



APPG on Housing and Care for Older People

‘Innovations in consumer financing for housing in later life’

Meeting details

- Time: 4pm-5.30pm, Wednesday 25 June 2025
- Location: Committee Room 1, House of Lords
- Meeting Chair: Anna Dixon MP, Co-Chair of the APPG
- Meeting type: ordinary meeting of the APPG.

On Wednesday 25th June, the APPG on Housing and Care for Older People hosted an open meeting in Parliament on the theme of ‘innovations in consumer financing for housing in later life’.

This meeting was convened following conversations with sector partners regarding the challenges of existing financing models, particularly Homes England’s Older Persons Shared Ownership model; the publication of the MHCLG Older People’s Housing Taskforce report in November 2024; ongoing debates about funding the costs of care; and issues around the low uptake of older people’s purpose-built housing/ ‘rightsizing’. One of the challenges noted by the Taskforce report was the issue of affordability of private leasehold older people’s housing.

As the title of the meeting suggested, the session was focused on financing from the consumer’s perspective. While most of the session centred on existing financing models, the ‘innovations’ aspect reflects policy work on moves beyond traditional leasehold tenure.

Attendees

The meeting was chaired by Anna Dixon MP, Co-Chair of the APPG. Lord Richard Best, Co-Chair of the APPG, and Lord John Birt and Baroness Mary Watkins, APPG Members, were also in attendance.

This session brought together speakers from the social housing sector, with Bruce Moore, Chief Executive of Housing 21; the private sector, with Nick Sanderson, CEO, Audley Group; the almshouse sector, with Alison Benzmira, Head of Research and Influence at United St Saviour’s Charity; and from a trade body, with Michael Voges, Chief Executive, Associated Retirement Community Operators (ARCO).



The session was also attended by a host of interested parties, including representatives from Homes England and the Older People's Housing Taskforce; academics; legal professionals; trade bodies; and representatives from the social and private housing sectors.

Meeting proceedings

1. Introductory remarks

Anna Dixon provided an update on the APPG's work since the Group's last open meeting in March 2025.

She informed Members and other attendees that the APPG's Inquiry on 'Creating Intergenerational Communities' was under way and that the first meeting on 'mixing age groups in a single block' took place on Wednesday 25 March 2025.

Attendees were informed that the next Inquiry meeting would be taking place on 1 July 2025.

2. Presentations

Presentations followed the Chair's introductory remarks.

Bruce Moore, Chief Executive, Housing 21

Housing 21 is one of the largest not-for-profit providers of housing with care for older people in England, managing over 24,000 properties across the country. It offers homes for shared ownership and for social rent.

Bruce Moore's presentation covered Housing 21's social rented and shared ownership offer and set out the case for why and how he believed the funding models need to change.

Points raised in Bruce's presentation included:

- Housing 21's offer demonstrated that it was possible to deliver social rents with reasonable, transparent and accountable variable service charges.
- He argued that a share of the Spending Review's £39 billion funding for the Affordable Homes Programme should be allocated for older people's housing. He suggested this is particularly important given the higher building costs involved in developing specialist extra care and retirement living schemes, and given the corresponding savings for health and care budgets.
- He noted that the problems with Older Persons Shared Ownership (OPSO) were outlined in the APPG's report on 'Making retirement living affordable: the role of



shared ownership housing for older people’. However, he pointed out that government has taken limited action since the report was published in 2023.

- While Housing 21’s shared ownership has high satisfaction levels (83%), it remains lower than for residents renting their properties (90%).

Nick Sanderson, CEO, Audley Group

The Audley Group is a private sector operator and developer of retirement living homes. The Group has two sets of products: Audley Villages, its luxury retirement village range; and Mayfield Villages, its mid-market range.

Nick Sanderson’s presentation addressed Audley’s deferred management fee model and the Group’s Mayfield Villages range tailored for older people on middle incomes.

Audley charge a monthly management fee, which increases once a year (based on the previous December’s RPI figure or the Annual Earnings index, whichever is highest), and a deferred management charge, which only payable when the property is sold.

Points raised in Nick’s presentation included:

- He noted that the deferred management fee model offers an affordable point of entry and reduces ongoing costs for consumers through deferral.
- Residents are able to live independent lives through access to care support.
- Nick discussed the Group’s Mayfield scheme in Watford, which has 255 apartments available at close to an average price. A move into this scheme is predominantly financed by the sale of a family home. In the scheme at Watford, the deferred management charge defers the cost and monthly charges are fixed and inflation linked.
- Nick advocated substantial reform to the leasehold model and noted that new legislation was in the pipeline.

Alison Benzimra, Head of Research and Influence, United St Saviour’s Charity

Alison Benzimra’s presentation covered subsidised rent models and how charitable organisations with endowments can support the delivery of affordable accommodation for older people.

Alison discussed Appleby Blue, a Stirling Prize-winning scheme for people over 65 in Southwark, London.

Some of the key points raised by Alison, and in the discussion after her presentation, included:



- Almshouses with large endowments can fill an important space in the later living market by offering genuinely affordable housing.
- United St Saviour's are able to offer services to the wider community neighbouring Appleby Blue.
- The almshouse sector continues to make the case to government that almshouses should be fully recognised as important providers of affordable and social housing.

Michael Voges, Chief Executive, ARCO

The Associated Retirement Community Operators (ARCO) is a trade body representing the integrated retirement community sector. Its members are both private sector and not-for-profit operators.

Michael Voges' presentation discussed ARCO's latest policy work on a 'Retirement Occupancy Contract' (ROC), which is intended to be an alternative to traditional leasehold tenure.

Some points raised in Michael's presentation:

- He argued traditional leasehold tenure is generally not working well for the retirement housing sector. Based on consumer research, there are also significant concern about resale values of retirement housing, including fears around the potential loss in property values and family members being unable to sell the property.
- He pointed to the lack of flexibility of typical leases of 250 and 999 years, while the average stay in an Integrated Retirement Community is between 6 and 8 years.
- ARCO's policy work – Project ORACLE – on contract-based models for retirement living has shown that such models are operational in New Zealand, Australia, the US, Israel and Canada. In Australia, there is a loan/license agreement; in the US there is an entrance fee/service contract; and in New Zealand there is an 'Occupational Rights Agreement'.
- ARCO proposes a new model for the sector – a 'Retirement Occupancy Contract'. This represents an alternative to purchasing a long lease where the customer pays an 'entry fee' to enter into a ROC. A percentage of the entry fee is deducted from the sales proceeds. The service charges only rise in line with inflation. ARCO argues this offers greater flexibility as the terms of the ROC can be adapted for each customer (unlike leasehold, where the lease is sold on).



- ARCO notes the ROC model offers greater flexibility as new terms can be offered to each customer, unlike leasehold where the lease remains unchanged for its duration.

3. Discussion

Following the four presentations, the Chair invited other attendees to ask questions and raise discussion points.

Some of the issues raised about the current models of financing older people's housing included:

- The absence of a 'key facts document' for later living residents with standardised terminology.
- Resale can be problematic for residents' families who will remain responsible for service charge payments.
- There remains a gap in the market for older people with low value properties. However, the OPSO model intended to bridge the gap is not working as it should.
- Housing Benefit does not cover the cost of service charges, leading to financial hardship for some.

4. Concluding remarks

In conclusion, the Chair thanked the speakers for their contributions and mentioned that the government would be publishing its national Housing Strategy; she hoped government would take on board the APPG's concerns about housing for older people.