

# Unlocking Land to Boost the Supply of Housing for People in Later Life

HousingLIN Happi Hour  
28<sup>th</sup> November 2023



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Real Estate for a changing world

# AGENDA

01 Assessing the need

02 Market challenges

03 Overcoming the hurdles

04 Where are the opportunities?

05 Conclusion







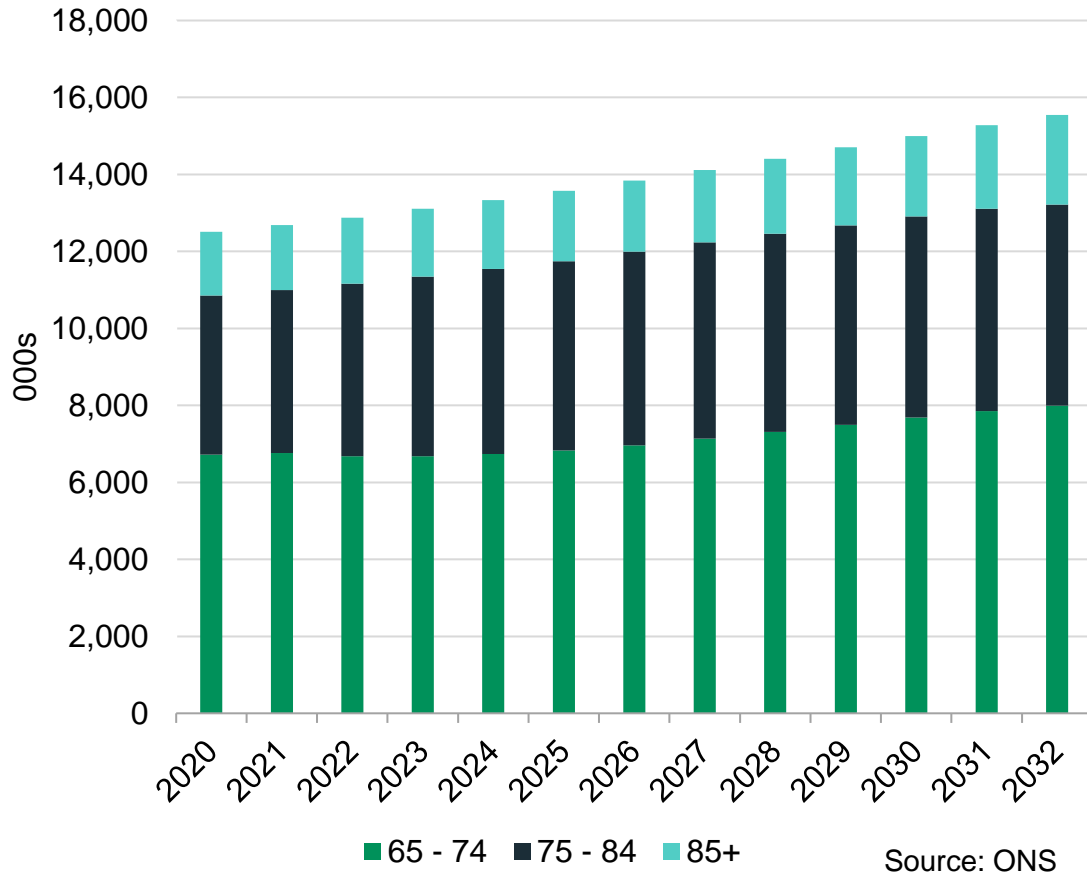
# ASSESSING THE NEED

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# WHAT IS THE NEED?

## ONS Population Projections



Total number of units within Retirement Communities

**70,000**

Estimated units shortfall

**487,000**

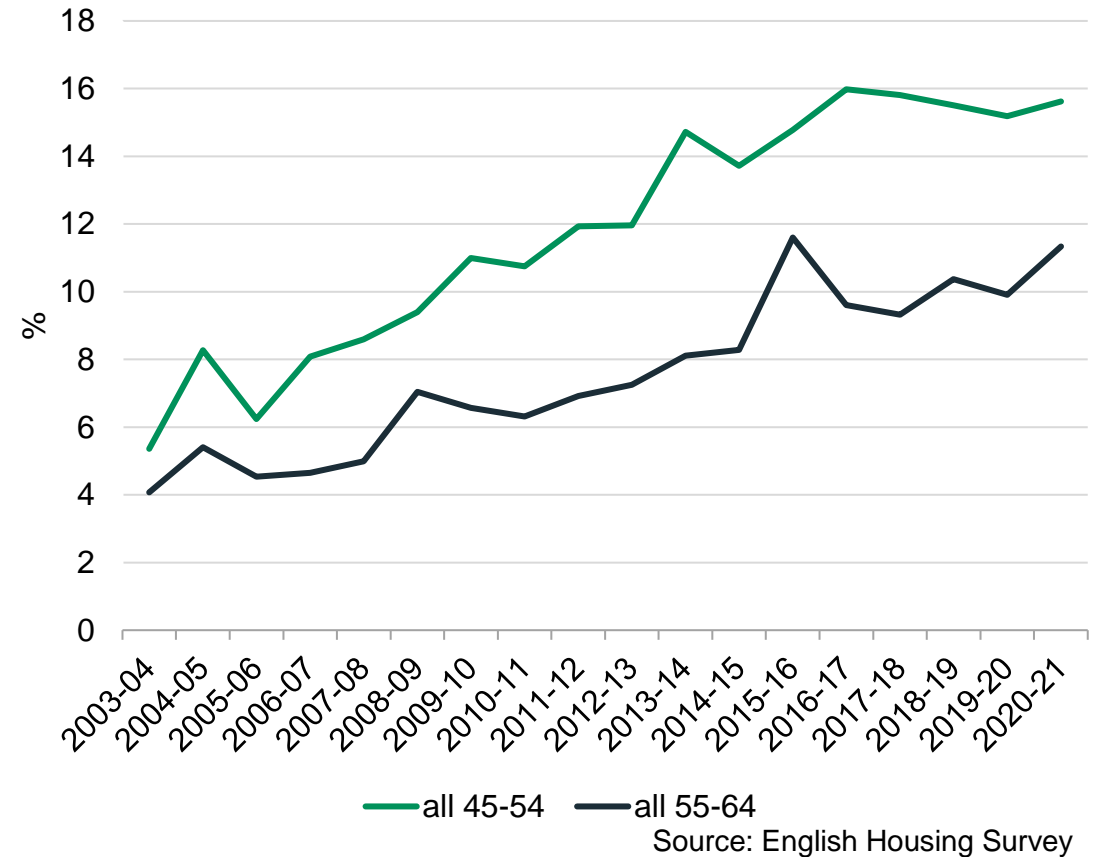




# WHY IS IT NEEDED?

- Poor quality housing costs NHS £1.4bn per year
- 14% (3.4 million occupied dwelling) of homes are non-decent
- Takes pressure off social care
- To unlock the top end of the housing market, releasing supply into the market
- To provide suitable housing options to more people – housing tenure trends are changing

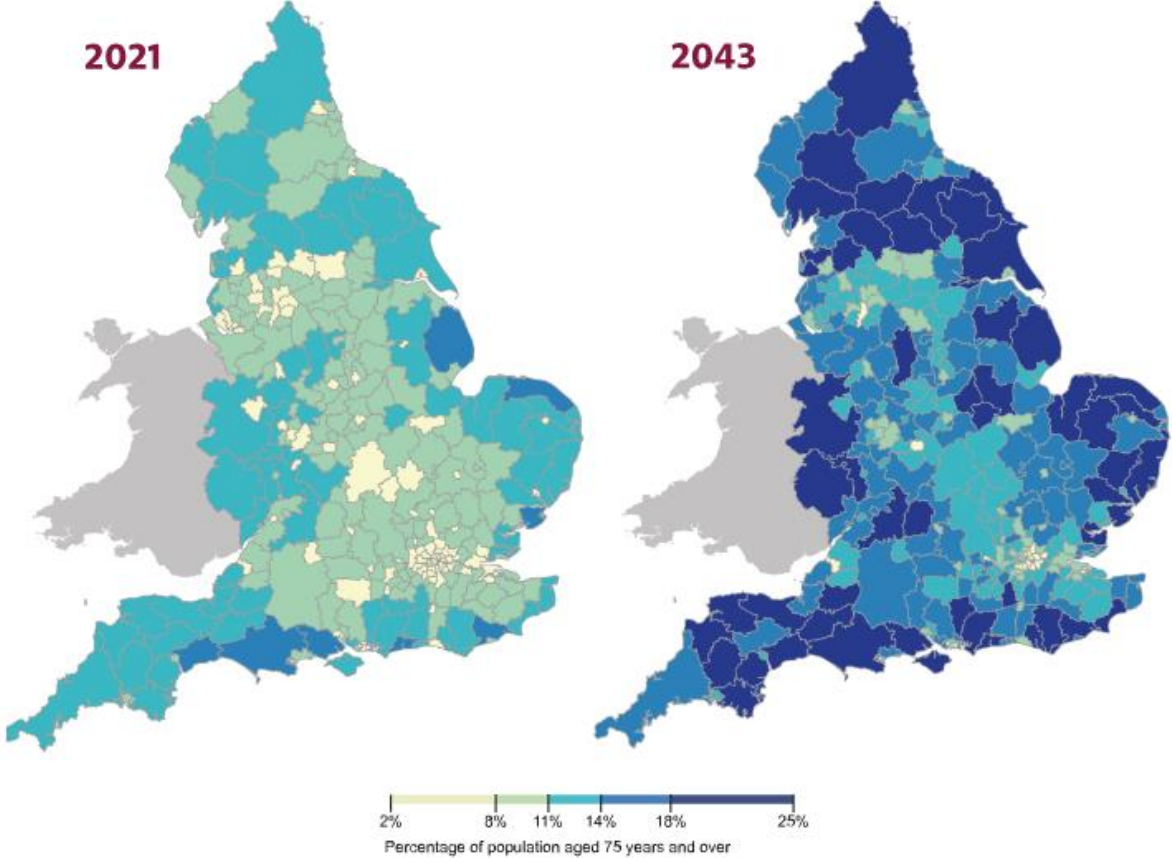
Changing tenure trends: Private renters



Source: Building Research Establishment

# WHERE IS IT NEEDED?

## THE PROJECTED RISE IN THE PERCENTAGE OF THE POPULATION AGED 75 YEARS AND OVER IN ENGLAND



Source: ONS, Chief Medical Officers Annual Report 2023



# MARKET CHALLENGES

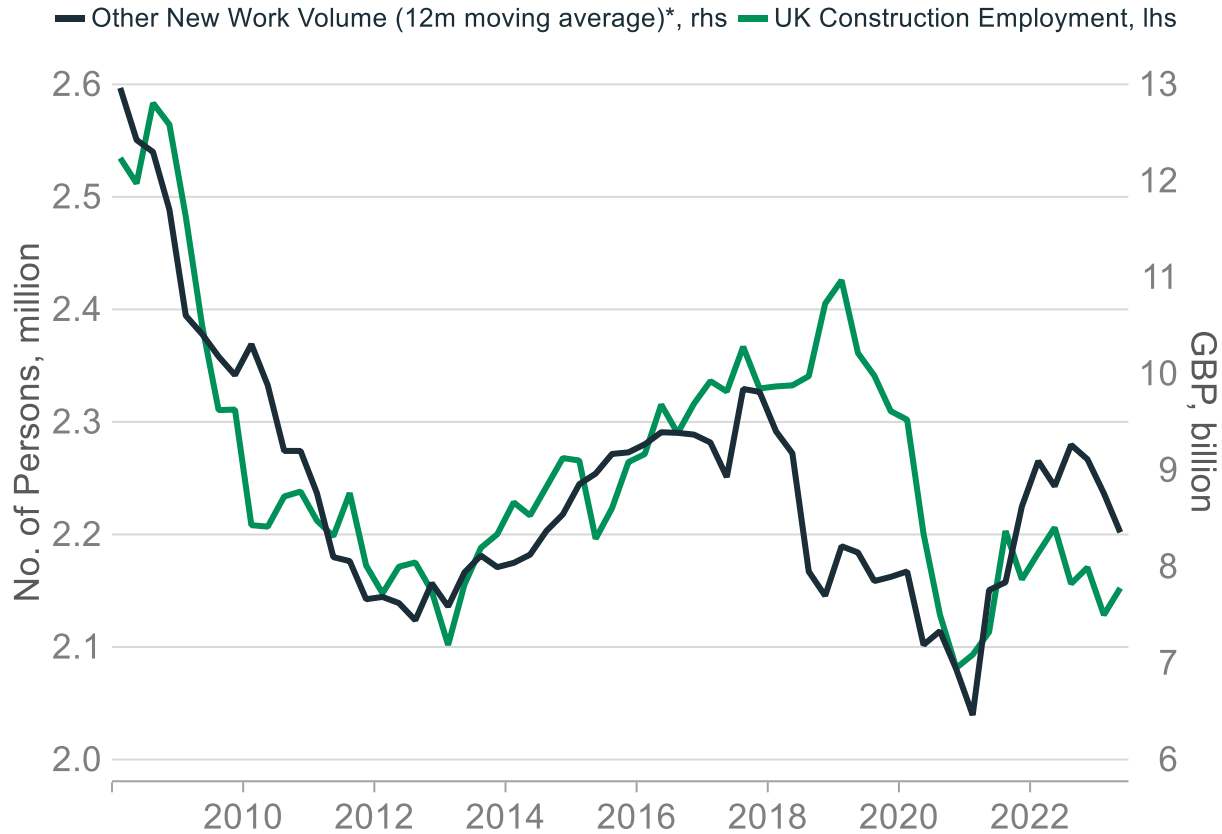
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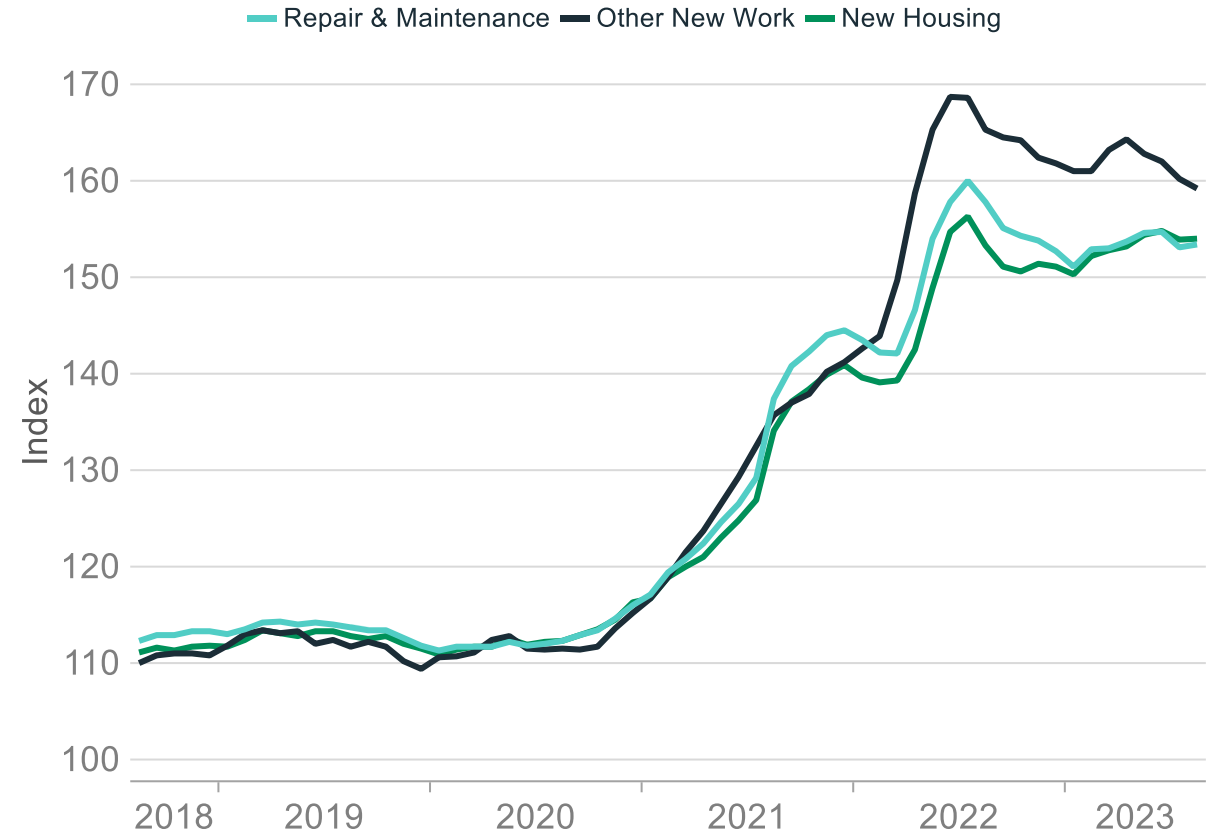


# HIGH COSTS HAVE WEIGHED ON CONSTRUCTION ACTIVITY

## UK Construction Indicators



## UK Construction Costs Indices



Source: ONS, UK Government, Macrobond. \*Includes all construction projects except Housing.



# A SUPPORTIVE PLANNING SYSTEM IS NECESSARY

ARCO REPORT 'PLANNING CLARITY AND CERTAINTY, FEB 2020, IDENTIFIED 4 KEY BARRIERS LINKED TO PLANNING

1) Lack of knowledge about the retirement community offer among planning authorities

2) Lack of a clear definition and treatment in the planning system

3) Lack of a shared understanding of the need

4) Lack of Resources in planning departments

Source: ARCO



# OVERCOMING THE HURDLES

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# NATIONAL PLANNING POLICY FRAMEWORK REFORMS

- What is needed?
  - Clear housing provision targets for older people within each local plan
  - Clear definition for IRCs within the planning systems under a separate use class
  - Clear guidance on how to treat IRCs for the purposes of CIL and affordable housing

*“Strengthen the statutory duty on local planning decision makers to accord special attention to the need to plan for housing for older people in their local plans and housing needs assessments” – HBF Firmer Foundations Report*



Source: ARCO

# SHIFT PERCEPTIONS THROUGH MARKETING STRATEGIES

HOW DO YOU SOLVES A PROBLEM LIKE SENIOR LIVING PERCEPTIONS?

- Need to shift cultural perceptions
- Some marketing strategies:
  1. Targeted digital advertising
  2. Content Marketing
  3. Virtual tours and experience
  4. Strategic partnerships
  5. Referral programmes
  6. Turn-key offering
  7. Evidence of the positive social and economic impact







# WHERE ARE THE OPPORTUNITIES?

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# CONSIDERING THE OPTIONS: SUBURBAN VS. URBAN

- Urban can offer better access to amenities, local communities and staff,
- Suburban can offer more space, a more peaceful environment, and more green space
- “Biodiversity Net Gain” legislation may shift trends
- IRCS can deliver a compelling ESG proposition that can benefit all stakeholders





# CONSIDERING THE OPTIONS: REPURPOSING VS NEW BUILD

- Construction and operation of buildings accounts for 38% of global carbon emissions
- Reusing existing real estate uses less embodied carbon
- Some real estate sectors are seeing higher rates of vacancies presenting opportunities for repurposing





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# THANK YOU



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