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HOUSING FOR SALE TO THE ELDERLY

SECOND REPORT

WHAT DO PEOPLE WANT?

HOW BIG IS THE MARKET?

Analysis of the results of advertisements placed
in five local newspapers and responded to by
317 home-owners aged 60 and over.

Prepared for

THE HOUSING RESEARCH FOUNDATION

by

Dr. S. BAKER AND Dr. M. PARRY

of

THE UNIVERSITY OF SURREY



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The Housing Research Foundation commissions research through universities and others into housing needs and customer preferences. The Foundation is a non-profit-making body set up by the National House Building Council, which is itself non-profit-making and represents all the officially recognised bodies concerned with new housing, including the Building Societies Association, the Consumers Association, local authority associations, the House Builders' Federation, the Royal Institute of British Architects and the Royal Institution of Chartered Surveyors.

This report is based on a project carried out at the University of Surrey.

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Opinions expressed by authors in reports commissioned by the Housing Research Foundation are not necessarily those of the Foundation itself.

February 1984

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DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

MAY 30 1985

LIBRARY
WASHINGTON, D.C. 20410

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Summary

This report forms the second part of a comprehensive study, commissioned by the Housing Research Foundation, concerning the market for purpose-built sheltered housing for sale to retired people in the United Kingdom. The first part of the study (Baker & Parry, 1983) looked in detail at the existing provision of sheltered housing for sale and investigated the views of a sample of residents who had moved into this new type of housing.

The purpose of the second part of the study is to establish the views of people who may be considering a retirement move with respect to their requirements in terms of the type, size and location of units, the services which they consider necessary. In addition an attempt was made to obtain further information concerning the size of the market and the rate of its development.

Summary of Conclusions

- * The suitability of a retired person's home for an independent life during retirement is of great importance because of the considerable amount of time which retired people spend at home and because of the mobility and health problems associated with advancing age.
- * The existing housing stock of this country does not, in the main, satisfy the needs of the growing number of retired people.
- * The results of this survey confirm that a substantial market exists for further sheltered housing for sale to the retired. In our opinion the size of this market is between 250,000 and 400,000 units but, if the younger active retired can be attracted into purpose-built retirement accommodation, the size of the market may be considerably larger.
- * On the assumption that suitable sites with planning permission can be obtained, we suggest that a reasonable rate of development for this market is between 20,000 and 24,000 units per year. This figure is greater than that stated in the previous report (15,000) (Baker & Parry, 1983) and takes into account the excellent response to the advertisements used in this survey.
- * Due to the current shortage of sheltered housing for sale to the retired we believe that there is an immediate demand for around 50,000 units.

- * This survey has identified that purpose-built housing for sale to the retired should be designed to cater for either of two groups; the younger, active-retired who are often married or the more elderly, dependent retired who are, in the main, single women.
- * It may be possible to provide for both of these markets in a single development; however, all of the developments which are currently in existence in the United Kingdom have tended to attract the more elderly group of retired people.
- * The average age of respondents in this survey was 67 years. This is a younger group of retired people than those interviewed in the previous study (Baker & Parry, 1983) who were already living in purpose-built sheltered housing; their average age was 76 years.
- * The majority of respondents in this study were married. This is in contrast to the results of the previous study (Baker & Parry, 1983) which showed that the majority of people already living in existing sheltered schemes were single, widowed women.
- * Only a small number of respondents found their present homes suitable for their retirement.
- * The majority of respondents considered that their existing homes were adequate whilst they remained active but most anticipated that sometime in the future they would need to find more suitable accommodation.
- * The most important reasons given by respondents as likely to prompt a move were that their existing houses and gardens could become too large to manage. To a lesser extent, problems of house maintenance and high running costs were also mentioned as likely reasons for prompting a move to more suitable accommodation.
- * The most frequently stated reason for wanting to purchase purpose-built retirement accommodation was "anticipating the problems that come with old age".
- * Married couples prefer two bedroom accommodation whilst single people are more prepared to accept one bedroom units.
- * Nearly three-quarters of respondents wanted to remain in the same locality as their existing home when making a retirement move.
- * The most popular location for a sheltered scheme was a bus ride from a town centre.
- * City centres are not favoured for retirement homes.

(iv)

* Over half of all the respondents wanted a garage; this reflects the younger age group of the sample. It was found that in the previous study (Baker & Parry, 1983) of those already living in purpose-built sheltered accommodation, only one quarter owned cars.

* Schemes should be designed so that service charges, running costs, ground rents and rates are kept to a minimum.

* We believe that there may be a market for retirement housing schemes which are able to provide the flexibility to accommodate the continually changing needs of retired people from the age of 60 until their death. This has been achieved in the U.S.A. and further research is required into the feasibility of such schemes (commonly referred to as "continuing-care" schemes) in the United Kingdom.

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SECTION 1

1.1 Introduction

What type of accommodation do people want to live in when they retire and as they grow older? Ideally, where should this accommodation be located? What range of services should be offered with such accommodation, bearing in mind the changing needs of retired people as they become older? This report deals with these questions and gives an insight into the views of retired people who are, at present, living in ordinary housing but who are likely to consider a retirement move in the near future.

A previous study (Baker & Parry, 1983) investigated the views of retired people who had already purchased purpose-built sheltered accommodation. This study is summarised below.

Housing for Sale to the Elderly - Part 1 (Baker & Parry, 1983)

In January 1983 the Housing Research Foundation commissioned a study by the University of Surrey into specialist housing built for sale to the retired.

The study (Baker & Parry, 1983) investigated the existing types of sheltered housing for sale to the retired and looked into the views of a sample of residents who were already living in such accommodation. The study also included a review of the relevant statistical data relating to the distribution and marital status of elderly owner-occupiers. In addition, the views of planning authorities and social services were obtained.

A summary of the objectives of the study were as follows:

- 1) to identify the characteristics of existing occupiers of sheltered units which had been built for sale;
- 2) to estimate the size of the potential market for this type of housing based on census data and other literature;
- 3) to assess the attitudes and opinions of those people who had already bought units in existing sheltered schemes;
- 4) to examine the views of local authorities towards such developments.

The study was able to draw conclusions with respect to these objectives and, furthermore, suggested that a significant market exists for the provision of purpose-built housing for sale to retired people.

The study was restricted solely to those already living in such accommodation and gave no indication as to the requirements of people who may be potential customers and who were still living in ordinary housing. The views of such people are of particular

interest as they are likely to have a far greater choice of retirement accommodation than those who have already made a retirement move. The reason for this is that, at the beginning of the study, there were no more than 2,500 units in existence but during 1983 considerable interest was shown by United Kingdom house-builders this will result in an increase in the number of sheltered units likely to be offered for sale in the future.

Housing for Sale to the Elderly - Part 2

Consequently, the Housing Research Foundation decided to commission a further study to establish both the immediate level of demand from retired people for this type of housing and their requirements. A summary of the objectives of this study are:

- 1) to provide additional information, from retired owner-occupiers living in ordinary housing, into the immediate and future demand for purpose-built sheltered housing for sale
- 2) to investigate the reasons why people are likely to move to specialist housing
- 3) to identify the requirements of potential customers with respect to specialist housing

The findings of this second study are reported here.

1.2 Brief review of Retirement Housing

An in-depth study carried out in 1977 by Age Concern into the housing conditions of the elderly suggested that, although retired people who were owner-occupiers were not traditionally considered to be in need, their housing is often unsatisfactory and unsuitable for their old age. The research showed that, to the elderly, their home is of prime importance. As people cease working and become older, they are likely to spend increasing amounts of time in their home and thus the home environment should meet their particular needs. The Age Concern study found that of the elderly people studied, 62 per cent had not left their homes the previous day, and three-quarters of those who had gone out did so for less than one and a half hours. Despite their desire to stay at home, the study found that a large proportion of people were very dissatisfied with their accommodation, and wished to move. This was particularly evident amongst the 65-74 age group (33 per cent).

The report suggested that the unsuitability of their housing was largely due to the fact that it no longer met the needs of elderly people whose families had now left home. Age Concern found that houses were often unsuitable because they were too large and difficult to maintain, and because the owners were too remote from family and friends.

A further report on housing (Smith, 1977) argued that there is a pressing need for housing suitable for older people. In the past this need has been met, to a certain extent, by the public sector and by housing associations and charitable trusts. However, this type of accommodation is usually only for rent and does not meet the needs of owner-occupier retired people. As the previous report (Baker & Parry, 1983) outlined, the majority of those who are over the age of 60 today were born into privately rented property, but almost fifty per cent have now become owner-occupiers. This may pose a problem for many retired people; although their homes may be unsuitable to meet their retirement needs, there are few suitable alternatives in the private sector. Those who are retired fall into two main groups: those who are the 'young', active retired, and those who are older and becoming increasingly dependent on others for assistance. Those who are younger may find, at retirement, that although their homes are no longer suitable, they are unable to obtain housing which meets the changing needs of growing older. Both the younger and the older retired who have been used to being home owners may also be reluctant to accept accommodation which is somewhat institutional. In addition, local authorities and housing associations have not provided accommodation for owner-occupiers as they do not consider these people to be in housing need.

A common desire of those reaching retirement is to move to a bungalow or a flat which offers smaller accommodation on one level. The problem for those seeking bungalows is that they are usually located in traditional retirement areas, for example, in coastal districts. Although there is a belief that when people retire they want to move away and be close to the sea, there may be an increasing reluctance on the part of retired people to move away from areas where they have established themselves. As the Age Concern Survey found, the elderly were conservative in their mobility patterns; however, it was not clear whether this was due to wishing to remain in a familiar environment or because there were no suitable alternatives.

The previous study (Baker & Parry, 1983) indicated that the needs of some retired people were being met in specially designed sheltered accommodation which had been built for sale. Residents in a variety of developments, who were interviewed in the study, stated that they were very satisfied with the type of accommodation being offered and particularly with the services provided.

There remains little doubt that the existing housing stock of this country does not provide suitable accommodation for a large number of retired people and that, in the future, many may wish to purchase a specially designed retirement home. The ultimate purpose of this study is to establish the size, rate of development, and requirements of this market.

1.3 Estimate of the Size of the Market

The results of the previous study (Baker & Parry, 1983) together with the interpretation of the present findings have permitted the authors to make estimates as to the size of the market for purpose-built housing for sale to the retired.

Today, there are 10 million retired people in the U.K. representing 18 per cent of the population. Of these, the census (Census, 1981) informs us that there are around 3.2 million households made up of people where the head of that household is retired. These households would usually comprise people living alone, as couples, or with families. The findings indicate that there is a potential market for sheltered retirement housing which we estimate at between 250,000 and 400,000 units. It is hard to be precise with these figures because, at the present time, the concept of retirement housing is relatively new and most potential customers are still not aware that it even exists.

These estimates are based partly on a previous published survey, carried out in 1977 (Age Concern), from which it has been possible to assess the demand for sheltered housing for sale to the elderly at around 8 per cent of retired owner-occupiers; this gives a figure of around 250,000 units. However, we suggest that this figure could be considerably higher for a number of reasons.

(i) An increase in the number of retired people

The Age Concern survey referred to was carried out in 1977 and since that time the percentage of retired owner-occupiers has increased.

(ii) The improved image of sheltered accommodation.

The image of 'sheltered' accommodation has changed dramatically since 1977 when most accommodation would have been considered as fairly 'institutional', and designed for the more frail and dependent elderly. At that time there were hardly any sheltered homes available for sale. The current image is becoming far more attractive to potential customers and reflects accommodation which provides for 'easy', 'carefree', 'secure', 'enjoyable' and active retirement in a pleasant location. This is clearly a more desirable type of accommodation.

(iii) A wider variety of choice

The retirement accommodation now being provided offers a wider variety of choice; for example there are the town centre one bedroom flats, as favoured by McCarthy and Stone, up-market courtyard schemes of two/three bedroom houses situated in country towns, and even fairly large retirement 'villages' offering many facilities.

As a result of these three factors we now believe that substantially more than 8 per cent of retired owner-occupiers would favour retirement accommodation today than did in 1977. We would suggest that a figure of 12 per cent of retired owner-occupiers is not unreasonable, i.e. 400,000 units. However, it is possible that the eventual size of the market could exceed 400,000 units, for the following reasons:

(i) The benefits of releasing capital

More and more elderly people are likely to recognise the benefits of moving to such schemes because of the opportunity to release capital by trading down. This point is now frequently mentioned in newspaper articles and we believe this could have a very big affect on increasing the number of customers.

(ii) Publicity/Marketing efforts.

It is also likely that the figures will be influenced by the considerable publicity and marketing efforts which will result from increased activity by house builders in this field of housing. This in turn will increase the public's awareness and lead to a general acceptance of such housing as being part of the normal housing scene.

(iii) Appealing to the younger retired

All of the developments which were studied were, in the main, attracting people over the age of 70 (Baker & Parry, 1983). However, we believe that 'retirement' schemes could be designed and marketed to attract the 60-70 year olds - the active, younger, retired. If this is achieved then the overall size of the market would increase significantly above 400,000 units.

SECTION 2

2.1 Survey Method

In order to carry out the present study, the following advertisement was placed in five newspapers:



Housing Research Foundation
University of Surrey



Are you over 60 and a home-owner?

Are you happy
with your present home?

Ideally, would you like to be able to buy -
perhaps making a profit on the change - a smaller,
specially designed dwelling for your retirement?

The Housing Research Foundation has asked the University of
Surrey to carry out research into the housing needs of retired people.

Your views are important for designing for the future

If you are willing to help us by spending a few minutes of
your time answering a short postal questionnaire,
please cut out and return the form below.
No stamp is required.

We would really appreciate your help

Name _____	Please return to Dr. M. J. Party
Address _____	FREE POST
_____	Dept. of Home Economics
_____	University of Surrey
_____	Guildford
_____	Surrey GU2 5XH

No stamp required

Newspaper	Circulation figures
Sale and Altrincham Messenger	220,000
Windsor, Slough and Eton Express	75,000
Northampton Chronicle and Echo	45,000
Surrey Advertiser	41,000
Woking Review	43,000

The advertisement included a freepost coupon to facilitate a good response. Although the ideal method of achieving the objectives would have been to carry out a random sample of retired owner-occupiers, in practice, identifying this group would have presented considerable problems and involved an extensive field force.

The advertisement was aimed at those who were over the age of 60 and home owners. The wording was such that it would mainly encourage those who could be interested in retirement housing to respond. This clearly produced a biased sample; however, the response indicated that there was considerable immediate interest in this type of housing.

Three hundred and seventy-five people applied for questionnaires. Of these 317 returned them in time for analysis.

Of the 375 responses to the advertisement some 320 were to the first insertion in the papers while the remainder were a response to a second insertion of the same advertisement in the Surrey Advertiser and Woking Review. No further insertions were made in the other newspapers.

When the questionnaires were sent to respondents a covering letter explained the nature of the study (see Appendix 1). This discussed the types of existing units, and outlined their design features. It was explained that the study was being carried out to establish the demand for purpose built accommodation. The respondents were informed that their confidentiality would be ensured. It appeared that many of the respondents were extremely pleased to be given the opportunity to express their views, often making statements to this effect when applying for the questionnaire.

The questionnaire (See Appendix 2) was prepared using standard market research procedures. After initial discussions were conducted with a small sample of retired owner-occupiers, a series of questions was formulated. This was followed by a pilot study after which the questionnaire was amended and further pertinent questions added.

The purpose of the questionnaire was to establish:

- 1) the status and age of respondents;
- 2) the suitability of their present housing;
- 3) any plans which the respondents may be making or may already have made for their retirement;
- 4) the level of awareness of existing purpose built accommodation;
- 5) the reasons which would motivate respondents to move;
- 6) the services which respondents would require in purpose-built accommodation;
- 7) the desired locations of such schemes.

In addition, an extra sheet was provided at the back of the questionnaire to allow respondents to freely comment on retirement housing. In accordance with normal market research practice, all respondents were sent thank you letters.

SECTION 3

Findings of the survey of 317 respondents

3.1 Age Distribution

Table 1 shows the age distribution of the sample. Although the advertisement was aimed at those already over the age of 60, a number of applications (10 per cent) for questionnaires came from those under that age. It can be seen that two-thirds of the respondents were between the ages 61 and 70 and a quarter of the sample were between the ages 71 and 80. The average age was 67. This was clearly a younger group than those interviewed in the previous study (Baker and Parry 1983) who were already living in purpose built housing; their average age was 76 years. It is important to bear this lower average age in mind because it has implications when considering the right housing type for this potential market. The specialist housing requirements for people under 70 significantly differs from that of people over 70. This was established from the results of the previous study (Baker & Parry 1983) in which 36 per cent of respondents (average age 76 years) living in purpose built, town centre, sheltered housing had, at the time of their retirement, moved into a bungalow and had then made a subsequent move during their seventies.

Table 1

	Age of Respondents	No.	%
Up to age 60		31	9.8
61 to 65		107	33.9
66 to 70		92	29.1
71 to 75		49	15.5
76 to 80		32	9.8
81+		6	1.9
	<hr/>	317	<hr/> 100.0

3.2 Marital Status

Table 2 shows that the majority of respondents in this study were partners in a married couple (62 per cent), while 31 per cent were single or widowed women. Only 7 per cent were single or widowed men. In contrast to these figures, results of the previous study (Baker & Parry 1983) showed that the majority of respondents who were living in the type of purpose built accommodation obtainable at that time were older widowed women.

Combining figures for the age and marital status of respondents in this survey (Table 3) it is possible to understand why two separate markets exist for specialist retirement housing.

The most important feature of these figures is that the number of single and widowed individuals in the sample increases in the higher age group. The accommodation requirements of younger, retired, married people are very different from the requirements of older, single people. It is suggested that this difference exists for a number of reasons. For example, in the case of younger, retired, married couples tasks such as house maintenance, gardening and driving are carried out by the man. This may leave a problem for his wife when he becomes frail or dies. These tasks must then either be carried out by an outside agency or the need for them to be carried out must be removed. If, for example, driving was necessary for shopping and this then becomes impossible, a move nearer to shops remains the only solution if independence is to be maintained. Taking this simple example it is possible to understand that flexible accommodation is essential if the needs of the active younger retired people, and the older, frail, but independent people are to be met within any one scheme for the retired.

Traditional retirement bungalows and the more recently designed town centre, 1 bedroom sheltered flats do not offer the flexibility necessary to satisfactorily accommodate an individual from the time of active early retirement to more dependent old age. However, whether such a scheme could ever be designed and built remains a matter of debate and until the time as it is resolved the current alternatives of low-density, linked/detached warden-assisted bungalows or high-density, sheltered flats remain the two most likely forms of development.

Table 2

	Status of Respondents	
	No.	%
Single/Widowed Women	99	31.2
Single/Widowed Men	22	7.0
Married People	196	61.8
	317	100.0

Table 3

	Respondents' Age by Status	
	Up to 70 %	71 and Over %
Single/Widowed	34.9	45.3
Married	65.1	54.7
	100.0	100.0

3.3 Suitability of Present Home for Retirement

Respondents were asked how suitable they felt their present homes would be for their retirement. Half regarded their present homes as being unsatisfactory in some way. Only 13 per cent regarded their homes as being 'very suitable'. It can also be seen that a greater percentage of those over 71 found their homes unsuitable (58 per cent) compared with those under 70 years (46 per cent). Although 36 per cent of the respondents stated that their homes were adequate, the majority of these people nevertheless went on to describe why their homes would be inadequate at some time in the future. These results suggest that increasing age leads to the unsuitability of standard family housing for retired people.

Table 4

Suitability of Present Home for Retirement					
	Total Sample	Single/Widowed	Married	Up to 70	71 and Over
	%	%	%	%	%
Very Suitable	13.6	10.3	15.8	14.8	10.7
Adequate	36.6	35.0	37.4	38.8	31.0
Unsuitable	49.8	54.7	46.8	46.4	58.3
	—	—	—	—	—
	100.0	100.0	100.0	100.0	100.0
	—	—	—	—	—

The main comments by respondents suggest that their present home was adequate while they were still active, but most anticipated that in the future, their needs would not be met by this housing. In particular, many of those under 70 felt that, within ten years, they would have to find alternative accommodation. However, a degree of reluctance to leave their present homes was recorded although many saw such a move as inevitable when physical fitness, and/or financial resources, became limited.

3.4 Reasons for Unsuitability of Present Home

Both those who regarded their homes as unsuitable and those who considered them adequate at present went on to state the reasons why their housing may become unsatisfactory at some stage during their retirement.

Table 5

Reasons	Reasons for Unsuitability of Home (includes multiple responses)	
	No of Responses	%
House too large	114	36.0
Garden too large	109	34.0
House maintenance	84	26.0
Services too expensive	65	20.0
Problem with stairs	53	16.7
Existing health/disability problems	24	7.5
Bereavement	20	6.3
No toilet on ground floor	20	6.3
Other	56	17.7

The greatest number of responses concerned the size of house; this was cited by over a third of the respondents. The house was generally regarded as too large, particularly for those whose families had grown up and left.

Reference was frequently made to the difficulties of maintaining the house, for example, decorating or cleaning windows; in addition, the cost of services such as heating and rates, which are also related to size, were of concern to many (20 per cent).

Almost a sixth of the sample regarded the house being on more than one level as a problem and for some, the toilet not being on the ground floor presented difficulties.

Over a third of the respondents felt that the garden was likely to be a problem in the future. In most of these cases the respondents referred to the difficulties of maintaining it, in particular, mowing the lawn, cutting hedges, and generally keeping it tidy.

Some of the respondents felt that their present home was unsuitable due to existing ill health or disability. A sixth said that the main reason for their wishing to leave was due to bereavement.

These findings are in complete agreement with those of the previous study which dealt with retired people who were already living in sheltered accommodation.

3.5 Plans for Retirement

Respondents were asked whether they had made any plans for their retirement. Table 6 shows that the majority of the respondents had at least thought about it (to varying degrees), and that 32 per cent were actively making plans. Only 12 per cent said that they had no well-formulated plans or ideas; however, the small percentage of those with no plans reflects the bias in the sampling method which is likely to have produced a majority of respondents who would already be thinking about a move.

Table 6

	Total Sample %	Plans for Retirement				No. of Responses	%
		Single/ Widowed %	Married %	Up to 70 %	71 and Over %		
Making Plans	32.8	24.8	36.9	31.9	34.5		
Thought about it	54.6	60.7	51.8	57.6	47.6		
No Plans or Ideas	12.6	14.5	11.3	10.5	17.9		
	100.0	100.0	100.0	100.0	100.0		

Of those who had made plans or were actively thinking about it 42 per cent favoured a bungalow (Table 7), (although it will be shown later that a larger number of respondents including those who had made no plans as yet wished for this type of accommodation); some simply stated that they wanted smaller accommodation; for several respondents this smaller accommodation meant a flat. Only 13 per cent of the respondents said they had begun studying estate agents' advertisements. Almost 12 per cent were already on the waiting list for purpose built accommodation.

Table 7

Respondents who have made plans for retirement or are actively thinking about it.

Plans	No. of Responses	%
To purchase a bungalow	78	42
To purchase smaller accommodation	34	18
To purchase a flat	27	15
Studying estate agents advertisements	25	13
On waiting list for purpose built accommodation	22	12
	186	100
	—	—

It was apparent from many of the comments made by the respondents that the requirements of retirement housing change with age. Firstly, the move to smaller accommodation would relinquish respondents of many of the existing burdens caused by their housing; then secondly, as the problems of old age were encountered, a move to some type of sheltered housing would be necessary. Those who were younger, active, and married envisaged they they would be able to cope in a bungalow for between 10 and 15 years but anticipated a need for supporting services after this period.

It is accepted by many that 'moving may damage one's health'. Bearing this in mind, we believe that some purpose built retirement housing for sale should be designed to provide the flexibility to accommodate the continually changing needs of retired people between 60 and their death, even if this occurs some quarter of a century later.

3.6 Awareness of Purpose Built Accommodation

As Table 8 shows, 69 per cent of respondents had already heard of purpose built accommodation prior to taking part in this study.

Table 8

Prior Knowledge of Purpose Built Accommodation

	No. of Respondents	%
Yes	219	69.1
No	98	30.9
	<u>317</u>	<u>100.0</u>

Previous knowledge of this type of housing had come from a number of sources. Many respondents cited more than one source.

Table 9

Sources of Information about Retirement Housing

	Responses (Multiple)	%
Local press	83	26.2
National press	63	19.9
Advertisements	51	16.1
Existing developments	39	12.3
Neighbours, friends, relatives	38	12.0
Magazines	24	7.6
People in purpose built accommodation	23	7.3
Brochures/reports	22	6.9
Television	6	1.9

The most frequently cited source of information was the local press (over a quarter of the responses) followed by the national press (almost a fifth). This information came from both articles and advertisements: almost a sixth of the respondents stated specifically that their awareness had come through advertisements, although generally they did not state the source. Many had heard through magazines, for example, 'Choice', a magazine for the elderly. Other respondents had found out about existing developments, by seeing the developer's board, 7 per cent had heard about them from people living in existing developments. Twelve per cent had heard by 'word of mouth', either from relatives, friends, or neighbours. A number of people had heard from brochures or reports, sometimes supplied by organisations such as the Citizens Advice Bureau or Age Concern. It would appear that estate agents have not been significantly involved in the marketing of retirement housing.

3.7 Desire to Purchase Purpose Built Accommodation

Eighty six per cent of the respondents stated that they wished to buy purpose built accommodation (see Table 10). Approximately 28 per cent wished to purchase soon, while 58 per cent wished to buy sometime in the future. Only 7 per cent wanted to stay in their present homes, and 5 per cent wished for other types of accommodation.

Taking into account both the response rate to the advertisements and the circulation figures of the particular newspapers used in the survey it is possible to estimate the total size of the immediate market for purpose built sheltered housing. Results of this study suggest that placing one advertisement in local papers throughout the country could attract some 25,000 to 30,000 interested customers. Further repetition of the advert would, as happened in the present study, increase this figure. From this study we estimate that an immediate demand for around 50,000 units exists.

Development of this market at a realistic rate is of particular importance. On the assumption that suitable sites with planning permission may be obtained, we suggest that the development of between 20,000 - 24,000 units per year is not unreasonable. These figures are based on the assumption that, apart from initial demand, there will be around 200,000 new potential customers each year of whom, 10 to 12 per cent are likely to want to purchase purpose built retirement homes. This figure is higher than that (15,000 per year) stated in the previous report (Baker and Parry, 1983). This increase reflects the excellent response to the advertisements.

Table 10

Desire to Purchase Purpose Built Accommodation					
	Total Sample	Single/Widowed %	Married %	Up to 70 %	71 and Over %
Yes, soon	28.1	32.2	24.7	21.5	44.7
Yes, sometime	58.1	59.3	58.9	64.7	43.5
Wish to Stay/Something Else	13.8	8.5	16.4	13.8	11.8
	—	—	—	—	—
	100.0	100.0	100.0	100.0	100.0
	—	—	—	—	—

Another important result in Table 10 relates to the percentage of respondents who were over 71 compared with those under 70 who wished to buy soon. In comparing these figures it becomes clear that around the age of seventy a critical decision is made; i.e., to find more suitable accommodation. It appears that elderly people become more aware of their physical limitations and their vulnerability during their late sixties and early seventies and it is during this time that, in their own opinion, they require more suitable housing. An important implication of this interpretation is that it may be possible to house people in more suitable accommodation earlier in their retirement than at the age when their existing accommodation becomes totally unsuitable. This would result in the move being undertaken before they became too old to be able to totally accept the change which such a move inevitably means. To achieve this suggestion in practice it would be necessary for 'retirement' schemes to be designed and marketed to attract the 60 - 70 year olds, that is the active, younger retired and be sufficiently flexible to accommodate them as they become older.

3.8 Possible Reasons for Wishing to Purchase Purpose Built Accommodation

Respondents gave a variety of reasons for wishing to purchase specially designed retirement accommodation. Each respondent was able to choose a number of reasons from those specified in the questionnaire, and add any additional comments.

Table 11

Reasons for Wishing to Purchase Purpose Built Accommodation

	Responses (Multiple)	%
Anticipating the problems of old age	265	83.6
Problems of maintaining present home	242	76.3
Problems of maintaining present garden	227	71.6
To improve financial position	196	61.8
Bereavement	85	26.8
To be closer to family	60	18.9
To have a change of life style	55	17.4

The most frequently stated reason was that of anticipating the problems of getting old (83 per cent). The problems of maintaining their present home and maintaining the garden were the next two reasons most cited (76 and 71 per cent). Following this, 61 per cent of the respondents wished to change their accommodation to improve their financial position. Twenty five per cent of the sample said that bereavement would be likely to lead to their wishing to move to purpose built accommodation. Other reasons were to move closer to family (18 per cent) and to change their life style (17 per cent).

Although the majority of respondents were interested in purchasing sheltered housing, a number had reservations on three main issues: 1) financial; 2) location; and 3) the size of the dwellings.

i) **Financial:** It should be borne in mind that, although many of the respondents anticipated a financial gain by moving to a retirement home, approximately 8 per cent made some reference to their concern about service charges. Some felt that they might be unable to purchase sheltered housing because of the level of these charges, while others felt that, although they would initially be able to afford them, continually rising charges might eventually produce hardship. A few respondents, who were married, commented that when they or their partner died, it might be more difficult for the person remaining to keep up service charge payments.

Previous studies have shown that a surprisingly large number of owner occupiers have very little in the way of savings (Age Concern (1980)). The opportunity to trade down into more suitable accommodation is clearly an incentive to move. The previous study (Baker & Parry, 1983) showed that the average gain in trading down to a smaller retirement home was £5,000. This fairly small sum, coupled with low savings, means that it is essential for retired people to keep their living costs as low as possible. The minimum likely charges, at present costs, assuming a reasonable size development of small flats, where a resident warden, alarm system, communal lounge, heating and cleaning of communal areas, exterior maintenance, contract gardening and an allowance for contingencies are provided, amounts to about £7 per week. This figure rises sharply for schemes offering a more extensive range of facilities. In addition residents are also faced with other charges; these include heating and lighting bills, ground rent and rates; however, these are likely to be lower than in their previous homes and this should help reduce the impact of service charges.

ii) **Location:** There were some respondents who were reluctant to move to accommodation which they felt would isolate them from the rest of the community. A few people mentioned that they had no wish to go into housing which could be even remotely institutional and they did not like the idea of communal living (suggesting that it would make them 'feel older' to be with other elderly people).

Previous research (Baker & Parry 1983) suggests that communal facilities offer an opportunity for social gatherings which help counteract one of the most significant problems facing the single elderly, namely, loneliness and social isolation. However, to counteract the adverse image that such communal facilities present to outsiders requires skillful marketing to induce purchase, and the employment of top quality wardens to generate the right atmosphere in sheltered accommodation.

iii) **Size of dwellings:** There were some respondents who had inspected purpose built units and were concerned that the size of rooms was too small to take their possessions, such as furniture.

Despite the few concerns outlined above, the majority of respondents felt that purpose built accommodation was desirable. Indeed, some said that they were an 'excellent' idea and that they were 'ideal' because they would allow for some independence, but with the availability of help when necessary.

3.9 Services Required in Purpose Built Accommodation

The respondents were asked what services they would like to have in purpose built accommodation.

Table 12

	Services Required	Responses (Multiple)	%
Emergency alarm	251	79.2	
Laundry room	215	67.8	
Full-time warden	210	66.2	
Landscaped gardens	204	64.4	
Guest room	196	61.8	
Small garden	196	61.8	
Residents' lounge	162	51.1	
Restaurant	132	41.6	
Short stay sickbay	128	40.4	
Hobbies room	127	40.1	
Full-time nursing service	124	39.1	

The most commonly chosen was the need for an emergency alarm system (79 per cent), followed by the desire to have a laundry room. Almost two-thirds of the respondents wished to have a full-time warden. A high percentage wished to have the development in landscaped gardens (64 per cent). Almost two-thirds expressed the view that they would like to have a guest room. Over half of the respondents said that a communal lounge would be desirable, and nearly half wanted a restaurant. A short-stay sick bay and a full-time nursing service were also regarded as an advantage (40 per cent). A small garden for personal use was regarded as desirable by almost two-thirds of the respondents.

Although many of the respondents felt that they would not require all the services during the early years of retirement, they wanted them to be available when they became more dependent. For some there was a need for privacy and independence, but a requirement for discreet monitoring (from a warden) to check that the resident was coping and not in need of help.

It was noticeable that it was generally the single/widowed group who referred to the benefits of having a communal lounge, and the younger age group who felt that a garden was desirable.

Provision of the whole range of facilities listed above would prove expensive for small developments of sheltered housing. However, with economies of scale it is suggested that it would be more feasible to provide a wider range of facilities.

One of the problems which is faced by residents in sheltered schemes is 'what will happen to each one of them as they become too frail to care for themselves?'. To date some of the existing schemes avoid this problem by asking residents who become too 'warden dependent' to leave the scheme. In our opinion this is not satisfactory and has resulted in some bad publicity in the National Press. A possible solution may be some form of continuing care community in which short and long term 'sick bay' facilities are provided. This type of scheme is common in the U.S.A.

3.10 Desired Type of Accommodation

The most popular type of accommodation envisaged for retirement was a two bedroom bungalow (Table 13); this was chosen by 70 per cent of the sample. (The respondents were able to choose more than one type of accommodation.) The second most acceptable accommodation was a two bedroom flat (37 per cent); followed by a one bedroom bungalow (20 per cent). Least popular was a one bedroom flat. These findings are not surprising as the majority of respondents were married couples; 69 per cent of married couples chose a two bedroom bungalow, against 30 per cent of single/widowed people. Only 25 per cent of married couples would consider a one bedroom flat; these were most popular with

single/widowed respondents (74 per cent). When age was taken into account it was apparent that 77 per cent of those who chose a two bedroom bungalow were under 70. Of those who chose a one bedroom flat, the age groups were almost equally divided (under 70: 48 per cent; 71 and over: 51 per cent).

These figures suggest that the space requirements are clearly related to marital status and to a more limited extent to the age of respondents.

Table 13

Types of Accommodation	Responses (Multiple)	%
Two bedroom bungalow	224	70.7
Two bedroom flat	118	37.2
One bedroom bungalow	65	20.5
One bedroom flat	39	12.3

3.11 Acceptable Locations for Retirement Accommodation

A high percentage (64 per cent) of the respondents wanted to remain in the same locality as their existing home (see Table 14). 20 per cent wanted to move away for various reasons, for example, to the coast; and 15 per cent wanted to move closer to the family.

Table 14

Location	No. of Respondents	%
Stay in same locality	203	64.1
Move away for other reasons	66	20.8
Move closer to family	48	15.1
	—	—
	317	100.0
	—	—

The majority of those who wished to stay in the same locality, did so because they did not wish to leave friends, and various organisations such as clubs, and the church. It is recognised that elderly people have rather conservative views about mobility (Age Concern, 1980). Such conservatism has important implications for developers who are considering building for this market. The figures in Table 14 indicate that sheltered schemes for the retired may be located anywhere in the country where average property values are high enough to justify retirement developments.

The respondents were asked whether the following locations would be acceptable (often more than one choice was made):

Table 15

Preferred Locations	Responses (Multiple)	%
Bus ride to town centre	156	49.2
Country village	129	40.7
Rural location	118	37.2
In or close to town centre	106	33.4
City centre	72	22.7

The most chosen location was a bus ride away from a town centre (almost 50 per cent), while 'in or close to town centre' was chosen less frequently (33 per cent). A country village was more popular than a city centre (40 and 22 per cent respectively).

Figures in Table 15 also have an important implication for developers: clearly, these figures when considered in conjunction with figures in Table 14, indicate that sheltered units are likely to be successful throughout the U.K. and that they may be built in both town and country locations subject to the constraints of location with respect to essential shops and facilities (Baker & Parry, 1983).

There were several comments on the siting of the developments. The most frequent comment was that developments should be within walking distance of shops (though not necessarily large shopping areas), doctors, and public transport. Several mentioned that there should be a level walk to these facilities.

3.12 Parking Requirements

It was important to consider what garage or parking facilities were required in purpose built accommodation. (The respondents were asked to choose one or more facility.)

Table 16

	Responses (Multiple)	%
Visitor's space	190	59.9
Own garage	174	54.9
Own space	83	26.2

It was found that almost 60 per cent wished for at least a visitor's parking space; almost 55 per cent wanted their own garage, and 26 per cent wished for their own parking space. This desire for parking and garaging is likely to reflect the younger age group in the present study, who, in general, were more mobile than those in the previous study. It was found that of those already in purpose built accommodation, only a quarter of those studied owned cars.

One of the important features of developing a site relates to the building density which may be obtained. For guidance it is significant that the older age group (Baker & Parry 1983) already residing in sheltered accommodation require less parking than the younger group who responded in this survey. We suggest that where sites are located in town centres, the parking provisions can be low. In the case of developments which are aimed at the younger retired group and which may be further away from a town centre it will be necessary to provide more parking spaces.

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SECTION 4

Appendix 1
Covering Letter



UNIVERSITY OF SURREY

Guildford Surrey GU2 5XH Telephone(0483) 571281 Telex 859331

HOME ECONOMICS DEPARTMENT

Head of Department: Professor R.J. Irving

Dear

Many thanks for replying to our advertisement. We are most grateful that you have given us the opportunity to hear your views concerning your housing needs during your retirement.

There has been a growing interest by the house building industry over the last few years into the provision of purpose built housing for sale to retired people. This interest has been generated partly by the large number of owner occupiers who have already, or who are shortly to retire, and who are currently living in houses which may not be completely suitable for their retirement.

At present there are around 40 purpose built schemes (2,500 units) which have been sold to retired people. They mainly consist of flats or bungalows and are designed to take into account the needs of retired people. For example, they are well designed, maintenance free, economical to run and in addition, they feature a resident warden who is available to answer emergency calls at any time, a residents' lounge, laundry facilities, and guest rooms. In some schemes additional facilities (sports, hobbies, etc.) are provided.

In addition, as such accommodation is generally more compact and consequently less expensive than most housing, this permits the release of a capital sum of money.

The main purpose of our study is to establish the likely demand for such purpose built retirement housing for sale. All information obtained will be treated in the strictest confidence.

To help us please complete the attached questionnaire by ticking the relevant boxes and adding any other comments that you may wish to make. We enclose a FREEPOST envelope for your reply and would like to thank you in anticipation of your help. We will have completed our study by the end of September and hope to publish a summary of our findings in your local newspaper.

Yours sincerely,

Dr. Malcolm Parry.

Appendix 2
Questionnaire

1. Do you have a job? If yes, what kind of job?
2. Do you have a job? If yes, what kind of job?
3. Do you have a job? If yes, what kind of job?
4. Do you have a job? If yes, what kind of job?
5. Do you have a job? If yes, what kind of job?
6. Do you have a job? If yes, what kind of job?
7. Do you have a job? If yes, what kind of job?
8. Do you have a job? If yes, what kind of job?
9. Do you have a job? If yes, what kind of job?
10. Do you have a job? If yes, what kind of job?

11. Do you have a job? If yes, what kind of job?

12. Do you have a job? If yes, what kind of job?

Retirement Housing Survey

For office
use only

Code Col

Question 1a How suitable is your present home for your retirement?
(TICK ONE BOX ONLY)

VERY SUITABLE

1 1

ADEQUATE

2

UNSUITABLE

3

DON'T KNOW

4

Question 1b IF YOUR PRESENT HOME IS UNSUITABLE FOR YOUR RETIREMENT

Please write in the space below, all your reasons for thinking this.

1 2

2

3

4

5

6

7

Question 2 TO BE ANSWERED BY EVERYONE

Have you made any plans at all for your accommodation during your retirement? (TICK ONE BOX ONLY)

YES, have made or am making plans

1 3

YES, have vaguely thought about it

2

NO, have no plans nor ideas

3

IF YES

Could you please give brief details of the plans you have made, or are making, however firm or vague they may be.

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1 4

2

3

4

5

6

7

IF NO, SKIP TO QUESTION 6

IF YES, GO TO QUESTION 5

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Question 3 TO BE ANSWERED BY EVERYONE

Before reading our covering letter had you ever heard of purpose built retirement housing for sale, which is warden assisted? (TICK ONE BOX ONLY)

YES

1 5

NO

2

IF YES:

How did you find out about this type of housing?

3

4

5

6

7

Question 4 TO BE ANSWERED BY EVERYONE

If there was one of these purpose built retirement homes for sale in the right place, would you consider buying one? (TICK ONE BOX ONLY)

YES, soon

1 6

YES, sometime in the future

2

NO, would like to stay in present home

3

NO, would like to move to something else

4

Question 5 TO BE ANSWERED BY ANYONE WHO MAY CONSIDER MOVING TO A PURPOSE BUILT RETIREMENT HOME IN THE FUTURE?

**Question 5a Which of the following reasons might prompt you to move?
(TICK YES OR NO FOR EACH STATEMENT)**

	YES	NO		
Anticipating problems of getting older	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	7
To improve financial position by selling, and buying a smaller home	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	8
Would like a change of lifestyle	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	9
Problems of maintaining present home	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	10
Problems of maintaining present garden	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	11
Bereavement	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	12
To be closer to family	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	13
Any other reason, please state below	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	14
			1	15
			2	
			3	
			4	

Question 5b Which of the following services would you like to have?
(TICK YES OR NO FOR EACH STATEMENT)

	YES	NO			For office use only
Full-time warden/caretaker	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	16	
Guest rooms available for visitors	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	17	
Emergency alarm in case of illness	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	18	
Full-time nursing service on call	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	19	
Short stay sickbay	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	20	
Restaurant	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	21	
Residents' lounge	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	22	
Hobbies room	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	23	
Laundry room	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	24	
Landscaped gardens	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	25	
Small garden for personal use	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	26	
Other requirements					
.					
.					
.					

Question 5c Which of the following types of purpose built retirement homes would you consider buying?
(TICK YES OR NO BOX FOR EACH TYPE)

	YES	NO			For office use only
1 Bedroom Flat	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	27	
2 Bedroom Flat	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	28	
1 Bedroom Bungalow	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	29	
2 Bedroom Bungalow	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	30	
Other, please state	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	31	
			1, 2,		

Question 5d Where would you like to move to?
(TICK ONE BOX ONLY)

MOVE AWAY, to be closer to family

1 33

MOVE AWAY, for other reasons

2

STAY in same locality

3

If you have somewhere in mind, please write in the name of the town or area below:

Question 5e Which of the following locations would you prefer?
(TICK YES OR NO BOX FOR EACH LOCATION)

	YES	NO		
In or close to a town centre	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	34
A bus ride from a town centre	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	35
In a rural location	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	36
In a city centre	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	37
In a city suburb	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	38
In a country village	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	39
Other, please state	<input type="checkbox"/>	<input type="checkbox"/>	1	40

For office
use only

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Baker, Stephen.
Housing for sale to the
elderly

Question 5f Would you need:
(TICK YES OR NO FOR EACH STATEMENT)

	YES	NO		
Your own garage	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	41
Your own parking space	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	
Visitors' parking space	<input type="checkbox"/>	<input type="checkbox"/>	1, 2	

Question 6 TO BE ANSWERED BY EVERYONE

Question 6a Are you: A single or widowed woman
A single or widowed man
A married couple

Question 6b How old were you on your last birthday?
(If married, please state both ages)

I have attached an additional sheet of paper on the back of the questionnaire on which you may add any additional points about your housing requirements. Please feel free to make any points you like!

Thank you very much for your kind help.

DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT

MAY 30 1985

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