The Perspectives of the Retirement Market

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Realising the potential of the retirement market

Audley Court Chief Executive *Nick Sanderson* believes that over 55-year-olds are being marginalised by the government which must now take steps to recognise the needs of this growing sector of our society.

Although commendable this will not stimulate moving chains or encourage “empty nesters”, living in large family homes, to move into properties more appropriate to their needs.

It is stunning to see that the UK “retirement home” market is still marginal when in countries like the USA and Australia “adult only” resort type communities, which cater seamlessly for the active retired, assisted care and full time care part of their populations are really taking off.

Astute actors of the retirement home market offer “accessible” facilities, meaning by that their infrastructure (restaurant, café, swimming pool,…) are also available to the local community. Notably, this allows better integration in the local neighbourhood more lively premises and a diverse population mix. Furthermore, it helps in gaining planning consent for the development.

Some may say this is taking advantage of an elderly customer base; but considering many seniors today are from the war and post-war periods, they are well-travelled and are fully aware of what they want.

Still, there is plenty of room for additional residences as the interested population keeps growing.

The technical side of these new centres keep evolving a lot: actors have to embrace sustainability and new technologies such as off-site manufacturing. Smaller things are also important and can make a big difference in terms of quality of life and building management costs: LED lighting, ground-source heating and intelligent wiring.

Helping release under-occupied family homes

While the UK suffers the most severe housing shortage since the end of WWII, there are currently over 25,000 empty

bedrooms, many in under occupied family sized homes. Recently, the government has been developing and implementing numerous housing initiatives to help create a home owning society. However, these are almost exclusively aimed at younger potential first-time homeowners, who are being encouraged to buy brand new properties.

But what about our senior citizens? Why don't we find new quality retirement homes all over the country? Probably because there is no incentive to do so.

If the government really wants to create a home owning society and a balanced housing sector, they should consider two things:

Encourage older home owners to sell their large family sized and under occupied home by removing the requirement for them to pay stamp duty when moving to a smaller and possibly care assisted brand new homes;

Encourage homebuilders to create better and more targeted homes that cater for the demographic time bombs, which is our aging society.

When it comes to creating homes for the country's often forgotten but growing number of over 55 year olds, we need something better than what most developers offer, especially after the government dropping the code for sustainable homes. We should create higher specification homes located in "later lifetime home communities" that should integrate into existing communities and create the quality of life that will encourage older homeowners to move out of their under-occupied homes and thereby provide the family sized homes our society needs.

It is a challenge, but one with the support of the government that can be achieved.

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