

RHG press release on the launch of the Task Force on Older People's Housing

Retirement Housing Group-UK (RHG), which represents the largest retirement living developers in England, strongly welcomes the launch of the Government's Task Force on Older People's Housing.

Richard Morton, Chair Retirement Housing Group UK said: Retirement Housing Group UK has worked hard to develop constructive proposals which can increase housing supply in this very important but neglected sector of the housing market. "We welcome the creation of the Task Force on Older People's Housing and are committed to working with the Task Force and with Professor Julienne Meyer to develop policies that will increase housing choice for older people. With an ageing population it is essential we increase the supply of suitable and attractive homes for this key section of society, and in turn then release desperately needed housing for other age groups."

In England according to national Census data in the period from 2011 to 2021 the number of people aged 75 and over grew by 18%, whilst the remainder of the population grew by only 6%. The housing needs and aspirations of our older age groups are an increasingly important issue, not just for housing policy but also for national welfare. Indeed, the government's National Planning Policy Guidance advises that "the need to provide housing for older people is critical".

Research has clearly established the benefits of specialist retirement housing:

- For health and wellbeing contributing to fiscal savings to the NHS and social care services of approximately £3,500 per person per year, with those moving to retirement housing typically feeling 10 years younger after their move;
- For mobility in the wider housing market every specialist retirement property sold generates two moves further down the housing chain, with roughly two in every three retirement properties built releasing at least one home suitable for a first-time buyer, and;
- For the local economy with people living in a retirement development typically generating £550,000 of spending per year, £347,000 of which is spent on the local high street.

The reality is, however, that we have not been providing nearly enough housing for older people to meet the demand that exists and to realise the full potential of the significant health, social and economic benefits that could be achievable. **The supply of new specialist retirement housing in the UK is about 7,000 annually set against an estimated demand of some 30,000 a year.**



It is vital therefore that the Task Force considers policies and measures that will proactively support and encourage a significant increase in the supply of housing for older people – particularly of specialist retirement housing for sale of which there is a marked under supply overall at present. RHG analysis of data from the Elderly Accommodation Counsel shows that **total specialist housing supply per thousand population aged 75 and over has fallen from 139 units per thousand people in 2015 to 110 units per thousand people in 2021**¹⁴, with lower levels of provision and choice for older people in parts of the North and Midlands.

Central to achieving such an increase in supply is a planning system that seriously and consistently plans positively for the provision of older peoples' housing – which is not always the case today, as 36.2% of local plans have no specific policy for older people's housing.

RHG-UK believes that local authorities and public funding bodies should be required to proactively plan for retirement housing – and to monitor delivery against set targets. Key recommendations are:

- Local housing needs assessments should always include a comprehensive assessment of the need for retirement housing by type and tenure.
- The estimated need for 30,000 retirement properties a year translates into 10% of the 300k indicative national target for new homes. Local plans should seek to ensure that a minimum of 10% of all new housing is specialist retirement housing unless the local authority can demonstrate why this is not appropriate for their area, This is a step change from current provision and should encourage new entrants to the sector.
- 10% of Homes England's and GLA housing fund delivery to be for retirement housing, including affordable shared ownership retirement housing with support or care.
- The Government needs to address the long-term issue of viability and the impact of CIL, Planning Obligations and Affordable Housing on the delivery of specialist housing for older people. Local Authorities should be required to specifically address this issue in setting the local Infrastructure levy,
- Alongside supply side measures, there is a strong case for demand side incentives to help support and encourage older people to move to retirement housing due to the wider benefits for them and for society in general. We advocate an exemption from Stamp Duty for older people moving to specialist retirement housing – an incentive



which would pay for itself given the stimulus to moves likely to be generated in the wider housing market .

Statistics taken from "Planning for Retirement Housing" <u>https://retirementhousinggroup.com/rhg-publications/</u>

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