



Peter Dines  
Partner  
Tel. +44 (0)207 333 6292  
[PDines@geraldev.com](mailto:PDines@geraldev.com)



Alex Brown  
Partner  
Tel. +44 (0)207 333 6384  
[ABrown@geraldev.com](mailto:ABrown@geraldev.com)



Suzanne Thurtle  
Associate  
Tel. +44 (0)207 333 6303  
[SThurtle@geraldev.com](mailto:SThurtle@geraldev.com)



Hannah Davies  
Assistant Planning Consultant  
Tel. +44 (0)207 333 6221  
[HDavies@geraldev.com](mailto:HDavies@geraldev.com)

## PLANNING FOR AN OLDER POPULATION - LATER LIVING HOUSING



There is an increasingly urgent need to provide adequate and accessible housing for the nation's older population. This has recently been acknowledged by the Government through the launch of the Older People's Housing Taskforce, which will work across housing, health and care sectors to drive an increase in the volume and range of housing options and make recommendations to the Government.

This launch followed reference to older people's housing in the NPPF and levelling up consultation, which states that **"this Government is committed to further improving the diversity of housing options available to older people and boosting the supply of specialist elderly accommodation"**.

Whilst national planning policy (in the form of the NPPF) has always required local housing policies to reflect need for different groups (including older people), the NPPF reforms specifically now refer to **"retirement housing, housing with care and care homes"**.

This note sets out a short summary of the key changes and the potential planning and development challenges in the later living sector.

### CONTEXT AND BACKGROUND: INCREASING DEMAND

The latest census figures for England and Wales published in June 2022 demonstrate that over one-sixth of the population in 2021 were aged 65 and over. Thanks to medical advancements and a generally higher standard of living, people are living much longer than before. Indeed, by mid-2041 the current number of people aged 85 and over is expected to double to 3.2 million with this rise expected to be felt greatest in the capital. This should in fact be news to celebrate: older Londoners contribute significantly to the capital's economy through paid work, volunteering opportunities, and the carrying out of caring duties for relatives both young and old.

However, London is falling short of achieving its annual target of just over 4,000 specialist older persons' units both through the limited delivery of new build accommodation and the loss of existing accommodation through changes of use. Demand for older living accommodation is therefore predicted to increase in future in response to a growing lack of viable alternatives for older Londoners.

## DIFFERENT FORMS OF HOUSING FOR OLDER PEOPLE

How then to respond to increasing demand and deliver adequate "older persons' accommodation"? Firstly, the phrase "older persons' accommodation" itself is somewhat nebulous and covers a wide spectrum of potential housing choices. This ranges from mainstream housing which is adapted overtime to suit the needs of its inhabitants to specially designed and managed developments such as 2 Kensington Square (a care home specialising in dementia), which Gerald Eve provided planning advice on.

UK Planning Policy Guidance classifies housing options according to the level of care provided: with age-restricted general market housing providing the least amount of care, followed by retirement living or sheltered housing, extra care housing or housing-with-care and finally residential care homes and nursing homes.

The majority of older people in the capital still live in mainstream housing. This is reflective of the country at large with 90 percent of those aged 65+ living in mainstream housing in England, six percent in specialist retirement housing and five percent in residential care, according to the Centre for London Third Age Report 2021.

## IMPORTANT FEATURES OF OLDER PERSONS' HOUSING

There is clearly a range of housing options available to older generations with some options more suited to certain individuals than others.

Regardless of the type of housing, however, all older persons' accommodation should be well-designed and accessible. Inappropriately designed or unsafe accommodation can have detrimental impacts on older people by exacerbating mobility constraints both inside and outside the home, thereby posing threats to physical health, as well as increasing the likelihood of loneliness and isolation.

In addition to this, [research](#) conducted by the Centre for London details the importance of adequate space within units to adapt to changing needs, for example, sufficient space to accommodate a wheelchair or mobility scooter. Location also plays a significant role in suitability – units should be well-located near to transport links and local amenities with easy access to greenspace. All these elements enable a level of independence and dignity to be preserved and enable normal life to continue for as long as possible.

Despite this, affordability plays a critical role in determining which forms of housing older Londoners can afford, as research published by Age UK in 2022 confirmed that a quarter of pensioners in London currently live in poverty. Indeed, single pensioners and members of ethnic minority groups are most vulnerable to poverty in old age, thereby demonstrating the intersectional nature of poverty and the ways in which different levels of societal disadvantage interact with and compound one another.

The high prevalence of renting in the capital brings an additional element of instability with 35 percent of people aged 65 and over in London renting in comparison to an average of 27 percent across the country according to Centre for London. Indeed, whilst homeowners may be considered asset rich, they may nevertheless have little liquidity available to spend on home adaptations or care costs. The rising rental costs and the current cost of living crisis are continuing to exacerbate these challenges.

It is clear therefore that older people remain vulnerable in the face of the capital's housing crisis. Planning and development in London therefore have a challenge to deliver this specialist housing needed.

## THE PLANNING SYSTEM AND ITS KEY CHALLENGES

### **Lack of clarity surrounding options both on the behalf of developers and older people**

The large range of housing options available mean that the nuances between the various typologies can be unclear. As a result, many older people lack the appropriate knowledge to make an informed decision about their next steps.

This confusion can create a situation whereby older people are forced to rely on the age-old (no pun intended) generational pact. Younger relatives may choose to care for older relatives in-situ or, where necessary, move granny or grandad into their own homes.

Alternatively, older people may remain living independently at home in accommodation which will become increasingly ill-suited to their changing needs, or move into specialist housing which provides a level of care, if this is something they can afford.

### **Lack of statutory definitions and targets**

The situation is compounded by a general lack of clarity surrounding statutory definitions and targets within the planning system. Under the current use class system, most residential housing, such as adapted mainstream housing, falls under use class C3 with facilities offering any form of "care" under use class C2.

This division does not easily accommodate “extra care” housing, where people have their own flat or apartment (in comparison to a bedroom and bathroom), but where personal care is provided on site. Indeed, the use class designation for a particular development is currently at the discretion of the local planning authority.

The London Plan aims to deliver approximately 4,000 specialist older persons' housing units and 867 care homes beds per annum between 2017 and 2029 and has included a specific policy to bring forward specialist older persons' housing schemes (Policy H13).

Despite this, the distinction between care homes and specialist older person's housing is not always clear. Furthermore, whilst the Care Quality Commission regulates the care provided in care homes, there are no such agreed quality standards in the planning system.

#### **Lack of borough-level policy guidance**

The inclusion of individual borough targets within the London Plan does not guarantee that specialist older persons' housing has been accounted for within borough-level local plan with research conducted in 2019 by Irwin Mitchell finding that the majority of London boroughs (19 out of 32) did not include a clear policy on the quantity and typology of units required to meet demand. The time required to prepare and adopt a new Local Plan also means it is challenging to rectify the absence of clear planning policy in the short term.

In addition, general government guidance on the delivery and monitoring of older persons' accommodation is non-committal. Planning Policy Guidance states that local planning authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people, which could provide indicative figures of units.

Furthermore, LPAs can include the provision of housing for older and disabled people when preparing the Authority Monitoring Report i.e., LPAs should develop a clear policy to deliver older persons' housing, but they do not have to establish minimum requirements or monitor the delivery of these units. It may be that the changes proposed in the NPPF, and the new older people's housing taskforce addresses some of these issues.

#### **Viability challenges associated with the delivery of older person's accommodation**

Furthermore, although the London Plan has defined a target for the delivery of specialist older persons' housing, the London-Wide Strategic Housing Market Assessment (SHMA) which is conducted on behalf of the Mayor to evaluate overall housing need within the capital has identified a need for 66,000 additional homes per year up to March 2029.

It is important to note here that this figure covers total housing need and combines mainstream housing with specialist accommodation such as purpose-built student accommodation and specialist older person's housing within the overall figure.

There is therefore a clear need for the delivery of mainstream housing and the delivery of flexibly designed and easily adaptable mainstream housing can certainly contribute to providing appropriate accommodation for older Londoners.

Despite this, the costs associated with delivering older persons' accommodation such as high-land prices, and the requirement to deliver affordable housing can create challenges in the development of high-quality, sustainably located schemes.

In-built care costs must also be factored into development appraisals which can place further strain on what can reasonably be delivered.

#### **WHERE TO NEXT?**

Clearly there is a disconnect between the need to provide adequate, affordable, and adaptable housing for the capital's older generations and the fiscal barriers which prevent its delivery. But what are the potential solutions?

1. Clarify statutory definitions and minimum standards for the different types of older persons' specialist housing across all departments and organisations. This will reduce the confusion on behalf of developers and prospective tenants alike and aid in the development of appropriate policy which can effect change.
2. Provide guidance on policy to incentivise accommodation for older people with preferential CIL rates discounting shared communal space. This would ease the burden of the higher cost / lower return nature of older persons' accommodation associated with the lower density design and help to level the playing field with mainstream housing.
3. Encourage the delivery of mainstream housing which can be adapted to meet tenants' needs throughout their lifetime. Certain adaptations like step-free entrances and level-access bathrooms are not only useful for lots of people including those with disabilities but would also enable older generations to continue living in their homes as they grow older.
4. Build up public support for the delivery of increased quantum and quality of older persons' accommodation.

We also understand that the GLA are preparing some Supplementary Planning Guidance on senior living to provide further clarity on the situation which will be published for consultation in the next few months.



## GERALD EVE'S EXPERIENCE

We have extensive experience advising clients on the complexities and challenges in regard to accommodation for older people and securing planning permission being instructed by the leading service providers including, Sunrise Senior Living and Signature Senior Lifestyle, securing planning permission for over 3,500 new care places in England.

We also recently provided financial viability advice to Berkeley Homes in providing 104-units for over-65's as part of their Paddington Gate development allowing them to secure a new senior living operator.

Other clients we are advising in the sector include acting for Auriens in St John's Wood and Riverstone at Cundy Street as well as advising developers Maplewood Senior Living and Elysian Residences.

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