Older Peoples Housing

Its evolution, and how you can help

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Creating quality living space

Castleoak – who are we?

- We’re specialists developers and construction partners for care & retirement living
- Customers value our advice - we share ideas and expertise
- We build long term partnerships
- 84% of current projects are from returning customers
- Our reputation means everything to us

Specialist developers for care and assisted living

- 30 years' working exclusively in the care, assisted and retirement living sector
- A reputation & partnering led business
- Award winning

THE SUNDAY TIMES BRITISH HOMES AWARDS
CELEBRATING EXCEPTIONAL DESIGN

Finalist, Best community, 2018

HealthInvestor Awards 2019 Finalist

HealthInvestor Awards 2016 WINNER Property developer of the year

HealthInvestor Awards 2014 WINNER Property developer of the year

BUSINESS IN THE COMMUNITY
The Prince's Responsible Business Network Cymru

Finalist, Environment award, 2019

2017 RICS Awards Shortlisted

Shortlisted, Innovation Award, South East, 2017

PINDERS

Winner, Best new care home for the elderly, 2017 and 2015

building better healthcare awards 2015

Winner, Best dementia care home, 2015

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Proactive industry partners

- ARCO (Association of Retirement Community Operators) Founding corporate supporter since 2013
- Care England corporate supporter for over 20 years
- Founding supporter of the Housing Learning and Improvement Network (Assisted / extra care housing)

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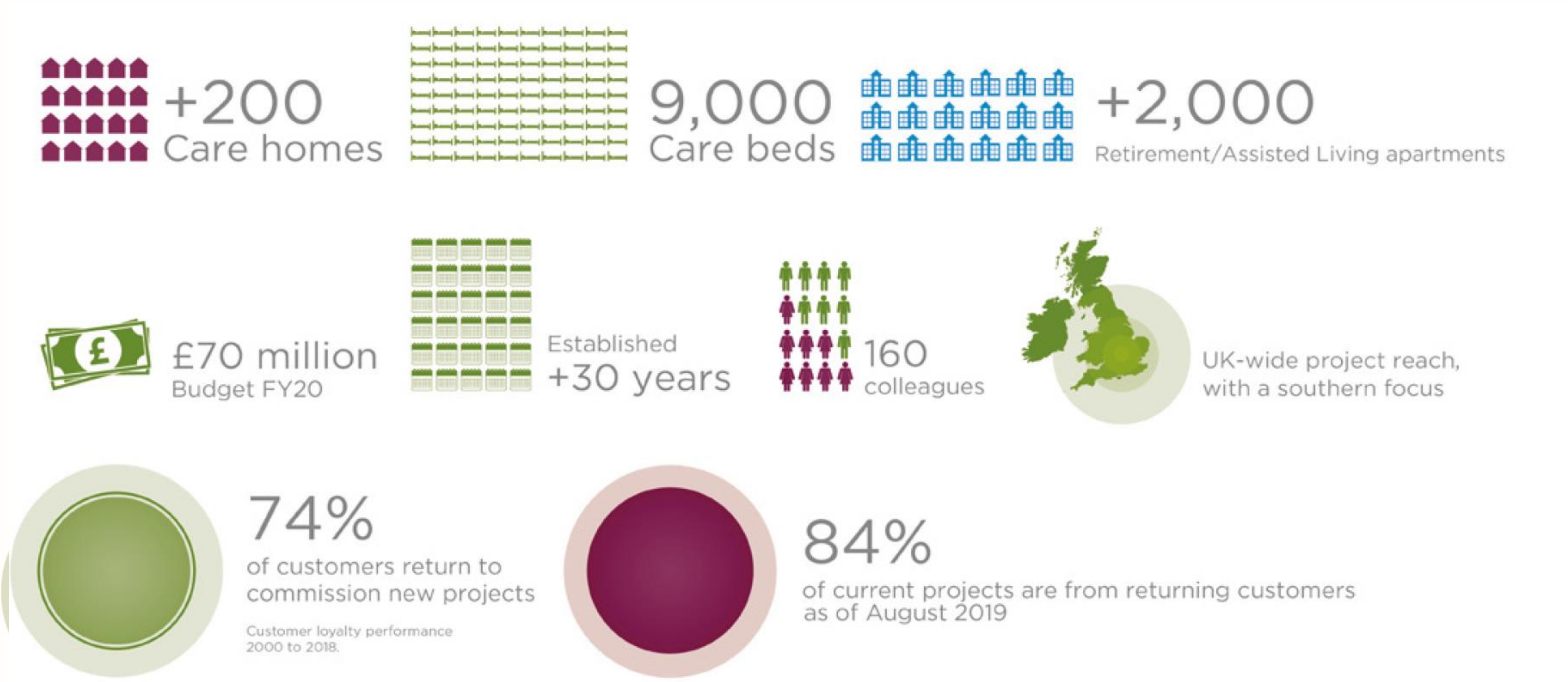
Development and construction partners exclusively to the retirement housing and care sector



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Funders and Joint Venture development partners

- On balance sheet & bank debt
- Bridges Sustainable Property Fund
- CarePlaces Fund
- Other JVs

So what exactly are we talking about?

Living Options for Older People

ARCO Setting Standards for Retirement Communities

Retirement Housing	Retirement Communities	Care Homes
Also known as sheltered housing or retirement flats	Also known as extra care, retirement villages, housing-with-care, assisted living or independent living	Also known as Nursing Homes, Residential Homes, Old People's Home
Self-contained homes for sale, shared-ownership or rent	Self-contained homes for sale, shared-ownership or rent	Communal residential living with residents occupying individual rooms, often with an en suite bathroom
Part-time warden and emergency call systems	24-hour onsite staff with optional care and domestic services available	24-hour care and support (including meals)
Usually have a lounge, laundry facilities, gardens and a guest room	Range of facilities including a restaurant or café usually alongside leisure and wellness facilities such as gyms, hairdressers, activity rooms, residents' lounges and gardens	Range of facilities and activities, including gardens, lounges and dining rooms
Typically 40 - 60 units	Typically 60 - 250 units	Sizes vary considerably

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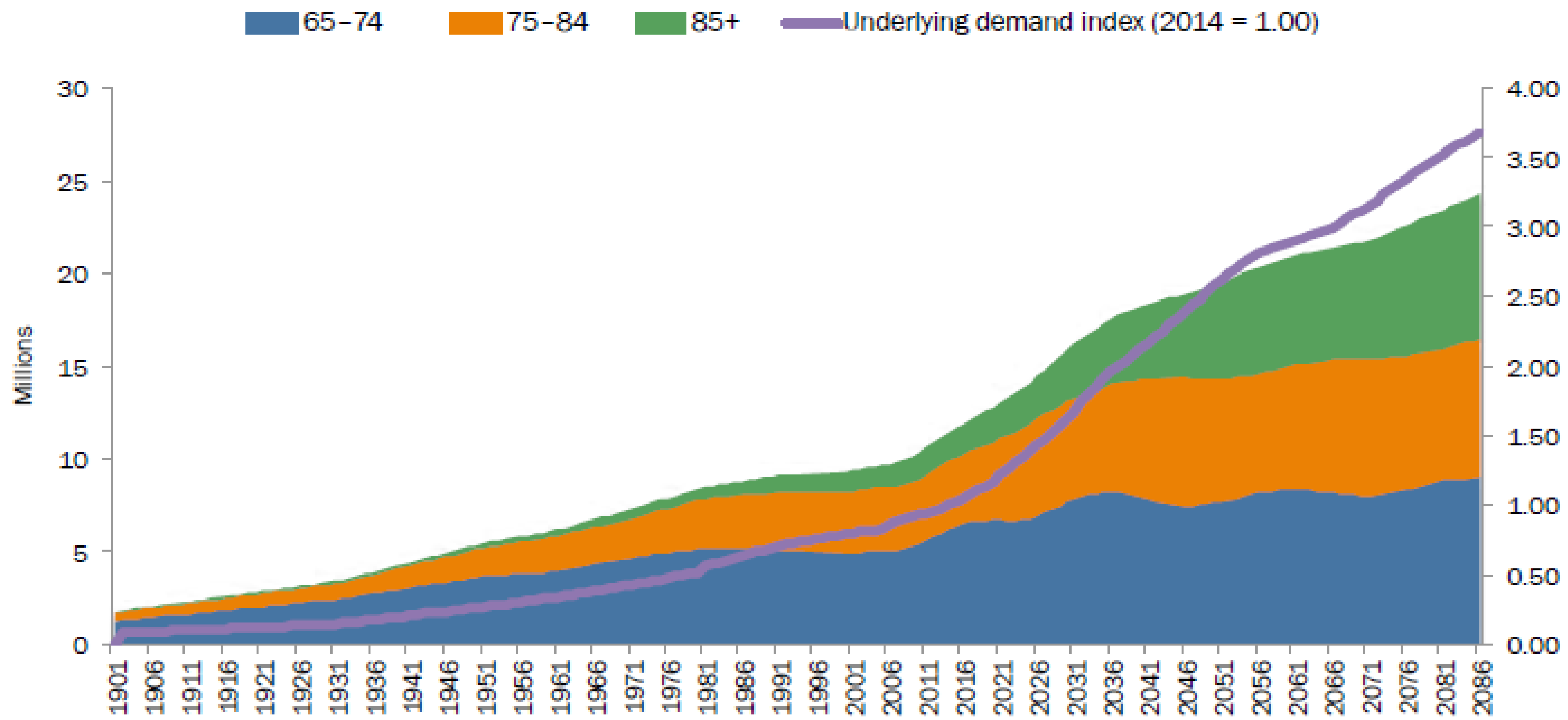
Well for one thing demographic facts….



Sources: 1901–2001, Census data; Following 2001, successive principal national projections (the latest being 2012-based) from the Office for National Statistics and (formerly) the Government Actuary's Department.

Underlying Demand Index is calculated as: *projected volume of demand in any given year (projected by applying constant 2014 age specific rates of demand per unit population) ÷ actual demand in 2014*

Or to put it another way……..

- By <u>2030</u> 1 in 5 people (22%) will be 65+, 7% will be 75+ 3.2% will be 85+

- The 85+ age group is the fastest growing and is set to double by to 3.2 million by mid-2041 and treble by 2066

- In 50 years time there will be an additional 8.6 million people 65+

- So in 2070 roughly todays population of: London, Birmingham, Manchester, Glasgow, Newcastle, Sheffield, Liverpool, Bristol, Exeter, Taunton, Weston Supermare & Bradford combined!

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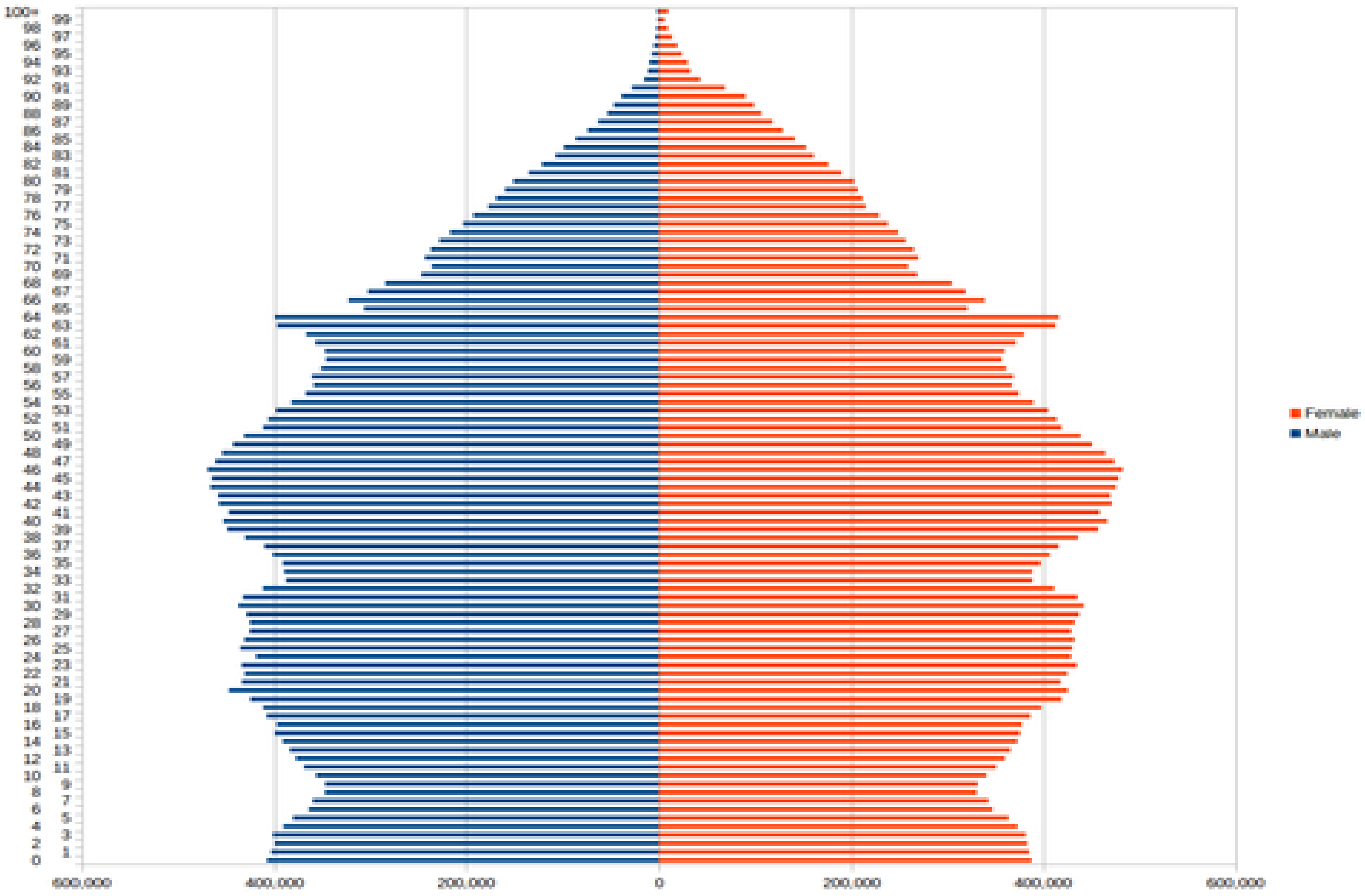
It looked like this in back in 2011



The South West is ground zero!

The South West

- The highest population density of 65+ years anywhere in the UK Source: ONS 2016
- In 2016, approximately 25.4% of South West was 65+ years
- By 2026, approximately 28.8% of South West will be 65+ years
- By 2036, 32.8% of South West will be 65+ years
- If 25% of the 65+ South West population lived in Housing for Older People

  …. we'd need 68,530 additional units between 2018 and 2028 Source: Knight Frank
- There are currently only 26,225 units of Housing for Older People in the South West – and most are outdated!

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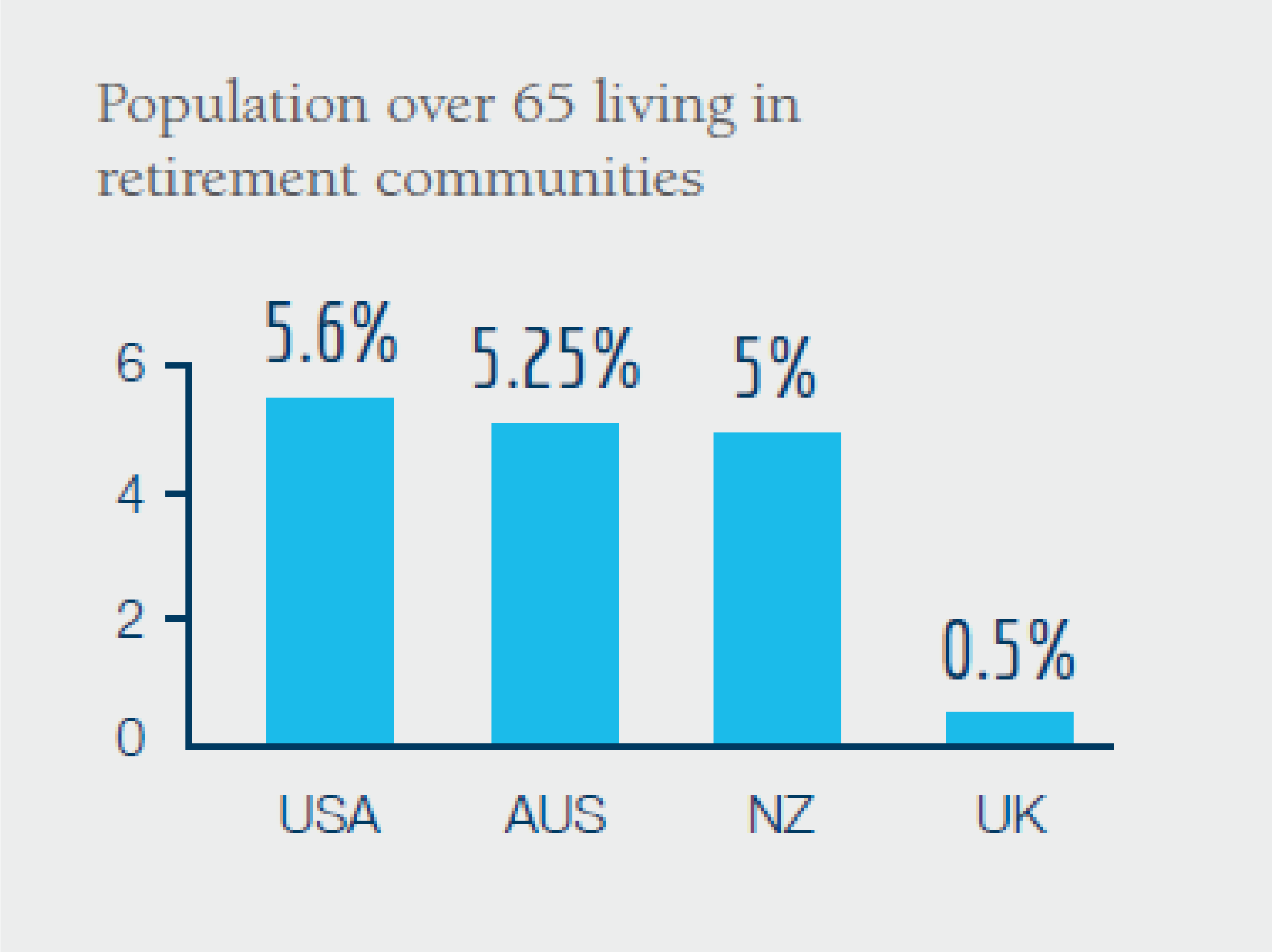
By international standards we are…….



Source: Association of Retirement Community Operators (ARCO), 2015


So what does this mean from your perspective?

You are the gatekeepers………..

- The June 2019 Planning Practice Guidance indicates that ‘the need to provide HoP is critical’ and that Government want this
- But…..do you see this as an additional problem?
- Do you understand the product, have you walked around the product?
- Are you ‘corporately’ defensive around this issue or pro-active?
- Do you have a SHMA that includes ‘Housing with Care’ as a central component?
- Do you allocate sites, allow C2 outside settlement boundaries?

Because if we look at what data there is……..........

- Housing with Care supports the Health and Wellbeing agenda and protects the public purse. Evidence from Birmingham from ECCT across 5 schemes……

- Reduced local NHS costs by 38%, reduced routine GP visits by 46% (typical for this population-1300 people) & reduced falls by 18% (compared to comparable population living in the community)

- Reduced wellbeing visits by 7,781 and supported 76 people with Dementia with a saving to the public purse of £858,296

- 840 private and 150 council houses have been released back into circulation. So 990 family homes now occupied…..by families

- Invested £250million into Birmingham and regenerated 30 acres of land

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Examples of modern housing with care schemes 2017-2019

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Sidcup Care Home & Assisted Living

80 bed care home pre-let to

Care UK plus

74 apartments to Birchgrove

Our development solution:

- Site acquisition
- Demographic & project feasibility analysis
- Planning
- Design & build
- Funding & pre-let

Castle View Retirement Living for RCVP and Mountbatten Grange care home for Care UK in Windsor

Design and build project
funded by Octopus Healthcare

Completed October 2018

Hurst Place, Haywards Heath assisted living apartments & bungalows for Anchor Hanover

RETIREMENT VILLAGES

Debden Grange Retirement Village, Essex

Off-site manufacturing

Design & build project:

- 64 assisted living apartments
- 10 retirement bungalows
- 40-bed care home
- Village centre

Currently on site

So what can we conclude?

- Demographics demand more of this type of accommodation

- Planning policy is / has caught up and recognises the need for IL / AL but still no separate use class for IL / AL…..yet!

- If we look abroad at other comparable countries we are woefully behind

- The investment appetite for this sector is insatiable (AXA , L&G, BUPA, Royal London, Goldman Sachs etc. are all in)

- 33% of all households in the UK are headed by someone over 65% (only 6% of this group is still paying a mortgage!!!)

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But...

- One of the main issues for those developing this type of housing type is affordability……..
- On-site / off-site contributions are fine but if you want affordable housing contributions please understand our pressures ref: communal spaces etc.
- If you want to help resolve the ‘housing crisis’ satisfying first time buyers with new build is only part of the conundrum. Last time buyers are important to
- There are approx. 75million bedrooms in the UK, with a population of 66.4 million!!!
- Is there really a housing shortage, or is housing just inefficiently distributed?

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Thank you