

## Policy Implication 4.1

---

The ageing population will change demand for housing. In particular, it is likely that more adaptable and specialised housing will be needed.

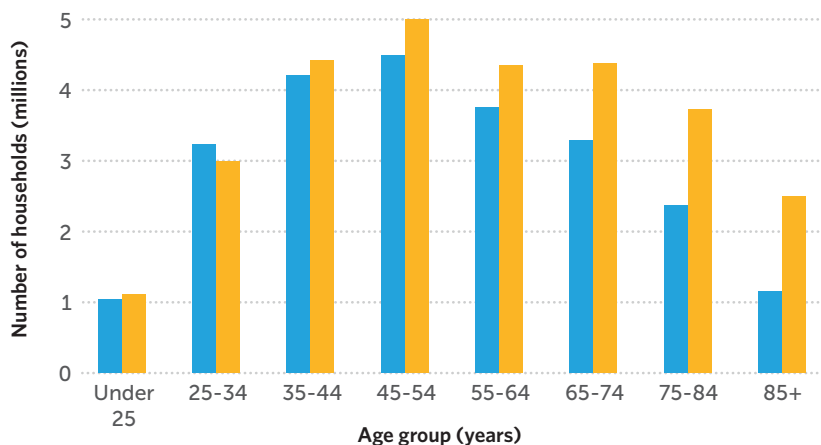
---



The proportion of households where the oldest person is 85 or over will grow faster than for any other age group.



*Head of household in England by age, estimations for 2012 and projections for 2037*



Year: ● 2012 ● 2037

Source: DCLG (2012) 2012-based household projections



# The number of people seeking housing with support services is projected to rise.



## Projected rise of people seeking housing with support services

70,000

2011

300,000

2019

70%

One study predicted a **70% increase** in demand for specialist housing by 2033

**Source:** New Policy Institute (2012) Market Assessment of Housing Options for Older People | National Housing Federation (2011) Breaking the mould: Re-visioning older people's housing

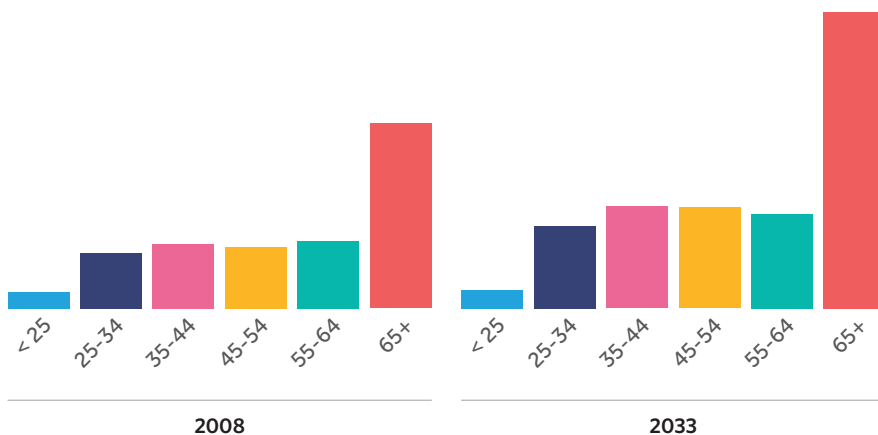


By 2033, total households are projected to increase by 27%. In that time, one-person households are projected to increase by 54%, with half of the growth in the over 65 group.

The vast majority of older people live as married couples. However, over the past decade the number of one-person households has increased from 2.6 to 2.9 million and will increase by 22% to 2031. This may have implications for loneliness and the provision of informal care.



*Projections of one-person households in England by age of head of household.*



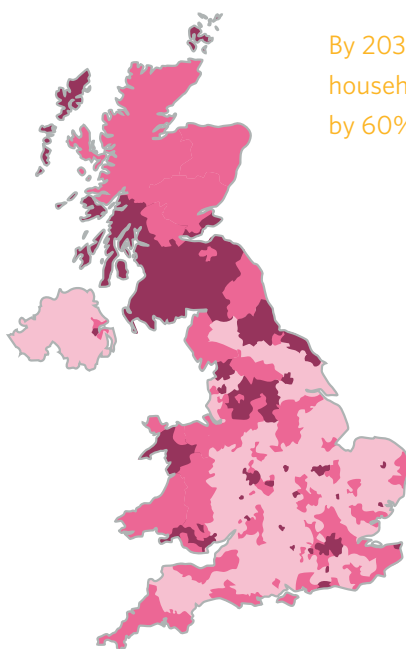
**Source:** Hoff, A. (2015) Foresight evidence review | Keating, N. et al (2015) Foresight evidence review



# The proportion of 65+ year olds living in one person households is higher in London than in many areas of Southern England.



*Proportion of population aged 65 and over in UK local authorities in 2011 living in a one person household*



By 2031 the number of one person households are projected to increase by 60%.

- 24.7% - 29.5%
- 29.6% - 32.2%
- 32.3% - 45.3%

**Source:** Stockton, J. and Duke-Williams, O. (2016) Analysis of 2011 census data



Government  
Office for Science

••••• Foresight

4.1d

# What people want from housing.

## The older population is diverse but consensus around:

**Bathrooms and toilets** should be capable of being converted to **disabled standards** and large enough to allow for carers to provide assistance

There should be **level access** and flush thresholds at the entrance level.

Possible to accommodate **living and bedroom space at the entrance level.**

There should be enough living space for people to **maintain their lifestyle, social contacts and hobbies.**

There should be **at least two bedrooms**, although many people prefer three, which allows for couples to sleep in separate rooms with a spare bedroom.

There should be **sufficient storage space.**

A pleasant **accessible outside space** should be available.

The home should be **energy efficient, easily heated, well ventilated, well lit and easily manageable.**

There should be **good access to local facilities.**



**Source:** Torrington, J. (2015) Foresight evidence review



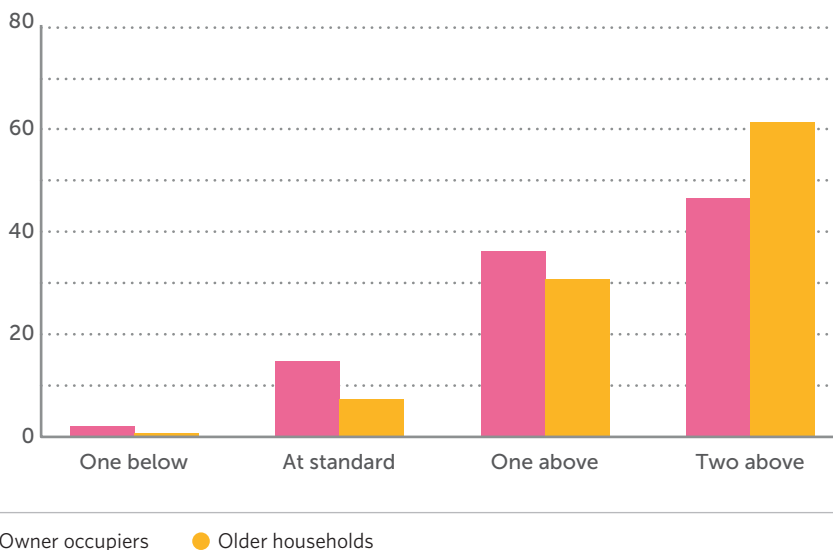
# Older households are more likely to have two or more spare rooms.

8.1 million houses in the UK in 2011 had at least two spare rooms and over 80% of owner-occupied housing has at least one spare room (12.4 million households), compared with 39%

socially rented housing (1.6 million) and 49% privately rented housing (2.1 million). However 1.1 million households were over-crowded.



**Owner-occupier occupancy rates (%) with number of spare rooms relative to standard, as defined in Housing Act 2003)**



**Source:** ONS (2014) Overcrowding and Under-occupation in England and Wales



## Policy Implication 4.2

---

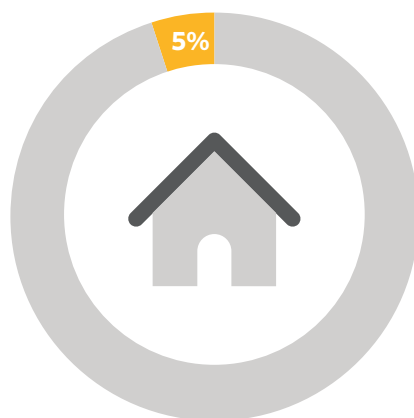
Building suitable new homes and supporting the adaptation of the existing housing stock will be critical as the population ages. It is also important that older people can move to a more appropriately-sized home with ease.

---

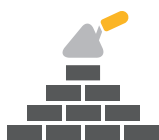




# In 2012 5% of homes had the required features needed for disabled access.



Of the remaining 95%...



**More than half** require structural or major structural alterations



**A quarter** of these homes are not adaptable



Only **12%** need minor work

**...to provide reasonable access to disabled people**

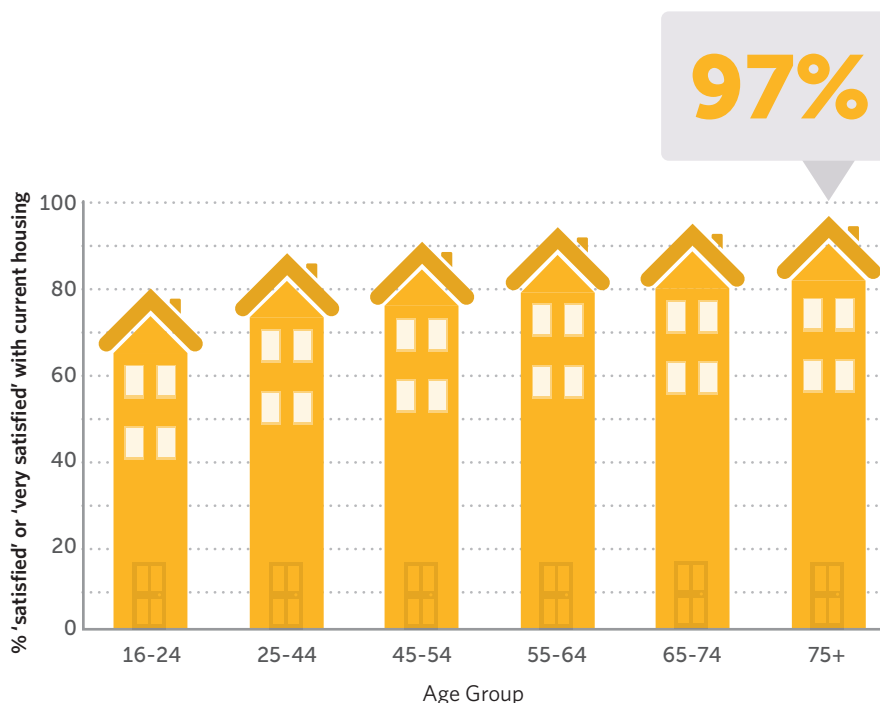
**Source:** Torrington, J. (2015) Foresight evidence review



Currently, older people are more satisfied with their current housing than most – 97% among those aged 75 and over.



*Proportion of individuals who are satisfied or very satisfied with their current housing, by age group, 2012.*



**Source:** DCLG analysis of 2012 English Housing Survey data



# A large group of people are looking to release equity and move to smaller homes, but so far there has been little progress in increasing housing options for older people.

Many people would like to move into a house or flat with two bedrooms, but most specialist housing only has one bedroom.

25%

of over 60s would be interested in buying a retirement property – equating to 3.5 million people nationally.

58%

of people over 60 were interested in moving.

57%

of those interested in moving wanted to downsize by at least one bedroom, rising to 76% among older people currently occupying three-, four- and five-bedroom homes

50%

of all owner-occupiers aged 55 and over who have moved do so to properties with at least three bedrooms.

**Sources:** McKnight, A. (2015) Foresight evidence review. | Demos (2013) Top of the ladder. | New Policy Institute (2012) Market assessment of housing options for older people.



# There is a financial barrier to moving to a smaller house.

The ability to move to a smaller house is at least partly dependent on the size and value of the house. Smaller houses are frequently in more expensive areas so rightsizing is rarely cost-effective unless the house being sold is particularly expensive or large. This can impact poorer peoples' ability to move into more appropriate accommodation.



**Source:** McKnight, A. (2015) Foresight evidence review



People who move away from homes where they have lived for many years experience a loss of autonomy and control.



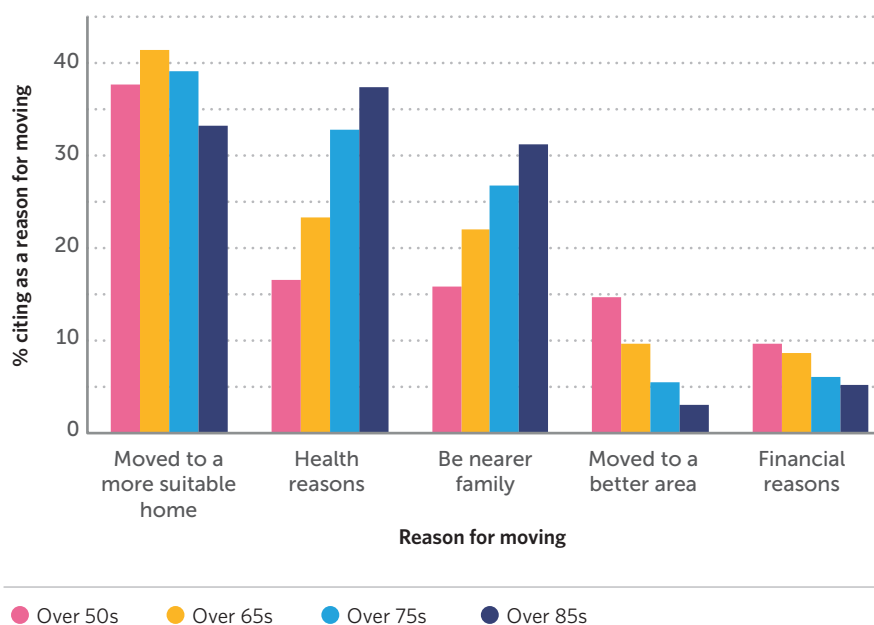
**Source:** Torrington, J. (2015) Foresight evidence review



For house movers, health and family become more important with age, and financial reasons are least important.



### Reasons cited for moving, by age



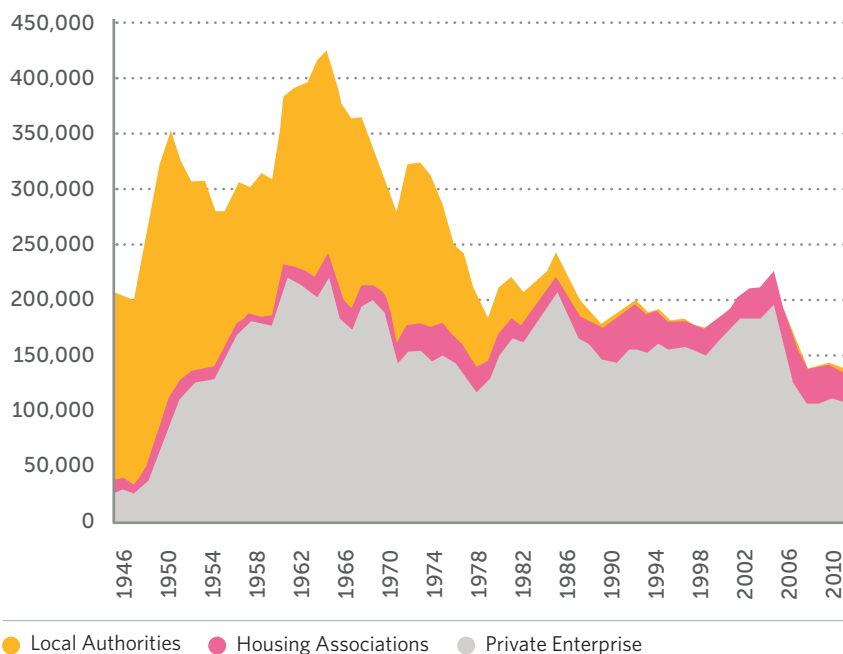
Source: DCLG SAT analysis of ELSA data



# Overall housing build rates are, and have been falling for several decades.



Number of houses built per year by developer



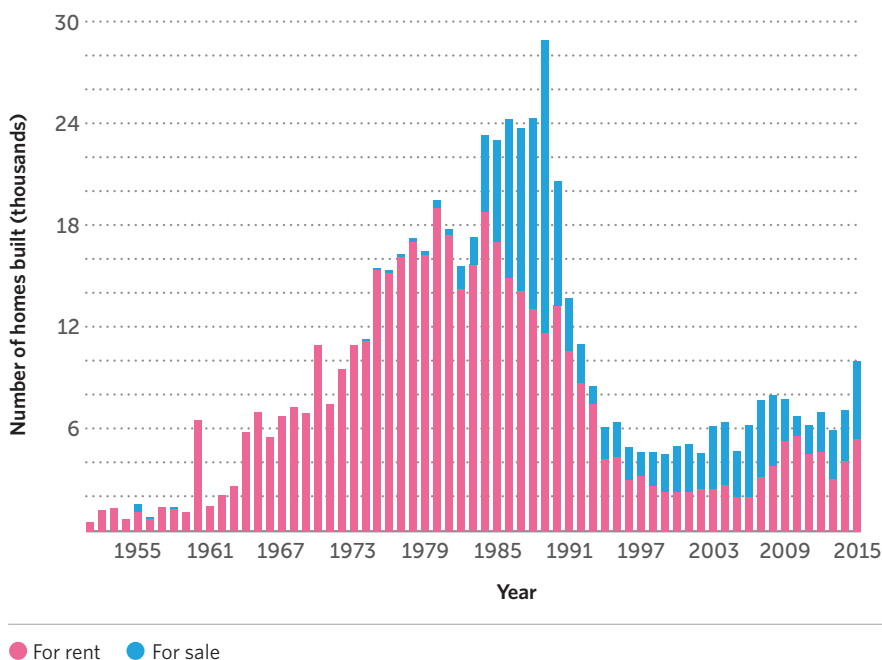
Source: DCLG (2015) Live tables on house building



Rates of building specialised housing have declined, leading to fewer opportunities for older people to choose this.



*Number of specialised homes built, 1981-2011*



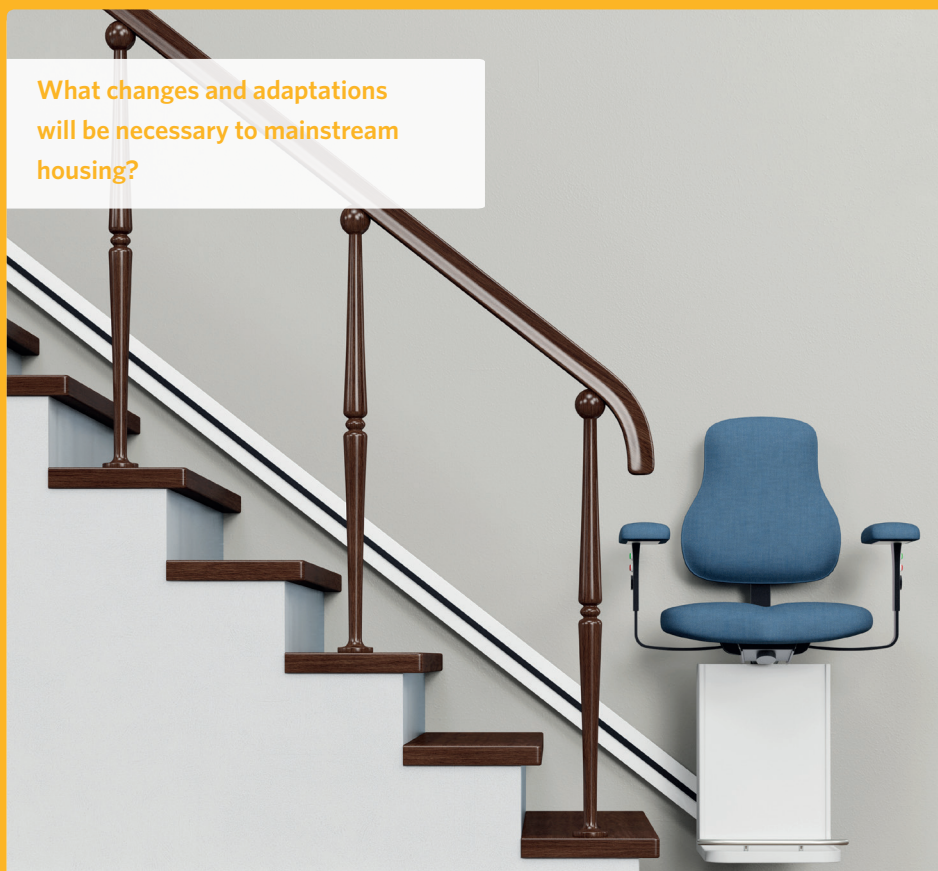
**Source:** Elderly Accommodation Council Analysis of DCLG data





Although 93% of older people live in mainstream housing, most guidance for housing design is concerned with specialist housing.

What changes and adaptations will be necessary to mainstream housing?



**Source:** Torrington, J. (2015) Foresight evidence review

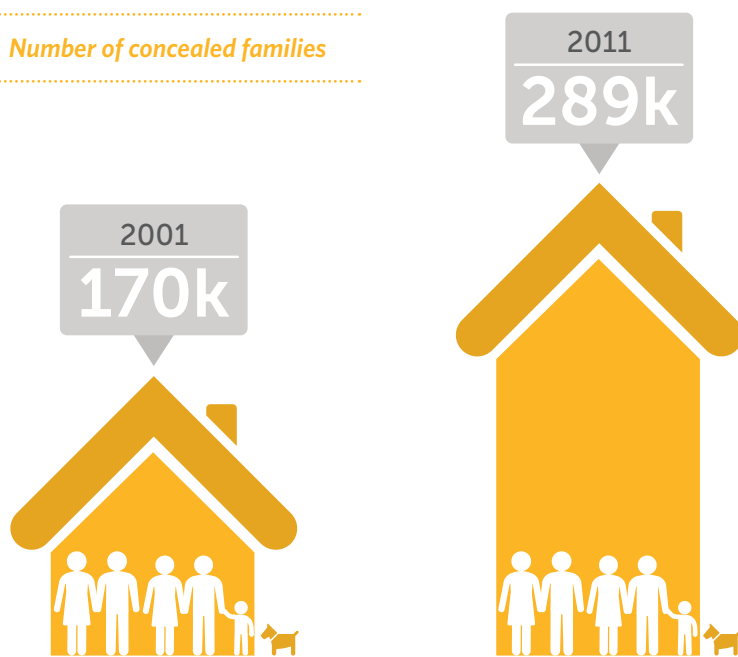


# The number of 'concealed families' increased in the early 21st Century, potentially suggesting an increase in intergenerational living.

Concealed families include young adults living with a partner and/or children in the same household as their parents, older couples living with an adult child and their family, or unrelated families sharing a household.



*Number of concealed families*



**Source:** ONS (2014) What does the 2011 Census tell us about concealed families living in multi-family households in England and Wales?



# Co-residence may be involuntary and can cause strain or potential conflict.

Housing is generally not designed for multigenerational living



**Source:** Keating, N. et al (2015) Foresight evidence review



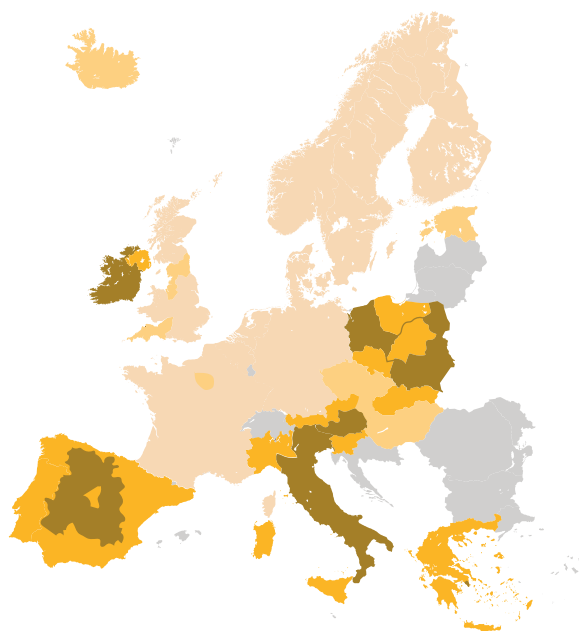
Intergenerational living or proximity of different generations to each other is far more common in European countries with strongly family-oriented cultures.



*Percentage of respondents aged 55 or older living with at least one of their children in the household, per Nomenclature of Territorial Units for Statistics (NUTS) region, 2004/05*

**Percentage of respondents**

- No data
- 3-15%
- 16-32%
- 33-47%
- 48-64%



**Source:** Jappens, M. and Van Bavel, J. (2012) Regional family norms and child care by grandparents in Europe



## Policy Implication 4.3

---

**Housing should be considered in the context of the wider neighbourhood. Interventions that improve people's homes are less likely to be effective without similar improvements in the neighbourhood.**

---

Accessibility and social cohesion are two of the most significant factors that affect how older people experience their neighbourhood.



# Neighbourhood environments contribute to good health by providing opportunities for exercise.

Neighbourhoods contribute to wellbeing and quality of life by providing opportunities for contact with nature and social interaction. Access is a key component of this, including availability of seating and toilets, and density of bus stops.



**Source:** Torrington, J. (2015) Foresight evidence review | Ormerod, M., Newton, R. and Phillips, J. (2015) Foresight evidence review





# Neighbourhoods which enable people to access health and social care and local services demonstrate better health outcomes and fewer emergency hospital admissions.

Neighbourhood environments that make outdoor activity easy or enjoyable are good for quality of life and can have knock-on positive health effects, for example, good quality and clutter-free pavements.



**Source:** Torrington, J. (2015) Foresight evidence review | Ormerod, M., Newton, R. and Phillips, J. (2015) Foresight evidence review



## Policy Implication 4.4

---

Home have great potential as places of healthcare. This could reduce demand on health and care services, but will require homes that support new technologies and are safe, accessible and adaptable.

---





Women aged over 65 are more likely to be living alone, due to earlier widowhood, although the decreasing gap in life expectancy between genders is changing this.



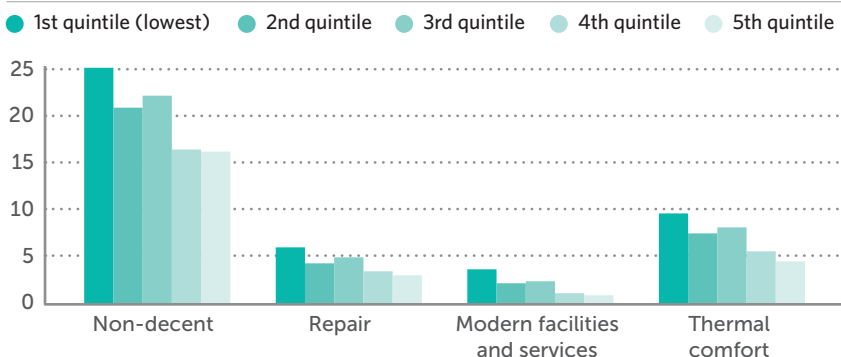
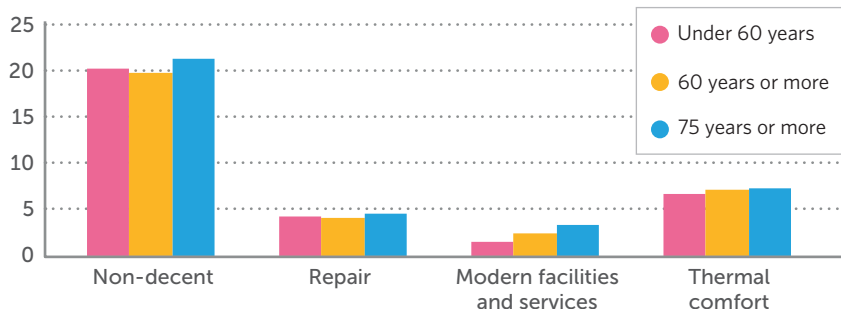
**Source:** Kishita, N., Fisher, P. and Laidlaw, K. (2015) Foresight evidence review



# Elderly people are more likely to live in homes categorised as non-decent, in need of serious repair, or excessively cold.



## Incidence of failing the decent homes criteria



**Source:** English Housing Survey (2014) Table DA3203: Decent Homes – households



Housing in poor repair; including damp, lack of insulation, poor heating, unsafe stairs and low levels of daylight, is associated with poor health and has knock-on healthcare costs.

Inadequate housing leads to 40,000 excessive winter deaths and causes particular problems for those with sight or hearing disabilities.



*Comparison with other common health hazards (costs to the NHS)*



Housing  
**£1.4-2.5 billion**



Physical Inactivity  
**£0.9-£1.0 billion**



Overweight & Obesity  
**£5.1-5.2 billion**



Smoking  
**£2.3-3.3 billion**



Alcohol intake  
**£3.2 billion**

**Source:** Building Research Establishment (2011) The cost of poor housing to the NHS



Smart homes have the potential to become places of healthcare, enabling remote healthcare and freeing up hospital bedspaces, or allowing more flexible and conducive working.

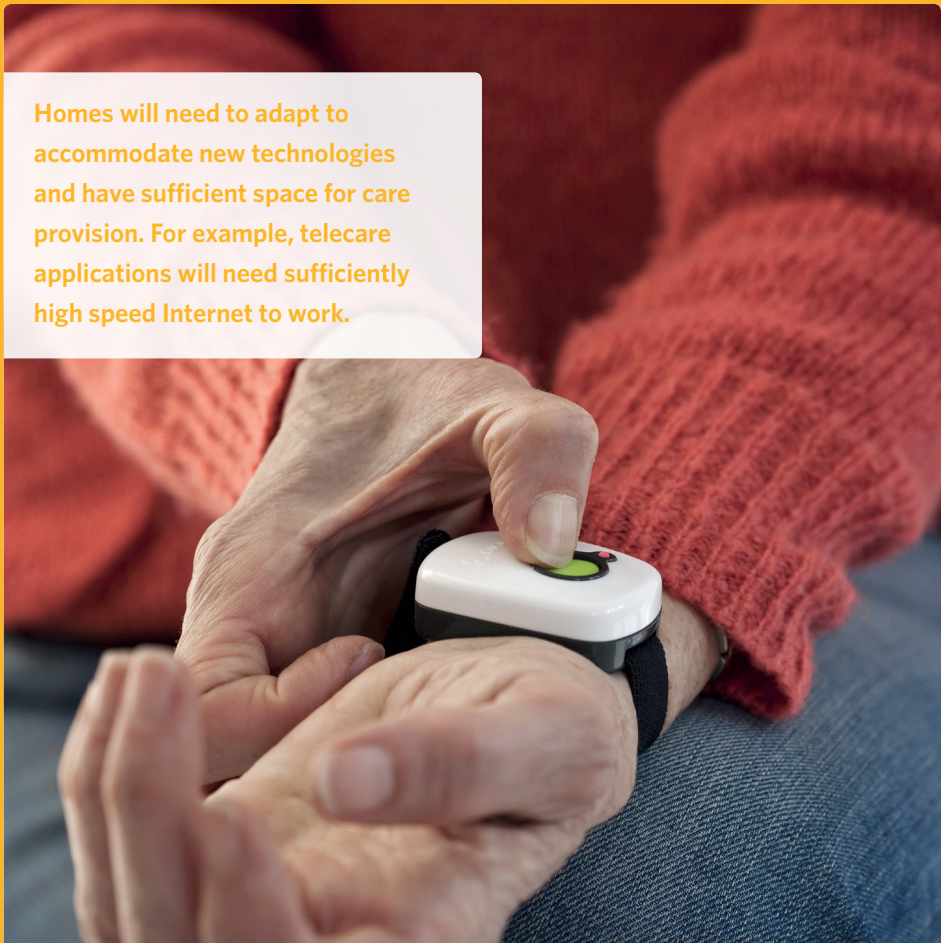


**Source:** Damodaran, L., and Olphert, W., (2015) Foresight evidence review



# If home-based care is going to be successful, houses need to be appropriate for this.

Homes will need to adapt to accommodate new technologies and have sufficient space for care provision. For example, telecare applications will need sufficiently high speed Internet to work.



**Source:** Mountain, G., Gomersall, T. and Taylor, J. (2015) Foresight evidence review



## Policy Implication 4.5

---

**Working from home is likely to become increasingly common in the future, particularly among older people.**

---

As with care in the home, this can be supported by suitable design and enabling access to necessary technologies, such as high-speed broadband.



Government  
Office for Science

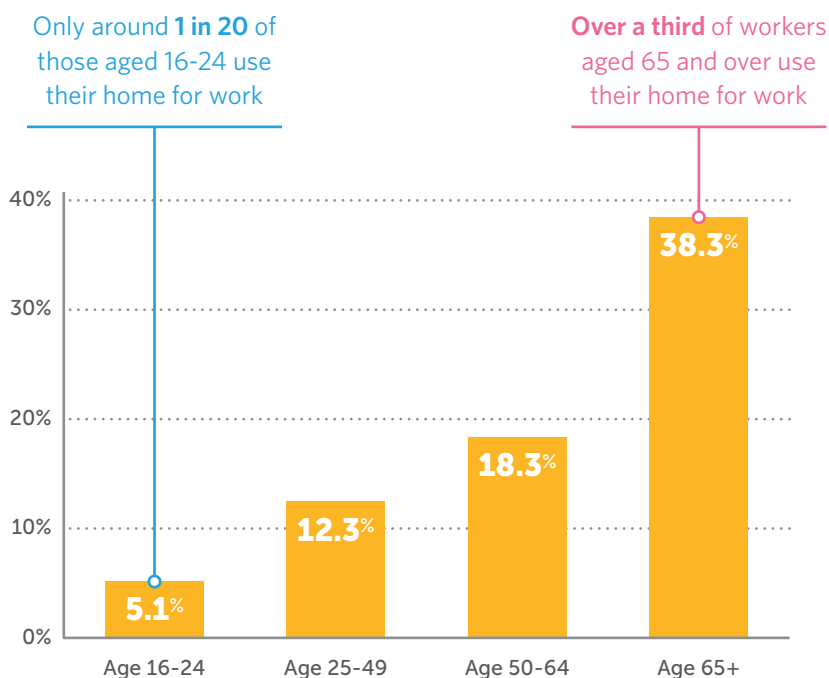
 **Foresight**

# Currently, working from home is more prevalent among individuals who are older.

Enabling better home working conditions for older workers will help to enable longer working lives.



## Percentage of each age group that use their home for work



Source: ONS (2014) Characteristics of Home Workers, 2014



Teleworking services and smart workplaces can maintain and prolong participation in the labour force, as well as increasing productivity and reducing the mental/physical decline of all workers.



**Source:** Damodaran, L., and Olphert, W., (2015) Foresight evidence review





## Policy Implication 4.6

---

Many of today's older people own their home, giving them some financial security and allowing them to leave an inheritance. Increasing property prices and decreasing levels of home ownership in younger generations could affect this, turning homes from financial assets into financial burdens.

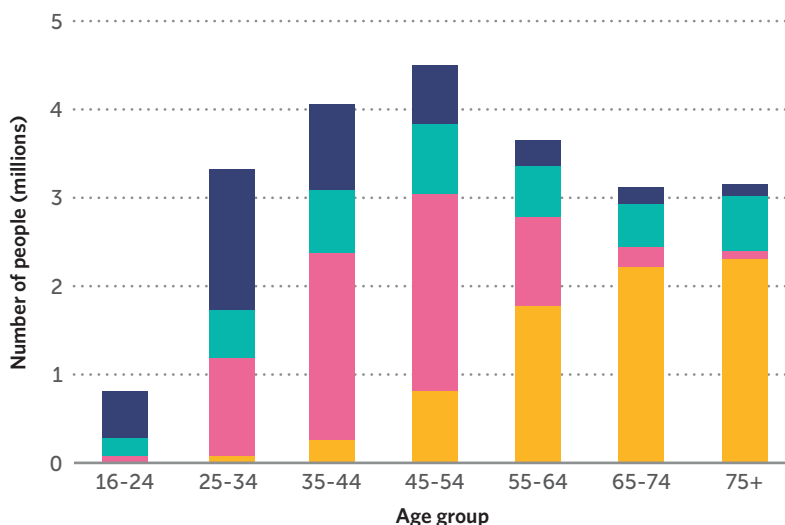
---



# Older people are currently more likely to own their home outright. Will high rates of home ownership be maintained in future?



*Number of household reference people by tenure and age group in England, 2013/14*



**Tenure type:**

● Own outright ● Buying with mortgage ● All social renters ● All private renters

**Source:** DCLG (2015) Tenure trends and cross tenure analysis

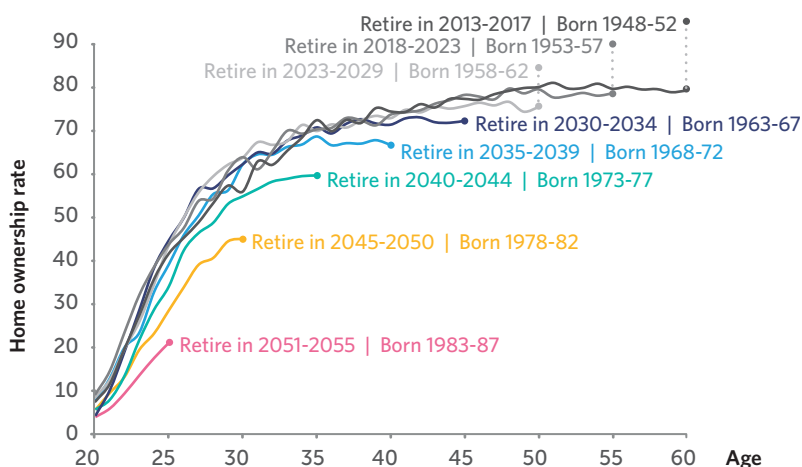


# There is lower home ownership amongst younger cohorts than recent trends, and it is not currently on course to catch up.

This is due to high house prices, increasing rental costs and higher income variance. Unless this is addressed, homes will be more of a financial burden than asset as more people are left paying rent or mortgages in later life, and fewer people have housing equity. The 1975 cohort, set to retire in 2040, also have lower retirement savings than previous generations.



## Home ownership rates by birth year and age



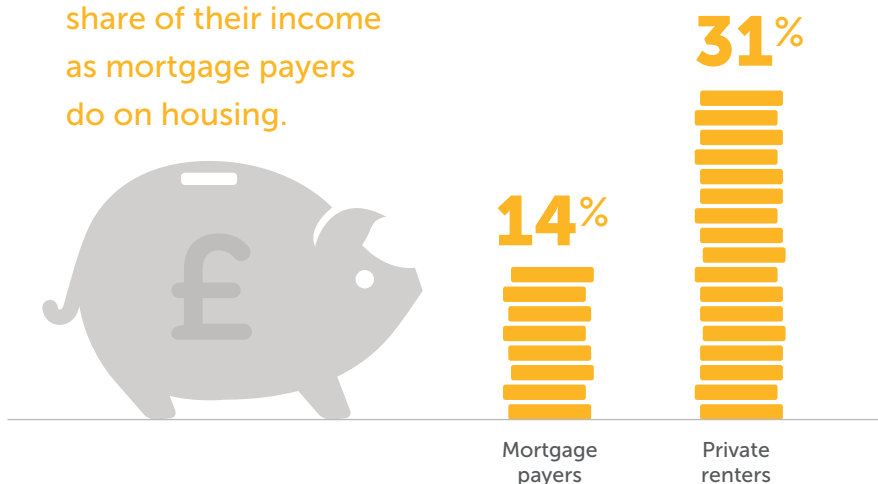
Source: IFS (2014) Living standards, poverty and inequality in the UK: 2014



# Low home ownership rates may lead to a higher share of future cohorts paying rent during retirement.

This could lead to greater need for means-tested support during retirement in order to meet housing costs.

Private renters spend **twice as much** of a share of their income as mortgage payers do on housing.



**This reduces the amount they are able to save while working, and increases housing costs in retirement.**

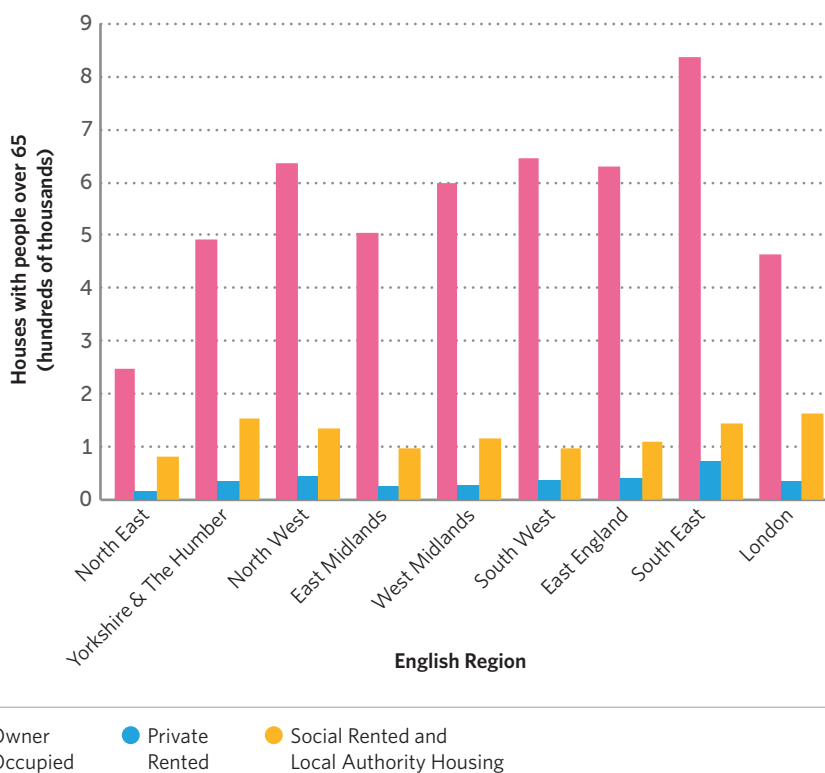
Source: IFS (2014) Living standards, poverty and inequality in the UK: 2014



# Rates of home ownership among 65+ vary between different regions.



*Houses with older people (over 65) by English Region and tenure*



**Source:** DCLG analysis of census data



## Policy Implication 4.7

---

Housing plays an important role in transferring wealth from one generation to the next. Extending life expectancy and falling home ownership rates are likely to reduce or negate the value of future inheritances, as housing wealth increasingly funds longer periods in retirement and ill-health.

---



Inheritance from an older family member may be used to increase home ownership rates, reducing required retirement income, and offset some of the shortfall in retirement savings in younger cohorts.



However, increased life expectancy may reduce inheritances, if care costs are high and paid for using housing equity

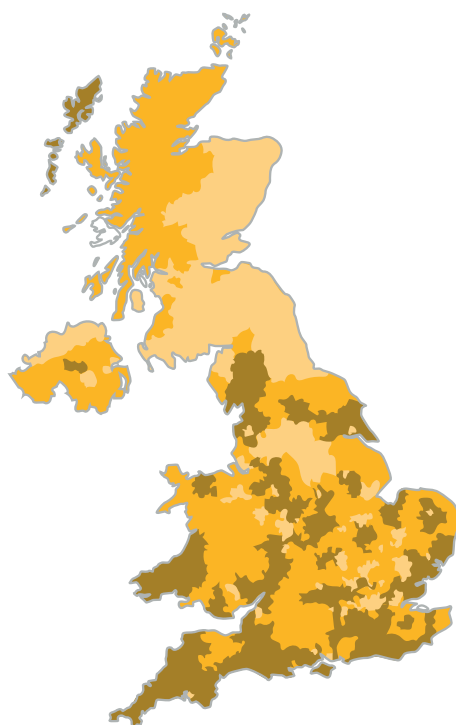
**Source:** McKnight, A., (2015). Foresight evidence review.



Home ownership rates in some parts of the North are lower than in the South, leading to geographic disparities in the policy challenge.



*Proportion of people aged 65+ owning their home by local authority, 2011*



Percentage owning their own home

- 24.7 - 29.5%
- 29.6 - 32.2%
- 32.3 - 45.3%

**Source:** Stockton, J. and Duke-Williams, O. (2016) Analysis of 2011 census data



Government  
Office for Science

••••• Foresight

4.7b



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....





.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....



.....

.....

.....

.....

.....

.....

.....

.....

