

Viewpoint on Downsizing

A Viewpoint on enabling older people and those with long term conditions to downsize to more appropriate general accommodation - considering the barriers to moving, the challenges to be addressed, and identifying some solutions.

(This is one of two Viewpoints on 'downsizing' commissioned by the Housing LIN. In February 2011, a further Viewpoint will consider downsizing into specialist accommodation, alongside a collection of case studies of good practice.)

Prepared for the Housing Learning & Improvement Network by **Janet Sutherland**

Introduction

How can we encourage and assist more people to move to homes that are better designed to help them maintain independence as they age, and also to free up their family sized homes for younger families that need them?

We are at a critical time: the number of people over 65 is projected to double over the next 15 years, and demand for public spending on health and social care services may also double. Linked to the reductions in public spending announced by the Coalition Government in the recent Spending Review, we are potentially approaching a "Perfect Storm". We need new approaches and new solutions to help older people remain independent for as long as possible, and to maintain potential national care costs at an affordable level. It will be very challenging to try to maintain care provision at current levels in the years ahead, both in terms of cost, and of fewer people to provide it as the proportion of elderly increases. However, downsizing is not the right answer for all, and many people will prefer to stay in their homes for as long as possible, and should be supported in doing so. Currently, many older people want to stay in their existing home because they have no information about other options and more people would want independent living with flexible support if they knew it existed. We must give older people information and a voice to express their wishes.

The "Baby Boomer" generation is reaching retirement - people born in the spike of births after the Second World War. There will be 150,000 more pensioners in 2012 than in 2011 and they will have different expectations than the earlier generation: looking for more independence and more Led Zeppelin than tea dances. They have higher expectations of service and are more individually minded, and will want a wider range of flexible housing offers. We have a window of opportunity of perhaps 5 – 8 years at most to encourage people to consider a new approach to their housing, if we are to address this projected growth in demand for care services. We also have an opportunity to enhance the potential of this new generation of pensioners to be outward looking, healthier and engaged with wider communities.

We could substantially increase the number of households who downsize, if we encourage people to assess their homes in their 50's and 60's through the "Homes for Life" Toolkit proposed below, linked to arguing the "Invest to Save" case to provide impartial housing options advice and support to all, across all tenures. Combined with new initiatives to break chains and give assistance in moving, and linked to a much better supply of new appropriate homes, this would have a very significant impact on supporting independence into old age. This could result in savings to care and health budgets and release much needed family sized accommodation across all tenures into local housing markets, thus making a considerable impact on reducing our acute shortfall of family sized homes.

To those people who are not yet elderly, the rationale for downsizing is clear. The cherished family home will become a burden for many people, if they continue to live there into old age, as they struggle with ever-rising heating bills, try to maintain a property which may be ageing, and face the increasing risk of accidents in the home. Moving to somewhere smaller that is designed to meet their changing needs (which meets Lifetime Homes Standards¹ and is well insulated) will improve their health outlook. Potentially, it will be more economical for them and for the state and service providers, in reduced care costs and health crisis intervention.

However, peoples' identities are entwined with their family home, and many people wish to stay on, even when the home is ill suited to their current needs. It can be overwhelming to think of the complexities of moving, and to enable more people to downsize we need to address these concerns and be able to help people consider their options, and see how a move could be beneficial to them and bring a successful outcome worth the emotional upheaval. We should also give people practical help with preparing for a move. Unsuitable housing impacts on physical well being, and also potentially affects mental health. People with mobility problems may become isolated from society and this can lead to loneliness and depression. The issues are complex, and the range of suitable alternatives is still very limited - there is inadequate choice in the market place, whether social housing, market rent or owner-occupation. Language is important, we need positive phrases implying concepts such as: "iFit", "New Age Home", "a better fit", or "a new lease of life", to replace the negative connotations of "downsizing" and "under occupation".

"Perhaps if people had a view into the future of how things may end up when they don't move it would urge them on a little more!"²

The current position

The level of all UK households under occupying their homes is thought to be 37%, of whom half are aged 50 – 69 and they occupy 3.3 million homes³. However, the vast majority of people consider that they need one extra bedroom (or sometimes two), and do not consider themselves to be under occupying. Couples may have a bedroom each, and spare rooms are needed for family visits, carers, storing equipment or a lifetime of possessions. There is more under occupation amongst homeowners but, more recently, the focus and pressure is more on those in the social rented sector, where family homes are in particularly short

¹ Lifetime Homes Standard 16 design criteria, revised 2010

² respondent to the Housing LIN call for information on downsizing

³ LGA "Good homes in which to grow old" 2010

supply. Overcrowding causes considerable strain on families with impacts on health and educational attainment.

The **advantages** of downsizing to an appropriate home are that people should be able to live more independent lives, in warm, safe surroundings, designed to make life easier for them. This should also reduce the amount of care in the home that they might otherwise need, particularly if linked to appropriate telecare. The **disadvantages** are moving away from the familiar setting of the family home, memories, and neighbourhood, and perhaps losing community support. Loss of the system of coping that they have built is a frightening change which could lead to loneliness. For many, continuing to live in the family home is the most important contributor to wellbeing: maintaining a hub for family and community connections, hobbies and activities such as gardening.

Downsizing is not the right solution for everyone. It should be an informed choice, and not an obligation. Research in Dorset, echoed elsewhere, has found that about 20% of people receiving Housing Options advice wish to consider downsizing, and about 80% wish to stay in the family home as long as possible.⁴

Our task is to ensure that better information is widely available about the advantages of downsizing, and that we have a full range of suitable options available across all tenures for those for whom downsizing is the sensible choice, and who wish to downsize. This should lead to an increase in the number of people interested. The complexity of organising the practicalities and the cost of doing everything required to achieve a move can be so daunting that people decide not to move, when with some targeted help, they could achieve a much better outcome for their future health and wellbeing. The Housing Options service could provide preparatory support to help them get ready for a move whilst they wait for a suitable property, including help with “decluttering”.

The Coalition Government has stated its commitment to support people to live independently, and to maintain funding for adaptations. However, we face considerable challenges in the current economic climate. In recent years, we have made impressive improvements in establishing joined up advice and support services to help people identify and realise solutions, but these services are not widespread. They often rely on funding through Supporting People, which is under considerable strain, with statutory responsibilities taking precedence. As a result, we are a very long way from having enough viable downsizing options for the majority of people under-occupying their homes, and in the current financial climate, it will be difficult to find ways of extending these options. How can we address these challenges?

There is an inadequate supply of attractive options for downsizers and this is compounded by current constraints. Housebuilding is at an all time low, and funding to support development and obtain mortgages remains extremely difficult, with many lenders requiring a 25% deposit to secure a mortgage. First time buyers, where unsupported by parental help, now average 37 years old. A healthy housing market needs first time buyers as well as last time movers – the whole chain is slowed up without this entry sector. Apart from certain high value areas, developers have been slow to embrace the potential market for “downsizers”. There is a lack of family sized homes in all sectors, as people cannot afford to move to the right size accommodation. As public investment in social homes reduces, we become more reliant on the private sector to be the driver for funding. What can be done to encourage the

⁴ Dorset Care and Repair England “Should I Stay or Should I go?”

House Building sector to provide more homes suitable for downsizers, and to bring funders back in? How can we ensure this can happen across the country, and not only in higher value areas where the market remains more robust?

It is now proposed that in the social sector, in future new affordable housing tenants will not have a tenancy for life, and local authorities and housing associations who wish to develop, will now be expected to let new homes (and relet existing ones) at an “affordable rent”, which will be up to 80% of the market rent (up to the Local Housing Allowance ceiling). This could be a major disincentive to downsizing, and we must ensure that all landlords will allow existing tenants to transfer at current social rents, as otherwise tenants will not wish to downsize to more expensive accommodation. Instead, the resulting vacant flat could be let at the new “affordable rent” of up to 80% of market rent. Non-pensioner households might be expected to move to right sized accommodation. Might existing older tenants be obliged to move in the future? If so, to what, given the current shortage of suitable and desirable homes for older people? Older people currently in the private sector, or indeed owner occupiers seeking to sell and rent, will in the future only have access (if they qualify) to these new “affordable” rents, at up to 80% of market rent. This may reduce access to social housing for households in need, and we should assess the impact that this may have, including releasing equity for meeting care needs.

“Invest to Save” through housing support

Many of the strategic building blocks are coming into place to help us. Total Place (place based budgets) enables a joining up of housing, social care, community services and health provision. ‘Localism’ should empower local authorities and communities to adopt a holistic view of their area’s needs. However, the financial constraints are unprecedented and we need clear arguments to demonstrate the need for “invest to save” or “benefit realisation”, showing the cost effectiveness of proposals to provide services that reduce spending on social care and health provision, and introducing place based budgets and innovative solutions to deliver them.

We need to provide better evidence of the care and health savings achieved by housing based interventions, and promote the best practice examples of holistic housing options, with Home Improvement Agencies, handypersons, aids and adaptations/Disabled Facilities Grants and Telecare. Furthermore, will consortia of GP’s prescribe funding of housing or repairs services once PCT funding transfers to them? How can we encourage them to do so? As public health moves from the PCT’s to local government we have an opportunity for influence, and we need closer links with housing and health to argue the case for saving by spending health money on housing interventions.

Develop a “Home for Life” toolkit

Can we reach a point where it becomes normal for people to consider their future housing options when they are in their late 50’s or 60’s, supported by excellent and impartial housing options services, across all tenures?⁵ They could be making a plan for the present, or considering what they may wish to do in a decade or so. Evidence suggests that once we are in our 70’s and beyond, it becomes increasingly difficult to make decisions about as emotive a subject as moving home. People who downsize do so mostly between their mid sixties and seventies. A “Home for Life” Toolkit could be developed to help people make a

⁵ Advice and reference from First Stop, funded by CLG as part of national strategy for an ageing society

simple assessment of their homes.⁶ Will the existing home be suitable through the years ahead? Can it be adapted? Will it support them and meet their needs as they age? How would a move be afforded and what are the realistic options? Could we encourage people to draw up a housing plan to be implemented now or at some time in the future, such as when the stairs become difficult or the heating bill a struggle to pay?

This Toolkit could be used by people across all tenures to assess their homes. Where it is used with professionals the focus should be on empowering the householder to do the assessment and reach their own decision.

- How accessible is my home? Slopes, steps, proximity to transport, amenities etc.
- How many stairs? Could a stair lift be fitted? Is there room for a downstairs toilet or bathroom? Would adaptations be practical and affordable?
- Will it be affordable to heat and repair?
- Could it cause accidents? (high cupboards etc.)
- Assess strength of tie to the home, neighbours, location, garden etc.
- What are the realistic and affordable options for moving? – Where to get information?
- Make a housing plan, and decide at what point it is implemented. To stay and adapt, or to split the home, or have a HomeShare, or to move at a certain time?

To promote the ideas, and incentivise people to use the Toolkit, we need to use all media, and encourage, for example, the Archers and other popular programmes to introduce the idea, and GP's and day centres to promote it. The Toolkit could be based on the model of Housing Options for Older People (HOOP), developed by Elderly Accommodation Counsel, and could incorporate some of the principles of the London Accessible Housing Register, building on CLG Guidance⁷ and Staying Put's "The Housing Health and Safety rating system".

Create a wider range of attractive housing options in all tenures

Across all tenures we need to have joined up Local Authority Strategies and planning policies which address the needs of older people and those with disabilities. Strategies should include detailed mapping of supply and demand, anticipation of future need and how existing stock across all tenures can be "future proofed" and expanded. The strategies should address how to give advice, including options for downsizing and the positive benefits that moving can bring, focusing on encouraging an anticipation of future needs at retirement, and promoting active ageing. The broader National Planning Framework must ensure that we address demographic change. Planners could see the provision of suitable smaller units as part of a strategy to free up family homes. Local Authorities should engage with the private sector to encourage homes and schemes aimed at the full range of retirement housing. What will be the role of Local Enterprise Partnerships (LEPs) in empowering local solutions for older people, and can we involve local house builders in LEPs?

⁶ Similar to idea of Housing Options for Older People (HOOP) developed by Elderly Accommodation Counsel

⁷ CLG Guidance 2006 at <http://www.communities.gov.uk/publications/housing/housinghealth>

How do we realise the opportunities of localism? Devolution of planning and housing powers to the local level, linked to a place-based approach, will help Local Authorities plan to meet their future needs more effectively, if we can overcome the risk that deregulation could lead to a reduction in standards, and a loss of strategic vision. Local communities, and older people, should be involved in preparing local plans, and ensuring alignment of planning and housing strategies. Can localism be effective at joining services and policies together, and help us think creatively about the services we want? How do we effectively hear the voice of older people, when so many of them feel socially excluded? How do we build social networks, using civic institutions, and for the baby boomers, social media?

At a local level, Lifetime Homes Standards should be encouraged across all tenures, as should the principles of Lifetime Neighbourhoods⁸, which are safe, sustainable, accessible and healthy for all, with good access to facilities and transport, and linked to the Code for Sustainable Development.

We must consider that financial pressures for older people are likely to increase with rising energy, food and transport costs, 20% VAT, and potential reductions in Housing Benefit and Local Housing Allowance, as well as low returns on investments and pressures on pensions into the future. Poverty levels amongst older people may increase. The existing home may be cheaper than the proposed new home – both in rent and service charges, and affordability can therefore be an issue. There may be parts of the country where there is a lack of people to provide care, as they will not be able to afford to live there. The generation of pensioners after the baby boomers may have less equity and fewer resources.

Our existing housing stock is draughty and expensive to heat, but we have not yet established an extensive and affordable programme of retrofitting, across all tenures. Options such as the Green Deal scheme should be explored, where energy companies pay up front for energy efficiency improvements and recover spending from energy bills.

We need to consider how the needs of the growing number of older and disabled people amongst minority communities can best be met, and we need models suitable for our multi-cultural society, now and in the future. Older people from minority groups may currently have more family support, or may experience a greater shortage of suitable options.

We should also consider:

- Promoting the adoption of schemes similar to the “London Accessible Housing Register” across the country, to **identify properties suitable for older people** and so that properties that have been **adapted can be reused** more effectively.
- Provide accommodation (new and adapted) which is **future proofed** to meet the needs and changing aspirations of our future older population as well as current needs.
- **Rural communities** are under increasing pressure with reducing facilities, services and transport which isolate older people, and many need to move to towns to have accessible services. In rural communities (as elsewhere) the “Home for Life” toolkit needs to consider transport and accessibility to services and amenities. We should encourage rural communities to plan how best to address the needs of their older people (see the new Housing LIN report, *Rural Housing, Older People and the Big Society*).

⁸ “Lifetime Homes, Lifetime Neighbourhoods. A National Strategy for Housing in an Ageing Society”. CLG 2008

Owner occupied housing

Most underoccupation is in the owner occupation sector and there is a large potential market for private housebuilders to provide an attractive range of homes, built to accessible Lifetime Homes Standards. Planners should encourage their provision as part of all suitably located developments (where they are in proximity to amenities). So far, housebuilders have been reluctant to build to Lifetime Homes Standard, on the basis of the additional costs, and many see their traditional market as starter households and family homes. How can we encourage them to broaden their customer base? Some are returning to the sheltered and specialist market (this will be referred to in the February 2011 Viewpoint), and several have embraced the potential of the grey pound, particularly in upmarket inner city locations, such as riverside developments, where apartment living is proving popular. We need future proofed homes of suitable design and size (with flexibility for larger living areas), location, security and attractiveness. An emphasis on cheapness will not meet the needs of the older housing market. Some developers offer good inclusive packages of selling the former home and arranging details of the move. We need to engage more private housing developers in exploring the range of options for the elderly across the country, and we need to demystify the complexities of planning, regulations and legislation to overcome barriers which currently discourage their involvement.

We should promote **new models of housing** such as mutual and co-housing schemes, and encourage innovation such as learning from European models, and using co-operative principles (see the inspiring examples in the HAPPI report)⁹. The proportion of older householders who were owner-occupiers was 68% in 2001, and is projected to rise to 75% by 2026. There is a substantial potential market for innovation which should be fully explored.

We should encourage developers and estate agents, when selling housing to older people, to offer **inclusive packages of selling the existing home**, and assisting with the move. This is particularly needed in areas where sales are depressed. Costs could be recouped with the sale. This could be linked to a potential variation on the part exchange deal which many housebuilders offer, where registered providers such as housing associations might consider buying the home of the downsizing family for letting.

Many older people live in the worst housing and have little disposable income. The value of their home may be lower than that of a more suitable one and they may not have sufficient equity in their existing home (for example, people who exercised the Right to Buy). We need new models of **equity release**, to address the huge problems faced by many whose current homes have too low a value to enable them to move, or who cannot afford adaptations. This can either help them fund remaining in their home, or, where they wish to move, but the value of the new home is greater than the existing one, the equity release can fund the gap to enable them to move. Another model might enable people to use the capital value of their previous home through an actuarial equation, to live rent-free in the new home during their lifetime, but forgoing the residual asset. This could be similar to American models, where the equity from the former home is put into the new home and is then “burnt up”. The February 2011 Housing LIN viewpoint on downsizing to specialist schemes will address some of these issues.

⁹ HAPPI Housing Our Ageing Population: Panel for Innovation, HCA 2009

Flexible models of sale or rent

In some areas of the country, schemes of mixed tenure depend for their viability on achieving open market sales, yet some of their prospective purchasers are not able to sell their homes in a depressed market. Some associations enable people to move in and pay rent on a rent to buy, Leasehold Scheme for the Elderly (LSE) or other ownership option, until they sell their home. Further options giving flexibility across ownership and rent should be explored.

Social rent, the new “affordable rent” and intermediate housing

In the social housing sector, housing registers are growing as more people seek affordable homes as other options diminish. This adds to the competition for new homes, even where Local Authorities give downsizers the highest priority for a transfer. The problem of overcrowding is growing, as is the pressure for people to occupy the “right sized home” and to downsize. Much of the existing housing stock is not best suited to the needs of an ageing population, and may be expensive to heat and accessed via stairs, or be in a neighbourhood where older people feel vulnerable to anti-social behaviour. There are not enough suitable, attractive 1 and 2 bedroom homes for downsizers, and many authorities cannot offer older couples a two bed general needs unit of accommodation (where they wish one) because of the shortage of family homes. Local authorities can consider reuse of tower blocks for housing over 55's with no children, and these and similar schemes can be very popular if well managed.

Until now, almost all social and intermediate housing has relied on Social Housing Grant through the Homes and Communities Agency's National Affordable Housing Programme. We face an immense challenge if we are to find new ways of funding the many, well designed homes we need, in an age where public funding will be significantly reduced. Future homes and relets will be let at “affordable rents” which will be up to 80% of the market rent (based on the Local Housing Allowance level which will be the lower 30% of market rents). New provision will depend on providers being able to use their assets to borrow against their income stream, and whilst this may lead to new homes in some areas, (higher value ones, but perhaps not very high value areas where few homes will come within the LHA ceiling) new provision may be very problematic in lower value areas. Without grant to invest in deprived areas, in future lenders may only wish to lend in areas with established markets. This could exclude older people from downsizing (as well as coming in to the sector). People transferring should be able to retain a social rent, and the impact of higher rents on older people should be assessed. It is not yet clear what impact the new policy will have on provision.¹⁰ Where grant is available, could an argument be made for higher levels reflecting the size of the family unit released, rather than the size of the smaller one provided?

Many schemes have benefited from subsidy from the private developer through the use of planning gain through Section 106 agreements, and some developers may now feel that they can provide the new “affordable” homes directly themselves, as housing providers, with or without entering partnerships with housing associations. Schemes for downsizers may be attractive affordable housing provision to developers.

¹⁰ Comprehensive Spending Review, October 2010

We need to develop new models to make **intermediate housing** affordable, such as schemes which defer the rent component of shared ownership for the over 55's, or potentially allow people to 'staircase' down in shared ownership after retirement. It appears that many homeowners are prepared to move to shared ownership to live in the home they want, where they have insufficient equity for outright ownership. A wider range of options, including flexible tenures (such as rent to buy), is required. We should promote models of **adaptable-shared ownership** properties suitable for funding through long-term disability benefits or other sources of equity investments.

Choice based lettings (CBL) schemes are now very widely used to let social rent properties. They need to take account of the needs of older people, and incentives, advice and support are required to encourage downsizing. All landlords should be encouraged to award higher priority to downsizers, as many do. Properties being advertised through CBL should be assessed for their suitability for downsizers, and highlighted as such. Where possible, they should have improved and targeted marketing to suitable under occupiers. As much information as possible should be given to help people decide - before visiting - whether the property will meet their needs now and in the future (i.e. can it be adapted). Where possible, virtual tours should be provided. Older and vulnerable people find the process of bidding through CBL - with its tight timescales - daunting and complex. They may not have access to the internet. They need to decide very quickly whether a property is suitable.

*"They really pressurise you to make a decision straight away. There are people waiting outside to look at it too and if you don't decide now, you could lose it."*¹¹

Older people often struggle to cope with all that is required to achieve the move in the two week pre-letting period that is usually given, particularly if works and decorations are needed to the new home, at the same time as emptying the former home. Landlords should offer practical support and also consider in some circumstances allowing longer for the move to take place, as part of their overall support to achieve the released family sized home. Where landlords offer payment towards costs of removals, storage, redecorating and repairs, the timing of these payments is important. Many are claimed retrospectively and this can cause real problems. Incentive schemes are under financial pressure from budget cuts.

The **National Home Swap** scheme will enable people to consider moving across the country to areas providing family support or ties. Information needs to be easily accessed by older people in a user-friendly way, and at present people can receive a bewildering number of matches.

Seaside and Country Homes have long been a route into retirement housing for Londoners, and other similar models¹² should be explored to offer choice to those who prefer to leave their existing community for improved quality of life elsewhere.

¹¹ Respondent from London Borough of Southwark to the Housing LIN call for information on downsizing

¹² Such as SELHP in Kent

Private rented housing

The private rented sector is growing. As entering home ownership becomes more difficult, and the potential of ownership as a generator of wealth is less certain, more people are staying in it for longer, and as demand outstrips supply for social rented housing, increasingly people who previously looked to social rent are renting privately. The sector had tumbled to a low of 8% of all housing in the late 1980's, is now 14% and is expected to continue to grow. It has been mainly a sector for younger people in recent years, but some suggest that it may become a more established alternative to ownership.

Is private rent suitable for people as they age? Currently it lacks security, and landlords are often reluctant to agree to fit adaptations. At present, under 10% of households aged over 65 are in the private rented sector.¹³ With a small number of exceptions, of companies investing in long term management of retirement homes and specialist schemes, the private rented sector is at present far from ideal for older people and we need new approaches. This is explored in a new Housing LIN Factsheet no.32.¹⁴ However, if we can develop a more European approach to private rent with more institutional investors and long term managers, the sector could become much more attractive to older people, and has considerable potential to expand. Long term lets with established tenants are seen as an advantage in property at auction. There may be options for schemes of flats over shops with suitable access. For those who leave the family home very late in life, leaving ownership for a well designed and managed privately rented flat can be a very sensible option, potentially using actuarial models of valuing equity to contribute a capital sum as described above.

It is likely that changes to Local Housing Allowance ceilings and Housing Benefit caps will reduce the number of private rented properties available to poorer households, and many households may need to move to cheaper accommodation, or to a smaller place if they can no longer afford an extra room for support (although, at the time of writing, from April 2011, disabled people in the private sector who need an extra room for an overnight carer will be eligible for the LHA that allows this).

Finally, Empty Homes Strategies can be targeted to provide adapted properties, where a lease of 5 years or more is agreed between the local authority and the landlord, sufficient to fund the works required.

Addressing the challenges

Vacancy chains

Vacancy chains can be very problematic across all tenures. What can we do to break chains? Can a case be argued for housing providers to fund the risk to achieve the benefit of the released family home and the more appropriately housed older household? For older home owners, there is the worry, uncertainty and expense, of putting one's own home up for sale before securing the home to move to, where services providing assistance and help with decluttering could provide support. Many of the homes being sold may be suitable for the first or second time buyers market where mortgages are particularly hard to come by, and sales currently suppressed. In some parts of the country, the housing market is very slow at present. Some housebuilders will buy the family home, to enable the sale of the new

¹³ JRF Private Rented Accommodation

¹⁴ Housing LIN Factsheet No.32 on Private Extra Care Housing: a new market?

home to proceed, but this reduced sale value may render the new home too expensive. Estate agents could offer an inclusive service to help people move.

In the social rent sector trying to achieve a vacancy chain across potentially several moves, ending with an overcrowded family in the vacated previously under occupied unit, can be fraught with delays and setbacks. It will only work where the local authority highly values the released family sized home, and in these cases it may be worth the LA funding a period of vacancy. Three months rent loss to achieve a vacant family home could be good value. The Housing LIN will be looking into this in more detail next year.

*“We're currently working on a chain of six lets which comprises of 4 families, one homeless applicant, an elderly couple and 7 properties managed by four different landlords. All these applicants are either moving up or down depending on their housing needs. This came about as a result of a tenant in a 5 bedroom house who contacted us with a view to downsizing to a smaller property”.*¹⁵

Funding

We need to explore new models of funding to provide new homes and retrofit existing ones in all sectors, and we need new partnerships to identify innovative solutions. Can pension funds be drawn in? In many European countries they are significant funders of housing. Could we attract Local Authority pension involvement to packages of schemes? Is there potential to create a new Building Society?

For the provision of affordable housing, the Government is introducing Tax Increment Financing which could enable local authorities to invest in remodelling existing and creating new homes, and many authorities and housing partners are currently exploring new ways of financing homes through non-grant based financial models, such as equitisation, using land creatively, and “social finance”.¹⁶ These can be linked to the review of the Housing Revenue Grant and uses of prudential borrowing to support local authorities’ ability to invest. The case for reduced VAT on retrofitting and adapting should be explored (in some European countries the VAT rate on maintenance is 5%), as should opportunities to create incentives to encourage pension funds and other long term investors to invest in housing.

Housing benefit and Local Housing Allowance reductions

We need to assess how many older people in the private rented sector will be affected by the proposed reductions to Housing Benefit and Local Housing Allowance, where the new HB ceiling may require them to move to a cheaper home (Shelter estimate 21,000). They may be affected by the new setting of LHA based on the lower 30% of local rents (where previously it was 50%), which may mean that they have to move to a property with a cheaper rent, and the index linking of LHA will break the connection with market rents. The non-dependant deduction may also oblige more young people to continue to live at home and the reduction in Job Seekers allowance of 10% will affect people who are moving from disability payments to Job Seekers Allowance.

¹⁵ Respondent from Oldham respondent to the Housing LIN call for information on downsizing

¹⁶ Housing LIN Viewpoint No.16, Can Extra Care Housing funding needs be met from institutional funders?

Continuity of care and personalisation

Most people wish to stay in their existing neighbourhood, but where people do move to another area, trying to ensure some continuity of care is problematic. Portable needs assessments are required where people are moving to a new administrative area. Personalisation should offer some improvements to continuity of care when people move, although problems may remain across service provider boundaries around differing eligibility criteria for social care or charging arrangements. At present, there are pressures to reduce the hours of support given through personalised budgets, however, this risks leading to an escalation of costs, if effective intervention is not provided. One respondent describes this with the analogy “a finger in the dam”.

Neighbourhood and community

The focus of “Localism” is to create places and communities that work for all those within them, by identifying local needs through participative consultation, and creating services that are responsive to local needs. We need to adopt the community planning techniques that enable people to create a vision for their wider neighbourhood and how it can work well for all. What should the neighbourhood look like? The needs for our diverse communities should be addressed so that neighbourhoods are inclusive and promote community cohesion. The aspiring concept of Lifetime Neighbourhoods should be adopted. We have some exemplary and inspirational schemes to show how good design can transform lives, and create vibrant places encouraging social interaction, where people thrive. Older people and organically grown communities are critical to achieving the Big Society.

There may be changing patterns of households, with more extended families living together, as young people cannot afford to leave home, or return after loss of a job or relationship breakdown. Some grandparents care for their grandchildren whilst both parents work. In future years, if levels of care for older people do reduce, some families may choose to live with, and support, their older relatives.

Community Right to Build is promoted by the Coalition Government (in the Localism Bill) as a means of locally led small-scale development in rural areas. These schemes will now require 75% of local support through a referendum, and may be suitable for small-scale provision for local older people. Could they also be considered as infill on council estates or other unused community areas?

Downsizing in the existing home

Homeshare schemes should be expanded. Older and disabled people who wish to stay in their own homes have someone come to live (perhaps by creating a self contained flat) who can provide some care, support or companionship in return for reduced or no rent. These schemes need to be properly managed to protect the interests of the older person. Could local authorities or housing providers take on this role? One respondent said:

“I want to remain in my home. With not much alteration the upstairs would make a self contained flat. I should like to be able to call on a hefty youngster to fix a bookshelf, move a paving slab in the garden, for reduced rent. Either sale or rent would create some capital to enable me to go out a bit and on holiday. The answer? Home share, why are not local authorities obliged to run

*a scheme in their areas, thus providing affordable accommodation for not very well paid youngsters to provide practical help with very little effort*¹⁷

In addition to the Homeshare ideas, some homes are suitable for division so that the ground floor can be adapted, whilst a self contained flat is available for rent or sale above. Alternatively, some homes have sufficiently large gardens for a “granny annexe” bungalow to be built, if there is access and the planning authorities do not see that as “garden grabbing”.

Conclusion

To encourage more people to downsize, we need incentives, excellent impartial advice and sufficient suitable, attractive and affordable schemes for people to move to. We should always offer choice, not coercion, and ensure we have funding for adaptations where staying put is the best option, and where needed in the new home. At all points we should involve and consult with people to ensure we are responsive, and providing what they want. Expectations are changing rapidly, and to future proof the options we create now, we need to know they will be wanted by the not yet old, the cohort of baby boomers who approach old age with differing expectations.

The challenges are immense. We need urgently to introduce the “Home for Life” toolkit to encourage more people to consider downsizing whilst they are young enough to make the decision. We need to argue the case convincingly for “invest to save” in housing, and consider how GP’s can link people to Housing Options services. We need new models to support people in moving, including decluttering, and ideas to break vacancy chains.

Localism offers the opportunity to influence localised decision making through neighbourhood plans. How do we influence the recently issued Localism Bill and ensure that the voices of older people will be included in the communities’ right to be heard? How can we ensure that the needs of older people are fully integrated and met, and how do we take planning to the local level, engage people effectively, and overcome Nimbyism? Place based budgets should mainstream older people and the disabled. Our planning policies need to support provision of housing for older people, and we need to be more creative in the way we integrate different departments and service providers together, joining up service provision and aligning targets and desired outcomes.

We need a concerted effort to align government policies, involving funders, pension funds, developers and all stakeholders, to find ways to fund the wide and attractive range of new housing options for downsizers, and the investment needed to retrofit and future proof existing housing. The Government could sponsor investment value – checking its policies to maximise return and advantage for itself and investors, providers and users. We need solutions across the whole country, not just the higher value areas. We will make a significant impact in local housing markets if we can encourage up to 20% of households to consider downsizing, and improve the quality of what is on offer for older people to provide the homes that will enable them to do so. For those who, having considered all options, want to stay put, we should support them in so doing.

¹⁷ respondent to the Housing LIN call for information on downsizing

Acknowledgements

I am grateful to the very many people who responded to the request for views from the Housing LIN enews, those who met with me and shared ideas, and for the many inspirational examples of good practice given. The contributions have been invaluable.

Thanks also to Jeremy Porteus, Housing Learning and Improvement Network, for his editorial contribution.

For further information about the Housing LIN and to access its comprehensive list of on-line resources, visit www.dhcarenetworks.org.uk/housing

The Housing LIN welcomes contributions on a range of issues pertinent to Extra Care housing. If there is a subject that you feel should be addressed, please contact us.

Published by:
Housing Learning & Improvement Network
C/o EAC,
3rd Floor, 89 Albert Embankment
London SE1 7TP
Tel: 020 7820 8077
Email: info@housinglin.org.uk
Web: www.dhcarenetworks.org.uk/housing