Creating housing choices for life

The role of retirement housing in developing a better offer for older people

June 2013

Introduction

This paper provides an introduction to a programme of work by CIH and the Housing Learning and Improvement Network (LIN) to look at how we can develop better housing options for older people. In particular it focuses on what a retirement housing offer (or offers) for the future might provide to support older people to:

- Live safely
- Remain active, independent and well into older age
- Remain connected to their social networks and continue their contribution to society
- Manage the costs of living into older age (which may include releasing housing wealth, where it exists, to fund utility costs and other living expenses, lifestyle choices and potentially contribute to future care costs). [i]

Until we provide a range of really attractive housing options for older people that fit these ambitions, the growing expectations and arguments about 'downsizing' and making best use of stock (across tenures) is unrealistic. But with the changing demographics, and the financial and other pressures we are facing, we have an opportunity to develop options that will allow for greater choice for older people, better outcomes, and more strategic and effective approaches to planning for housing and services at the local level. At the same time, it is an opportunity to develop/remodel housing that will be fit for purpose as we age and require more help in terms of accessible design and supportive services.

The challenge:

Being older can last a long time – from 50 to over 100 – so capacity, resources, needs and aspirations over that time are hugely variable and will change. It is a complex picture that demands creative, flexible and easily adaptable responses, affecting design, accessibility, tenure and services.

The arrival of the 'baby boomer' generation at retirement is having a significant impact on expectation and demand for quality and standards of services, and on possible funding. We need to respond to this wide pool of consumers, rather that only/primarily to local authority commissioners. So retirement housing models could look even more varied than currently. Our information, messages and marketing therefore need to be much more effective than it has been – many people still consider retirement housing as institutional and stigmatising.

The current significant housing equity of older people, and the drive for them to be in control, is increasing demand for more options that retain assets and ownership, which also matches government's focus on shared responsibility and use of households' own assets to fund interventions. But we must not forget the large minority of older people who have no housing equity or very low amounts. In the future, housing wealth is likely to be significantly less for many. So we need to build homes and services that can be sustained in the face of changing wealth as well as funding sources and patterns. Affordability to enter and to sustain retirement housing is critical for older people now and in the future.

Currently only about 5 per cent of older people live in specialist housing. There is a large

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under-supply, but we are also unlikely to be able to keep pace with the growth of an ageing population in terms of numbers of units. And it is important that retirement housing is seen as part of a range of housing options and solutions for our ageing society. So how can we maximise the resources and services that benefit residents of retirement housing, and extend it to meet the needs of older people more widely? And what about the needs of other groups in the community? How can this be done for mutual benefit and equitably in terms of funding and access to services? We have some good models – how might these be adapted and extended? What needs to be influenced and changed to make this happen?

Aim

This paper scopes out the case for developing attractive retirement housing offers, it looks at what indicators there are already about what such offers should look like, and it poses questions that, as a housing industry, we need to address in order to deliver creative models for the future. In doing so, it draws on the debates at a CIH/Housing LIN roundtable and discussions held with specialist and non-specialist housing providers, commissioners and planners.

It will be followed towards the end of the year with a second paper that explores in more detail what these models might look like, how these may differ to address local and regional pressures, and what might need to change in our current policy framework to help us to achieve this.

Although design is a key element of what good retirement housing offers should look like, much of that ground has been expertly covered in the HAPPI reports, and we welcome how those examples are beginning to influence some new developments. This work will focus more on what the services should be to go alongside well designed housing, and the part that this plays in delivering the retirement housing of the future – both new build and remodelling of current housing. Where design issues are raised these will be in relation to making the services work.

Definition

Throughout this paper, we refer to retirement housing and by this we mean housing designed for older people to support independent living, across social and private housing sectors. It does not encompass extra care or assisted living models that often require a level of care needs for eligibility.

Housing wealth and housing choices

People over 65 are predominantly home owners, and are estimated to hold £250 billion of housing equity.[ii] Increasingly there is an expectation that some of this wealth should be unlocked to contribute to any care costs that may occur, in line with Professor Dilnot's recommendation of shared responsibility (between state and individual) for long term care funding.[iii]

At the same time, England is experiencing a housing crisis, with many younger households having difficulty in owning a home and building up housing equity – with important implications for any policy development looking to shape housing and care funding in the long term. As a result of these dominant factors in the public debate, there is an increasing focus on making 'best use' of housing stock by encouraging older people to downsize and move from the family home, once the family have left. More levers exist in the social sector to achieve this, currently by giving help arranging practicalities of the move and incentivising with limited amounts of cash. In the future levers may include fixed term tenancies and regular reviews.

But similar levers to incentivise older home owners to downsize and find alternative properties do not exist and, to date, there is not enough really attractive alternative homes in the right place to 'pull' them to seek new homes that may be more fit for their purposes, and release more family homes for younger households with children. This is in spite of the National Planning Policy Framework requiring local planning authorities to:

> '…plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes)'

However, much of the government's focus on supporting new development has been to help householders access mortgage finance, and therefore centred on first time buyers and recently, next stage family housing.

This is a missed opportunity to look more strategically at the delivery of housing that is attractive for older people at a stage when they are still active and well but may appreciate moving into more convenient homes, particularly in view of the repeated increases in energy costs. (Age UK estimate that 4.5 million older people live in fuel poverty.)[iv]

And don't forget – the case of people with little equity, and future older people without housing wealth

However, the housing wealth held by many older people is dwarfed by greater underlying inequality in housing wealth; one-quarter of all housing wealth is held by people under 65 but in the top 20 per cent. A recent paper by the Pensions Policy Institute reported that 1.8 million, or 16 per cent, live in households with incomes below the poverty line (60 per cent of median income after housing costs).[v] By 2030, it is estimated that about half of all pensioners will have little or no housing wealth.[vi] And the distribution of that wealth is uneven; Savills research identified only one tenth of UK locations where downsizing from three to two bed properties would release more than £100,000, and the highest levels are in London and the SE.[vii]

One-quarter of older home owners have less than £125,000 in housing equity. Many more people are entering older age with debts. A recent report by the International Longevity Centre found that one-quarter of older people used unsecured credit and three in ten (1.1 million) were struggling to repay and were in 'problem debt'.[viii] In the longer term as fewer

people access home ownership, and more enter older age with mortgage and other debts, the availability of housing wealth to support health and care costs will be far less secure.

Whilst many older people are home owners and want to retain some assets, not all do. About one quarter of Hanover's tenants were previously home owners. Developing more retirement housing will need to address affordability across all tenure options, and perhaps increase the availability of more flexible approaches to 'switch' tenures to release further tranches of housing wealth, as needs change.

What do we know that people want?

People are now entering retirement housing much later than they previously did, in their late 70s/early 80s rather than early 60s. However, there is still a desire for community, and an eagerness not to be seen as old, losing status or being marginalised, which can be a perception of housing for older people. And it needs to be a housing choice not a care choice – a positive move to provide security and support their lifestyle.

Increasing the attractiveness of retirement housing for older people will mean being adaptable and able to address their expectations for their home. Historically there is a low level of understanding of what specialist housing for older people is, a problem increased by the range of models and names used. How can new models of retirement housing meet the aspirations as well as needs of older people now and in the future? Some common issues come up when older people are asked what they want from their housing[ix]:

- Location, location, location - well placed, well connected, age–friendly environment
- Good and attractive design – the HAPPI criteria
- Accessible – an enabling environment
- Affordable – rental, purchase and 'running costs'
- Good space standards – decent homes
- Safe and secure – preventing anxiety, isolation and loneliness
- Flexibility – services and tenure
- Enabling control and choice – respecting dignity
- Close to friends and family networks – to give and receive support
- Opportunities for peer support – community and social activity.

Well-connected has often been interpreted as linked to transport, shops and health facilities, but increasingly it also means the importance of leisure and cultural amenities that can sustain the lifestyles developed throughout lives – which do not stop at 65 or when moving into different housing.

As members of the SW Seniors Network explained; we 'will downsize and release equity if you give us something we can move into'.

What can retirement housing offer in meeting these expectations that a bungalow, or a smaller house or flat can't? Tackling social isolation

Recently it has been reported that the impact of social isolation as a risk factor for mortality is recognised as:

- Equal to smoking 15 cigarettes a day
- Equal to problem drinking
- More harmful than not exercising
- Twice as harmful as obesity.

A largescale longitudinal study looked at both social isolation and loneliness and concluded that social isolation in particular was significant in increased mortality risk and that addressing this would make an impact on mortality. Social isolation was identified by contact with friends and family and participation in civic organisations.[x]

Facilities that provide safe and easy access to engage with social activities, such as the classic communal and hobby rooms in retirement housing are a ready-to-hand resource for building social connections and reducing isolation. Opening up these facilities to the wider local community will have additional benefits for isolated people in the locality and support better quality of life outcomes, reducing mental and physical health impacts and demands on primary and other health services.

What about the warden?

Pressures on funding for social sector housing in particular have led to service remodelling and a reduction in the levels of on-site presence of scheme managers/wardens. This has had less impact in the private sector due to the different (self) funding arrangements. It has been an area of dissatisfaction for residents, as highlighted most recently by the Age UK report, *Making it work for us: a residents' inquiry into sheltered and retirement housing*.[xi] CIH's own work in sheltered scheme reviews regularly come across the issue of the warden and how services have retrenched.

Key issues for consideration in developing services include:

- Affordability of service charges and rents, and impacts on (financial) accessibility
- Influence and consultation – for this to be meaningful and enable real impact by residents
- Home for life – security, the benefit of a warden, maintaining a level of care and support and enabling increased and flexible services

In current schemes, design, services and the warden are all significant in satisfaction levels but the residents themselves are a critical factor, and the experience to date is that where retirement housing 'works best' is on schemes where there is a range across older ages and levels of needs. It reflects the importance of people who can be 'hands on' in developing activities, and in supporting neighbours, which also enhances their own wellbeing (giving and contributing to others and society). How can that balance be achieved and maintained? What intervention if any might be appropriate to support this?

What we have and what might be possible?

The current housing wealth of older people, and the impact of the 'baby boomers' themselves mean that there will be increased expectations of retirement housing – design, standards, services – that it should be aspiration, flexible and adapt to the requirements of the residents, not the provider or the commissioner in a local authority. We need to be consumer minded and driven in developing services.

We need to continue to develop services creatively, using retirement housing appropriately to help many more people to live well and actively, to be a base for more community and statutory services. Fit for purpose housing and services that support care in/closer to home. That also means developing effective but realistic relationships with health and care partners.[xii]

Hub and spoke

Retirement housing most often has some level of community facilities to support social activities on site, and increasingly in the social sector, those facilities are being opened up to the wider community, to engage with and participate in the social life of the scheme, to make use of health and other community services running in the scheme. It is also often a base for outreach of services into the surrounding community (e.g. domiciliary care or floating support).

Many housing providers are looking how at how they can actively utilise communal facilities in retirement housing and in estates, to provide a resource for developing additional health and wellbeing services. Riverside's Live Time works with its older resident population and, utilising it sheltered and community assets as local hubs, gathers people together around four targeted service areas:
- Getting the basics right (repairs and maintenance, aids and adaptations)
- Physical wellbeing (signposting services, diet, exercise)
- Social wellbeing (talking isolation)
- Connecting communities (intergenerational work).

Family Mosaic is piloting health and wellbeing interventions for tenants over 50 in Hackney. By establishing three groups of tenants, who will be receiving different levels of interventions whilst their health and wellbeing is tracked over time, the association is hoping to develop the services it offers to older residents, and demonstrate the value of its interventions and the savings it can deliver to health partners.[xiii]

These outreach/hub and spoke models are less frequently encountered in private sector provision, where the development costs can reduce capacity to include extensive communal facilities. Arguably, if some of the planning requirements on private development that impact on viability were addressed more flexibly, it could be with an expectation that facilities were used with greater involvement of the wider community in mind.

Service clusters

Could a hub and spoke approach be extended to utilising clusters of retirement schemes in a wider locality, with all adding to the facilities and opportunities there are in total for residents in the schemes and in the local communities?

What population and scheme density levels would be needed to make this work? What about ease of access across and transport between schemes? Would this be an option for more urban areas? How could a wide range of services be delivered in more rural areas?

Incorporating community resources

Many extra care housing schemes are developed with GP surgeries or other health facilities incorporated into the scheme. Marina Court in Tewkesbury, a Hanover extracare scheme, has a health and wellbeing centre with activities that attract in many younger people, as well.[xiv] Barton Mews in Staffordshire is a private extracare development incorporating a cottage hospital and GP surgery.[xv]

How appropriate would it be for new build retirement schemes to encompass additional resources such as health centres or local libraries, which could encourage people of all ages to use and become familiar with the scheme and interact as neighbours with residents? The nature of the resource may influence how negatively or positively the scheme was viewed; as a means for vibrant interaction or as a place for 'old people'. Could this also be a source of additional capital/revenue funding that might support more social interaction in schemes?

Loss of the funding system 'Supporting People' – can we replace it and capitalise on the opportunity to provide more social and community based rather than individualised services?

The rural challenge

How can retirement housing be delivered in rural areas, where the numbers needing or wanting specialist housing in each village may be low? The Debenham project[xvi] is a community initiated project which connects volunteers to statutory services in a shared aim to support carers for people with dementia. It does not have any residential base, but might retirement housing in a rural area provide facilities and a focus for similar co-produced services to support older people be possible?

Intergenerational services

Some retirement schemes are utilised for 'older young' people, those below but nearer to pensionable age, or who are disabled or with learning disabilities. In general housing, the current housing crisis and inability of younger households to access independent housing means potentially more extended families/intergenerational living. The success or otherwise of such generational mixes can depend on the extent to which people involved have choice and control over decision to do this. To what extent can and should the services for residents be extended to people across the age range in communities? Can this make services for

residents more viable? How can we balance the issue of scale and viability of services, with equity of access and the appropriate use of rents and service charges for wider services?
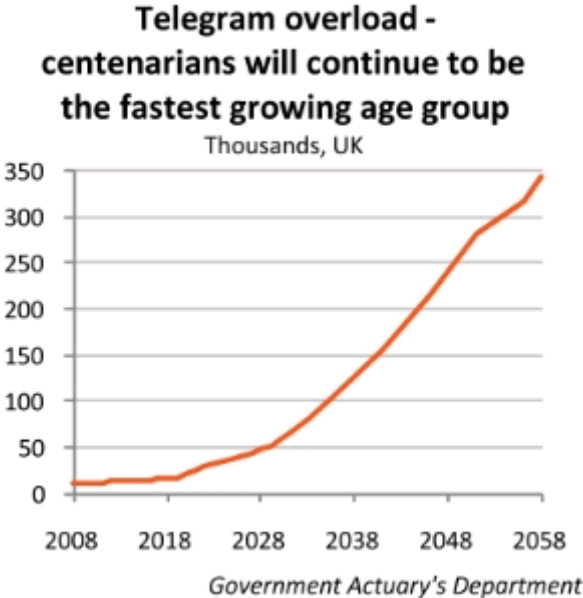
A home for life or a lifestyle?

Is retirement housing a home for life or for a lifestyle? As we all live longer, do we need to be more flexible ourselves about moving as our needs increase? Models exist that allow for moves within a larger scheme as people get increasingly frail – can this be part of the retirement housing offer or does that make it something different, albeit still part of a continuum of choice for us as we age? Are there lessons we can learn from private retirement housing choices about how we market 'easy living' housing for older people meets a lifestyle choice?

What's next?

This paper has captured the views from our experts round the table, and from subsequent discussion about the questions to consider if we are to develop attractive retirement housing offers for older people now and in the future. Some good models exist; how can we build on these and go further in the future, as well as future proofing the models for the changing circumstances of older people to come? What are the difficulties and constraints? Our second paper will look at these issues in more detail and explore what new retirement housing might look like. It will also identify what we need in the policy, planning and funding framework to make delivery of a new housing offer possible.

Appendix A: demographic and health impacts – influencing demand

We are getting older

**Telegram overload -
centenarians will continue to be
the fastest growing age group**

Thousands, UK

Government Actuary's Department

Currently there are 10 million people over 65, or 1 in 6 in the population; by 2050 there will be 19 million or 1 in 4. Whilst 3 million people are now over 80, by 2050, that will increase to 8 million. And the ratio of working people to those of pensionable age will reduce from 3.2:1 (2008) to 2.8:1 (2033).[xvii] The growth in households anticipated between 2008 and 2033 include 60 per cent headed by someone over 65, with significant growth in single person households.[xviii]

Most of us live well into older age, and predominantly in ordinary housing (90 per cent). The drive to increase home ownership and the original right to buy scheme has resulted in a high level of owner-occupation amongst older people, currently 76 per cent. 18 per cent live in social housing and 6 per cent in private rented housing. Specialist housing for older people accounts for less than 5 per cent of the market (729,818 homes), and it does not reflect current tenure and room/space patterns amongst housing that older people occupy, suggesting to date a mismatch between what people want and what is available, for example; whilst three-quarters of older householders own, only one-quarter of specialist housing provision is for sale.[xix]

The Select Committee on Public Services and Demographic Change, in its report, *Ready for Ageing*, concluded that 'Government and society are woefully unprepared' for our demographic change but identified the value of homes as 'a hub of care and support'.[xx] It called for government, housing associations and house builders to plan urgently to address the housing needs of older people across tenures, and to give it as much priority as housing for younger households.

In spite of health improvements, living longer means more demand for health and care services

1.5 million people report having a medical condition or disability requiring specially adapted homes. Over 40 per cent of people living in social housing are over 65 or have a disability. Living longer will significantly increase the incidence of dementia and other long term conditions. Currently those over 65 with dementia are using up to one-quarter of hospital beds at one time. Over 65s account for 37 per cent of primary care spend, 46 per cent of acute care and 12 per cent of the budget for community care. Developing housing solutions that help individuals and support more community based health services will make a significant contribution towards health costs. Lots of evidence exists to indicate the savings that adapted and accessible homes and support services can deliver for care and health in particular (see the evidence source in CIH/Housing LIN: developing your local housing offer: targeting outcomes). Yet the Elderly Accommodation Council has estimated that there is a shortfall of 240,000 specialist homes with care to address demand, including for people with dementia.[xxi]

Good housing can support better outcomes for people that meet preferences for remaining at home as long as possible, and can provide a more effective and lower cost solution for health and care. Fit for purpose housing (retirement housing, alongside adapted homes and extra care) can:
- Enable reduced dependency on high cost care (intensity and time) and enable informal/family care
- Provide intermediate/re-ablement care in flats within schemes
- Support end of life care and help to avoid emergency hospital admission
- Support independence and social connections through use of technology and equipment – from internet use to telecare and telehealth
- Be a lifestyle choice – enabling people to maintain their independence and social activities
- Develop social capital enabling greater community engagement, volunteering, contributing positively to local people within and without the scheme.

Appendix B: Policy round table

With thanks to the delegates of CIH/ Housing LIN roundtable May 2013
- Paul Watson, Guinness Care and Support
- Tracey Montgomery, Leicestershire County Council
- Charlotte Carpenter, Home Group
- John Galvin, EAC
- Julia Thrift, TCPA
- David Springthorpe, Anchor
- Darren Summers, Family Mosaic
- Ed Barnes and Gillian Connor, Hanover housing Association
- Greg Lewis, Age UK

About CIH
The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals with the advice, support and knowledge they need to be brilliant.

CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds activities we carry out to support the housing sector. We have a diverse and growing membership of over 22,000 people who work in both the public and private sectors, in 20 countries on five continents across the world. www.cih.org

About the Housing LIN
Previously responsible for managing the Department of Health's Extra Care Housing Fund, the Housing Learning and Improvement Network is the leading 'learning lab' for a growing network of housing, health and social care professionals in England involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable adults with long term conditions. www.housinglin.org.uk

Sarah Davis
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[i] See CIH's ongoing programme of work looking at the True Cost of Housing.
[ii] The Smith Institute(2012) Making the most of equity release
[iii] Government update on care costs
[iv] See Age UK, The cost of cold homes.
[v] Pension Policy Institute (2011) The implications of government policy on future levels of pensioner poverty
[vi] Presentation at Age UK event: Housing Inequalities and older people June 2013, to be published.
[vii] Savills (2013) Making use of housing wealth
[viii] ILC summary
[ix] E.g. SW Seniors Network (2013), Meeting the challenge: choice and range of housing for older people
[x] Steptoe et al (2012) Social isolation, loneliness and all-cause mortality in older men and women
[xi] Age UK, (2012) Making it work for us: a residents' inquiry into sheltered and retirement housing,
[xii] Not the main focus of this paper but see CIH / Housing LIN websites for more information
[xiii] Family Mosaic (2012) A picture of health: how housing and health can work together.
[xiv] See Housing LIN case study
[xv] See Housing LIN case study
[xvi] See Housing LIN, At a Glance: Debenham Project
[xvii] Parliament site: the ageing population
[xviii] HAA policy paper, Economic implications of housing in an ageing society, 2013.
[xix] JRF (2012) Older people's housing: choice, quality of life and under-occupation
[xx] House of Lords, (2013) Ready for Ageing
[xxi] See EAC website