



## The baby boomers come of age – and open up a housing market

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In 2017, more British people will turn 70 than in any other year in our history. That is partly due to our increasing longevity but equally important is that 1947 saw the start of the baby boom. With this landmark birthday upon us, those constructing the housing policy environment for the next generation should reflect on exactly what this sort of anniversary year means for the world of housing.

We know from a recent [Savills report](#) that people over 65 hold 43% of all equity held by owner occupiers and are involved in some 40% of all house moves. And as the baby boomers continue to age, that figure is only likely to rise. The question is how can we build the homes that best meets their changing needs, aspirations and resources?

Last week, the [Communities and Local Government Select Committee](#) announced an inquiry into just that: whether the housing on offer in England for older people is sufficiently available and suitable for their needs? And 5 days on, this week's [Housing and Planning White Paper](#) sets out a series of 'help to move' measures to help stimulate the housing market for all ages. But is this too little, too late?

After six years of austerity and with more changes to revenue funding looming - which will affect operating costs - many providers of specialist retirement housing in the public and third sectors have placed their development plans in cold storage. However, the housing with care sector should not abandon hope of that particular climate eventually thawing as the scale of need becomes increasingly apparent and new market opportunities begin to bloom.

Our market insight is that the demand from older homeowners looking to 'downsize' and who are able to fund their own care and support services is real and will continue to grow. Developers, builders and providers of care and support services are pushing at a door that is very nearly open here. However, they need to look beyond their traditional wisdom on old age and begin to innovate and/or adapt their retirement living 'offer' to homeowners looking to release equity in older age. As a generational cohort, many baby boomers have also acquired previously undreamt of levels of capital in the form of the homes in which they raised their families and final salary pensions.

Instead of trying to trim margins or squeeze costs – a perhaps understandable response to the shock of the financial crisis and public sector austerity – policy makers and the housing sector at large should be focusing more on the demand for better quality and diversity of provision and genuinely affordable funding models. I believe it can do so effectively with modern methods of construction and efficiently utilising supply chain frameworks.

Now is the time to establish a position as a leader in a market that demographic change means can only grow. The canny player in this market – whether they are a housebuilder, a construction industry supplier or a provider of care and support – will shape their approach to this opportunity around the extensive research and evidence about what matters to older people.

In my view, key here is the most recent HAPPI report by the All Party Parliamentary Group on Housing and Care for Older People. [‘Housing our Ageing Population: Positive Ideas’](#). Published last spring, it emphasised the need for a greater diversity of tenure, financing arrangements and service/care options to reflect individual circumstances.

Where its two predecessors had concentrated on the high design standards many baby boomers had grown accustomed to since coming of age in the 1960s, last year’s report called for measures to give them confidence about the management and costs of a care-ready home that meets their present and future needs. This includes providing clear and transparent information around fees and other costs that offer greater choice and control to downsizers.

And, as featured in our latest Housing LIN case study, [‘Quality designs for later life housing: Highs and lows - cottage HAPPIness’](#), the design issues remain crucial but they are part of an overall ‘image problem’. I believe it continues to dog the sector and it deters thousands of ‘younger older’ people - in particular - from moving to a HAPPI influenced ‘care ready’ property while still relatively fit and healthy and in control of their lives and their destiny.

It is now up to the government, the construction industry, and their housing, care and support partners to provide them with the opportunities to reinvest that capital in high quality housing (and support) that meets their changing needs and lifestyle choices. Does this generation of policymakers, housebuilders, financiers and suppliers have the wisdom to give them the key to the door?

*To find out more about the HAPPI design principles, see the extensive resources on the Housing LIN’s [‘design hub’](#).*

*The Housing LIN will be submitting evidence to the Communities and Local Government Select Committee inquiry. The deadline for written submissions is Friday, 24 March 2017.*

**Published on Wednesday, 8 February 2017 by the Housing LIN**