WIDENING THE SPECTRUM OF RETIREMENT HOUSING IN TOWER HAMLETS
1.1 Gateway Housing Association is the largest provider of sheltered and residential care accommodation within Tower Hamlets and a leading local organisation in the delivery of older people’s accommodation services. In early 2012 Gateway inaugurated an Older People’s Housing Commission for Tower Hamlets to take forward aspects of the council’s vision, aims and plans for older people’s housing. Creating opportunities to hear the different voices of older people living locally was at the heart of the Commission’s work.

1.2 The aim was to make a positive contribution to local housing strategy development, to strengthen the local evidence base and to ensure that Gateway’s own development strategies are well aligned with the latest knowledge of best practice.

1.3 The Commission is chaired by Don Wood, CBE, Board member at the Homes & Communities Agency, Chair of the London Housing Foundation and Trustee of the Orders of St John Care Trust. Its membership includes representatives from the local authority, Age UK, the National Housing Federation, the local Arm’s Length Management Organisation (ALMO) Tower Hamlets Homes, and Gateway Board, shareholders and residents. The work of the Commission has been supported by consultants from Altair appointed to undertake the fieldwork on its behalf.

1.4 This executive summary highlights the key conclusions and recommendations for next steps drawn by the Commission at its final meeting in October 2012.

Strategic objectives

1.5 The Commission’s work has considered:
• The types of accommodation older people want in years to come, and;
• Whether this includes different property ownership options, as well as rented housing.

Innovation in Tower Hamlets

1.6 There is currently no leasehold retirement housing in the borough and the council would like to see more choice in this area. High local levels of deprivation and poverty combined with high land prices have been a strong deterrent to the private sector.

1.7 The Commission has sought to develop a better understanding of whether there is demand from older people for local ownership retirement options, and if so, what kind of ownership options might work best in this borough.
1.8 Gateway has secured funding for approximately 20 shared ownership units for older people, and will use the Commission's findings to help shape a new retirement ownership option for older people.

Why this work matters

1.9 The Commission's work breaks new ground by taking a specifically local focus in a densely populated inner city area with high levels of poverty and deprivation combined with some of the highest land values and property prices in the country. The borough is struggling with high levels of overcrowding in its social housing, whilst at the same time some older people remain in family sized homes which no longer meet their needs simply through lack of other viable local options.

1.10 This report makes a new contribution by drawing on the existing wealth of national information and experience and applying it locally to think in new ways about creating greater choice and more flexible housing options for older people, despite the barriers that have operated locally so far.

Methods and findings

1.11 Our methods included a desk top review of literature followed by interviews with housing providers and local stakeholders, a mix of interviews and focus groups with 87 older people and visits to exemplar schemes. These are described, together with our detailed findings, in the main report.
Key findings and next steps

Creating a “pull” factor

2.1 One of the most powerful messages from older people is the overarching importance of getting the “pull” factor right in helping them to move home in a way that is chosen and planned, rather than being “pushed” in a crisis situation. Older people are consistently reluctant to give up the relative safety of home, however unsatisfactory, to risk the unknown.

Any strategic approach to promoting retirement options must concentrate hard on the “pull” factor by:
- Making the accommodation physically desirable and economic to live in and maintain;
- Making the information about what’s involved in moving, including the costs, easy to understand;
- Providing help, advice and support to guide people through the process from start to finish; and
- Providing practical and comprehensive help with the move itself.

2.2 The findings from the fieldwork provide three key messages about the local retirement housing market within Tower Hamlets which are that:
- Demand in the future for both rented and owner occupied retirement homes for older people is likely to be for more hybrid accommodation closely integrated with family housing, local services and wider communities, which incorporates quality design, affordability and functional flexibility, but which does not include care as part of the core package;
- There appears to be sufficient demand for owner occupied retirement housing to justify proceeding with Gateway’s proposed pilot project – and Older Persons Shared Ownership appears to be the ownership model with the greatest potential to work successfully in the borough;
- Financial hardship and low income are the defining characteristics of the older people’s housing market affecting the majority of this population – a radically different profile from the older people’s housing market across the rest of the country. This means that the key driver for planning the physical and financial models for future rented and owner occupied retirement housing is financial accessibility and long term affordability.

2.3 These key findings are complex and closely interlinked.
Integrated hybrid models of retirement housing

2.4 Older people in Tower Hamlets want to avoid buying into schemes providing care for as long as possible as home care is provided free in Tower Hamlets. Hybrid schemes providing small clusters or blocks of retirement homes within larger developments including family housing are thus likely to work well for all groups of older people including minority ethnic and LGBT populations.

2.5 The idea of integrated retirement housing fits well with hub and spoke models of provision (central facilities/resources accessible to a wider community and able to reach out to more isolated people), and an important next step will be to identify and map the natural hubs where they already exist and to work collaboratively with health, housing and social care partners to fill any gaps. LinkAge Plus centres, churches and mosques are some of the existing natural hubs, and there is potential to consider re-working communal provision at sheltered housing schemes to create new hubs.

2.6 The process for reviewing support contracts due at the end of 2012 may present an opportunity for using support resources, including peer support, much more creatively to tie in with the hub and spoke model.

2.7 There are widely accepted design principles (HAPPI, HCA, 2009) which should be incorporated in all new retirement homes for rent and owner occupation so that these can be badged and marketed as “HAPPI compliant” high quality schemes.

Moving forward with the Older Persons Shared Ownership pilot

2.8 The in-principle demand identified will need to be further tested with older people as Gateway’s financial models are refined, including thorough risk and sensitivity analysis. Older people have been clear that they want to consider real figures related to real housing options in order to think about buying into a retirement scheme.

2.9 High land prices combined with high levels of poverty and deprivation have prevented the private sector from developing locally. Gateway’s financial modelling indicates that to make the scheme work as a financially accessible option with long term affordability for older people it will need to inject additional subsidy. Gateway, in collaboration with the local authority, should explore the potential for such subsidy via the Greater London Authority’s recently announced (October 2012) Care and Support Specialised Housing Fund for London.
2 Key findings and next steps

2.10 To achieve the strong “pull” factor needed, Gateway will need to consider carefully how it can best combine the characteristics identified in the report which work together to create the motivation to move. In particular Gateway should focus hard on the “help with moving” part of the offer for leaseholders.

2.11 Setting out the specific offer in clear terms which can be easily understood by older people is essential. It is important not to under-estimate the lead-in work and time needed with older people (and their families) recognising the known reluctance of this group to consider purchase until there is a finished product to see.

2.12 The long lead-in times for marketing means that Gateway should move this on as quickly as possible, and the lead-in period and potential for further slippage will be a crucial factor in sensitivity analysis.

Targeting under-occupation in social housing

2.13 There appears to be a real interest from ex-Right-to-Buy leaseholders for buy-back packages which would enable them to move into shared ownership retirement housing and return under-occupied accommodation to the social housing stock. This will require a collaborative and strategic approach working jointly with the local authority, Tower Hamlets Homes (the ALMO) and the other local associations, as well as the injection of capital resources. Gateway should begin discussions with the local authority on the routes or mechanisms for making buy-back funds available.

Long term affordability and financial planning

2.14 Financial environmental factors now affecting older people are likely to make the demand for guaranteed long term affordability even more intense. Good design, high building standards, and high specification and durable finishes are important in attracting older people. Gateway will need to demonstrate the long term affordability of its accommodation through design, materials and appliances which will deliver low maintenance and low major works costs for the future. Leaseholders in particular are giving a clear message that they prefer known capital costs up-front against the prospect of future unknown maintenance or repairs costs.

2.15 Day to day running costs are a primary concern for older people so offering a package which can guarantee as far as possible the predictability of service charges and property related costs, including sinking funds for leaseholders, will be essential. Energy efficient design is similarly important. High design, specification and building standards should defer costs, but it will also be essential to ensure that longer term cash-backed provision for major works is set up to deliver sufficient funds on leasehold properties to maintain standards to the same level when works become necessary, and to optimise re-sales. Because re-sale values are known to be patchy and very sensitive to local market changes, financial plans to maintain standards should be rigorously tested as part of the risk and sensitivity analyses.
**Key findings and next steps**

**Communal provision and support**

2.16 Gateway should also work up cost options for flexible multi-option communal provision which has the potential to generate income, which may contribute to the development of new hub arrangements and which avoids loading on service costs.

2.17 Gateway will also need to begin working up proposals and costs for flexible draw-down menus of support and practical help both to help with moving, and as on-going support, and should explore with LBTH adult social care what currently exists in the local market place to meet these needs or how such provision might best be encouraged to develop locally.

**Culturally specific services for minority ethnic groups**

2.18 There is likely to be a continued demand for culturally specific services, at least in the short to medium term. However, the hybrid scheme model was popular with both the Bengali and Somali community members consulted, and it appears that small clusters of units or blocks within larger developments which include family accommodation where there is a sufficient critical mass of people with a shared cultural background and language would be attractive. The culturally specific services required are therefore more likely to be the “wrap around” services, such as home care and support (particularly with regard to language and gender separation) rather than the housing itself. This is an important consideration given the difficulty in predicting cultural shifts in relation to the care of elders over the longer term.

2.19 There may also be a need to formally assess the specific longer term needs of the older Somali men living at the seamen’s hostel as they become increasingly frail.

**LGBT-friendly provision**

2.20 The findings indicate a need for providers of retirement housing to take positive action to ensure their policies and practice take homophobic behaviour as seriously as racist behaviour. Providers need to implement their equalities policies fully, taking action where necessary so that LGBT people feel as safe as any of their neighbours. Providers should also promote and publicise their commitment to raise awareness of the retirement options on offer so that LGBT people can feel confident in considering an option which is safe, friendly and supportive to them, irrespective of their sexual orientation.

2.21 The findings also suggest that LGBT people are a significant potential market for leasehold ownership retirement housing, (subject to the LGBT-friendly proviso) with specific characteristics which make this a potentially attractive option for those who are currently owner occupiers.

**Size of accommodation and welfare reform**

2.22 The desire for two bedroom accommodation was expressed by many, although not all older people. Some older people are already identifying one bedroom accommodation as preferable, largely because of cost, and for some older people aged 50 – 62, if they are reliant on housing benefit this may not be a matter of choice. A social housing provider raised the possibility of re-packaging sheltered schemes which are predominantly bedsits and one bedroom units as a high quality, higher specification offering. This may well be worth exploring further in Tower Hamlets where “studio” flats are in high demand in the professional rental housing markets.
2 Key findings and next steps

Advice and information

2.23 Despite the local authority’s exceptional approach in continuing to provide free home care services, many older people have a limited knowledge of the circumstances in which they might be eligible and how to access home care. Housing providers and other agencies working with older people should explore with the local authority the most effective methods for raising earlier awareness and providing information and advice about eligibility and access to home care which can enable older people to remain independent in their own home for longer, as well as other housing options.

Other marketing issues

2.24 A number of other factors to be incorporated into the lead-in marketing plans include:
• Accessibility - marketing needs to target carefully those older people who are not yet in crisis but are just starting to become aware of their potentially increasing mobility/health needs. Marketing approaches could be made using a hub based approach working through professional colleagues and services such as health trainers, GPs, and osteo/arthritis/diabetes/COPD clinics etc.
• Family influence – where other family members may be involved in an older person’s decision making, engaging with family members at an early stage may be important.

Managing risks

2.25 There are clearly significant, complex and high risks involved in the gap between what older people in Tower Hamlets aspire to and what they are able to pay for and Gateway will need to be confident that it has the support of the local authority and whatever resource commitments may also be required. This includes the additional subsidy needed for the Older Persons Shared Ownership scheme and could also include backing for buy-back of leasehold family units, contributions to the costs of offering incentive packages or other costs such as running hub facilities or capital contributions to developing these. Gateway should be very cautious about taking on additional costs which could impact on a scheme’s long term viability.

2.26 In a market environment where private sector providers have not been prepared to take development risk in this locality, some limited sharing of the risk with the local authority in trialling these innovations may offer benefits to both parties. Gateway will also need to consider a Plan B option if the shared ownership scheme does not prove successful – this could include for example selling to people not currently living in the borough, or converting the ownership units to rental.
The Commission has generated new and deeper knowledge which will inform Gateway’s long-term strategic planning and service modelling for its older person’s housing stock, including its sheltered provision, its over-50s schemes and its services with care. This work should also help to make sure that the borough’s first Older Persons Shared Ownership scheme has the potential to be a success, and could potentially contribute strategically to relieving overcrowding if family sized ex-RTB property can be returned to the social housing stock. Both strands of the Commission’s work have sought to contribute productively to the council’s own strategy development by identifying and piloting the kind of models that will work in the specific environment of Tower Hamlets.