



The Housing-with-Care Task Force

- Reducing the need for institutional care
- Keeping people healthy and out of hospital
- Freeing up homes for people of all ages
- Securing investment in the UK's social care infrastructure
- Providing high quality care services
- Tackling the loneliness epidemic by boosting social connection

ARCO (Associated Retirement Community Operators) is the representative body for private and not-for-profit providers of housing-with-care in the UK. Housing-with-care schemes are also known as extra care housing, retirement communities or retirement villages providing care and support.



During Covid-19, the imperative to grow the housing-with-care market in the UK has never been stronger - ARCO and its supporters are calling for the formation of a cross-governmental Housing-with-Care Task Force to:

- 1) Identify barriers for growth
- 2) Provide detailed proposals for change building on existing work, including on:
 - Smart regulation of the sector (including consumer protection)
 - Clarifying the role of housing with care in the planning system
 - Availability of funding for those with more moderate means

The value of and widespread need for more housing-with-care has been well demonstrated by the way the sector has kept residents safe and shielded (yet still socially connected) during the coronavirus pandemic, reducing the strain on the NHS and social care systems.

This is in addition to the very high standards of personal care delivered, with 97% of CQC-registered domiciliary care agencies run by ARCO members rated Good or Outstanding.

Housing-with-care in the UK is still a relatively new concept, and supply is very limited compared to other specialist housing or care options for older people.

Care home beds	456,000
Housing-with-care units	70,000
Sheltered/retirement housing units	444,000

“Extra care housing can promote the health and wellbeing of older people” and has the potential to “play a greater role in providing social care alongside homecare and residential care”.

Housing, Communities and Local Government Select Committee report on housing for older people, 2019.

Housing-with-care (or extra care housing) has a vital role in enabling older people to live independently, with the necessary care and support available if required.

Helen Whately MP
Minister of State for Social Care

Housing-with-care: Filling the policy void

Sector-specific regulation has aided growth in other countries – in the UK, housing-with-care is non-existent in policy terms.

New Zealand	Australia	United States	UK
<p>Retirement Villages Act 2003</p> <p>5.5% of over-65s live in a Retirement Community</p>	<p>State-based (e.g. Retirement Villages Act New South Wales 1999)</p> <p>5% of over-65s live in a Retirement Community</p>	<p>State-based (e.g. Continuing Care Retirement Communities Act in North Carolina)</p> <p>6% of over-65s live in a Retirement Community</p>	<p>No sector-specific regulation in the UK</p> <p>0.6% of over-65s live in a Retirement Community</p>

The Housing-with-Care Task Force: Bringing together key stakeholders

Housing-with-care straddles a range of Government departments. Growing the housing-with-care sector at this critical post-Covid-19 juncture requires a collaborative Task Force which brings together different policy areas.



A blue-print for cross-governmental collaboration on ageing?

The Government is already committed to helping people live five more healthy years by 2035, which will require cross-departmental cooperation. The Housing-with-Care Task Force can serve as a model for how cross-governmental strategic engagement on this wider issue could be delivered in the future.



VISION2030
in six key numbers

- 1 Currently about **75,000** people live in Retirement Communities
- 2 In the next 30 years the number of over 75s in the UK will **DOUBLE**
- 3 Our sector's vision is to provide for **250,000** people by 2030
- 4 In achieving this our sector's turnover will be over **£70bn** until 2030 and we'll need to invest **£40bn** by then
- 5 This will deliver **£5.6bn** savings for the UK's health and social care systems until 2030
- 6 And release over **562,500** bedrooms into the general housing market

Benefits of housing-with-care

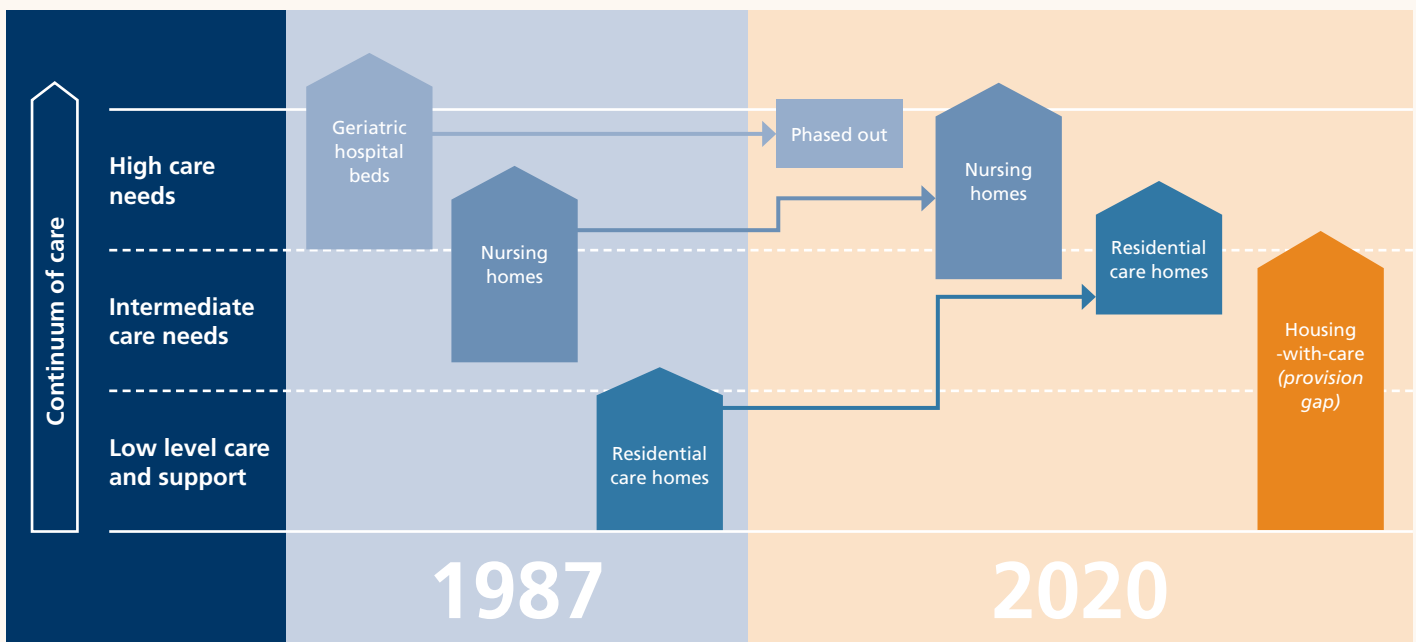
The coronavirus pandemic has shone a light on our social care system and forced us to reflect on the settings in which we can best provide care and support to older people. Housing-with-care has shown during the outbreak that it can help residents to self-isolate independently, while still ensuring the highest levels of support from staff through care, meals, regular phone check-ins and a wide range of online activities. Even if we reach a point where the challenges of coronavirus are reduced, this combination of security, independence and social connection should lie at the heart of our new ways of thinking about social care. More broadly, housing-with-care brings a range of great benefits to older people and our country as a whole:

- **Fixing our social care funding crisis:** Providing social care for those with lower-level needs costs £1,222 (17.8%) less per person per year, and for those with higher-level needs £4,556 (26%) less ¹.
- **Boosting health and the NHS:** By improving the physical and mental health of residents, costs like GP, nurse and hospital visits reduce by 38% ². £5.6bn in cost savings will be made for health and social care if 250,000 over-65s live in housing-with-care by 2030 ³.
- **Freeing up family homes:** 562,000 bedrooms will be released to the market for all generations if the sector achieves its 2030 growth targets ⁴.
- **Efficient use of land:** Apartments for older people are built using up to six times less space than family homes ⁵.
- **Tackling loneliness:** Residents are five times as likely as non-residents to participate in social events, and four times as likely to get together with friends ⁶.

These benefits have been clearly demonstrated during the coronavirus outbreak. The provision of care, meals and support onsite has played a key role in keeping residents well and healthy. Housing-with-care has been central to cutting hospital admissions, reducing strain on the NHS and providing crucial step-down capacity once people could leave hospital.

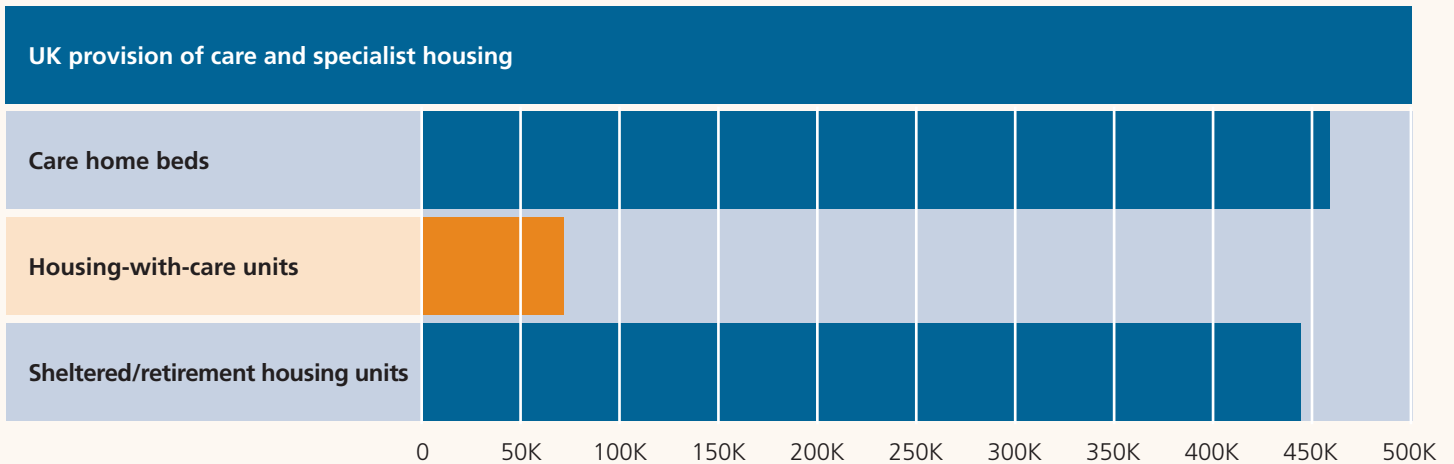
Housing-with-care is increasingly filling the provision gap once occupied by other sectors.

The 'provision gap' in today's social care system



- Average UK 'lifespans' have increased from 75 in 1987 to 81 today, but average 'healthspans' have not. Many of these additional years are spent in ill-health, with over four million (40%) of over-65s having a limiting long-term health condition⁸.
- In the last 30 years, social care provision has also changed beyond recognition. **Geriatric hospital beds** have been largely phased out – seeing a 60% reduction between 1987-88 and 2009-10⁹ – while **residential care homes** and **nursing homes** now provide high-level care, compared to the low and intermediate levels of care provided in 1987. The average length of stay in a care home is now 18 months¹⁰.

- These changes have created a **'provision gap'** for those needing lower to intermediate levels of care as and when required – the **housing-with-care** option. In comparison to **456,000** care home beds and **444,000** retirement housing units, there are only around **70,000** housing-with-care units¹¹.



- Unlike the care home sector, whose growth was significantly aided by regulation including the 1984 Registered Homes Act¹² and the 1987 Town and Country Planning Use Class Order¹³, **housing-with-care has never been defined or regulated**. This has been a key barrier to the 'provision gap' being filled. See page 6 for a more detailed exploration of this non-existent policy framework.

ARCO's Vision 2030

ARCO's members have set themselves the target of giving 250,000 people the opportunity to live in a housing-with-care setting by 2030 – up from 75,000 today.

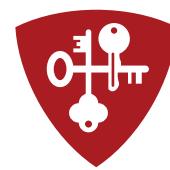
To help achieve this, ARCO's Vision 2030 identifies 10 **priority areas for action**. Most of these will be delivered by the housing-with-care sector itself, but the following three require government action, ideally via the Housing-with-Care Task Force:



Sector-specific
legislation



Clarity in the
planning system



Flexible models
of tenure

The housing-with-care sector is growing, and has seen the entry of large scale, institutional investors such as Legal & General, AXA and Schroders.

But to reach our Vision 2030 target of 250,000 people by 2030, supply levels will need to increase from approximately **2,700** units per year to **12,200** per year. Getting to these levels would mean the UK still only provided a housing-with-care option to 1.7% of over-65s - a third of the levels seen in other countries.

The transformative impact that lies ahead

If our Vision 2030 targets are met, the great **social and economic benefits** highlighted in the box below will be brought about.

But 2030 is not the limit of our aspirations. If by 2035 – when there will be 16 million over-65s in the UK – we have reached New Zealand’s level of housing-with-care provision, the UK can expect to see **£234bn of investment** in our sector, including the usual multiplier effect that would flow through to creating growth and productive jobs around the UK.



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¹ Holland, C (2015) ‘Collaborative Research between Aston Research Centre for Healthy Ageing (ARCHA) and The ExtraCare Charitable Trust’. P.12. Available at: <https://www2.aston.ac.uk/migrated-assets/applicationpdf/lhs/245545-final%20report1.pdf>

² iBid. P.7.

³ ARCO Analytics (2019) Available at: <https://www.arcouk.org/resource/retirement-communities-fact-pack>

⁴ iBid

⁵ For example, Earlsdon Park Retirement Village in Coventry features 262 apartments on 1.13 hectares. Building the same number of family homes would require around 6.4 hectares. See: CABE. Better Neighbourhoods: Making Higher Densities Work. P.6. <https://webarchive.nationalarchives.gov.uk/20110118185901/http://www.cabe.org.uk/files/better-neighbourhoods.pdf>

⁶ ARCO & PromMatura International (2019) ‘Housing health and care: The health and wellbeing benefits of Retirement Communities’. Available at: www.arcouk.org/press-release/biggest-ever-study-retirement-communities-shows-huge-health-wellbeing-and-security

⁷ King’s Fund (2019), ‘What is happening to life expectancy in the UK?’. Available at: https://www.kingsfund.org.uk/publications/whats-happening-life-expectancy-uk?gclid=EAlalQobChMI-t3sj4Xt5wVR4fVCh3D3AmREAYASAAEgllf_D_BwE

⁸ Public Health England (2016) ‘Ageing well: how can we make longer lives healthier?’ Available at: <https://publichealthmatters.blog.gov.uk/2016/10/01/ageing-well-how-can-we-make-longer-lives-healthier/>

⁹ King’s Fund (2017) ‘NHS hospital bed numbers: Past, present, future’. Available at: https://www.kingsfund.org.uk/publications/nhs-hospital-bed-numbers#footnoteref2_ne2i5qh

¹⁰ BMC Health Services Research (2012) ‘Estimating length of stay in publicly-funded residential and nursing care homes: a retrospective analysis using administrative data sets.’ Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3537534/>

¹¹ Age UK (2019) ‘Retirement housing’. Available at: https://www.ageuk.org.uk/globalassets/age-uk/documents/policy-positions/housing-and-homes/ppp_retirement_housing_england.pdf

¹² See: <http://www.legislation.gov.uk/ukpga/1984/23/part/II/enacted>

¹³ See: <http://www.legislation.gov.uk/uksi/1987/764/schedule/made>

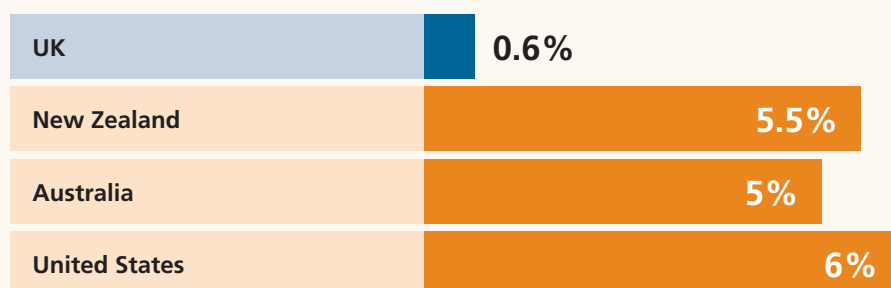
A non-existent policy framework

Housing-with-care is not defined or specifically regulated in the UK, and is therefore non-existent in care, planning, housing or consumer legislation. This means the housing-with-care sector is currently 'borrowing' legislation and regulation from other sectors.

In other countries supply is much greater due to clearer regulation. In the UK only 0.6% of over-65s have the opportunity to live in a housing-with-care, compared to at least 5% in New Zealand, Australia and the US¹⁴.

Key pieces of regulation in these countries are:

- In **New Zealand**, the Retirement Villages Act 2003¹⁵ sets out a legal definition of retirement villages, regulations on how operators can set them up, and details of the rights of residents living within them.
- In **Australia**, state-based regulation such as South Australia's Retirement Villages Act 2016¹⁶ and the New South Wales Retirement Village Act 1999¹⁷ solidify the rights of residents and their relationship with operators.
- In the **United States**, almost all states define and regulate 'Continuing Care Retirement Communities' in state law (e.g. the Continuing Care Retirement Communities Act 2004 in the District of Columbia¹⁸).
- In **Canada**, the Ontario province has in place the Retirement Homes Act 2010¹⁹, which cements the legislative rights of older people living in retirement settings.



Investors say the presence of a clear regulatory and legal framework "helps build consumer confidence while simultaneously providing longer-term certainty to operators and investors"²⁰. In New Zealand, five of the 15 largest housebuilders are housing-with-care operators, including the largest.

High quality onsite domiciliary care services

Percentage of domiciliary care agencies run by ARCO members in housing-with-care schemes rated as Good or Outstanding by CQC

97%

Percentage of all CQC registered domiciliary care agencies in all settings rated Good or Outstanding

86%

¹⁴ ARCO Analytics (2019) Available at: <https://www.arcouk.org/resource/retirement-communities-fact-pack>

¹⁵ For a summary and full version of the act see: <https://www.hud.govt.nz/residential-housing/retirement-villages/retirement-villages-act-and-regulations/>

¹⁶ For the full act see: <https://www.legislation.sa.gov.au/lz/c/a/retirement%20villages%20act%202016/current/2016.50.auth.pdf>

¹⁷ For the full act see: <https://www.legislation.nsw.gov.au/#/view/act/1999/81/full>

¹⁸ For the full act see: <https://disb.dc.gov/page/continuing-care-retirement-communities-ccrc>

¹⁹ ARCO, Legal & General and International Longevity Centre (2018) 'Stronger foundations: international lessons for the housing-with-care sector in the UK'. Available at: <https://ilcuk.org.uk/stronger-foundations-international-lessons-for-the-housing-with-care-sector-in-the-uk/>

²⁰ ARCO, Legal & General and International Longevity Centre (2018) 'Stronger foundations: international lessons for the housing-with-care sector in the UK'. Available at: <https://ilcuk.org.uk/stronger-foundations-international-lessons-for-the-housing-with-care-sector-in-the-uk/>

²¹ Housing, Communities and Local Government Select Committee (2018) 'Housing for older people'. P.45. Available at: <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/370/370.pdf>

²² House of Lords Select Committee on Intergenerational Fairness and Provision (2019). 'Tackling intergenerational unfairness'. P.35. Available at: <https://publications.parliament.uk/pa/ld201719/ldselect/ldintfair/329/329.pdf>

²³ Law Commission (2017) 'Event fees in retirement properties'. P.20. Available at: <https://s3-eu-west-2.amazonaws.com/lawcom-prod-storage-11jxou24uy7q/uploads/2017/03/LC-373.pdf>

²⁴ Ministry of Housing, Communities and Local Government (2019) 'Defining policy outcomes for event fees'. See: <https://mhclgdigital.blog.gov.uk/2019/03/28/defining-policy-outcomes-for-event-fees/>

²⁵ Age UK (2019) 'Retirement housing'. Available at: https://www.ageuk.org.uk/globalassets/age-uk/documents/policy-positions/housing-and-homes/ppp_retirement_housing_england.pdf

²⁶ Read more about the code here: <https://www.arcouk.org/arco-consumer-code>

Key areas for reform & existing initiatives and suggestions for change

Policy problem preventing growth	Policy solution
Lack of sector-specific legislation means lack of protection for consumers and uncertainty for operators.	Implement sector-specific legislation on fees and regulation (as proposed by the Law Commission).
Housing-with-care is not defined within the <i>planning system</i> , making it easier to build care homes than housing-with-care schemes.	Define/categorise housing-with-care (including CQC regulated domcare agency) within current and future planning system.
Leasehold system not well suited for future development of housing with care.	Develop specific tenure models beyond property ownership (following examples in other countries), with a focus on services and occupation.

The Task Force would not need to start from zero, and could draw on and distil existing analyses and recommendations, including:
















	<p>Housing, Communities and Local Government Select Committee:</p> <p>“Consideration should be given to introducing a legislative framework for extra care housing to bring together regulations relating to the provision of housing, care, and other support services ²¹.”</p>
	<p>House of Lords Select Committee on Intergenerational Fairness:</p> <p>“The Government should issue guidance clarifying that extra care retirement communities fall within the C2 use class as they are capable of delivering high levels of care to older people and so should be treated as the same planning use class as care homes²².”</p>
	<p>Law Commission:</p> <p>Developed a Code of Practice for the regulation of event fees that contribute to the funding of housing-with-care, which “protects consumers from demands for fees imposed by unfair or hidden contract terms”, “limits the circumstances in which event fees may be charged” and “imposes clear obligations on landlord/operators²³”. This could be expanded to include all fees in a comprehensive set of consumer legislation.</p>
	<p>Ministry of Housing, Communities and Local Government (MHCLG) report on event fees in retirement properties</p> <p>“Standardise the language used to describe the nature and type of (event) fees”, with “all adverts and marketing material to use a common format to indicate (event) fees and/or how they are calculated.”²⁴</p>
	<p>County Councils Network and District Councils Network</p> <p>Suggested policies including a new planning use class for housing-with-care, and a framework for collaborative arrangements in two-tier local authority areas.</p>
	<p>Age UK</p> <p>Local authorities and housing associations need capital and revenue funding to extend the provision of specialist retirement housing with care, and particularly extra care housing.²⁵</p>
 <p>Setting Standards for Retirement Communities</p>	<p>ARCO</p> <p>Developed a self-regulatory Consumer Code²⁶, and is currently working on a consolidated Code to be approved by the Secretary of State.</p>
 <p>Setting Standards for Retirement Communities</p>	<p>ARCO</p> <p>Working to develop new tenure models for the housing-with-care sector beyond the leasehold system.</p>

About ARCO

The Associated Retirement Community Operators (ARCO) is the main body representing the housing-with-care sector in the UK. We support more than 40 private and not-for-profit organisations to develop and operate high-quality Retirement Communities.

These communities are distinct from both care homes and retirement housing, combining self-contained homes for sale, shared-ownership or rent with 24-hour onsite staffing, CQC registered domiciliary care and a wide range of communal facilities. Retirement Communities promote independence for older people, provide exceptional care for those who need it, and act as hubs for the whole community.

Living Options for Older People

 Retirement Housing Also known as sheltered housing or retirement flats	 Retirement Communities Also known as extra care, retirement villages, housing-with-care, assisted living or independent living	 Care Homes Also known as Nursing Homes, Residential Homes, Old People's Home
 Self-contained homes for sale, shared-ownership or rent	 Self-contained homes for sale, shared-ownership or rent	 Communal residential living with residents occupying individual rooms, often with an en suite bathroom
 Part-time warden and emergency call systems	 24-hour onsite staff with optional care and domestic services available	 24-hour care and support (including meals)
 Usually have a lounge, laundry facilities, gardens and a guest room	 Range of facilities including a restaurant or café usually alongside leisure and wellness facilities such as gyms, hairdressers, activity rooms, residents' lounges and gardens	 Range of facilities and activities, including gardens, lounges and dining rooms
 Typically 40 - 60 units	 Typically 60 - 250 units	 Sizes vary considerably

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