Table 5: Which of the following, if any, would stop you from moving home in the future?

	35-64	65+
I cannot afford the home I want	43%	27%
It would be too expensive to move	33%	29%
The process of packing up all my belongings would be too stressful	23%	36%
There are no suitable properties available to me	20%	18%
My house has sentimental value to me	14%	21%
I would find it physically difficult to move	11%	22%
Other	5%	8%
Nothing would stop me from moving homes in the future	21%	20%

Source: Populus polling, December 2019

Barriers such as a lack of suitable housing or affordability of the actual move itself (which also goes up slightly among downsizers) are significant problems given the challenge of an ageing population.

The new polling also suggests the challenges to older people moving are many. Well over half of all people aged 65 and over felt finding a property that met their requirements now and in the future would be a challenge and approaching half said packing and unpacking their belongings would be.[29]

Understandably, concerns about unaffordability and the expense appears to be less of a barrier for those wanting to *move and upsize* than for those wanting to *move and downsize*. Similarly, the process of packing up belongings being too stressful, the availability of suitable properties and finding it physically difficult to move were much bigger barriers for people looking to move and downsize.

Table 6: Which of the following, if any, would stop you from moving house in the future?

	Yes- upsize	Yes - downsize
I cannot afford the home I want	64%	30%
It would be too expensive to move	39%	32%
The process of packing up all my belongings would be too stressful	16%	28%
There are no suitable properties available to me	23%	31%
My house has sentimental value to me	11%	18%
I would find it physically difficult to move	5%	16%
Other	2%	4%
Nothing would stop me from moving homes in the future	14%	24%

Source: Populus polling, December 2019. These numbers only reflect the over 65 demographic of the same Populus poll.

From all of the findings, what's clear is that there is a very important policy conversation to be had: first of all, around the barriers and taboos holding the older generation back from downsizing; and second of all, finding ways to ensure that moving home in old age is encouraged. The next chapter will explore the benefits that breaking down these barriers and increasing the number of older people moving house could unleash for those further down the chain.

of people aged 65 or over want to downsize - this currently equates to **3 million people**

CHAPTER 7

The chain reaction – bridging the intergenerational divide

- **Through a Help to Move package, we estimate that 30,000 older people who wanted to move would be able to per year.**
- **This would have ripple effects down the market, generating approximately 60,000 additional transactions in the market.**
- **Firstly, it would directly free up 30,000 larger existing owner-occupier homes in the market that older people sell. Through the chain effect, building 30,000 specialist retirement properties per year would free up 18,000 first-time buyer homes.**

Most under-occupation of owner-occupier homes by people aged 65 and over is of three-bedroomed homes, with 1.9m properties in this category. A further 500,000 four-bedroomed properties and 100,000 five-bedroomed properties are under-occupied by people aged 65 and over.

Table 7: Projected 65+ homes under-occupied by number of bedrooms, 2018[30]

	Projected under-occupied owner-occupier households, 65+ (narrow) for 2018
3-bed	1,922,579
4-bed	471,170
5-bed	110,985
All	2,504,734

It is difficult to say exactly how many older households would move if the various blockages were overcome, but we do know that around one million owner-occupier households aged 65 or over today want to move and downsize. Factoring in household growth amongst this demographic, the figure rises to over 1.25 million by 2030. The polling evidence also suggests between a half and three quarters of these, or 500,000 to 750,000, would be interested in buying, or would be likely to buy, a retirement property specifically with the support and companionship that comes with that type of community-led housing.[31]

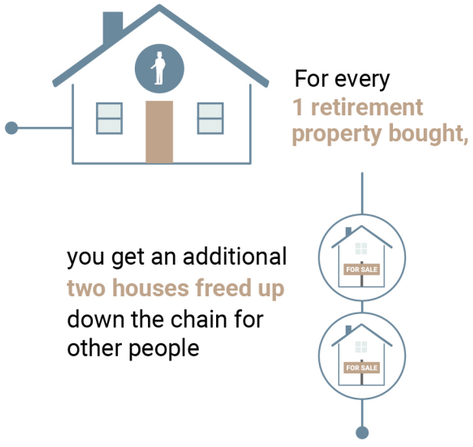
The Ministry of Housing, Communities and Local Government's commitment is to "put us on track to deliver 300,000 net additional homes a year on average". But how should they get there? Using our new polling evidence, we estimate over the next 10 years 300,000 homes could be 'unblocked' and converted into actual moves. It could be done through a 'help to move' package that adressed expense (through a permanent downsizers stamp duty holiday), logistics, and suitable retirement housing build, on conservative assumptions.[32] This would of course mean 300,000 new specialist retirement properties to be built as a necessary requirement.

This scenario therefore necessarily entails the building of 300,000 specialist retirement homes over the space of a decade. But it would also have important additional effects in the secondary housing market. Firstly, it would directly free up 300,000 *larger* existing owner-occupier homes in the market that older people sell up. These existing homes are most likely to be three-bed-with-a-garden 'family' homes. For every 300,000 homes freed up that are currently owned by someone over 65, the 2011 census data implies the following profile by number of bedrooms, noting that nearly half (140,700) are three bedroomed:

Table 8: Homes directly freed up by 300,000 owner-occupiers aged 65 or over moving, by number of bedrooms

Home size by no. of bedrooms	1 & 2 bed	3 bed	4 bed	5 bed	Total
Quantity	108,000	147,000	36,000	9,000	300,000

Our conservative estimate is that the average chain length in the housing market is 1.5 additional transactions after sale. The Housing LIN research, which covered McCarthy & Stone's properties, suggests the average chain involving specialist retirement properties is two additional transactions. Previous evidence shows that, under different market conditions, chain lengths can average as many as four properties.[33] Using a median estimate of two additional transactions, this implies that building 30,000 specialist retirement properties a year would generate between a total of 90,000 transactions across the market; i.e. 30,000 purchases of the newly built specialist retirement units and 60,000 additional transactions in the secondary market / through the chain.



In addition, we estimate that each chain in the housing market involves 0.6 first-time buyers, as well as 0.4 buy-to-let landlords or holiday home buyers.[34] This appears consistent with the picture painted by the Housing LIN case study qualitative research. Through the chain effect, building 30,000 specialist retirement properties therefore would free up 18,000 first-time buyer homes in the secondary market.

Downsizing benefits the whole family

Widower Carol Emanuel recently downsized to a brand new apartment at Churchill Retirement Living's development in Sittingbourne. In doing so she was able to sell her three-bedroom home with a large garden and plenty of space to her own granddaughter, Holly and husband, Sam. The young family, including Carol's great-granddaughter Poppy and her brand new baby brother have now made her old house their own.

Carol, 77 – New Homes for Later Living resident

"I'd lived in my home for many years, so it had a lot of memories and I didn't really want to leave, but the stairs were getting harder to manage, and the garden was quite a lot for me to look after. Luckily we found the perfect solution, as my granddaughter bought my old house from me. That meant I could downsize and move here, but I still get to go back and visit. Plus it's helped her and her family move to a place that's right for them. It's an ideal solution for everybody."

Lisa, 54 – Carol's daughter

"The four generations of our family are still close, and we often get together, whether it's to go shopping or just spend time catching up. We know mum is safe and happy here, and it's nice to see her old house full of new family members who are making it their own."

Holly, 31 - Carol's granddaughter and new homeowner

"I had some reservations about moving into Nan's house as it holds so many memories for me and I grew up seeing both her and Grandad here. However, my husband could see its potential so he persuaded me, and I'm so glad he did! We've put our stamp on the place and made it ours, with a new kitchen and changes to the living room layout, plus our own furniture. Our previous home was bought by first-time buyers, so it was only a short chain, but meant that another young couple joined the housing ladder."

She adds: "We've always been very close to Nan so we still see her a lot as she's only 20 minutes away in the centre of Sittingbourne. She loves it at Beatrice Lodge, she's making new friends and there's always something going on at the Lodge every day so we don't need to worry about her being on her own. Her move has meant we're all in a place that suits us perfectly."

Poppy, 5 – Carol's great-granddaughter,

Poppy loves visiting great grandmother Carol in her new apartment and has been learning to play chess in the owner's lounge.

Case study - Mr and Mrs Whitcutt

"We had been hoping to move closer to town for some time with a view to having less maintenance, less gardening and the convenience of being able to walk into town. We initially viewed the plans of the Renaissance development with one of our daughters and liked what we saw.

"After discussing the plans we had long discussions with the family, and eventually moved into our apartment from a village 10 miles outside Marlborough. We have been here for 20 months and have never looked back!

"We have made lots of friends and find ourselves very busy with coffee morning on a Wednesday; the owners getting together on a Friday evening with drinks and nibbles; rummikub and cribbage on a Tuesday evening and, from time to time, food share evenings, a film, talks on many different subjects and even a make-up demonstration."

CHAPTER 8

Conclusions

While there will always be a place for housing policies geared towards those trying to get onto the first rung of the housing ladder, policy makers should be aware this is not the only, or even the best, option available to get more homes for first-time buyers. Rather our analysis makes it clear that this outcome - and much more - could be achieved by policymakers refocusing their energies to include the top of the ladder for older people. The aim should be to ensure that all of those who would like to downsize into suitable specialist retirement accommodation have the opportunity to do so.

Those older people moving into these new properties could expect to be happier and healthier in their retirement years. We have also shown that there would be significant cost savings for the NHS if more people in the UK were able to access this type of housing. A further cost saving could come in the form of local authorities and central government spending less on retrofitting and adapting existing old family homes.

To this end, the Government should set an explicit target of completing 30,000 retirement properties a year to meet the demand for this kind of housing. But a focus on development should not be the full extent of any policy response to the issues we have raised. Rather, any meaningful political action needs to knock down the barriers holding the older generation back from downsizing and ensure that moving home in old age is encouraged.

Some previous work in this area has advocated tax incentives for older people to downsize alongside a more diverse housing mix. In his summer statement the Chancellor went further, raising the threshold for stamp duty across the board to £500,000. The Treasury has stated that this reduced rate will apply until 31 March 2021, but it is our contention that the reduced rate should be kept in place permanently for older people who are downsizing into retirement properties.

By permanently reducing stamp duty in this way we could have a 'downsizer discount' - a highly targeted stamp duty holiday for downsizers who are freeing up homes for the next generation, often by moving to a Homes for Later Living property. While many older people are open to moving, an ongoing discount would serve as an important incentive for this demographic to give up their family homes. Meanwhile, the positive impact that downsizing has further down the chain should offset any criticisms that frame the policy as a tax break for baby boomers.

Another measure that has previously been proposed and deserves to be taken seriously is a package that helps older people to move. There are various ways that this could be put together, but there would be two broad aims to any such package. It would be focused on addressing the logistics of moving out of the family home at the same time as prioritising and incentivising the building of more homes for later living.

Of course, no government can afford to ignore the many problems faced by the younger generation when it comes to housing. But as the UK gets older, action is urgently needed to ensure that all older people can live in suitable accommodation where they will experience healthy and happy retirements. Looking at the latest ONS household projections, we expect that the 3.9 million homes owned by those aged 65 and over today will grow to at least five million by 2030.

In this report, we have mapped a route for achieving both of these outcomes simultaneously. In doing so, we have demonstrated that helping more people to move into homes for later living would be a win-win for those politicians who are genuinely interested in bridging the growing generational divide.

Endnotes

1 ONS Household Projections for England (2016-based) available at https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/2016basedhouseholdprojectionsinengland/2016basedhousehold projectionsinengland

2 There are different possible ways of defining 65+ households. A broad measure is to include those whose household representative person (usually the head of household) is 65+ but whose other household members can be any age e.g. a married couple both over 65 plus their adult son aged 30, or just a couple where one partner is 65+ and one under 65. A narrow measure is to include only households where all household members are 65+, for example, a couple both over 65 or a single person 65+. Using the narrow measure means that we are looking at the group that is most likely to not have help from family members who live with them, and therefore, have the most acute need for suitable housing stock as they age. We will continue using the narrow measure throughout this report unless otherwise stated.

3 Savills UK Press Release (January 2020) UK housing stock now worth a record £7.39 trillion after decade of gaining £750 million a day: https://www.savills.co.uk/insight-and-opinion/savills-news/294601/uk-housing-stock-now-worth-a-record-%C2%A37.39-trillion-after-decade-of-gaining-%C2%A3550-million-a-day

4 nomisweb.co.uk/ [QS405EW - Tenure – Households]

5 nomisweb.co.uk/ [DC1402EW - Household composition by number of bedrooms]

6 Churchill Retirement Living survey of 108 residents who has purchased a property in the last two years, 2020

7 Churchill Retirement Living survey of 108 residents who has purchased a property in the last two years, 2020

8 nomisweb.co.uk/ [DC1402EW - Household composition by number of bedrooms]

9 nomisweb.co.uk/ [DC1402EW - Household composition by number of bedrooms]

10 nomisweb.co.uk/ [DC1402EW - Household composition by number of bedrooms]

11 McCarthy & Stone (2016), Generation Stuck: Exploring the Reality of Downsizing in Later Life'

12 Demos, The Affordability of Retirement Housing, 2014

13 Populus, (December 2019 and July 2020)

14 YouGov polling, commissioned by McCarthy & Stone

15 UK Stamp Tax Statistics 2018 to 2019 – Tables (in Excel) at https://www.gov.uk/government/statistics/uk-stamp-tax-statistics#history

16 UK Stamp Tax Statistics 2018 to 2019 – Tables (in Excel) at https://www.gov.uk/government/statistics/uk-stamp-tax-statistics#history

17 First-time buyer Residential Mortgage Survey data is available for England at https://opendatacommunities.org/data/housing-market/mortgages/quarterly-total

18 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/539002/Housing_for_Older_People_Full_Report.pdf

19 English Housing Survey headline report 2017 to 2018: section 1 household tables at https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report

20 95,000 / 4,984,812 = 0.019

21 (617,000 – 95,000) / (14,883,231 – 4,984,812) = 0.053

22 Data downloadable at https://landregistry.data.gov.uk

23 boomer&beyond 'Re-thinking retirement living' (2018)

24 Elderly Accommodation Counsel (2019), Understanding the factors that can influence the resale values of newly-built retirement properties

25 Populus, (December 2019 and July 2020)

26 See The Telegraph, Cost of moving house jumps above £12,000 due to soaring stamp duty, by Jasmine Cameron-Chileshe, (14 September, 2018)

27 Demos (sponsored by the Home Builder's Federation), Top of the Ladder, (2013)

28 Legal & General (2018), Last Time Buyers

29 Ibid. Q Hypothetically, if you were to move home in the next 12 months, which of the following would be a challenge to you moving? Please select all that apply.

30 UK Data Service https://www.statistics.digitalresources.jisc.ac.uk/ [Household-composition-occupancy-rating-bedrooms-tenure-local-authorities-england-and-wales]. EHS shows 67% under-occupied on the 65+ broad measure in 2017/18

31 Demos (2013) reported that 33% wanted to downsize and 25% would be interested in buying a retirement property specifically [25% is three-quarters of 33%]. The recent YouGov polling for M&S found 32% wanted to downsize and 16% were very likely or likely to consider buying a retirement property specifically [16% is half of 32%].

32 We assume that it would be necessary to address at least one barrier to convert households that want to move into actual movers. The average number of barriers mentioned per household is 1.6. The three barriers of expense, logistics and suitable supply – that would be addressed by a help to move package - are each cited by around 30 per cent of 65+ households as barriers to moving. 30% of the one million wanting to move and downsize is 300,000.

33 Demos, The Affordability of Retirement Housing, 2014

34 All calculations are available on request. Send queries to laterliving@wpi-strategy.com

WPI Strategy

50 Broadway
London
SW1H 0RG.

@wpi_strategy

https://wpi-strategy.com

August 2020

APPENDIX I: Silver Saviours for the High Street by WPI Strategy / Homes for Later Living

Silver saviours for the high street

How new retirement properties create more local economic value and more local jobs than any other type of residential housing

A report by WPI STRATEGY for

Homes for Later Living

February 2021

Contents

About Homes for Later Living

Homes for Later Living has been set up to promote greater choice, availability and quality of housing specifically for older people. It comprises Churchill Retirement Living, McCarthy Stone and Lifestory Group (made up of Pegasus and Renaissance) and operates alongside the Retirement Home Builders Group within the Home Builders Federation (HBF).

Homes for Later Living exists to promote all types of housing which are specifically designed, built or adapted for people over the age of 60. These properties are operated in the long-term interest of residents, so that as people grow older and their needs change, they can choose to live in a property that works for them.

Homes for Later Living or retirement properties mean specially designed housing suitable for older people who want to maintain the independence and privacy that comes with having a home of their own, but may want access to varying degrees of support and care, plus an in-built social community.

Typically built for people who no longer want or need a family-sized house, and often taking the form of apartments or bungalows, our developments are designed to help people remain independent, safe, secure and sociable for as long as possible.

One of the key differences between new-build housing for older people and new-build mainstream housing is the provision of extensive communal areas where neighbours can socialise, host visitors and be part of a friendly, like-minded community.

Another key difference is the presence of an on-site manager or team, someone whose role is to look out for people's welfare, be a point of call if help is needed, make sure the communal areas are well-maintained and to be a reassuring, friendly presence.

About the author

Chris Walker

Chris Walker is an associate at WPI Strategy and a former government economist, who spent over 12 years as a civil servant in the Treasury, Department for Work and Pensions, and the Department for Communities and Local Government where he was a senior economic adviser. He now works as a research and economic consultant on housing, planning and local economic growth.

Foreword

As we begin to emerge from the shadow of Covid-19, breathing new life into our high streets will be critical to the future economic prospects and the social fabric of local villages, towns and cities right across the UK.

The pandemic has had a devastating impact on the high street, with local businesses unable to open at various points in time. Yet faced with such unimaginable challenges, Britain's entrepreneurs have innovated like never before, moving to different ways of offering their services and products to customers.

There is little doubt that as we return to some semblance of normality this year, that the look and feel of our town centres will need to continue to evolve. Part of this evolution will involve striking the right balance between commercial and residential properties on or near the high street.

In 2018, retail expert Bill Grimsey recommended that high streets and town centres "need to be repopulated and re-fashioned as community hubs, including housing, health and leisure, entertainment, education, arts, business/office space and some shops". Three years later, that argument looks stronger than ever. Getting that mix right will be critical to local economic recovery efforts and fostering a renewed sense of community.

This report seeks to contribute to the debate over the look and feel of our high streets and town centres. Our findings focus specifically on the role that specialist retirement housing can play in driving local economic growth.

The analysis is stark. Specialist retirement properties create more local economic value and more local jobs than any other type of residential housing. People living in these properties are happier, healthier and more likely to spend money locally than people of the same age living elsewhere. And just as importantly, polling commissioned as part of this report indicates that the vast majority of local people would approve of retirement housing being built near them.

Specialist retirement housing does not have to come at the expense of housing for families and young professionals. Rather our previous research has shown that building more specialist retirement housing can stimulate transactions throughout the entire housing market, for families looking to move into bigger homes and for first time buyers looking to take their first step on the property ladder.

We know there are 3 million people across the UK over the age of 65 who would like to move home but don't feel they can. Quite simply we should be building tens of thousands of good quality specialist retirement properties to help meet this demand.

With retirement developments of this sort located in or near to our struggling high streets, the benefits of building these properties are clear. Doing so will help stimulate local economic activity and help communities recover as quickly as possible from the devastating effects of the pandemic.

Executive summary

Local authorities across the UK face pressing challenges in the coming years. Most urgently, councils need to rescue their finances from the ravages of the pandemic which has eroded high streets and cost many jobs. Alongside this, local authorities must manage the escalating costs of social care at the same time as keeping an ageing society healthy, happy and safe, and they need to find the best way of meeting local housing targets.

With the Prime Minister having promised to 'build back better', retirement properties can help local authorities to meet such challenges by creating the conditions for local and sustainable economic growth in communities across the country, without eroding the green belt or urban green spaces.

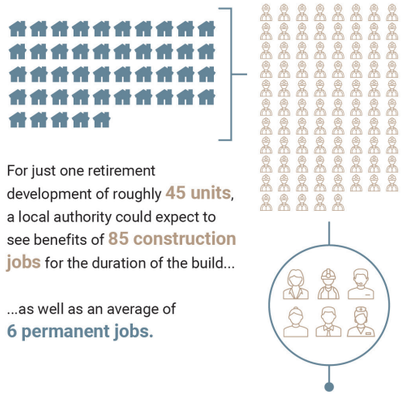
Our previous reports have set out firstly the extent to which retirement housing creates fiscal savings through reduced health and social care costs, and secondly the impact on the wider housing market of releasing second-hand properties back onto the market.

Here, in our third report, we look at the final challenge – that of restoring and creating jobs, supporting shops and services in the local economy, and making new housing environmentally sustainable. Crucially, we show how retirement properties create more local economic value and more local jobs than any other type of residential development.

"Retirement properties create more local economic value and more local jobs than any other type of residential development."

The benefits for local authorities can be seen both in terms of jobs created and in terms of Gross Value Added (GVA) - in other words the sector-specific economic value it adds. Further benefits are derived from the location of retirement properties amongst existing shops, services and transport connections which focuses the spending power of the 'grey pound' to revitalise local high streets.

- For just one retirement development of roughly 45 units, a local authority could expect to see benefits of 85 construction jobs for the duration of the build, as well as six permanent jobs and £13m in GVA over the lifetime of the development, as opposed to not developing a site.[1]
- These benefits mean that retirement properties create more local economic value and more local jobs than any other type of residential development.
- People living in each retirement development generate £550,000 of spending per year, £347,000 of which is spent on the local high street. Some £225,000 of this is new spending in the local authority, directly contributing to keeping local shops open.
- From these figures, we estimate that a typical retirement housing development has the potential to support more than three local retail jobs. Over the lifetime of the development, a typical development would contribute £2.25m of GVA to the high street.

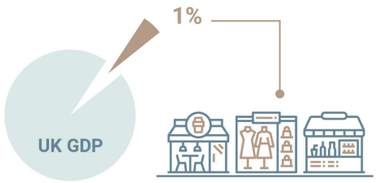


Our findings come as UK-wide polling for this paper shows that retirement housing is among the most popular type of housing. We can see that 68% of people would approve of such housing being built near them, compared to the 45% approval rating given to a conventional block of flats. Meanwhile the generation of local jobs is the most important factor in people's support for new developments.

Despite this public sentiment and the clear benefits that retirement developments bring to local communities, we are still not building enough suitable properties to cater for our ageing population. Currently in the UK, we build around 8,000 retirement properties a year. This is distinctly below the level of demand and need.

Looking at the national picture, our analysis shows what would happen were the UK to build 30,000 retirement properties every year, consistent with the level of supply that is needed.[2] Building 30,000 retirement properties a year would be just 10% of the national house building target and the estimated level of demand, and, compared to not developing the sites involved, would mean:

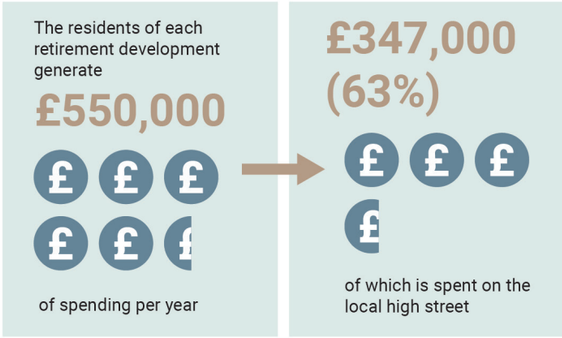
- £2bn of additional economic activity every year would be created across the country. This is £20bn over 10 years, roughly equivalent to 1% of current UK GDP over 10 years, focussed where it is most needed, on our high streets.
- 15,000 additional construction jobs would be created nationally and sustained over the period of construction. A further 700 jobs a year would come from management and renovation of properties freed up.
- Greenfield land across the UK could be preserved as the vast majority of these developments are on brownfield sites, effectively and sustainably regenerating previously developed land.



A single retirement development of 45 units, would add £13m in additional local economic value (GVA) to its area. A 10-year building programme of 30,000 retirement properties per year could be worth roughly the equivalent of an additional 1% of GDP to the economy.

In this report, we therefore provide the evidence that creating the right policy conditions to encourage the construction of more retirement properties is not only in the interests of those people in later life. It will also have a major impact on the wider housing market while stimulating local economic growth in every community across the country.

With all of this in mind, **our key national policy recommendation is for a 10 year programme of building 30,000 retirement properties every year**. If such a programme was introduced then we could have much-needed new housing for older people supplementing new housing for families and young professionals to ensure that we finally have the diverse housing stock we need in the UK.



Introduction

People and businesses across the UK have faced unprecedented personal and economic disruption since the Covid-19 pandemic took hold in March 2020. For local communities, the public health and economic effects have created a perfect financial storm.

Of course, local council finances being squeezed is not a new development. Back in 2012, Barnet Council encapsulated the problem in the Barnet Graph of Doom - a PowerPoint slide showing that within 20 years, unless things were to change dramatically, the north London council would be unable to provide any services except adult social care and children's services.

But since the outbreak of the pandemic, the situation has become even more critical. Councils have been increasing spending while incomes have been falling. There have been new responsibilities to help with the testing, tracing and control of Covid-19 while social distancing requirements and personal protective equipment (PPE) have meant increased expenditure on adult social care and other services. At the same time, a number of long-established routes of income, such as through car parking, have been significantly reduced. On top of all of this, many households and businesses have found themselves struggling to pay their bills.

It is against this backdrop that local authorities throughout the UK will face three very pressing and difficult challenges in the coming years.

First, councils will need to salvage their financial position and that of the local economies on which they rely. This means generating income from a strong local economy populated with businesses, employees and customers all of whom can play their part in generating the revenue needed to pay town hall bills.

Second, councils will need to find ways of mitigating health and social care costs but at the same time keeping an ageing society healthier, happier and safer for as long as possible. Before the pandemic children's and adult social care costs already accounted for a rising proportion of the annual budget. Covid-19 has only exacerbated this situation and with financial restrictions likely to be tighter than ever in 2021, local authorities must reconcile the escalating costs of social care with perilous finances

Third, councils will need to identify where and how they can meet the housing targets required of them without erasing the green belt, over-burdening the road infrastructure or burning up local support. For the vast majority of local authorities, brownfield sites can be the best way to achieve this. Such sites offer new ways of absorbing local targets without fundamentally changing the character of an area or redrawing its perceived boundaries. Furthermore it is urban brownfield sites where retirement housing is best placed to access existing public transport connections and can accommodate a new resident population willing and able to support struggling shops and services

In this report we show that all three of these crucial local authority challenges can be met more effectively through the delivery of much-needed retirement housing, alongside existing conventional housing developments.

With the economic benefits it brings, retirement housing can also be a key driver of the Government's post-pandemic agenda in local authorities across the UK. Setting out his vision for an economic recovery, the Prime Minister promised to "build back better". In his speech on the economy in June 2020, Boris Johnson lamented the failure of the state over many years to build enough new homes and asserted that "we will build fantastic new homes on brownfield sites". Furthermore, the Government has recommitted to its target of delivering an average of 300,000 new build homes a year by the mid-2020s.

The role of brownfield sites in this has been emphasised in the change to the housing formula put forward in the Government's Planning for the Future White Paper. To this end, it is critical to get the most value possible out of developments on these sites.

Retirement housing is likely to be welcomed by the majority of residents. Our UK-wide polling found that it was among the three developments with the highest net approval ratings, alongside care homes and developments of family homes. The polling also found that local job creation is the number one most important aspect for a new development in the eyes of local people.

In the following chapters, we set out the unique social and economic contribution that retirement properties can play in boosting local economic output and creating local jobs, revitalising the high street and greening local communities. These are economic benefits that stem from factors unique in these developments including their specific building designs, central location and residents' spending habits. And they are benefits that are unlikely to come from other types of properties, as can be seen in the annex.

In our modelling, we have shown the "absolute benefits" of retirement properties, in other words those benefits compared to allowing brownfield sites to lay undeveloped. We have also compared those benefits to those yielded by other types of residential developments, namely housing and blocks of flats. In these tables, all the benefits are stated in full time equivalent jobs and in Gross Value Added for easy comparison. In the report itself, however, where it makes more intuitive sense, other metrics are used.

Through our modelling we can therefore see how building specialist retirement properties makes sense for all types of local authorities who need to accommodate new housing and want to see brownfield sites prioritised to achieve this in a way that delivers maximum economic benefit locally and benefits the local community most effectively.

This report is the third in a series of reports looking at the socio-economic benefits of retirement housing, with previous reports having shown how helping more people to access specialist retirement housing would improve older peoples' wellbeing, save money for the NHS and stimulate both ends of the housing market.

Our first report revealed how moving from existing mainstream housing to specialist retirement properties can improve the mental and physical health of our ageing population, with an average Homes for Later Living resident aged 80 feeling as good as someone 10 years younger, when measured on a selection of national wellbeing criteria. The resulting reduced health challenges could bring about significant savings for the NHS and social care budgets. Most notably, we found that each Homes for Later Living resident contributes to fiscal savings to the NHS and social care services of approximately £3,500 per year.

Our second report looked at how building more Homes for Later Living developments would help to unblock the housing market. It revealed that a quarter of people over 65 want to downsize and it showed how helping to make this happen would be beneficial to younger generations. For example, in this report we also showed that, through the chain effect, roughly two in every three retirement properties built releases a home suitable for a first-time buyer further down the chain.

In the third and final report of this series, we build on our previous findings to show that Homes for Later Living developments can be key to building back better in local communities. On top of the benefits outlined in previous reports, we can see that building more specialist retirement properties would do more than any other type of residential development to drive up the numbers of local jobs, boost local economic activity, and bring vibrancy to our local high streets.

Homes for Later Living: Silver saviours for the high street

Previous research

This report is the last in a series of three pieces of research, each highlighting different benefits brought about by Homes for Later Living developments.

Our first report, Happier and Healthier, explored how specialist retirement housing can improve residents' wellbeing and generate savings for Government. It showed that:

- On a selection of national well-being criteria such as happiness and life satisfaction, an average person aged 80 feels as good as someone 10 years younger after moving from mainstream housing to housing specially designed for later living.
- Each person living in a Homes for Later Living property enjoys fewer health risks, contributing to fiscal savings to the NHS and social care services of approximately £3,500 per year.

Our second report, Chain Reaction, demonstrated how helping more people who wish to downsize would be beneficial to the wider housing market, freeing up thousands of family-sized homes as well as those for first-time buyers. It showed that:

- Approximately 3 million people in the UK over the age of 65 (or 25%) want to downsize.
- Every Homes for Later Living property sold is estimated to generate at least two moves further down the housing chain, freeing up homes at differing stages of the housing ladder for different demographics.
- Roughly two in every three retirement properties built releases a home suitable for a first-time buyer down the housing chain. A typical Homes for Later Living development therefore results in at least 27 first time buyer properties being released onto the market.

Sarum Lodge, Salisbury