SECTION A, PAPER A1
Older People and Housing

This briefing paper forms part of Section A of the Strategic Housing for Older People Resource Pack. Section A discusses the wider policy context of housing for older people, and how we might better understand demand and supply in the market.

References are made to practical Tools and Resources provided at the end of the Section. These have been designed to support planners and developers in developing a strategic approach to meeting the housing needs and aspirations of older people.

Section B of the Pack looks in more detail at the effective delivery of extra care housing in particular, and contains further Tools and Resources. A comprehensive bibliography and webliography is provided in Section C.

Housing LIN   adass adult social services   ipc institute of public care

Introduction

Most people are aware that Britain along with most other Western countries has an increasing older people's population. That increase, a rise by nearly 90% over the next twenty years is most marked in the population aged 80 and over, the group most likely to need some care and support. Making sure that there is housing suitable for that population in both the private and public sector is vitally important. Making sure that such housing not only diminishes people's need for care and support but is also an attractive, desirable and financially viable option represents a significant challenge.

This paper considers the policy context at the current time, and the key challenges this presents for commissioners, funders and providers as they seek to plan, design and deliver housings that older people want.

Changing times

In 2008 the government published a significant policy paper 'Lifetime Homes, Lifetime Neighbourhoods'[1]. Underpinning the document were three key assumptions:

- That specialist housing for older people should not just mean social housing but all forms of housing in which older people might live.

- That if more older people are to remain in their own homes then this requires the integrated activity of the local authority and the health service, and

- Finally, that staying in the community means more than just good housing it means developing communities that 'work well' for older people.

Such aspirations hardly represent new policy objectives yet the contexts in which they operate are radically different from those that pertained when the Welfare State first came into being.

"We all want to ensure that we can stay independent in our own homes as long as possible. But age brings with it a greater acknowledgement of interdependence with family, community, services, and neighbourhood. To achieve the right balance means looking at planning for new homes and neighbourhoods which can sustain the changes of a lifetime; providing impartial information at an earlier stage so that people can make better informed and more confident decisions; greater choice of quality housing options; increased support to enable people either to stay in their own homes or to move on, and better, more integrated housing support services".

Department for Communities and Local Government (2008). Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society.

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1 *Department for Communities and Local Government (2008). Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society.*

As the policy paper points out, "In 1950, the average man retired at 67 and could expect to spend 10.8 years in retirement." Now life expectancy at age 65 in the UK is for an additional 17.6 years for males and 20.2 years for females[2].

There has been a huge shift in home ownership. In 1900, about 90% of the population rented their home, the majority from private landlords. By 1939 the move to home ownership had begun with about 27% of the population owning their own house. That figure is now estimated to be just under 70%[3]. For older people the change is even more marked. Of the 5.5 million 65+ households in England, 75% are homeowners; a fifth live in social housing and only 5% live in the private rented sector. Of particular significance for future market development, nearly 50% of all housing equity is held by people aged 65 and over[4].

Finally, being a pensioner does not necessarily equate with poverty as it so often did in the past. Whilst there remains a sizeable group of older people who are income poor, despite recent stock market fluctuations and inflation, average pensioner incomes have risen faster than average earnings since the mid 1990s increasing by an estimated 44% in real terms between 1994/95 and 2008/09[5]. Some of this is not only due to older people releasing the equity in their property as income but is also down to a growth in occupational pensions. These now account for over one fifth of average gross income for single older people and over a quarter of average gross incomes for married pensioner couples[6].

Delivering choice

Whilst older people may own more property, live longer and be wealthier, it does not necessarily mean that this is matched by good health or that the choices available to people in older age have kept pace with demography or incapacity. There is still a sizeable minority of older people who depend on a state pension and live in family-sized social rented or privately rented housing. For example, it is estimated that 20% of general needs social housing is occupied by an older householder.

As a number of commentators have observed, old age is increasingly dividing into two periods of life: a comparatively fit and healthy early old age with relative wealth and prosperity, and an older, old age where incapacity and ill-health are more prevalent. Often it is the housing choices made in early old age that will influence the well being and lifestyle of individuals in the latter stages of life.

> *"It certainly looks as though total life expectancy in the UK is increasing faster than either the expectation of life in good health or the expectation of life without limiting longstanding illness."*
>
> **Oxford Institute of Ageing (2006). Increasing Life Expectancy and the Compression of Morbidity: A critical review of the debate.**

With regard to choice, given that the majority of older people live in owner occupied housing, and the bulk of housing and care services are in the private and voluntary sector, it might seem as if the capacity for choice and for a market driven by consumers already exists.

2 *Office for National Statistics.*

3 *House of Commons (21 December 1999). A Century of Change: Trends in UK statistics since 1900. Research Paper 99/111*

4 *Ball M (2011). Housing markets and independence in old age: expanding the opportunities. Henley, University of Reading.*

5 *Office for National Statistics. Pension Trends 2008.*

6 *Ibid.*

Only those dependent on local authority or Registered Social Landlord (RSL) provision may have a more restrained set of choices in their housing options. Yet choice for many older people may be far more limited than it initially appears:

- If people wish to move, perhaps because they have some degree of physical incapacity, the choice may often seem limited. Options lie between remaining in a family home not designed for the delivery of health and care services, living in small, rented, sheltered housing or moving to a care home. Consequently, a number of older people end up feeling trapped in their family home faced either with a move that is unacceptable or living in a property which they find increasingly hard to financially and/or physically manage.

- Purchasing housing designed and suitable for older people may not always be an option due to limited availability. For example, seven London boroughs have no retirement housing for sale of any kind although 66% of their population aged 65 and over are owner occupiers.

- Older people may not be aware of the range of aids and adaptations that are available to support them to live independently in their own homes or, with increasing pressure on resources, are finding it difficult to access them at all.

- Who makes the decision about accommodation is also open to debate. A study in 2004 stated that among a small sample of older people going into care homes, none of them felt that they made the decision; instead the choice was exercised by relatives or health and social care staff[7].

- In many rural areas local authorities talk about the difficulty of getting social care providers to offer a service that they can afford, let alone provide a choice of providers or services.

- Even funding your own care may not always mean that what you want is available. For example, few would argue that self-funders in the residential care sector have driven change. In many instances for those needing care there may be a choice of provider, but not a choice of service, of worker or of the time that the service is delivered?

There are a number of reasons why this situation has arisen. Planning authorities and government have seemed blind to the need for a sizeable increase in housing suitable for older people, only seeing housing problems in terms of the demand for family housing. Housing providers and developers find it hard to fund developments where all the costs are up front and where the market is uncertain and in many areas untested. Selling the concept of housing with care and support can be difficult given the plethora of terms used to describe this form of housing, something which equally seems to confuse both planners and regulators. Architects still seem to design housing for older people as institutions where in many instances the latest model still looks like a cross between a motorway lodge and a care home.

Despite publications, such as the innovative HAPPI report[8], the notion of a wide choice of rented or purchased property for older people of different designs, tenure arrangements and prices still seems a long way off. As was recently pointed out[9], if even the present market share of owner occupied retirement housing was maintained it would require the development of 5,300 dwellings per year for the next twenty years. If choice was to be elevated to a meagre 5% market share, the annual total required would be 16,000 per annum.

Therefore, the challenge is considerable and immediate given the time it can take for new housing to move from concept to completion.

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7 *Kerslake A and Stilwell P (2004). What makes Older People choose Residential Care and are there alternatives? Housing Care and Support; 7 (4): 4-8.*

8 *Homes & Communities Agency (2009). Housing our Ageing Population: Panel for Innovation (HAPPI) report.*

9 *Ball M (2011). Housing markets and independence in old age: expanding the opportunities. Henley, University of Reading.*

It is a challenge not just for public sector housing but also for the private sector, given the high levels of home ownership amongst older people. It is a challenge for planners and architects and also to those who fund housing development, to recognise the substantial change that will need to take place in the way our communities are designed over the coming years.

Drivers for change

The one certainty is that the past way we have thought about, designed and funded housing for older people needs to change. With an emphasis on choice and individuals having funding, either through their own resources or from a personal health and social care budget, there is a need to seek housing and care solutions that are much more positive and attractive than those that have been seen as appropriate in the past.

In the future, developments should be of housing suitable for older people rather than the more stigmatising 'older people's housing'. It should be housing which people look at and welcome with a "wow" rather than housing where the underlying message is, "has it come to this?"

Some of the potential drivers through which this might be achieved are summarised below, as well as further explored in the range of papers in this Strategic Housing for Older People Resource Pack.

ASPIRATIONS AND DRIVERS	IMPLICATION FOR COMMISSIONERS AND PROVIDERS
Provide greater choice given the significant levels of owner occupation amongst the older population.	Housing developments suitable for older people need to offer a choice of tenure, with more options for outright purchase or shared ownership. This should match the tenure make-up of the market.
	This may also mean local authorities freeing up land in prime sites for development, planners being much better versed in the needs of older people and financial incentives to developers to develop innovative housing approaches.
Encourage a planning, fiscal and regulatory environment that stimulates the development of new types of housing for older people.	Planners need to be aware, particularly in areas of high density of older people, of what makes a good neighbourhood to live in. This is not just in terms of housing, but in terms of street architecture and facilities, such as lighting, drop curbs, public toilets, etc, in transport and in service availability.
	Planners and regulators currently have varying views about the status of housing with care or extra care housing, for example whether it should be treated as a residential care home in planning terms, or as a form of housing. This ambiguity does not help the development of extra care housing locally, and means both commissioners and providers need to work to ensure clarity about what they are trying to achieve with key stakeholders.
	In Denmark around 8% of Danes aged over 50 now live in Co-Housing[10], yet the traditional housing models of freeholds and mortgages are often obstacles to this kind of development in the UK.

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10 *See http://www.vivariumtrust.co.uk/what-is-co-housing.html*

ASPIRATIONS AND DRIVERS	IMPLICATION FOR COMMISSIONERS AND PROVIDERS
Maintain or reduce expenditure on residential care and/or hospital admissions and facilitate hospital discharge through increasing care and support in the community.	All new developments should be capable of having the range of health and care services being delivered into them to ensure that they can remain lifetime homes, eg, supporting reablement, intermediate care, and end of life care.
	Well designed housing options for older people will reduce the level of admissions into residential care for housing related reasons. It will also promote improved health, such as reducing falls and fractures, which in turn will lessen the demand for care services.
	Housing suitable for older people should focus on design that facilitates health and well being, eg, removal of trip hazards, good lighting to assist people with visual impairments, have wiring and trunking designed into buildings to assist telehealth and telecare if needed in later life.
Encourage greater planning for old age, and in particular planning a move to more suitable housing.	It is unclear the degree to which housing choice influences decisions about moves in later life, but evidence from other countries, such as the Netherlands and Denmark, suggests that more people will consider a move if there are attractive housing options available. Visioning different types of housing developments could be a useful role that Councils could take on in partnership with developers. Offering assistance and physical help with moving may be particularly important in helping people to make a move in older age.
Respond to the needs of the many older people who, on current projections, will develop dementia.	The main focus for specialist housing for older people has been on those with physical rather than mental frailty. Commissioners and providers need to address the design and delivery issues to maximise the opportunities for people with dementia to remain in housing in the community.
Deliver social housing within a constrained and decentralised funding environment.	Proposals to change the housing benefit system for supported housing, alongside changes to Supporting People funding, mean providers and commissioners will need to work together to ensure services are affordable for older people, as well as financially viable.
	There is no longer a dedicated funding stream to support the development of extra care housing and so commissioners and providers need to work together to find alternative approaches which maximise the benefit of any public grants still available. This is likely to involve exploring the potential to include rented property within developments primarily for sale.