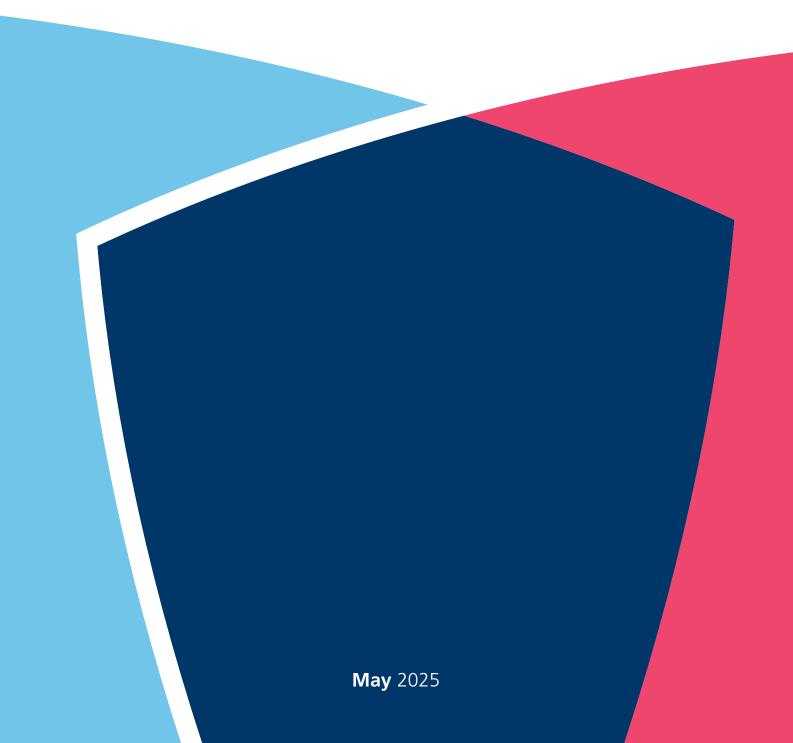
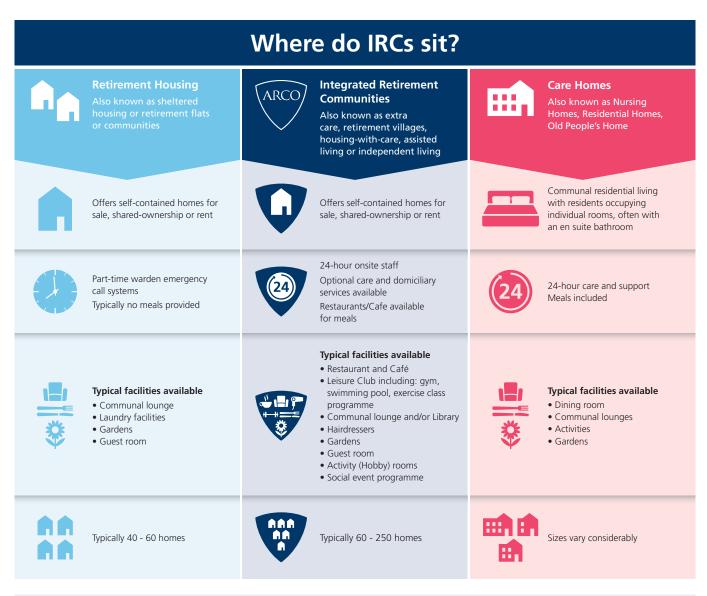


Integrated Retirement Communities: Myths and Realities



Introduction

Specialist housing for older people in the UK 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. These are summarised in the diagram below:



The Integrated Retirement Community (IRC) sector has grown considerably over the last decade. However, IRC operators submitting planning applications still encounter misunderstandings regarding what IRCs are, their impact on an area and how they operate. This briefing for is for elected Councillors, Local Planning Authority officers and local stakeholders new to this model of housing. It identifies some of the key myths encountered in relation to IRCs and, for each, sets out the key facts – or realities.

MYTH	"Developers of Integrated Retirement Communities are just focused on short-term profit"
REALITY	IRC operators invest and operate schemes for the long-term

Stewardship and long-term management underpin, and are crucial for the success of, the IRC model, which is an operational service business. It differs significantly from a traditional housing development model where responsibility for issues such as maintenance is transferred to individual homeowners upon the sale of a property.

IRC operators prioritise the ongoing maintenance and attractiveness of their schemes, and the operational model necessitates that residents receive consistent high-quality care and support services and extensive amenity facilities for the long term. This long-term commitment not only enhances the quality of life for IRC residents, it also fosters confidence in the sustainability of IRC communities, providing security that the needs of residents will be met in perpetuity.

IRC operators are also committed to developing and maintaining relationships within the wider community. This holistic and integrated approach ultimately contributes to the vibrancy and longevity of the IRC community.

MYTH	"Building an Integrated Retirement Community will be a drain on the local community and will not benefit local people"
REALITY	IRCs bring many benefits to the local community

The provision of a wide range of on-site communal facilities and an extensive activities and events programme is a significant factor in the appeal of IRCs. IRCs typically include amenities like restaurants, lounges, hobby rooms, wellness suites, and outdoor space, which create vibrant environments that foster social interaction and engagement among residents. This sets them apart from other housing options for older people, such as sheltered housing or care homes. Most IRC operators allow local members of the community to access some or all their facilities, which enhances inclusivity and strengthens community ties, benefiting everyone involved.

IRCs also contribute to local economies. They provide a range of employment opportunities during both construction and ongoing operations. Once operational, each IRC creates around 25 to 45 permanent jobs. Additionally, the spending power of IRC residents supports local businesses, while their presence in urban locations injects life and vitality, often at typically quieter times of the day.

Overall, IRCs play a vital role not just in the lives of their residents, but also in enriching the wider community. Further details of the community and economic benefits generated by IRCs can be found in ARCO's Model Benefits Statement for IRCs.

МҮТН	"Constructing an Integrated Retirement Community will bring in lots of old people and overwhelm our local NHS and care services"
REALITY	IRCs can REDUCE pressure on local doctors and health facilities

The flexible provision of on-site care by dedicated professional staff, and the availability of a wide range of support services, combined with a design approach that is focussed on the needs of older people, are central to the operation of IRCs. These factors ensure that IRC residents receive the support and assistance they need for their well-being on-site.

As a result, there is less demand for existing local health and care facilities, including GPs and hospitals. Additionally, IRC residents often already come from the local area, and the move to a supportive and carefully designed IRC scheme means that those residents have less need for local health and care services, thus helping to alleviate pressure on those services.

The health and wellbeing benefits associated with living in IRCs can significantly reduce the need for medical visits, resulting in substantial savings for the healthcare system. Research published by Homes England in July 2024 found that extra care housing schemes like IRCs can save approximately £1,840 per person per year in healthcare costs, through fewer GP visits, reduced hospital admissions, and shorter hospital stays.¹ Additionally, where IRC operators have their own on-site care teams, support can be extended to the local community, widening the reach of the health benefits.

The age of IRC residents - who are typically in their late 70s or older - also means less demand on local services such as schools and leisure facilities compared to traditional housing developments. Further details of the health and welfare benefits generated by IRCs can be found in ARCO's Model Benefits Statement.

MYTH	"An Integrated Retirement Community will do nothing to address local housing need"
REALITY	IRCs CONTRIBUTE to meeting local housing needs and free up family homes

The growing demand for suitable accommodation to address the needs of the UK's ageing population is a key issue, and the government recognises the critical need for more specialist housing options, including IRCs. Building more IRCs can significantly contribute to local housing supply targets while offering choice and providing vital support to older people.

An associated important benefit of providing more IRCs is the release of housing into the market. This is because when older residents move to an IRC, they typically vacate larger, often under-occupied, family homes. ARCO estimates that a one-bedroom apartment in an IRC can free up, on average, 2.25 bedrooms in the market.² This not only helps alleviate pressure on housing supply but also promotes more efficient use of existing housing stock, supporting families in need of larger homes.

Increasing the supply of IRCs can therefore address both the needs of older people and contribute to a more balanced and efficient housing market overall.³

¹ Homes England, 2024: Paper 4: Measuring the Wellbeing and Fiscal Impacts of Housing for Older People

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

³ Further details of the housing benefits generated by IRCs can be found in ARCO's Model Benefits Statement.

МҮТН	"There's no reason why an Integrated Retirement Community needs so many units".
REALITY	Building at scale is VITAL for the affordability and sustainability of IRC schemes

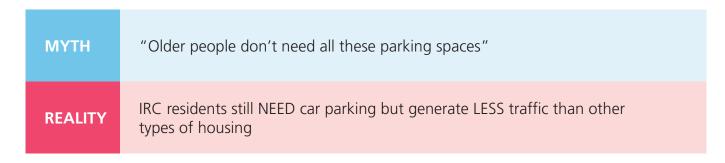
For an IRC to be viable and sustainable over the long-term, a minimum scale of development is typically required. This is because the costs associated with providing the amenities, care facilities, and specialist design features as part of an IRC are significantly higher than those for traditional housing schemes, necessitating a larger-scale development to ensure financial viability and operational efficiency.

Economies of scale also play a crucial role in maintaining the affordability and sustainability of IRCs. When built at scale, IRCs can spread costs more effectively, allowing for better-quality services and facilities that benefit residents. Smaller developments are not likely to be able to support the essential services and infrastructure required. Attempting to disaggregate an IRC into a larger number of smaller sites is not, therefore, a viable solution.

MYTH	"There's no requirement for Local Planning Authorities to consider older people's housing"
REALITY	Local Planning Authorities need to plan for all types of older people's housing, including IRCs

When considering housing at the plan making stage, many policymakers currently do not consider the specific needs of older people or, if they do, they tend to focus on traditional nursing / care homes or retirement and sheltered housing, often overlooking the critical need for housing with care options like IRCs and the wider benefits that they can deliver.

There is a clear policy requirement from government to ensure that Local Planning Authorities plan for older people's housing needs. Planning Practice Guidance (PPG) on Housing for Older and Disabled People recognises that the need to provide housing for older people is critical and requires plan-making authorities to set clear policies to address this need. The National Planning Policy Framework (NPPF) also highlights the need to assess and plan for all different types of specialist housing for older people, including IRCs, to address the growing national shortage and ensure that older people have a variety of options to meet their diverse needs.



IRCs provide a wide range of on-site amenities and services, which often includes transport services for residents and staff or car clubs, all of which helps to reduce reliance on private car ownership. Despite this, many older residents choose to bring their car when they move to an IRC, and view having a car as being important for maintaining their independence.

Typically, use of a car reduces over time as IRC residents utilise the on-site facilities and communal transport options available. However, the ability to keep their car is a significant factor for many older people when deciding to move into an IRC, and therefore providing sufficient parking is important. Staff and visitors also need access to parking, especially as staff often work outside regular hours when public transport may not be available, or services are less frequent.

The journeys carried out by people living in IRCs tend to take place outside of peak traffic times as they are generally not commuting for work or education. Traffic levels are also much lower than for traditional housing schemes. The overall traffic impacts for the local area where an IRC is situated are therefore typically much lower than where traditional housing is built.

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