



Setting Standards for  
Retirement Communities

# Model Benefits Statement for Integrated Retirement Communities

## Introduction

- 1 The population of the UK is ageing and the supply of new housing must adapt to meet the needs of older people. Specialist housing can improve the health and wellbeing and extend the independence of older people, relieve pressures on the health and care systems, and help free up family housing. Despite these benefits multiple studies, such as the 2022 Mayhew Review, have shown that there is an under-supply of specialist housing for older people and the need for increased supply has become critical.
- 2 Specialist housing for older people can be divided into three broad categories: retirement housing, Integrated Retirement Communities (IRCs) also known as housing with care, and care homes, all offering differing levels of care, support services and facilities, as shown in the diagram below:

Where do IRCs sit?		
 <p><b>Retirement Housing</b></p> <p>Also known as:</p> <ul style="list-style-type: none"> <li>• Sheltered housing</li> <li>• Retirement flats or communities</li> </ul>	 <p><b>Integrated Retirement Communities</b></p> <p>Also known as:</p> <ul style="list-style-type: none"> <li>• Extra care</li> <li>• Retirement villages</li> <li>• Housing-with-Care</li> <li>• Assisted living</li> <li>• Independent living</li> </ul>	 <p><b>Care Homes</b></p> <p>Also known as:</p> <ul style="list-style-type: none"> <li>• Nursing Homes</li> <li>• Residential Homes</li> <li>• Old People's Home</li> </ul>
 <p>Offers self-contained homes for sale, shared-ownership or rent</p>	 <p>Offers self-contained homes for sale, shared-ownership or rent</p>	 <p>Communal residential living with residents occupying individual rooms, often with an en-suite bathroom</p>
 <p>Part-time warden and emergency call systems. Typically no meals provided</p>	 <ul style="list-style-type: none"> <li>• 24-hour onsite staff</li> <li>• Optional care or domiciliary services available</li> <li>• Restaurant / Cafe available for meals</li> </ul>	 <p>24-hour care and support. Meals included</p>
 <p>Typical facilities available:</p> <ul style="list-style-type: none"> <li>• Communal lounge</li> <li>• Laundry facilities</li> <li>• Gardens</li> <li>• Guest room</li> </ul>	 <p>Typical facilities available:</p> <ul style="list-style-type: none"> <li>• Restaurant and Café</li> <li>• Leisure Club including: gym, swimming pool, exercise class programme</li> <li>• Communal lounge and/or Library</li> <li>• Hairdressers</li> <li>• Gardens</li> <li>• Guest room</li> <li>• Activity (Hobby) rooms</li> <li>• Social event programme</li> </ul>	 <p>Typical facilities available:</p> <ul style="list-style-type: none"> <li>• Communal lounge</li> <li>• Laundry facilities</li> <li>• Gardens</li> <li>• Guest room</li> </ul>
 <p>Typically 40 - 60 homes</p>	 <p>Typically 60 - 250 homes</p>	 <p>Sizes vary considerably</p>

- 3 The term Integrated Retirement Community (IRC) was launched by ARCO, the national membership body for charitable / not for profit and private operators of IRCs, in November 2021 following extensive engagement and research. The aim was to clearly distinguish IRCs from legacy models of retirement housing, and to provide greater clarity and understanding about the housing with care sector - particularly among policy and decision makers, and other stakeholders involved in the planning system.
- 4 In summary, IRCs offer older people the opportunity to live independently in their own home as part of a wider community. Lifestyle, wellbeing, and optional care services are available to support people's independence and aspirations. Residents own, part-own or rent their own property, and have access to a range of on-site services in a supportive environment, where care is available 24/7 on a flexible basis, enabling increasing levels of care to be provided, if necessary, as needs change.
- 5 IRCs deliver significant recognised economic, social, and environmental benefits, which should be considered and given weight by Local Planning Authorities as part of the planning balance when determining planning applications.

### Framework for Planning Decisions

- 6 The National Planning Policy Framework (NPPF)<sup>1</sup> guides Local Planning Authorities to consider the benefits of different types of housing. To ensure sustainable development is pursued in a positive way, at the heart of the NPPF is a presumption in favour of sustainable development. Paragraph 11 explains that for planning application decision-taking this means:
  - c) *approving development proposals that accord with an up-to-date development plan without delay; or*
  - d) *where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date, granting permission unless:*
    - i. *the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed; or*
    - ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*
- 7 Paragraph 8 of the NPPF states that achieving sustainable development means that the planning system has three overarching objectives, which are interdependent and need to be pursued in mutually supportive ways:
  - a) an **economic objective** – to help build a strong, responsive, and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation, and improved productivity; and by identifying and coordinating the provision of infrastructure;
  - b) a **social objective** – to support strong, vibrant, and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering well-designed, beautiful, and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
  - c) an **environmental objective** – to protect and enhance our natural, built, and historic environment; including making effective use of land, improving biodiversity, using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy.
- 8 The NPPF policy framework therefore provides the context for consideration of the economic, social, and environmental related benefits delivered by IRCs.

<sup>1</sup>DLUHC, 2023: National Planning Policy Framework (NPPF)

## Housing Benefits – meeting the critical need and improving choice

- 9 There is a significant shortage of suitable accommodation to meet the growing needs of the UK's ageing population. It is estimated that 11.8 million people aged over 65 currently live in the UK; the number of people aged over 75 is projected to double in the next 30 years; and the number of people over 85 (those likely to be needing the highest level of care) is projected to grow faster than any other age group - by 2037 there are projected to be 1.42 million more such households in England.<sup>2</sup> This predicted rapid increase in the population of older people will continue to drive demand for all forms of specialist accommodation.
- 10 IRC developments can make a significant contribution towards meeting this growing need for specialist housing for older people, a form of housing which the government uniquely recognises as being "critical"<sup>3</sup> and, in doing so, assist in the delivery of a five-year supply of housing.
- 11 An associated benefit of IRCs is the release of housing into the market. This arises as future occupants of IRCs vacate their existing properties, which research suggests are often under-occupied larger family homes. ARCO estimates that a one-bedroom apartment in an IRC frees up, on average, 2.25 bedrooms elsewhere;<sup>4</sup> and research from JLL suggests that the sale of a family home to facilitate a move into specialist accommodation for older people facilitates three further transactions further down the housing ladder.
- 12 IRCs also offer more choice to older people. Historically, if an older person needed care but wanted to stay in their own property, the options would be to rely on family and friends to provide care, or to pay for expensive private home-based care. Alternatively, they would have to move to a traditional care or nursing home.
- 13 IRCs are specifically designed with the needs of older people in mind. Communal facilities and individual properties are designed and built to provide a safe and enabling environment for residents, incorporating design features that provide for independence, accessibility, and safety. They enable older people to move into a purpose-designed new property, whilst retaining their independence for as long as possible, secure in the knowledge that care and support is available on site 24/7 as and when needed.

## Health, Social Care and Wellbeing Benefits – improving older people's lives

- 14 Central to all IRCs is the on-site availability of flexible care to those who need it, and of dedicated teams to assist with the care and well-being of residents. The way in which care is provided varies between operators but all IRCs provide 24-hour on-site support.
- 15 Consequently, IRCs can deliver significant benefits to national and local health and social care systems and improve the wellbeing of residents that live there, as well as the wider area.
- 16 The Housing for Older and Disabled People Planning Policy Guidance<sup>5</sup> (PPG) recognises that:  
*"Offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems."*
- 17 Another key component of IRCs is the provision of a wide range of on-site communal facilities with an extensive activities and events programme. A typical IRC will have its own restaurant, bar, lounge area, hobby rooms and meeting spaces, and health and wellness suite (often including a swimming pool), and some offer extensive gardens. Many operators allow access to these facilities by members of the local community (thereby extending the reach of the benefits) and connections with wider communities are valued.
- 18 The use of communal facilities and participation in shared activities encourages improved physical and mental well-being of residents, and reduces feelings of isolation and loneliness, thereby improving the quality of life. Residents benefit not only from interaction with each other, but also from their relationships with the fully trained team of on-site staff, who come from a range of backgrounds and age-groups and who understand how to encourage and stimulate residents.

---

<sup>2</sup>ARCO, 2020: Planning for Retirement: How Retirement Communities can help meet the needs of our ageing population

<sup>3</sup>DLUHC, 2019: Housing for Older and Disabled People Planning Practice Guidance

<sup>4</sup>ARCO, 2020: Planning for Retirement: How Retirement Communities can help meet the needs of our ageing population

<sup>5</sup>DLUHC, 2019: Housing for Older and Disabled People Planning Practice Guidance

19 In 2019, ARCO partnered with ProMatura to conduct the biggest ever study of IRCs<sup>6</sup>, including surveys of residents representing 81 IRCs and 15 different care operators. This study provided clear evidence of the huge health, wellbeing, and security benefits that IRCs deliver for residents. Some of the key findings of the survey are set out below:

**The largest and most in-depth survey ever conducted of UK Retirement Community residents and prospective residents has found that people that live in Retirement Communities are most likely to:**

- ✓ Stay **healthier** for **longer**
- ✓ Enjoy life **more**
- ✓ Be **less** lonely
- ✓ Be **more** active
- ✓ Enjoy **more** privacy
- ✓ Have a **greater** sense of a safety net
- ✓ Feel **more** secure

Compared to people who have not yet moved into Retirement Communities

**The report also found that:**

- ✓ **90%** of residents thought they had moved into a Retirement Community at just the right time in their lives.
- ✓ **6%** would rather they'd moved in sooner.
- ✓ **71%** of residents saw moving into a Retirement Community as a chance to make new friends.
- ✓ Retirement Community residents feel more in control of their lives.
- ✓ By a wide margin residents of Retirement Communities believe that their lives are better now than they were a year ago.

- 20 One of the main reasons given by residents for moving to an IRC was the availability of 24-hour support and domiciliary care on site. The identified benefits of living in IRCs included: being more active and healthier for longer, the ability to enjoy life, having greater control, and feeling safe and secure with a consequent reduction in loneliness.
- 21 Research produced for Homes for Later Living<sup>7</sup> reported similar findings. It found that, based 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 specifically designed for later living, such as IRCs.
- 22 Additionally, a report prepared by the Government Office for Science<sup>8</sup> found that *"...residents of specialised housing generally show high levels of satisfaction, improved wellbeing, better health outcomes and reduced healthcare costs."*
- 23 The UK's ageing population places considerable and growing pressure on health and social care services. The Homes for Later Living Happier and Healthier report states that the number of people aged 80 or over who will suffer from falls is expected to rise from 1.6 million to around 2.5 million in 2032, a rise of 900,000. By 2032 the total cost to the NHS of falls amongst the elderly is expected to rise to £2 billion a year.
- 24 IRCs are specifically designed with the needs of frailer older people in mind and provide a safe and enabling environment, which can in turn reduce the risk of trips and falls and the need for hospital visits.
- 25 Research from Aston Research Centre and the Extra Care Charitable Trust<sup>9</sup> found that people living in the Trust's schemes between 2012 and 2015 spent an average of 1-2 days in hospital per year, whereas the average for older people living in their own homes was 8-14 days. Unplanned hospital admissions were also less than a quarter than those living in their own homes.

<sup>6</sup>ProMatura report summary.pdf (arcouk.org)

<sup>7</sup>WPI Strategy report for Homes for Later Living, 2019: Happier and Healthier

<sup>8</sup>Government Office for Science, 2016: The Future of an Ageing Population

<sup>9</sup>Research between Aston Research Centre for Healthy Ageing (ARCHA) and the ExtraCare Charitable Trust, Aston University, 2015

- 26** The integrated care and support offered by IRCs can help to reduce demands on local GP surgeries. The same research by Aston Research Centre found that after one year living in an IRC type of facility visits to a GP by residents fell by 46% when compared to those made by people aged over 85 living in their own home. IRC operators with on-site care teams can also support the wider community, offering care to residents living close to the scheme in their own homes.
- 27** The Homes for Later Living Happier and Healthier report provided an analysis of the fiscal and wellbeing benefits of building specialist homes for retirement living. It found that that each person living in older people's housing benefits from a reduced risk of health challenges, contributing to fiscal savings to the NHS and adult social care services of circa £3,500 per annum. Furthermore, they estimate that building 30,000 more specialist homes every year for the next 10 years would generate fiscal savings across the NHS and social services of £2.1bn per year.
- 28** More recently, Homes England commissioned new research seeking to measure the wellbeing benefits and fiscal savings for HM Treasury of providing homes that are specifically designed to meet the needs of older people, to support wider research on improving the appraisal of social value.<sup>10</sup>
- 29** The research looked at the three older people's housing typologies set out in the Housing for Older and Disabled People PPG. Whilst there are some limitations in the research (for example there was limited qualitative research and the sample size was relatively small) it found that all three typologies generated positive wellbeing impacts, and higher life satisfaction scores than those living in general market housing.
- 30** There was insufficient evidence to meet HM Treasury standards to enable a comprehensive assessment of potential fiscal benefits relating to local authority social care, housing and economic benefits. However, the evidence relating to healthcare did meet HM Treasury evidential standards, and the research estimated that each older person living in housing with care schemes (such as IRCs) would generate a significant healthcare system financial saving (in terms of GP and community healthcare visits, non-elective admissions to hospital and length of stay in hospital) of £1,840 per annum. The research recognises that the lack of robust evidence to inform a comprehensive assessment of all potential fiscal benefits means the estimates are likely to understate the actual fiscal impacts.

## Economic Benefits

- 31** A typical IRC, once fully operational, employs in the order of 25 to 45 people across a range of sectors and skillsets. These can include care staff, management team (including staff responsible for arranging activities and engagement with the local community), admin, receptionists, kitchen staff, bar and waitress staff, housekeeping and cleaners, security, grounds people and maintenance.
- 32** IRCs also create temporary employment opportunities during construction and indirect jobs through associated facilities and services to support the on-going operation of the care community. There are also knock-on economic benefits for local shops and services through resident spending; and for local suppliers.
- 33** A 2021 report undertaken on behalf of Homes for Later Living<sup>11</sup> found that schemes providing housing for older people create more local economic value and more local jobs than any other type of residential development, with each scheme generating circa £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, supporting local businesses, and therefore helping to keep local town and village centres vital and viable.

<sup>10</sup>Homes England, 2024: Paper 4: Measuring the Wellbeing and Fiscal Impacts of Housing for Older People

<sup>11</sup>WPI Strategy report for Homes for Later Living, 2021: Silver Saviours for the High Street

## Community and Environmental Benefits

- 34** The integration of a wide range of on-site communal facilities is a key part of IRCs. As noted above, many operators allow members of the public in the surrounding area to access these facilities. The sharing of facilities encourages different members of the community to positively interact, and in doing so can help promote social cohesion and facilitate better intergenerational relationships and understanding. It also extends the health and wellbeing benefits of IRCs into the wider community.
- 35** Additionally, IRC schemes often provide landscaped gardens and open space, available to residents of the scheme and the public, as well as often delivering opportunities for environmental benefits and biodiversity gain.
- 36** Further benefits of IRCs include lower traffic generation in comparison to a traditional housing development, due to the age of residents and the availability of services on site. Furthermore, car journeys generally take place outside of peak hours, thus reducing the impact on the local road network.
- 37** The age of IRC residents (who are typically in their late 70s or older) means there is also reduced pressure on local services (such as schools and leisure facilities) when compared with traditional residential developments. Additionally many operators provide access to transport facilities for residents to attend appointments, which further reduces reliance on the car.

---

**For further information, please visit** [www.arcouk.org](http://www.arcouk.org)

**Phone:** 020 3697 1204 **Email:** [info@arcouk.org](mailto:info@arcouk.org) **LinkedIn:** ARCO (Associated Retirement Community Operators)

**X:** @ARCotweets **Instagram:** @ARCOpsts