



Lifelong neighbourhoods: how older people can add value

This Viewpoint deals with changing the way we plan and develop our towns and cities to meet the needs of an ageing population. It draws on a range of research undertaken through URBED, a not for profit research and consultancy group I set up in 1976, as well as experience of towns and cities in many countries. It is written in a form that might act as a manifesto for groups wanting to build somewhere different and live in different ways. It may also be of use to developers or local authorities who want to future proof what they are building. My basic proposition is that we should see older people much more as a resource to be harnessed rather than a set of problems or clients for over-stretched social services.

There are six sections: how values and demands are changing; the economics of isolation (and social capital); the implications for revitalising our town centres; the potential for older people to catalyse the development of sustainable communities; designing for the third age; and finally, where the money can come from.

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1. Shifting values and changing demands

Over the last few decades, the UK followed the pattern or model set by the USA of living in isolated suburban houses, where town centres end up like American doughnuts with holes in their middles. This led to a call for a change of heart, and designs that were more 'future proofed' or sustainable. There were even proposals under the Labour Government for an 'urban renaissance' and 'Ecotowns'.¹ Unfortunately, few are willing to adopt different lifestyles to 'save the Planet', and most want more space than the new flats built on brownfield sites provided. We applaud the pioneers, and then drive to the supermarket to stock up. Our town centres are littered with empty or charity shops, while those on the streets have time but no money to spend.

But is a different pattern viable as well as desirable? Could our towns become more like Danish pastries, with rich centres? I have direct experience of living at higher densities in a Victorian terrace house in the centre of Stroud (an old industrial town on the edge of the Cotswolds), and spending time in a flat in Kings Cross, as well as of running many study tours to look at how housing has been provided in Europe. As a result, I am convinced that different models are not only feasible, but would also meet the needs of our changing population much better than the typical housing estate or village.

Surveys by MORI and others have shown high levels of dissatisfaction with the way we live. Britain, along with the USA, tends to perform poorly, whereas Continental countries like Denmark and the Netherlands are rated higher. In the 20th century, those who could afford to do so left cities for the suburbs or rural areas, but the tide may be turning. Our children are amongst the unhappiest of any developed country, possibly because they lead isolated lives, and have lost the independence that city living can offer. Furthermore, we no longer seem to have the resources to care properly for an ageing population that often lives far apart from their children.

In the light of the above, the UK therefore has some major gaps to fill before it can improve general wellbeing, but there are four forces at work that could also provide the impetus for getting our weak and dispirited economy moving again. First, ageing populations require more services than we can currently afford, unless they are provided differently. Much of the pressure on hospitals and GPs can be explained by the costs of isolation. Beds are blocked by those who cannot easily be discharged, or who would have better been cared for in the community.² Research I undertook at McKinsey and subsequently the LSE discovered how difficult it is for centralised services to coordinate what they do, however sophisticated the IT systems. Relying on local authority social services, in times of cutbacks, or on volunteers and a Big Society, is simply not realistic in most places. Instead, we need more natural systems, the kind where neighbours look out for each other, and where places are designed to support people doing more things for themselves.

Second, failing infrastructure requires major investment. Older people are well aware of the deficiencies in so many utilities they once took for granted. Uneven pavements trip people up, adding to health costs, while fast cars stop people crossing roads safely, adding to stress. Pot holes lead to bumpy rides. Rising fuel bills in poorly insulated homes add to worries about living on a fixed income. Bus services, even when they are free, are erratic, and are of little help to those living at low densities in the country. Better and more efficient homes could get

¹ *Towards an Urban Renaissance: report of the Commission* under Lord Richard Rogers, Spon (1999)

² Nicholas Falk and James Lee, *Planning the Social Services*, Saxon House, Teakfield, (1978)

the housing market moving again, as older people move out of homes they neither need nor can afford to run into new homes on the edge of town centres. They would release homes with gardens for families, and for people who can do much of the home improvements themselves. The work required in moving to a 'greener economy' may also provide the next wave of jobs, from personal care and building improvements to teaching practical skills, as the popularity of yoga classes illustrates. Rebuilding social capital is more humane and sustainable than building isolated retirement villages or care homes, staffed by cheap Third World labour.

Third, those with savings are looking for better returns. Most of the UK's wealth is tied up in housing, largely owned by 'empty nesters'.³ David Willetts in *The Pinch* draws on work by Alan Holmans to show that "*half of all wealth in owner-occupied housing belongs to the baby boomers*"; those over 65 were estimated to have £800 billion tied up their homes, or nearly 40% of net housing wealth. Many worry about their investments, whether it is the costs of fixing the roof on their ageing homes, or the low return they get from money left in the building society. The antics of bankers and others who have creamed off huge fees make them nervous about any other form of investment, such as equities. Yet the costs of fixing Britain's worn out infrastructure seems impossibly high, some £500 billion according to the McKinsey Global Institute in a report on getting the economy moving again.⁴ There also may not be the skills needed to do the job, now so many have taken early retirement. The 'grey pound' could offer potential solutions to what have become intractable problems, which I explore in the final section.

Finally, new sets of values are emerging. Villages have lost their young people, and the shops they once supported. Too many live alone in detached, rural homes far away from their relatives. Inner cities still contain concentrations of people who know each other, but as housing became unaffordable to those on average incomes, the most active have moved out to new estates on the fringes. A car based lifestyle, with everyone driving to work in opposite directions, makes it harder to provide good public transport outside a few denser cities like inner London. Care workers are forced to drive between appointments, and end up with little time for their 'customers', and no money or time for themselves. Not surprisingly, a growing number of people are looking for something more fulfilling and more sustainable, where time can be used more effectively, and cities are coming back into their own.

It is curious how extreme 'free marketeers' and stalwarts of the Conservative Party still end up enjoying their homes on the Continent, and even retiring there. Those who have spent time in French, Italian or Spanish towns are surprised at how much livelier they are, with people of all ages and classes walking together in the early evenings, a custom Italians call 'la passeggiata'. Many small towns in Italy are now linked in a movement called **Citta Slow**, which emphasises local food and products. But even cold and windy cities such as



The Citta Slow movement in Italy has helped keep small town centres alive by ensuring they are pleasant to live in and visit

³ David Willetts, *The Pinch: How the baby boomers stole their children's future, and why they should give it back*, Atlantic Books (2010)

⁴ *From Austerity to Prosperity: seven priorities for the longer term in the UK*, McKinsey Global Institute (2010)



Trams have been used to help movement in cities like Freiburg and Montpellier

Copenhagen, where 37% of people now use bikes to get to work, have made walking and cycling a pleasure; they also provide blankets or heaters to ward off the cold when you are sitting outside a café having a drink. Much of the success of the German economy similarly can be credited to the way their towns and cities have invested in their ‘common wealth’, with much higher levels of personal savings. Cities such as **Freiburg** in South West Germany have used trams to create a ‘city of short distances’, while care has been taken to avoid losing trade to out of town shopping centres.

There are at least three lessons for housing an ageing population to be drawn from a comparison between similar sized towns and cities in the UK and the Continent:

1. **Value coproduction over consumption:** Our society has given too much power to private businesses, and ‘buccaneering capitalism’, and not enough to local communities to keep life in balance. It is appalling to see public facilities like libraries and swimming pools being shut, and youth services cut back when many have time on their hands through no fault of their own. Yet there is plenty people can do for themselves, as Transition Towns such as Totnes, Todmorden and Stroud are starting to show.⁵ Indeed, as I suggest in a report for English Heritage, local communities can take over under-used assets, such as historic town halls, and secure more value from them. Older people are invariably playing a leading role in setting up and running development trusts.⁶

2. **Use smart local investment to fund better services:** Local infrastructure is key to living a better and more sustainable life. The French support their investment in high quality transport, such as trams, through a charge on employers’ payrolls – the Versement Transport. Every French town or city prides itself on the quality of its urban environment, and Mayors win elections for what they have built. Provincial cities like **Montpellier** have transformed themselves through ‘smarter growth’. The Germans rely on local savings banks who in turn invest in building many more homes to rent, rather than putting funds into national financial institutions and complex financial derivatives. In **Freiburg**’s acclaimed urban extensions of Vauban and Rieselfeld, a third of the homes are commissioned by building groups, and many consume almost no energy (Passivhaus).⁷ Some say this makes German



An example of housing in Freiburg, Germany

⁵ Rob Hopkins, *The Power of Just Doing Stuff*, Transition Books (2013)

⁶ *Pillars of the Community*, URBED for English Heritage, www.urbed.coop

⁷ Peter Hall, *Good Cities, Better Lives: How Europe rediscovered the lost art of urbanism*, Routledge (2014)

life more boring than the British equivalent but finance should not be seen as a casino, using other people's money, while cars still need to be tamed in most towns.

- 3. Build natural communities:** The social interaction that creates common wealth (and in the process leads to people living longer and happier lives) is not just a question of local culture or traditions, as some would have it. It is greatly influenced by the way places are designed and managed. For example, if it is easy and safe to walk to shops and services, the car can be left behind or dispensed with altogether. If a range of ages and incomes live close together, there are likely to be higher levels of economic activity as, for example, babysitters allow parents to go out, while older people can get hold of people easily to help in the house. It is not surprising that some of the most popular places to live in the UK are in dense historic cities, such as York or Winchester, and much of the appeal is the livelier culture there.

I believe older people can and should lead the way in changing what society values, and those who were the first in their family to go to university have a particular contribution to make. It is sometimes seen as a sign of regret that the committees of councils or voluntary organisations are dominated by those who are retired. But as the French say '*Si le jeunesse savait, si la viellese pouvait* (If the young only knew, if the old only could)'. The big challenge is for those who know a different way of doing things, such as the 'baby boomers' who grew up in the 1960s, to provide the necessary leadership, rather than retiring to their televisions or gardens! There are masses of ways of making towns and cities work better, as a succession of books and reports, and bodies like Action for Market Towns have shown.⁸ But before considering what can be done, we need to appreciate how such initiatives can be made to pay for themselves in terms of both economic costs and wider wellbeing.

2. The economics of isolation (and social capital)

The arguments against change are usually that we cannot afford to do anything new. In the UK we have become so used to the idea of a Consumer Society, with everything available on demand, that many have forgotten what really produces wellbeing and a good quality of life. Individual income levels are used as a measure of wealth, and politicians vie with each other to promote the growth of Gross Domestic Product, and by implication national incomes. From a crude economic perspective it is only those in the labour market who matter, and in the economic upswing in the early 21st century it looked as if the historic cycle of 'boom and bust' had been conquered. All that mattered was to increase choice for those on lower incomes.

For a while conditions for pensioners and families with young children did improve, as research by CASE at the London School of Economics has documented.⁹ Yet for all the increase in health spending, average life expectancy remained in the median of OECD countries (which may be related to the UK being one of the top four countries in terms of obesity.) Miserable people eat more and worse, exercise less, and live shorter lives. In the light of a recession on a scale not seen since the 1930s, some of the economic truisms are being questioned, as we consider how to live on less, and minimise waste, without losing the qualities that make life worthwhile. A few eminent economists such as Amartya Sen and Jeffrey Sachs are putting value on creating a fairer society that values social capital.¹⁰ There are at least five main challenges we need to address if our society is to become more sustainable:

⁸ *Vital and Viable Towns Centres: Meeting the Challenge*, URBED et al, HMSO (1994)

⁹ John Hills et al, *Social Policy in a Cold Climate*, Centre for Analysing Social Exclusion, LSE, (2013)

¹⁰ Jeffrey Sachs, *Common Wealth, Economics for a Crowded Planet*, Penguin Press (2008)

- i) **Intergenerational inequality:** The inflation in house prices shifted the balance of wealth to favour the ‘baby boomers’, those born at the end of the Second World War. One result is that young people can no longer envisage getting on the housing ladder, and there has been a marked rise in renting, often thanks to older people renting out homes they once occupied, or becoming ‘buy to let’ landlords. The greatest increase in demand has come from people living on their own, whether it be couples splitting up or losing a spouse, as people now live much longer and stay single. Housing costs are no longer shared. But with a failing economy, it becomes harder and harder for those on their own to maintain their lifestyles. There is consequently a growing paradox of people sitting on their own in homes they can no longer afford to maintain, and without the incomes or capacity to adapt them to modern needs. There are also large numbers of people living alone in social or private rented housing with no capital to draw on, and very little security. The ladder of opportunity is no longer there.
- ii) **Property as a liability:** The great benefit of home ownership traditionally was that when you retired you no longer needed to worry about paying off a mortgage or rent. Now there is much more time to fill, with less income to tap, especially as falling interest rates hurt those living on investments. Many retire with debts. There are only so many holidays to be enjoyed, and many will be concerned about fights over resources in an over-stretched planet. There may be children asking for help with house deposits or school fees, where once they looked after themselves. Children no longer live close enough to provide parents with much support, or for parents to provide regular child care. Societies with greater levels of equality, such as in the Netherlands or Scandinavia, offer higher levels of wellbeing, even though home ownership levels are much lower.¹¹ Our ideas about property ownership may need to change as private homes turn from assets into drains, and new forms of tenure start to take over.
- iii) **The rising cost of living:** Getting by on a fixed income becomes harder as basic items like food and energy become much more expensive. So too will the cost of care. Unless the rate of take-up of the Green Deal improves and we improve much more of our housing stock, many older people are likely to become much colder, living perhaps in a single room to keep costs down. The marvels of modern health technology are of little use if the basic conditions that maintain health are missing, such as good food, warmth and affection. As it is far more efficient to run services when the population is concentrated, amenities such as village shops and buses will continue to disappear.
- iv) **The loss of a sense of community:** Even more serious than a cutback in public services is a decline in a sense of neighbourliness, as people focus on looking after themselves, and ignore the demands of the wider community. This can be seen in the widespread opposition to proposals to build new homes or new sources of energy, and the general fear of the future. Our ideas about insurance may need to change. Food may be delivered by supermarkets, but the consequent loss of interaction with other people carries high social costs, as well as making it harder for local shops to survive. In short, in creating a world for consumers, and those who value ‘choice’, we have lost the value provided by ‘co-production’, and the social capital or reassurance this brings.
- v) **Common wealth:** Finally, there are all the factors that create a sense of wellbeing, and make life worth living. Research poignantly entitled, *Who will love me when I am 64?*, brings out the importance of health, financial security and strong relationships.¹² Yet 45%

¹¹ Richard Wilkinson and Kate Parrett, *The Spirit Level: why more equal societies almost always do better*, Allen Lane (2009)

¹² *Who will love me when I am 64?* Relate and New Philanthropy Capital, (2013)

of marriages have collapsed before their 50th wedding anniversary, and only 4% of over 50s make new friends. It is often commented that people seemed happier coping with the adversities of the Blitz, because everyone was in it together. There was also the satisfaction after a period of austerity of acquiring the first car or central heating. But as people end up with material goods but poor social relationships, and it becomes too expensive to look after buildings or public space, so community pride suffers, and assets start to decay and become liabilities. So instead of seeing the solution as equipping homes with all kinds of high-tech gadgets to make independent living easier, perhaps we can see an ageing population as an opportunity to rebalance our towns and cities, and make them living places once again.

3. Revitalising town centres



Signage in the township of Civitella in Val di Chiana, Italy

One practical first step is to make smaller centres feel safer and more welcoming. They can never compete through the choice of shops, as most retailing is concentrated in the largest centres and increasingly is being lost to the internet. But they can be made more welcoming, as I have shown in a number of research reports and consultancy projects.¹³ All too often the centres of British towns feel cut off from their hinterlands. There are too few people living in them, which adds to the feeling that they are dangerous at night. The contrast between the state of the pavements and road surfaces between even quite wealthy English towns and the poorest French or Italian towns is remarkable. Instead of signs telling you what you cannot do, better signing shows what a town has to offer and where. Initiatives like the Slow Cities movement, pioneered by **Citta Slow in Tuscany**, have kept small centres alive by ensuring they are a pleasure to live in and walk around. In the process they also appeal to tourists, but it is local demand (sometimes helped by concerned retirees from abroad) that keeps them vibrant.

A second step is to manage the property assets better. Instead of letting upper floors go to waste, towns can bring them back to use for households without children. There is great potential for converting buildings in secondary shopping areas on the edge into homes for the over 60s who have wealth to be tapped, and returning car parks to housing. Cars can often be squeezed into streets (thus cutting down speeds). We could make housing much more affordable by making better use of the stock. This would include measures to help people downsize from under-occupied suburban semis into more affordable apartments. Young couples could then take on the arduous job of modernising them, for example with external insulation, and really benefit from their gardens. For those who have got past the time of moving, and may be living on their own, an obvious solution is to take in a lodger or homesharer. A properly managed system for vetting tenants, as applies in some university towns like Oxford, could greatly improve utilisation, and overcome the problems of loneliness that may feel worse than the cold of an empty home.

¹³ *New Life for Smaller Centres*, URBED for Action for Market Towns, www.urbed.coop

One of the reasons why our centres and blocks of flats have been prone to decay is our reluctance to fund adequate management. In Scotland, it is said that apartment living has been part of the culture, and there are now plenty of examples all over the UK where towns have been revitalised through Town Centre Management. As I have shown in a report on managing mixed communities, it is essential to invest not just in common facilities, but also in rules to ensure that multi-occupied blocks are properly looked after.¹⁴ Occupants of some of the wealthiest areas, such as the Grosvenor Estate, accept this without question. But people will still quibble about paying the costs of looking after the common parts. One answer is to rekindle a sense of community by providing support for neighbourhood management, and here Town and Parish Councils have an important role to play. Another is through more cooperative approaches, as, for example, is common in New York, where housing co-ops determine who moves in and get together to agree how much caretakers or ‘supers’ should receive at Christmas.

A third step is to make full use of empty properties. This could be encouraged through a charge on empty property or unused planning permissions, and here the UK could learn a lot from the way property taxes are applied in the USA. Interim uses, such as ‘pop up shops’ and galleries can complement the host of charity shops to be found in most British towns today. Community gardens can make good use of waste pieces of ground. Festivals are a great way of giving town centres or streets a new sense of purpose, and creating fun for all.

Older people with time on their hands can get real satisfaction by putting their knowledge and skills to work running the services that make up a healthy town or housing block. This does not mean taking over the duties of a local authority, who should still be expected to provide a good basic service. But it could top them up, as for example, the National Trust does, in the many properties it looks after. By recognising how our individual wellbeing or health is bound up with the success of our towns or ‘common wealth’, we could move towards a much healthier and enjoyable way of life.

4. Catalysing new communities

One area which has roused more controversy than any other is where new housing is to go, and also how local energy is to be provided. Despite all the evidence that the UK needs to build much more, and the implications of our energy capacity falling within 2% of predicted demand, it is still far easier to get people to protest against new housing or wind farms, than to move forward. Much of the capacity to plan positively has been destroyed, as for example centres of expertise have had to close as a result of government cutbacks. It is therefore increasingly hard to find organisations who can’t build the better homes that are so urgently needed on the scale required. However, there are some rays of hope.

Car-free blocks: First, is the growing interest in making urban streets more pedestrian and bicycle friendly, and making vehicles less dominant. By keeping cars in their place, for example through Park and Ride, as in Oxford, some of the funds needed to upgrade public transport can be generated. Walking and cycling are among the best ways of keeping healthy. There is also scope for developing central car parks as well-designed housing, as for example South Somerset are proposing in Yeovil. URBED’s experience of master-planning a large area on railway land by the side of Brighton Station is that in the right location money saved

¹⁴ *Mixed Communities: Good practice guidance for management and service provision*, URBED for Housing Corporation and English Partnerships, (2008) www.urbed.coop

from not having to provide car parking can be reinvested in better urban quality (see case study www.urbed.coop). In this case, a new Sainsbury's store under a block of flats provided the funding for the infrastructure needed to make the **New England Quarter** scheme viable, while many of the flats are low energy and have small allotments on the roof.



A roof allotment in the New England Quarter in Brighton

Cohousing and self-build: Second, is the interest in new ways of procuring housing through various forms of custom or self-build (or self-commissioned), such as cohousing, which has proved so popular in Denmark, where housing is commissioned by the potential occupants, with a high level of communal facilities. One of the pioneering projects is close to the edge of Stroud town centre, and **Springhill** has attracted not only families with young children, who welcome the chance to share parenting duties, but also older people who welcome company and who like the idea that when, for example, they come out of hospital they are not returning to an isolated home. Balanced or mixed communities turn what would otherwise be dormitories into 'lifelong neighbourhoods' which offer much better value than living alone through all the contacts they offer.

There are plenty of towns, like Stroud, with good rail links where a group of older people could provide the financial under-pinning for getting a new housing scheme off the ground. Inspired by what has been achieved in Almere, a new town in the Netherlands, we are beginning to see commercial developers like Igloo respond to the opportunities. There is no doubt that while self-build can save money, or allow people to afford more space, the commissioning work takes time. 'Downsizers' are often the life and soul of residents associations and civic societies, but they could also be the pioneers in getting innovative new developments going. Indeed, with more older people living close to towns, we could see a rise in the numbers working part-time using their old skills, whether as doctors or plumbers or designers.

Sustainable urban neighbourhoods: Third, some new housing schemes, such as those by the Bournville Village Trust in Lightmoor, Telford, or by Joseph Rowntree Housing Trust in **Derwenthorpe** near York, or Linden Homes in Graylingwell Park, Chichester, are creating places that look and work differently.¹⁵ These schemes show that new developments can be just as attractive as older ones, but result in lower running costs through efficient energy systems. It is a pity that such good examples are still so rare, and most people's attitudes to new housing have been forged by the developments of the volume house builders that dominate the British market.

5. Designing for the Third Age

House builders in the UK have concentrated for the most part on building little houses for young couples, often with insufficient space to 'swing a cat'. They have gone for easier sites to develop outside towns rather than taking on more challenging sites. The effect has been to miss out a major market with the most capital to invest. Those building for retirement have

¹⁵ Nicholas Falk and Michael Carley, *What local authorities can do to build sustainable urban neighbourhoods*, JRF (2012)

tended to focus on care provision, which can be uneconomic. A different product, of the kind illustrated in the HAPPI2 report, could transform attitudes to urban living and be replicated more widely.¹⁶ In **Painswick**, Gloucestershire, a major extension on the edge of the village centre looks attractive, and helps keep the remaining shops and services going. But even better are the few examples using more modern architectural forms. For example, buildings with flat roofs to provide outside patios, and shared parking underground, accessed by lifts, are ideal for those with mobility problems. Apartment blocks do not have to be built around faceless corridors, with limited light and outdoor space, but could replicate the lessons from Continental cities where four storey blocks with large balconies are the norm.¹⁷

Housebuilders complain of financial institutions being reluctant to invest in innovative schemes, but this may be for lack of evidence of what works. New Australian research *Investigating Community in Apartment Living* provides an excellent review of the literature and some useful case studies of what is needed, particularly as far as older people are concerned.¹⁸ Physical design does make a difference to how well places work, and some fairly simple measures could help avoid the kinds of problems that bedevil high density living. This is important if people are to be weaned away from suburban living at low densities. This goes beyond the basic concerns



A plan of the Kidbrooke Village development in South East London, showing C shaped buildings

of security and quietness. For example, a building in the form of a C as in the Berkeley Group's development of Kidbrooke Village in South East London, where the building incorporates corner apartments, provide a much better quality of life than blocks with double-loaded corridors that always seem anonymous. A floor with four or six different households on it is large enough to secure some economies (for example, in terms of lift or staircase provision), but small enough for residents to recognise each other as neighbours.

By facilitating 'accidental' encounters, a sense of community can be built up. This means carefully planning the everyday functions, of '*entering the building; getting the mail; taking out the garbage; washing the car; and drying the laundry*'. Too often these are seen as unimportant compared with meeting the building regulations, yet they determine whether people come together as neighbours rather than as disputants. They all need to be managed in some way if conflicts are not to arise. The Australian research suggests promoting communal activities and common interests, but recognises that 'common rooms' are often wasted spaces, and that people use private open space more than communal gardens. However, if the gardens or small allotments are developed and looked after by groups of residents, as in the case of BioRegional's development in the **New England Quarter**, then the service charge can be kept down.

So more research is clearly called for, and it is astonishing that more has not been done to find out what makes places succeed (as opposed to what causes them to fail). Perhaps the problem is that too many researchers live in houses rather than share apartment blocks and

¹⁶ *Housing our Ageing Population Plan for Implementation (HAPPI2)* APPG on housing and care for older people inquiry report (2011)

¹⁷ *Beyond Ecotowns*, PRP, URBED and Design for Homes, (2008) www.urbed.coop

¹⁸ Report provided by Professor Peter Webber and available on request from Nicholas@urbed.coop

simply do not know what does and does not work! A policy of building separate blocks or villages for those without children may be dysfunctional. Instead I believe we should adopt a policy of 'smarter growth' through which major developments are only allowed next to existing or planned transport facilities, with a balance in terms of ages and incomes. We need to build 'lifelong neighbourhoods' rather than just lifetime homes, by showing how the right principles may cost a little more upfront, but can pay off in the longer term. Such developments would go a long way to securing a better balance in people's lives, and should save on health, transport and policing bills as well.

By drawing up quality design charters, as for example in Cambridgeshire, good urban design will overcome resistance and produce much better value:¹⁹

- First, if the block can be located on a main thoroughfare, then it may be feasible to have commercial uses on the ground floor, and a private café or shop serving the wider community is more likely to be viable.
- Second, a location near a bus stop on a well-used route can open up a host of opportunities. It is the neighbourhood rather than the block that often defines identity, and this is where common interests are best pursued. An electronic as well as physical noticeboard or newsletter that promotes what is available where is probably the best solution, given the enormous diversity of interests that people have.
- Third, it is people with young children who often need to come together, and well-designed spaces for child's play can make all the difference, recognising that as ages change, so do needs. Developments of over 800 homes are large enough to require a primary school, which can then provide the community with a heart, and provide lots of activity for older people, for example through volunteer reading schemes.
- Finally any new neighbourhood should provide communal space to grow flowers and vegetables, so that we break down the rigid divisions between town and country (as can be seen in new communities in the Netherlands, such as in **Almere or Amersfoort**).

6. From austerity to posterity

In this final section, I consider where the money could come from, and who should do what. Many economists recognise that instead of making cuts under the misguided belief that this will reduce the government's deficit, we should be looking at how to invest in measures that will 'future proof' our society, and improve the quality of life for all. This will involve investing more to save on waste. The key is making the most of 'social capital'. A letter to the Observer on 30th June 2013 headed *The elderly can be part of the solution to this economic mess* pointed out that *'Most older people who have been buying houses over their lives, will now be sitting on a major asset. So the question is how do we recycle this massive amount of equity'*.²⁰

Inheritance Tax is dead money, and often resisted or evaded, and as yet there are not the financial mechanisms to achieve the kind of urban restructuring that is needed. There is a natural resistance to taking advantage of equity release through distrust of the intermediaries, as a useful paper from The Smith Institute brings out.²¹ Indeed, British financial institutions

¹⁹ Cambridgeshire Quality Charter for Growth, URBED for Cambridgeshire Horizons, (2008) www.urbed.ccop

²⁰ www.justretirement.com/About-us/Media_Centre/Retirement-News/Retiree-property-portfolio-worth-7742bn/

²¹ Paul Hackett and Paul Hunter, *Selling off the family silver: Can release equity from poorer .older homeowners deliver a better housing deal?*, Hanover @50 debate, (2013)

and housing associations are lagging far behind their Continental equivalents in developing new housing for private rent, and in the infrastructure that supports more sustainable lifestyles. Though a few housing associations have shown what is possible, for example Guinness in **Hulme** and Poundbury, and are raising funds from financial institutions such as Legal and General and the Prudential, we still have a very long way to go to match what has been achieved in the Netherlands, as an example, where housing associations have accounted for half the new housing built in recent years.



A development by the Homes for Change social housing cooperative in Hulme, Manchester

But suppose we started to design and invest in projects that were publicly led but privately financed, and drew the necessary expertise together from people who cared about the future? Suppose we linked investment in upgrading our transport and housing systems with new economic and housing developments, or what I call Smarter Growth? Suppose we attacked isolation by making the public realm much more welcoming, and by using IT and crowd sourcing to bring people together around common interests, particularly those that helped restore our environment, for example through more allotments, community woods and playgrounds of all kinds. Then we could use the uplift in land values as a result of carefully planned development in the right places to provide a good and inflation-proofed return to those who were willing to fund them.

Such a mechanism, which might be called ‘Sustainable Retirement Bonds’, would satisfy the needs of financial institutions for investments that pay off over 20-25 years, and from financial advisors to top up private pension plans. They could apply a funding technique that many American and Canadian cities have used successfully for new infrastructure projects. By raising sums of around £100 million through a single bond issue, it would be easy to package together different sources of funding to cover a number of projects in say a County or city region, and to keep the transaction costs down.

The benefits would be considerable. It would allow those sitting on ‘wasted assets’ to do something better than buy an apartment in Spain, or cruise round the world. Investments could be counted against the equity in their homes, and used to transfer wealth to the next generation, or some other ‘good cause’ without paying Inheritance Tax. It would allow private investors to see literally where their money was going, and to draw satisfaction from their investments (and perhaps even make some new friends!) It may not answer all the problems, particularly for those living on low incomes, but it could lead the way.

Achieving living towns and lifelong neighbourhoods will take massive investment, but more importantly, a massive change of attitudes. This cannot be achieved through reports or government commissions alone. I believe that older people who can see that a different way of life is both viable and preferable should be providing the leadership, and putting their money where their mouth is, as the expression has it. New financial products directly linked to providing the better housing the UK desperately needs would also contribute a missing link to building our way out of a recession.

Note

The views expressed in this paper are those of the author, and not necessarily those of the Housing Learning and Improvement Network.

Dr Nicholas Falk, a former management consultant with McKinsey and Company, founded URBED in 1976 as a not for profit research and consultancy group. His latest commission has involved advising on the development of Barton West, a joint venture between Oxford City Council and Grosvenor Developments. He is the co-author of *Sustainable Urban Neighbourhood, Building the 21st Century Home*, Architectural Press, 1999 rev 2009, and has contributed to a new book by Sir Peter Hall, *Good Cities, Better Lives: How Europe rediscovered the lost art of urbanism*, Routledge. Other writings can be accessed through www.urbed.coop and Nicholas's blog <http://postcardfromthefuture.wordpress.com/>

About the Housing LIN

Previously responsible for managing the Department of Health's Extra Care Housing Fund, the Housing Learning and Improvement Network (LIN) is the leading 'learning lab' for a growing network of housing, health and social care professionals in England involved in planning, commissioning, designing, funding, building and managing housing, care and support services for older people and vulnerable adults with long term conditions.

For further information about the Housing LIN's comprehensive list of online resources and shared learning and service improvement networking opportunities, including site visits and network meetings in your region, visit: www.housinglin.org.uk

The Housing LIN welcomes contributions on a range of issues pertinent to housing with care for older and vulnerable adults. If there is a subject that you feel should be addressed, please contact us.

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