



Retirement communities and the Associated Retirement Community Operators - Briefing for Parliamentarians

The purpose of this briefing note is to provide an introduction to the retirement community sector and the crucial role it plays in providing specialist housing to meet the needs of older people and an ageing population.

1. What are retirement communities?

Retirement communities are designed with the needs of older people in mind. They typically consist of individual one or two bedroom flats or small houses, located in a community of similar properties. Residents have access to a range of services and facilities. These will usually **include optional on-site care, 24-hour staffing, and dining and leisure facilities**, and may also include bars, gyms and craft rooms.

Retirement communities are also sometimes referred to as retirement villages; extra care housing; housing-with-care; assisted living; close care apartments; or independent living apartments. They sit in between traditional retirement homes, which do not have such extensive staffing and leisure facilities, and care homes.

2. Who are the Associated Retirement Community Operators (ARCO)?

ARCO was founded in 2012 and currently has 31 members, consisting of both private and not-for-profit operators. We are the main body representing the retirement community sector and together make up over 50% of the UK market.

ARCO members operate within a diverse market but share a commitment to best practice. This is reflected in the ARCO Consumer Code, a robust system of self-regulation which ensures operators provide prospective residents with clear and transparent information about fees and service charges before they decide to move in; offer core levels of services in retirement communities; and maintain a fair and consultative relationship with residents.

ARCO members are united by their commitment to transparency, accountability, and choice and protection for older people. We believe that the best way to achieve this is through the development of a more comprehensive legislative and regulatory framework for the retirement communities sector.

3. What benefits do ARCO retirement communities provide to older people?

Meeting the needs of an ageing population: Older people need and want choice in their housing for later life. However, at present housing options for older people are limited. Retirement communities are an important element of housing choice for older people. Developing the capacity of the retirement community sector is vital to ensuring that the UK's housing market is fit to meet the needs of an ageing population.

At present only around 0.5% of over 65s in the UK live in housing-with-care developments, whereas in countries such as New Zealand, Australia and USA the equivalent figure is 5%. Our members report high levels of demand from older people who are keen to move into the limited supply of retirement village properties available.

Promoting independence, security and wellbeing: Older people living in retirement communities are likely to experience lower levels of loneliness and social isolation. A [2014 study](#) by the International Longevity Centre found that 82% of respondents in retirement communities said they hardly or never felt isolated, and only 1% often felt isolated.¹

Reducing costs and encouraging more efficient use of resources: Residents in retirement communities are able to receive specialist care in their homes if needed, enabling them to return home from hospital earlier. They are also less likely to enter hospital. For example, one way in which retirement communities improve health is by preventing falls. Retirement community properties are designed and built with adaptations to support independence and [research shows](#) that those living in these specialist homes are between 1.5 and 2.8 times less likely to have a fall than those living in homes without adaptations.²

This helps to reduce pressure on NHS services. A [recent study](#) found that NHS costs were reduced by 38% for those moving into retirement village housing and NHS costs for 'frail' residents had reduced by 51.5% after 12 months.³

Responding to the housing shortage: Older people moving to a retirement community will typically 'downsize', freeing up much needed and under-occupied family sized homes. If all those interested in moving into a retirement property were able to do so, [research](#) suggests that approximately 3.29 million properties would be released, including nearly 2 million three-bedroom homes.⁴

4. How can I find out more about ARCO and the retirement community sector?

To help you find out more about ARCO and the retirement community sector we would be delighted to facilitate a visit or meeting. You could:

- Visit an ARCO retirement community in your local area.
- Meet with an ARCO representative to discuss our work and how best to promote the development of housing which meets the needs of older people and an ageing population.

For more information, please contact Maia Beresford, ARCO Policy and External Communications Manager on maiaberesford@arcouk.org or on 0203 6971204.

¹ International Longevity Centre UK (2015), *Village Life*

² The Strategic Society Centre (2016), *Valuing Retirement Housing*

³ Holland, C. et al (2015), 'Collaborative Research between Aston Research Centre for Healthy Ageing (ARCHA) and The ExtraCare Charitable Trust'

⁴ Demos (2013), *Top of The Ladder*