



Briefing 16/30 July 2016

HAPPI 3 ‘Housing our Ageing Population: Positive Ideas’ – All Party Parliamentary Group on Housing and Care for Older People Report

To: All Chief Executives, Main Contacts and APSE Contacts in England and Wales

For information only to Scotland and Northern Ireland

Key Issues:

The purpose of this briefing is to advise our members of the release and findings relevant to local authorities of the HAPPI 3 ‘Housing our Ageing Population: Positive Ideas’ report by the All Party Parliamentary Group on Housing and Care for Older People.

Link to the report:

<http://www.housinglin.org.uk/HAPPI>

1.0 Introduction

The ‘Housing our Ageing Population: Positive Ideas’ report was released in June 2016. The report focuses on making positive arguments for moving beyond exclusively concentrating support on young, first-time buyers. Suggested benefits to this approach include:

- Better health and well-being for older people being in new homes
- Financial savings for the NHS and social care
- Creating new opportunities in housing for “second steppers” and subsequently for first-time buyers, by freeing up family homes for the next generation

The report heavily focuses on the subtle and hidden reasons why older people may or may not wish to down-size, or as the report calls it, “right-size”.

2.0 Recommendations for Local Government

The report contains several recommendations for local authorities which have been reproduced in the table below:

1	Councils need to ensure their Local Plan gives the necessary priority to older people’s housing needs – not least as a core component of any new settlements and that new developments of retirement housing embrace HAPPI design principles.
2	Exemption of retirement housing from the requirement to build Starter Homes – or to pay a commuted sum in lieu – would provide the opportunity to prioritise this age group.
3	Health and Wellbeing Boards are ideally placed to promote age-exclusive housing and technology enhanced care services that combat loneliness, prevent the need for residential care and reduce requirements for domiciliary care.
4	Council / ALMO house-building and Council support for housing association development for older tenants can free up affordable, under-occupied family homes – for example, with bungalows on infill sites within estates – achieving solutions for both younger and older households.

3.0 Why change is necessary (according to the report)

House building for older people has fallen sharply since the 1980s, with only 8,000 produced annually compared to the 30,000 per annum that were produced previously. Despite this drop in production, there is a significant number of individuals interested in down-sizing (approximately 1 million over 60 across 7 million homes, with many currently occupying family homes), which could lead to a significant section of the property market becoming available to those who need it.

At present, over 60s in the UK also contrast sharply with other countries where tailor-made retirement properties are more widely occupied. According to the report, only 1% of those in the UK live in these types of properties compared to 17% in the US, 13% in Australia and New Zealand.

The report identified many of the issues preventing individuals from “right-sizing” which could be addressed by policy changes including:

- Concerns about service charges or hidden extra fees
- Cost and hassle of moving
- The management arrangements or terms of leases
- The loss of control over decisions affective the home
- Future care needs

The report also calls for an increased understanding of the reasons that older people might not wish to move, and to find ways to address this, such as:

- Addressing the need for homes for older people in the right 'local' locations, to allow older people to 'age in place' without removing their local community support network (the Strategic Society found 85% of older people plan to remain in their neighbourhood for a number of years)
- The need for more autonomy, choice and control in the way older people can manage their homes and the lives they want to lead in retirement. A report by the Government Office for Science recently reported that maintaining a good quality of life and adaptability to individual care needs should be the defining elements of a good home

4.0 Disincentives in the planning system

The report highlights several ways in which the current state of the planning system and Government policy is deterring the development of appropriate housing for older people.

These include:

- Retirement housing falls into the same planning class as general use housing – meaning developers face the same Section 106 charges to fund affordable housing as developers of general housing
- Retirement housing developers have to pay the same per-square metre rate as developers of general housing, despite the fact that retirement housing tends to have common amenities or communal spaces on site that cannot be sold (thus, it does not make financial sense for housebuilders to build large, accessible homes with communal space compared to building more homes with a smaller floor plan)

5.0 Attitudes towards “right-sizing”

Many older people are open to the idea of downsizing with the most important reasons referenced from the ['Generation Stuck' publication](#) by the International Longevity Centre UK being:

- The idea of lower maintenance (56%)
- Reducing the cost of bills (42%)
- Releasing equity (23.2%) with 29.3% expecting to release (or having released) £100,000 by downsizing

Within the Housing our Ageing Population: Positive Ideas' report, the issue of retirement housing not being located where older people wish to live (e.g. locally), with Elderly Accommodation Council FirstStop reporting that many quickly abandon their plans to move when they realise there isn't suitable housing available in their local area, or that the

cost of the move itself is a prohibitive factor (the report recommends a Stamp Duty exemption for those above pension age to alleviate the costs).

However, 52.1% (of those aged 75 and over) and 44.0% of all respondents over 55 said they expect never to downsize, with the most important reasons being that:

- they can still manage the necessary housework, maintenance and/or bills (49.2%)
- they do not see any benefit, financial or otherwise (43.5%)

The report thusly recommends that “more energy and/or incentives may therefore be needed to raise awareness of the benefits of downsizing in later life and encourage older households to think about their future need such as care, rather than waiting until a shock event that stimulates a change in their housing situation.”

The chart below shows one of the potential benefits with a comparison of the typical energy cost savings associated with downsizing:

Approx. cost comparison pa for typical energy costs between a three bed semi-detached house and a two bed extra care apartment		
	Three Bed Semi	Extra care apartment
Lighting	£130	£50
Heating	£600	£180
Hot Water	£200	£100
Total	£930	£330

6.0 Health and well-being benefits

One of the main positive reasons for downsizing identified in the report is tackling the feelings of isolation and loneliness, which many older people suffer from as a result of living alone. Residents of the ExtraCare Charitable Trust reported that moving to supported accommodation both reversed existing feelings of loneliness and isolation, and through increased community activities built their resilience to these types of feelings they may have experienced in former homes. For further information, the Local Government Association published a guide for local authorities entitled Combating Loneliness, which is accessible online here: <http://www.local.gov.uk/>

The use of telecare has been well established in the UK (with around 1.7 million users), with one example in Birmingham leading to first year savings of £900,000 to the local health and social care economy through reductions in unneeded admissions to hospital, GP visits as well as reduced admissions into residential care and delayed discharges (as well as all of the reassurance of an appropriate telecare response package). From this example, it is clear that there are benefits for all sections of society from removing the barriers for older people to “right-size”, especially in terms of access to healthcare as the

median waiting time in NHS England from referral to treatment reaches 6.4 weeks in March 2016 (compared to a result of approximately 5.5 weeks for the previous 7 years).

7.0 APSE Comment

One of the highlighted comments in the report by Baroness Valerie Howarth - “We need as much attention paid to the last-time buyer as the first-time buyer” – is a fair one, not necessarily ignoring the plight of younger buyers obtaining their own homes, but emphasising that a solution is also needed to the impending challenges facing local authorities by our rapidly ageing population, with [a recent UK Parliament publication](#) suggesting that between 2015 and 2020, the numbers of people aged over 65 are expected to increase by 12%, numbers aged over 85 by 18%, and those over 100 years old by 40%.

The [National Planning Policy Framework \(NPPF\)](#) highlights that local planning authorities should “plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community” (which includes older people), although the findings of the recent [APSE ‘Homes For All’ publication](#) showed that only 20% of respondents believed the NPPF helped their local authority’s ability to plan for the needs of older people and 37% said it had hindered their plans. One of our recommendations from our publication is “to ensure Councils can meet the needs of older people the Government should include a new policy priority in the NPPF which ensures social justice and outcomes for people are just as important as the needs of land-owners and developers”. Thus, many of the findings in the ‘Housing our Ageing Population – Positive Ideas’ support our own ideas of making a positive case for down-sizing and embracing the benefits that this could offer all sections of the population (from increased local provision of affordable and/or family-sized homes, to potentially reduced waiting times for NHS services, to likely offering older people a better quality of life, etc).

Garry Lee
Research and Coordination Officer