

# Chain Reaction

The positive impact of specialist retirement housing on the generational divide and first-time buyers



A report by



STRATEGY for

Homes for Later Living 

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# About Homes for Later Living

Homes for Later Living has been set up to promote greater choice, availability and quality of housing specifically for older people. It comprises Churchill Retirement Living, McCarthy & Stone and Lifestory Group (made up of Pegasus and Renaissance) and operates alongside the Retirement Home Builders Group within the Home Builders Federation (HBF).

Homes for Later Living exists to promote all types of housing which are specifically designed, built or adapted for people over the age of 60. These properties are operated in the long-term interest of residents, so that as people grow older and their needs change, they can choose to live in a property that works for them.

Homes for Later Living properties mean specially designed housing suitable for older people who want to maintain the independence and privacy that comes with having a home of their own, but may want access to varying degrees of support and care, plus an in-built social community.

Typically built for people who no longer want or need a family-sized house, and often taking the form of apartments or bungalows, our developments are designed to help people remain independent, safe, secure and sociable for as long as possible.

One of the key differences between new-build housing for older people and new-build mainstream housing is the provision of extensive communal areas where neighbours can socialise, host visitors and be part of a friendly, like-minded community.

Another key difference is the presence of an on-site manager or team, someone whose role is to look out for people's welfare, be a point of call if help is needed, make sure the communal areas are well-maintained and to be a reassuring, friendly presence.



## About the author



### Chris Walker

Chris Walker is an associate at WPI Strategy and a former government economist, who spent over 12 years as a civil servant in the Treasury, Department for Work and Pensions, and the Department for Communities and Local Government where he was a senior economic adviser. He now works as a research and economic consultant on housing, planning and local economic growth.



# Foreword



## By Damian Green MP

Throughout the coronavirus pandemic, there has been suffering and hardship on both sides of the generational divide. Early on, we learned that older people faced an increased risk of becoming seriously ill and dying from COVID-19. Within a few weeks of lockdown, charities were reporting increased cases of confusion and loneliness among older people.

At the same time, young adults have been most likely to lose work or see their incomes drop because of lockdown. Those yet to enter the jobs market have seen their education disrupted on an unprecedented

scale. Today's young people have been dubbed the "coronavirus generation", with experts predicting that the pandemic will have a long-lasting effect on their lives.

As we try to rebuild the economy, there has been an understandable focus on policies which work for the coronavirus generation. The challenge that we face is how to provide for help for young people without taking anything away from older people who have worked hard all of their lives and also suffered in the pandemic. In previous years, it was too easy to pit baby boomers and millennials against each other. Now, more than ever, we need policies that work across the intergenerational divide.

Housing is an obvious area for policy-makers to start and in his summer statement the Chancellor raised the threshold for stamp duty to £500,000. The intervention will make it easier for first-time buyers struggling to save up the deposit for their first home. At the other end of the market, it could incentivise the many older people who are desperate to downsize into more suitable retirement accommodation.

For older people, specialist developments can be the key to a happy and healthy retirement. During the pandemic, specialist retirement housing kept many older people safe, with residents better protected against COVID-19 than in wider society. And with residents less likely to be admitted to hospital and require further care than people in mainstream housing, we have seen how this type of accommodation can generate fiscal savings to the NHS and social care services.

But many older people are now living in care homes that were badly hit during the pandemic. Many more are in family-sized homes that are not suitable for their needs. Often those in later life find themselves stuck in properties that are remote from shops and services, hard to maintain and away from friends and family.

A significant number of people over the age of 65 would like to downsize into more suitable accommodation, yet they are unable to do so. This causes a bottleneck in the housing market that ripples down to first time buyers who are prevented from becoming part of the property-owning democracy. Without action now, with an ageing society, the problem is only set to get more acute across the UK.

In his excellent book *The Pinch*, my colleague Lord Willetts sets out the provocative argument that baby boomers have broken the intergenerational contract. While the first edition was published a decade ago, the argument resonates with extra potency as we emerge from lockdown and many young people are still struggling to get onto the housing ladder.

By incentivising the building of more new retirement properties, we can take a step towards unblocking the housing market and ultimately help first-time buyers onto the ladder. At the same time, we would make progress towards ensuring that more vulnerable older people are happier, healthier and better protected against future pandemics. As we emerge from the shadow of coronavirus, that would be a much-needed win-win for both baby boomers and millennials.

**The Rt Hon Damian Green is Conservative MP for Ashford and Chair of the All-Party Parliamentary Group for Longevity. In 2017, he served as First Secretary of State.**

**"Now, more than ever, we need policies that work across the intergenerational divide."**

However, cutting stamp duty is not the only policy that can work across the generational divide to drive housing market transactions. To get results here, the Chancellor and the Secretary of State should also consider measures to encourage the building of more private retirement housing.

This approach could help older and younger buyers, with the research in this report showing that building more specialist retirement housing can stimulate both ends of the market. We can see that if all of those people 65 or over who want to move were able to do so, in time this would free up nearly two million spare bedrooms, predominantly in three bedroomed homes with gardens, which are ideally suited for young families with children. The chain impact would then help first time buyers, with the research suggesting that for every three new retirement homes sold, two first time buyer homes would become available.





# Executive summary

For many people under the age of 40, the idea of owning a home has become a pipedream with prices and deposits across much of the country becoming increasingly unaffordable. For people entering retirement, concerns often revolve around health and how they will keep on being as independent as possible in their later years.

The current coronavirus pandemic may well have entrenched the concerns of both groups. Many older people have suffered from elevated health concerns and social isolation, while the economic prospects of the young are the main concern of that generation.

A knee-jerk reaction to the seemingly divergent needs of the two generations and the political fall-out, would be to suggest that politicians must pick a side. Do they shape policy in the interest of young people or do they focus on keeping the older generation happy? Yet such a reaction is of course deeply unhelpful. The fact is that housing policy can work for both the old and young. The two outcomes should not be seen as mutually exclusive, but as being mutually supportive.

Our previous report demonstrated that building more specialist retirement properties would have significant health and wellbeing benefits for those moving into them, generating significant fiscal savings to the NHS and social care services of approximately £2.1bn every year. Even over the last few testing months, residents of Homes for Later Living have also typically remained happy and healthy during the coronavirus pandemic, with infection rates lower than those seen among older people in mainstream housing.

In this report, we demonstrate that helping more people who wish to downsize would not just benefit the older generation and the NHS, it would also help young families looking for a family-sized home with a garden, perhaps near a school or a park. And, through the chain effect running through the housing market, it would address the prime concern of the younger generation by paving the way for the release of more first-time buyer homes back onto the market.

Government targets are set at delivering 300,000 homes a year by the middle of the current decade. Our analysis shows that building 30,000 retirement properties a year over the next decade - i.e. one tenth of the overall target, and a conservative estimate for what demand is for this type of property - could be a major driver in building bridges between generations. Our analysis finds that:

- 1. Approximately 3 million people in the UK over the age of 65 (or 25 per cent) want to downsize.**
- 2. 90 per cent of projected household growth<sup>1</sup> in the coming decades is set to be amongst those aged 65 and over, taking the total number of homes owned by those aged 65 and over from 3.9 million today to at least five million by 2030.**
- 3. If all the homeowners over the age of 65 in England who wanted to move were able to do so, they would directly release one million properties back onto the market and free up two million spare bedrooms.**
- 4. Our estimate is that every Homes for Later Living property sold generates two moves further down the housing chain, and in certain circumstances this may be more. This frees up homes at differing stages of the housing ladder for different demographics. A typical Homes for Later Living development which consists of 40 apartments therefore results in 80 additional moves further down the chain. If 30,000 later living properties were built per year (10 per cent of the Government's overall housing target) this would mean 60,000 or more additional house moves are facilitated each year.**
- 5. Roughly two in every three retirement properties built releases a home suitable for a first-time buyer. A typical Homes for Later Living development which consists of 40 apartments therefore results in at least**

**27 first time buyer properties being released onto the market. If 30,000 Homes for Later Living properties were built per year (10 per cent of the Government's overall housing target) this would be at least 20,000 first time buyer properties being released each year.**

It is becoming increasingly clear that, with an ageing population, we must think very differently about the type of housing we want to build in this country. Over the next decade we can expect homes occupied by people over 65 to account for 90 per cent of all household growth. As it currently stands, many of their homes have two spare bedrooms or more.

While plenty of people are happy to stay in the family home as they grow older, we know that many other people would appreciate the option to move into suitable retirement accommodation. In 2016, McCarthy & Stone found that 33 per cent of homeowners aged 55+ were considering or expected to consider downsizing.



Our new polling suggests that one in four people over 65 - or approximately 3 million in the UK - actively want to downsize. In terms of households, there would appear to be close to one million owner-occupier households in England that want to downsize. However, by our calculations, people over the age of 65 are two and a half times less likely to move than people under the age of 65. The average under-65 person moves every 12.5 years, but the equivalent figure for over 65s is 33 years because such a large number simply never move because of the barriers to doing so. Quite simply we need to give older people more opportunity to downsize should they wish to. At the moment we simply aren't seeing this happen.

Our new polling highlights a number of barriers that are currently stopping older people from moving home. And our analysis shows that encouraging the building of more retirement properties will not only give our ageing population more flexibility to move when they wish, but that the knock-on impact of freeing up family sized homes will also help younger generations, whether they are looking to upsize or to purchase their first property.

In tangible terms, building 30,000 specialist retirement units a year (up from 8,000 properties that are currently built annually) would not just hit a tenth of the Government's housing supply target. Over 10 years it would mean 300,000+ new specialist retirement homes and 600,000+ additional purchases in the secondary market as well as 180,000+ first-time buyer homes freed up. Building first-time buyer homes is a desirable goal and necessary to the market, however, it does not have the same desirable knock-on impact down the housing ladder.

Armed with these new figures, we can see that diversifying the housing market for buyers is the best way to tackle the housing crisis, with the upcoming Autumn Budget presenting opportunities for action. It is our contention that the Government should commit to making 10 per cent of its housebuilding target specialist retirement housing. And to encourage downsizing, we would like to see a permanent stamp duty holiday for older people who are selling up and moving into specialist retirement housing. In this report, we can see why these actions would be a win-win for policymakers who are genuinely interested in bridging the growing generational divide and the wider health and liquidity of the housing market.



# Introduction

- **Intergenerational progress in the UK has stalled. Both baby boomers and millennials have different pressing concerns. The coronavirus pandemic has only compounded the problems on both sides on the divide.**
- **As both parties look to bridge the disconnect, housing looks set to be the policy area with the most potential. The stamp duty holiday announced in Chancellor's July 2020 statement is a welcome move. But with people in the UK living longer than they used to, more still needs to be done to help older people who want to downsize.**
- **During the coronavirus pandemic, most residents of Homes for Later Living properties remained happy and healthy. Our previous research has also highlighted huge potential savings for the NHS from more Homes for Later Living properties.**

Evidence on the experience of different generations in modern Britain has been mounting and it is clear that generational progress has stalled. For young people, the most prominent worry relates to declining levels of home ownership. Millennials, classed as those born between 1981 and 2000, are now half as likely to own a home at the age of 30 as baby boomers had been at the same age. To make matters worse, millennials are now spending an average of nearly a quarter of their net income on housing, three times more than the pre-war generation. In areas such as housing there are now real questions about whether today's young people will do as well as their parents.

For the older generation, healthcare is the big concern. The increasingly uncertain state of adult social care services has left many baby boomers feeling that they are at risk of not getting the health and care they need. The Intergenerational Commission convened by the Resolution Foundation has stated that "the biggest concern for older generations is likely to be the challenges facing the welfare state in delivering on its commitment to meet their health and care needs in the coming decades".

The coronavirus pandemic has only compounded the problems on both sides of the divide. Older people have faced an increased risk of becoming seriously ill and dying from COVID-19 alongside numerous cases of severe social isolation. Meanwhile, there is a body of evidence to suggest that economic consequences of the COVID-19 pandemic have been particularly negative for young people. On the eve of the coronavirus outbreak, workers aged below 25 were more likely than other workers to be employed in sectors that have been effectively shut down as part of the UK lockdown and they are more likely to have lost their jobs since then, according to the Institute for Fiscal Studies.

As both parties look to bridge the intergenerational disconnect and appeal to voters of all ages, housing looks set to be the policy area with the most potential. Currently housing can be seen as a divisive issue between generations.

Of course, there is no reason why housing policy should pit the generations against each other. But to get results that resonate with both younger and older voters, our politicians must be prepared to think differently about the problems they are presented with.

Previous attempts to fix the housing crisis have focused on getting more young people onto the housing ladder. The most publicly prominent of the recent government policies has been 'Help To Buy', which lets first-time buyers access a loan of up to 20 per cent of the purchase price (40 per cent in London). The Government has also introduced stamp duty relief for first-time buyers spending under £500,000 on a property.

Against this policy backdrop, the stamp duty holiday announced in Chancellor's July 2020 statement is a welcome move that both older and younger generations can benefit from. But with people in the UK living longer than they used to and with increasing numbers of older households, much more could be done. Why are we not talking about the increasing numbers of older people who would like to move to retirement accommodation but feel they don't have enough choice? Housing policy rightly encourages the building of homes for first-time buyers but we need more homes for people in later life as well.



It is clear that the demand is there for this type of housing. Previous research into this area has indicated that many older people would like to downsize, but they have reported it would be difficult or not possible to move.

In 2018, the Commons Communities and Local Government Committee concluded that "although a sizeable minority of older people wish to move, the evidence suggested that a combination of practical, financial and emotional barriers prevented or, at least, delayed the process". Other Parliamentarians have also pointed to the lack of suitable housing, with the House of Lords Committee on Intergenerational Fairness stating in 2019 that "the generation born between 1946 and 1965 is substantially larger than subsequent or preceding ones. We have heard that there is an inadequate supply of housing that is adaptable or specialised to meet the needs of this larger cohort as their care needs increase".

In 2019, a report by the Cass Business School concluded that housing policy is too concentrated on first-time buyers and should be refocused towards 'last-time buyers' to encourage those aged 55+ to downsize. Professor Les Mayhew found that too many older people are stuck in houses that no longer suit them with a lack of affordable alternatives of suitable quality and size. His evidence suggested that the government should refocus policy on 'last-time buyers' to encourage downsizing, including via the planning system and tax incentives.

In this report, we build upon these studies and our own previous research making the case for Homes for Later Living properties, which offer private apartments with varying levels of support and social interaction for those who want to remain independent for as long as possible by living in a safe and sociable environment.



Thankfully, residents of specialist retirement developments remained healthy during the coronavirus pandemic. The average age of a resident in a Homes for Later Living property is 83. As such our residents have been firmly in the highest risk category and yet between the Homes for Later Living developers, the case rate has been between 3.5 and 4 cases per 1,000 residents. This is approximately half the level seen in the over 65 population generally and very different to the scale of coronavirus deaths in care homes which has been shocking and tragic.

This comes after our first report for this series showed that by maximising independence and increasing social interaction, specialist retirement developments can significantly improve the wellbeing of older people. On a selection of national well-being criteria such as happiness and satisfaction, an average person aged 80 feels as good as someone 10 years younger after moving from mainstream housing to housing specially designed for later living.

Our previous research also found that because each person living in a Homes For Later Living property enjoys a reduced risk of health challenges, they contribute fiscal savings to the NHS and social care services of approximately £3,500 per year. This means that, in addition to those existing, building 30,000 more retirement housing dwellings every year for the next 10 years would generate fiscal savings across the NHS and social services of £2.1bn per year.

Our analysis should therefore be seen in the context of health and care being the biggest concern for many older people. Building more retirement housing every year would therefore not just be good for the wellbeing of many older people but also the NHS balance sheet.

On top of this, our new analysis explores how building these homes will be beneficial to the wider housing market, freeing up thousands of family-sized homes as well as those for first-time buyers. In this way, we can see more clearly than ever how building more Homes for Later Living properties can simultaneously help people at the top and bottom of the housing ladder.



- Across the UK, older households are becoming increasingly common. The fastest growing household demographic is amongst those over 80.
- In this report we will focus on homes owned by people over the age of 65 as a whole - the group which represents the most significant future projected household growth.
- Throughout the report, we maintain that a healthy housing market should depart from an automatic assumption that older homeowners 'don't need to move'.

We currently have a housing supply policy geared towards encouraging the building of first-time buyer homes. Given the issues that young people face around the high cost of housing, this focus is entirely understandable. But an expected dramatic increase in the number of older households should give politicians pause for thought.

Across the UK, older households are becoming increasingly common. The population growth among over 65s continues to outpace younger population growth and thus make up a bigger share of households.

Table 1: Projected household growth by age band, to 2030 and 2045, England

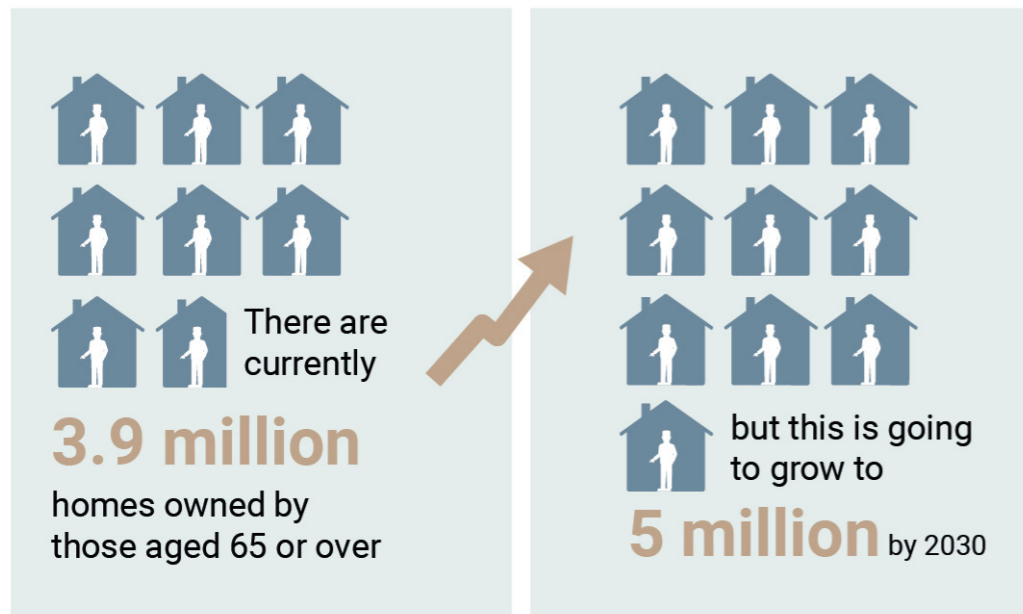
	Increase in total number of households by 2030		Increase in total number of households by 2045	
	New households	% of all new households	New households	% of all new households
80+	+989,057	50%	+1,777,746	49%
65 to 79	+808,095	41%	+1,527,220	42%
Under 65	+173,254	9%	+327,467	9%
All	1,970,406	100%	3,632,433	100%

Source: ONS Household Projections (2016-based)<sup>1</sup>

Looking over the available data, it is immediately evident that the fastest growing household demographic is amongst those over 80, closely followed by the 65-79 group. Meanwhile, the younger household demographic is growing the most slowly. The ONS population estimates - both historic and projected - show that the under-65s population is broadly static, with very modest household growth coming through increasingly small household sizes.



Looking ahead, the trend of households getting older is only set to become more pronounced. According to the latest ONS household projections, more than 90 per cent of projected household growth is among households aged 65 or over.<sup>2</sup> 50 per cent of all projected household growth is among households aged 80 or over, in which people are far more likely to have a long-term health condition or disability for which they require long term care. This is also the average age of people choosing to move to retirement accommodation. By looking at the projected increase in the number of homes owned by those over 80 alongside younger households, ONS data shows us that this is where household growth is being fuelled.



In this report we will focus on homes owned by people over the age of 65 as a whole, to explore and understand the challenges faced by the group which represents the most significant future projected household growth. Throughout the report, we maintain that a healthy housing market should depart from an automatic assumption that older homeowners 'don't need to move'. As time goes on, this gets increasingly important. Indeed, the lack of older household transactions becomes ever more conspicuous as over 65 population growth continues to outpace younger population growth and thus consume an increasing share of households.

According to Savills, the UK housing market currently has a value of £7.4 trillion and 46 per cent, or £3.4 trillion of this, is owned by older people.<sup>3</sup> Allowing those older people who want to downsize to do so would give them additional liquidity as concerns about care and cost burdens related to health increase as well as freeing up that equity for younger people to access.



CHAPTER 3

## Under-occupancy and empty bedrooms

- In many cases, older people are living in larger family houses with plenty of spare rooms. Most commonly they are in three-bedroom homes.
- We can reliably estimate that 2.5 million homes owned by people aged 65 or over are under-occupied using the standard definition.
- Larger under-occupied homes belonging to older homeowners tend to be more common in the south of England.

Many older people are happy living in the family home and have no wish to move. Others are actively looking to find more suitable accommodation for their retirement years, where they can be happier and healthier and not have to worry about maintaining an under-occupied property, which potentially becomes hazardous for them.

Under the standard definition of under-occupancy, having just one spare bedroom does not count as under-occupied, but having two spare bedrooms or more (e.g. just one bedroom in constant use as a bedroom in a three-bed house) does. Under-occupied properties in particular often come with health warnings attached. They can be difficult and costly to keep warm and maintain. They may also be some distance from friends, relatives and even immediate neighbours, leading to an increased risk of social isolation.

With these factors in mind, it should be seen as a public policy good to make it easier for people to downsize as their accommodation needs change in later life. Furthermore, if under-occupancy is reduced among the older generations, these same bedrooms are freed up for growing families who need the additional bedrooms, and who themselves may be moving out of homes suitable for first-time buyers. This chain thus addresses problems in all parts of the housing market.

In fact, in many cases, older people are living in larger family houses with plenty of spare rooms. According to the 2011 census, there were 22.1 million households in England at that time and there are 23.2 million today according to the official household projections.<sup>4</sup> Of these households, most (41 per cent) occupied three-bed homes. A further 40 per cent occupied one or two-bed homes, while 19 per cent occupied four-bed (or more) homes.<sup>5</sup>

In 2011, 20.7 per cent of all homes were occupied by people aged 65 or over. Amongst these older households, the distribution was relatively *more* skewed towards one and two bed homes (48 per cent of households) compared to younger households (39 per cent). But the distribution to three-bed homes is roughly the same at circa 40 per cent.



Further, the average home occupied by those aged 65 or over in England has 2.5 bedrooms, whereas the average home occupied by those under the age of 65 in England has a similar 2.8 bedrooms. So, these older households which typically use only one bedroom have nearly as many bedrooms as younger households which typically use more bedrooms. There is little regional variation of average bedroom numbers apart from London, where the average home owned by someone over 65 has 2.3 bedrooms and the average home owned by someone under 65 has 2.5 bedrooms.

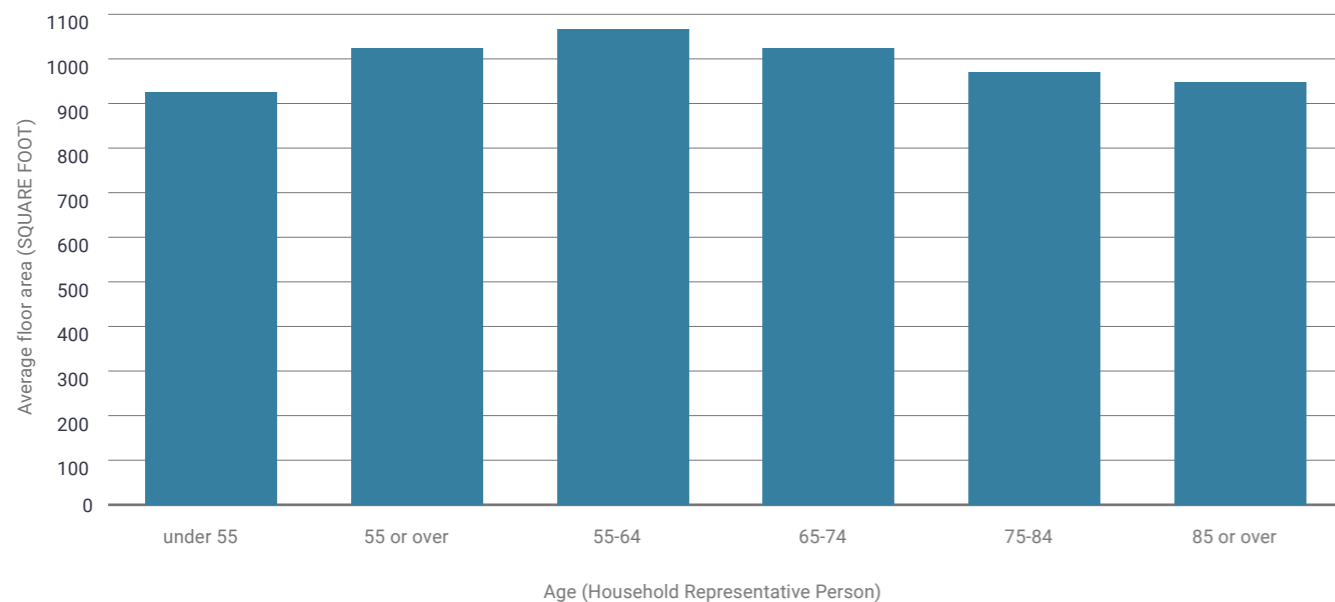
From a recently conducted survey of Homes for Later Living residents who have moved in the last two years, most residents had moved from a house they occupied alone with two bedrooms or more, and around half had three bedrooms or more.<sup>6</sup> Of these, almost all had a garden and lived within walking distance of a school.<sup>7</sup>

We can also clearly see that older households tend to have more space. The English Housing Survey's special report *Housing for Older People* in 2014/15 observed that older households have *larger* homes than younger households, by floor area. It reported a 'younger household' (defined as having a head of household under 55) home has an average 926 square foot floor area. This is smaller than the homes of houses where the head of household is aged 80 or over where the average floor area is 947 square foot.

Figure 1: Average floor area of household homes, by age band, England

Source: English Housing Survey's special report on Housing for Older People, 2014/15

Regardless of age, the owner-occupied sector is the most under-occupied sector of the housing market. Drilling



down further to look just at owner-occupation as opposed to all tenures, there are 3.9 million *owner-occupied* households today where *all* occupants are aged 65 or over.<sup>8</sup> Most three-bed and four-bed homes owned by such households are under-occupied because they typically have only one bedroom in use. Allowing for one spare bedroom, for example, implies most three-bed homes are under-occupied by one bedroom and most four-bed homes are under-occupied by two bedrooms.

Using a combination of census 2011 and the latest ONS household projections we can reliably estimate that 2.5 million of 3.9 million homes owned by people aged 65 or over, or 64 per cent, are under-occupied under the standard definition. This compares to just 41 per cent under-occupancy for under 65s who are homeowners.<sup>9</sup>

There appears little regional variation in under-occupancy among over 65s who are homeowners on this measure – the unexpected slight outlier is the West Midlands where 69 per cent are under-occupied. For London it is 62 per cent, close to the national average of 64 per cent.

Of the 2.5 million under-occupied homes belonging to homeowners aged 65 and over, 1.9 million - or 77 per cent - are three-bedroomed. In the North East, the corresponding figure is 83 per cent but in the South East it is only 70 per cent. Larger under-occupied homes belonging to homeowners aged 65 and over tend to be more in the south of the England. In the South East, 30 per cent of under-occupied homes belonging to 65+ homeowners are four and five bedroomed.

In the North East, only 17 per cent of homes belonging to 65+ homeowners are of this size. This suggests that suitable specialist retirement housing is at a premium in the South East in particular. But across the country there will be homeowners who are missing out on the benefits of specialist retirement accommodation with varying degrees of support and care. Wherever they are in the UK, homeowners should have a choice about whether they stay in the family home or downsize to specialist retirement accommodation.

Table 2: Share of homes owned by people aged 65 or over that are under-occupied, by number of bedrooms (%), by region

	Share of 65+ homeowner homes that are 3-bedroomed	Share of 65+ homeowner homes that are 4-bedroomed	Share of 65+ homeowner homes that are 5-bedroomed
North East	83%	14%	3%
North West	81%	15%	3%
Yorkshire and The Humber	82%	15%	3%
East Midlands	79%	17%	4%
West Midlands Region	80%	16%	3%
East of England	74%	22%	5%
London	77%	18%	5%
South East	70%	24%	6%
South West	73%	22%	5%
ENGLAND	77%	19%	4%

Source: Census 2011<sup>10</sup>





# Who wants to move?

- New polling suggests that around 25 per cent of older people actively want to downsize. This percentage rises with the number of rooms in the house.
- As many as 3.1 million people may therefore feel they have no choice but to stay put rather than downsize.
- If all the households that wanted to move did so, it would free up 1 million under-occupied bedrooms and 2 million spare bedrooms.

All the evidence suggests that a significant proportion of older people are interested in leaving the family home and moving into suitable retirement accommodation. In 2016, McCarthy & Stone found that one in three homeowners aged 55+ (32.6 per cent) were considering or expected to consider downsizing.<sup>11</sup>

When Demos has done polling on this subject over recent years, the figures have tended to be consistent. According to Claudia Wood of Demos: "The estimate is that between a quarter and a third of older people are interested... It is just under 3 million people in all."<sup>12</sup>

Our latest polling was conducted in July 2020, with slightly different questioning to previous studies. Crucially, we asked whether people actively wanted to downsize, rather than exploring whether they would be likely to move in the future if they were able to, and if suitable properties were available.

The new polling shows that 23 per cent of older people want to downsize, rising to 25 per cent when you exclude those who say they don't know. This percentage rises with the number of rooms in the house. According to ONS data, there are currently 12.3 million people over the age of 65 in the UK. This suggests that there are approximately 3 million people who want to downsize. Meanwhile only six per cent of respondents, aged 65 and over want to *move and upsize*, versus the 27 per cent of 35-64 households that want to do this.

On a more granular level, our analysis shows that there are four million owner-occupier households in England alone where all the occupants are 65 and over. With around 3.9 million homes owned by people aged 65 and over in England in 2018, applying the same polling suggests at least one million - or a quarter - of them want to downsize in the future.

Table 3: Would you like to upsize or downsize your home in the future?<sup>13</sup>

Age bracket	Yes - upsize	Yes - downsize	No - neither
35-64	27%	18%	40%
65+	6%	23%	62%

Using the representative under-occupancy rate amongst these homeowners over the age of 65 from our earlier census 2011 analysis, this would free up as many as 480,000 three bed homes, 125,000 four bed homes and 30,000 5+ bed homes, with an estimated 820,000 under-occupied bedrooms freed up across these released homes.

Recent studies have found an overwhelming preference amongst older people for two bedroom homes.<sup>14</sup> If all these people moved it would of course free up an equivalent number of homes – these would be larger homes often in areas attractive for young families being released onto the market – the average home having nearly three bedrooms according to the same survey. Again, three bedrooms usually implies one under-occupied bedroom. A three-bedroomed home would be comfortable for a young couple with two children. This suggests, as a crude estimate, that nearly one million under-occupied bedrooms - and indeed two million spare bedrooms all told - could be freed up by one million homeowners over 65 moving and downsizing, were an equivalent number of suitable homes built for them.



**25%**  
of people aged 65 or over want to downsize - this currently equates to **3 million people**





## Who's actually moving?

- According to the official figures, there were around one million residential property transactions in England in 2018/19.
- By combining data sources we can see that almost a third of these were first-time buyers and more than one in five were buy-to-let or holiday home buyers.
- We also calculate that the average under-65 person moves every 12.5 years, but the equivalent figure for over 65s is 33 years because such a large number simply never move because of the barriers to doing so.

There are reasons why newspapers regularly devote column inches to the plight of the many young people who cannot afford to get on the housing ladder. One is that becoming a homeowner is one of the pivotal moments in life for many Britons. Leaving behind the rental sector is often posited as a fundamental good. This also helps to explain why housing policies have traditionally been geared towards getting younger people into the housing market, rather than helping older people to find suitable accommodation for their retirement years.

In an idealised housing market, we would see people of all ages moving, roughly according to their desire to do so. From our polling above we can see that roughly a quarter of older people would like to move and roughly a third of people between 35-64 would like to move. As a result, we would hope that the difference between outcomes would be relatively minor.

According to the official figures, there were around one million residential property transactions in England in 2018/19 and 1.2 million in the UK.<sup>15</sup> The 1,006,540 residential transactions in England break down as below:

- 213,900 claimed first-time buyer's relief from stamp duty
- 223,220 were buy to let and holiday home buyers, as captured by residential properties attracting the higher rate of stamp duty for 'additional dwellings'
- 569,420 were other residential transactions but will include a small number of first-time buyers, including those below the £125,000 where stamp duty isn't payable

The Regulated Mortgage Survey (RMS) also shows 299,410 first-time buyer mortgages advanced in England in 2018/19 (circa 360,000 in the UK). There may also have been a small number of cash-only first-time buyers, but these are quite rare. Combining the HMRC and RMS data for *England only* we have:

Table 4: Composition of housing market by category of buyer, England, 2018/19

Category of buyer	Number of buyers in 2018/19
First-time buyers	299,410 (29.7%)
Buy to let & holiday home buyers	223,220 (22.2%)
Home-movers	483,910 (48.1%)
Total	1,006,540 (100.0%)

Sources: HM Revenue & Customs<sup>16</sup> and Residential Mortgages Survey<sup>17</sup>

The HMRC transactions (stamp duty) data also breaks down regionally. As a share of the English total, most transactions occur in the South East (17 per cent). The least occur in the North East (4.5 per cent). This is largely reflective of the national distribution of households across the regions i.e. the South East has the most households and the North East has the least. But the North East also has fewer transactions per household at 3.9 per cent than the national average of 4.3 per cent alongside London (3.4 per cent).

The 2015 'Housing for Older People' special edition of the English Housing Survey reported that, across all tenures, only nine per cent of older homeowners had moved within the last three years versus 36 per cent of younger homeowners.<sup>18</sup> The 'annual move' equivalents would be roughly three per cent and 12 per cent respectively, though for younger households much of this will be 'high churn' amongst renters.

According to the latest English Housing Survey (EHS) there were 617,000 purchases for homeownership, between 2017/18.<sup>19</sup> Of these, 100,000 were amongst homeowners aged 65 and over with an average of 95,000 from 2012/13 to 2017/18. Given the ONS's estimated current 4,984,812 65 and over homes, that means nearly two per cent of these homeowners moved in the latest year.<sup>20</sup> For homes owned by under 65s the figure was 5.3 per cent, or two-and-a-half times as high.<sup>21</sup> The English Housing survey does not capture all owner-occupier transactions – the Land Registry figures are around 50 per cent higher – implying that around three per cent of homeowners aged 65 and over move each year and eight per cent of homeowners under 65 do.<sup>22</sup>

The implication of the three per cent figure is that the average homeowner aged 65 and over moves every 33 years (12.5 years for the average homeowner under the age of 65). In other words, most people do not move house after they reach the age of 65. Rather, the majority of homeowners over 65 are opting to 'stay put' for the rest of their lives. If these older households were moving as much as other age groups, there would be at least twice as many older owner-occupier household transactions each year.



## How normal is the recent housing market?

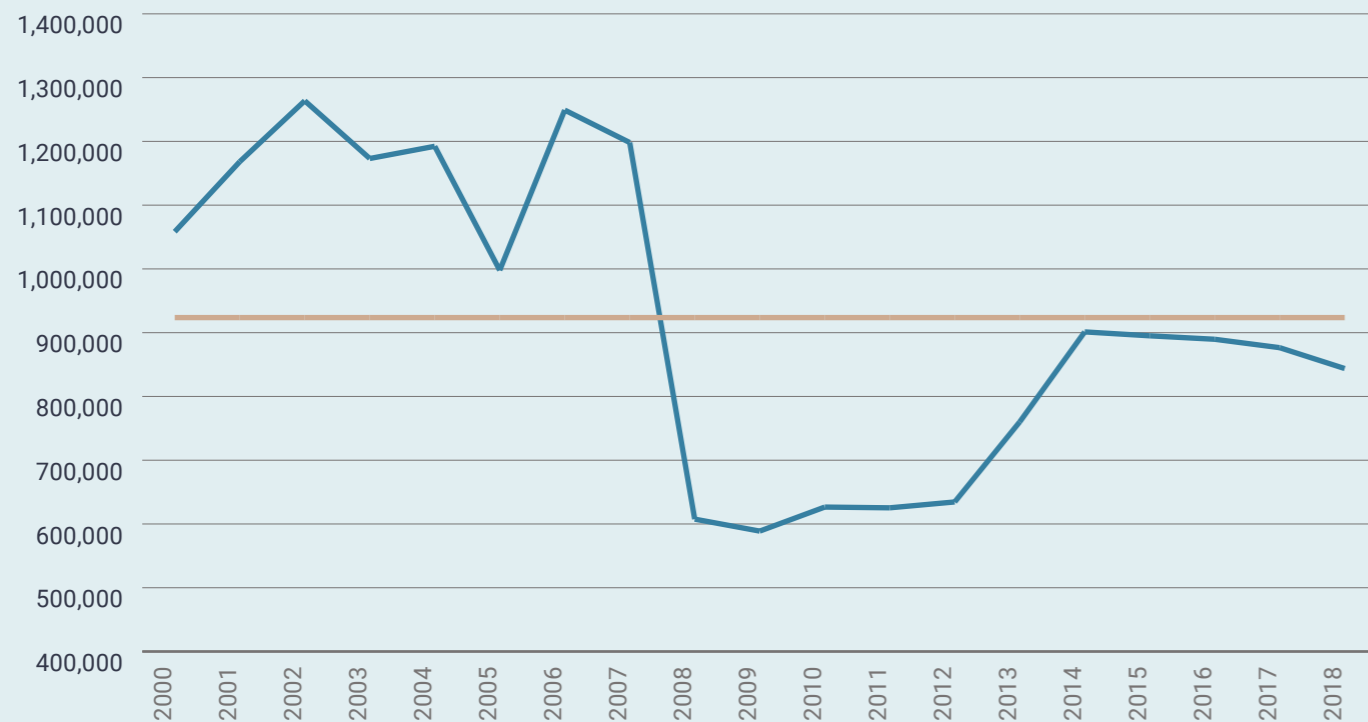
It is also interesting that the current housing market is slightly 'below par', in terms of transactions volume.

The Land Registry (LR) transactions data provides the closest coverage to owner-occupier transactions. Again, there were 843,757 transactions in England in 2018, the latest full year for which there are data. The peaks were in 2002 and 2006 with 1,263,657 and 1,249,080 transactions respectively, the latter just prior to the financial crash. The trough following the financial crash was in 2009 with 588,813 transactions and less than half the peak. According to MHCLG and HMRC data as well as the Land Registry, the number of housing transactions has continued to decline since 2014.

The 'healthy' number of transactions in the housing market is subjective. Arguably neither the peak nor the trough is a healthy number because these both represent the extremes of a volatile housing market. Abstracting from the housing market cycle, the average in England since 2000 has been around 925,000 transactions a year (green line below) which, incidentally, is half-way between the financial crash peak and trough figures.

### Number of housing transactions in England, 2000 to 2018

Source: Land Registry



## CHAPTER 6 Helping those who want to move

- Perhaps one of the most significant factors holding the older generation back from downsizing is what we call “the perception problem”.
- When the concept of Homes For Later Living was explained to people, 68 per cent said its appeal increased and 25 per cent said it increased greatly.
- Among those looking to downsize, almost a third cited a lack of suitable properties to move to as a top concern, others cited practical concerns which Homes For Later Living companies help to mitigate through their help to move packages.

While many older people would like to downsize into suitable retirement accommodation, they frequently encounter difficulty when it comes to actually making the move. When MPs investigated the issue in 2018 they found that “although a sizeable minority of older people wish to move, the evidence suggested that a combination of practical, financial and emotional barriers prevented or, at least, delayed the process”. Meanwhile, polling conducted by boomer + beyond in 2018 identified an unsurprising trend that, given health problems in later life for example, willingness to move home decreases with age.<sup>23</sup>

With a projected household increase of 27 per cent coming down the line for over 65s by 2030 and further growth beyond, it is more important than ever to understand what is putting these older people off moving.

Firstly, there is perhaps one of the most significant factors holding the older generation back from downsizing and one that is difficult to quantify in polling: we'll call it the perception problem.

**“I thought I was the least sociable person in the world, but moving here has made me much more outgoing.” – Lorraine, Homes for Later Living resident**

Essentially, the reality of retirement living is rather different to how it is sometimes perceived. A current Homes for Later Living resident, Lorraine Shakespeare, explains what it's really like to live there: “Before I first came to see Godwin Lodge in Deal I was determined not to like it. However, when I saw the retirement apartment I had to admit that I really did like it, and now I'm here I think it's absolutely brilliant! I thought I was the least sociable person in the world, but moving here has made me much more outgoing. It's a nice environment and you're not forced to socialise, but there are people to chat to if you want to. It's made me more confident.”

Yet those who are not au fait with the reality of retirement living may have formed other options about what to expect. For example, in boomer + beyond's in-depth survey one person explains their reluctance: “I just don't want to be lumped with other people of my own age. Bingo and tea dances every Wednesday afternoon do not appeal. I also don't want to listen to other people's ailments all the time and moaning and whinging”.



As part of its survey, boomer + beyond tested the concept of retirement living by explaining proven benefits such as living independently for longer and increased social opportunities (which don't centre around bingo and tea dances). Once respondents understood that these properties enable residents to live independently for longer, 68 per cent said the appeal increased, for which 25 per cent felt it increased greatly. Meanwhile, independent research by the Elderly Accommodation Counsel in 2019 found that 92 per cent of residents would recommend retirement living.<sup>24</sup>

### Barriers to over 65s moving house:

1. The process of packing up all my belongings would be too stressful – 36%
2. It would be too expensive to move (due to stamp duty, legal fees and removals) – 29%
3. I cannot afford the home I would want – 27%
4. I would find it physically difficult to move (due to illness or age) – 22%
5. My house has a sentimental value to me/ I would find it too difficult to leave behind memories – 21%
6. There are no suitable properties available to me – 18%

\*Populus polling December 2019

Recent polling commissioned for this report has found that some of the top concerns for older people considering moving were the logistical challenges of packing up, followed closely by the high costs of actually moving to a new home, including stamp duty, legal fees and removals.<sup>25</sup>

Although a lack of suitable properties to move to was cited as a top concern by 18 per cent of all respondents 65 and over, among those actively looking to downsize the picture changed significantly. Among this group, 31 per cent cited a lack of suitable properties to move to as a top concern.

Overall, we established that unaffordability is more of a barrier to moving for 35-64-year-olds than it is for those over the age of 65. This is likely to be because 35-64-year-olds are more likely to want to upsize, whereas those aged 65 and over are more likely to want to downsize, and affordability is a bigger issue for people wanting a bigger home, particularly when a mortgage is payable.

The expense of moving (e.g. stamp duty and legal fees) is found to be of similar importance as a barrier to moving across the age groups, as is the availability of suitable properties. According to a Lloyds Bank study in 2018, the average cost of moving to a new house has risen to nearly £12,000. This number increased by 21 per cent over the last 10 years.<sup>26</sup>

The process of packing up belongings being too stressful is a significantly greater barrier to moving for those aged 65 and over than for 35-64 years old, and this is the barrier to moving most cited by older respondents. Finding it physically difficult to move is also much more of a barrier for over 65s than younger respondents.

The top two barriers to moving for respondents over the age of 65 specifically were found to be the expense of moving and the stress of packing up belongings. This appears consistent with the Demos 2013 polling of the subset of over 60s who reported it would be difficult or not possible to move.<sup>27</sup> The top two reasons for this subset also included the stress of packing up belongings (50 per cent); and expense of moving (45 per cent). It suggests that in the last six years, not enough measures have been taken to help older people tackle the expense and stress of moving.



### Part Exchanging

When Edgware retirees, Marion Hughes and her late husband, Edward, made the decision to downsize from their three bedroom semi-detached house after 60 years, they found the warmth, comfort and community spirit they were looking for at McCarthy & Stone's Harrow Retirement Living Plus development, Randolph House.

"We were taken to our very attractive apartment when it was complete and I was so thrilled. We took in the hallway, two-bedrooms and walk in wardrobe – I've always wanted a walk in wardrobe! The lounge with the south facing balcony, the main bathroom with walk-in shower and the cloak room gives the feel of a bigger property."

To make their move even easier, the couple took advantage of McCarthy & Stone's Part Exchange scheme. "It was an enormous amount of help", Mrs Hughes explained. "My husband was becoming unwell and had stopped driving. Going down the part exchange route meant the whole process was handled by McCarthy and Stone. We didn't have the bother of Estate Agents coming to our house, and so on.

"When we actually moved, it was seamless, and this was all thanks to the McCarthy & Stone team. I don't know what we would have done without them."



If more older people are to enjoy happy and healthy retirements, this needs to change. For many people, the family home is simply not the most suitable property in which to make the most of their retirement years. Older homes are often in a poorer state of repair and have more dangers, including cold, damp, fire risk and general fall hazards. They also tend to be lacking basic adaptations such as handrails in the shower and on the stairs, and they might also have poor transport links and not be within easy reach of local services and amenities.

Given the significant challenges that many people face when it comes to downsizing, some Homes for Later Living providers have been exploring ways to address the difficulty older people face when contemplating a house move. These include part-exchanging for new customers' existing properties, which means older people won't have to worry about managing a housing chain and can move on a day of their choosing. Packages have also been designed to alleviate the physical difficulty which moving homes presents, particularly for older people. These packages offer packing services, transportation, de-cluttering, and set up in the new home, thus helping to mitigate the exorbitant cost and emotional difficulties of moving.

Other survey data also shows that some older people don't want to leave their home.<sup>28</sup> As a result, our analysis only relies on helping people who do want to move as they approach older age.



Table 5: Which of the following, if any, would stop you from moving home in the future?

	35-64	65+
I cannot afford the home I want	43%	27%
It would be too expensive to move	33%	29%
The process of packing up all my belongings would be too stressful	23%	36%
There are no suitable properties available to me	20%	18%
My house has sentimental value to me	14%	21%
I would find it physically difficult to move	11%	22%
Other	5%	8%
Nothing would stop me from moving homes in the future	21%	20%

Source: Populus polling, December 2019

Barriers such as a lack of suitable housing or affordability of the actual move itself (which also goes up slightly among downsizers) are significant problems given the challenge of an ageing population.

The new polling also suggests the challenges to older people moving are many. Well over half of all people aged 65 and over felt finding a property that met their requirements now and in the future would be a challenge and approaching half said packing and unpacking their belongings would be.<sup>29</sup>

Understandably, concerns about unaffordability and the expense appears to be less of a barrier for those wanting to *move and upsize* than for those wanting to *move and downsize*. Similarly, the process of packing up belongings being too stressful, the availability of suitable properties and finding it physically difficult to move were much bigger barriers for people looking to move and downsize.

Table 6: Which of the following, if any, would stop you from moving house in the future?

	Yes- upsize	Yes - downsize
I cannot afford the home I want	64%	30%
It would be too expensive to move	39%	32%
The process of packing up all my belongings would be too stressful	16%	28%
There are no suitable properties available to me	23%	31%
My house has sentimental value to me	11%	18%
I would find it physically difficult to move	5%	16%
Other	2%	4%
Nothing would stop me from moving homes in the future	14%	24%

Source: Populus polling, December 2019. These numbers only reflect the over 65 demographic of the same Populus poll.

From all of the findings, what's clear is that there is a very important policy conversation to be had: first of all, around the barriers and taboos holding the older generation back from downsizing; and second of all, finding ways to ensure that moving home in old age is encouraged. The next chapter will explore the benefits that breaking down these barriers and increasing the number of older people moving house could unleash for those further down the chain.



of people aged 65 or over want to downsize - this currently equates to 3 million people



# The chain reaction – bridging the intergenerational divide

- Through a Help to Move package, we estimate that 30,000 older people who wanted to move would be able to per year.
- This would have ripple effects down the market, generating approximately 60,000 additional transactions in the market.
- Firstly, it would directly free up 30,000 larger existing owner-occupier homes in the market that older people sell. Through the chain effect, building 30,000 specialist retirement properties per year would free up 18,000 first-time buyer homes.

Most under-occupation of owner-occupier homes by people aged 65 and over is of three-bedroomed homes, with 1.9m properties in this category. A further 500,000 four-bedroomed properties and 100,000 five-bedroomed properties are under-occupied by people aged 65 and over.

Table 7: Projected 65+ homes under-occupied by number of bedrooms, 2018<sup>30</sup>

Projected under-occupied owner-occupier households, 65+ (narrow) for 2018	
3-bed	1,922,579
4-bed	471,170
5-bed	110,985
All	2,504,734

It is difficult to say exactly how many older households would move if the various blockages were overcome, but we do know that around one million owner-occupier households aged 65 or over today want to move and downsize. Factoring in household growth amongst this demographic, the figure rises to over 1.25 million by 2030. The polling evidence also suggests between a half and three quarters of these, or 500,000 to 750,000, would be interested in buying, or would be likely to buy, a retirement property specifically with the support and companionship that comes with that type of community-led housing.<sup>31</sup>

The Ministry of Housing, Communities and Local Government’s commitment is to “put us on track to deliver 300,000 net additional homes a year on average”. But how should they get there? Using our new polling evidence, we estimate over the next 10 years 300,000 homes could be ‘unblocked’ and converted into actual moves. It could be done through a ‘help to move’ package that addressed expense (through a permanent downsizers stamp duty holiday), logistics, and suitable retirement housing build, on conservative assumptions.<sup>32</sup> This would of course mean 300,000 new specialist retirement properties to be built as a necessary requirement.



This scenario therefore necessarily entails the building of 300,000 specialist retirement homes over the space of a decade. But it would also have important additional effects in the secondary housing market. Firstly, it would directly free up 300,000 larger existing owner-occupier homes in the market that older people sell up. These existing homes are most likely to be three-bed-with-a-garden ‘family’ homes. For every 300,000 homes freed up that are currently owned by someone over 65, the 2011 census data implies the following profile by number of bedrooms, noting that nearly half (140,700) are three bedroomed:

Table 8: Homes directly freed up by 300,000 owner-occupiers aged 65 or over moving, by number of bedrooms

Home size by no. of bedrooms	1 & 2 bed	3 bed	4 bed	5 bed	Total
Quantity	108,000	147,000	36,000	9,000	300,000

Our conservative estimate is that the average chain length in the housing market is 1.5 additional transactions after sale. The Housing LIN research, which covered McCarthy & Stone’s properties, suggests the average chain involving specialist retirement properties is two additional transactions. Previous evidence shows that, under different market conditions, chain lengths can average as many as four properties.<sup>33</sup> Using a median estimate of two additional transactions, this implies that building 30,000 specialist retirement properties a year would generate between a total of 90,000 transactions across the market; i.e. 30,000 purchases of the newly built specialist retirement units and 60,000 additional transactions in the secondary market / through the chain.

In addition, we estimate that each chain in the housing market involves 0.6 first-time buyers, as well as 0.4 buy-to-let landlords or holiday home buyers.<sup>34</sup> This appears consistent with the picture painted by the Housing LIN case study qualitative research. Through the chain effect, building 30,000 specialist retirement properties therefore would free up 18,000 first-time buyer homes in the secondary market.



## So what does this look like in reality?



### Downsizing benefits the whole family

Widower Carol Emanuel recently downsized to a brand new apartment at Churchill Retirement Living's development in Sittingbourne. In doing so she was able to sell her three-bedroom home with a large garden and plenty of space to her own granddaughter, Holly and husband, Sam. The young family, including Carol's great-granddaughter Poppy and her brand new baby brother have now made her old house their own.

#### Carol, 77 – New Homes for Later Living resident

"I'd lived in my home for many years, so it had a lot of memories and I didn't really want to leave, but the stairs were getting harder to manage, and the garden was quite a lot for me to look after. Luckily we found the perfect solution, as my granddaughter bought my old house from me. That meant I could downsize and move here, but I still get to go back and visit. Plus it's helped her and her family move to a place that's right for them. It's an ideal solution for everybody."

#### Lisa, 54 – Carol's daughter

"The four generations of our family are still close, and we often get together, whether it's to go shopping or just spend time catching up. We know mum is safe and happy here, and it's nice to see her old house full of new family members who are making it their own."

#### Holly, 31 - Carol's granddaughter and new homeowner

"I had some reservations about moving into Nan's house as it holds so many memories for me and I grew up seeing both her and Grandad here. However, my husband could see its potential so he persuaded me, and I'm so glad he did! We've put our stamp on the place and made it ours, with a new kitchen and changes to the living room layout, plus our own furniture. Our previous home was bought by first-time buyers, so it was only a short chain, but meant that another young couple joined the housing ladder."

She adds: "We've always been very close to Nan so we still see her a lot as she's only 20 minutes away in the centre of Sittingbourne. She loves it at Beatrice Lodge, she's making new friends and there's always something going on at the Lodge every day so we don't need to worry about her being on her own. Her move has meant we're all in a place that suits us perfectly."

#### Poppy, 5 – Carol's great-granddaughter,

Poppy loves visiting great grandmother Carol in her new apartment and has been learning to play chess in the owner's lounge.



### Case study - Mr and Mrs Whitcutt

"We had been hoping to move closer to town for some time with a view to having less maintenance, less gardening and the convenience of being able to walk into town. We initially viewed the plans of the Renaissance development with one of our daughters and liked what we saw.

"After discussing the plans we had long discussions with the family, and eventually moved into our apartment from a village 10 miles outside Marlborough. We have been here for 20 months and have never looked back!

"We have made lots of friends and find ourselves very busy with coffee morning on a Wednesday; the owners getting together on a Friday evening with drinks and nibbles; rummikub and cribbage on a Tuesday evening and, from time to time, food share evenings, a film, talks on many different subjects and even a make-up demonstration."





# Conclusions

While there will always be a place for housing policies geared towards those trying to get onto the first rung of the housing ladder, policy makers should be aware this is not the only, or even the best, option available to get more homes for first-time buyers. Rather our analysis makes it clear that this outcome - and much more - could be achieved by policymakers refocusing their energies to include the top of the ladder for older people. The aim should be to ensure that all of those who would like to downsize into suitable specialist retirement accommodation have the opportunity to do so.

Those older people moving into these new properties could expect to be happier and healthier in their retirement years. We have also shown that there would be significant cost savings for the NHS if more people in the UK were able to access this type of housing. A further cost saving could come in the form of local authorities and central government spending less on retrofitting and adapting existing old family homes.

To this end, the Government should set an explicit target of completing 30,000 retirement properties a year to meet the demand for this kind of housing. But a focus on development should not be the full extent of any policy response to the issues we have raised. Rather, any meaningful political action needs to knock down the barriers holding the older generation back from downsizing and ensure that moving home in old age is encouraged.

Some previous work in this area has advocated tax incentives for older people to downsize alongside a more diverse housing mix. In his summer statement the Chancellor went further, raising the threshold for stamp duty across the board to £500,000. The Treasury has stated that this reduced rate will apply until 31 March 2021, but it is our contention that the reduced rate should be kept in place permanently for older people who are downsizing into retirement properties.

By permanently reducing stamp duty in this way we could have a 'downsizer discount' - a highly targeted stamp duty holiday for downsizers who are freeing up homes for the next generation, often by moving to a Homes for Later Living property. While many older people are open to moving, an ongoing discount would serve as an important incentive for this demographic to give up their family homes. Meanwhile, the positive impact that downsizing has further down the chain should offset any criticisms that frame the policy as a tax break for baby boomers.

Another measure that has previously been proposed and deserves to be taken seriously is a package that helps older people to move. There are various ways that this could be put together, but there would be two broad aims to any such package. It would be focused on addressing the logistics of moving out of the family home at the same time as prioritising and incentivising the building of more homes for later living.

Of course, no government can afford to ignore the many problems faced by the younger generation when it comes to housing. But as the UK gets older, action is urgently needed to ensure that all older people can live in suitable accommodation where they will experience healthy and happy retirements. Looking at the latest ONS household projections, we expect that the 3.9 million homes owned by those aged 65 and over today will grow to at least five million by 2030.

In this report, we have mapped a route for achieving both of these outcomes simultaneously. In doing so, we have demonstrated that helping more people to move into homes for later living would be a win-win for those politicians who are genuinely interested in bridging the growing generational divide.

# Endnotes

- 1 ONS Household Projections for England (2016-based) available at <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/2016basedhouseholdprojectionsinengland/2016basedhouseholdprojectionsinengland>
- 2 There are different possible ways of defining 65+ households. A broad measure is to include those whose household representative person (usually the head of household) is 65+ but whose other household members can be any age e.g. a married couple both over 65 plus their adult son aged 30, or just a couple where one partner is 65+ and one under 65. A narrow measure is to include only households where all household members are 65+, for example, a couple both over 65 or a single person 65+. Using the narrow measure means that we are looking at the group that is most likely to not have help from family members who live with them, and therefore, have the most acute need for suitable housing stock as they age. We will continue using the narrow measure throughout this report unless otherwise stated.
- 3 Savills UK Press Release (January 2020) UK housing stock now worth a record £7.39 trillion after decade of gaining £750 million a day: <https://www.savills.co.uk/insight-and-opinion/savills-news/294601/uk-housing-stock-now-worth-a-record-%C2%A37.39-trillion-after-decade-of-gaining-%C2%A3550-million-a-day>
- 4 [nomisweb.co.uk/ \[QS405EW - Tenure – Households\]](https://nomisweb.co.uk/QS405EW)
- 5 [nomisweb.co.uk/ \[DC1402EW - Household composition by number of bedrooms\]](https://nomisweb.co.uk/DC1402EW)
- 6 Churchill Retirement Living survey of 108 residents who has purchased a property in the last two years, 2020
- 7 Churchill Retirement Living survey of 108 residents who has purchased a property in the last two years, 2020
- 8 [nomisweb.co.uk/ \[DC1402EW - Household composition by number of bedrooms\]](https://nomisweb.co.uk/DC1402EW)
- 9 [nomisweb.co.uk/ \[DC1402EW - Household composition by number of bedrooms\]](https://nomisweb.co.uk/DC1402EW)
- 10 [nomisweb.co.uk/ \[DC1402EW - Household composition by number of bedrooms\]](https://nomisweb.co.uk/DC1402EW)
- 11 McCarthy & Stone (2016), Generation Stuck: Exploring the Reality of Downsizing in Later Life'
- 12 Demos, The Affordability of Retirement Housing, 2014
- 13 Populus, (December 2019 and July 2020)
- 14 YouGov polling, commissioned by McCarthy & Stone
- 15 UK Stamp Tax Statistics 2018 to 2019 – Tables (in Excel) at <https://www.gov.uk/government/statistics/uk-stamp-tax-statistics#history>
- 16 UK Stamp Tax Statistics 2018 to 2019 – Tables (in Excel) at <https://www.gov.uk/government/statistics/uk-stamp-tax-statistics#history>
- 17 First-time buyer Residential Mortgage Survey data is available for England at <https://opendatacommunities.org/data/housing-market/mortgages/quarterly-total>
- 18 [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/539002/Housing\\_for\\_Older\\_People\\_Full\\_Report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/539002/Housing_for_Older_People_Full_Report.pdf)





- 19 English Housing Survey headline report 2017 to 2018: section 1 household tables at <https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report>
- 20  $95,000 / 4,984,812 = 0.019$
- 21  $(617,000 - 95,000) / (14,883,231 - 4,984,812) = 0.053$
- 22 Data downloadable at <https://landregistry.data.gov.uk>
- 23 boomer&beyond 'Re-thinking retirement living' (2018)
- 24 Elderly Accommodation Counsel (2019), Understanding the factors that can influence the resale values of newly-built retirement properties
- 25 Populus, (December 2019 and July 2020)
- 26 See The Telegraph, Cost of moving house jumps above £12,000 due to soaring stamp duty, by Jasmine Cameron-Chileshe, (14 September, 2018)
- 27 Demos (sponsored by the Home Builder's Federation), Top of the Ladder, (2013)
- 28 Legal & General (2018), Last Time Buyers
- 29 Ibid. Q Hypothetically, if you were to move home in the next 12 months, which of the following would be a challenge to you moving? Please select all that apply.
- 30 UK Data Service <https://www.statistics.digitalresources.jisc.ac.uk/> [Household-composition-occupancy-rating-bedrooms-tenure-local-authorities-england-and-wales]. EHS shows 67% under-occupied on the 65+ broad measure in 2017/18

- 31 Demos (2013) reported that 33% wanted to downsize and 25% would be interested in buying a retirement property specifically [25% is three-quarters of 33%]. The recent YouGov polling for M&S found 32% wanted to downsize and 16% were very likely or likely to consider buying a retirement property specifically [16% is half of 32%].
- 32 We assume that it would be necessary to address at least one barrier to convert households that want to move into actual movers. The average number of barriers mentioned per household is 1.6. The three barriers of expense, logistics and suitable supply – that would be addressed by a help to move package - are each cited by around 30 per cent of 65+ households as barriers to moving. 30% of the one million wanting to move and downsize is 300,000.
- 33 Demos, The Affordability of Retirement Housing, 2014
- 34 All calculations are available on request. Send queries to [laterliving@wpi-strategy.com](mailto:laterliving@wpi-strategy.com)





WPI Strategy

50 Broadway  
London  
SW1H 0RG.

@wpi\_strategy

<https://wpi-strategy.com>

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