



AUTHOR / KEY CONTACT

Housing for an ageing population



Tessa Vincent
Solicitor

✉ tessa.vincent@la-law.com
☎ 01202 597786

New report published by Cushman & Wakefield and BPF

Nearly three years on from the publication of “Housing and Care for Older People”, an influential joint report produced by the British Property Foundation with Cushman & Wakefield, momentum appears to be building in creating the right regulatory and market conditions designed to drive an increase in the range and volume of housing options for older people.

The effects of the UK’s ageing population are oft-reported. While we are living longer than ever before, this has serious implications on the health and social care sector and, perhaps less obviously, the housing market.

With the number of over 65s set to grow by 31% by 2040, a new joint report published in June 2023 from Cushman & Wakefield and the British Property Federation warns that seniors housing is in “critically short supply” with just 603,000 suitable homes existing for the 12.9 million over 65s currently living in the UK.

Following the Government’s implementation of the Older People’s Housing Taskforce in April, the first recommendation of the 2020 joint report, the new report set out its recommendations to the Taskforce:

- A report by the Taskforce to Government ministers, setting out a national strategy for housing the ageing population;
- A new, dedicated planning use class for seniors housing;
- A drive for transparency within the sector, providing clear consumer, operator and investor guidelines; and
- Facilitating investment into the sector with a priority for projects exhibiting commitment to achieving the UK’s zero carbon ambition.

The report believes an annual target of 50,000 new senior homes is “achievable” in order to tackle the current shortfall and relieve strains on the NHS and social care services.

Market Movers

Carterwood Analytics also announced their “Market Movers 2023” this month, putting the spotlight on developers who are leading the way in the provision of seniors housing.

2023’s winner McCarthy Stone is once again setting the pace with the company responsible for about 15% of all planning activity in the sector.

Of the 36 developers making up 2023’s leaderboard, less than half submitted multiple planning applications over 2022 and only two, McCarthy Stone (42) and Churchill Retirement Living (26), hit double figures. This in part reflects the average number of units in their applications (54 and 49 respectively), compared to integrated retirement village operator Inspired Villages, which averaged 148 units across its 8 applications.

When compared with Carterwood’s 2022 findings, both the number of planning applications and total number of units included have reduced, reflecting a widely-acknowledged slowdown in the market. By comparison, Cushman & Wakefield’s report suggests that in 2022, the delivery of seniors housing was 5% higher than the 10-year average.

An IRC in every town

This month saw a parliamentary expo held at the House of Commons hosted by the Associated Retirement Community Operators (ARCO) where representatives from the sector met with MPs and peers to discuss the benefits of retirement living communities.

ARCO used the event to launch their new manifesto “An IRC (Integrated Retirement Community) in every town.”

The manifesto sets out proposals for policymakers to ensure all older people have the option of living in an IRC, arguing that the shortage of IRCs and lack of Government support results in the ageing population experiencing unnecessary ill health, loss of independence, loneliness and expensive long-term care fees.

ARCO focuses on similar themes to the 2023 Cushman & Wakefield report, stating that change is required in three areas:

- Affordability – a strategy is required to grow affordable and social rented seniors housing.
- Planning – clear guidance is required alongside local plans designed to meet local needs.
- Consumer confidence – policymakers need to ensure that older people have the confidence to move home during retirement by removing long-standing barriers, allowing the UK to catch up with other countries that have better embraced the societal benefits of IRCs.

