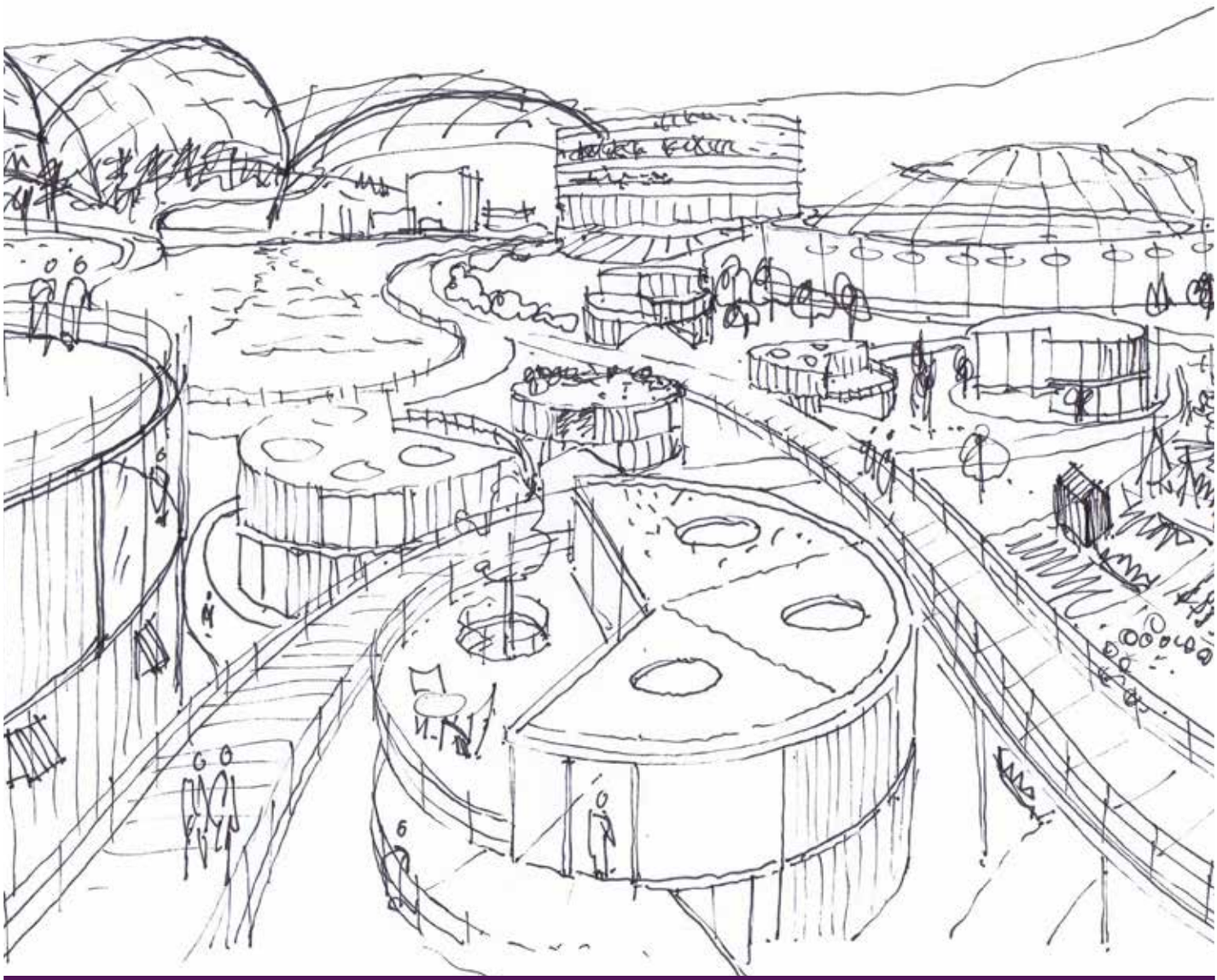
anchor

# **Silver Chic:** The future of retirement housing and care



**Happy living** for the years ahead

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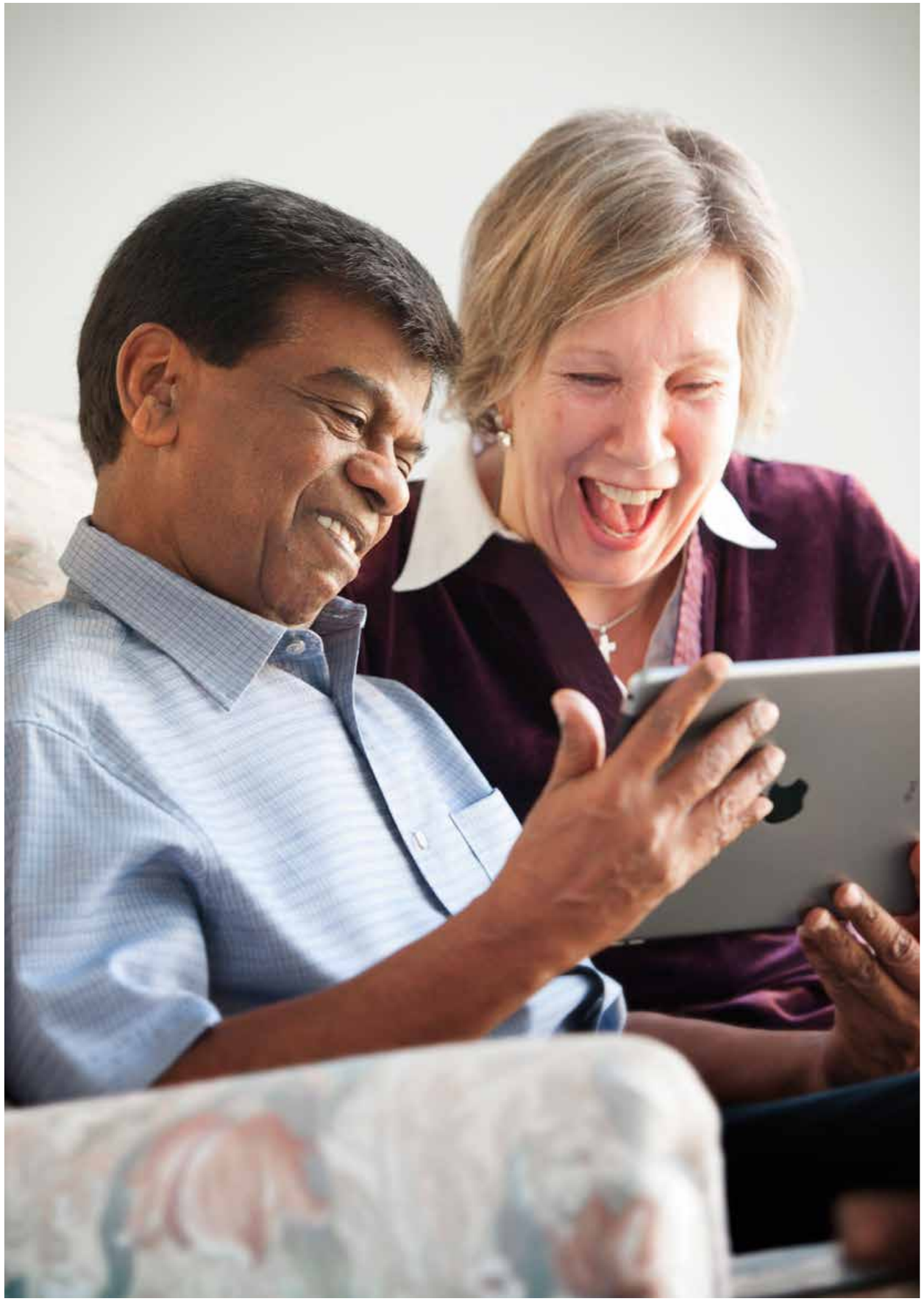



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# Foreword

In as little as twenty years' time, retirement will be very different. Many will live healthier lives for longer. More will need to manage multiple long-term conditions including, unless a cure is found, dementia. Public funding for care services has already been hit and those pressures will intensify. At the same time, a generation of baby boomers will reach retirement with higher expectations about the type of housing and care services they want. Many, though by no means all, will have amassed significant housing assets.

Technological progress means there will be a new range of services not possible today, although technology must augment rather than replace relationships.

We will need new, innovative forms of retirement housing and care services to respond to these trends. Good-quality retirement housing - with additional care and support available flexibly when needed - has huge potential to help people live healthier and longer lives. But despite evidence of significant underlying demand among the generation about to retire, there is too little appealing retirement housing on the market.

Design has an important role to play. Innovative design can promote more active living, give people more choice and control over how they live, and facilitate the development of vibrant communities.

Just as important will be how new designs interact with the care services of the future. Retirement housing needs to be designed in a way that enables residents to draw on additional care and support services as and when needed, rather than waiting until a point of crisis.

We are already seeing some exciting innovations. For example, Anchor retirement villages offer extra-care and assisted living to support residents to live independently for longer. The response to these services has been overwhelmingly positive and local demand is extremely strong. But there remain significant barriers to developing at scale.

Government has an important role to play in ensuring there is a flourishing retirement housing market, given its social benefits and the wider impact it could have. This report therefore also recommends that government convene a national taskforce on retirement housing, abolish stamp duty for older people who downsize, and reform local planning to encourage more developments.

Such changes could support forward-thinking providers to expand access to innovative retirement housing across the country and the income spectrum – and ensure happy living for the years ahead.

**Jane Ashcroft CBE**
Chief Executive, Anchor



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# 1. Introduction

Good retirement housing can play an important role in increasing the quality of older people's lives. It improves health and wellbeing, for example by delaying the need to move from independent living into residential care and reducing hospital admissions. Because retirement properties are often smaller and better-insulated, they are often cheaper to heat.

As well as its direct contributions to older people's health and financial wellbeing, retirement housing has a number of wider benefits. These include the savings it could potentially generate for the NHS and care systems, under ever-increasing pressure from an ageing society. By enabling older people to move out of family homes, it releases them for younger homeowners, easing pressures on the housing market.

Despite these benefits, there has been insufficient leadership from government on expanding the woefully inadequate supply of retirement housing in Britain. As the think tank Demos has noted, retirement housing occupies an undefined space between the broader housing market and residential care, which means that, for too long, issues in the market that create undersupply have gone unaddressed[1].

Anchor, as a leading not-for-profit provider of retirement housing and residential care, is committed to understanding how older people's preferences and needs are likely to change in the decades to come, and what that will mean for the retirement housing and residential care markets.

This report sets out the findings of Anchor research, looking at the retirement housing and residential care solutions of the future. It draws on focus groups with 55-65 year olds, which explored their needs and preferences for retirement housing, and a workshop that brought together around thirty policy experts, architects, designers and housing experts. Both considered how retirement housing and residential care will need to evolve in the next twenty to thirty years, taking into account demographic change, changing preferences and expectations and technological advance.

The report sets out our conclusions about how providers of retirement housing and residential care will need to respond to these trends, and what the future of retirement housing and residential care might look like. But this is an agenda that also requires greater leadership from government if the full potential of retirement housing is to be realised, particularly in relation to tax policy and planning. We have therefore also set out some key recommendations for central and local government, echoing the calls that have been made by others in recent months.

1 Wood C (2013) The Top of the Ladder London: Demos.





# 2. The current market for retirement housing and residential care

## The benefits of retirement housing

The benefits of good quality retirement housing have been well-documented in recent years. Retirement housing can help promote independent living in vibrant communities for longer, improving older people's health and wellbeing[2]. If designed and situated right, it can foster strong communities within retirement housing developments, but also help older people living in these communities to remain connected to friends, family and the broader communities in which they live.

By being structured so as to flexibly provide additional care and support as and when needed, retirement housing can help delay people's moves into residential care and reduce hospital admissions. Such retirement communities, which include the "extra-care" model, have expanded in local authority-funded markets and to a much lesser extent for self-funders. However, they remain a small part of what is - as set out above - already a relatively small market.

Anchor's Bishopstoke Park, in Hampshire, is a state-of-the-art retirement village offering independence, security, like-minded neighbours and a vibrant community all in one place. A mix of leasehold apartments and care home beds, the village is set within 32 acres of grounds.

There are walkways, seating areas and raised areas throughout the development with full wheelchair access. The gardens have dedicated barbeque and picnic areas, and space has been set aside for individual allotments as well as communal greenhouses and a kitchen garden.

Bishopstoke Park - The Mount building and wellness centre

Sheltered dedicated mobility scooter parks and charge points are provided throughout the village, and communal golf buggies are provided for residents with limited mobility. Residents and staff can also use bicycles or 'Doris Bikes' to travel within the village. Amenities in the village centre include a bistro, deli, café, hair and beauty salon, village store, library, gym, swimming pool and spa.

2 All Party Parliamentary Group on Housing and Care for Older People (2013) The Affordability of Retirement Housing



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A lack of properties that can be flexibly adapted to people's evolving care needs means too many older people end up moving into residential care as a result of preventable crises - because there simply isn't accommodation available that enables their lower level care and support needs to be met. Some studies have estimated that almost a third of residential care placements could be avoided if alternative housing choices were available locally[3].

> "Almost a third (29%) of all households aged over 55 are looking to downsize; this increases to almost two thirds (63%) of those living in houses with more than two bedrooms."

Contrary to people's perceptions, which are that the running costs associated with retirement housing are higher[4], moving to retirement housing can also contribute to older people's financial wellbeing. Often it will be cheaper to run, for example smaller and more energy efficient housing can significantly reduce the costs of heating a home.

Retirement housing also brings benefits beyond older people's health and wellbeing. By improving health outcomes, delaying moves into residential care and reducing hospital admissions, a bigger retirement housing market could create significant savings for the health and care systems, which are under substantial and growing financial pressures due to tight fiscal settlements, advances in medical technology and an ageing population.

Research has also suggested that if all of those interested in buying retirement property were able to do so, this could make available nearly two million three-bedroom homes. This is a figure that dwarfs current government housebuilding targets, and could significantly ease pressures across the rest of the housing market[5].

While the primary reason for promoting retirement housing is because of the benefits it brings to older people, these wider societal benefits mean retirement housing is a legitimate target for government subsidy, particularly given the evidence that the market is not by itself supplying sufficient retirement properties.

## The retirement housing market: a mismatch between demand and supply

The latent nature of the demand for retirement housing helps to create a mismatch between potential demand and supply. While there is evidence of some significant underlying demand for retirement housing from people at and approaching retirement, this demand does not create market pressures in the way it would in most markets. This is because people tend to be more than happy to put off the decision to move from their existing properties into retirement housing, until they reach a crisis.

Research undertaken by the Centre for Economics and Business Research has found that almost a third (29%) of all households aged over 55 are looking to downsize, and that this increases to almost two thirds (63%) of those living in houses with more than two bedrooms[6]. Similarly, research by the think tank Demos has found a quarter of those aged over 60 say they would be interested in buying a retirement property, and that more than half of those aged over 60 are interested in moving. Unsurprisingly, people are much more positive about the prospect of living in retirement housing than in residential care. Despite evidence from Your Care

3 All Party Parliamentary Group on Housing and Care for Older People (2013) The Affordability of Retirement Housing

4 Age UK (2011), Making it Work for Us: A residents' enquiry into sheltered and retirement housing

5 Wood C (2013) The Top of the Ladder London: Demos.

6 Legal and General (2015) Last-Time Buyers





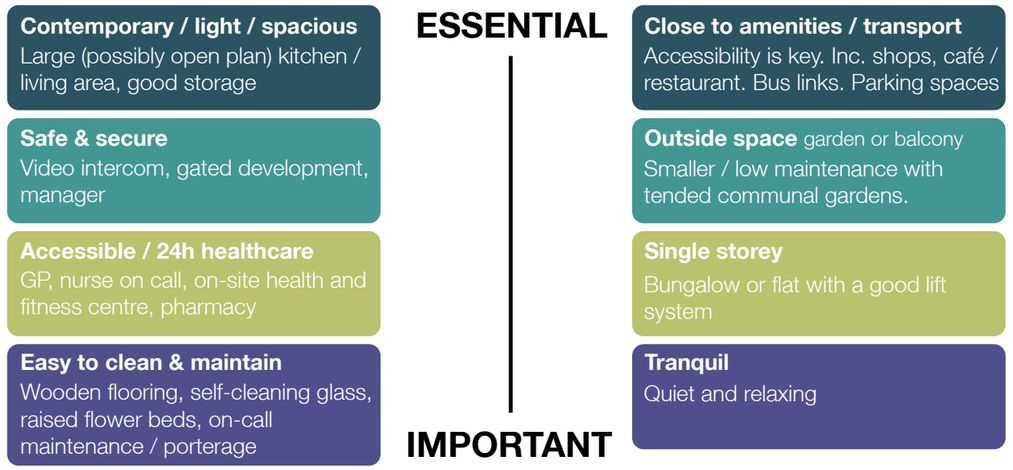
Rating that care home residents are overwhelmingly positive about the service they receive, a 2011 survey for the National Housing Federation found that fewer than one in five of those aged 60-65 had a positive view of living in a care home. However 65% liked the idea of living in a self-contained home with support or care available if required[7].

But while a significant minority of older households say they want to downsize, most leave it too late, in part due to a reluctance to think about their needs in a few years' time. The CEBR research found that while almost a third of older homeowners had considered downsizing in the last five years, only 7% actually did. The most common reasons for not going through with a move were a lack of suitable properties (25%), suitable properties being too expensive (21%) and the cost of stamp duty putting people off (21%). Across all homeowners, almost a third would be more likely to move if stamp duty rates were changed.

Other research has found that additional factors that put people off retirement housing include confusion about what is actually on offer, and misperceptions that the ongoing costs of heating and maintaining retirement properties can be higher, when they may often be cheaper to run than people's existing homes[8].

The focus groups Anchor ran as part of this research corroborated previous findings about what people approaching retirement say they want from retirement properties. Our participants stressed the importance of retirement housing that enables people to live independently and as they do now for as long as possible, with a high degree of choice and control.

## Key findings from the focus group research




7 National Housing Federation (2011) Breaking the Mould

8 Age UK (2011), Making it Work for Us: A residents' enquiry into sheltered and retirement housing



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In addition, there were four important themes that emerged:

1. **Comfort.** People emphasised the importance of contemporary, light and open spaces, for example open-plan living and kitchen spaces. They wanted plenty of storage, outside space, and single-storey properties, with spare bedrooms for visitors. They also stressed the importance of properties that are easy to maintain and clean, for example with self-cleaning windows and on-call maintenance.

2. **Connectivity.** Participants in the focus groups stressed the importance of connectivity, for example with 24-hour GP and health services. They wanted to be able to access amenities like shops, restaurants and cafes, as well as having these on-site – and make the most of modern technology, including good WiFi/broadband links.

3. **Community.** Participants stressed the need for communal space, both indoors and outdoors. They wanted to see social and entertainment activities that support a wide range of interests. Unsurprisingly, people expressed different preferences about locations in urban or rural spaces, but most participants agreed on the need for a calm and tranquil environment.

4. **Financial and physical security.** Participants strongly emphasised the need for physical security, for example through having gated developments, wardens and video intercoms. They also stressed the importance of affordability, particularly of ongoing fees, and recognised there may be a trade-off between affordability and elements of their 'ideal' retirement home. People also referred to the potential for green technology to save money on energy costs, for example through the innovative use of solar panels and high-quality insulation. They thought retirement housing should be available in a range of tenures to suit people with different needs.

These findings are very much consistent with other research with people approaching retirement on what they want from retirement housing. For example, the survey by CEBR found that the key factors for over 55s in choosing a new home were proximity to family and friends (32%), finding somewhere in the same area as their current home (18%), and easy access to healthcare (16%) and shops (10%). The





Housing Our Ageing Population: Panel for Innovation, as well as the Commission on Residential Care made similar observations and both have urged radical change.

> "Retirement property makes up only 2% of the UK's housing stock, and only 1% of those in their 60s live in retirement housing compared to 17% of those in their 60s in the US[9]."

However, there remains very limited supply of retirement housing of the type people say they want. Retirement property makes up only 2% of the UK's housing stock, and only 1% of those in their 60s live in retirement housing compared to 17% of those in their 60s in the US[9]. Much of the limited stock that exists is in the social rented sector: out of the 500,000 or so retirement housing units that exist, only around 105,000 of them are available for sale, but many older people who are homeowners do not want to move into rented accommodation after they retire.

There is a particular lack of supply of retirement housing in the 'mid-market' for people with modest levels of equity. Much of the existing stock is either accounted for by sheltered housing in the social housing sector, or by higher-end properties targeted at very affluent older people with significant amounts of equity[10].

## The residential care market: decisions often made at a point of crisis

The dynamics of the residential care market are in many ways even more skewed than the market for retirement housing. Demand in this market is generated as a result of people's developing care needs rather than active choices. Very few people make a decision to move into a residential care setting, rather, it is something people feel forced to do as a result of escalating needs and/or a lack of other options. Decisions about which residential care setting to move into are often made at a point of crisis, for example after a health episode such as a fall or a stroke, when there are usually fewer options about where to go, with decisions being frequently dictated by availability.

Providing high-quality care is labour intensive and therefore costly, but public funding is low and falling. This is leading to fragmentation, relatives increasingly "topping-up" the rate paid by local authorities and in some cases care services that are underfunded and that rely on low-paid, low-skill workforces with significant retention issues.

Strong behavioural influences make people reluctant to plan ahead for their future care needs or to even think ahead about what type of setting they may want to live in, which makes it very difficult for the market to be responsive to what people might want.

Improving the supply of retirement housing, and turning underlying demand for retirement housing into real demand that people act upon, could have a significant knock-on impact on the quality of residential care. Retirement developments need to be designed so they are attractive to people at the point they might think about moving into them, rather than in terms of what their needs might be in ten years' time: we know people's future needs are unlikely to be the primary driver in their decision making. But they should be designed with the flexibility to cater for people's increasing care needs, ensuring people can be supported to live independently for as long as possible, and with care available on-site for those whose needs have escalated. The evidence from the relatively few retirement communities which are already delivering this service is that more intensive residential care needs can be managed rather than addressed at a point of crisis, where people are forced to opt for residential care in the absence of other alternatives.

9 Wood C (2013) The Top of the Ladder London: Demos, Legal and General (2015) Last-Time Buyers

10 All Party Parliamentary Group on Housing and Care for Older People (2013) The Affordability of Retirement Housing



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# 3. The future trends that will affect retirement housing and residential care over the next 20-30 years

## The benefits of retirement housing

There are a number of social and policy trends that will impact on the markets for retirement housing and residential care over the next few decades. There are some significant opportunities, including a growing number of older people, many of whom will live longer and healthier lives, the significant equity that the baby boomer generation hold in the form of their housing wealth, and the potential impact that technological advances will have on the design and delivery of retirement housing and care services. But there are also some big challenges, such as, rapidly-shrinking local government budgets for care services, recruitment and retention issues in the care workforce that look set to get worse as the need for care services gets greater, and the significant obstacles thrown up by the planning system which will persist if the system remains unreformed.

> “Currently one in 14 (around 850,000) of the population aged 65 or over has dementia: this is projected to increase by over 150% to over 2 million over the next four decades[12].”

## Demographic and health trends

By 2037, one in four of us will be over the age of 65, compared to one in six at present. Increasing longevity means that around a third of babies born in 2012 are expected to live to celebrate their hundredth birthday, and the number of centenarians is forecast to increase by more than tenfold between 2010 and 2014, to reach 160,000[11].

Increasing longevity and an ageing population means people will need to work longer, with the state pension age rising to 68 between 2026 and 2028, and being linked to rising life expectancy after that.

While many of us will live healthy lives for longer, we will also see an increasing incidence of health conditions like dementia. Currently one in 14 (around 850,000) of the population aged 65 or over has dementia; this is projected to increase by more than 150% to over 2 million over the next four decades[12].

Over a third of older people aged over 65 currently live alone; 70% of these are women, and projections suggest this number is set to increase in the decades to come[13].

11 ILC-UK (2013) Ageing, Longevity and Demographic Change

12 http://www.alzheimers.org.uk/site/scripts/documents_info.php?documentID=412

13 Age UK (2015), Later Life in the United Kingdom http://www.ageuk.org.uk/Documents/EN-GB/Factsheets/Later_Life_UK_factsheet.pdf?dtrk=true





## The housing market

House prices have risen dramatically in recent decades: the average cost of a house in the UK was in 2011 over 43 times what it was in 1971[14]. If the price of food had risen at the same rate, this would mean a four-pint carton of milk would cost £10.45, and a chicken, £51.18.

This means that the generation of baby boomers at and approaching retirement own between them a substantial amount of housing wealth. One estimate is that the over 60s between them own £1.28 trillion of housing wealth, of which £1.21 trillion is unmortgaged[15]. In most regions, 50-60% of owner occupiers could afford to buy a retirement property if they wished to do so, but there are regional differences: in the north, where property values tend to be lower, a lower proportion of people would be able to afford to buy specialist retirement property[16].

> “One estimate is that the over 60s between them own £1.28 trillion of housing wealth, of which £1.21 trillion is unmortgaged[15].”

This equity means that some baby boomers will have the means not just to pay for retirement housing, but also for higher-end care service towards the end of life. They are likely to have higher expectations of retirement housing and care services than the existing generation of people aged over 70. Given the high house prices their grandchildren will face, some older people may wish to release some equity from their property to support them to get on the housing ladder, which may provide a further impetus to downsize.

## Technological advance

Back in 1965, Gordon Moore, the founder of Intel, predicted with remarkable foresight that computer processing power would accelerate exponentially, doubling every year. This exponential rate of technological progress means we will see more change in the technologies that are available to us in the next year than we have ever before. This is illustrated by the rapid development of technologies like driverless cars; just ten years ago, the idea of a driverless car was a futuristic proposition, but today, we have computers that safely drive cars and the prospect of this becoming a marketable technology is on the immediate horizon. Advances in robotic and assistive technology, ambient monitoring, telecare and telemedicine, augmented reality and green technology will have a huge impact on the way in which retirement housing and residential care are designed and delivered.

## The care workforce

Recruitment and retention has long been an issue in the older care sector. A chronic lack of public and private funding has meant that the sector as a whole relies on a low-paid, low-skill workforce. The turnover rate for adult social care stands at around 20%, compared to a national turnover rate of around 15% across all sectors in the economy. The vacancy rate in social care is 3-4% compared to a vacancy rate of around 2% across the whole economy[17].

A growing need for care services as the population ages means that in the decades to come, we will need to find ways of recruiting more workers into care. Currently, there are around 1.6m people who work in the care sector (around 1 in 20 of the total workforce), and it has been predicted that by 2025 we will need between 2.1m and 3.1m carers.

14 Shelter (2013) Food for Thought: Applying house price inflation to grocery prices

15 Wood C (2013) The Top of the Ladder London: Demos

16 All Parliamentary Group on Retirement Housing (2013) The Affordability of Retirement Housing

17 Skills for Care (2014) Adult Social Care Workforce Recruitment and Retention Strategy 2014-17 London: Skills for Care.



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## The health and care policy context

Perhaps the most immediate issue facing health and care is the significant decline in public funding for care services that we will see as a result of cuts to local government spending. The Local Government Association has estimated local government grants have fallen by around 40% since 2010, and there will be deep cuts to come over the course of the next parliament. This means that a care sector already struggling with low levels of public funding will face even more severe constraints over the next ten to twenty years.

Greater integration between health and care services has long been a feature of the policy debate in light of the better outcomes and long-term savings it can achieve. We should expect to see more older people receiving healthcare in their own homes and residential care settings.

## The planning system

Far from encouraging the development of retirement housing, the planning system throws up several disincentives. Retirement housing falls into the same planning class as general use housing, despite the wider social benefits it brings. This means that retirement housing developers face the same Section 106 charges to fund affordable housing that developers of general housing do. In addition, retirement housing developers have to pay the same per-square metre rate of Community Infrastructure Levy (CIL) as developers of general use housing, despite the fact that retirement housing tends to have common amenities or communal spaces on site that cannot be sold. Both of these have acted to stifle the supply of affordable housing. Without reforms to the planning system, these disincentives will continue to hold back the retirement housing market in future years.

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# 4. How might retirement housing and residential care evolve in the future?

In the context of the trends outlined above, what might the retirement housing and residential care of the future look like? This was the subject of an expert workshop held by Anchor in June 2015. The workshop brought together policy experts, people from the housing sector, architects and designers. We used the findings from the focus groups to inform the workshop, structuring discussions around the themes of community, comfort, connectivity and financial and physical security.

There were some strong, cross-cutting themes that emerged from the workshop. First, if the full potential of retirement housing is to be realised, providers must exploit rapid developments in technology and design to make retirement housing a place where people actively aspire to live at the time they are thinking about moving, but also to make it a living space that can be adapted to people's needs as they age.

A second theme that emerged was that designing retirement housing should be seen by developers as an exercise in place-making, rather than product development. It was felt that in today's market, there is still too much emphasis on selling individual housing units rather than the kind of lifestyle a well-designed retirement housing development can offer.

Thirdly, echoing a theme that has been consistently stressed in previous research on retirement housing and residential care, there was a strong focus on the workshop discussion about the importance of choice and control. In the past, retirement housing has been built as a one-size-fits-all solution, with limited opportunities for personalisation and choice. This is starting to change and innovations in technology and design should increasingly mean people are able to experience similar levels of choice and personalisation in relation to retirement housing, as they do in other areas of their lives.

## Community: location and use

For too long, much sheltered and retirement housing has been predicated on the idea that older people will be happy to move away from the communities in which they've lived all their lives. This is particularly true for older people living in urban areas, where there is a very limited supply of retirement housing. Too often, old-fashioned sheltered housing and retirement housing developments seem to be built on the assumption older people should move to find the right sort of retirement housing, rather than it being built near their existing doorsteps.

The focus groups we ran as part of this project – and previous research with older people – have consistently highlighted how most older people do not want to move to retirement villages away from cities and towns. While they value peace and tranquillity, most want to be living in vibrant communities. And many older people quite understandably want to live somewhere where they can maintain contact with friends and families and the social networks they've already established during their working lives, for example through churches or sporting activities. We will therefore need to see much more retirement housing built in urban and suburban areas, with easy access to local amenities such as cafés, bars and restaurants. But this may mean being more realistic about space constraints: it would be difficult to reconcile the need for affordability with the desire for single-storey properties in some urban locations in London and the South East, for example. This means we may need to build high-rise, but accessible, retirement housing that is still attractive to potential residents.

It was recognised that community is a concept which means different things to different people, and that there will need to be a range of development types to meet varying personal preferences. Some older people may prefer to live in age-exclusive housing developments, that focus solely on the provision of housing for the older generation, but may be mixed-use - for example, through the provision of facilities for the use of the whole community, such as nurseries, schools, playgrounds, swimming pools or shops and supermarkets. In Germany, it is much more common to house services for different generations (such as older people and childcare) on the same site, to encourage mixing between generations[18]. Many people will also be living healthier lives for longer, and in retirement will have the skills and time to potentially make a huge social contribution; mixed-use developments could help to facilitate an intergenerational exchange of skills and time, even where older people may have some mobility issues.

Others may prefer to live in mixed-age developments, which house people of different generations together. To facilitate this, could developers building new housing developments in city centres be incentivised to integrate retirement housing units, or perhaps even required to do so under similar provisions that exist for affordable housing?

Building developments that can cater flexibly for people with different levels of need, from independent living to high care needs, is possible now in extra-care settings and will become easier given the innovations in technology and design we are likely to see in the years to come. This will allow couples with different levels of need to stay living together, and will keep people connected to the same communities as their care needs increase, rather than having to move from one community to another.

The physical design of the living space in retirement developments and residential care homes should combat isolation and loneliness, and help build a sense of community. For example, businesses have made significant investments into modern office design to promote the meeting and mingling of people and to facilitate conversation, innovation and cross-team working[19]. These principles need to be applied to retirement housing in the design of communal space. Communal space should not be sectioned off and controlled by management agents or wardens, but rather be open plan, facilitating the meeting of residents without them feeling like they are imposing or intruding on others, and in the hands of residents as to the way it is used. Developments also need to design in communal outdoor space that encourages people to meet and spend time outside, a feature that has been much more prominent in housing developments for all ages in continental Europe.

18 http://www.ippr.org/news-and-media/press-releases/more-people-needing-social-care-than-family-carers-available-from-2017

19 https://hbr.org/2014/10/workspaces-that-move-people





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The ideas presented in these designs are attainable goals. It is important for us to not merely spark conversation and debate, but to show that these concepts could be actioned in the not-too-distant future. When looking at visions of the future, it is easy to get carried away with high-concept ideas and images of utopia. However, what matters 50 years from now holds the same resonance as what is important today. As well as offering retirees comfort, privacy, and control, we are also offering adaptable living, community, and choice.

The concept behind the exterior design originates from a pie chart. Buyers have a circular plot of land, and can choose how much internal/external space they would like. A ring of land around this plot can also be customised. The house rotates on a turntable, offering both sunlight and shade at the owner's request. The village is connected via a series of linking bridges which help foster a sense of community and connectivity, found to be two of the most important factors to those in retirement. In the distance, retractable glass domes form a winter garden, encouraging people to spend time outdoors all year round and creating a communal point that encourages different generations to meet and interact.





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Of course, the need for communal space must be balanced against the requirement for affordability. We need to consider alternative, transparent pricing and payment arrangements which enable deferred payments to make such developments and services more affordable. Using principles of intelligent design should also improve affordability through the innovative use of space, for example roof gardens (see section below on design).

Finally, participants at the workshop highlighted that many retirees will have families spread across the country or even the world, And more than half of baby boomers say they plan to travel more during retirement[20]. Could this pave the way for a new type of retirement housing, which gives people access to multiple communities, living in two or three places during the year? Could we see international membership of retirement housing schemes, allowing people to live in multiple locations during their retirement?

## Comfort: physical space and design

As outlined above, participants in the workshop felt that too much retirement housing stock tends to fit into a one-size-fits-all category. This leads to it having an unattractive institutional feel, often incorporating elements that do not feel relevant to people at a time in their lives when they may potentially be looking at retirement housing as a lifestyle choice rather than as a decision they are forced into because of escalating care needs.

Additionally, in the context of the 2013 APPG inquiry into the affordability of retirement housing, developers have highlighted that – within the constraints of existing technology and design parameters – ensuring retirement housing is adaptation-ready and linked to telecare networks can lead to perceptions of poor value for money. This is because older people, at the point where they may be thinking of moving into retirement housing, may not always take their future care needs into account when assessing value or desirability of a property and instead make decisions based on their current needs and preferences. At the moment, people are rarely making decisions to move based on their needs in 10-15 years' time.

Memory boxes in use at Anchor's West Hall care home, which won the Best Interior Dementia Design category at the National Dementia Care Awards 2012.

But future developments in technology and design should be able to get around this: they should enable retirement housing to become more personalisable, and adaptable to people's changing needs at lower costs. For example, modular housing could bring down build costs while allowing older people to personalise their living space to their needs. It could see the ability to add or take away additional rooms on the ground floor or upper storeys as needed. As set out above, adaptability could also mean couples with different levels of care need could stay living together longer. It could give people much more flexibility to design their living space when they move into a retirement property. And in relation to residential care, it could enable living spaces within residential care to become more personalised and feel less institutional. This could support a better quality of life for people with dementia, eliminating the need for more artificial constructs like 'memory boxes', currently in use to help care home residents recognise their rooms.

The design of future retirement housing and residential care could also do more to incorporate principles of biophilic design, which centres around bringing the outdoors into living, working and learning environments through the innovative use of outdoor space, lighting, patterns and textures, and through the provision of recuperation or meditation spaces.

For example, winter gardens with retractable roofs could provide all-weather outdoor-style spaces, which convert into open-air gardens in the summer. In urban and suburban areas, more innovative use could be made of roofs to create roof gardens, building on the experience of inner city schools in incorporating rooftop playgrounds[21]. Sensory gardens can have a therapeutic effect for people with cognitive impairment.

Retirement housing and residential care could also make much better use of lighting, given the well-recognised benefits of light and certain types of artificial lighting. Design should maximise natural light, using artificial light where necessary, to help promote wellbeing in relation to people's natural circadian rhythms, helping to stimulate and relax at the appropriate times of the day.

The physical design of space can have an important impact on public health, by encouraging residents to live healthier and more active lifestyles. For example, the design of buildings and outdoor spaces can encourage people to engage in activities like walking, climbing stairs, or fitness programmes, helping them to maintain their independence and mobility for as long as possible. Providers may be keen to ensure a pet-friendly environment – or even provide pets for people to walk without having full-time responsibility for caring for them themselves.

Location is also important: research has found that individuals aged over 65 who live near shops and services are more likely to walk and take more trips outside home than those who do not[22].

## Technology: making new forms of connectivity possible

While technology can make life easier for people, it will be crucial to ensure that it does not lead to greater dependency, rather than less. Rapid advances in technology have the potential to promote independent living for longer, and augment relationships and people's sense of connection with their friends, families and communities. Notwithstanding this, there is of course an important ethical debate to be had about how technology can be used to impact positively on people's lives given its risks: for example, how to respect people's privacy, and how technology can be used to enhance rather than replace human relationships.

- Developments in **ambient monitoring** should be able to keep people living in their own homes for longer, providing the capability to intelligently monitor a resident's home. For example, it will be able to tell them if someone is at the front door, remind them to turn off the oven, alert carers in the event of a fall and monitor whether or not residents have taken the right medication. It can be combined with personalised reminders, giving people a speech prompt as to when to take medicine, for example, from a family member with a familiar voice. Initiatives such as the EU-funded Soprano project have piloted ambient assisted living systems that have been co-designed with older people[23].

- **Wearable technology** can already monitor measurements like heart rates and distances covered; in the near future, we will see devices that will also be able to monitor complex changes in physiology, such as respiratory rates and fluid retention. This means it should be able to provide early warnings of symptoms that can lead to conditions like heart failure, and reduce hospital admission.

20 RIBA (2013) Silver Linings: The active third age and the city

21 http://www.theguardian.com/teacher-network/2014/aug/31/built-rooftop-playground-space-crowded-school

22 New York City (2010) Active Design Guidelines: Promoting physical activity and health in design

23 http://cordis.europa.eu/result/rcn/87690_en.html





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- **Telehealth,** which opens up online access to health appointments and consultations, also has the capacity to reduce hospital admissions by allowing residents easy access to round-the-clock healthcare services. For example, Airedale hospital has piloted video-links with 50 care homes in the local area, enabling elderly residents to consult medical professionals without leaving the care home. Evaluation suggests this has reducing hospital admissions by up to 45%[24]. In Sussex, there has been an eight-month trial of telehealth services in which 92 residents were given access to Android tablets with apps that assisted staff in asking regular questions about their health. Answers were used to trigger alerts where appropriate. The evaluation found that the system led to a 75% drop in hospital admissions[25].

- **Multi-purpose devices** would enable older people to access multiple different services via one screen or device designed specifically for older residents in retirement housing and care homes. For example, intelligent TVs can already be used not just to watch TV but to access services like Skype to communicate with friends and families, online health consultations, and shopping.

- **Voice recognition technology** could be integrated to help residents with impaired mobility to trigger automated tasks, such as switching lights on and off or opening and closing windows, doors and curtains.

- **Augmented reality** is already being put to practical use, for example in enhanced flight simulators. In time, as the technology develops, augmented reality could be used to provide personalised support to people with dementia and visual impairment to navigate their way around retirement housing and residential care developments. For example, the use of 'google glass'-style eyewear could provide augmented signposting through a retirement community personalised to a particular individual, using symbols and aides-memoires that they pick out themselves. As augmented reality develops further, participants in the expert workshop also probed whether it could be used to create virtual or augmented immersive experiences for therapeutic purposes, such as dementia memory rooms or sensory rooms.

- **Apps like Skype and Facetime** can already be used to help maintain contact with friends and family living further afield. As broadband speeds increase, these sorts of technologies could also be used in more innovative ways, for example, to include people in group activities such as virtual choirs.

- **Robotic technology** is also fast developing. In Japan, the robot Paro has already been developed for therapeutic use with dementia patients; its use in the UK is currently being evaluated in a partnership involving the University of Sheffield and the Sheffield Health and Social Care NHS Foundation Trust[26]. Robots will also be able to assist with routine physical tasks in the near future, and the use of robotic limbs and exoskeletons is fast-progressing. While this technology is currently very expensive, in time it could be routinely used to support people with significant mobility impairments, for example caused by strokes or arthritis, vastly improving mobility and independence.

- **Driverless cars** have huge potential to increase older people's independence and ability to get around. A recent report by ILC-UK found that one in six over-65s say it is difficult or impossible to get to hospital for an appointment[27]: driverless cars could transform older people's ability to make appointments, and tackle isolation and loneliness by making it easier for older people to get around their local areas, enabling them to visit friends and family independently.

24 http://www.keighleynews.co.uk/news/10898766.Video_link_health_service_success_at_Airedale_Hospital/?ref=rss

25 http://www.theguardian.com/society/2015/jan/19/prof-bruce-keogh-wearable-technology-plays-crucial-part-nhs-future

26 http://www.theguardian.com/society/2014/jul/08/paro-robot-seal-dementia-patients-nhs-japan

27 http://www.ilcuk.org.uk/index.php/publications/publication_details/the_future_of_transport_in_an_ageing_society



**Silver Chic:** The future of retirement housing and care

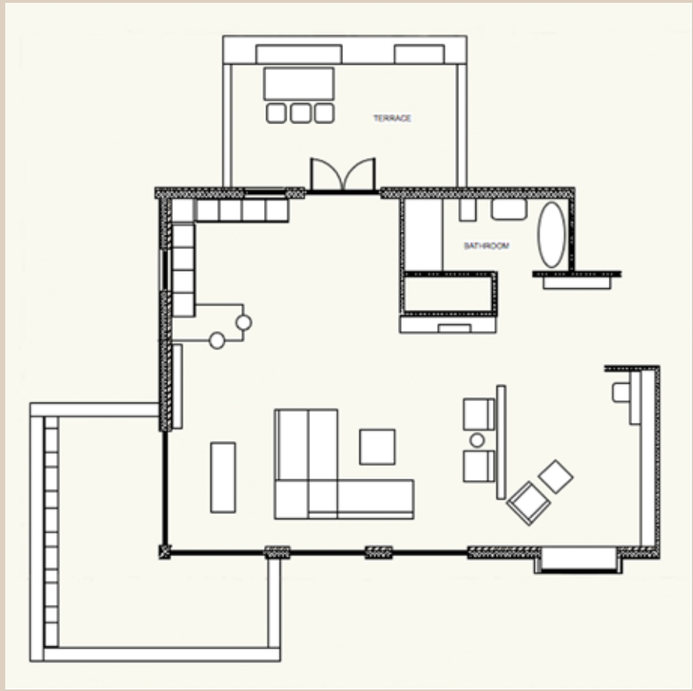
## Security and control

The fourth important theme to emerge from the focus groups held by Anchor and previous research with older people has been the importance of physical and financial security, and financial control, particularly over tenure and ongoing charges.

The majority of retirement housing is leasehold, and much of it is in the rented sector. But older people want much more flexibility around tenure, and have concerns about the ongoing costs associated with leasehold properties. If retirement housing is to become a more attractive option, there needs to be more in the ownership sector, with a greater mix of tenures, for example, freehold, shared ownership and a greater exploration of commonhold. There may also be a market for rentals for the 'older old' (85plus) and there is already some activity this area. Providers could also do more to develop co-housing schemes, where residents manage and run the scheme themselves, which may give residents more control. Providers also need to ensure there is more upfront transparency about fees across the sector, given some residents have expressed concerns about some leasehold contracts, for example, around opaque exit fees, unjustifiably high insurance premiums, a lack of competitive tendering for services and inflated service charges for service managers' accommodation[28].

Advances in green technology will have the potential to further reduce the running costs of retirement housing, for example, through more innovative use of solar technology, remote switching on and off of heating, and through new developments in insulation technology.

New technologies such as eye recognition and fingerprint scanning also offer the opportunity to enhance physical security in an unobtrusive way.




The floor plan for the interior design CGI on pages 24-25

28 Age UK (2011), Making it Work for Us: A residents' enquiry into sheltered and retirement housing



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Internally, we have conceptualised an open plan living space with clearly defined zones for seamless indoor to outdoor living for the over 65s. Wellbeing and exercise are very important and the interior includes dedicated areas for a virtual yoga class, alfresco dining as well as a vertical garden enabling plant life to grow all year round. The pivot glazed doors allow the interior and exterior spaces to connect seamlessly. Integrated smart technologies are another primary feature within the interior space with a particular emphasis on health, wellbeing and connectivity. An ambient monitoring wall details the home-owners stats and prompts medication requirements as well as providing internet access, features such as a virtual fridge and face time access. The humble coffee table on the other hand now acts as 3D hologram computer, controlled from the comfort of the sofa, with the ability to create an augmented reality within the home controlling lighting, sound and even a virtual pet (See floor plan on page 23).





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# 5. The role of central and local government

As outlined above, there is much that providers of retirement housing and residential care can do to take advantage of new developments in design and technology to improve the quality of what's on offer for older people. But both central and local government need to do more to ensure there is a flourishing retirement housing market, given its wider social benefits. There are three key steps government could take:

### 1. A national taskforce on retirement housing.

There is a distinct lack of a clear national vision for retirement housing that is translated into strategies to boost the market at a local level. The government needs to drastically overhaul significant parts of its housing strategy to ensure older people are able to live in safe, appropriate housing that enables other homebuyers to move up or onto the housing ladder. It should set up a national taskforce of developers, ministers and local government to produce a national strategy for increasing the supply of retirement housing. And it should ensure all local authorities have a robust housing strategy for older people, and that they act on it to increase supply, including through the sale of publicly-owned land.

### 2. Exemptions for retirement housing from stamp duty.

Research has highlighted that one-off upfront costs – for example, stamp duty – discourage older people from moving. Exempting retirement housing from stamp duty – as recommended by the APPG on housing and care[29] - would stimulate the market by significantly reducing these one-off costs. Moreover, because this would stimulate the rest of the housing market by freeing up properties older people are moving out of, it is unlikely to come at a loss to the Treasury, as stamp duty revenues from other sales will increase as a result. In fact, research by Oxford Brookes University suggests that a stamp duty exemption could even generate revenues of around £650m a year for the Treasury - perhaps the very definition of a policy 'no brainer'[30].

### 3. Reform the planning system to incentivise a greater supply of retirement housing.

As noted above, the planning system throws up significant disincentives to the development of retirement housing, including the subjection of retirement housing developments to Section 106 Agreements and the Community Infrastructure Levy, despite its wider social benefits. Government should introduce the following reforms to the planning system to incentivise – rather than disincentivise - the building of more retirement housing:

- Local planning targets for retirement housing should be introduced.
- The requirement for retirement housing to be subject to section 106 should be scrapped, and the way in which the Community Infrastructure Levy is applied to retirement housing should be reviewed.
- Retirement housing should be given special planning status similar to the status of affordable housing, given its wider social benefits.

29 All Party Parliamentary Group on Housing and Care for Older People (2013) The Affordability of Retirement Housing

30 All Party Parliamentary Group on Housing and Care for Older People (2013) The Affordability of Retirement Housing

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## Concept and design

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CGI created by **The Neighbourhood** www.the-neighbourhood.com

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