



Age UK submission to the MHCLG select committee inquiry:

Long-term delivery of social and affordable rented housing

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Written evidence submitted by Age UK [SAH 055]

Executive Summary

- Social housing designed to **meet the needs of older and disabled people** should be an important component of increasing overall housing supply.
- All new social housing included in Government targets must offer healthy, **accessible and adaptable homes fit for future generations.**
- We need to increase the overall supply of both **mainstream and specialist** social housing that works for older people.
- Age UK specifically supports proposals set out by **Shelter's Housing Commission** for spending on social housing and meeting home building targets – which take account of the needs of older people living in unsuitable housing
- **There should be a re-balancing of subsidies away from poor value private sector housing initiatives** towards social housing.
- The Government needs to focus on increasing the supply of **homes at a social rent level (based on local incomes)** rather than targets based on the current definition of 'affordable' homes (80% of market rents)
- Healthy, accessible and adaptable social housing needs to **facilitate advances in assistive technology** that contribute to older and disabled people having greater independence and control
- **Good quality accessible modular housing** could make a significant contribution to the delivery of older people's housing by reducing construction costs while speeding up supply
- Building more social housing that works for older people **will reduce NHS and social care spending and should be a key component of health and social care prevention strategies.**
- **Housing at a social rent level will also lead to reductions in Government expenditure on housing benefit.**^[1] At present HB provides huge public subsidies for housing in the private rented sector that all too often is neither decent nor accessible. Without an increase in social housing the numbers of older people in private rented housing is set to grow.
- Planning and land reform could contribute to making it easier to **increase the supply of sheltered and extra care housing** in the social rented sector

ABOUT AGE UK

Age UK is a national charity that works with a network of partners, including Age Scotland, Age Cymru, Age NI and local Age UKs across England, to help everyone make the most of later life, whatever their circumstances.

In the UK, the Charity helps more than seven million older people each year by providing advice and support. It also researches and campaigns on the issues that matter most to older people. Its work focuses on ensuring that older people: have enough money; enjoy life and feel well; receive high quality health and care; are comfortable, safe and secure at home; and feel valued and able to participate

PURPOSE OF OUR SUBMISSION

Age UK is making this submission to:

- Explain why older people's housing should be an important component of increasing the supply of 'truly' affordable homes at a social rented level.
- Support proposals by Shelter's Housing Commission to significantly increase investment in new social housing whilst ensuring it adheres to higher health and accessibility standards
- Explain why social housing for older people can contribute towards increasing the overall supply by reducing expenditure on unsuitable housing and at the same time reduce pressure on the NHS and social care system.

1. SOCIAL HOUSING FOR OLDER PEOPLE

1.1. Longer term housing needs and older people

An increase in the supply of housing at a lower social rent level (as opposed to 'affordable' rent) would benefit many older people currently living in poor, unhealthy and expensive housing. This includes over 2 million older people currently living in non-decent homes in England. It would particularly benefit older tenants trapped in unsuitable private rented accommodation who need access to secure, affordable and accessible housing. We know that 25 per cent of the private rented sector fails the decent homes standard^[ii]. This is not only detrimental to older people's health and wellbeing but involves significant housing benefit expenditure on sub-standard, inaccessible housing which mostly fails to offer any housing support. Age UK believes that a lower social rent should be based on a reasonable percentage of income rather than 80% of local market rent levels.^[iii]

The recent social housing green paper and subsequent Government allocations to 'affordable' housing are welcome. However, these proposals are insufficient to provide the level of house building that will make a real difference to low income groups including many older people. Despite the lifting of the borrowing cap for social house building most local authorities still have insufficient financial, staffing or strategic capacity to build on the scale that is now required, given the impact of austerity measures. Unless the Government takes more substantial steps the consequent lack of supply will not only affect older people suffering poor housing now, but will also impact on future generations of older people who will have very limited housing choices - especially if they have been unable to buy a property.

1.2. Increasing the supply of ‘truly’ affordable social rented housing for older people

Age UK strongly agrees with concerns expressed about the lack of a clear distinction between targets to increase the supply of ‘affordable’ homes and targets for homes that are ‘truly’ affordable at a social rent level. A definition of affordability based on market rent levels rather than local household income gives a misleading impression of the housing supply available to those on low incomes, including older people.

1.3. Ensuring homes are accessible and adaptable to future generations

To meet the long-term needs of older people it is essential that new social housing is built to a higher accessibility standard (the lifetime homes standard, now referred to as Part M, Category 2) that can cope with the demands of an ageing population. This means making it much easier to adapt homes and to install assistive technology designed to facilitate independent living. It also means that the design of common parts in blocks of flats etc. should be fully accessible. Social housing needs to work for all age groups but we also need more specialist supported housing for older and disabled people offering flexible levels of care and support.

1.5. Healthy new homes

Age UK supports healthy social housing that follows the principles set out by the Town and Country Planning Association (TCPA) in their proposed Healthy Homes Act [\[iv\]](#) as well as the recommendations of the Healthy Homes and Buildings White Paper [\[v\]](#) developed by the All Party Parliamentary Group (APPG) on healthy homes and buildings. Pioneering higher standards for new social house building is particularly important for the health and well-being of older people. Advances in energy efficiency should seek to remove the unacceptable ‘heating or eating’ dilemma that many older people face who are living in cold and damp housing that they cannot afford to heat properly. New social housing also needs to ensure adequate ventilation and cooling to compensate for rising summer temperatures which particularly affects older people. Social housing should also benefit from any recommendations emerging from the Beautiful Homes Commission to improve the design and appeal of social housing that goes beyond basic standards. Improving the design and quality of social housing should be part of addressing some of the stigma that has been attached to this sector.

1.6. Modern methods of construction

Off-site factory built social housing designed for older people and with high accessibility standards, could make a significant contribution to improving the supply of new social housing. The ability of social landlords to invest in off-site construction would reduce building costs and the savings would contribute to increasing the overall supply of homes in the social sector. Those working in all parts of the construction industry should be encouraged to have a greater awareness of the importance of accessible design and energy efficiency measures to meet the challenge of housing an ageing population whilst using sustainable materials and practices.

1.7. Social and economic benefits of social housing for older people

There are broader social and economic benefits to building social housing for older people. This is because it could contribute to releasing larger family housing to younger people by enabling older people to 'rightsize' into more suitable housing where they are better able to maintain their independence for as long as possible. Enabling older people to move can also help to stimulate local housing markets. Building social housing that works for older people thereby improves and rationalises the distribution of our existing housing stock. Investment in social housing that works for older people creates savings by reducing poor health caused by avoidable accidents and illness and avoiding premature need for domiciliary care services and residential care.

1.8. Further Investment in social housing

Age UK fully supports the recommendations of Shelter's Housing Commission to spend £10bn each year to reach a target of 3.1 million social homes over the next 20 years. Shelter has calculated the net costs at £5.4bn a year (at its highest) which would be paid back in full over 39 years.^[vi] As part of its projections the Housing Commission took into account the growing numbers of older private tenants who need access to accessible social homes that are adaptable to tenants' needs as they age. Most local authorities do not have the financial capacity to build sufficient mainstream council housing or specialist housing for older people in their areas, and many will have to restore their professional capacity to commission and manage the building of a substantial increase in housing stock to meet the needs of their current and future residents. Housing associations will also struggle to meet the needs of low income groups without reform to their grant funding programme.

1.9. Redirecting housing subsidies

An important part of the housing debate is how existing expenditure on housing benefit is sustaining poor-value private rented housing. These resources would be better spent on 'bricks and mortar' subsidies for social housing through Government spending that reduce rent levels as opposed to housing benefit subsidies. Although Age UK does not oppose help for younger people who want to buy (who should also benefit from decent, secure and accessible private sector housing) the Government's Help to Buy scheme represents questionable value given evidence that it helped those already in a position to obtain a mortgage and contributed to house price inflation. The Government must review how existing subsidies are distributed and whether home ownership should continue to be given priority at the expense of social rented provision, particularly given the growing inequalities in the distribution of decent homes.

1.10. The impact of Right to Buy

Age UK is concerned about the loss of suitable housing for older people and others under the Right to Buy. We are sympathetic to calls for a pause in Right to Buy to allow the growth of social housing without further transfers to the private sector. Future funding arrangements must ensure that any sales of social housing particularly those suitable for older people are replaced 'like for like'. For example, bungalows which are popular with a large proportion of older people because of their accessibility, are in short supply and often too expensive to buy from private developers. Related to this we also have concerns about people who exercise their Right to Buy, but in later life do not have the means to maintain their property.

2. PLANNING SOCIAL HOUSING FOR OLDER PEOPLE

2.1. Increasing the supply of social housing within a clear housing strategy for older and disabled people

The Government must ensure that all local authorities have a housing strategy for older and disabled people. Recent research by Habinteg Housing Association revealed that less than half of all local authority plans (138) set a specific requirement for a proportion of new homes to meet any form of accessible housing standards. Given demographic patterns it should be the responsibility of the Government to ensure that all new homes are suitable for an ageing population.

2.3. Local authority housing strategies for older and disabled people

Many local authorities' require a better understanding of the housing needs of older people. There is also a necessity for stronger strategic links between health, social care and housing in the delivery of older people's housing. The Neighbourhood Planning Act 2017 required the Secretary of State to issue guidance to local authorities on housing plans for older and disabled people. The subsequent MHCLG planning guidance on housing for older and disabled people is useful in directing local authorities towards the planning principles and resources needed to assess the local housing needs of this group. This includes planning tools developed by the TCPA, Habinteg and the Housing LIN. Local authorities are in the best position to assess local needs but should have clear obligations to specifically cater for older people. However, to deliver suitable housing for older people in both the public and private sectors there must be stronger obligations on local authorities through the National Planning Policy Framework. This should give older people's forums and community groups a stronger say in the design and planning process for social housing. It should include support for older people who want to develop innovative community housing in the social sector such as cohousing and community land trusts.

2.2. The role of planning and land reform

The Government should consider the role of both planning and land reform to speed up housing supply and reduce costs. This has been the subject of several recent reports including the Raynsford Review and the Letwin Review. There have also been suggestions that the Government should consider how income from a land value tax could help to fund new social housing whilst also helping to address growing housing inequalities. Some developers have made the case for planning concessions and financial measures to bring down the cost of private leasehold retirement housing. Aspart of the housing mix, Age UK agrees that there needs to be more leasehold retirement housing - but any subsidies or concessions need to be considered in the context of additional funding for retirement housing in the social sector for low income groups.

In the past S106 contributions have played a very important role in the delivery of affordable housing. The Government needs to review the 'viability test' that creates a loophole for developers to avoid their obligations under S106. There should be a balanced approach towards investment, subsidies and planning concessions to

encourage sheltered and extra care housing in the social rented sector as well as help for the private leasehold sector to offer lower income groups a better choice of retirement housing – both mainstream and specialist housing.

2.4. Addressing the bigger picture and intergenerational communities

We would like to see stronger duties to ensure that housing for older people is linked to essential infrastructure – such as shops, banking, health and care services, leisure and transport. We have concerns about older tenants becoming cut off and isolated, especially in rural communities where local services have been reduced. Although some older people may prefer age-specific housing others want to be at the centre of vibrant mixed intergenerational communities. Again it is important that social housing works for all generations. All new social housing developments should be suitable for older people with sufficient supported and wheelchair accessible housing. Investment in the social sector could provide scope for pioneering new and innovative approaches to older people's housing.

3. SUPPORTED HOUSING

3.1. Increasing the supply of extra care housing in the social rented sector

There is an estimated shortfall of 400,000 units of supported housing for older people by 2035 (using a broad definition).^[vii] Only around 7,200 units a year are currently being built.^[viii] The social housing sector could make a substantial contribution to addressing this deficit. It is positive that the Government has put capital investment into increasing the supply of extra care housing. This should also have some capacity to cater for older people with dementia. Given the clear advantages of extra care we would like to see more places available in the social sector as an alternative to residential care. More generally the social sector could have a stronger role in developing assisted living schemes that offer older people better control and independence of the care and support they receive. Without investment in social housing it will typically be older people with sufficient home equity who will have the choice of moving into suitable retirement housing. Social rented housing could help to address this inequality so that older people on low incomes also have positive choices. We need to ensure that the social sector is geared to reach targets for supported housing alongside funding for care and support services to help older tenants.

3.2. International comparisons

Making detailed numeric comparisons between different countries approaches to older people can be difficult because of complex differences in subsidies, benefits and planning regulations. There are examples outlined by the Housing Our Ageing Population Panel for Innovation showcasing improvements in the design and location of retirement housing for older people. However, the choices offered are often directed at better off older people. Social housing has the potential to address this problem.

3.3. Higher standards for supported housing

With any increase in the supply of supported housing for older people we would like to see England following Scotland's example in the regulation of this sector. As well as addressing variations in the quality of existing provision we need to ensure greater clarity about what specialist housing in the social sector should offer in terms of housing care and support. It is vital that there is sufficient long term funding for care

and support services to make new supported housing in the social rented sector viable over the longer term.

4. PROTECTING OLDER SOCIAL TENANTS

4.1. Regulatory framework for social housing

An expansion in social housing needs to be accompanied by measures to strengthen the rights of older tenants to tackle common problems with disrepair, security, heating, adaptations and anti-social behaviour. Again, we would like local authorities to take a stronger regulatory role in maintaining high standards for supported housing across the social sector. However, they need to build sufficient capacity to carry out this role properly. With any expansion in social housing it is important that we review the ability of older tenants to resolve problems related to repairs, adaptations, security and fire safety. We would like to see measures to strengthen the voices of older tenants, especially through easier access to advocacy and advice services. We are aligned with Shelter in calling for a new regulator to enforce consumer housing standards across social housing.

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[i] Available online at: <https://www.local.gov.uk/about/news/building-social-housing-over-20-years-could-have-saved-renters-ps18-billion>

[ii] MHCLG (2019) English Housing Survey 2017 to 2018: headline report (Available online at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/774820/2017-18_EHS_Headline_Report.pdf)

[iii] Available online at: <https://blog.shelter.org.uk/2015/08/what-is-affordable-housing/>

[iv] Available online: <https://www.tcpa.org.uk/healthy-homes-act>

[v] Available online at: <https://healthyhomesbuildings.org.uk/>

[vi] Available online at: https://england.shelter.org.uk/support_us/campaigns/a_vision_for_social_housing

[vii] LGA (2017) Housing Our Ageing Population. Available online at: https://www.local.gov.uk/sites/default/files/documents/5.17%20-%20Housing%20our%20ageing%20population_07_0.pdf

[viii] DEMOS (2017) Unlocking the housing market. Available online at: <https://www.demos.co.uk/wp-content/uploads/2017/11/Unlocking-the-Market-Demos-Report.pdf>