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PRESS STATEMENT
FOR IMMEDIATE RELEASE

ARCO ENDORSES THE HOUSING, COMMUNITIES AND LOCAL GOVERNMENT COMMITTEE'S CALL FOR LEASEHOLD REFORM

The Associated Retirement Community Operators (ARCO) has welcomed the committee's conclusions which includes an exemption on leasehold houses in retirement housing.

However, any exemption would need to be clearly defined to avoid it being exploited as a loophole by speculative developers. Therefore, ARCO is calling for urgent clarification on what levels of care and support should be available to qualify for retirement housing exemption.

ARCO has also emphasised that any exemption can only be a short-term expedient while the sector and policy makers look to develop long-term alternatives to leasehold for integrated housing, care and service offers.

Michael Voges, ARCO Executive Director, said:

“As the main body representing both the private and not-for-profit Retirement Community sector in the UK, we gave evidence to the select committee and explained how an outright ban on leases would mean our members would not be able to build and operate houses at future developments.

“It is great to see the inequities of the system being addressed. We're very happy to see the committee has recognised differences in leaseholds among different sectors, and we're happy to work with the Government to put strict criteria in place to ensure exemptions are not abused. We're also ready to help develop an alternative form of tenure suitable for these complex integrated housing, care and service offers which may replace leasehold entirely.”

Ends

For further information please contact:

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Notes to editors

1. **About ARCO:** ARCO (the Associated Retirement Community Operators) is the trade association for operators of housing-with-care developments for older people. ARCO was founded in 2012, and is now

comprised of 27 private and not-for-profit operators of Retirement Communities. ARCO represents approximately 50% of the Retirement Community sector. ARCO sets high standards, and all ARCO members must adhere to the externally assessed ARCO Consumer Code. ARCO does not represent the traditional retirement housing model where there are limited services and no care is available or care homes.

2. **About Retirement Communities:** Retirement Communities typically consist of individual one or two bedroom flats or houses, located in a development with similar properties. Residents have access to a range of services and facilities, which will include optional on-site care, 24-hour staffing, and dining and leisure facilities, and may also include bars, gyms and craft rooms. Retirement Communities are also sometimes referred to as housing-with-care schemes, retirement villages, extra care housing, assisted living, or close care apartments. They sit in between traditional retirement houses (which have less extensive staffing and leisure facilities), and care homes, and can be in urban or suburban locations.
3. **About Vision 2030:** Vision 2030 is ARCO's vision for 250,000 people to be living in retirement communities by 2030. The vision sets out ten areas of work for the sector in order to achieve this. These are:
 - Development of a clear customer proposition
 - Effective self-regulation
 - Enhanced health and wellbeing
 - Intelligent use of technology
 - Flexible models of tenure
 - Sustainable funding streams
 - Sector-specific legislation
 - Comprehensive and robust data
 - Clarity in the planning system
 - A highly trained workforce

For more information on Vision 2030, please contact Gareth Lyon, Head of Policy and Communications, at garethlyon@arcouk.org.

4. **Benefits of Retirement Communities:**

- *Meeting the needs of an ageing population:* Older people need and want choice in their housing for later life. However, at present housing options for older people are limited. Retirement Communities are an important element of housing choice for older people. Developing the capacity of the Retirement Community sector is vital to ensuring that the UK's housing market is fit to meet the needs of an ageing population.
- *Promoting independence, security and wellbeing:* Older people living in Retirement Communities are likely to experience lower levels of

loneliness and social isolation. [A 2014 study](#) by the International Longevity Centre found that 82% of respondents in Retirement Communities said they hardly or never felt isolated, and only 1% often felt isolated.

- *Reducing costs and encouraging more efficient use of resources:* Residents in Retirement Communities are able to receive specialist care in their homes if needed, enabling them to return home from hospital earlier. They are also less likely to enter hospital. For example, one way in which Retirement Communities improve health is by preventing falls. Retirement Community properties are designed and built with adaptations to support independence and research shows that those living in these specialist homes are between 1.5 and 2.8 times less likely to have a fall than those living in homes without adaptations. This helps to reduce pressure on NHS services. [A recent study](#) found that NHS costs were reduced by 38% for those moving into Retirement Community housing and NHS costs for 'frail' residents had reduced by 51.5% after 12 months.
- *Responding to the housing shortage:* Older people moving to a Retirement Community will typically 'downsize', freeing up much needed and under-occupied family sized homes. If all those interested in moving into a retirement property were able to do so, [research](#) suggests that approximately 3.29 million properties would be released, including nearly 2 million three-bedroom homes.