Planning for Retirement

How Retirement Communities can help meet the needs of our ageing population
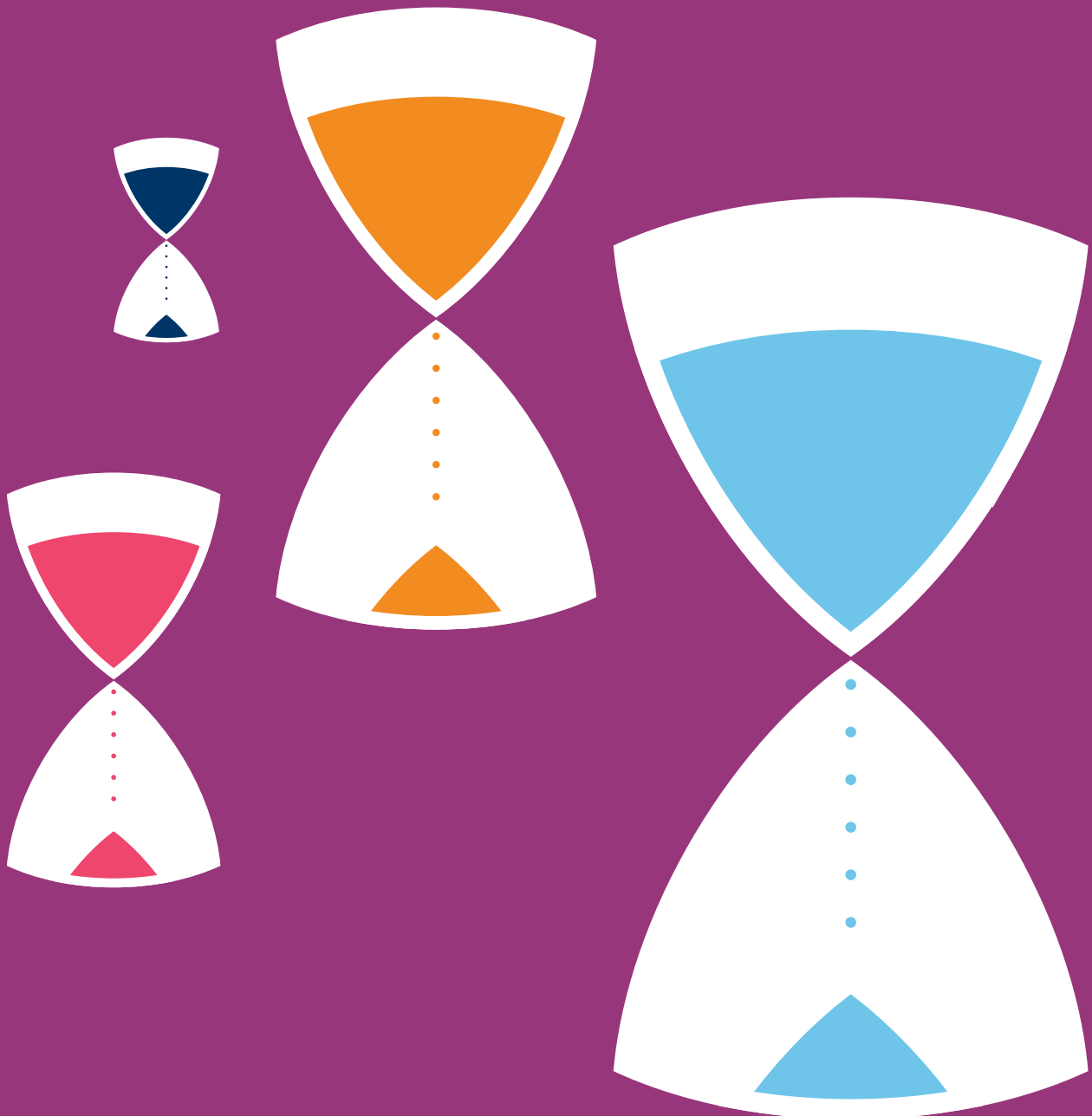
About ARCO

ARCO (the Associated Retirement Community Operators) is the trade association for operators of housing-with-care developments for older people. ARCO was founded in 2012 and comprises over 30 private and not-for-profit operators of Retirement Communities, representing approximately 50% of this sector which includes retirement villages.

ARCO sets high standards and members must adhere to the externally assessed ARCO Consumer Code. The sector sits between traditional retirement houses (which have less extensive staffing and leisure facilities) and care homes.

About CCN

Founded in 1997, the County Councils Network (CCN) is the voice of England's counties. A cross-party organisation, CCN develops policy, commissions research, and presents evidence-based solutions nationally on behalf of the largest grouping of local authorities in England.

In total, the 26 county councils and 10 unitary councils that make up the CCN represent 26 million residents, account for 39% of England's GVA, and deliver high-quality services that matter the most to local communities.

The network is a cross-party organisation, expressing the views of member councils to the government and within the Local Government Association.

It is not an overstatement to say that adult social care will continue to be one of the most significant policy challenges facing councils in the coming decade – particularly following the increased spotlight placed on the sector during the Covid 19 health emergency. People are living longer – 10.2 million people aged over 65 currently live in England[1], and the number of people aged over 75 is projected to double in the next 30 years[2]. The country faces a rising tide of need, as people live longer but spend more of those years in ill-health, often with multiple conditions which impacts on their independence and quality of life.
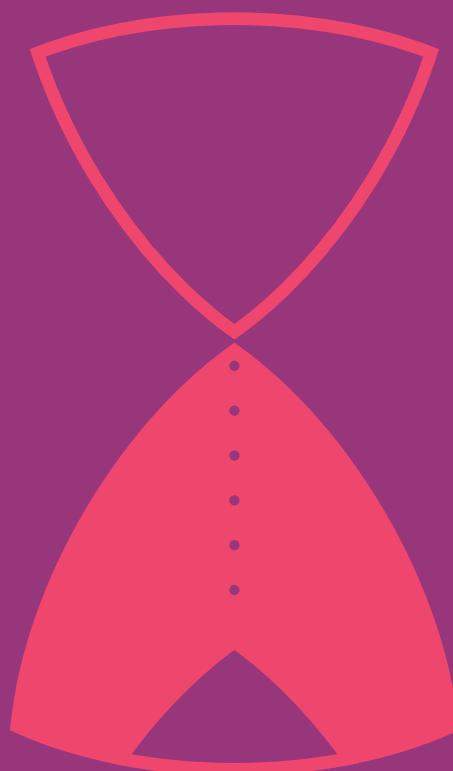
Foreword

Shaping healthy places where residents can thrive throughout their lifetime is key to driving down demand on services and helps people live fulfilled and active lives for longer. The intrinsic link between health and housing has rightly been recognised by government as a crucial determinant of health. This is particularly pertinent in later years where having access to the right accommodation is key to supporting healthy ageing and can help prevent people from needing to access over-burdened social care services unnecessarily, as well as reducing the impact on NHS services.

The proportion of households where the oldest person is 85 or over will grow faster than for any other age group – by 2037 there are projected to be 1.42 million more such households in England[3]. Ensuring that the housing market has the right mix of options to match the needs of the community, and that these options are widely understood by residents, can help people make the right choice for their future – this is a national challenge for all local authorities which requires place-based solutions that meet the needs of local communities. In two-tier county areas, where social care and housing functions are held within separate organisations, planning appropriate retirement housing requires a partnership approach to be taken and clear collaboration across both tiers of local authority alongside other key players.

It is with this spirit of partnership that the County Councils Network (CCN) and the Association of Retirement Community Operators (ARCO – the representative body of operators of housing with care developments in the UK) have come together to produce this report, drawing on expert input from crucial partners across the sector including the District Councils' Network (DCN). It focuses exclusively on one type of accommodation that local areas may explore to help support healthy ageing,

'Retirement Communities', which contain a range of health, wellbeing and social services within the same site as purpose-built housing. Retirement Communities provide a gradated offer which allows people to choose a home later in life offering access to the company and activity which help promote a happy and healthy retirement alongside the assurance that professional on-site care assistance will be readily available if and when needed. Crucially they challenge the traditional model of retirement or sheltered housing, and represent an approach which incorporates increased leisure facilities, optional care services and dining options and so can help address problems early and prevent their residents from developing the larger and longer term problems that require more intensive support from our already stretched health and social care systems.

The aim of this report is to take a closer look at where the Retirement Community model is working well and where there are still barriers preventing councils from delivering the range of housing which could make the difference for communities across the country. It is not intended that this report has the solutions to solve all of the impending challenges of housing older people in an ageing society such as ours. But it does seek to understand why Retirement Communities offering care and support are currently under-represented in the UK housing stock compared to similar countries. It is hoped that the findings and the case studies included here will provide support and inspiration to county and district authorities across England tackling their own social care and housing challenges and looking to increase provision of Retirement Communities; and it is hoped that the new government responds to our recommendations for where it can usefully provide the support and guidance that is needed to make the process work better for everyone – most importantly our citizens and communities.

Michael Voges Executive Director

David Williams Chair

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[1] Based on Office of National Statistics estimates for mid-2018: https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/analysisofpopulationestimatestool

[2] Later Life in the United Kingdom Age UK (2018): https://www.ageuk.org.uk/globalassets/age-uk/documents/reports-and-publications/later_life_uk_factsheet.pdf

[3] https://www.ageing-better.org.uk/sites/default/files/2019-03/The-state-of-ageing.pdf

Executive Summary

The challenge of providing effective retirement housing is a vital aspect of reforming social care as the average age of the population is projected to continue rising through the coming decades. Historically the UK has focused on a binary strategy of developing retirement housing for independent living alongside the provision of designated care and nursing homes to cater for people when they become more infirm. But more recently new models – most often referred to under the umbrella term of 'Retirement Communities' – have begun to emerge to provide a more seamless link between these extremes, recognising that people age in different and incremental ways where health and quality of life can be better retained by fusing care in a gradated manner. It also will help to prevent the risks where small unattended issues around safe living lead over time to crises which escalate into costly problems for the NHS and/or potentially expensive care costs for the individual.

This report highlights the impetus for local collaboration between housing and social care in order to make Retirement Communities offering care and support a key part of the sector rather than the niche provision it currently is. This need is common across all local authorities, but our report looks particularly at the issues facing two-tier authority areas where responsibility for housing and social care sit across different organisations in order to more easily identify and address areas of challenge and celebrate best practice. The report also explores the benefits this would bring in terms of a thriving Retirement Community sector, and suggests a number of policy recommendations which can make this happen, one of which is the designation of a new 'C2R' planning use class for Retirement Communities offering care and support. Below is a summary of the key points made in each of the main sections.

1
Shaping places to support healthy ageing

When housing and social care professionals work together, a more **holistic approach to mapping local need** can be developed.

Early external engagement is needed at the local plan stage, and older people and those with disabilities need to be involved right from the start.

In two-tier areas **collaboration between County Councils and District Councils** brings great **immediate benefits** by raising awareness of the Retirement Community model, enabling councils to more clearly evidence appetite for housing with care, and informing housing providers of opportunities.

Collaboration also brings a range of **longer-term benefits** through cost savings for both health services and the local authority, with older people staying independent for longer and using residential care less.

2
Increasing Retirement Community provision

The Retirement Community model combines **high-quality housing with a range of care and support services, alongside communal facilities** such as a restaurant, bar, gym and activity room.

Evidence shows that Retirement Communities keep people healthy for longer, can reduce and even reverse frailty, and provide more effective and cost-efficient delivery of health and care.

If we progress towards the goal of providing Retirement Communities for **250,000 people by 2030,** we will

- Help to **tackle the housing crisis:** releasing over 562,500 bedrooms in general housing.

- **Aid the health and care systems:** delivering £5.6bn aggregate savings and improving efficiency in delivery.

- **Boost the economy:** investing over £40bn and turning over £70bn.

However, currently **only 0.6% of over-65s in the UK live in a Retirement Community** – about a tenth of the level of provision in similar countries, with New Zealand and Australia being closer to 6%.

Currently, there is **no clear definition of Retirement Communities,** with at least 10 different terms having been used to describe them by Government and other organisations, including 'Assisted Living', 'Extra Care' and 'Retirement Villages'. This makes it difficult to come up with sector-specific recommendations.

Confusion about Retirement Communities is also generated by the **binary nature of the current planning system,** given that Retirement Communities combine elements of both the C2 class for residential institutions and C3 class for dwelling houses.

3
Recommendations

1 **Establish a comprehensive HMG task force Review on meeting the current and future housing and care needs of people as they age in communities and the economy**

   This Review should be established as soon as possible to dovetail with the wider consensus being sought on a long-term solution for social care.

2 **Use consistent language to describe 'Retirement Communities'**

   Government should ensure it speaks consistently with the same language across all sectors involved in delivering housing with care.

3 **Designate a new C2R planning use class for Retirement Communities**

   The Government should consider introducing a new planning use class 'C2R' for Retirement Communities offering care and support, which would meet strict criteria.

4 **Introduce annual inspections of Retirement Communities built under C2R**

   Annual inspections should be introduced to ensure Retirement Communities are meeting high-level criteria set out for C2R providers.

5 **Establish a framework for more strategic collaborative arrangements in two-tier local authority areas**

   The Government should set out a duty to help facilitate District Council representation on Health and Wellbeing Boards and County Council Social Care representation on Strategic Housing Boards.

6 **Set up a Health and Housing funding pot to support the development of Retirement Communities in two-tier areas**

   This should be set up by DHSC to help District Councils make decisions about C2RC developments without fearing the loss of revenue which alternative non-C2RC developments may bring in.

7 **Local planning authorities should include policies within their local plans that outline the current and future need for older people's housing and care, including Retirement Communities**

   This will help increase choices for communities, and facilitate the collection of relevant data by local authorities to ensure robust evidence.

8 **Raise awareness of Retirement Community models**

   Government and the sector should do more to promote the Retirement Community model both within public services and with the wider public.

9 **Capital funding and land provision support for initial builds by Housing Associations and local councils**

   Greater guidance and capital funding should be given to boost the availability of Retirement Communities as a form of affordable housing.

10 **Count Retirement Community housing as double against delivery targets**

   Retirement Community housing frees up larger houses and makes significant contributions to local infrastructure and social care.

11 **Support councils in two-tier county areas to take the opportunity presented by bringing together all health and housing partners to improve residents' outcomes, led nationally by the CCN and DCN working together**

   CCN and DCN will work together to help County and District councils take the opportunities and solve the challenges around establishing Retirement Communities.

Introduction

The need to reform the social care system in England is becoming ever more urgent. The challenges are manifold – a rapidly ageing population; reduced resource after a decade's spending restraint in public services; systemic problems in sustaining often fragile care markets; and the political and public opposition which has met various attempts from across the political spectrum to offer practical, if unpalatable, funding solutions to this intractable issue.

One area of consensus though is that as well as creating a system that fully meets the growing need for older people's social care, we must at the same time become a lot better at preventing this need arising in the first place. This is why local authorities have been working to establish a more preventative approach, aiming to reduce unnecessary (and very expensive) admissions to institutions of elderly people and facilitate their early release from hospitals into safe, suitable accommodation.

Too often the central issue is of someone who has continued to live in accommodation which becomes increasingly less appropriate for them as their health deteriorates into old age – leading to a 'cliff edge' where they are forced to move into an institution because home is no longer safe, perhaps following a fall or illness. In some cases this risk can be mitigated and delayed through the provision of appropriate adaptations in the home (e.g. grab-rails etc.). But even where people are forward thinking and actively looking to 'downsize' into more appropriate accommodation before things become unmanageable, their present options may be limited by what is available in a suitable location – perhaps near to family or other support. Equally too many people are unaware of the range of retirement housing options which may be available to them.

When the new government sets out its plans for the future of social care it is likely that specialist housing with care will play an increasingly important role. It is clear that for the social care system to thrive there needs to be access to the right kind of housing/residential accommodation, in the right place, at the right time. In an ideal world, people should want to – and be able to – have the choice to move into appropriate accommodation before they are forced to through ill-health or infirmity (in other words, homes that can support positive ageing through good, flexible design and the ability to make straightforward changes). In addition, more advice and guidance must be provided to help people understand the choices available on the market so they can make informed decisions about their future.

Making this offer into a reality, though, requires collaboration across housing and social care to ensure that local areas have the right provision to meet the needs of their residents and the market is supported to ensure it is balanced with demand. Whilst for unitary authorities this is an internal co-ordination issue, in two-tier county areas it can present more complex challenges for how social care and the planning system interact given that these functions sit across two separate types of local authority. Much of this report specifically focuses on the two-tier context because it is simpler to see where difficulties, but also solutions lie which may also help to support practice across all local authorities.

Part of the problems identified in this report come down to a need for consistency and definition of more complex models in a system that is built to more easily accommodate a binary notion of private retirement housing and institutional care. There are at least ten different terms in use across local and central Government to describe the Retirement Community model which aims to fuse the benefits of both in a more seamless manner. As such it is far too easy for public and professionals alike to confuse Retirement Communities offering care and support with different options such as care homes and retirement flats (see distinction between these in Figure A). Until the planning system, the regulatory system and providers themselves start to use consistent classifications it will remain very difficult for people to make informed choices.

Retirement Communities offer a different choice for people and can help them retain independence for as long as possible, with the added insurance of care options being close at hand and readily accessible should it be needed in the future. By being open to the wider community and acting as hubs for the towns and villages around them they also keep older people engaged with wider society which is key to tackling loneliness and isolation in later years.

This short report explores how Retirement Communities could help meet the needs of our ageing population and how their role could be better supported in policy.

Methodology

1 A stakeholder roundtable bringing together representatives from the Association of Retirement Community Operators, the County Councils Network, and the District Councils' Network.

2 A survey of Retirement Community operators conducted by ARCO.

3 Case study examples of practice across the country drawn from members of the three organisations.

Shaping places to support healthy ageing

There needs to be far more recognition that older people's housing is just as important as affordable housing – and that there's even more of a shortage. There are older people at all income and wealth levels and all need to be provided for.

Retirement Community Operator

Planning effectively for the future, by determining the type of accommodation and range of services needed, requires housing and social care systems to work together locally to map levels of demand and establish joint solutions. Where housing and social care teams are brought together across their local authority to synchronise their work, a more holistic approach can be taken to mapping need. This is naturally more challenging for two-tier county areas where responsibilities are held in separate organisations, although this report highlights examples of good practice where this is happening.

At the Stakeholder Roundtable held to inform this paper it was widely agreed that the availability of suitable housing stock is critical to the health and wellbeing of individuals. It is also a key factor in the capacity of public services to sustainably support healthy ageing over the long term, delivering both improved outcomes and huge efficiencies. This sentiment was voiced by both unitary councils and those from two-tier areas.

Representatives of both CCN's upper-tier council members and the District Councils' Network (DCN) pointed to good examples of councils and health partners coming together early to understand the overall strategic need of communities around the future and the adequacy of the current housing supply. This was of help for local authorities to then go about leading an appropriate response to the community's housing needs. Despite some challenges it highlighted the great opportunity for District and County councils together on a comprehensive plan for how to support people to age well in places – and this was earmarked as the potential focus of a future project between the two organisations.

More broadly wider liaison is needed between external partners at the local planning stage so that residents are better engaged with the process to help communities share an understanding of what options are available to them for where they live in later life. Through a range of indictors and methods such as analysing demographic data, assessing planning tools and engaging with residents, councils are able to find solutions to meet the needs of local areas.

Within the diverse mix of different strategies – from building new age-friendly homes, to shaping and enabling the market, integrating housing with health and care, and developing new models for adapting and creating smart homes – local leadership and collaboration between local partners is critical throughout.

A key message that came from the roundtable discussions was that early engagement between partners, particularly at the local plan stage, was helpful in establishing expectations and a cohesive strategy:

In theory I think there is a way forward through the local plan on this [provision of Retirement Communities] if you look at this and get everyone engaged in the process at the early stages. It is more difficult as we don't tend to get many of the sites come forward at an early stage.
District planning representative

What can be learnt in this process can be valuable in ensuring that Local Plans have a clear picture of local need; that there is full understanding of what the market can offer to meet this need; and that there is buy-in from the community to help inform more difficult decisions. This can be important to ensure sound decisions over windfall sites coming forward and help grasp the nettle over the broader questions can be properly discussed – e.g. viability, affordable housing requirements, demand/need and what provision may be on offer. It also makes the local plans transparent for all key partners in the process:

It helps when [councils] are aware of the local need and can see the benefits – including the financial benefits to them of making savings on care homes. This support tends to be at planning committee level – councillors see the broader need.
Retirement Community Operator

Below are two case studies of local County and District councils working together to effectively plan social care housing in their communities.

Case Study
Stroud, Gloucestershire
Inter-authority collaboration in strategically planning for retirement housing

In Gloucestershire, County and District colleagues came together to develop a strategy for housing with support for older people which determined the types of housing the councils would focus on developing in each area over the next ten years. As part of this process a wide scale consultation was undertaken to ensure that older people and those with disabilities who have an interest in housing with additional support were involved with shaping the strategy. As well as establishing project support, integrated boards were created which ensured involvement from across the housing and health sector.

Objectives of the strategy included:

- To identify what housing with care is needed in each of the six districts of Gloucestershire.

- To identify opportunities to develop new housing with care schemes in each of the districts and take forward those that meet identified needs wherever possible.

- To identify opportunities to repurpose existing schemes or buildings to offer new opportunities for housing with care.

- To find new models of housing with care which will give sustainable solutions to the differing housing challenges experienced in each district.

- To find ways to support people to live in their own home wherever possible including adaptation of existing properties and identifying new models of care delivery.

- To review systems and processes that facilitate hospital discharge and leaving care home placements in the context of housing with care.

- To devise systems to measure effectiveness of strategy in meeting its aims from the beginning.

- To develop six District prospectuses which will showcase opportunities envisaged in each area.

The impact of collaboration has been seen over both the short and long term:

Short term
The short term impact of the project was to raise awareness of housing with care. This included promotion of the model to potential residents and their families and also to practitioners who might refer to schemes. It has enabled a more strategic approach to the development of new schemes and given clear direction to providers of Gloucestershire's commissioning intentions.

The resulting engagement has enabled the council to more clearly evidence what appetite there is locally for housing which offers care, and as such will both inform housing providers of opportunities and inform planning strategies in each district.

Medium/long term
It is anticipated that the strategy will deliver significant cost savings to both health and the local authority over time as people are enabled to remain independent for longer and less use is made of residential care. A figure of £4.5m has been projected against the initiative, although the timescale for the saving has been flagged as a risk.

It is anticipated that there will be an increase of homes in each district but the numbers have not yet been calculated in any detail as the analysis work is at an early stage. Housing LIN estimates made in early 2017 showed a shortfall of housing with care in every district except Gloucester in a year and a shortfall in every area for 2035. Numbers vary from a shortage of 185 in Gloucester by 2035 to 566 in Stroud by that time.

Stevenage, Hertfordshire
Ensuring care and housing markets work together

As with many sizeable towns, Stevenage has a rising older population. By 2030, the proportion of people aged 55 and above is expected to increase from 26.29% to 33.27% of the total population. People 'age' at different rates, regardless of the number of years they have lived, and some people need more services than others at different stages of their lives. Therefore there is a need in the area to recognise that a range of housing is required in different settings and tenures to meet the aspirations of older people, using co-production and connected lives principles wherever possible.

In response, SBC and HCC are developing a joint ten year 'Housing for Older People in Stevenage (HOPS) Strategy' to ensure that the care and health markets and housing markets are working together well. The HOPS Strategy has one strategic objective: **to enable healthy ageing for older people in Stevenage through the provision of a new housing offer.**

Drawing on a number of sources of information, including surveys and conversations with current and future older residents, service user forums and community groups, housing and social care professionals who work with older people in Stevenage, and local and national research, policy drivers and initiatives, the Project team have identified four key areas to focus their thinking on:

- **Development, standards and design:** ensuring mixed communities, flexible spaces, good design and high standards that older people will want to move to, close to facilities and providing features that matter to them. Balanced communities work better and keep people more active and engaged: people's needs change, but they may not want to leave their community and housing development must be sensitive to this;

- **Information, advice and technology:** finding ways of working better together to provide timely advice to people who need or wish to move in later life, and using technology to change perceptions and encourage earlier choices;

- **Support and assistance to help people move:** linked to the information and advice theme, people asked for practical help in accessing suitable housing, and for support both during and after the move. Forms, managing utilities and legal matters, packing and unpacking, and support to help people emotionally adjust to moving to a smaller property were all areas of concern;

- **Inter-organisational working:** joining up existing services in different statutory and voluntary organisations to better identify and support people to move earlier, more quickly and to settle well into their new home. A collective better understanding of the individual as a whole, what support is needed and who is involved with whom is looked for: using a place-based approach, people asked for a sharing of ideas, working together and keeping momentum going.

The strategy expects to achieve the following key outcomes:

- An increased number of age appropriate housing developed in Stevenage across all tenures, but in particular through the SBC regeneration programme, and HCC's Extra Care and Residential Care development programmes;

- Older persons housing to be reflected in Planning Policy in the Borough, identifying requirements for accessible and age friendly development as a percentage of all homes built through the development processes of the next Local Plan;

- Strategic co-operation between SBC and HCC's assets, services and commissioning practices, particularly in relation to land and property use;

- Improved working with residents, families and carers, as well as the professionals who care for them, to ensure new homes are places where people want to live now and in the future;

- Clearer shared objectives between SBC and HCC, health services and the Voluntary and Community Sector, including an increased understanding of roles and responsibilities, and how services can be shaped to maximise efficiency and effectiveness to residents;

- Reduced pressure on all public services, and improved data management / sharing to measure and interpret quantitative and financial data, to identify what works well and where improvement could be made;

- The release of family housing back into the market across all tenures, reducing under-occupancy and over-crowding.

These outcomes are all intended to lead to:

- A better quality of life for older people in Stevenage, including better health, care and social outcomes.

Section 2

Increasing Retirement Community provision

For those areas which choose to develop Retirement Communities offering care and support as an option which meets their population's needs, this next section explores how such developments can best be enabled in place. Much of the content in this section of the report is drawn from the Stakeholder Roundtable which brought together members from ARCO and CCN alongside representatives of the District Councils' Network (DCN). The discussion from the roundtable highlighted two main areas of concern:

(a) how the concept of Retirement Communities should be properly defined consistently for professionals and the public; and

(b) the challenges around balancing the differing drivers that determine the needs of providers and councils respectively, particularly where social care and planning services are delivered by different authorities.

What is a Retirement Community?
Getting definitions right

Benefits of Retirement Communities and the ageing population

Research has shown that Retirement Communities keep people healthy for longer, can reduce and even reverse frailty, and provide more effective and cost-efficient delivery of health and care.[4][5]

The Retirement Community model combines high quality housing options for older people with tailored support services. When delivered effectively it allows residents to rent or own their property and to maintain their privacy and independence as far as they wish, with the added reassurance of 24-hour on-site care staff available if needed. Retirement Communities sit in between traditional sheltered housing (also known as retirement flats, which have less extensive staffing and leisure facilities), and care homes, and can be in urban or suburban locations. The model offers on-site facilities such as restaurants, bars, gyms, craft or activity rooms, or allotments which offer easy opportunities for regular interaction and community which are essential to a healthy and happy retirement for many people.

As noted in the foreword to this paper, the ONS projects that as a society we will be living longer as the century progresses with the number of people aged over 75 projected to double in the next 30 years, likely living through longer stages of both healthy and less healthy retirement. At the roundtable it was agreed that there is already unmet demand for Retirement Communities to provide housing, support and care for older people in the UK.

Based on these predictions this is only likely to become even more pronounced as internationally the UK has less provision than similar countries – currently only 0.6% of over 65s in the UK live in Retirement Communities offering care and support, about a tenth of the level on offer in similar countries, with New Zealand and Australia being closer to 6%.

More recently, though, the housing-with-care sector has started to grow more rapidly, accounting for 75% of the planned increase in provision of older people's housing as it progresses towards its goal of providing for 250,000 people by 2030. Local authorities are naturally keen to support the market to deliver this ambition as doing so is intended to:

- help to tackle the housing crisis: releasing over 562,500 bedrooms in general housing.
- aid the health and care systems: delivering £5.6bn aggregate savings and improving efficiency in delivery.
- boost the economy: investing over £40bn and turning over £70bn.

But there can still be confusion about what a Retirement Community is and what it should provide which can create barriers to effective development at local level, and at worst may impact on whether this target is met.

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[4] https://www2.aston.ac.uk/lhs/research/centres-facilities/archa/extracare-project
[5] https://www.arcouk.org/resource/housing-health-and-care

Case Study
High Wycombe, Buckinghamshire
Improving Health and Wellbeing

Hughenden Gardens Village is located just north of High Wycombe town centre as part of the District Council's re-development of the former CompAir factory site. The two-hectare village has 260 mixed-tenure, fully-accessible one and two-bedroom apartment-homes with capacity for over 350 residents. Homes are self-contained and surround a village centre with 18 community facilities (including a gym, hobby room, bistro and greenhouse), landscaped terraces and 165 parking spaces.

The village's key partners are The ExtraCare Charitable Trust (a registered charity); Wycombe District Council; Buckinghamshire County Council; and Homes England. A S106 agreement ensured 120 homes were nominated for affordable shared-ownership through Wycombe District Council and the charity, whilst 88 homes were directly sold through leasehold purchase by the charity; a further 52 homes were available for affordable social rent, supported by a £1.4m grant from Homes England. Up to a third of residents within the village receive help with their care, supported through Buckinghamshire County Council who have nominated up to 80 care packages.

Building a successful and sustainable community on this scale required commitment. ExtraCare has a unique and holistic model where 'Home', 'Lifestyle' and current (or future) 'Care' needs are carefully and collaboratively considered with respect to every resident applicant, to ensure a balanced, fully occupied and sustainable community can be created.

Dependent on individual circumstances, the village can support residents with significant assessed care needs. A wellbeing service provides preventative health checks and advice on living a healthy lifestyle. A specialist supports residents with dementia, memory and mental health issues. The village also supports End of Life Care (linked to the Gold Standard Framework) and has a bereavement support network, supported by funding from Cruse Bereavement.

Key outcomes from ExtraCare's research with Aston and Lancaster University has found that, for ExtraCare residents:

- Unplanned hospital stays reduce from 8-14 to 1-2 days;
- Overall NHS costs reduce by 38%

Residents are also:

- 75% more physically active than the wider community;
- Have 23% reduced levels of anxiety;
- Show reduced levels of isolation and loneliness - 87% of residents 'never or hardly ever feel lonely.'

Definitions

There is broad consensus that the Retirement Community model could play an important role in helping to address the growing social care crisis. However, it has proved challenging finding an agreed definition as to exactly what level of social value such a model should be expected to provide so new developments can be classed as such within the planning system.

This is in part due to an emerging variety of potential models situated in mid-points between living independently within one's own retirement housing at one end of the spectrum and the more intensive care and support delivered within a care home at the other. These represent the two traditional models which the existing regulatory framework is built around. This is why ARCO produced a clearer definition of how these might be better incorporated under the broad term 'Retirement Community' (as described in Fig. A) so that the common beneficial aspects of these different settings can be better understood and aspired to.

Fig. A		

Living Options for Older People

ARCO — Setting Standards for Retirement Communities

Retirement Housing Also known as sheltered housing or retirement flats	**Retirement Communities** Also known as extra care, retirement villages, housing-with-care, assisted living or independent living	**Care Homes** Also known as Nursing Homes, Residential Homes, Old People's Home
Self-contained homes for sale, shared-ownership or rent	Self-contained homes for sale, shared-ownership or rent	Communal residential living with residents occupying individual rooms, often with an en suite bathroom
Part-time warden and emergency call systems	24-hour onsite staff with optional care and domestic services available	24-hour care and support (including meals)
Usually have a lounge, laundry facilities, gardens and a guest room	Range of facilities including a restaurant or café usually alongside leisure and wellness facilities such as gyms, hairdressers, activity rooms, residents' lounges and gardens	Range of facilities and activities, including gardens, lounges and dining rooms
Typically 40 - 60 units	Typically 60 - 250 units	Sizes vary considerably

One of the sector's biggest challenges is that the absence of a clear definition makes it difficult for policymakers to come up with sector-specific recommendations. Different parts of Government use at least ten different terms to describe the sector (see panel).

Panel 1 - Terms in use to describe the Retirement Community model			
1	Assisted Living	6	Later Living
2	Close Care	7	Retirement Living
3	Extra Care	8	Retirement Villages
4	Housing With Care	9	Senior Living
5	Independent Living	10	Retirement Communities

These terms are also too often confused with different living options for older people such as 'retirement flats/sheltered housing' and 'care homes', which may be understood more widely and/or narrowly in different professional contexts (e.g. social care, housing, health, planning) meaning it is not always clear that people are talking about the same thing when using them without context.

At the same time, though, as many people often still best understand a dual model between retirement housing and care home, the additional complexity of so many terms can often fail to adequately distinguish between different models of older people's housing. This failure to keep up with a rapidly evolving sector is also causing detriment for consumers who often struggle to locate the right provision in the wider social care and housing landscape.

Of course the boundaries between these three categories will still be somewhat blurred. It is important that professionals looking at commissioning consider deeply what a good Retirement Community provider will be offering. Fig. B contains a list of criteria suggested by a provider attending the roundtable that should represent the minimum standards to be met for a Retirement Community proposal to be eligible for C2R classification.

Fig. B

Potential criteria that should be met for C2R Classification

Suggestions on how criteria for C2R classification could be introduced were made by operators themselves at the roundtable to inform this paper. While this may seem surprising, there was agreement between both operators and planners that Retirement Community operators could at times be seen with suspicion and suspected of wanting to 'sell and move on' rather than remain the operator for many years to come.

To increase confidence in the long-term operational nature of plans, suggestions for criteria were made that would clearly define planning applications as being within the C2R classification. These included:

1 Retention of the freehold of the development (or retention of a clear long-term financial interest through some other means) so that they are responsible for its long term operation and ultimately its success as a business. As one operator put it: "Retaining the freehold differentiates Retirement Community operators from C3 developers who sell the last unit and disappear never to be involved in the development again".

2 A developer must provide substantial communal facilities, including leisure facilities, dining facilities and offices for staff and treatments.

3 Meals should be available to residents, enabling them to have access to nutritious food even if they were unable to cook for themselves.

4 Staff would need to be available on site 24h per day.

5 To cater for the increasing social care needs of residents, a CQC registered domiciliary care agency should be based on site. There would also be regular CQC inspections confirming the quality of the care being provided. These reports are available for inspection. The care would be provided either by the operator themselves, or in close contractual partnership with a high quality partner.

6 The provision of high levels of service should be detailed in the lease, meaning staffing levels, meal services etc could not be withdrawn.

7 Age restrictions in place could be higher than age 55: As the average age of entry into Retirement Communities was in the late 70s, age restrictions of 65 would be acceptable (provided there were scope for the local authority to agree younger residents e.g. those in need of care at a younger age or partners of older residents).

Planning categories

A major challenge to increasing the stock is that the planning system currently lacks consistency in how Retirement Communities offering care and support are classified, planned for and delivered (as the element of care and support delivery is often overlooked). This partly relates to the issue around definitions described above. The importance of better defining what constitutes a 'Retirement Community' stretches beyond good practice and helps add wider clarity into the market of what is deliverable and expected.

As has been shown, Retirement Communities have emerged to bridge the gap between what has traditionally be seen as a retirement housing and a nursing home. This offers multiple benefits – both for individual citizens and for the state – by allowing residents to more securely plan for potentially needing care in their old age on a graduated basis rather than reaching 'cliff edge' where they need to move from home to institution at a time in their life where this can often be far more traumatic and costly.

However, planning law operates according to the Town and County Planning (use classes) Order 1987 which still encourages viewing provision in binary terms (see Fig. C). This creates confusion which ultimately makes establishing Retirement Communities a more laborious and fraught process for legitimate providers of Retirement Communities – this is necessary though as unclear definitions can also encourage developers to game the system in order to attempt to seek favourable planning concessions for a limited outlay to make their housing development appear to offer 'extra care'.

Fig. C

Currently, planning applications to create retirement housing are likely to be considered as either category C2 covering "residential institutions", or C3 which is "dwelling houses".

Use Class C2 is defined as a residential institution as follows:

"Use for the provision of residential accommodation and care to people in need of care (other than a use within a class
C3 (dwelling house)). Use as a hospital or nursing home. Use as a residential school, college and training centre."

Use Class C3 is defined as a dwelling house as follows:

- C3 (a) those living together as a single household – a family
- C3 (b) those living together as a single household and receiving care
- C3 (c) those living together as a single household who do not fall within C4 definitions of a house in multiple occupancy

Planning categorisation matters to developers and to local authorities. By classing a building as C2 it results in significantly lower Section 106 contributions being charged – due to the overall social and community benefits such schemes provide – as well as potentially including exemption from certain requirements such as the provision of affordable housing (although many Retirement Communities run by housing associations incorporate affordable housing as part of their mix of provision in any case). Naturally this means that local authorities are alert to what they may perceive is inappropriate promotion of what are in effect C3 schemes as C2 schemes to try to avoid higher S106 contributions.

The difficulty with classifying a Retirement Community in these terms is that the intent of this provision is to holistically combine elements of both C2 and C3. In practice this means that usually on arrival residents will occupy an individual property in the same way as any private dwelling house under class C3. But over time, as they become more infirm, the option to receive care either within their own premises or on a residential basis on-site, begins to blur the boundaries towards class C2. This means that whilst the provision of care is crucial to Retirement Communities, they cannot guarantee that every resident will receive a given number of hours of care a week. Data from ARCO's members does however show that over time over 50% of residents use the onsite care facilities.

In addition, two thirds of Retirement Communities in the UK are currently provided on an affordable basis by housing associations or not for profit operators, yet these too can face challenges in being appropriately categorised in the planning system even where they have been planned or commissioned in partnership with social care authorities.

A new planning category?

One of the ideas proposed in the roundtable was whether Retirement Communities should be granted their own planning category (for the purposes of this report to be called 'C2R'). Prospective C2R developers would need to demonstrate they meet very clear and demanding conditions for this to be effective and to give local authorities certainty that this was not yet another loophole which developers were exploiting to avoid making a fair contribution. This could provide the flexibility in local plans to be considered in place of either C2 or C3 allocations.

The last section provided an indication of the clear responsibilities which a reputable Retirement Community provider should commit to adopt in order to help distinguish them from private developers of retirement housing. Principal among these providers should be able to meet the following criteria to demonstrate their intent:

• agreed retention of the property's freehold for a period of time or other clear long-term interests on site;

• a demonstrable intention to providing ongoing services;

• adequate space in the development allocated to communal space for activities and social interaction;

• the provision of CQC registered care and 24 hour onsite staffing;

• agreement to a mechanism to ensure compliance with these criteria on an ongoing basis.

What this report proposes is that subject to meeting such criteria as deemed necessary a developer would be eligible for C2R. The advantage is that C2R would provide a clearer distinction between C2 and C3 for local authorities and developers by helping categorise developments which currently too often sit in a grey area and create a degree of disagreement and legal wrangling.

Of course there will still be challenges. For instance for larger housing/mixed-use allocations, requiring some parts of the site to be set aside for retirement/care/extra-care uses is relatively straightforward. Indeed this model can be more favourable for local plans as it is adaptable and flexible – local authorities need to think less about 'specialist accommodation' and can plan more sensibly and pragmatically knowing that this model will meet the needs of people with varying levels of need. However, how far this model should then be classed as 'care' accommodation and benefit from concessions attached to C2 status is less clear – containing the potential for care accommodation to be built does not (in itself) mean that such a site will necessarily be delivered and operated – an operator must be found to do this.

There is also potential to agree reduced S106/CIL contributions (as appropriate) or an alternative form of contribution including some element of in-kind provision, but it should be remembered that affordable retirement and care housing is a huge and growing need, so inappropriate attempts to avoid affordable housing contributions (through badging C3 schemes as C2 schemes) can be unhelpful. It is, though, encouraging that affordable Retirement Communities (often referred to as 'extra care') have already become the largest and best established part of the sector leading to many councils already reviewing whether they can offer their own landholdings for retirement/care accommodation.

However, this can create political tension – particularly in two-tier areas – if the value that can be obtained for a site is lower than could be achieved through normal market housing. It is also worth remembering that the infrastructure, care, and communal areas provided in Retirement Communities do have their own costs which general housing does not – and that these need to be reflected in viability calculations.

Runnymede, Surrey

Effective planning support in action

A good working relationship with a local planning authority does not arise simply because the applicant gets their own way and planning permission is granted swiftly. Although these are desirable outcomes for any planning application, a good working relationship is built on respect, courtesy and good communication. In Runnymede, with a challenging Green Belt site, developer Audley Villages were supported by a forceful planning officer who with great efficiency and courtesy helped refine their proposals and guide the provider to a unanimous decision to grant planning.

The site had been the Brunel University campus and previously the Indian Engineering College. It was in close proximity to a number of important listed sites including the Royal Airforce Memorial and the Magna Carta memorial. The site was considered to be of high conservation and landscape value.

The first meeting to take place was with the planner where Audley presented its model of care and initial brief for the site. They then met with the local councillors and with their guidance and that of the planning officer, developed their designs.

The proposals were then examined by the conservation and design officer and warmly welcomed. As the scheme developed, Audley met with virtually every interested party to make them aware of the benefits that their scheme would bring to the area. Public exhibitions were also held. As a result of the extensive consultation, residents, planners and politicians took ownership of the scheme and supported it through to planning committee.

It is clear that the local council want to continue their engagement with Audley and will contribute to the project's future success. The scheme granted planning was for 129 units of accommodation. The planning was submitted as two applications, the first for 79 units and all communal facilities and the second for 50 units.

Planning for the needs of everyone in the community

Councils have to make decisions, within the bounds of planning legislation, where long-term advantages of minimising the burden on social care services in years to come are often set against the benefits of development and growth. Achieving the right balance can create challenging decisions for all types of local authority. But in two-tier local authority areas these tensions can be particularly exacerbated as these competing responsibilities sit across two separate agencies. District councils will be balancing a great range of interests in meeting the future housing and place needs of their communities, giving more attention to the growing numbers of older people in their areas as the local, regional and national population ages. Meanwhile

County authorities are looking at models of extra care as a vital means of managing the costs of an already fracturing social care system set to face increased demand pressure in years to come, seeing them as needing priority in local plans at least until the unmet need for the provision that currently exists, feels like it is closer to being met.

That said, the difficulties councils have in ensuring an adequate supply of appropriate retirement/care accommodation are not new. The costs of such developments can be significant and are frequently higher than 'standard' residential accommodation. Central locations which have good access to public transport,

healthcare facilities, local shops and other community facilities are much sought-after. But for the same reasons they are also attractive to standard residential developers.

Both County and District local authorities are committed to working together in the collective interest to deliver the best communities for their residents. But when faced with the sort of trade-offs described in this paper it is important that collaborative decisions are guided by wider Government policy to incentivise prevention. The new guidance on older people's housing issued in June 2019 is an important first step but it does not go far enough in recognising the central role of suitable housing provision in driving down demand for social care. County Councils need to be sure that a growth in their population likely to need social care will be properly funded both now and in the future – and the new Prime Minister has already indicated that social care is a key priority for his administration.

Similarly the needs of localities that forego S106 income from commercial development in order to support the wider long-term objective of social care must be supported appropriately. In order to ensure their decisions are as balanced as they can be, District councils must be assured that the needs of their residents will be adequately balanced to the benefits housing a Retirement Community will have for the wider county. This could easily be achieved by the Government providing a central pot to support such developments within the planning system to help ensure District councils do not lose out on vital S106 income as a result of making a decision which helps residents across the wider county.

Case Study
Chipping Norton, Oxfordshire
Commissioning a Registered Provider for extra care projects

Chipping Norton was procured as one of two extra care schemes by Oxfordshire County Council in May 2018. The County council acknowledged the growing population of older people and sought to appoint a Registered Provider to work with them to provide for the specialist needs of the communities in Oxfordshire. The procurement process was efficient and effective without the repetitive and protracted submission, clarification and resubmission processes that can be both costly and typical of such procurement processes. The procurement documents were clearly set out which enabled Housing 21 to submit a strong proposal for the delivery of extra care in both locations. After a short series of discussions and a visit to a recently completed Housing 21 scheme, the contract was awarded in July 2018.

In this case the County were in ongoing dialogue with the District over both planning and housing. The Chipping Norton site had been identified in the draft West Oxfordshire Local Plan 2031 – despite it currently being agricultural land – and outline planning consent for an 80-unit extra care scheme had already secured. Likewise, a suite of legal documents – including a nominations agreement – had been included in the tender pack.

Clear collaborative working between the County and District councils was also evidenced by the availability of Oxfordshire Growth Deal funding for the scheme which enabled Housing 21 to have certainty over delivery sooner. The appointment of the contractor has now been finalised it is anticipated the development of the site will commence shortly.

Recommendations

This report has explored how Retirement Communities can play a part in helping to meet the social care needs of older people in the context of an ageing population and a growing demand for more housing options for those later in life. But it has also highlighted some of the barriers to increasing the amount of this provision across the country to levels which already exist in comparable countries elsewhere in the world. These issues are common to all types of local government but can prove particularly cumbersome for authorities in two-tier areas where social care and housing functions are spread across separate organisations.

However, this project has also exposed the huge opportunities that County and District councils have to work together to achieve positive health outcomes for people as they age in the community. To help realise these opportunities, the CCN and DCN now intend to work together further with the wider sector on a future project to support and promote models that can bring together the whole housing and health landscape in ways that improve residents' lives.

In the meantime, the recommendations below are designed to address some of these barriers and ensure that Retirement Communities offering care and support are a viable and desirable option for development in all parts of England.

1 Establish a comprehensive government task force Review on meeting the current and future housing and care needs of people as they age in communities and the economy

This report has set out some evidence of the potential to grow the Retirement Community model to help meet an escalating demand for social care. However, it represents only one part of a wider need to assess the overall provision of housing and care options for older people. All partners including ARCO, CCN and DCN urge the Government to take steps now to understand the current and future housing needs of older people and it is recommended that a comprehensive Review of this matter is established as soon as possible to dovetail with the wider consensus which is being sought on a long-term solution for social care. The subsequent recommendations below, as well as being worthy of policy action in their own right, are all matters which the task force (which should include representatives of local government, MHCLG, DHSC, DWP, the Treasury and representatives of the Retirement Community sector might reasonably include within its remit for consideration.

2 Use consistent language to describe 'Retirement Communities'

Provision which fuses housing with care has become more prevalent in recent years, but the language used to describe such provision seems to have evolved organically in different sectors – with at a number of different terms being used, often interchangeably. This can create confusion when different professionals need to talk to each other and, at worst, risks misunderstandings which can delay or even derail development.

This report has articulated a case for using 'Retirement Communities' as a preferred term, but ultimately government should ensure it speaks consistently with the same language across all sectors involved in delivering housing with care – including operators and local authority housing, planning, social care, economic development teams and investors.

3 Designate a new planning use class for Retirement Communities

Historically, housing for older people has mainly been viewed as a binary system of age restricted housing against institutions such as care homes. However, despite more sophisticated options combining on-site housing and care having emerged, the current planning system has limited scope for recognising the potential wider benefits of such developments for local communities. In order to limit gaming of the system and reduce lengthy disputes (or even litigation), the Government should consider introducing a new planning use class 'C2R' for Retirement Community developments.

Developments applying for C2R status would need to adhere to strict criteria in order to meet the definition 'Retirement Community' as described in this report. Further detail on related options would need to be worked out through consultation with all partners.

4 Introduce annual inspections of Retirement Communities built under C2R

A new use class will only be viable if there are sufficient checks in place to ensure that Retirement Community operators are delivering in the way that is intended under C2R status through an annual inspection to validate that they are offering high quality care and meeting ongoing criteria set out for C2R providers. It is clear though that a source of funding for these inspections needs to be identified to avoid adding to the financial burdens faced by councils.

5 **Establish a framework for more collaborative arrangements strategically in two-tier local authority areas**

In order to ensure there is clear strategic integration of housing and social care policy in two-tier areas government should set out a duty to co-operate to help facilitate District council representation on Health and Wellbeing Boards and County council representation on Strategic Housing Boards in all areas.

6 **Set up a Health and Housing funding pot to support the development of Retirement Communities in two-tier areas**

The central thrust of this report is that, in the medium- to long-term, Retirement Communities contribute to the prevention of issues which might otherwise impact on health and social care services. But the advantages reflected in the planning system can come at a cost in reduced Section 106 revenue for councils depending on what alternative developments may be competing to use the same land. In unitary authorities this trade-off can be more easily balanced within the whole quantum of the local authority budget, but in two-tier areas where responsibility is split it can be more difficult. This report urges that a dedicated Health and Housing pot should be set up centrally by DHSC which can be used to help ensure District Councils are able to make decisions about permitting C2R developments without fearing the loss of Section 106 revenue which alternative development non-C2R developments may bring in.

7 **Local planning authorities should consider including policies within their local plans that outline the current and future need for older people's housing and care, including Retirement Communities**

Retirement Communities represent the fastest growing form of provision for older people's housing, yet because they are a relatively recent phenomenon they are often overlooked when specific forms of housing need are being assessed. Including policies specific to older people's housing, and including Retirement Communities as part of the mix, will help to increase the choices communities have. It would also help to facilitate the collection of relevant data by local authorities ensuring a robust evidence base for policies. The case studies on pages 10-11 provide examples of how local planning policy for housing for older people can be co-ordinated among a number of stakeholders.

8 **Raise awareness of Retirement Community models**

Alongside the above recommendations designed to increase the supply of Retirement Communities offering care and support, it is also important that Government and the sector considers how it can help channel demand. The findings of this report show that Retirement Communities can have significant benefits for both individuals and the wider society, as well as playing a part in reducing the fiscal burden of social care on the state. But they also suggest that there is still limited awareness of the Retirement Communities choices on offer, particularly among those who would most benefit – e.g. older people looking to plan early for their housing later in life and some local councils which could see significant community benefits. This report recommends that Government and the sector should do more to promote the model of Retirement Communities both within public services and with the wider public and just as importantly, how the sector differs from adjacent sectors such as care homes and retirement flats/sheltered housing.

9

Capital funding and land provision support for initial builds by Housing Associations and local councils

Feedback from Housing Associations who run Retirement Communities is that councils (when distributing S106 funding) and other capital funding bodies after often insufficiently aware of the possibility of Retirement Communities as a form of affordable housing. This can also be the case when public land is being made available for development. Providing greater guidance to these bodies on the availability of this option and the social benefits of it would lead to increased provision for those of limited means. It would also save operators and authorities time when dealing with future applications. Some thought should also be given to establishing a dedicated pot for capital funding of affordable Retirement Communities which are supported by their local councils. This should be separate to the existing Homes England Care and Support Specialised Housing fund (CASSH) and have fewer restrictions on council preferences for housing to be provided for local residents.

10

Allow local planning authorities to count Retirement Community housing as double against delivery targets
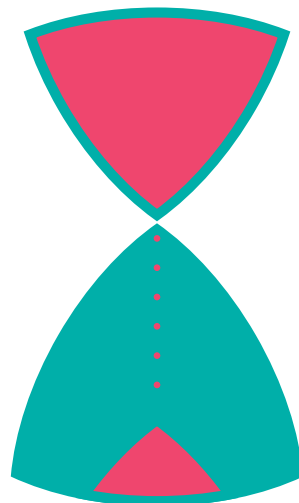
As Retirement Community housing frees up larger houses (each move to a one bedroom apartment in a Retirement Community frees up on average of 2.25 bedrooms elsewhere), enables a whole sequence of further moves down the chain, and makes significant contributions to local infrastructure and social care, there is a case for it counting for more against local housing targets.

As such, councils should be able to opt to count each unit of Retirement Community housing as double against their housing delivery target – e.g. 100 units in a Retirement Community would count as 200 housing units.

11

Support all councils in county areas to take the opportunity presented by bringing together all health and housing partners to improve residents' outcomes, led nationally by CCN and DCN working together

This project has exposed the huge opportunity that County and District councils have in working together to achieve positive health outcomes for people as they age in the community. To help take this opportunity, CCN and DCN will work together and with the sector on a future project to support and promote models that can bring together the whole housing and health landscape in ways that improve residents' lives.