

Communities and Local Government Committee Inquiry into Older People's Housing

Submitted by MHA

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I. Who is MHA?

- I.1 MHA is an award-winning charity providing care, accommodation and support services for older people throughout Britain. We are one of the most well-respected care providers in the sector and amongst the largest charities in Britain, providing services to older people for almost 75 years. We want to tackle isolation and loneliness among older people by connecting older people in communities that care.
- I.2 MHA delivers a range of high quality services to 17,000 individuals:
 - 4,620 older people living in 88 care homes - residential, nursing and specialist dementia care
 - 2,500 older people living independently in 72 retirement living communities with flexible support and personalised care
 - 10,000 older people supported through 66 Live at Home services in the community.
- I.3 Our services are delivered by 7,000 dedicated staff and enhanced by the commitment of 5,500 volunteers.
- I.4 MHA recognises that loneliness is an increasing challenge that affects many of us as we age and it is manifested physically, emotionally and spiritually. Our ambition is to ensure that every older person can be connected within a community of their choice so they can live an independent and fulfilled later life as they age.
- I.5 MHA is pleased to respond this inquiry. MHA offers a range of retirement housing options for older people. All of our housing options are designed to enable older people to enjoy the comfort of their own home, with the reassurance of easy access to support when they need it and the opportunity to make new friends and enjoy a more fulfilled later life.
- I.6 We are founding members of ARCO (the Associated Retirement Community Operators), the main body representing the retirement community sector in the UK.
- I.7 Some of our retirement communities offer a 24 hour onsite Wellbeing service, which provides staffing on-site, help in an emergency, co-ordination of social activities, emotional support, referral to other specialist agencies and advocacy services. As well as apartments designed for older people and a range of

additional onsite facilities, such as bistro, gyms, communal lounges. We also have other retirement communities, offer a slightly different model with a combination of onsite support and easy access to telecare. One of the key features of all of our retirement housing options is the opportunity to enjoy life as part of a vibrant community, which we work hard with the residents to create and sustain.

1.8 We also offer a range of different tenure options. These include:

- **Private outright sale** – this is for older people who require support and specialist housing to prevent loss of wellbeing and independence as they move into later life and wish to maintain a capital investment in property.
- **Shared ownership** – this enables those who cannot afford to buy outright to invest to some degree in a housing product which meets their assessed support needs.
- **Private/Market Rent properties** – MHA rents some properties at a full market rent. These are rented to those who have been assessed as needing the specialist range of housing and support provided as part of the tenancy.
- **Affordable rent** – MHA rents some properties at an affordable rent - this is rent set at 80% of the current market rent and enables those in receipt of local housing allowance or on lower incomes to rent a high quality specialist housing property. This model is subsidised by MHA.
- **Social rent (Sheltered Housing)** – these properties come under our Housing Association arm and provide independent living, with a combination of on-site support during the day and telecare services. Some of these schemes were built using Government subsidy and in return MHA provide a number of properties only for older people nominated by Local Authorities from the housing register. All individuals are assessed by the Local Authority.

2. Key points

- 2.1 There is a range of older people's housing in the UK, all are in short supply relative to current demand and current and future older populations.
- 2.2 Supported housing and housing with care, give older people the independence of their own apartment but the reassurance of care and support onsite, along with other facilities, all of which promote wellbeing and fulfilment in later life. Retirement living offers a range of well evidenced health and social benefits, alongside prolonged independence all of which reduce pressures on the public purse.
- 2.3 A key barrier to increasing the supply of older people's housing is a cumbersome and inconsistent planning system, which could be addressed by dedicated planning approach to housing with care and a clearer focus on older people's housing in Local Plans.

- 2.4 Older people's housing can contribute to reducing the pressure on wider housing supply. By providing choice and options for older people who want to 'right size', there is the opportunity to free up a significant number of family size properties.
- 2.5 There is a need for a range of financial products to make the option to right size easier, while the current proposal to cap housing benefit for sheltered housing and change the funding model for tenants will only create uncertainty, anxiety and a limit on future development.
- 2.6 We welcome the proposal of an 'Older People's Housing' Strategy, which recognises the impact of an ageing population on housing needs.

MHA Inquiry response

3. The adequacy of provision of homes for older people and the challenges people face in accessing housing which meets their needs.

3.1 Adequacy of provision

- 3.1.1 We provide retirement living options across Great Britain. Central to our ethos of retirement living is ensuring that we work with residents to provide a community that promotes social activity and connectedness. This is achieved with dedicated scheme managers and in co-production with the residents themselves and in many cases involving volunteers and other local older people from the surrounding community. In our experience this has proven to be a popular model, as we have people on waiting lists at most of our schemes and it is a model we wish to grow.
- 3.1.2 According to ARCO there are 462,000 retirement housing units and 52,500 housing with care units. They report that in the UK around 5% of the over 65 population live in the older people's housing types and around 0.6% of older people in the UK reside in a retirement community. ARCO note that provision of retirement housing is low across the country, but it is especially inadequate for particular groups - it is especially inadequate for those on middle incomes who fall into the 'middle market' bracket, owning average sized two or three bedroom houses who would be ineligible for social rented accommodation and unable to afford high end provision. This group is therefore particularly under-served. Indeed, there is currently only enough middle market stock to cater for around 0.1% of older people in this income bracket.
- 3.1.3 In the Demos report, *Top of the Ladder*¹, it was found that one in four (25 per cent) over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally and that that 33 per cent of over 60s wanted to downsize, equating to 4.6 million over 60s nationally. This clearly indicates a demand for older people's housing and suggests that it is an issue of supply.

¹ [Top of the Ladder](#), Demos, September 2013

3.1.4 ARCO suggest that we are currently building only around 2,500 housing-with-care units per year. This is clearly not enough to meet the potential demand found by Demos.

3.2 MHA experience – demand for retirement housing options

3.2.1 At Field Court in Heworth, York our sheltered housing scheme with 30 social rent flats, has a current waiting list of 26 people, almost enough to fill the flats over again. Many referrals for the scheme come from the Local Authority and other networks in the area. According to the Scheme Manager there is no other service in the York area providing the quality of accommodation and combination of services that appeal to the residents and those in waiting. The Scheme Manager assesses people on the waiting list based on their needs (e.g. long term health as this is not an extra care facility or special requests such as for a ground floor flat) and length of waiting time.

3.2.2 The Scheme Manager at Field Court is available for residents between 9am and 5pm (Monday to Friday), to provide flexible support tailored to individual needs. An emergency call system is in place during evenings and weekends, for residents who wish such a service. This can also be set up as a temporary arrangement if they wish, so for example, if they are unwell for a period of time, they can have the reassurance of someone checking on them until they recover. Field Court also operates a Live at Home scheme, which offers community-based activities, supported by volunteers, work to make sure people do not become isolated or lonely in their own home. Activities include a dementia café, regular quizzes, singalongs, a monthly lunch club and gardening club. This is available to any older person in the York area and potential residents are encouraged to come along to meet other residents and get a feel for life at Field Court.

3.2.3 At Hinton Court in Guisborough, which provides 33 retirement housing for rent, there is a waiting list of over 50 people and none of the vacancies ever had to be advertised – most people approach the scheme directly or through its annual open day. According to the Scheme Manager, there are other retirement housing options in the area but these are a mixture of small ‘bedsit’ type accommodation and high-end options. Hinton Court provides a similar support service as described for Field Court and Live at Home Scheme, which also has members who come from the wider community.

3.2.4 We have other large waiting lists that could fill our existing schemes twice over, from Huddersfield, to St Helens, to Bath and Barnstable.

3.3 Challenges for older people accessing housing to meet their needs

3.3.1 While retirement community housing may not be appropriate for all older people, or be where all older people will choose to spend their later lives, many people who do wish to live in these settings are facing a number of barriers. These include:

- Issue of supply: We need to maintain and increase supply across the whole sector, but in particular we need to increase supply in the middle-market for retirement communities, which is currently most under-served.
- A postcode lottery: in terms of a lack of options and therefore hindering older people's ability to stay in the area where they have connections.
- Affordability: At present many older people are relatively asset rich – owning property which has risen substantially in value in recent decades. Those owning properties of significant value can release enough equity from the sale of their large houses on downsizing to pay for the lease of a new home in a retirement community, as well as the costs of moving and ongoing living costs (to pay for social care, service charges, and their lifestyles). However those owning average middle-market homes will release less equity on downsizing, and may have only moderate pensions. This makes living in a retirement community property more difficult for them, because they may be 'asset rich and cash poor' and have less income available to cover the ongoing living and support costs such as service charges.
- The age range and level of need has also changed over the past couple of decades. Housing that was once built to serve the needs of those aged 60 and over, is now mainly serving those 80 and over, whose care needs are generally higher.
- Crisis situations: for many older people the need to change where they live comes at a point of crisis, particularly in relation to ill-health. Being able to rapidly find new accommodation that meets emerging needs can prove challenging and often requires other support services or networks to help the older person explore suitable options.

3.4 MHA Case Studies

3.4.1 Mrs M

Mrs M, lived in a three story house which was situated on a hill with steps leading up to the property and stairs leading to living area and bedrooms. Mrs M suffered a fall which resulted in admission to hospital.

Due to declining mobility Mrs M was unable to return to her own home and was therefore transferred from the hospital for respite care within a care home. Mrs M remained in the home for over two months despite not needing respite or residential care for the full length of her stay. The family were concerned that the environment was not encouraging well-being / independence / meeting needs.

Mrs M was placed on the waiting list for a flat in MHA's Bradley Court in Huddersfield at the time no vacant properties were available. As soon as a property did become vacant Mrs M was given priority. Mrs M moved into Bradley Court in January 2017, with reablement support from the adult health and social care team plus family support. Mrs M is now thriving and living independently in her own flat. Mrs M no longer requires any care or support from re-enablement team or care providers and is now engaging with scheme activities, has made new friends and has settled well into her new home. Mrs M mobility is much improved and she is now mobile with the aid of a walking stick.

3.4.2 Mrs T

Mrs T lived independently in her own home in the Midlands. With her son living and working abroad and her only daughter married and living in North Devon. Mrs T wanted to move closer to her daughter. Her home was rented and she had little savings. As there was no hurry at that time she submitted an application to the only Housing with Care scheme within daily travelling distance of her daughter's home, aware that the waiting list for the scheme had more applicants than the total number of flats.

After 12 months on the waiting list Mrs T's situation changed dramatically after she suffered a stroke. Following some weeks in hospital she was advised that she could not return to her previous home, she could no longer manage the access and internal steps to the cottage. To facilitate moving closer to her daughter Mrs T accepted a temporary placement in a residential home. Over the time she was there Mrs T became very dependent on staff and her mobility reduced substantially. Her daughter updated the Housing with Care application and constantly 'checked in' for availability of accommodation. After 9 months in the home a flat became available, Mrs T and her daughter were desperate and despite very negative feedback about her ability to cope, following an assessment an offer was made.

Mrs T moved into her new home and with assistance from an Occupational Therapist providing additional equipment, regained her ability to walk short distances (around the flat), became an active member of the community, even joining in bingo with a volunteer to mark her card as her deteriorating sight meant she could not see the numbers. Mrs T enjoyed over four years eating in the dining room each lunchtime with her new friends, attending activities daily and making her own choices and decisions – all with her very own front door.

4 The adequacy of current planning policy and Government initiatives in England in meeting the housing needs of older people

4.1 The All Party Parliamentary Group on Housing and Care for Older People² in 2014 found that the number of homes built specifically for older people has decreased from 30,000 p.a. in the 1980s to around 8,000 p.a (including the 2,500 housing with care units).

4.2 We agree with ARCO that this is reflection of a challenging planning environment for older peoples housing and especially confusing, inconsistent and hostile for housing-with-care operators. Many local areas demonstrate poor understanding of the benefits of the sector, with many local authorities still failing to mention the housing and care needs of older and vulnerable people in their local plans.

4.3 As a provider of retirement housing we have opened 30 retirement living schemes in the past decade, providing over 1,300 units of accommodation, over various tenures. Going forward we have plans to grow the number of people who are able to benefit from our retirement housing, but we are aware the challenge of obtaining planning permission to do this can be a significant barrier.

² [The Affordability of Retirement Housing](#), All Party Parliamentary Group on Housing and Care for Older People/Demos, November 2014, p41

- 4.4 We support ARCO's call for a dedicated use class for 'housing-with-care' specifically that gives a clearer definition and focus on what constitutes a bona fide retirement community with care. We believe this would enable far greater numbers of retirement communities to be built. We agree with ARCO that new use classes are difficult to implement, which is why we believe that a clarification that 'housing-with-care' developments fall within the existing C2 use class would also be beneficial. We believe that a clarification would enable more retirement communities to be built, as timescales for planning applications would be reduced and operator and lender confidence would be strengthened.
- 4.5 We also support ARCO's call for Local Plans to better reflect local needs especially the housing needs of older people. We agree that there is scope to better enforce and expand existing regulations to ensure that Local Plans take into account the housing needs of our ageing population. We support ARCO's suggestion that Local Plans should not be approved if the needs of older people (in a variety of tenures) are not appropriately taken into account.
- 4.6 We also agree that the Government should consider a requirement for councils to produce a local 'Older People's Housing strategy' to outline how the housing needs of older people in the local area will be met (with different tenures), alongside the quantum of housing this would free up. Retirement communities are often built at higher densities than family homes. Therefore, enabling older residents to downsize by building retirement communities provides an extremely efficient and low impact way of providing much needed family homes, owing to the lower land-take of retirement communities, compared to building new terraced, detached or semi-detached family houses.

5 Whether more housing designed specifically for older people could help address England's wider housing needs

- 5.1 We strongly believe that more older people's housing would have a beneficial impact on addressing wider housing pressures. Currently, shortages of supply mean that older people have limited options, some of which may not be attractive to them. Increasing supply improves choice for older people.
- 5.2 As noted previously, Demos³ found that 33 per cent of over 60s want to downsize, which equates to 4.6 million over 60s nationally. Older people moving to a retirement community will typically 'downsize' and free up an under-occupied family home, typically moving from a two to four bed detached or semi-detached house with garden into a one to two bed apartment which is more manageable and enables them to live more social and independent lives.
- 5.3 There is a huge demand for family houses that older people typically inhabit prior to moving into retirement communities. If all those interested in 'rightsizing' into a retirement property were able to do so, research suggests that about 3.29 million properties would be released, including nearly 2 million three-bedroom homes. Ena-

³ [Top of the Ladder](#), Demos, September 2013

bling first-time buyers to get on the housing ladder allows them to be more self-sufficient in their old-age. Recent research has estimated that each new unit of specialist retirement housing for leasehold may reduce Housing Benefit expenditure and means-tested social care costs by around £58,000 in today's prices by enabling first-time buyers to get on the housing ladder and thereby attain housing wealth and greater self-sufficiency in old-age.⁴

5.4 But it is important that policy is designed in a way to encourage 'rightsizing' rather than pressurising older people to 'free up' family housing in their later life, with a focus on the benefits of retirement communities rather than a negative focus on under-occupation.

6 The extent to which improving specialist housing provision in England could improve people's health and wellbeing, and deliver savings in public expenditure

6.1 It is well-documented that we will see an increase in the number of people aged 65 and over in the next 20 years and that the greatest increase will be amongst the older-old who may need greater care and support.

6.2 The ageing population brings a significant change for society, with the benefits of greater longevity but also challenges around complex long-term conditions and comorbidities. This will put pressure on health and care services at the same time as a predicted reduction in the proportion of working age people able to support the system. We are already seeing the impact on this on current NHS and social care services, such as an increase in avoidable admissions and delayed discharges from hospital for older people.

6.3 Specialist older people's housing can improve health and wellbeing in later life, and prevent acute care needs from emerging or escalating. When combined with care it can also offer a much more efficient way of meeting older people's care needs.

6.4 As documented by the Extra Care Charitable Trust⁵, specialist housing provision can provide improvements to people's health and wellbeing and reduce costs to health and social services. The ExtraCare Charitable Trust model found evidence that it delivers a 14.8% reduction in depressive symptoms over 18 months. This was accompanied by a 64.3% reduction in people with significant 'clinical level' depression over the same period.

6.5 Their research also compared the cost of care provided in Extra Care properties to the cost of care provided in people's homes in the wider community. It showed that the ExtraCare model was likely to offer significant potential savings in the cost of social care for Local Authority commissioners. The cost of providing lower level social care using the ExtraCare model was £1,222 less per person per year (17.8%

⁴ [Valuing Retirement Housing](#), Strategic Society, 2016

⁵ [Better lives, health, future](#), The Extra Care Charitable Trust, June 20

less) than providing the same level of care in the wider community (on average) and the cost of higher level social care was £4,556 less (26% less) per person per year.

- 6.6 The ExtraCare Charitable Trust model could also have savings for NHS budgets – over a 12 month period total NHS costs (including GP visits, practice and district nurse visits and hospital appointments and admissions) reduced by 38% for ExtraCare residents in the sample across the period.

6.7 What our retirement living residents think

- 6.7.1 MHA's retirement living residents clearly see the additional services and security provided by living in dedicated retirement living complexes as of real value: most said they had moved into the property as a proactive choice in planning for the future, as there were services which would support them as they aged.
- 6.7.2 In our most recent residents' survey, 80% of residents stated that the wellbeing service provided by MHA helped them continue to live independently. Residents highlighted their feelings of comfort in knowing that services and support were available for them when needed, so they did not have to worry about the future. Just over half had made use of the emergency alarm service to get help quickly when they needed it, and three-quarters of those living at sites with catering services made use of them on a regular basis.
- 6.7.3 Beyond the physical facilities available, residents highlighted the value of being able to continue to live independently, but with opportunities for friendship and support, for example: *"If I feel like being alone I know I will not be pestered but if I feel lonely I can step outside the door and have company"* and *"It's the chance to be in a caring community with sharing ideas and activities."* In addition, two-thirds of residents stated that the presence of a staff member on-site to help them if needed was a key factor in their decision to move into their home, providing additional reassurance and helping counteract loneliness and isolation.

7 The availability of finance to help older people 'right size' in retirement, and the impact of the cap on Housing Benefit from April 2017 on the development of specialist housing

7.1 Availability of finance

- 7.1.1 There is a need for a range of financial products that make the option to 'right size' easier. It is important that those in the middle market in particular are able to use their housing assets to pay for the ongoing costs associated with old-age support. For example, equity release products are not always available to those in retirement communities.
- 7.1.2 If there is not enough equity on a person's house to move somewhere more suitable to their needs, there needs to be some imaginative products that can support people to make suitable and affordable choices, such as shared ownership, flexible mortgages, mortgages for later life. The use of age limits on loans and mortgages could be reviewed.

7.1.3 We suggest there is a need to explore more tailored ‘help to move’ financial packages as suggested by the All Party Parliamentary Group on Housing and Care for Older People⁶ in their investigation of retirement living in 2014.

7.2 Cap on Housing Benefit

7.2.1 In our response to the Work and Pensions Committee and the Communities and Local Government Committee joint inquiry into the Government's funding reform for supported housing in February 2017, we raised major concerns about the proposal to cap housing benefit to the Local Housing Allowance level for sheltered housing.

7.2.2 It will not provide a cost effective and affordable mechanism to support sheltered housing tenants and our view is that this funding model should not be introduced for sheltered housing.

7.2.3 Furthermore, funding to support tenants in sheltered housing should be considered as part of a wider debate on welfare benefits for older people and the current pressures on health and social care to give an integrated approach.

7.2.4 The proposals risk uncertainty and anxiety for many older people living in sheltered housing and the proposals clearly fail to recognise the value of sheltered housing for older people as we have outlined above. They also risk creating uncertainty about the future of existing sheltered housing schemes and limitations on the development of new schemes to meet the increasing need.

8 Whether a national strategy for the support of housing provision specifically for older people is needed

8.1 We would welcome a national older people’s housing strategy, that recognises the ageing population, the importance of flexible housing design to respond to changing needs (e.g. wheelchair accessible, step-free access, ground floor facilities) and that responds to planning challenges we have outlined with a separate use class for housing with care and clearer focus on older people in Local Authorities Local Plans. It also needs to be future-proofed and take account of longer working lives, later retirement, ‘Generation Rent’, a changing employment culture and encourage affordable provision for retirement housing.

8.2 The Housing White Paper provides an ideal opportunity for the Government to respond to the challenges around older people’s housing.

⁶ [The Affordability of Retirement Housing](#), All Party Parliamentary Group on Housing and Care for Older People/Demos, November 2014, p41