the region, although again this varies so for example c72% people aged 65-74 in Bristol were owner occupiers in 2011 whereas c82% in Cornwall and c83% in Devon and Dorset. Housing options need to reflect this whether in terms of a mix of tenure on offer, or through housing related support services which enable older people to remain living independently in their own home for as long as they wish.

The numbers of older people living in care homes is projected to increase significantly and unsustainably**:** projecting forward from 2011 census data the numbers of people aged over 65 in care homes (with or without nursing) could rise from approximately 37,000 in 2014 to just under 62,000 in 2030. Given the known preference for older people to remain living in their own homes, and the pressures on public budgets, we need to ensure there are housing options available which provide an attractive choice and which meet a range of health and social care as well as housing needs.

There are increasing numbers of older people living with dementia and other long term conditions, many of whom will be living in social housing not specifically designed for older people**:** The number of people living with dementia across the south west are projected to increase from c.84,000 to c.134,000 by 2030.

Given significant funding pressures we need to think creatively and be able to justify funding being directed at particular services**:** The Association of Directors of Social Services predict that the funding gap for social care is estimated to reach £4.3billion by 2020. Demography is the biggest single pressure, requiring an additional 3% per year to maintain services at their current level.

The NHS Five Year Plan highlights the need to develop and promote new models of health care based in local communities and integrated with social care: services need to be integrated around the patient. Higher levels of savings in the NHS are needed: *"we believe it is possible – perhaps rising to as high as 3% by the end of the period – provided we take action on prevention, invest in new care models, sustain social care services, and over time see a bigger share of the efficiency coming from wider system improvements."*

National policy has recognised the important role housing can play in contributing to the health and wellbeing of the population, and we need to respond to this**:**

- Local authorities have a statutory duty to consider an individual's wellbeing in their decision making; ensure the provision of preventative services; and carry out their care and support functions with the aim of integrating services with those provided by health, housing and others.

"Supporting people to live as independently as possible, for as long as possible, is a guiding principle of the Care Act" Department of Health (2014) Care and Support Statutory Guidance

There are significant workforce implications facing the public sector in the region, and

we need to ensure that we can retain and recruit the best staff.

The key challenges in the region include:

- Recruitment and retention of staff, particularly in more rural authorities
- Heavy reliance on zero hours contracts in region, and
- High turnover amongst care workers and nursing staff.

3. About us

3.1 Integrating ideas: an integrated network

We are at the cutting-edge of knowledge and expertise across policy and practice in the region through our strong networked relationships, to test out new ideas and new ways of working.

We meet regularly as a group to develop and deliver a programme of activities which seek to build capacity across the region and promote innovation and good practice particularly in areas which crossover the traditional housing, health and social care boundaries.

The South West Leadership Set has an excellent track record of work with colleagues to carry out an assessment of the market for older people's housing across the south west and identified a number of actions that were needed both strategically and operationally in the region.

We are committed to *"working closely with regional agencies in the South West to build the capacity and capability across housing, health and social care commissioners and providers to meet the housing with care needs and aspirations of an ageing population in the region"*.[5] We have carried out a review to assess progress against these recommendations and since then we have worked to promote good practice and share learning through regular regional events and publications (for examples see the Housing LIN website: www.housinglin.org.uk/ HousingRegions/SouthWest/).

3.2 Our services

We represent a wide range of housing and housing related service providers across the region, as well as leaders from related fields including health and social care.

The supply of specialist housing for older people across the region as a whole is significant, although again this varies between individual local authorities.

	Housing with support				Housing with care			
	Rent	Sale	All	Per 1,000 population aged 75+	Rent	Sale	All	Per 1,000 population aged 75+
South West	37,764	20,086	57,850	127.1	4,901	2,393	7,294	16.0
England				122.9				16.7

There is a diverse market of providers developing and managing specialist housing in the region. So, for example, nine developers have completed 58 schemes for sale in the region between 2010 and 2015, of which 41 were by McCarthy and Stone, and 10 by Churchill Retirement Living; fourteen providers have completed 24 schemes for rent in the region in the same period, of which 5 were by Housing and Care 21, 4 by Sanctuary Supported Living, and 4 by Aster Living.

The Homes and Communities Agency report that supported housing accounted for total 10% of the regional affordable housing programme in 2014/2015; namely 833 of the 8,632 completions. Of these, nearly 75% were for purpose-built, specialist housing for older people.

> **Example:** In Cornwall, there has been a significant growth in the proportion of people buying and owning their own home over the last few decades. 80% of people aged 65 and over now live in homes they have bought.

At the same time, the region has a pressing demand for housing of all types and tenures. The South West is building less than 60% of the new homes it needs. It is estimated that 110,000 homes will be required in the South West over the next 5 years but land supply means only 87,000 will be built. Over the same period, between 4,000 and 5,000 new specialised housing are needed in the region.

> **Example:** Camborne Public Rooms, the award winning redevlopment of the former public assembly rooms providing 18 affordable rent apartments targeted at people over 50 with personalised care plans or in receipt of higher level disability living allowance. *Coastline Housing*

4. Our immediate priorities

We will continue to build on examples of good practice across the region, and develop a shared understanding of the benefits to be gained from working across the health, social care and housing systems to deliver outcomes for our older populations.

Our priorities are developed by the group based on our understanding of what is important across the region, and what activities are likely to have the biggest impact for our local populations. Some examples of how include:

<u>We will actively support initiatives which contribute to more integrated approaches to service design and delivery.</u>

> **Example:** Bath & North East Somerset CCG working with the Council plan to create a pooled budget as part of a review of community services. They propose GP-led ‘wellbeing’ hubs to better meet local health and social care needs in an integrated way, based around a single shared service plan for every patient.

<u>We will promote the developmentof new models of care based inand around our housing services, taking the opportunities these present to develop community based, local services which deliver better outcomes. We will highlight the benefits of taking co-productive and inclusive approaches to service design.</u>

> **Example:** There are 19 Community Hubs for Older People in Gloucestershire. They are either purpose built within Extra Care Housing Schemes or are situated within Sheltered Housing Schemes, Village Halls and Day Centres. By providing

a broad range of activities within a safe comfortable environment, Community Hubs will engender an ethos of active ageing and positive outcomes in wellbeing will follow. With the growth of social prescribing on the horizon, the Community Hubs represent a very viable option for health professionals to refer/recommend into.

We will build an evidence base which shows how our housing and housing related services contribute to the wider health and social care agenda. This will include through prevention, as well as supporting the management of long term conditions.

Example: Last year:

- We enabled 274 people to be discharged from hospital
- We prevented 673 hospital admissions
- We prevented 530 admissions to residential and nursing care

Curo Housing Association

We will raise awareness about the potential that technologies offerin supporting older people to live independently, and seek to address the barriers to wider adoption.

There is a clear opportunity for housing providers and technology enabled services to facilitate the move to greater delivery of care and support at home and over the barriers to adoption.

We will work proactively to raise awareness around dementia, including how housing organisations can enable people living with dementia, and their carers, to live independently within the community.

Resource: We plan to become a dementia friendly organisation through:

- Focusing our initial efforts in a pilot area where we know changes will have an impact on a significant number of our customers
- Involving customers and staff
- Embedding proven, practical measures wherever this is feasible as quickly as is practicable
- Raising awareness and improve advice and support for staff
- Integrating dementia friendly measures into our existing change programmes

The Guinness Partnership

Barriers to adoption include:

- Uncertainty of revenue funding
- Confused ownership of housing, support & care functions
- Lack of leadership
- Culture
- Lack of capital funding
- Lack of awareness

Benefits in housing with care:

- System integration

- Reduction in falls
- Outcomes for residents
- Service usage
- Productivity
- Reduction in costs

Public health responses to an ageing society

Opportunities and challenges

The International Longevity Centre – UK November 2014 www.ilcuk.org.uk

This think-piece explores the extent to which England's public health structures are able to respond to our ageing population after the radical reforms introduced by the Health and Social Care Act. In December 2013, ILC-UK hosted an event which explored this topic. We brought together representatives of local government with a series of experts who highlighted how the changes may affect key areas of public health. This paper builds on these themes by outlining the opportunities and challenges offered by the public health structures to our ageing society, highlighting examples of both good practice and potential pitfalls.

Summary

The localism enshrined into the Health and Social Care Act creates an opportunity to tackle the challenges presented by our rapidly ageing population at a grassroots level. Some localities are embracing this opportunity by taking a life course approach to health, commissioning services that both encourage healthy ageing and improve the health of the current old.

But local authorities have gained these additional powers at a time when they are struggling under the weight of funding cuts; face significant public service responsibilities; and when they need to step up to the challenge of responding to an ageing population.

Localism has the benefits that local health priorities can be addressed by targeted initiatives, and innovative strategies can be developed that encourage more integrated working between departments.

But it also has the potential to worsen the effects of the 'postcode lottery', where the quality and availability of NHS services older people can expect are defined by where they live. And the introduction of a system that pays on results has resulted in councils focussing on short- term solutions rather than long term health initiatives.

Local authorities may also not have the expertise to deliver effective policies in an area as complex and fast-changing as public health, while transferring public health responsibilities to a democratically elected body will further politicise the sector.

While the Health and Social Care Act aimed to create a holistic approach to care, it will take some time for policy-makers to build up a rich bank of evidence on how to deliver a public health programme that interacts with transport, environmental policy and so on.

If public health structures are to overcome these challenges to addressing the issues

surrounding our ageing society it is vital that they first make the most of the opportunities the Act has created.

Case study: Housing

Good practice: Bristol's comprehensive JSNA resulted in the link between housing and health within the older population being identified and addressed. Key to this was work carried out by Bristol's Private Rented Sector team. The team cross referenced data on housing hazards in Bristol with local authority statistics and PCT health profiles. Key health problems of relevance to housing were identified which were then fed into and addressed in the JSNA, including low cost or free loft and cavity wall insulationfor vulnerable persons in all parts of the city and subsidised loans for homeowners to enable them to improve their properties to meet the Decent Homes Standard.

Older people are at an increased risk of the health ramifications of poor housing-research has shown that 51% of the care home population have moved there after hospitalisation because a return to home is not practical, and 15% are admitted because of serious housing problems. Older people are also twice as likely to be unable to afford fuel in winter, while at the same time being more vulnerable to cold weather. The economic advantages of older people staying in their own homes longer are significant, with adaptations to support an older person to remain at home for just one year potentially saving £28,000 on long-term care costs.

Housing, while intimately linked with health, has been neglected in many Health and Wellbeing Strategies, which have instead focussed on NHS services, despite their capacity to address the broader determinants of health. For this to change, Health and Wellbeing Boards should ensure that their JSNAs bring together all relevant information about population needs, including housing, in order to provide a framework for integrating social care, public health and the NHS in response to those needs. Encouragingly, a survey of local authority areas carried out by the Kings Fund identifies a clear desire from many Boards to improve their JSNAs in this way.

Bristol provide one example of good practice where their comprehensive JSNA resulted in the link between housing and health within the older population being identified and addressed. Key to this was work carried out by Bristol's Private Rented Sector team. The team cross-referenced data on housing hazards in Bristol with local authority statistics and PCT health profiles. Key health problems of relevance to housing were identified which were then fed into and addressed in the JSNA, including low cost or free loft and cavity wall insulation for vulnerable persons in all parts of the city and subsidised loans for homeowners to enable them to improve their properties to meet the Decent Homes Standard.

Health and Wellbeing Boards are well placed to identify and tackle the health ramificationsof housing due to their statutory obligation to create more integrated working, in this case between housing, social care and health. They are also well positioned to measure the progress made from a housing perspective and to be able to identify appropriate action when initiatives are not working. For example, linking the data on hospital admissions and residential care to the impact of inappropriate or poor housing on the health of the older population and, in turn, the potential demand for well-designed older people housing and housing related services.

Case study: **Loneliness**

Good practice: Hampshire Health and Wellbeing Board outlines in its JSNA how it plans to track and tackle loneliness, with a clear set of recommendations for action, including prioritising the resourcing and development of the existing community based network of activities and opportunities that help to prevent or alleviate loneliness in old age.

Loneliness is associated with poor mental, physical and emotional health, including increased rates of cardiovascular disease, hypertension, cognitive decline and dementia81. Positive and supportive relationships with close family members contribute significantly to older people's wellbeing, but they are the least likely group to have these networks, especially when over 75.

A report published by the Campaign to End Loneliness found that 49% of Health and Wellbeing Board Strategies did not include any reference to loneliness and/or isolation, and only 10 contained measurable actions or targets on loneliness. The lack of engagement by local authorities with this important subject was further highlighted by Freedom of Information (FOI) requests by UNISON, which showed that lonely and vulnerable older people were receiving minimal person-to-person contact during care visits, with 73 per cent of LAs commissioning visits lasting just a quarter of an hour.

When Boards do engage with this topic their focus on needs-led, evidence-based interventions can have a positive impact. For example, Hampshire Health and Wellbeing Board outlines in its JSNA how it plans to track and tackle loneliness, with a clear set of recommendations for action, including prioritising the resourcing and development of the existing community based network of activities and opportunities that help to prevent or alleviate loneliness in old age.

Effective interventions to combat older people's isolation and exclusion often combine public services action with volunteering and greater involvement by families and communities. Health and Wellbeing Boards are well placed to create this type of intervention due to their focus on creating more integration between different departments, and the engagement channels they have into the local community.

Design for an Ageing Population – Royal Institute of British Architects

https://www.architecture.com/RIBA/Professionalsupport/Researchandinnovation/Projects/DesignforanAgeingPopulation2014.aspx

The demographic landscape of our cities is changing fast, as our cities grow and the population ages. But how do architects respond to the challenge? How do we go about creating more 'age-inclusive' spaces? And are there ways we can cultivate a design sensibility more sensitive to the desires and needs of an ageing population?

'I welcome this research and would encourage you to engage with it in the belief that you will find something that will inform your practice, and help you to design

spaces that welcome and support older people.' Stephen R Hodder MBE RIBA President 2013-2015**.**

The RIBA collated a vast amount of existing knowledge – from architects, other built environment professionals, academics and other researchers – about design for older people. There are a large number of documents so we asked a selection of experts to write introductions for a number of key themes; mini-primers that architects can use in practice or use as a starting point for their exploration of the detailed research. The introductions can be found below, along with other work on designing for an ageing population.

Theme introductions and the knowledge collection

When faced with all the information on design it's hard to know where to start; that's why the RIBA has asked experts from practices and beyond to write a series of introductions to key themes.

Each item of evidence in the database sits at the intersection of two categorisations: the design approach (health and wellbeing, inclusion, and sustainability) and project scale (from residential to master-planning). Where these intersect we've asked the experts to write an introduction, which can be found in the table below.

HEALTH AND WELLBEING
Perhaps unsurprisingly, research and evidence related to health and wellbeing was most prevalent in the material collected.

INCLUSION
Information about access and social inclusion includes issues related to preventing loneliness, which can be a scourge of older age, which can also relate to health and wellbeing.

SUSTAINABILITY
Environmental, social and economic issues, such as daylight, building services and fuel poverty.

The introductions below, downloadable as PDFs, give a brief overview of important, interesting and useful points from the evidence base – they can be downloaded by themselves, or with details of all the documents that sit at that node. They're a good place to start your exploration of the subject, but you may find you want to delve deeper. To help with this we've saved details of all the evidence on the (free) bibliographic database Zotero, and have tagged all the evidence with key terms so it'll be easy to find what you are looking for.

An alternative age-friendly handbook

The Alternative Age-friendly Handbook is a practice reference for architects, designers, artists and 'urban curators' who want to support age-inclusive (re)production of the city – together with, on behalf of, or for older people.

The handbook offers thoughts, practical tools, tips and recommended reading. Drawing on a range of emerging forms of age-inclusive practice it offers inspiration for ways of rethinking and reconfiguring older people's – often neglected – experience of open space. Its age-inclusive spatial principles and approaches, reflective essays, sample guidance and glossary of key – and contested – 'age-friendly' terms can be dipped into in any order.

Goals, gaps and where the guidance comes from

GOALS

In doing the review of evidence the RIBA's primary goal was to help its members – and other built environment professions – to access the relevant and new knowledge they need to create buildings and places that meet the needs of an ageing society.

If the profession is to continue to innovate it is critical that the reach of both academic and practice-based research increases. If practitioners are to find out about and use techniques such as participatory or collaborative co-production of design – which are gaining traction within groups undertaking inclusive design and design for older people – the rift between practice and research needs to be healed.

STATE OF RESEARCH

The items in the knowledge collection were collated over the course of a year with the majority submitted in early 2014. Larger research projects generally came from University partnerships, with some practice based support. Peer reviewed papers came entirely from academics and case studies came from academic-practice partnerships or directly from practices. Guidance for practitioners has been developed primarily by practicing professionals either in conjunction with professional bodies, universities or occasionally public bodies.

There is comparatively very little research from practice however some of the practice led research featuring some academics) such as the HAPPI Report are well known, and anecdotally are cited by many practices as one of the papers they find most useful.

GAPS

In the evidence submitted there is (perhaps unsurprisingly) a focus on residential projects; general or sheltered (often for the over 55s) housing, extra-care, care homes and dementia care. There is little research into outdoor spaces with regards to ageing and sustainability, and there is also very little on non-residential buildings – other than healthcare buildings – especially retail, leisure, civic and workplaces.

The RIBA encourages new research in these areas. Older people should not have to remain at home because other buildings and spaces have not been designed with their needs in mind, nor (in a world where the retirement ages are steadily increasing) should workplaces exclude valuable members of the workforce.

London Borough of Redbridge

Redbridge FreeSpace Scheme

A housing option aimed at home owners aged 60+ who wish to move to smaller accommodation

In exchange for letting your home to Redbridge Council we offer you the following:

Interest free equity release grant

Of up to £25 000, to ensure your property meets all legal requirements for letting, in addition to other works or redecoration required, only repayable when property sold or transferred.

Personalised financial check

Free assessment to ensure the scheme meets your financial needs.

Hassel free assistance with moving

Dedicated officer to provide assistance to help you find alternative accommodation and support with the logistic of moving.

Worry free letting

Using our expertise, we are able to manage your home at no cost to you.

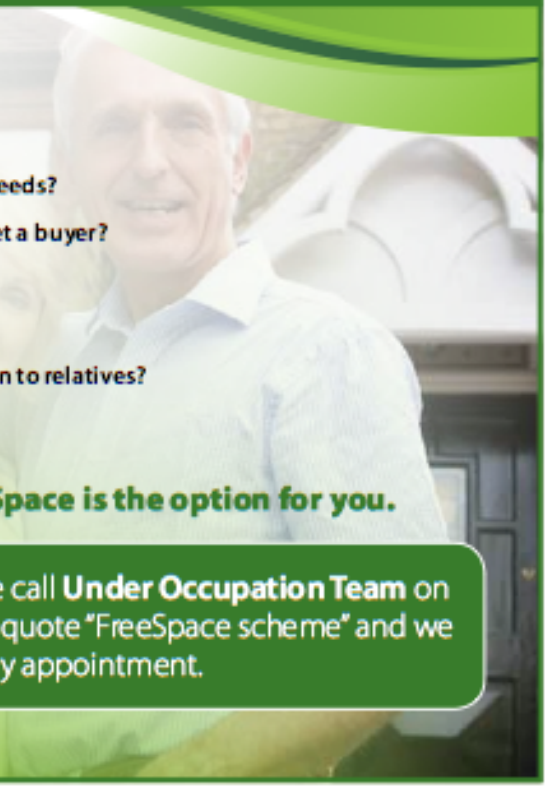
Making better use of space

Our aim is to make efficient use of all housing within Redbridge. Many home owners wish to downsize but have few options - we have designed this scheme with you in mind.

The Property remains within your estate.

Is it right for me?

- Are you 60+?
- Would you like to move?
- Is your home is too big for your needs?
- Would you like to sell but can't get a buyer?
- Can't get the price you want?
- Struggling to heat your home?
- Want to keep the house to pass on to relatives?
- Unaware of other options?



Whatever the reason FreeSpace is the option for you.

For more information please call **Under Occupation Team** on **020 8708 4991 / 4235** and quote "FreeSpace scheme" and we will arrange a non-obligatory appointment.

All the rent is yours too!

Practice report 3

EAC FirstStop
Advice for older people

Informing the business case for a FreeSpace model

Author: Nick O'Shea

Publisher: FirstStop

Date: April 2013

The FreeSpace project by Redbridge Council helps older property owners to move to more suitable accommodation whilst letting their home to council nominees.

This practice study provides further information on the project and analyses the business case for similar schemes.

Ethical Statement regarding FreeSpace:

The central purpose of the FreeSpace scheme is to help older people live somewhere that best meets their needs to have a happier, healthier and longer life. It is not motivated by profit, sales targets or greed. It is totally reliant on the Local Authority being a trusted advisor which acts in the best interests of each resident. The model only works if the intentions of the Council remain firmly focused on improving the lives of its residents.

The genesis of this scheme in the London Borough of Redbridge is that residents own their house and have very much earned the right to live where they please. If the team is able to improve living conditions for a local resident through its scheme, it will. It would never force, cajole or pressure any person into it.

Schemes of this nature must not be about moving older people on, irrespective of their wishes, to free-up space for others. Older people can easily feel pressured into making decisions because they do not wish to be a burden or a bother.

So whilst this means that in some ways, it requires a leap of faith from a Local Authority ('no sir, we can't guarantee a number of houses will become available through the scheme'), it is core to the older person being able to make a leap of faith required for participation. It is hoped that the model provided with this report enables robust business cases to be made and that as an investment model, rather than spending model, Councils can see that FreeSpace is a brilliant idea.

In the end, FreeSpace is about trust. The Council trust in the FreeSpace Team. The residents trust in the Council. Tinker with this principle and there is no longer a viable business model.

Introduction:

This report builds on analysis conducted for the Elderly Accommodation Counsel in January 2012, which described the main costs and benefits associated with five types of services that helped older people to live in their best possible accommodation[1].

One of the schemes, FreeSpace – a project based in the London Borough of Redbridge – appeared to have potential to be replicated in other boroughs. It creates a revenue stream by renovating and renting out the older person's home. The Council pays for the renovations and manages the letting – usually renting it to family in the borough who are in temporary accommodation. They are able to recoup that investment when the agreement comes to an end. The income generated pays for the older person to rent somewhere with the support, location and design that better meets their needs. This improves their quality of life, health and life expectancy. It also enables families in temporary accommodation to move into large, settled accommodation, which is often in short supply.

FreeSpace is much more than an equity release scheme. It has four core components

- A team that offers support and advice to an older person, to help them determine if they want to move and to where – this is free at point of contact.

- Independent financial advice to calculate the change in income that will result.

- Support to choose the appropriate accommodation and move to it.

- Managing the renovations and tenancy on the original house

A seminar for interested Councils was hosted by Redbridge in July 2012 and the practicalities of replicating the scheme were discussed. Delegates were presented with a comprehensive guide to the scheme, detailing the policy and legal processes that were followed in Redbridge and make the project successful.

The request from Local Authorities was a way of making the business case to Council Members. In austere times, clarity about the main costs, investments, benefits and return and associated timescales were needed for business cases to be made.

This report offers a model for Local Authorities, which enables them to capture and present initial information to indicate what a local model would look like. As with any model, it is based on assumptions of costs and return. However, it is designed so that all the assumptions can be changed to reflect local data. The sheets are all linked by formulas, which enables basic information on rentals and housing stock to be translated into the core results needed, including the investment required from the local authority, cost per bedroom made available and income stream generated for the owner occupier. In short, for all the parties involved, '*is it worth it*?'

The following chapters act as a guide to the model and offer some scenarios to demonstrate the types of business cases it can be used to inform.

Executive Summary

At its simplest, FreeSpace is a model which enables an older person to generate an income stream from their own home, to rent somewhere better equipped for their needs. Variants of the model are being developed in the private sector, but the unique feature of this scheme is the role of the Local Authority as the 'trusted adviser'. It is Redbridge LA who offer the service; its staff comprise the team and, ultimately, the reward of a house for a family in temporary accommodation is the benefit to the LA for its time and resources. In addition, its older residents move to safer and more secure accommodation, reducing social care bills. As the report demonstrates, it is a shrewd investment for the Local Authority.

This report offers a model to help local areas determine if FreeSpace could work in their borough. The model helps Councils envisage how large and small scale investment could work, the sums involved and any reward. It also enables areas to determine if the housing stock in their area is appropriate to form viable scheme.

In all cases, the key question is: 'is there enough equity in the house to repay the renovation costs?' For properties in London and the South East of England, the answer is generally, yes. Those in the rest of the country may require more detailed consultation.

The model captures the main costs and benefits in cash terms. All the assumptions can be altered to suit the need of the local area and it will recalculate all the figures automatically as well as summarise them. The specific assumptions used currently are based on either national data, or the early findings of the FreeSpace scheme in Redbridge.

Scenarios are described for different levels of investment, indicative rental streams in different areas (from Newcastle to Brighton and Hove), and the impact of savings from using existing resources or reducing the renovation costs.

Finally, a brief roadmap for how Local Authorities could explore FreeSpace is offered. It suggests a small-scale trial before evidence-based expansion. The FreeSpace team in Redbridge have a wealth of information and experience in this area, which they share widely with other Councils. It is hoped that their in-depth knowledge, combined with this business case model, will enable other areas to deliver a scheme which makes a positive and life-lengthening impact on older people.

Summary Guide to using the model.

This report offers an excel-based model which enables local authorities to use local information to calculate the feasibility of a FreeSpace scheme in their area.

a) Inputs

Three pages require completion for the model to generate the outcomes

1. The Basics – 'How many of each size home are likely to be part of the Scheme in the first year?' This estimate will determine the scale of investment required.
2. The Revenue Opening Page – This asks for information on rentals for different sized properties. For the scenarios described in chapter 4m the local Housing Benefit rates for December 2012 have been used.
3. The Costs Opening Page – This is the most detailed area for information as there are a range of costs – including moving to management charges. Again, the model offers reasonable assumptions based on the Redbridge model, where local data may not be available.

NB: There are two categories of cost data.

1. Moving and Team Costs – which are the costs of orchestrating and completing the move. In this model, it is suggested that these costs are viewed as an investment by the Local Authority, which is re-couped at the end of the agreement

2. Variable Costs – which are the costs associated with maintaining the new tenancy whilst renting out the older person's house; items such as management charges and insurance. These costs are factored into the overall equation of whether the rent from one property generates enough income to pay for renting another.

b) Outputs

Three pages of outputs are produced

1. The Costs sheet describes the fixed and variable costs of FreeSpace for each type of house.

2. The Revenue and Income sheet calculates indicative pre-tax income generated for an older person using the FreeSpace Scheme. It calculates the difference in rent plus the costs of tenancy sustainment. These are initial figures. As mentioned later, in practice, the precise income generated will depend on tax status, benefit entitlement and personal circumstances which can only be calculated on a case-by-case basis.

3. The Headlines page summarises the key metrics for an initial business case: The number of properties; investment required from the Local Authority; the income generated for the older person.

Costs and Benefits of the model – expanded details

The main costs are:

1. The Team: In Redbridge, the FreeSpace 'team' is simply a set of tenacious people who go above and beyond their job description to deliver a service that improves local residents' lives. There is no formal 'team', with employees making the case to colleagues that this scheme, in the long term, leads to better outcomes, less crisis management and fewer families in temporary accommodation. For the purposes of this model, we presumed that Team costs are incurred as a result of this work because we assume the model could operate at scale in a local area.

2. Successful Moves: Costs are also determined by the number of people who agree to renovate their house, move into new accommodation and the length of that process. Some people will go so far along the process and then change their mind; others may take two or three years to decide to move. The higher these two numbers are, the higher the cost per successful move. For the purpose of this model, we presumed a team of 3 would be able to deliver 30 moves in one year. There is a very important tension here – that of ethics . This is noted on the first page of this report, as it is crucial that any FreeSpace-style service does not pressure an older person into moving. Redbridge is also very clear with potential customers that in engaging with the scheme, the rental incomes on offer will not be as high as those on the open market, as they are determined by housing benefit rates. This is therefore a scheme designed for people who either cannot enter that market alone, or for other reasons, would rather rent their property with the Local Authorities help. These aspects are core to the model and underpin the role of the LA as a trusted adviser. Sales targets, while descriptive of whether a team is cost-effective, cannot be part of this model, because they undermine the central tenet of this service which is 'you only move house if you want to and it is best for you'.

3. Renovation costs: These are variable and so for this modelling, we assumed £8,000 pa per house, plus £3,000 for each bedroom to reflect the corresponding increase in the size of the property.

   In practice, if the LA is satisfied with the initial business case as described in this report, it would need to undertake a feasibility study where it examines the most likely renovations that would be required and what the local costs would be. For example, there is considerable scope to combine the renovations work with existing Housing Association, Home Improvement Agency or Handyman teams, where per house costs can be driven downwards by using spare capacity in existing contracts, or availing of repeat/high volume business rates where work is spot-purchased from sub-contractors.

4. Moving Costs: These are estimated at a £600 fixed cost, plus £75 per bedroom.

5. Financial Viability Assessment: this is currently carried out independently of the Local Authority by an Independent Financial Adviser, regulated by the Financial Standards Authority. As principal lender, the LA is not able to offer objective information. Estimated cost, £2,000.

6. Managing the tenancy: here, there is scope to include the tenancy with existing management arrangements for social housing. This is assumed to be £104 per month based on figures from Redbridge.

The main benefits are:

Direct Revenue: The scheme generates income from renting out a house. There are several parties who can benefit from this income stream:

1. The Older Person, who receives the rent from their home, a tenancy managed by the Local Authority and, as it is paid for by Housing Benefit, likely to be long term.

2. The Council:

   I. Reduces the costs of Temporary Accommodation and meets their TA targets

   II. In this model, the LA agrees a rent which meets Housing Benefit rates – i.e. is at the lower end of the market. For a model operating at scale, increasing the supply of larger houses in the area enables them to manage the market and drive down average rentals. The extent to which that can be done is determined locally. Very simply, the greater the proportion of available stock controlled by the Local Authority, the more likely it is to be able to drive down local rental prices.

   III. The Local Authority may also levy an interest charge on the costs of FreeSpace to which it has committed. Were the Authority to fund the scheme by initially drawing on its reserves, this could make the loan cost-neutral to the Council. It would simply transfer some of its reserves from one equity-based product to another.

Indirect revenue benefits:

The FreeSpace scheme is a good idea for older people because it enables them to live somewhere safe. Well-positioned grab-rails, security lights and easy-access wet-rooms all make a resident safer. Consequently, they should be less likely to fall, require lower levels of health and/or social care and be less likely to be a victim of crime than if they remained in their own home. The costs of these interventions are high – particularly for social care and health.

Concluding Recommendations for Investment and Scale

This model provides a method for Local Authorities to calculate the scale of programme they could invest in, the number of properties involved and the benefits they could receive. This report recommends that the simplest method for Local Authorities to fund this work is by drawing on reserves; investing them in the homes of older people and potentially charging an inflation-matching rate of interest. The model enables these calculations to be made and suggests that where the rent differentials create a market for investment, 3% return per year is achievable. FreeSpace is still in its infancy and therefore many of the assumptions used to make the business case will need to be tested over time, in a range of areas, to determine the precise rates of return generated by local investment.

The following three-step plan is therefore suggested:

1. *Map the needs and properties in the area:*

    - Redbridge sent out a simple questionnaire asking older residents if they owned their own home and were interested in moving. This indicated the level of demand from local people

    - Assess the numbers in temporary accommodation needing larger houses – is there a long waiting list which is moving slowly?

    - Is there a provisional match between housing demand and supply?

    - What are the moving options for older people – is there somewhere safe and secure for them to live?

2. *Use existing resources to trial the service:*

    - Test an initial service locally with existing staff as Redbridge have done. Working on a small scale will give vital data on how long the process takes, how many people are actually interested in moving, renovation costs etc.

    - Refine the model to reduce the time and resources needed; devise standard contracts; secure changes to local housing and homelessness policies

- Demonstrate initial costs and benefits

- Use the data to predict the main metrics for a larger model (costs, resources, supply of housing); investment scale; impact on local housing supply; costs and benefits
- Use the informal network, created by Redbridge, to benchmark data with other areas to ensure accuracy and, where possible, drive down delivery costs

3. *Scale the model including:*
    - Full business planning

    - Theoretical Investment portfolio

    - Agreements with other areas [or housing associations] if cross-boundary moves are possible

    - Ethical and legal frameworks in place

    - Full risk assessment

At each phase, this report strongly recommends working with the Redbridge Team and the Network of Local Authorities that it has established, who are interested in this programme. Their skill, expertise and experience will be crucial to the development of a feasible scheme.

Housing our Ageing Population: Plan for Implementation (HAPPI 2)

All Party Parliamentary Group on Housing and Care for Older People 2012

Summary of recommendations

The APPG Inquiry's Plan for Implementation sets out key actions to boost the adoption of the HAPPI report. In summary, the Inquiry strongly urges:

- **The Cabinet Office** to establish an external task force to review cross-Whitehall policy co-ordination and take forward the HAPPI 2 Plan for Implementation.

- **Department for Communities and Local Government** to extend its growing interest in promoting older people's housing when it revisits its Housing Strategy for England and makes its representations for the Comprehensive Spending Review; and encourages all local Councils to incorporate adequate provision for older people into the mainstream of their Local Plans.

- **Department of Health** to tailor its new £300m Care and Support Housing Fund to encourage development of schemes designed to HAPPI principle; support all Health and Wellbeing Boards in recognising the preventative benefits of housing provision in making best use of funds at the local level; and undertake research

into the linkage between housing and health and social care costs to help in the development of future design standards and housing policy.

- **Homes and Communities Agency** and **the Greater London Authority** to reflect HAPPI principles in design, land disposal and procurement initiatives and explore the use of an identifiable 'kite-mark' or similar 'earned recognition' with the Design Council CABE, linked to annual Design Awards, that highlights exciting and innovative developments which accord with HAPPI design standards.

- **Local Planning Authorities** to ensure their Local Plans give prominence explicitly to meeting the needs of their ageing population and, through the sensitive use of CIL and Section 106 Agreements, encourage private and social providers to bring forward HAPPI- style projects.

- **Housing Departments/Adult Care Services** give sufficient strategic priority to assessing the needs for, and investing in, older people's housing, both in recognition of the savings to social care budgets and in the release of under-occupied family homes; and maintain a register of all accessible and specialist retirement housing to help those looking for more suitable accommodation.

- **Health and Wellbeing Boards** to identify the role of housing in their new Joint Strategic Needs Assessments and local clinical commissioning plans; and recognise in its budgeting the centrality of housing in preventing and addressing health and social care problems.

- **House builders and housing associations** to use their entrepreneurial and marketing skills to accelerate the trend toward retirement housing as a lifestyle choice, bringing forward more projects that accord with HAPPI standards and meet the breadth of retirement needs including shared ownership and 'co-housing'; and to make best use of technological changes to support independence and security while reducing requirements for expensive communal facilities and on-site staff.

Obstacles to progress

Despite the progress noted above and some grounds for optimism for the future, those bringing evidence to the Inquiry expressed concern that more had not been achieved over the last three years . It was widely held that a step change is needed to boost supply and provide more older people with a genuinely attractive housing offer. Crucially, more needs to be done to engage and listen to their current housing needs and future aspirations.

Financial insecurities
With deficit reduction as a national priority, this is a difficult time to secure public or private funding for investment in older people's housing:

- **capital finance is harder to secure**, with a significant reduction in grants for housing associations and greater difficulties for all providers in borrowing from banks and other lenders;

- **in providing homes for sale, there are uncertainties about the market:** prices have to be achieved that reflect higher space standards than younger households require, as well as covering the costs of shared communal areas and the expense of acquiring sites close to local amenities;

- **for social housing, the move toward 80% market rents is difficult to achieve**, since there are extra service charges for communal facilities in housing provision for older people while alternative revenue streams (like Supporting People grants) are harder to come by; • **welfare reform brings uncertainties**, including changes to housing benefit, even though older people are less affected than younger households;

- **some local authorities are re-negotiating block contracts,** for care and housing related support, and moving increasingly towards personal budgets: despite other advantages, these can threaten the viability of providers' arrangements for delivering housing-related support and domiciliary care to older residents . It was noted that some providers have already withdrawn from delivering care in the absence of any security around long-term revenue funding

- **the Community Infrastructure Levy (CIL) poses a new threat,** in adding charges of up to £10,000 for each home in some areas, and tipping the balance of viability of schemes for older people which will be inherently more expensive because they comprise larger flats, with some communal space.

However, Inquiry Members did not believe these obstacles were insurmountable . They were clear that central and local government should prioritise stimulating the supply of housing designed for older people because this brings added financial and economic value. In particular:

- **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; and

- **meeting the need for more suitable homes for older people also helps the next generation** because family homes then become available . At a time of acute housing shortages and a general recognition that more house building is urgently required, this double benefit greatly magnifies the value of building retirement housing.

In Conclusion

The APPG Inquiry's Plan for Implementation for boosting the supply of retirement housing is offered to policy-makers and practitioners at a crucial time. In the months ahead government will be pursuing its efforts to promote more house building, in orderto

stimulate growth as well as to tackle the chronic under-supply of new homes.

Government will also be reviewing its Housing Strategy for England, publishing resultsfrom various relevant consultation exercises, and considering next year's comprehensive spending review. Local authorities are busy with Local Plans and local housing strategies, now working within a more pro-development context of the National Planning Policy Framework with private and social sector partners they are assessing local housing needs and local health and care needs, and the links between these.

The message from our Inquiry is that thisis the time to consider the steps in the Housing our Ageing Population: Plan for Implementation (HAPPI 2) to take the opportunity to achieve the double benefit of fulfilling the housing requirements of older people while simultaneously making available family homes for the next generation.

APPG Inquiry HAAPI-3: Making Retirement Living A Positive Choice

All Party Parliamentary Group on Housing and Care for Older People 2015-17

Introduction

There is a concern that despite the necessity for good design and building standards and the economic case for more and better homes for older people to move to in order to address lack of supply and release family homes, people will not want to move to retirement properties if they have concerns about loss of autonomy and control, the costs of services and affordability of charges, the availability, quality and choice of care and support services, and the imposition of institutional and old fashioned management practices.

The All Party Parliamentary Group on Housing and Care for Older People (APPG) has established a new inquiry (HAPPI 3) to seek out examples of best and innovative practice, explore different service options and advocate for improvement in standards and practice in the management of retirement properties.

Approach & Timeframe

Lord Best has agreed to chair and champion the new APPG inquiry and Jeremy Porteus, Director of the Housing LIN (Learning and Improvement Network) and co-author of HAPPI2, has been appointed Inquiry Secretariat.

There will be four Inquiry sessions between October 2015 and March 2016 and the final report is expected to be published in May 2017.

A small group of 'experts' has also been formed to commission, hear and evaluate evidence form a range of sources and make assessments about the merits of different practices, approaches and proposals for the management and operation of retirement housing. The group of experts includes some representation from the original panel members from the HAPPI-1 and HAPPI-2 as well as other experts and opinion formers (see membership list below).

We are grateful to Housing & Care 21 who have agreed to sponsor the HAPPI-3 inquiry and final report.

Membership

Richard Best (Chair), APPG
Roger Battersby, PRP Architects

Gary Day, McCarthy and Stone
Emma Maier, Inside Housing
Bruce Moore, Housing & Care 21
Tony Pidgeley, Berkeley Group
Esther Rantzen, Silverline
Claudia Wood, Demos
Joan Bakewell
Jeremy Porteus (Inquiry Secretary)

Scope

The themes and areas for consideration as part of the APPG HAPPI-3 inquiry include:

Autonomy, Choice and Control

- Potential for cohousing and greater resident self-management
- Barriers to 'right to manage' for owners, leaseholders and tenants
- Common-hold as an alternative form of tenure
- Limits and opportunities for devolution of control

Clarity, Certainty and Costs

- Review of openness and fairness of charging mechanisms (e.g. exit fees and contractor commissions)
- Clarity and scope of different service offers and standards
- Review of service charge costs and extent of management fees
- Sale and re-sale provisions
- Deferment of fees

Spectrum of Service Models and Offers.

- Exploration of different market segments and types of service
- Role of local manager
- Examples and models from other countries: Australia, Japan, Europe, Scandinavia, North America
- A home for residents or a community hub?

Care, Support and Prevention/Protection

- Approaches to dementia
- Models of care – integrated or separated care and housing provision
- Mechanisms to prevent unplanned admissions and ease of return from hospital
- Protection or Paternalism?
- Deprivation of liberty concerns in housing with care settings

Technology, Innovation and Potential

- Telematics and assistive technology – alternatives to 'red string' and analogue calls
- Age criteria – who is moving to retirement housing?
- Push and Pull factors
- Learning from other sectors and industries

Contact

If you would like to supply written evidence to the APPG inquiry on innovative research, product and practice developments relating to these themes, please email the Inquiry Secretary at info@housinglin.org.uk.

Older Owners

Research on the lives, aspirations and housing outcomes of older homeowners in the UK

THE STRATEGIC SOCIETY CENTRE
ANALYSIS • EVIDENCE • POLICY

hanover

James Lloyd and Dr Will Parry

October 2015

www.strategicsociety.org.uk

Executive Summary

This report describes the results of quantitative research into older homeowners in the UK, using data drawn from the 2011 Census and a nationally representative panel survey.

In 2011, there were around 6.5 million older living in owner-occupied homes in England, of whom 5.7 million owned their home outright, with the remainder owning with a mortgage or some form of shared ownership.

Patterns of tenure in the 65+ population are broadly consistent, with 70-80% of older people living in owner-occupied homes in different geographic areas. However, within the older generation owner-occupation rates are lower among the oldest-old (85+) than those aged 65 to 74.

In 2011-12, the median value of older people's homes in the UK was £200,000, with this average varying across different regions between £150,000 and £300,000.

In all areas of the UK, nearly three-quarters (72%) of older people living in owner-occupied homes have three or more bedrooms in their home. Around two-thirds of older people living in owner-occupied housing in the UK live with a partner, while just under one-third live alone.

Levels of income among older homeowners vary significantly by area. In most regions, total gross monthly personal income at the 50th percentile (median) is around £1,000 per month (2011-12 prices). With the exception of Northern Ireland, over half of older homeowners have an employer pension. Across the East and South of England, over 20% report a private pension or annuity income. Around four-fifths of older homeowners in the UK report that they are 'living comfortably' or 'doing alright'.

The incidence of longstanding illness or disability among older owners varies relatively widely across different UK regions, from 19% in the South East to 31% in the North East. The most common types of disability issues related to mobility, as well as to lifting, carrying or moving objects. Over 10% of older homeowners report providing round the clock care (100+ hours per week).

Around one in ten older homeowners cite issues with noisy neighbours or pollution, although the percentage reporting problems with pollution is significantly higher in London. Most older homeowners (over four-fifths) are happy with the standard of local medical services, with no real regional variations observable. Less than 5% of older homeowners across the UK report being unable to access services when they need to.

Just over half of older homeowners describe their neighbourhood as close-knit. Only 4% of older homeowners feel that people in their neighbourhood can't be trusted, and just 3% report they do not feel they belong in their neighbourhood. Most older homeowners – typically over four-fifths – feel that they belong in their local neighbourhood. Around four-fifths report that they are similar to people in their neighbourhood.

The vast majority of older-owners (97%) report that they like their present neighbourhood, and nearly one in ten (86%) say they plan to remain in their neighbourhood for a number of years.

Nearly one in five (19%) of older homeowners report that they would prefer to move. However, only 4% of older homeowners – or 21% of those who prefer to move – expect to move in the next year. Those aged 75 and over are slightly more likely to prefer to stay where they are.

Open Plan

Building a strategic policy toward older owners

THE STRATEGIC SOCIETY CENTRE
ANALYSIS • EVIDENCE • POLICY

hanover

James Lloyd

October 2015

www.strategicsociety.org.uk

Executive Summary

Introduction: The rise of the older owner

The UK is experiencing unprecedented growth in older homeowners, who numbered 6.5 million in 2011 just in England. This has brought benefits to both individuals and society, but as with any profound social trend, the rise of the older homeowner has brought with it questions and challenges.

The absence of detailed, holistic research on older homeowners has resulted in confusing policy debates and conflicting policy agendas. This report provides accompanying policy analysis and discussion to research published by the Strategic Society Centre called 'Older Owners: Research on the lives, aspirations and housing outcomes of older homeowners in the UK'.

Older homeowners and policy confusion

Four distinct policy agendas and debates have emerged in response to the rise of the older owner: specialist housing and home adaptations; under-occupancy and housing supply; the use of housing wealth to fund retirement; and, housing wealth taxation and fairness.

These agendas variously see the homes of older homeowners as: a site to help them live independently and reduce need for care and support; under-used accommodation that could be better allocated within the population; a potential income source for their owners; and, a source of potential tax revenue.

These policy agendas are both interdependent and conflicting. For example, any increased use of equity release products by older homeowners would reduce the 'tax base' for any new taxes directed at older people's housing wealth.

The result is that older homeowners have been given conflicting messages and incentives through public policy design, and there is a need for policymakers to prioritise certain policy agendas over others.

Older owners and retirement housing

Policymakers are keenly interested in the potential of adapted and specialist retirement housing in helping older people live independently, and reduce their lifetime need for health and care.

Previous research found retirement housing makes up 5% of all older people's housing, of which only around 105,000 are owner-occupied units.

The findings of Older Owners suggest between 20% and 40% of older homeowners in the UK may benefit from some form of adapted or specialised housing, on account of having a

longstanding disability or health issue, equivalent to between 1.3 million and 2.6 million older homeowners in England. This suggests considerable, potential untapped demand for specialist housing and home adaptations.

Why do more older homeowners not move into specialist housing? Older Owners found 80% wish to stay where they are and 85% plan to remain in their neighbourhood for a number of years. The research also found strong levels of neighbourhood attachment relating to trust, a sense of belonging to a close-knit community, and being able to rely on neighbours; indeed, older homeowners may feel that such community and neighbourhood relations are themselves valuable in the context of their ageing and potential need for support. As such, the provision of retirement housing in the right 'local' locations may increase demand.

Older owners and under-occupancy

Older Owners found that most older homeowners live in households of one to two people, but that in all areas of the UK, over half of the 65+ owner-occupier group (72%) have three or more bedrooms in their home. Analysis of Census 2011 data also found that across the English regions and Wales, the percentage of 'household reference persons' aged 65+ in owner-occupied housing that is under-occupied on the basis of the official 'bedroom standard' is more than 50%.

These findings suggest that older owners do exhibit substantial levels of relative under-occupancy. However, it is important to note that under-occupancy is not limited to homeowners who are aged 65 and over. When comparing the percentage of all households with 2 or more spare bedrooms, the proportion of this group who are aged 65 and over is actually less than the proportion aged 25 to 64

Why do older homeowners not downsize? As well as neighbourhood attachments described above, older homeowners may be inhibited from moving by the lack of attractive alternative accommodation, as well as moving costs, and the 'stress and hassle' associated with moving.

Older owners and retirement income

Policymakers and the financial services industry are interested in the potential for older homeowners to use the value of their home to fund retirement income.

Older Owners found that in most of the UK, total gross monthly personal income among the poorest 25% of older homeowners is no more than £650 (2011-12 prices), around the government's minimum income guarantee. Around 78% of older homeowners report they are 'living comfortably' or 'doing alright'.

This suggests that only around one in five older owners may be motivated to use their housing wealth to fund additional retirement income – equivalent to around 1.3 million people in England – on the basis of feeling their income is inadequate.

However, retirement income and housing wealth tend to be positively correlated at the household level, and the poorest 25% of older homeowners have a home worth up to £140,000 (2011-12 prices). Few in this group may have sufficient equity to provide a

significant income boost using equity release products, or to release significant capital through downsizing while living in an acceptable home.

Despite the interest of policymakers, this suggests there is little scope for an increase in the proportion of older homeowners using their housing wealth to fund retirement income.

Older owners and taxation

In most areas of the UK, the median (average) value of the homes of older people living in owner-occupied homes is £150,000 and £200,000 (2011-12 prices).

Despite concerns around fairness and intergenerational equity, there is limited scope to increase taxation of the housing wealth of older homeowners, reflecting difficulties in valuing older people's homes, limited ability among older people to pay new taxes based on the value of their homes, and the fact few older homeowners move home and therefore incur transaction taxes, such as Stamp Duty or – potentially - Capital Gains Tax. The incidence of inheritance tax on the homes of older owners could be increased, but this would cut across the direction of current government policy.

Although the arguments in favour of increased taxation of older people's housing wealth appear compelling to many stakeholders, the feasibility and practicality of such taxes therefore appears limited.

Building a strategic policy toward older owners

Bringing together analysis of these different policy agendas and new research on the lives of older homeowners, it is possible to develop policy recommendations that will advance the aims of policymakers:

The government should:

1. Increase the supply and take-up of specialist retirement housing - in the right locations;
2. Tackle the barriers and costs of moving home for older homeowners;
3. Tackle the affordability gap' for older homeowners through partial/shared ownership and 'Help to Buy';
4. Help older homeowners 'downsize in place'.

Implementing these measures will:

- Increase the proportion of older homeowners living in accommodation suitable to their disability and health characteristics;
- Potentially reduce the incidence of under-occupancy, releasing larger homes into the housing stock;
- Increase the taxation of older people's housing wealth, whether through Stamp Duty or – in future - the potential introduction of Capital Gains Tax on primary homes; and,
- Increase the proportion of older homeowners who supplement their retirement income using their housing wealth, through downsizing.

savills

Savills World Research
UK Residential

Spotlight
Housing an Ageing Population

2015

Overview

THE CHALLENGES OF AN AGEING SOCIETY

Unlocking the equity built up by the over-65s and making more efficient use of housing stock are key opportunities

The country is ageing and so the structure of the UK's population growth over the next 30 years looks set to be very different from that of the last 30. Recent population growth has been driven by the expansion of working-age people, contributing 72% of total growth.

Looking ahead, and although actual growth will be as a result of new births and younger migrants coming to the UK, the effects of the 20th-century baby boom mean that the biggest increase by age group will be among those aged 65 and over.

Our ageing society presents massive challenges for the wider economy. The dependency ratio (number of workers per children and retired people) will continue to decline unless retirement age is pushed back further. This means a proportionately smaller number of tax contributors will be supporting more public-spending dependents. In a period when public services are already under pressure in the desire to reduce the deficit, they will come under further stress as they need to support and help more people.

Under-occupiers

The UK is not alone in facing this challenge. Many developed countries are in a similar position, with Japan and Germany the most obvious examples. Other more recently developing countries are also rapidly facing the same challenge. For example, the World Bank estimates that China hit its peak workforce as a percentage of total population in 2010 and so faces its own issues in supporting an ageing society.

The effects from our ageing society are only just beginning to play out on the wider economy but the effects on the housing market are more apparent. Income-busting house price growth during the 1990s and 2000s followed by the lasting effects of the credit crunch since 2008 has left us with a market that is deeply unequal.

Many of those fortunate enough to have been born in earlier generations and own their own home have benefited from price growth and current low mortgage rates. Home ownership among the over-65s is 78% compared to 64% across all age groups. They will also typically own their home outright with no mortgage and are sitting on over £1 trillion worth of housing equity.

Older households also tend to have more housing space than they need on a day-to-day basis. The English Housing Survey indicates that around three million (53%) households aged 65 and over are under-occupying their home with more space than they normally need.

Meanwhile, current first-time buyers need deposits equal to 76% of their income (in London it is 126%) and so it is no surprise that many of the young people who do manage to buy do so with help from the bank of mum and dad, and increasingly grandma and grandpa.

FIGURE 1

Housing equity and under-occupation by age

Households owning outright	Equity in homes owned outright	Households owning with mortgage	Equity in homes owned with mortgage	Under-occupied households	Under-occupied housing as % of all households
4% Under 35	£55bn Under 35	26% Under 35	£65bn Under 35	650,000 Under 35	16% Under 35
21% 35 to 64	£680bn 35 to 64	44% 35 to 64	£690bn 35 to 64	4,350,000 35 to 64	36% 35 to 64
67% 64+	£1,080bn 64+	9% 64+	£100bn 64+	3,050,000 64+	53% 64+

Source: Savills Research

The challenge will be unlocking the equity and making more efficient use of the housing stock. Although older households are sitting on a large amount of wealth, without the ability to sell or borrow against it, housing equity becomes just a number on a piece of paper. With housing market transactions improving but still below pre credit-crunch levels and mortgage market lending still relatively tight for both older borrowers and first-time buyers, opportunities to unlock this equity will remain constrained without further innovation.

Changing attitudes

It would be politically, socially and ethically wrong to force people from their homes. However, the generation now approaching retirement will be more accustomed to moving up the housing ladder rather than living in just one family home. Attitudes are changing with surveys indicating there is a frustrated and growing desire to move in older age, albeit at lower rates than younger age groups.

Without homes that meet changing lifestyle needs or financial incentives, such as stamp duty holidays for downsizers, it appears likely that we will see the majority of people staying in the family home for as long as possible. Typically until faced with a pressing health or social reason (e.g. bereavement, safety or health scare).

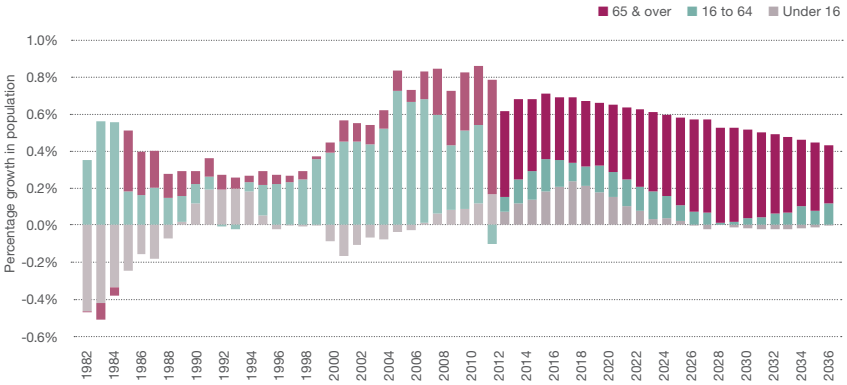
The twin challenges of an ageing population and inequality present some significant headwinds for the country in the years ahead. The retirement housing sector should be well placed to turn these challenges into opportunities. We are now seeing increased activity in the sector with more participants and a wider range of products and locations.

However, we are yet to see a product that truly breaks down the British apathy towards retirement living and at a price that is accessible to the majority of the population.

> "The retirement housing sector should be well placed to turn challenges into opportunities"
>
> Savills Research

FIGURE 2

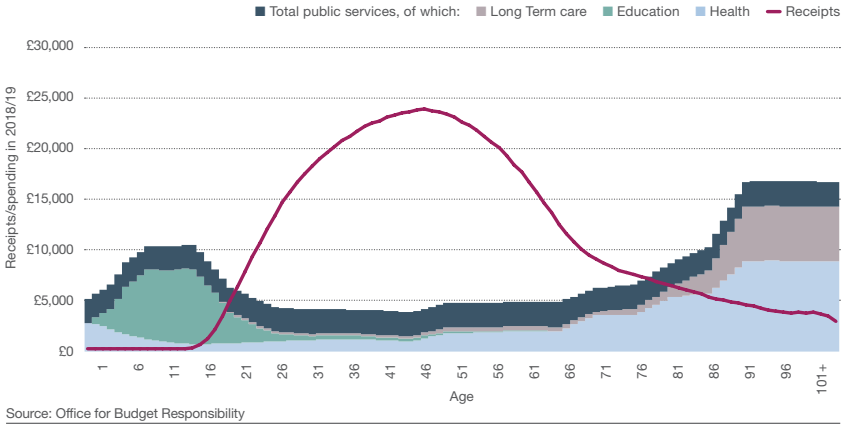
Population growth by age



Source: ONS

FIGURE 3

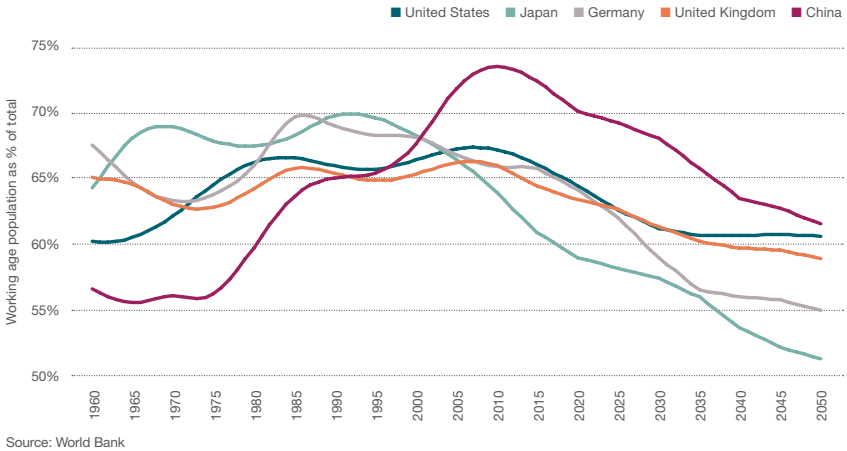
Representative profiles for tax and public services spending



Source: Office for Budget Responsibility

FIGURE 4

Working age population as % of total



Source: World Bank

Demographics

THE DRIVERS OF DEMAND

A knowledge of demographic and market trends is key when identifying potential markets for development

Understanding where older people are currently living and may be living in the future is useful for assessing the potential demand for retirement housing. However, it can be misleading to simply rely on population projections. They are based on recent trends in births, deaths and migration.

Therefore, they can be heavily dependent on recent economic growth and new housing supply. Areas that are able to offer both jobs and new homes will likely see higher migration and hence population growth than those that fail on one or both counts.

It is important to discern the trends underlying projections when identifying potential markets for development. Are there increasing proportions of older people due to young people leaving in search of employment elsewhere? Are overall numbers increasing because there has been a large amount of housebuilding? Or is growth lower than it could be because the local market is failing to accommodate older people and so they are moving elsewhere?

Figure 5 below highlights some of these trends. Traditional retirement markets such as Eastbourne and Christchurch are towards the top-right of the chart with high proportions of and net inflows of older people.

Meanwhile, at the bottom-left of the chart are urban areas such as London and Manchester and some markets with low levels of housebuilding such as the Home Counties. These markets have a net outflow of older people along with lower overall proportions living there. However, it is worth noting that, despite having a much lower proportion of older people, Manchester (local authority) has double the number of people aged 65+ as Eastbourne.

Meanwhile, the markets with the highest projected growth in older people (dark red) are typically those that have seen lots of housebuilding such as Milton Keynes, Aylesbury Vale, and Swindon.

New housebuilding is below required levels across most of the country and particularly in the south of England. Therefore, any market with higher than average levels of housebuilding is likely to see increasing numbers of residents across all age groups over time. As the market for older persons' housing matures and becomes more competitive, it will be essential to understand the range of demographic and market trends driving demand in local markets.

FIGURE 5

Over-65s existing housing demand model

Source: Savills Research

THE DRIVERS OF NEED

The key demographic trends in the retirement housing market

The charts opposite are based on 2011 Census data and show some of the key demographic trends that are driving demand in the retirement housing market.

The existing retirement market is heavily dependent on 'needs' based movers and the living arrangements of older age groups highlight this. The first chart shows the large proportion of older age groups that are widowed with a particular bias to women aged 75 and over given their longer life expectancy.

The health of people by age, along with their ability to do day-to-day activities, also highlights the difficulties faced by large proportions of people in older age. 19% of people aged 75 and over are in bad health and another 48% find their ability to perform daily activities limited.

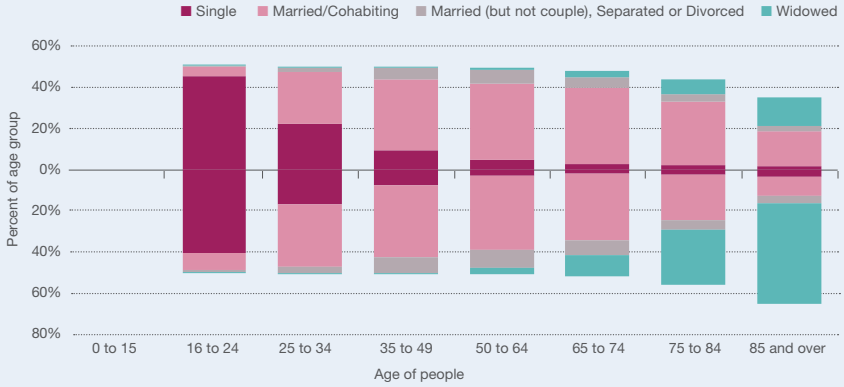
As such it is not surprising to see the generation below those struggling with health are providing large amounts of unpaid care. Over two million (26%) people aged 50 to 64 provide unpaid care every week and large numbers are continuing to do so in retirement.

As life expectancy continues to rise (the average 65 year old can expect to live another 20 years), there will be growing pressure on those approaching or just entered retirement to meet the care needs of their parents.

We expect to see growing numbers of this generation release the equity held in their homes as they are expected to meet the care needs of their parents and assist their children in getting on the property ladder alongside meeting their own pension requirements.

FIGURE 6

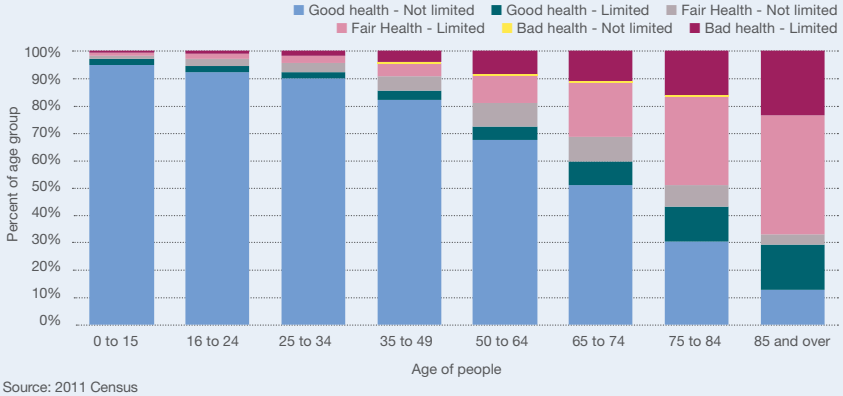
Living arrangements by age



Source: 2011 Census

FIGURE 7

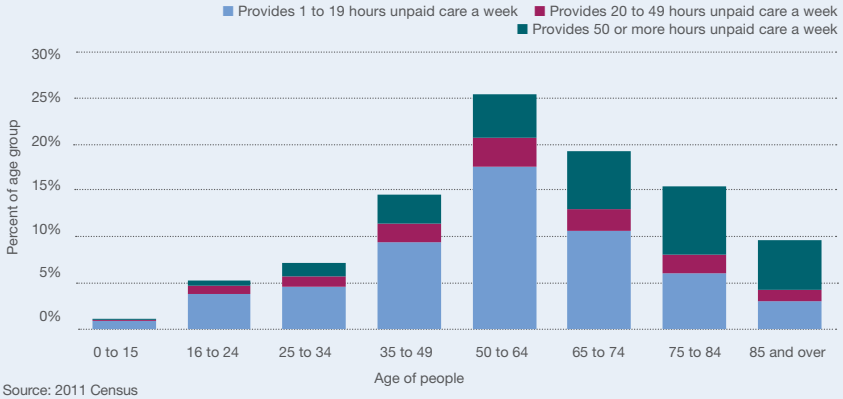
Health and disabilities by age



Source: 2011 Census

FIGURE 8

Provision of unpaid care



Source: 2011 Census

Existing Market
NEEDS VERSUS ASPIRATION

Analysis of existing provision of older persons' housing suggests there are opportunities in the retirement sector

One of the biggest issues with assessing the housing market for older people is the wide range of products and services on offer along with the number of different names for them.

Figure 11 sets out our model of the older persons' housing market based on the level of care required, the affluence of the resident and the tenure of the housing. Overall, we estimate there are 480,000 nursing and care home beds, and 515,000 homes specifically for older people across England.

Around 80% of units in the nursing and care home sectors are owned and operated by the private sector, while only 25% of Extra Care and Retirement homes are privately owned.

In terms of overall provision, the nursing and care home sector equates to 5.0% of people aged 65 and over while the Extra Care sector houses 0.6% of older people and 4.8% of older people live in retirement housing. Retirement villages typically offer a combination of these products and are a subset of these numbers.

For comparison, a report by Housing LIN in 2011 indicated that 17% of over-60s in the United States and 13% in Australia and New Zealand live in dedicated retirement communities, although many of those homes will be simply age-restricted. Analysis by ARCO suggests the provision of Extra Care type housing in these countries is on average 5.3% of older people compared to only 0.6% in England.

Clearly there is a substantial opportunity for the sector to grow if it delivers products that meet lifestyle as well as needs.

ASPIRATIONAL DOWNSIZING

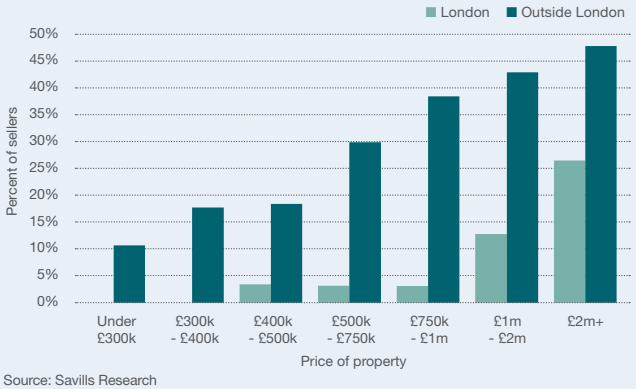
The emergence of premium developments

The retirement housing market has traditionally focused on 'needs' based demand. However, over the last few years we have begun to see the emergence of an aspirational downsizer market targeting wealthier purchasers. As the chart below shows, the economics and hence propensity to downsize increase along with housing wealth.

Some of the more traditional private sector retirement housing developers have recognised the potential of this market. In recent years we have seen the likes of Pegasus Life and McCarthy and Stone move away or at least expand from the mass-market sector and start to deliver premium developments targeting aspirational downsizers.

FIGURE 9

% of sellers downsizing



Source: Savills Research

ASPIRATIONAL DOWNSIZERS

LIMITED NUMBERS BUT GROWING

- Range of options for existing housing stock (bungalows), general market new build or premium retirement housing
- Mid to late 60s, children left home, desire to unlock housing equity or move to smaller home. Need for larger than average rooms, plenty of storage space. No desire for safety features (alarm, etc) but future compatibility can be a plus

RETIREMENT HOUSING

455,000 HOMES

- Self-contained units offering estate management, alarms
- Typically in their late 70s, likely to be recently widowed and so higher female-to-male ratio or onset of health issues
- Purchase driven by need rather than aspiration (e.g. bereavement, no longer able to manage/maintain large family home)

EXTRA CARE HOUSING

60,000 HOMES

- As per retirement housing but with additional communal facilities (e.g. restaurant), 24-hour emergency staffing, additional care or domestic help available
- Typically over 80 years old and in need of more care than offered in standard retirement housing

NURSING/CARE HOMES

480,000 BEDS

- In need of full-time nursing or care

FIGURE 10

Existing provision of older persons housing

Source: Savills using EAC, LaingBuisson

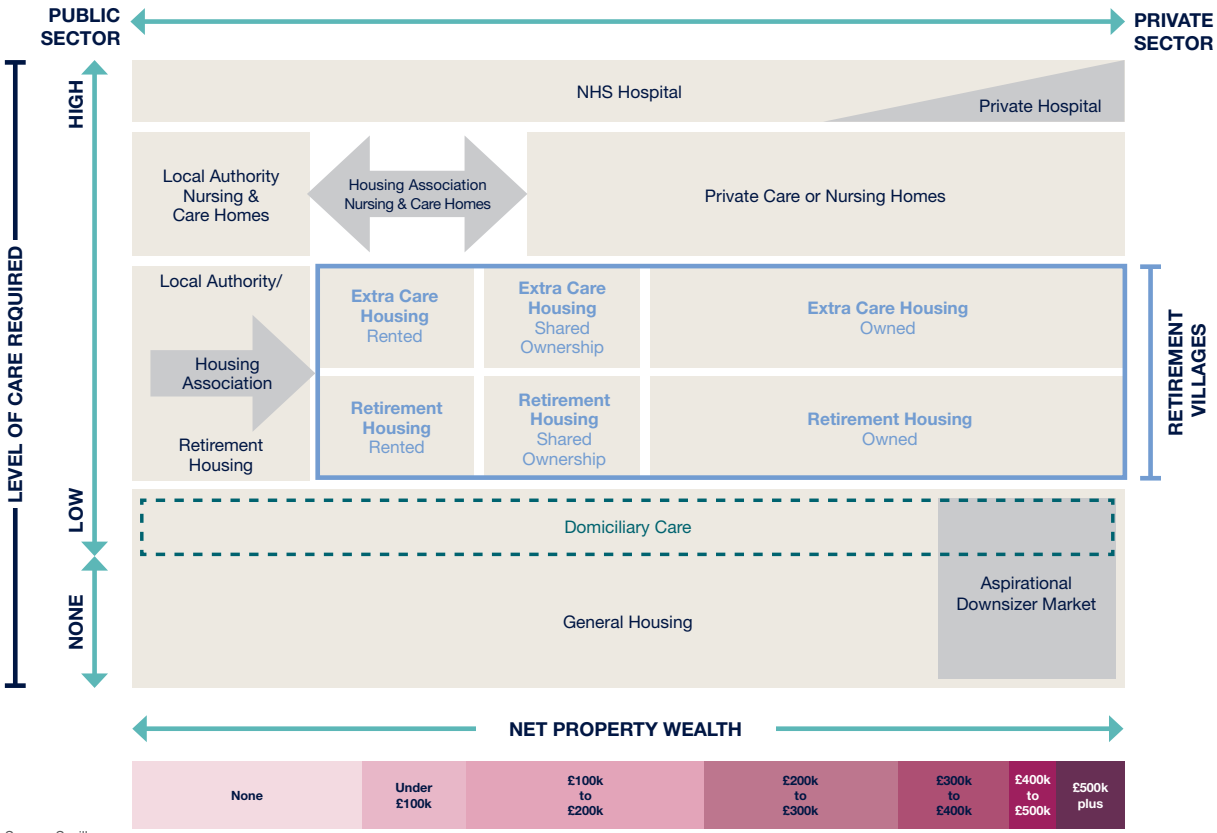
80%
of Nursing/Care privately owned

25%
of Extra Care/Retirement privately owned

17%
of over-60s in the US live in dedicated retirement communities

FIGURE 11

Housing for older people



Source: Savills

Housebuilding
SUPPLY & FUTURE NEED

What type of retirement housing is required for the nation's future housing needs?

The supply of new homes for older people, specifically retirement and Extra Care, has averaged around 7,000 units per year over the last decade. This currently equates to a 1.4% increase in existing stock, around double the level being achieved by the general new build housing market. However, there is still room for improvement.

There are around 515,000 Retirement and Extra Care units in England and a large proportion are local authority and registered provider stock. Around 385,000 units fall into this category and they play an important role in housing the most in need.

However, they also present a challenge given the large numbers that were built in the 1980s and early 1990s. Many were built with grant funding that encouraged volume rather than quality or space.

Although a large number are being refurbished every year, the constraints of the original stock, in terms of size and capacity for upgrade, mean that many will deliver a less than optimal solution for the nation's future housing needs.

Private developers and operators form the other side of the market with around 130,000 units. These range from the converted country house market of the 1970s and 80s to the purpose-built market dominated by the likes of McCarthy and Stone (with around a 70% share of the for-sale market in 2014).

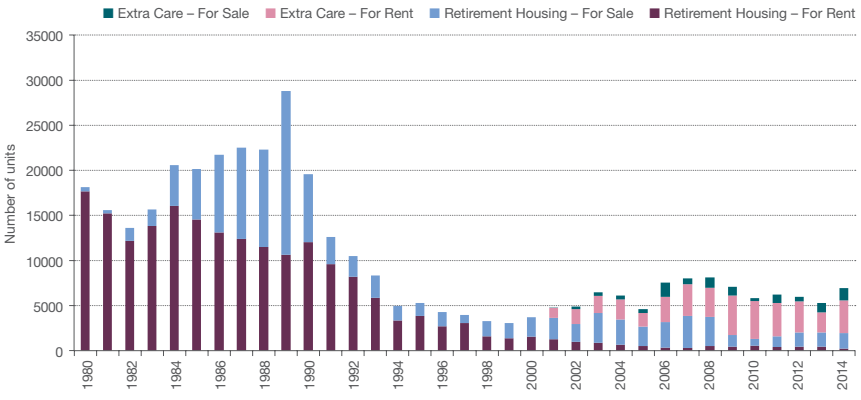
These homes offer a solution for people who don't qualify for social housing-based care with products that highlight the safety and security of retirement living to those in need.

Growing in size

The typical new build development contains around 20 – 50 one- or two-bed flats priced at a similar level to local area houses, although recent developments are growing in size. They tend to be located close to town centres and/or nearby bus stops and offer some communal space and visitor accommodation.

FIGURE 12

Delivery of housing for older people



Source: EAC

Their business model is based on maximising land use through minimal parking provision and high density combined with achieving premium prices on a per square foot basis. As well as high purchase costs there are also service charges that cover various outgoings, including building managers and emergency call monitoring.

Additional care options may be available but those in need of nursing care will typically have to move into a dedicated nursing home.

Given the costs and service offerings, this model caters well to those in need but does not provide an attractive proposition for aspirational downsizers. As such, sales rates can be slower than for traditional housebuilders and may require finished homes for their potential residents and families to assess and measure against their needs and furniture.

Aspirational market

Many developers are now looking to expand into the aspirational market, with financial support from private equity. This means building attractive and appropriately sized homes that people with a lifetime of belongings can and want to move into.

New build homes with kitchen-dining-living spaces that work for younger purchasers may not be attractive to older buyers downsizing from a house.

Many residents will be leading active social lives and so will need space for their car rather than just a bus route into town. The focus on safety and security in the current retirement housing sector can be off-putting to those at the younger end of the spectrum.

Instead it is important that housing is future-proofed; that is in terms of building homes that can adapt to future needs with wiring for alarm systems or space for stair lifts or downstairs showers, rather than trying to predict future technologies and whether we'll need space for 1960s-style robots.

Targeting the aspirational market offers rewards with some developers seeing increased buying off-plan, but it also comes with risks as competition for land increases with a reliance on achieving premium prices relative to the local market. This will help to increase the delivery of homes for older people.

FORECAST OF FUTURE NEED

What is the potential for future supply in the market?

With a large number of private developers looking to expand, and housing associations looking at providing market rent or for-sale products, what is the potential for future supply in the market?

Our analysis of the future supply pipeline using data from Glenigan indicates there are schemes containing around 30,000 Extra Care and Retirement homes in the planning system or approved. One third of these homes are currently in the planning system, with the majority (90%) in the private sector. Among the 19,000 homes on schemes that have been approved, 12,000 homes have started on site with the majority (68%) being built by the private sector.

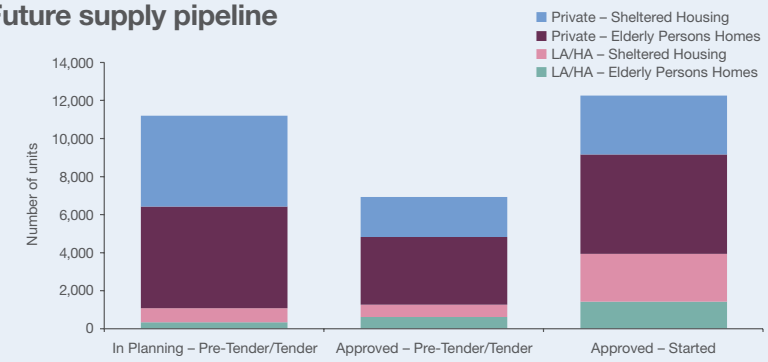
With recent delivery of housing for older people averaging around 7,000 homes per annum, this suggests the short-term prospects for new supply are slightly above recent levels.

In terms of housing need, the projected 2% annual increase in the number of people aged 65 and over between 2015 and 2020 would require 11,000 homes per annum. This broadly matches our analysis of the current supply pipeline and suggests that supply may soon be at the lower levels needed to maintain existing provision per older person. However, the number of people aged 75 and over (which is probably a better benchmark for needs based housing) is projected to grow by 3.2% over the same period. Along with the need to replace ageing stock, this suggests a target of 18,000 homes per annum would be more appropriate to maintain existing provision.

Maintaining our existing provision of housing for older people is a minimum benchmark for how much new housing is required. As our analysis of international comparisons suggests, there is still substantial room for growth in the proportion of older people living in housing designed and built specifically for them. A relatively unambitious target of increasing the provision of Extra Care Housing from 0.6% of older people to 2% would require an additional 130,000 homes. This is still well below the 5.3% average across the US, Australia and New Zealand. Meanwhile, increasing the provision of Retirement Housing from 4.8% of older people to 10% would require an additional 500,000 new homes. Increasing the provision over a ten-year period would require an additional 60,000 new homes per year above the levels required to maintain existing provision. This could be a substantial opportunity, provided developers can solve the £250,000 challenge.

FIGURE 13

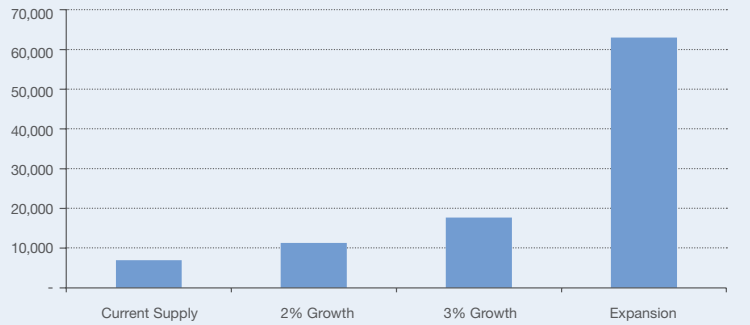
Future supply pipeline



Source: Glenigan (excludes schemes under 10 units)

FIGURE 14

Future housing requirement



Source: Savills Research

27,000
Extra Care and Retirement units are in the planning system or approved

18,000
homes needed per year to maintain provision

32%
of approved units are being delivered by the public sector

Downsizing

THE £250,000 CHALLENGE

Incentives need to be offered to make the prospect of downsizing more attractive to existing home owners

As discussed earlier, the current retirement housing market is generally split into two sub-sectors. There is the aspirational downsizer market offering a premium product for people pro-actively looking to move and there is the needs-based market where demand tends to be driven by people requiring greater levels of care, support and security. The biggest challenge and opportunity for the sector is therefore in filling the gap between these two sectors by delivering an aspirational product that encourages people to downsize, but at a price that works for someone living in an average priced home.

Unfortunately, the economics of downsizing from an average priced home are not attractive enough by the time stamp duty on the new property, moving costs and fees are accounted for in all but the highest value markets. This is even before any allowance for the emotional strain of moving and the desire to release some additional cash from the process. Therefore, we need to look towards other tenures and financial models to unlock the market's potential.

A stamp duty exemption, for example, would be a very welcome move in making downsizing more attractive. Unfortunately, it appears unlikely to happen given the difficulties in ensuring the benefits are realised by the homebuyer and not by the developer through higher prices. It also causes some political difficulties in supporting a group of people widely seen as beneficiaries of the housing boom rather than those priced out, despite its potential to free up family homes for younger buyers.

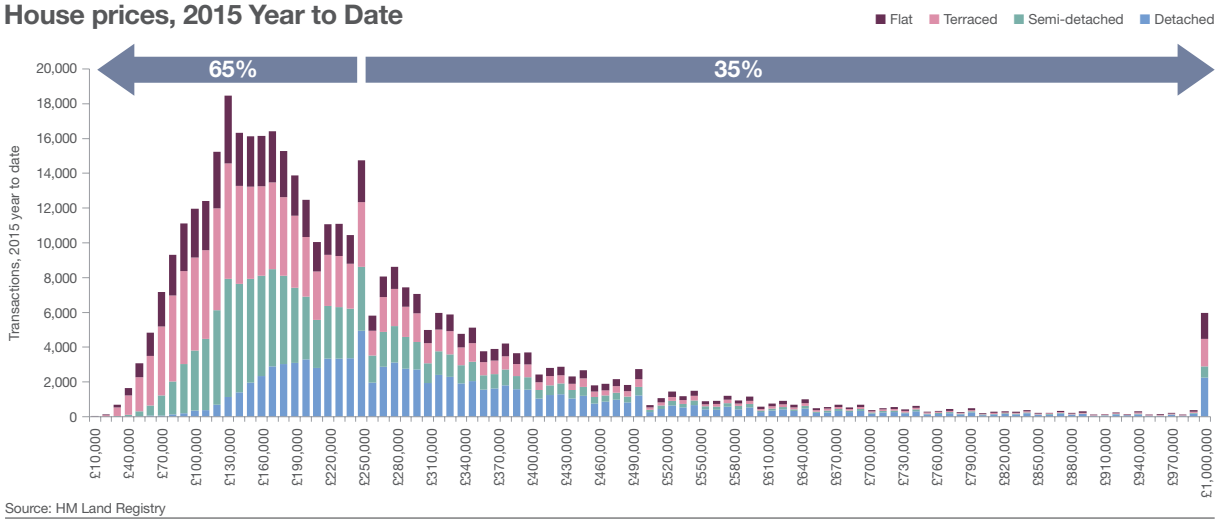
Instead of simple solutions, it appears likely that we will be reliant on more complex arrangements and financial instruments. Equity release products such as home reversion schemes and lifetime mortgages, shared ownership and long-term rentals are all likely to become more widely available in the sector. Much will depend on the result of the Law Commission's review into exit fees with a paper due this month. Many prospective buyers are asset rich but cash poor. In the event that it allows them, we will probably see more substantial investment into the sector and a big increase in housing/care products based on sharing the capital value uplift to offset ongoing service charges and care needs, as is common in New Zealand and Australia.

Creating financial incentives and the means for more people to move into older peoples' housing is important, but more essential is the need to create homes that people actually want to move into. Developers taking a general market approach to the sector may struggle. It will be essential to understand both the local market dynamics but also the housing needs and demands of the many sub-sectors of demand for older peoples' housing.

The challenges presented by our ageing population are many, but the opportunities they present for the elderly housing sector are just as widespread. There are already many active participants in this sector but to fully realise the potential there needs to be support from all levels of Government and continued innovation by developers, operators and lenders that results in products that are both attractive and affordable to older people.

FIGURE 15

House prices, 2015 Year to Date



Source: HM Land Registry

A CLASS OF ITS OWN

Is the planning system doing enough to help development of retirement housing?

Government policy is explicit in its requirement for Local Authorities to meet the housing and care needs of older people. Many have already published plans on how they will do so but many more need to. In light of the Government's policy ambition, it is worth considering whether the planning system is doing enough to promote and develop the number and range of homes needed for the growing elderly population.

The wide range of housing on offer means that new development in the sector can fall into several use classes within the English planning system. For example, Retirement Housing with minimal care is usually considered C3 along with most residential development, while Nursing Homes will be considered C2 along with other institutions such as hospitals. Therefore, most older people's housing is not differentiated from standard residential developments.

This is a particular issue with regards to the Community Infrastructure Levy (CIL). Local Authorities' CIL charging schedules generally refer to "residential uses". This combines older people's housing with standard residential and sets a cost per square metre linked charge for all new development in that category. This rate should meet the viability test for standard residential sites but that can vary greatly from the viability of housing specifically for older people. This potentially undermines the delivery of older people's housing and the aims of the Government.

Retirement and older people's housing has very different densities, build costs, sales rates and requirements for communal and staff areas than typical residential development. As such, any CIL charging schedule should properly assess the viability of specialist housing independently from standard residential.

While some Local Authorities such as Central Bedfordshire, Waltham Forest and Dacorum, have excluded Extra Care or Retirement housing from their CIL charging schedules, many more should consider excluding elderly persons housing from CIL where viability dictates. Doing so is imperative to meeting the housing and care needs of an ageing population.

BUNGALOWS IN THE SKY

A new approach to building retirement housing

Accounting for 9% of England's housing stock, bungalows are the go-to answer for today's politician when questioned on what to do for older home-movers. Their answer is typically accompanied by an anecdote involving an elderly relative.

It is true that bungalows offer single-floor living with plenty of storage space and access to outside space but arguments in favour of them tend to miss some simple but important points. They are grossly inefficient in terms of land use and the values they achieve reflect the underlying development value of the land rather than the bungalow. Therefore it is unlikely that people would pay the same price for a new build bungalow where there is no prospect of development.

So rather than building traditional bungalows, we can learn important lessons from them. The importance of space, storage, and access to outside space all emerge from their popularity.

One solution is to effectively build 'bungalows' stacked on top of each other. In other words, new build flats with all the attractions of a bungalow but without the stress of an overly large garden.

OUTLOOK

Turning challenges into opportunities

■ Our ageing society presents massive challenges for the country in years ahead but the retirement housing sector should be well placed to turn these into opportunities. Older people are sitting on over £1trn of housing equity and over half are living in homes larger than they necessarily require. However, unlocking this equity and these homes will depend on our ability to build homes that older people want and can afford to move into.

■ The existing market has been heavily focused on 'needs' based movers with bereavements, health or safety issues driving demand. In recent years we have seen increasing activity from private equity backed developers targeting the aspirational market. This has enabled some developers to achieve premiums above the local market and faster sales rates (including more off-plan). The demand for these aspirational products looks set to continue growing.

■ We forecast the market needs to build around 11,000 – 18,000 retirement homes per year just to maintain existing provision rates amongst older people. Analysis of the current supply pipeline suggests that delivery looks set to be at the lower end of that range which is an improvement on recent levels (7,000 per year). However, evidence from the US, Australia and New Zealand suggest that there is substantial room for growth in the provision of older people's housing. Increasing the provision of housing to those levels would require an additional 60,000 homes per year.

■ The ability to increase delivery to these higher levels will require substantial innovation across the sector. Developers and operators need to offer products and services that encourage older people to move. But they also need to deliver homes across a spectrum of prices and affordability. Creating a product that works for someone currently living in the average priced home (the £250,000 challenge) will be essential to its expansion. However, this will involve further financial innovation across a range of tenures and the result of the Law Commission's review into exit fees will play a large role in deciding the future shape of the sector.

■ Meanwhile, local authorities will come under renewed pressure to house those most in need at a time of further public sector spending cuts and increases to the minimum wage. Some are already looking to use their existing land holdings and partner with housing associations or private companies in order to meet their obligations.

(N.B. Details of all publications and references cited in this briefing are available in the original documents. For data and evidence sources please refer also to the original papers).

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