



Setting Standards for
Retirement Communities

Annual Review 2017

September 2016 to August 2017

The Associated Retirement Community Operators (ARCO) is the main body representing the retirement community sector in the UK.

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About ARCO

The Associated Retirement Community Operators (ARCO) is the main body representing the retirement community sector in the UK. Retirement communities are also often referred to as retirement villages; extra care housing; housing-with-care; assisted living; close care apartments; or independent living schemes.

ARCO works at the intersection of health, social care, housing and ageing policy. We work to ensure that older people have the option to live in high quality supported housing in their later years, which enables them to live independent and socially connected lives. As well as being good for older people and their families, this form of housing benefits our public services, frees up homes for all generations, and helps boost our economy.

We meet our objectives by working with our membership of not-for-profit and private providers of specialist housing-with-care for older people, and network of wider sector stakeholders. Established in 2012, we currently have 31 operating members – who make up approximately 50% of the retirement community market in the UK. We are also supported by a wider network of sector affiliates, including our four Premier Partners.

Our three main aims are to:

- **Promote confidence and raise standards in the sector**, ensuring that all members are providing a high quality service to their residents. To this end, we operate a Consumer Code and Standards and Compliance Framework, which all ARCO members must adhere to as a condition of membership.
- **Raise awareness of the retirement community model** amongst older people and stakeholders alike – ensuring that all older people are aware of the variety of housing options available to them; and that policy makers fully understand the ways in which this type of housing provision can meet the lifestyle, health and social care needs of our ageing population.
- **Increase the volume and quality of expertise within the sector** and share this with members. To this end we are continually investing in research to better understand and promote the socio-economic value of the housing-with-care model, and run events to share knowledge across the sector.

Raising Awareness and Influencing Policy	2
Increasing Sector Expertise and Connections	8
Increasing Confidence and Setting Standards	14
Governance, Staffing, and Structure	17
Outlook for 2017/18	19
Premier Partners and ARCO Affiliate Network	20
ARCO Members	21

Welcome

We are delighted to present ARCO's annual report for our fifth year of operation, which ended in August 2017. Over the past year, ARCO has flourished, building on and consolidating the successes of previous years, and expanding into new areas of activity. Rising membership figures and an ever-expanding Affiliate Network have allowed us to extend our reach across the sector, and ARCO's events (such as our – now annual – conference) and influencing activity mean that ARCO is now a trusted partner for government, stakeholders and the public alike.

This report also marks ARCO's fifth year of operation, which gives us the opportunity to reflect on ARCO's achievements. What started as an informal commitment amongst a handful of operators to do more together has developed into an established organisation, and the 'virtual secretariat' of the early days has transformed into a fully functioning office with five members of staff.

However, more important than our structure is what ARCO stands for. The housing-with-care sector now speaks with a unified and credible voice. ARCO has actively set and raised standards of operation via our Consumer Code, organises the most exciting events in the sector, and offers genuine thought leadership to members and stakeholders alike.

Over the next five years and beyond, ARCO will need to evolve along with its members, continuing to both challenge and support operators as we work towards meeting the housing and care needs of our ageing population.

This year also saw a change in our leadership, with Richard Davis stepping down from the position of Chair of ARCO, which he had inhabited since taking over from Jon Gooding in 2014. Richard returned to his native New Zealand in July 2017 after leaving his role as Chief Executive of LifeCare Residences, and will be missed for the drive, challenge and determination he brought to the role – ARCO members owe him a huge debt of

gratitude! Jane Ashcroft (Chief Executive of Anchor and Vice Chair of ARCO) took over as Acting Chair until our AGM in October 2017, at which Nick Sanderson (Chief Executive of Audley) was elected as our new Chair.

The political landscape has also been marked by both significant change, and continuity. The general election campaign brought about a renewed focus on intergenerational fairness and social inequality, and opened up the debate about social care funding and household wealth. However, in many ways political change has led to policy stagnation. The government's slim majority, along with the shadow of Brexit negotiations, has meant that there has been slow progress on a number of policy issues – for example, we are still awaiting the government's consultation on social care.

With the support of our Patron Baroness Sally Greengross, ARCO will continue to campaign on important policy issues such as planning reform, funding for supported housing, appropriate regulation of event fees, and social care delivery.

We would like to thank our members and executive team for their hard work in making this such a successful year, and Baroness Greengross for her continued efforts as our esteemed Patron. We look forward to working together to build on our success in the year ahead.



Richard Davis
Chair, ARCO
(2014 – 2017)



Jane Ashcroft
Vice-Chair, ARCO



Nick Sanderson
Chair, ARCO
(since October 2017)

Raising Awareness and Influencing Policy

1

ARCO works at the intersection of health, social care, housing and ageing policy. We work to ensure that older people have the option to live in high quality supported housing in their later years, which enables them to live independent and socially connected lives. As well as being good for older people and their families, retirement communities benefit our public services, free up family homes for all generations, and help to boost our economy.

We work to highlight these benefits, and the challenges currently holding back supply, to policymakers and the public alike. Our members report healthy sale and resale figures, confirming that demand continues to be strong. This is only likely to rise as the number of older people in the UK continues to grow, outpacing other age groups. Therefore, ARCO's focus has been on communicating issues affecting the supply of retirement communities to central and local government, as well as other stakeholders in the sector.



1.1 Policy engagement

Over the past year our policy work has predominantly focussed on the issues listed below. Throughout the year, we concentrated on areas which affect housing-with-care specifically and required our targeted input, as well as those affecting the wider housing and care sector that were likely to have an adverse impact on our members' continued operations.

Government funding for supported housing and preventative support

LHA Cap



ARCO worked with other representative bodies in the sector to respond to government proposals to introduce a new funding model for the supported housing sector ('LHA cap' proposals). We argued for a sustainable funding settlement for the sector which provides certainty to operators and residents, allows for the development of new older people's housing-with-care, and means that the actual costs of rents and services charges in older people's supported accommodation remain funded through the centralised benefit system. To this end we made various representations to government departments, including via our membership of one of the Task and Finish Groups convened by the government. At the end of October 2017, the government finally announced revised proposals for a system that retains funding for extra care housing through the central benefits system. ARCO will work with the government and colleagues in the sector to respond to the consultation and shape the settlement for the new system.

Attendance Allowance



ARCO argued against the devolution of this important preventative benefit to local government level, as this would be costly, confusing and lead to fewer older people gaining vital preventative support. We are also in favour of the continued uprating of Attendance Allowance in line with CPI. We submitted a response to the Business Rates Retention Consultation in September 2016, and co-ordinated a joint letter to the four secretaries of state in November 2016 which was signed by 30 other organisations working in the health, care and housing sectors. The government has since announced that Attendance Allowance would not be devolved, but we continue to follow developments relating to Attendance Allowance with great interest.

Appropriate regulation for the retirement community sector

Care regulation



ARCO continues to argue for appropriate regulation for housing-with-care which makes clear that retirement community operators providing personal care into residents' own homes are inspected in the same way as other domiciliary care agencies, rather than as care homes. We cautiously supported a more flexible and informed approach to inspecting 'Care At Home' (including domiciliary care provided in retirement communities) as outlined in CQC's 'Consultation 2: The Next Phase of Regulation' – with the caveat that much more detail about the proposed methodology was needed before it was adopted. We continue to sit on CQC's Adult Social Care Trade Associations engagement group which meets monthly, and maintain a regular dialogue with senior and specialist CQC colleagues. We expect that in the future there will be an increased focus on care delivery in retirement communities – we know that the average CQC rating of domiciliary care delivered by our members is higher than the average for domiciliary care delivered in people's family homes in the community.



Event fee regulation

ARCO believe that regulations requiring greater transparency relating to ‘event fees’ would improve confidence in the sector amongst the public and investors alike, and we have long argued for a more robust legal framework for this. There was significant progress towards this goal with the publication in March 2017 of the Law Commission’s final report on Events Fees in Retirement Properties – which recommended that the government make a number of legal changes so that operators would be compelled to comply with a number of transparency and disclosure requirements. ARCO has supported the Law Commission’s efforts on this from the beginning, arguing for more regulation, not less. We will continue to work with colleagues from the Law Commission and central government on implementing a code of practice that ensures transparency for consumers, while at the same time providing certainty to operators who stick to the rules.



Leasehold reform

In July 2017 the government opened a consultation on unfair practices in the leasehold sector, including a proposed ban on leasehold houses. Our response to the consultation recognised the need for higher transparency, and for an end to the selling of leasehold family houses. However, in a retirement community the current leasehold system serves as the mechanism to formalise the relationship between operators and residents, and to enforce (both positive and negative) covenants aimed at successfully operating a retirement community over the long term. In the long-run, ARCO urged the government to look to new models of tenure for our sector specifically, such as a License of Occupy model.



Fire Safety regulation

ARCO continued to work towards ensuring that Fire Safety regulation for the sector is evidence based and appropriate. We submitted representations to the CFOA/NFCC consultations on fire safety in specialised housing, and CFOA consultations on mobility scooter fire safety, which led to the publication of the NFCC Specialised Housing Guidance in May 2017. The guidance emphasised the need for person-centred planning and fire risk assessments. After the tragedy of Grenfell Tower, we expect a renewed focus on fire safety in new and existing retirement communities, and we will work with colleagues from the fire services to ensure proportionate approaches to fire protection measures, as residents’ safety is always the priority.

Increasing supply of retirement communities through housing and planning policy



Housing White Paper

ARCO have long argued that more needs to be done to overcome the barriers to supply which are holding back the development of more retirement communities for both the private and public markets. In February we welcomed the government's Housing White Paper, which recognised the need for serious debate on housing for older people, understood that the problem lay in an acute shortage of supply, and re-emphasised the government's plan to produce Planning Guidance for local authorities which would require them to consider older people's housing needs when drawing up their local plans. This followed significant ARCO representation to DCLG colleagues about barriers to supply, and parliamentary activity coordinated with our Patron Baroness Sally Greengross.



Neighbourhood Planning Act and Planning Guidance

The Neighbourhood Planning Bill committed the government to issuing planning guidance on older people's housing needs, and led to ARCO's involvement in various advisory groups relating to the content of the forthcoming planning guidance. Whilst we welcomed the government's announcements in the White Paper and their amendments to the Neighbourhood Planning Act, throughout the year ARCO called for further and more detailed proposals to increase supply, including the creation of a new use-class specifically for housing-with-care schemes. We also called for the Planning Guidance to not just consider the needs of older people, but also to differentiate between different types of retirement housing, and different tenure options. We also organised a visit to a retirement community in Berkshire for DCLG planning officials, and await the publication of government guidance on the topic.

General political engagement

ARCO makes regular submissions to government ministers, MPs and government officials on a variety of issues, and conducts a rolling programme of policy engagement, which has included:

- A submission to the Communities and Local Government Select Committee's inquiry into housing for older people.
- Engaging with the main political parties ahead of the publication of the election manifestos in spring 2017.
- Meetings with the Cabinet Office regarding their forthcoming social care consultation.
- Stakeholder mapping and engaging with MPs with retirement communities within their constituencies.
- Hosting a visit for DCLG colleagues at a London retirement community.

As well as holding good relationships with many government departments, ARCO enjoy positive relationships with many stakeholder organisations. These include: Care Providers Alliance, Housing LIN, International Longevity Centre UK, Chartered Institute for Housing, Home Builders Federation, Elderly Accommodation Counsel, Age UK, Independent Age, National Housing Federation, the LGA, Care Quality Commission, and the Law Commission for England and Wales.

1.2 Raising awareness

Media exposure

ARCO has an active PR presence, and we have been busy with press releases, social media, interviews, comment pieces, and identifying media opportunities for members.

Some of our media activity this year has included:

- Linking the BBC Breakfast team to ARCO member the ExtraCare Charitable Trust, resulting in sections of their Autumn Budget report being presented from one of their Birmingham retirement villages.
- Providing comment for Care Market Matters and Inside Housing on issues such as the Local Housing Allowance cap.
- Comment pieces for Care Markets.
- An interview for the BBC One Show on event fees and resale prices.
- Responding to various press inquiries e.g. resale values, opportunities for the sector and care delivery.
- Provision of expert advice for older people about downsizing in The Sunday Times.
- Sponsoring the EAC's Older People's Housing Awards and a series of videos produced by the Housing LIN on the extra care sector.
- Providing comment pieces and interviews for specialist planning magazines.

Conference and event participation

To raise awareness of the issues affecting the retirement community sector, the ARCO team spoke or presented at numerous conferences and events, including:

- LD Events care home and retirement living conference
- Property Week conference on senior living
- Leasehold Advisory Conference
- A UK-NL dialogue conference on long term care for the elderly in Utrecht/NL
- HealthInvestor conference on housing with care
- Henry Stewart conference on care homes and senior living
- The Centre for Ageing Better and LGA roundtables on housing for older people
- The Equity Release Council's Consumer Protection Working Group
- The Care Providers Alliance engagement summit



Research

ARCO commissions and promotes various pieces of research in order to advance sector knowledge, and raise awareness of issues affecting housing-with-care providers. Key pieces of research that ARCO has supported or partnered on this year include:



Resale Values

Property Advisors JLL conducted independent research into the resale values of retirement community properties in ARCO member schemes. The *JLL Housing-With-Care Index (May, 2017)* is based on analysis of 22 years' worth of historical sales data for 2,400 ARCO member housing-with-care property units (houses or apartments). It found that the average price change between more than 3,000 transactions (resales) was an increase of £41,391, with increases in value greatest in London and the East of England. These positive findings relating to resale values underline that the housing-with-care market's long-term attractiveness is healthy, and supports ARCO's position that the operational housing-with-care model is distinct from the traditional housebuilder model.



Resident Research

ARCO partnered with US retirement community research agency ProMatura to conduct research into the satisfaction of residents in ARCO member schemes. The research resulted in more than 2,700 survey responses from residents, and more than 1,000 responses from prospective customers – and promises to be the largest resident survey of its kind seen in the UK. ARCO members have exclusive access to benchmarking reports showing how they perform against other providers. In addition, the research aims to uncover a wide range of insights into the motivations and drivers of satisfaction, and the prevalence of loneliness, social connection, and wellbeing amongst residents. The research's findings will be launched in the winter of 2017, and will provide an important contribution to debates about older people's wellbeing and social connection.



ILC-UK International Retirement Communities Research

ARCO have supported research conducted by the independent think tank ILC-UK which is investigating the prevalence of retirement communities across numerous international countries, and exploring the reasons why the retirement community market is comparatively less developed in the UK. The aim of this work is to investigate the extent to which the policy and regulatory frameworks in other countries has contributed to the development of mature markets, and which lessons can be learnt from them. The research will be launched in the winter of 2017.

Increasing Sector Expertise and Connections

2

ARCO strive to increase expertise in the retirement community sector, and enable members and external parties to network and share good practice. We primarily do this through our programme of regular events for members and affiliates, our conference, and through other briefings, roundtables and workshops.

One of ARCO's strategic aims is to increase knowledge and expertise in the sector, and our events programme is tailored towards facilitating the exchange of ideas and stimulating debate.



2.1 Member and affiliate events

ARCO holds regular events for its members and affiliates, and topical and specialised events in subject areas that merit discussion (for example, a policy meeting on the LHA cap, or a wider care sector meeting on Attendance Allowance). At these events members and affiliates share knowledge, and are also introduced to new ideas from external specialists whom we bring in to present on various topics. Member workshops are typically held at an ARCO member scheme and include a tour of the community, while affiliate briefings are typically held at a central London location.

From September 2016 to August 2017 we ran the following events (excluding Directors' meetings such as Board, Steering Group and Standards Committee meetings):

- Two Marketing and Sales Workshops
- Two Technical and Development Forums
- Two Operational Management Workshops
- Three Affiliate Network Briefings
- One ARCO Assembly
- Two roundtables

Topics discussed at these meetings include:

Technical and Development Forums

- Design & Dementia – How to make a difference
- Designing out crime with secured by design
- Update on fire safety regulations
- Legal topics in construction and development
- Hurst Place retirement living: Challenges and opportunities of the design and build project
- Assistive technologies to promote healthy ageing
- Driverless Vehicles: Opportunities for enhancing mobility
- Robots for physical assistance
- Co-designing assistive products/designing for people with dementia
- Tour of Bristol Robotics Lab

Marketing and Sales Workshops

- Silver Chic – The future of retirement housing and care
- The Law Commission's Code for event fee disclosure
- Getting people to make the move - which incentives actually work?
- Marketing to baby boomers: wealthy but not healthy?
- Good practice in marketing care homes and care within retirement communities
- Use of CGI for presales – matching the image with the reality
- ARCO's consumer-facing customer feedback research with ProMatura
 - Methods and scope
 - Benchmarking the sector



Operational Management Workshops

- More than just sitting in a circle: providing innovative activities that residents really want
- Skills gaps in the housing-with-care sector, and how to address them
- The law and housing-with-care
- ARCO's consumer-facing customer feedback research with ProMatura
- Do's and don'ts for emergency responders: What assistance are care/support staff allowed to provide when called e.g. at night?
- Is breaking even good enough: The pros and cons of outsourcing catering
- Legal challenges for retirement community operations: Headline issues and Q&A



Affiliate Network Briefings

- Independent living and assisted living in America – looking at customer experience
- Trends in the retirement housing sector
- Shape of the sector and member growth
- Law Commission review of event fees
- Policy developments, eg:
 - Brexit
 - Housing White Paper
 - Funding Supported Housing
 - Attendance Allowance
 - Neighbourhood Panning Bill
- Policy update on the post-electoral political landscape
- Tour of Bankhouse



Roundtables

- Roundtable lunch in the House of Lords (kindly hosted by Baroness Greengross) on the social care benefits of retirement communities
- International approaches to policy and regulation for retirement communities offering care and support



ARCO Assembly

- Trends in the retirement community sector
- New models of tenure
- Something bespoke or same old same old? A vision for 2030



2.2 ARCO Annual Conference 2017



ARCO held our second annual conference and knowledge exchange day 'What Next? 2017: A formative year for housing-with-care?' on 10 and 11 May 2017. In addition to providing a forum for the sharing of knowledge within the sector, the conference was a fantastic opportunity to bring issues affecting the sector to the attention of policymakers and other stakeholders who attended.

Over 360 delegates, sponsors and exhibitors from almost 200 organisations came together across the two days. Organisations represented included senior executives from retirement community operators, representatives from the public sector (including Cabinet Office, NHS England, DCLG, the Law Commission, CQC, the Competition and Markets Authority), and suppliers and investors with a growing interest in this expanding sector.



This year's speakers engaged with the most current trends, challenges and opportunities facing the sector, and shared their expertise and vision of the future for housing-with-care.

The 2017 ARCO conference topics were:

'The 'Yes' Culture – Humanitas Approach to Resident Empowerment

Dr Becker (The Humanitas Foundation) shared his experience of the Dutch approach to older people's housing with care, and Humanitas's ground-breaking 'yes culture' ethos.

The Changing Policy Context – What Next 2017?

The general election meant that the Housing Minister and Law Commissioner could no longer address the conference as planned. Therefore, Kyle Holling (Trowers & Hamlins) and Michael Voges' session focused on recent policy developments – including on event fees – and looked at potential policy priorities for the next government.

The Operator Premium? Resale Values in Retirement Communities

Phil Schmid and Anthony Oldfield (JLL) discussed their research into the values of historical sale transactions of retirement community properties, including case studies by Nigel Sibley (LifeCare Residences) and William Crawford (Retirement Villages Group).

The Dementia Challenge

Professor Graham Stokes (Bupa) provided an insight into how retirement communities can and must react to the challenge of dementia.

What The Customers Think – The Largest UK Survey of Retirement Community Residents

Dr Margaret Wylde and Peter Robinson (ProMatura) presented key findings from the largest ever survey of UK retirement community residents, a joint research project by ARCO and ProMatura.

Robotics for Retirement

Dr Praminda Caleb-Solly (Bristol Robotics Lab) presented her latest research on how robots can interact with and care for older people in the future.

Supported Housing Funding – Extra Care, But Not As We Know It?

Panel session chaired by Jane Ashcroft (Anchor) discussing the future of state funded extra care in the light of LHA cap proposals.

New Models of Tenure – The Next Frontier

Panel session chaired by Michael Voges exploring new models of tenure, looking at international comparisons and alternatives to leasehold and affordable rent.

Following the conference, the Knowledge Exchange Day on Thursday 11 May provided the opportunity for more in-depth discussion with a choice of 10 interactive workshops. These covered: how to create sociable and sustainable retirement communities, using and disclosing event fees, key considerations for successful retirement villages, planning your first retirement community, robots and assistive technology, resale values in retirement communities, the US housing-with-care market, building vertical retirement villages, CQC's approach to regulating housing-with-care, and a tour of the Bankhouse retirement community on the Thames.





The 2017 conference was supported by Gold Sponsors Nicol Thomas and Carterwood, and Silver Sponsors Trowers & Hamblins, Castleoak, JLL and ENS.

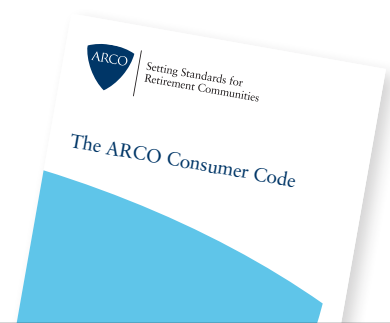
Increasing Confidence and Setting Standards

3

ARCO was founded in part to set and raise standards in the retirement community sector. We think it's important that customers and residents receive a trusted, high quality standard of service provision when living in, and moving to, a retirement community. To this end, we launched the ARCO Consumer Code in September 2015 and have been assessing member compliance with it since then.

Two years after ARCO launched its Consumer Code it is timely to review progress made in setting and maintaining standards within the retirement community sector.





A Standards and Compliance Framework governs ARCO's relationship with its members with the purpose of driving and maintaining high standards. The ARCO Consumer Code is the central pillar of the Standards and Compliance Framework, adopted by ARCO's Board of Directors. This is binding for all members, and achieving compliance on a first assessment is a requirement for all new applicants who want to become ARCO members.

The Code provides a benchmark for good practice for operators of retirement communities. ARCO members must adhere to provisions laid out in the Code, which go above and beyond their statutory duties. These include giving clear and transparent information about fees and charges to prospective residents from the very start, providing core levels of services and maintaining a fair and consultative relationship with residents. The Standards and Compliance Framework spells out the frequency of inspections required, the number of assessments to be undertaken, and the timescales members need to comply with.

By ensuring that ARCO members abide by a commonly accepted Consumer Code, we aim to increase confidence in the retirement community sector.

Monitoring compliance with the Code

ARCO's Board has delegated the supervision of the Standards and Compliance Framework to a Standards Committee. **Nick Abbey**, involved with housing and care for older people for more than 40 years, was reappointed as Independent Chair of the Standards Committee for ARCO's 2016/17 financial year. Other members serving on the Committee during 2016/17 were:

- **Nick Sanderson** (Chief Executive of Audley)
- **Bruce Moore** (Chief Executive of Housing & Care 21)
- **Jeremy Walford** (Managing Director of Middleton Hall Retirement Village)
- **Sara Livadeas** (Strategy Director of The Orders of St John Care Trust), until March 2017
- **Peter Martin** (Development and Commercial Manager of Enterprise Retirement Living)

ARCO commissions specialist consultants with a strong track record of compliance monitoring (including in other trade associations, but also in larger multinational companies) to undertake compliance assessments on ARCO's behalf. Code development and assessments throughout 2016/17 were again undertaken by The Consultant Connection (TCC).

The assessments include checking marketing, legal and procedural documents and websites, and engaging corporate and local staff in dialogue with the aim of establishing whether members are operating according to the principles laid out in the Consumer Code. The process aims to be objective, thorough, and evidence-based.

Recommendations and improvements

A total of 62 assessments were completed during the 2016/17 financial year. These covered both existing Approved Operators and new organisations applying to become members during the year. Once again, our assessors noted trends both in emerging areas of good practice and also some areas requiring general improvement.

Key areas of good practice were:

- Greater quality, clarity and completeness in the information provided to consumers, including ever increasing transparency in marketing materials and advertising.
- Greater transparency and consistency about the charges before, during and after a customer's time living in a retirement community, including clearer disclosure of event fees.
- Streamlined procedures for handling and resolving complaints and greater access to independent dispute resolution services.
- Greater consistency between the information provided by ARCO members so that consumers can more easily compare offers.

The areas requiring some improvement were:

- Ensuring information is consistent across all media and communities, including ensuring local staff at all sites have up to date documentation, to keep their own knowledge current to give to consumers.
- Clarifying what information needs to be communicated to consumers and when.
- Raising awareness of the Code and its requirements among all appropriate staff members.

The Standards Committee recognises that a culture of full compliance will take some time to bed in, and some further areas requiring improvements are to be expected; however, we will be working hard with members to ensure these are addressed in the coming months and years to ensure ongoing credibility among consumers.

The Code itself remained unchanged throughout the year. However, in accordance with its Terms of Reference, the Standards Committee has reviewed the Code and recommended changes to the ARCO Board. These take account both of recommendations made by the Law Commission earlier in 2017 (to which the government's response is awaited) and of other reasons such as:

- Areas where the Code's requirements needed to be made clearer.
- Certain provisions that could be consolidated.
- Adjustments needed to respond to recent external developments.

An updated version of the Code will be adopted and implemented by the end of 2017 and will be the basis for assessments carried out during ARCO's 2017-18 financial year.

Summary and outlook

The Standards Committee's view continues to be that the introduction of the Consumer Code and the Standards and Compliance Framework has been a major achievement which has improved residents' experiences of moving into and living in a retirement community.

We would like to thank all of our members for their hard work and dedication in working within the Compliance Framework. We would also like to thank our Code assessors, our members' dedicated Code Compliance Officers and the team at ARCO (in particular Head of Operations Shandi Petersen who provided the lead support to the Standards Committee) for their dedication and perseverance in continuing to maintain and increase standards in this sector.

We believe that the revised ARCO Consumer Code will continue to provide an excellent basis for continued robust self-regulation of our sector, and look forward to the new year of assessments.



Nick Abbey
Standards Committee Chair

Governance, Staffing, and Structure

4

4.1 Governance

ARCO's membership increased to 31 members during the year, with 20 of those organisations acting as Corporate Directors on ARCO's Board. From September 2016 – July 2017 Richard Davis (Chief Executive of LifeCare Residences) continued in the role of Chair, supported by Jane Ashcroft (Chief Executive of Anchor) as Vice-Chair. Jane Ashcroft took over as Acting Chair in July 2017, when Richard returned to his native country of New Zealand. Nick Sanderson (Chief Executive of Audley) was unanimously voted in as the new Chair in October 2017.

ARCO's Board delegates some of its functions to a Steering Group, which meets every four to six weeks. During the year, this Steering Group consisted of **Richard Davis** and **Jane Ashcroft**, as well as:

- **Nick Sanderson** (Chief Executive of Audley)
- **Kevin Beirne** (Group Director of Housing Care and Support at One Housing)
- **Bob Bessell** (Chairman of Retirement Security)
- **Adrian Bagg** (Chief Executive of MHA)

Whilst some functions are delegated to the Steering Group, the Board retains decision-making responsibility for membership, budget planning and the key issue of approving standards changes for ARCO. ARCO's executive team have a strong relationship with the Board, and the Board's input is instrumental in shaping our ongoing work.



4.2 Staffing

ARCO's staff team has expanded to five colleagues, who also work with a number of external contractors and suppliers for some of our business functions. Over the last year Michael Voges continued as Executive Director, Shandi Petersen was promoted to Head of Operations, and Maia Beresford continued as Policy and Communications Manager. We were sad to say farewell to Policy and Events Officer Sarah Mindham, and Policy and Events Assistant Rachael Mindham, who went on to work at the National Trust and DCLG respectively. Over the summer we recruited Mark Norton for the new role of Office and Business Manager, and Mhairi Tordoff as Policy and Communications Assistant – both of whom joined ARCO in the autumn of 2017.



Michael Voges
Executive Director



Shandi Petersen
Head of Operations



Maia Beresford
Policy and Communications
Manager



Mark Norton
Office and Business
Manager



Mhairi Tordoff
Policy and
Communications Assistant

4.3 Structure

Members

Over the 2016/17 year ARCO has revised and broadened our membership offer. We have more clearly defined our membership categories and developed a programme for new entrants.

- The ARCO Accelerator Programme was launched formally in September 2017 for organisations who are planning their entry into the sector. Benefits include participation in member and affiliate events as well as dedicated events, connection to the wider ARCO network, and receipt of feedback on emerging plans.
- ARCO Prospective Membership is for organisations who are in the process of establishing their first retirement community in the UK. Prospective members share almost all of the same benefits as full members but cannot sit on the Board and have different branding rights and requirements.
- ARCO Provisional Membership is for organisations who operate at least one retirement community in the UK. New applicants remain provisional members (with similar benefits as prospective members) until they achieve compliance with the ARCO Consumer Code on one community, at which point they will become full members.

These new categories sit alongside ARCO Full Membership, which is for organisations who operate at least one retirement community in the UK and have achieved compliance under ARCO's Standards and Compliance Framework. They enjoy the full benefits of ARCO membership and full members who do not take up the small member discount make up ARCO's Board of Directors.

Affiliates

The ARCO Affiliate Network is for partners, suppliers, and stakeholders who work in the housing-with-care sector but do not operate retirement communities in the UK themselves. Affiliates benefit from access to events, thought leadership, and sector insight, as well as networking opportunities and brand exposure. They are featured in ARCO's Suppliers Directory at www.arcouk.org/suppliers-directory

Premier Partners

ARCO's members and executive team want to sincerely thank our three Key Corporate Supporters (now Premier Partners) for their support over the 2016-17 year:

- **CastleOak**
- **Nicol Thomas**
- **Trowers & Hamblins**

Alongside their substantial financial contribution to ARCO, they also regularly donate time, expertise, and advice to the executive team and to workshops and events, and we are very grateful for their ongoing support.

Outlook for 2017/18

5

The retirement community sector continues to evolve. At a minimum, ARCO must evolve with the sector. However, we believe that ARCO's past and future success lies in ARCO identifying future trends and *leading* the sector in some of the efforts aimed at expanding the supply of retirement communities that meet the housing and care needs of our ageing population.

ARCO has developed a reputation as a trusted partner for both government and wider stakeholders, and we will continue our work on policy issues and announcements affecting our sector. With the popularity of the housing-with-care offer increasing, we believe that ARCO needs to continue to set and maintain high standards for our members, and the wider sector.

In addition, we will intensify our proactive efforts to educate government and sector bodies about the benefits our sector can bring to both the housing and social care economy. We will also be advocating for measures we believe will make our sector grow. Finally, we will continue our successful events activities, with an expanded programme aimed at increasing sector expertise, insight and debate.

Key priorities for development in 2017/18:

- Continue our work on a robust and proportionate regulatory framework for the sector, with the aim of increasing both consumer confidence and operator certainty.
- Increasing ARCO's external profile beyond the housing and care sector.
- Further embed sector self-regulation and the ARCO Consumer Code.
- Continue our work with stakeholders in government and the wider sector on new policy developments, including the Housing White Paper, the upcoming consultation on social care, the new supported housing funding mechanism and planning policy.



Premier Partners and ARCO Affiliate Network

Premier Partners

The following organisations were ARCO's Key Corporate Supporters (now Premier Partners) in 2016-17:



ARCO Affiliate Network

The following stakeholders subscribed to the ARCO Affiliate Network in 2016-17:



ARCO Members

The following retirement community operators were **full** members of ARCO in 2016-17:



The following organisations were **provisional** members of ARCO in 2016-17:



The following organisations were **prospective** members of ARCO in 2016-17:



**Associated Retirement
Community Operators (ARCO)**
The Heals Building, Suites A&B, 3rd Floor
22-24 Torrington Place, London WC1E 7HJ

Email: info@arcouk.org
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For more information on ARCO, visit:
www.arcouk.org