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Moving insights from the over-55s: what homes do they buy?

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Executive summary

- The aim of this research was to explore why older households move in later life and why they choose either new build housing or existing stock. It considered what the house building sector can learn from their experience.
- The research involved a literature review, analysis of secondary data, a survey of people aged 55 and over who had recently purchased a new home, and in depth interviews with purchasers and house builders.
- Over half of all home owners are aged 55 or over. More than three quarters of the over 55s own their own home, and more than four out five of these own their home outright, without a mortgage. These home owners, with substantial amounts of equity, represent a major opportunity for the housebuilding industry to offer new build homes to second and third time purchasers.
- The numbers of people aged 55 or over are projected to grow from 18.8 million in 2014 to 26.1 million over the twenty five years to 2039, an increase of 39%. This is partly the result of increasing longevity, but largely the result of the 'baby boom' generation born in the 1960s moving into the higher age groups.
- The research shows that there is a potentially considerable and in some ways untapped market of older people who desire new homes to meet a range of requirements. However, within the house building industry homes for older people tend to be viewed as a specialist market, rather than a market for standard house designs.
- There has been considerable discussion in the media and in policy and think tank environments about the need for older people to downsize and therefore free up family sized homes as a solution to housing affordability and supply problems. The prevalent view is that if only older people could downsize, then housing supply would be improved, and that a lack of suitable properties is a barrier that constrains downsizing. However, this is a view not based on any evidence or understanding about what older people actually do, or what they aspire towards. This research suggests that this view is misplaced and unrepresentative of the aspirations and actual behaviour of older people.
- The research found a great diversity in the types of moves, the aspirations, the needs and the decisions made by people over 55. The over 55s are not a homogenous group. The research found that people aged 55 or over make complex moves, only a proportion of which can be regarded as 'downsizing' in the conventional sense.

- Many people moved to homes with more bedrooms than their former homes, some of whom bought a cheaper home but some of whom bought a more expensive home, and while many moved to a home with fewer bedrooms, some paid more to do so.
- Overall, just over a third bought a home with fewer bedrooms than their former property, and two in five bought one that was cheaper than their former property, but only one in five bought a new home that was both cheaper and had fewer bedrooms than their former home, which would be regarded as 'downsizing' in the conventional sense.
- One of the key findings is that even the group that self-reported making classic downsizing moves to smaller and cheaper properties cannot be easily categorised. Many of these people reported moving to a smaller home, but also reported that the home they purchased actually had more bedrooms than their previous property.
- The research highlights the different perceptions of downsizing and therefore the challenge of using this terminology to understand the moves made by older people. It seems clear that people's perception of 'downsizing' is not necessarily related to the number of bedrooms in a property, but to a much wider range of features. Asking whether someone has moved to a 'smaller property' is not necessarily an indication that they have downsized to one with fewer bedrooms.
- The population of the UK is ageing (and will continue to age), and a large proportion of older people own their homes outright and will continue to do so. People aged 55 and over do move home and they do purchase new build properties. Our analysis suggests that looking at moves amongst the over 55s in the most recent data, around 330,000 households move a year, of which about 88,000 households specifically downsize, according to their responses to the national English Housing Survey. This suggests that the potential market is considerable. However, the research shows that they are a very diverse group.
- Referring to 'the elderly' or 'older people' is problematic and does not help us to understand this group. It is also a problem from a marketing perspective. The research showed very clearly that people do not think of themselves as old, but rather define old people as those aged 85++.
- There is therefore little interest in specialist developments for the over 55s. This is a very niche segment of the market. There are very few people in the market for such properties and therefore it is hard to identify them for marketing purposes. The research found that although only a small proportion of home buyers purchase such properties, they are spread across the whole age range from 55 upwards, which makes potential purchasers harder to identify. This is an area of the market that requires brand recognition – they are the purchasers who would seek out a provider, recognised by their specialist brand.

- The housing market for people aged 55 or over is clearly not a specialist retirement market, but a very diverse, and potentially very large, market. There is a need to think beyond the stereotypes of older home owners in order to fully tap into this market. There is demand for large properties, and small ones, across a range of property types. Some people are prepared to invest, others to release equity.
- The key characteristics of the over 55s market are that these are very small households of one or two people and they mostly purchase three to five bedroom houses. The marketing strategies to identify and highlight what new build properties can offer to meet their needs is therefore different.
- The motivations of the over 55s for buying a new property are very varied. Many do not necessarily buy what they originally set out to look for. The decision to move was often driven by several factors, including a desire to move closer to family, seeking a different lifestyle in a new area, relationship changes, or wanting to move to a more manageable property. Choosing the size of their property came as a secondary consideration for most people.
- The research found that downsizing is marginal and is therefore probably not a useful marketing angle. The over 55s are not simply a downsizing market and many older home owners want to purchase spacious properties. A key finding is that many interviewees downsized to properties that were still relatively large. Among those who bought a house, only a third downsize by number of bedrooms, and two thirds of this group only downsize by one bedroom.
- Overwhelmingly 80% of home buyers aged 55 and over bought houses. Not only did 80% of home buyers buy a house, but nearly three quarters of all home buyers bought a house with three or more bedrooms, and a half of all home buyers bought a house with four or more bedrooms. Less than three percent bought a property with only one bedroom, and just over one in five bought a property with two bedrooms. There is clearly a demand for larger properties from many over 55s. There is a desire for internal space for family, hobbies and home offices and for outside space to be able to continue gardening in some form.
- Less than one in five bought a flat. Buying a flat is associated with being single, and with increasing age, but there is also a group who purchase a flat because it suits a 'lock up and leave' lifestyle with frequent travel, and some who are attracted by the reduced maintenance burden.
- The research suggests that there may be a market for three and four bedroom flats. Over 55s were more likely to buy a two bedroom flat than the market supply. They were also more likely to buy a three bedroom flat than the market supply. This suggests that there is a potential demand for three (and possibly four) bedroom flats among home buyers aged 55 or over, provided that these are on

developments with a wide range of ages, rather than on developments restricted to the over 55s, and with lift access.

- Only 3% bought a bungalow. The very small proportion buying a bungalow appears to be a question of lack of supply, and lack of supply of larger bungalows. A number of interviewees commented that they would have preferred to buy a bungalow, but either could not find one in their area, or that the ones available were too small.
- Marketing new build properties to this diverse group should take account of some commonalities in what attracted them to their new home. The key factors were that the property would be manageable, easy to maintain, worry free because of a warranty, and would be energy efficient with lower running costs.
- Older people do not want to purchase homes in age-segregated communities. But they do want to know that there are good local health care services, with good access to shops and green spaces.
- There is some desire to purchase new homes that enable future proofing for older age, such as having a room downstairs that could be eventually used as a bedroom.
- The research identified some marketing issues. People felt that new homes tended to be marketed at families and younger people and did not make information available that suggested how it might meet their needs and aspirations.
- An overall finding was the diversity of circumstances, motivations and aspirations of the people who participated in the research, and how these were reflected in the choices they had made. This is a very diverse market and it is important to avoid stereotyping older people as a homogenous or specialist market.

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1) Introduction

The aim of this research was to explore why older households move in later life and why they choose either new build housing or existing stock. It considered what the house building sector can learn from their experience.

1.1 Key research questions

- a. Why do older households move in later life and why do they choose either new build housing or existing stock?
- b. What can the house building sector learn from their experience?

1.2 Aims of the research

The project had two main areas of focus. The first was a literature review and quantitative analysis of the moves made in later life by older households.

The second area of focus was a qualitative understanding of the rationale for moving in later life to either a property within the existing stock or a new build property and the experience of this process. This analysed the overall reasons driving a move and the particular reasons why a new build property was chosen over existing stock or vice versa. Identifying the nature of the market and the reasons for choosing a new build or existing property led to suggestions for the industry.

1.3 Background

The UK population is an increasingly ageing population. It is ageing both in terms of increased median age (it is now 40 across the UK) and by the proportion of older people (ONS, 2015a). The ageing UK population is due to a combination of increased life expectancy, particularly for men (ONS, 2015a) and changes in fertility rates. Added to this picture, the UK has had baby booms; these occurred after both world wars (with these people already in older age) and in the 1960s (with these people in their 50s, or approaching this age) (ONS, 2015a). This means that, unless there is another baby boom, the population of the UK is likely to continue to be an ageing population.

The UK National Strategy for Housing in an Ageing Society (CLG, 2008) posits that good housing is imperative for wellbeing in later life. Older households own considerable equity in their homes and over two thirds (68 per cent) of householders aged over 65 own their homes outright without a mortgage (Burgess, 2010). There is a limited supply of specialist housing for older people in the UK, including extra care and sheltered housing, but many older households wishing to move and plan ahead for older age do not have the level of need for such specialist housing.

Downsizing means moving to a house with a smaller sized dwelling and/or monetary value (Judd et al, 2014). People may downsize in later life for numerous reasons, including to release equity, to move to a more manageable property or a property that is less expensive to heat and run, or to move closer to family.

However, this research was broader than only exploring downsizing. There is a media and policy discourse that suggests that older people should downsize to generate benefits such as freeing up the supply of family homes, releasing equity to support retirement incomes and support needs, and moving to homes that are better suited to older age. But very little is known about what older people actually do, or their aspirations and needs when deciding to move home.

The research took the view that it is possible that people over 55 may not necessarily be downsizing (in size or monetary terms) when they move. The research analysed the extent to which moving is also downsizing. People aged 55+ are a very diverse group and may not be moving for age related reasons, but also because of changes in employment, family size and relationships, for example.

The research fills a gap in the existing evidence base around housing and ageing. There has been little research analysing why certain property types are chosen when older households move, and the focus in existing research has been on moves to specialist housing, rather than moves within the general stock, yet most over 55s neither need nor want specialist housing. Although most over 55s prefer to remain in ordinary housing stock (both existing and new build), we know little about what they want to meet their needs and what they look for in a property when they move, a gap that this research will help to fill.

2) Methodology

2.1 Phase 1

The project began with a literature and existing evidence review about the propensity to move in later life and the drivers for moving. Analysis of existing secondary data on the propensity to move in later life, demographic profile of movers, where households move to and the types of property was conducted.

2.2 Phase 2

Our approach to collecting primary data from people who have moved in later life involved two separate surveys, one for people who moved to new build properties and one for people who moved into existing stock properties. There were in depth follow up interviews with both groups. The findings for the house building industry were discussed with relevant stakeholders.

a) Survey with movers into new build housing

The survey was sent to members of the NHBC National New Homes panel who were aged 55 or over and still living in the new home that they bought.

A short web-based survey was sent to all members of the new-build panel aged 55 and over. The online survey asked questions about the reasons for moving and why new build was chosen, in addition to further household and demographic information. It asked about the previous property. It asked those willing to be contacted for further research to provide an address and telephone number. The link to the online survey was distributed via email and started by 1,535 new homeowners.

b) Interviews with movers into new build housing

The second stage was to select a sample of households for interview. These in depth qualitative interviews explored why households decided to move, where they moved from, how they decided what and where to purchase, and their experience of moving to a new build non-specialist development.

c) Survey with movers into existing stock

The most challenging part of extending the project to explore the whole population of movers over 55 was how to sample and access households for survey or interview research. The research was advertised on the Saga website, with a link to the survey. The survey was completed by 78 respondents.

d) Interviews with movers into existing stock

The online survey asked people if they were willing to be contacted for further research. A sample were selected for interview to explore why people move over 55, with a particular focus on why a move was made within the existing stock.

e) Interviews with industry stakeholders

We conducted interviews with industry stakeholders to discuss the research findings and implications for the house building industry and how any recommendations may be taken forward.

3) Literature review

This section analyses the literature to consider to what extent existing research has explored moving and downsizing in later life.

Summary of findings from the literature review:

- Good housing conditions can help to sustain good physical and mental health into older age.
- Older people represent around 35 per cent of the population in most regions of England, however, only 22 per cent of Londoners are older people, whereas 40 per cent of the population of the South West are older.
- Older people are most likely to own their homes, predominantly without a mortgage.
- For those aged 50 and over, roughly 3.5 per cent move in a year and this rate is stable across time.
- Moving in older age is more common amongst women than men. This is likely associated with the greater numbers of women in older age and the greater likelihood of becoming a widow.
- There is little actual research evidence in the existing literature about the size, type and value of properties older people move from and to.
- People have expectations of space in their homes into later life, two bedrooms and reasonable living space was seen as a minimum to allow for hobbies and maintaining a standard of living they were used to, for example, having space for a dining table.
- Downsizing relates to both reducing the overall size of a property (and/or the number of bedrooms and size of outdoor space) and/or reducing the value of the property, however, this is acknowledged to be an under-theorised concept.
- In terms of downsizing to release equity, given the costs of moving home, it is only owner-occupiers in the largest homes or in the most expensive areas that are likely to be able to gain financially from downsizing.
- Research for Savills (across all age groups) suggested that overwhelmingly the most common reason for moving is for a better quality of life. Of those whose motivation to move was to downsize, the main reason was to have a property that was easier to manage, followed by cheaper running and maintenance costs.

3.1 The housing situation of older people

3.1.1 Current housing

Whilst older people are part of communities across England, there are particular regions where there are greater or smaller proportions of older people. Older people represent around 35 per cent of the population in most regions of England, however, only 22 per cent of Londoners are older people, whereas 40 per cent of the population of the South West are older (Pannell et al., 2012).

Older people are most likely to own their homes, predominantly without a mortgage. Around three quarters of older people are homeowners, compared to a quarter of renters, social renting is the next most likely tenure (Pannell et al., 2012). Most older people live in houses, however, around one in five live in bungalows and just under one in six live in flats (Ibid).

There is an under-supply of homes that have been built specifically for the particular needs and aspirations of the older population, whether specialist in nature, like retirement housing, or open market housing built with older people in mind from the outset (Beach, 2016). Greater efforts need to be made in order to stimulate the creation of an adequate supply of options for downsizing and moving in later life (Ibid).

3.1.2 Expectations

The general consensus appears to be that older people want to remain in their own home, with a general preference to 'age in place' rather than to move in older age (Burgess and Morrison, 2015). Most older people in a study using focus groups (Croucher, 2008) were determined to live in their homes for as long as they could, however, they acknowledged that there may be some reasons to need to move. Whilst ageing in place is the preference, a recent survey suggested that one in three homeowners aged 55+ (32.6 per cent) are considering or expect to consider downsizing (Beach, 2016).

People had expectations of space in their homes into later life, two bedrooms and reasonable living space was seen as a minimum to allow for hobbies and maintaining a standard of living they were used to, for example, having space for a dining table (Ibid). Croucher (2008) highlighted a lack of understanding and information about specialised retirement housing, with older people's opinions formed through 'word of mouth' and personal experiences of visiting.

3.1.3 Role and importance of housing

One of the underpinnings of a policy to help older people to remain living independently in their home is that it contributes to an increase in wellbeing, independence, social participation and healthy ageing (Sixsmith and Sixsmith, 2008). It has been shown that good housing conditions can help to sustain good physical and mental health (Altman et al. 1984; Moore 2000). However, where housing conditions are poor, the impact on older people's welfare can be negative (Burgess and Morrison, 2015). For example, Tinker (1997) shows that a cold, damp home is linked to poorer health, while the incidence of falls, which are the main cause of accidental death in over 75s, is related to housing conditions and hazards within the home (Sixsmith and Sixsmith, 2008). For these people, their wellbeing may be

dependent on whether their home can be adapted or whether they can move to more suitable housing.

3.2 The extent of moving home amongst over 55s

3.2.1 Numbers of households moving in a year

Older people aged 65 and over are less likely to move across regions than other age groups (Pennington, 2013). In general, people are most likely to move in their twenties and the likelihood of moving decreases after this age to a low for people in their seventies, however, the likelihood of moving then increases for those from their late seventies and older (ONS, 2015; Evandrou et al., 2010). Figure 1 shows moves into local authorities by age, clearly showing that the propensity to move declines with age.

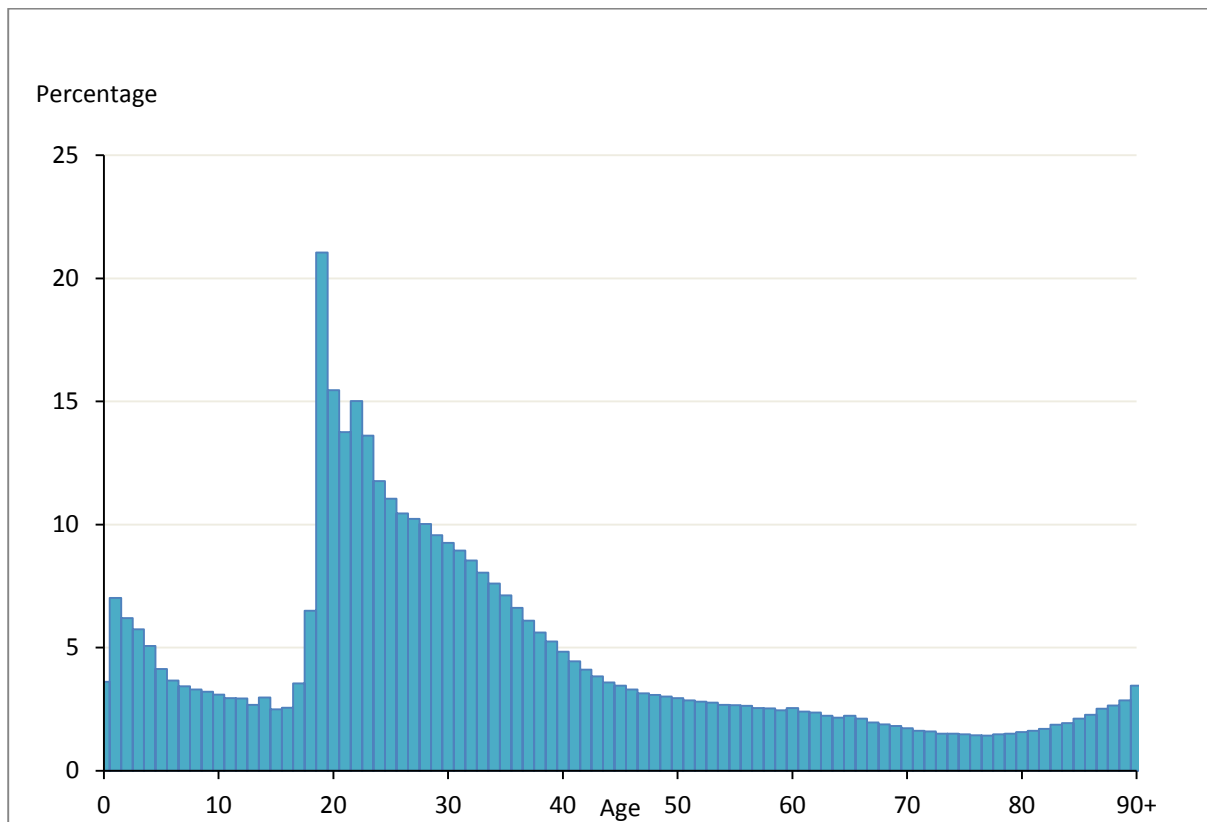


Figure 1: Moves into Local Authorities in England and Wales (including moves from the rest of the UK) by age for the year ending June 2014

For those aged 50 and over, roughly 3.5 per cent move in a year and this rate is stable across time (Evandrou et al., 2010). In the year ending June 2014, there was a comparatively large percentage change of older people moving, one possible reason for this is the increase in house prices during this period after a longer period of house price stability (ONS, 2015). Of those moving, Savills (2014) estimates that roughly 55,000 homeowners downsize every year. Analysis of the most recent data suggest that up to 88,000 older households moved for reasons relating to downsizing (see section 4.2.1.)

3.2.2 Trends

Moving in older age is more common amongst women than men. This is likely associated with the greater numbers of women in older age and the greater likelihood of becoming a widow (ONS, 2015). At younger older age, moving is often linked with employment changes (Evandrou et al., 2010). It also appears that moving home is associated with the onset (or continuation of) long-term limiting illness (Evandrou et al., 2010; Uren and Golding, 2007). Moving to downsize through choice usually occurs around retirement, driven by lifestyle factors (Savills, 2014).

3.2.3 Tenure

For those aged 50 and over, moving home is least likely amongst owner occupiers and most likely for those in the private rented sector (Evandrou et al., 2010; Uren and Golding, 2007). When older people move, they predominantly move to a home with the same tenure, this is particularly the case for owner occupiers (Pannell et al., 2012).

3.2.4 Demographic profile

It appears that relationship stability (remaining married or single) is associated with older people continuing to live in the same property, whereas relationship change (divorce and widowhood) is linked with moving (Uren and Golding, 2007; see also Evandrou et al., 2010).

3.2.5 Socioeconomic status

Evandrou and colleagues' (2010) examination of the British Household Panel Survey found there was no statistically significant association between relative income and moving for those aged 50 and over, except that the poorest fifth of 60-69 year olds were less likely to move than the rest of this age group.

3.2.6 Geography

Older people who do move tend to move to somewhere close by, only one in three older migrants move outside of their district (Uren and Golding, 2007), however, there are distinct trends in the longer distance moves of older people.

In general, older people (like other age groups) move from the North to areas in the East and South and they also tend to leave London (Pennington, 2013). For older people leaving London, around half move to one of the neighbouring counties (Pennington, 2013), however, these neighbouring counties also had a significant rate of people aged 50 and over moving away (Uren and Golding, 2007).

Almost all of the older people leaving London on long-distance moves moved to a local authority in a rural or coastal location (Pennington, 2013). This is reflective of a wider trend for older people to move from more urban to rural areas (Pennington, 2013; Uren and Golding, 2007). Uren and Golding (2007) highlighted that the counties with the greatest proportion of older in-migrants are rural or coastal, such as the Isle of Wight, Lincolnshire, Dorset and East Sussex.

3.2.7 Size and type of property

There is little actual research evidence in the existing literature about the size, type and value of property older people move from and to.

There is research around stated preferences. A Demos survey of over 60s found that, if people were to move and downsize, the majority of all groups stated that their preferred move would be into a two-bedroom property (Wood, 2013). There is a stronger preference for urban locations among downsizers (Savills, 2014b).

3.3. What is downsizing?

Downsizing relates to both reducing the overall size of a property (and/or the number of bedrooms and size of outdoor space) and/or reducing the value of the property, however, this is acknowledged to be an under-theorised concept (Judd et al., 2012).

3.3.1 To what extent is moving amongst the over 55s also downsizing?

Moving in later life may also constitute downsizing. Evidence looking at change over time suggests that fewer older people are owner occupiers with four bedrooms, suggesting older people tend to move away from this size of home (Pannell et al., 2012).

In terms of downsizing to release equity, Pannell and colleagues (2012) assert that 'given the costs of moving home, it is only owner-occupiers in the largest homes or in the most expensive areas that are likely to be able to gain financially from downsizing.' (Pannell et al., 2012: 9). Downsizing may not release significant amounts of equity, unless downsizing is accompanied with a move to a cheaper region. Hudson (2003) found that downsizing moves (from four to two-bedroom properties) in areas with the greatest proportions of residents aged between 55 and 65, released less than the national average. Moves to regions traditionally favoured for retirement could release significantly more equity (up to £300,000) (Hudson, 2003). This suggests that financial motivations for downsizing are likely to be affected by regional house prices and the willingness of downsizers to move to cheaper regions.

Research for Savills (across all age groups) suggests that overwhelmingly the most common reason for moving is for a better quality of life (Lemond, 2014). Moving to downsize was the second most common reason for moving in the South West and East and third most common reason in the South East. Of those whose motivation to move was to downsize, the main reason was to have a property that was easier to manage, followed by cheaper running and maintenance costs (Lemond, 2014). Evidence from a Savills survey of movers suggests that downsizers were more likely to consider new build properties, compared with buyers in their 30s (50 per cent compared with 30 per cent, respectively) (Lemond, 2014).

3.3.2 What are the drivers for moving and/or downsizing?

Litwak and Longino's (1987) seminal work on moving in older age posits that there are three types of move that older people may make. The first move occurs soon after retirement for lifestyle and amenity motivations. The second move occurs after the onset of chronic illness or disability, primarily to move closer to family members for support. The third move occurs

when family support is no longer sufficient to help an older person maintain an independent life in the community, meaning a move to an institution is necessary. Evandrou and colleagues (2010) suggest that this typology could be extended to include another type of move that is driven by relationship change in older age. Moving can be a positive step for those who need to, viewed more as factors attracting them to move rather than forcing them out, for example, being closer to family or having more manageable housing (Erickson, 2006).

Fitting with Litwark and Longino's (1987) theory, other studies have demonstrated a link between poor health and decisions to move home. Moves amongst older people are more likely if the person has a long-term and limiting illness (Evandrou et al., 2012; Uren and Golding, 2007). Poor health could interact with poor standards of housing or unsuitable housing resulting in older people having increased difficulties managing to live in their homes, with worsening impacts on both the quality of housing and health (Burgess and Morrison, 2015). Factors outside of the home can also become drivers for moves in older age. Croucher (2008) highlighted that problem neighbours or neighbourhoods could make people want to leave to another area.

Recent research, conducted for ILC UK and McCarthy & Stone, identified a number of benefits of downsizing (Beach, 2016). This included financial benefits, as downsizing can release equity and allow people to access wealth held in their property (Beach, 2016; pg.4). Reduced domestic maintenance was also identified as a benefit, the survey found that lower maintenance was the most important reason for 56 per cent of people who downsized or would consider it (Ibid). There are potential health benefits as downsizing can allow people to move into properties that are better suited to their physical needs and that have a positive impact on their health and wellbeing (Ibid). Social benefits were also noted, as downsizing can be an opportunity for people to put themselves in a better position to encourage greater social contact and interaction in later life, helping to prevent social isolation and loneliness, which can have negative effects on wellbeing and health (Ibid)

3.3.3 What are the barriers to moving and/or downsizing?

One barrier to moving (or considering moving) is having a strong attachment to the current home, this could be the property, but also the surrounding neighbourhood (Burgess and Morrison, 2015; Croucher, 2008). The strength of the emotional attachment people have to their homes can be a substantial deterrent to downsizing and a survey found that nearly 1 in 3 of those not intending to downsize reported this as a reason (Beach, 2016). For some older people, the significance of having the 'family home', potentially having adult children still living with them or wanting to be able to host visiting family members was a barrier to downsizing (Croucher, 2008). Whilst this was an emotional and practical barrier for owner occupiers, it was also a practical decision for social renters; living in the 'family' home afforded more space than would be allocated to a couple or single person, reducing any incentive to move (Croucher, 2008). Beach (2016) argues that some older households value having additional space, seeing it as essential to have a place to accommodate guests and family and space to engage in other activities. He also argues that some people may see downsizing as the same as downgrading or moving into lesser quality accommodation and notes that the prestige and pride people take in their homes may discourage them from

considering downsizing as they worry how it might be perceived by others (Ibid). Wider family dynamics and caring relationships could also deter 'younger' older people from moving. They want to remain close to older relatives to be able to provide care and support when this is needed (Croucher, 2008).

Older people may also not have sufficient information or knowledge about moving, downsizing or retirement housing (see Burgess and Morrison, 2015). Croucher (2008) highlighted the difficulty some older people faced with finding information on adaptations to their homes and about other housing options, instead basing opinions on personal experience and that of others. This can have an impact on an overall feeling of being overwhelmed by the prospect of moving (Croucher, 2008). Beach (2016) calls this the 'nuisance factor', where the very nature of moving – packing up the house or exploring the housing market – may put off people from considering the benefits of downsizing and a survey found that about a third of those not intending to downsize reported this as a reason.

Cost is also a barrier to moving and downsizing. Beach posits that while freeing up equity is a benefit of downsizing, some households may find the costs associated with the process, such as stamp duty, outweigh their potential equity or encourage them to stay in order to guarantee an inheritance to their children (Beach, 2016). Numerous commentators have also pointed out that a lack of supply of affordable, suitable housing options inhibits the ability to move and to downsize (Burgess and Morrison, 2015; Beach, 2016). As an example, bungalows (which may be a preferred option for some older people), are in decline; over the past seven years, just one in 50 of the new homes built were bungalows, compared to one in six of new homes built in the 1980s (Clark, 2016).

3.3.4 What do we know about the choice between existing stock and new build?

In general, older people are least likely to live in new build properties, instead around half live in properties build from the mid 1940s up to the 1980s (Pannell et al., 2012).

Specialist retirement housing provision has not been built at a rate to match demand (Beach, 2016). Ball and colleagues (2011) highlight the example of owner-occupied retirement housing where even modest demand is not being met. In London, new build retirement housing is only growing in seven boroughs, leading to only pockets of development across the capital (Monk et al., 2012). Shared ownership may be an option for older people who want new build properties, but who do not have the equity to buy retirement housing (Croucher, 2008).

3.4 Theory and policy

3.4.1 In the academic literature, within what conceptual frameworks has moving/downsizing been considered?

Older people's housing can be conceptualised using the life cycle and life course models. The life cycle model posits that older people will want to release the equity from their home, their likely biggest asset, by selling their home to either downsize or start renting (Judd et al., 2012). The life cycle model takes into account only the economic aspects of decisions to move home, the life course model takes into account other factors. The life course model includes socio-demographic changes and the context in which an older person makes a

decision about housing, in addition to the economic factors identified in the life cycle model (Judd et al., 2012).

An alternative framework in which to consider the housing decisions of older people is person-environment fit. This approach takes into account both personal factors and those of the environment, where declines in either (or both) could lead to a poor fit between the individual and their home (Erickson, 2006).

The decision to move home, as conceptualised in the push and pull framework, considers both the factors that force a move and those that encourage change (Erickson, 2006). Further, the umbrella concept of residential satisfaction covers different theories of what older people enjoy about their housing situation. Residential satisfaction can be seen as a function of: the housing unit and neighbourhood (Fernandez, Perez, and Abuin 2004; Kahana et al. 2003); structural, informal, and formal domains (Phillips et al. 2004); or neighbourhood-level social bonds and other neighbourhood and individual characteristics (Oh, 2003; Erickson, 2006: 8).

3.4.2 What policies relate to moving/downsizing?

There is a longstanding commitment to encouraging and facilitating older people to remain in their own homes, or to 'age in place', for as long as possible (Means, 2007). However, this is at tension with concerns that older people are remaining in their family-sized homes, feared to be creating difficulties for moves amongst those at different stages of the lifecourse (Harding, 2007). Further, there has been an acknowledgement that the expectation of older people to remain in their own homes may not be appropriate for all in all circumstances (Means, 2007), recognising that some older people may be placed in a vulnerable position through poor housing or housing situations (Means, 2007).

There has been recent discussion about downsizing in public discourse. It has focused on why older people do not move, in some cases pointing out the barriers to moving, but in some cases the discourse has been critical of older people who do not move. "There is a sense that older people are hoarding available housing stock by living in houses with empty rooms, and this under-occupancy is a scourge to the detriment of younger age groups struggling to get onto the property ladder" (Beach, 2016; pg. 9). It has been argued that a lack of choice of suitable homes to downsize into is having a negative effect not just on older people's health and wellbeing, but on the rest of the housing chain (Wood, 2013). Beach argues that "framing the issue of downsizing as a responsibility for older people to improve the opportunities for younger households distorts the argument and ignores the core elements that impact the reality of downsizing" and that "the notion of downsizing in later life should be about choice rather than obligation. The debate should therefore be about how we increase housing choice and information for older people" (Beach, 2016; pg. 10).

4) Analysis of secondary data

This section analyses existing secondary data from ONS and the national English Housing Survey to understand more about over 55s population change and the housing moves people make aged 55 and over.

Summary of findings from secondary data:

- Over half (53%) of all home owners are aged 55 or over. More than three quarters of the over 55s own their own home, and more than four out five (83%) of these own their home outright, without a mortgage. These home owners, with substantial amounts of equity, represent a major opportunity for the housebuilding industry to offer new build homes to second and third time purchasers.
- The numbers of people aged 55 or over are projected to grow from 18.8 million in 2014 to 26.1 million over the twenty five years to 2039, an increase of 39%. This is partly the result of increasing longevity, but largely the result of the 'baby boom' generation born in the 1960s moving into the higher age groups.
- The data analysis shows that there has been an increase over time in the proportion of older movers who are downsizing. In 2013-14 this could be as many as 88,000 households.
- Downsizing to a smaller property is the second most popular reason given for moving amongst over 55s.
- The head of a downsizing household is likely to be retired (60 per cent), but just under a third (32 per cent) are still in either full or part-time employment.
- The properties downsizers move to tend to be relatively small; 50 per cent of these properties are two-bedroomed, 21 per cent are one-bedroomed, 25 per cent have three bedrooms and only four per cent have four bedrooms.
- Nevertheless, taking into account household size (and using the relevant bedroom standard for the year of the survey), these households still technically 'under-occupy' the property; 45 per cent of downsizing households have one bedroom more than required by the standard, with a further 25 per cent having two or more bedrooms than required.
- The properties that downsizers choose are usually houses or bungalows.
- The greatest proportions of downsizers are living in the South East (23 per cent), followed by the South West (18 per cent) and East England (13 per cent).

- Downsizees are most likely to live in urban areas (71 per cent) and larger rural settlements.
- The analysis suggests that the potential market for downsizing is made up of households with one or two people.
- People still want a bedroom for guests/family and space for other things such as hobbies.
- Most over 55s do not want specialist housing but want general needs housing with a preference for houses or bungalows.
- Most are retired but about a third will still be working either full or part time.
- Most owner occupiers in older age who move own outright are cash buyers, although they do not necessarily release large amounts of equity when they move, and moving to a smaller property was stated as a more important reason for moving than a cheaper property.
- People downsizing want a property that is easier to manage with lower running and maintenance costs.
- Although there are relatively few moves amongst older home owners relative to younger cohorts, “even a very small increase in movement could create a very large market for newly built homes” (Stewart, 2015: 11). Stewart (2015) noted that there are around 5 million 65-plus owner occupier households in England, of whom only 1% move each year. But he argues that if house builders could offer products to persuade an extra 0.1% of this group to move each year, that would produce an additional 5,000 new home sales and add 5% to private housing completions (Ibid).
- Our analysis suggests that looking at moves amongst the over 55s in the most recent data, around 330,000 households move a year, of which about 88,000 households specifically downsize. This suggests that the potential market is considerable.

4.1 An ageing population: the number of over 55s in the future

Over half (53%) of all home owners are aged 55 or over. More than three quarters of the over 55s own their own home, and more than four out five (83%) of these own their home outright, without a mortgage. These home owners, with substantial amounts of equity, represent a major opportunity for the housebuilding industry to offer new build homes to second and third time purchasers.

This section summarises the prospects over the next twenty five years for the numbers of people aged 55 or over that are projected by the Office for National Statistics (ONS)¹.

The total population of the UK is projected to grow from 64.6 million in mid 2014 to 74.3 million by 2039, an increase of 15%. Half (51%) of this growth is projected to result from immigration, and half (49%) from natural increase (more births than deaths).

The numbers of people aged 55 or over are projected to grow from 18.8 million in 2014 to 26.1 million over the twenty five years to 2039, an increase of 39%. This is partly the result of increasing longevity, but largely the result of the 'baby boom' generation born in the 1960s moving into the higher age groups.

The figure below shows the resulting numbers in each age band over the twenty five year projection period to 2039. The bulge in the number of 55-64 year olds between 2019 and 2027 results from the 'baby boom' generation of the 1960s entering retirement, and which in turn results in the somewhat smaller bulge of 65-74 year olds occurring between 2027 and 2037.

¹ National Population Projections: 2014 Based Statistical Bulletin, ONS, 2015

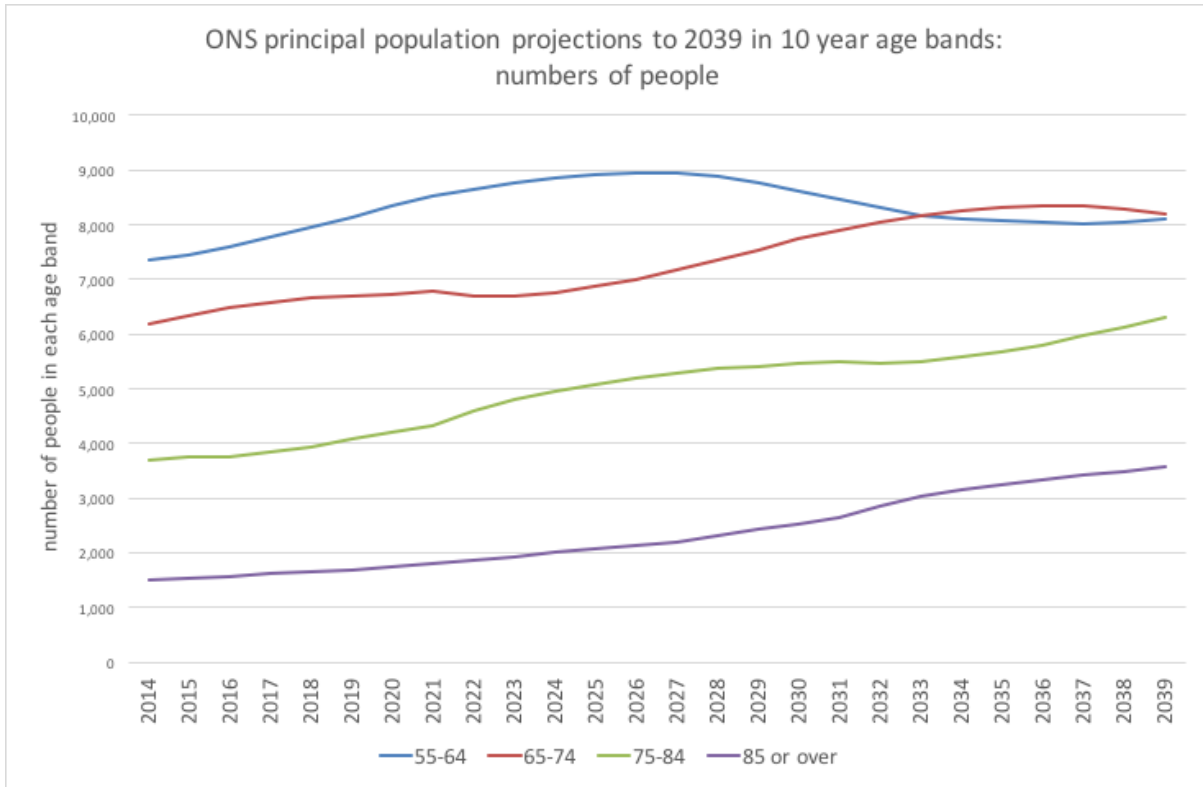


Figure: ONS population projections to 2039: numbers of people

The figure above also shows similar increases in numbers among people aged 75 to 84, from 2021 onwards, and among those aged 85 or over from 2031 onwards. Again, these increases are mainly driven by the sharp increase in births that occurred in the years immediately following the end of the Second World War in 1945.

The figure below shows the same data in percentage terms, and shows that the sharpest percentage increase occurs among those aged 85 or over, and particularly from 2031 onwards.

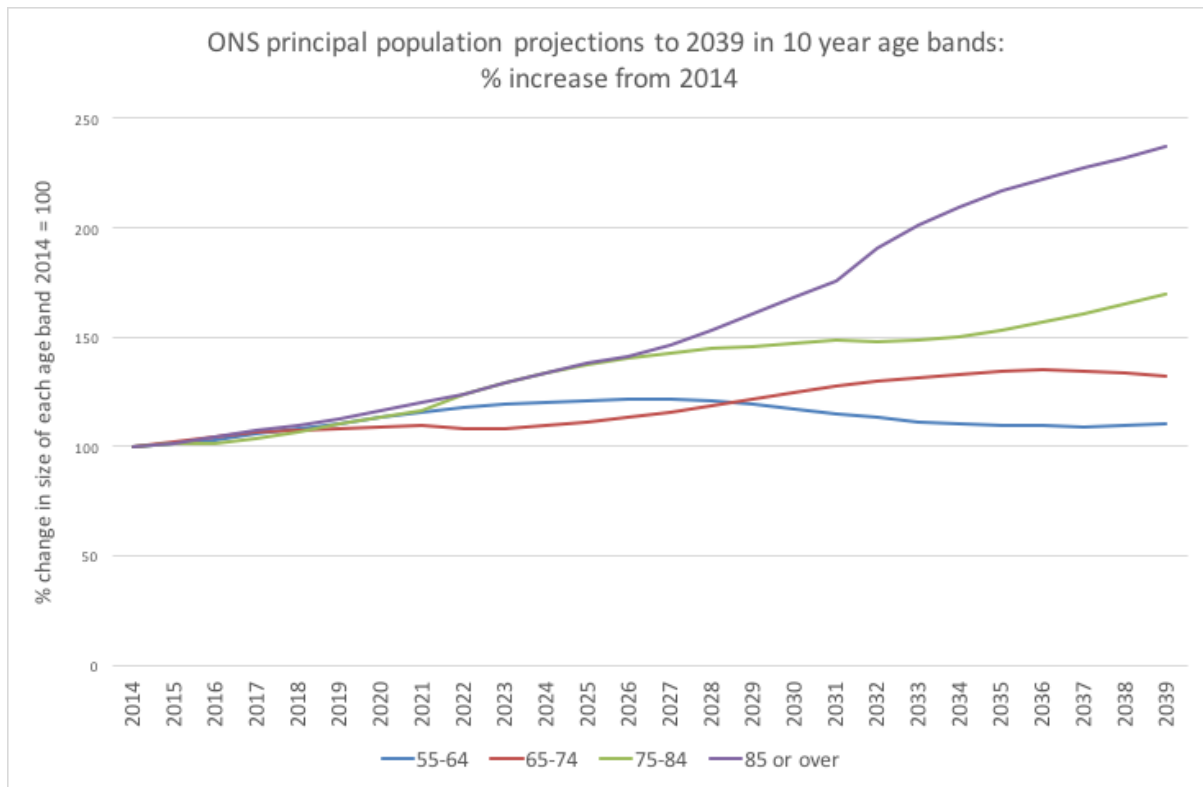


Figure: ONS population projections to 2039: percentage increase from 2014

The data in the figures above are taken from the ‘principal projection’ produced by ONS, which represents the combination of fertility (births) mortality (deaths) and migration flows considered to be the most probable.

ONS also publish a range of other projections illustrating different assumptions about fertility, mortality, and net immigration. One of these projections assumes the same fertility and mortality as the principal projection, but assumes nil net migration at all ages.

The result of assuming nil net migration at each age would be a small decrease in the number of people aged 55 or more by 2039 from 26.1 million to 25.8 million. The numbers of people aged 55 or over in the future are therefore much more likely to be affected by any change in the mortality rate assumed in the ‘principal projection’. The ‘high life expectancy’ variant would increase the 55 and over population to 26.9 million by 2039, while the ‘low life expectancy’ variant would reduce the projected population over 55 to 25.4 million by 2039.

(The projected numbers of people aged 55 and over are of course unaffected by any change in the birth rate: all those who will be 55 by the end of the projection period in 2039 were already aged 30 at the beginning of the period in 2014.)

4.2 Downsizing data from the English Housing Survey

The English Housing Survey (EHS) is a national survey commissioned by the Department for Communities and Local Government and focuses on housing circumstances and situations. Around 13,300 households are surveyed each year, although these are different households each year. The EHS has been running since 2008, with six waves of data available.

Importantly for this research, the EHS asks people when they moved to their property and, if there was a recent move, the motivation for moving. The survey includes variables for weighting the data so estimates can be made for the broader population.

The sample consists of households where the Household Reference Person (HRP) is aged 55 or over and has been resident at the property for less than one year. These criteria created a sample of people age 55 and over who had moved recently and, as the estimates are based on the HRP, there is no double-counting within the sample between individuals and households.

Within this sample of over 55 movers, a sub-sample was created to indicate those who had downsized. Downsizing was established based on the HRP's motivation for moving, wanting to move to a cheaper or smaller property was considered to be downsizing. All estimates are weighted at the household level. The profile of downsizers consists of a sum of weighted yearly estimates of downsizing.

4.3 Results

The results are split into two main sections. The first estimates the prevalence of moving amongst over 55s and downsizing amongst this group, the second section profiles the downsizing households.

4.3.1 Prevalence estimates

Downsizers are a sub-category of those who move aged 55 or over. Data from the EHS indicates that increasing proportions of over 55s are moving each year. In the 2008-9 survey, two per cent of households headed by an over 55 moved, but this grew to three per cent by the 2013-14 survey; this could translate to around **330,000 households**.² The following table outlines the proportion of downsizers amongst older movers generally.

² This estimate is based on the proportion of households in the EHS (2013-14) who were over 55 and moved in the previous year; this proportion was applied to the estimated number of households in England using the data in the following table:

Office for National Statistics and Northern Ireland Statistics and Research Agency (2013) Table H01UK. 2011 Census: Households with at least one usual resident, household size, local authorities in the United Kingdom. Available at:

<http://www.ons.gov.uk/ons/taxonomy/search/index.html?nscl=Number+of+Households&nscl-orig=Number+of+Households&content-type=Dataset&content-type=Reference+table&sortDirection=DESCENDING&sortBy=pubdate> [Accessed 07-01-16]

| EHS survey year | Proportion of older movers who are downsizing |
|-----------------|---|
| 2009-10 | 19% |
| 2010-11 | 22% |
| 2011-12 | 22% |
| 2012-13 | 28% |
| 2013-14 | 29% |

Table 1: The proportion of older movers who are downsizing

Note: The relevant question was not asked in the EHS for the survey year of 2008-9 so an estimate cannot be calculated for downsizing.

The table demonstrates that there has been an increase in the proportion of older movers who are downsizing over time. Downsizing reasons accounted for 19% of later life moves in 2009-10, but just under a third of older people moved for this reason in 2013-14. In the first three waves of the EHS, the proportion of downsizers could translate to as many as 44,000 household moves across England and, for the most recent two waves, this could be as many as **88,000 households**³.

The EHS asks respondents who have moved recently their motivation for moving. Downsizing to a smaller property is the second most popular reason for moving amongst over 55s. The following table outlines the reasons for moving given by over 55s.

| Reasons for moving within the previous year | Number of movers who cited this reason |
|--|--|
| Other family or personal reasons | 264 |
| Wanted a smaller house or flat | 204 |
| To move to a better neighbourhood/more pleasant area | 171 |
| Some other reason | 168 |
| Previous accommodation was unsuitable | 103 |
| Wanted a larger house or flat | 67 |
| Job related reasons | 64 |
| Divorce or separation | 63 |
| Wanted a cheaper house or flat | 54 |
| Previous accommodation was in poor condition | 44 |
| Landlord asked me to leave or gave me notice | 29 |
| Wanted own home or to live independently | 25 |

³ This estimate is based on the proportion of households in the EHS who were over 55 and moved in the previous year for a downsizing related reason; this proportion was applied to the estimated number of households in England using the data in the following table:

Office for National Statistics and Northern Ireland Statistics and Research Agency (2013) Table H01UK. 2011 Census: Households with at least one usual resident, household size, local authorities in the United Kingdom. Available at:

<http://www.ons.gov.uk/ons/taxonomy/search/index.html?nscl=Number+of+Households&nscl-orig=Number+of+Households&content-type=Dataset&content-type=Reference+table&sortDirection=DESCENDING&sortBy=pubdate> [Accessed 07-01-16]

| | |
|---|----|
| Could not afford the mortgage payments/rent on previous house or flat | 24 |
| Wanted to buy | 17 |
| Marriage or began living together | 12 |
| So my child(ren) could get into a better school | 3 |
| Didn't get on with the landlord | 4 |

Table 2: The prevalence of different motivations for moving aged 55 or over, reported in the EHS

Note: This question was asked to 968 recent movers across the years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14 and this table includes all reasons cited across these waves; respondents could cite as many reasons as applicable.

The table shows that the main reasons for moves amongst over 55s in the year 2013-14 was for personal or family reasons, wanting a smaller home and wanting to move to a better neighbourhood. The combined reasons related to downsizing (those highlighted) are similar in number to the most frequently given reason.

4.3.2 Profile of downsizers

Characteristics of the household – Downsizing households tend to be small; 47% contain one person, with a further 48% consisting of two people. These households are highly unlikely to also contain children; 99% of downsizing households do not have dependent children living with them and 91% do not have non-dependent children at home. The head of a downsizing household is likely to be retired (60%), but just under a third (32%) are still in either full or part-time employment. This is reflective of the age of the head of the household (movers tend to be younger); 44% are aged 55-64, 28 per cent are 65-74, 23% are aged 75-84 and five per cent are 85 or over. Further, 99% of downsizers are White and 85% are not poor (living on less than 60% of the median equivalised income, after housing costs).

Characteristics of the property and area – The properties downsizers move to tend to be relatively small; 50% of these properties are two-bedroomed, 21% are one-bedroomed, 25% have three bedrooms and only 4% have four bedrooms. Taking into account household size (and using the relevant bedroom standard for the year of the survey), these households under-occupy the property; 45% of downsizing households have one bedroom more than required by the standard, with a further 25% having two or more bedrooms than required. This compares to 29% of downsizing households having the number of bedrooms as required by the standard and less than one per cent of households are overcrowded after downsizing (with one bedroom less than required).

The properties that downsizers choose are usually houses or bungalows (chosen by 65% of downsizers). This compares to flats, maisonettes or apartments, which are chosen by 34% of downsizing households. For 86% of downsizers, their new property is not a form of sheltered accommodation. These properties are predominantly owner-occupied (6% owned with a mortgage and 56% owned outright), 24% are rented from a social landlord and 14% from a private landlord. These proportions are similar to the spread of tenures on the downsizers' previous properties.

The properties downsizers chose to move to varied in age:

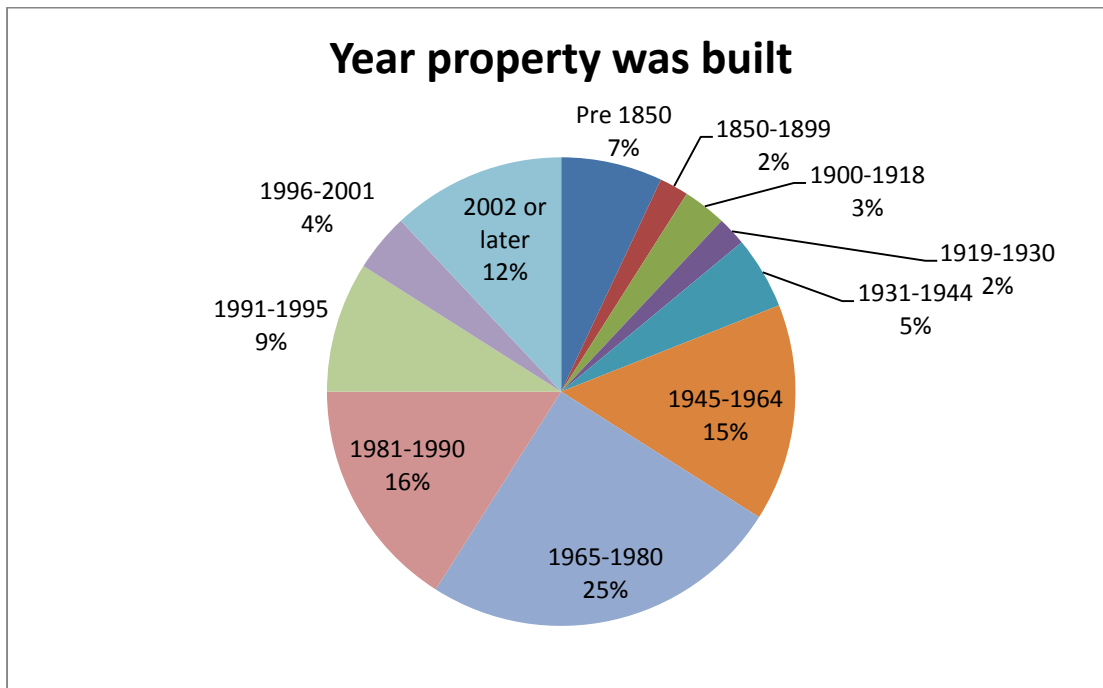


Figure 2: The year the downsizers' current property was built

The majority of properties that downsizers moved to were built between 1965 and 1980 (25%), followed by 16% that were built between 1981 and 1990, 15% built between 1945 and 1964 and 12% that were built in 2002 or later. Of those properties built from 2002 onwards, greater proportions of downsizers had properties built in the years 2002, 2004, 2009 and 2010. Of all the downsizers, only 1% were the first residents of their homes.

By comparison, the sample as a whole over the same period to the EHS, were most likely to be living in a property built between 1945 and 1964 (21%), followed by 20% that were built between 1965 and 1980 and 12 per cent built between 1931 and 1944. Around 5% of the whole EHS sample lived in properties built in 2002 or later, with greater proportions living in stock built in 2005 and 2006. Of the whole sample, 44% of respondents were the first residents of their homes.

Over 55s downsize to (or within) all regions of England, however, some areas account for greater proportions of downsizers than others.

Location of downsizing households

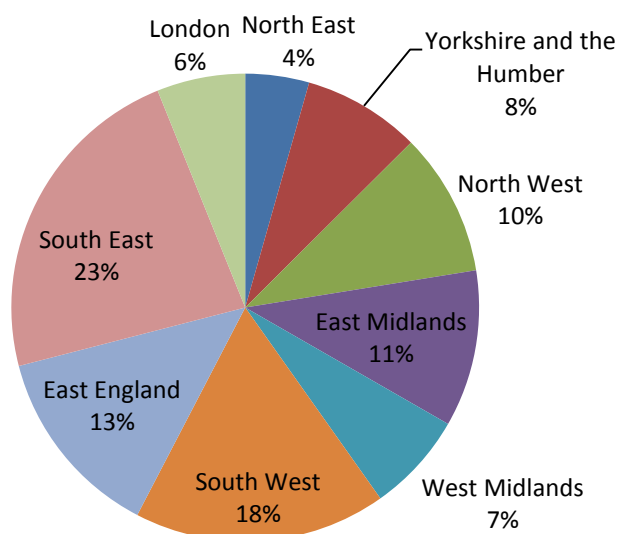


Figure 3: The proportion of downsizers living in each government office region of England

The greatest proportions of downsizers are now (if they were not already) living in the South East (23%), this is followed by the South West (18%) and East England (13%). By contrast, the smallest proportions of downsizers are living in the North East (4%), London (6%) and the West Midlands (7%). Downsizers are most likely to live in urban areas (71%) and larger rural settlements, 17% live in rural town and fringe areas.

By contrast, using the whole of the EHS sample, the greatest proportions are living in the South East (16%), this is followed by London (14%) and the North West (14%). The smallest proportions of the EHS respondents are living in the North East (5%), Yorkshire and the Humber (10%) and the West Midlands (10%).

5) Findings from primary data collection: online surveys of home buyers aged 55 or over

Introduction

This section presents the findings from surveys of people aged 55 and over who had recently purchased a new home. One survey asked questions of people who had purchased a new build property, the other of people who had purchased a property within the existing stock.

Summary of findings from home buyer surveys:

- The research has found a great diversity in the types of moves, the aspirations, the needs and the decisions made by people over 55. The over 55s are not a homogenous group.
- Moves by people aged over 55, or in 'later life' are often assumed to result in a 'downsizing' move, either to a smaller property (assumed to have fewer bedrooms) or to release equity, or both.
- However, the research found that people aged 55 or over make much more complex moves, only a proportion of which can be regarded as 'downsizing' in the conventional sense.
- Many people moved to homes with more bedrooms than their former homes, some of whom bought a cheaper home but some of whom bought a more expensive home, and while many moved to a home with fewer bedrooms, some paid more to do so.
- Overall, just over a third bought a home with fewer bedrooms than their former property, and two in five bought one that was cheaper than their former property, but only one in five bought a new home that was both cheaper and had fewer bedrooms than their former home, which would be regarded as 'downsizing' in the conventional sense.
- One of the key findings is that even the group that self-reported making classic downsizing moves to smaller and cheaper properties cannot be easily categorised. Many of these people reported moving to a smaller home, but also reported that the home they purchased actually had more bedrooms than their previous property.
- The research highlights the different perceptions of downsizing and therefore the challenge of using this terminology to understand the moves made by older people. It seems clear that people's perception of 'downsizing' is not necessarily related to the number of bedrooms in a property, but to a much wider range of

features. Asking whether someone has moved to a 'smaller property' is not necessarily an indication that they have downsized to one with fewer bedrooms.

- The proportion of people choosing to move and buy a new home at 55 and over diminishes rapidly with age.
- The ability of households aged 55 or over to buy a new build home was clearly dependent upon their being already home owners, with a property to sell. The median price of the new build properties that were bought was around £275,000.
- The most important reason for moving within the sample of movers to new build housing was to have a property that was easier to manage. The second most highly ranked reason to move was to have a property in a better state of repair.
- Almost two thirds of movers to new build housing bought their property 'off-plan'.
- Of those who viewed other properties, the majority viewed a mix of new and existing properties.
- The main reason for buying a new build property amongst the respondents was to have a property with lower maintenance costs. This was followed by wanting an NHBC or other warranty and having lower running costs.
- Almost all (96%) of the new build home buyers aged 55 or over are either single people or couples.
- Overwhelmingly, new build home buyers aged 55 and over bought houses: 80% bought a house, while less than one in five bought a flat, and only 3% bought a bungalow.
- A key finding is that even those who moved to smaller properties did not necessarily purchase small homes, despite the small household sizes. Not only did 80% of new build home buyers buy a house, but nearly three quarters of all new build home buyers bought a house with three or more bedrooms, and a half of all new build home buyers bought a house with four or more bedrooms.
- The data shows that the proportion of flats bought rises with age, and that single people are increasingly more likely to buy a flat at higher ages than are couples.
- The survey asked home buyers who bought a house whether the property had a room downstairs that was large enough to use as a bedroom, and 10% had bought such a property.
- A striking finding of the research was the lack of interest expressed in developments aimed specifically at the over 55s. Only 5.5% of respondents bought a home on a development specifically for over 55s.

- Just over half of all buyers had released equity, and just under half had invested additional equity to buy their current home.
- The research shows that at lower selling prices for the previous home, up to around £325,000, a majority of new home buyers were investing additional equity to buy their current home. The reverse becomes true above around £325,000, where the selling price of the previous home is increasingly above the purchase price of the current home, indicating that the buyer has been more able to choose to release equity from the sale of the previous home.
- The amount of equity released, or invested, was not large. Equity releasers realised a median sum of £70,000, with a mean of £105,100, while equity investors contributed the same median amount of £70,000 with a mean of £84,400.
- As would be expected, more home buyers released equity as they downsized by one bedroom or more, and more home buyers had to invest equity in order to gain bedrooms. However, just over a quarter of all home buyers downsizing by number of bedrooms invested equity to buy their new home (they bought a smaller but more expensive property), while just under a third of those who gained bedrooms were also able to release equity (they bought a larger but cheaper property).
- Although it is often assumed that equity release will typically result from a move away from the higher priced areas of southern England, equity release, or investment, did not appear to be connected with the distance moved.
- There is no particular pattern relating to distance moved: a majority both of those who moved the shortest distance, and of those who moved the longest distance (over 77 miles) released equity, while at all distances moved in between, a majority invested equity in the new home.
- The amount of equity released through downsizing was not linked to the length of residence in the previous property. This suggests that people were not 'cashing in' on long-term house price rises.
- The most common use of released equity was investments or savings, followed by redecorating or furnishing their new home.
- While age does affect willingness to move, nevertheless moves over all distances are made by all age bands.
- The key finding from the comparison to people who purchased an existing stock property is that respondents in this sample moved for different reasons to respondents who moved to new build properties. The most common reasons for moving (amongst those who moved to existing housing stock) were to be closer to family and friends and to move to a better area.

- The most important reasons for moving to existing stock housing amongst this sample was to be closer to amenities than new build homes were perceived to be, wanting a larger garden than perceived of new build homes and preferring the 'traditional' appearance of existing houses.
- Respondents who purchased an existing stock property were likely to have made major alterations to their properties. The most common alterations made by respondents to their existing stock homes were fitting new windows and new kitchens.

5.1 Results from the survey of movers to new build housing

The survey was sent to members of the NHBC National New Homes panel who were aged 55 or over and still living in the new home that they bought. The link to the online survey was distributed via email and started by 1,535 respondents. About seven percent of these were either owners who did not live at the address or tenants, leaving 1,427 valid responses. Respondents were not required to complete every question, and so the actual number of respondents varies slightly according to the question asked.

5.1.1 Overview of types of moves

Moves by people aged over 55, or in 'later life' are often assumed to result in a 'downsizing' move, either to a smaller property (assumed to have fewer bedrooms) or to release equity, or both.

The research has found that people aged 55 or over make much more complex moves, only a proportion of which can be regarded as 'downsizing' in the conventional sense. Many people moved to homes with more bedrooms than their former homes, some of whom bought a cheaper home but some of whom bought a more expensive home, and while many moved to a home with fewer bedrooms, some paid more to do so.

Two thirds (942) of respondents were willing to record both the selling price of their former home and the purchase price of their new home, and the results are shown in the table below, which summarises the variety of moves made by people aged 55 or over.

| The new home compared to the former home | | | | |
|--|---|--|--|--------------|
| | Bought a new house with fewer bedrooms | Bought a new house with the same number of bedrooms | Bought a new house with more bedrooms | Total |
| Bought a new house that was more expensive than the former one | 60 | 119 | 150 | 329 |
| Bought a new house that was similar in price* to the former one | 93 | 77 | 59 | 229 |
| Bought a new house that was cheaper than the former one | 187 | 130 | 67 | 384 |
| Total | 340 | 326 | 276 | 942 |

Table: Overview of types of moves

- Similar in price = within £25k of the selling price of the former home

Overall, just over a third (36%) bought a home with fewer bedrooms than their former property, and two in five (41%) bought one that was cheaper than their former property, but only one in five bought a new home that was both cheaper and had fewer bedrooms than their former home.

This typology demonstrates the diversity of moves made by people aged 55 or over into new build properties. The majority were not making straightforward downsizing moves, with the majority of buyers moving to a new home that was either the same size or larger, and either a similar price or more expensive, than their former home. However, this broad typology masks significant nuances within the data that will be described in the sections that follow. The research has found a great diversity in the types of moves, the aspirations, the needs and the decisions made by people over 55.

One of the key issues that the research will go on to show is that even the group that reported making classic downsizing moves to smaller and cheaper properties cannot be easily categorised. Many of these people reported moving to a smaller home, but also reported that the home they purchased actually had more bedrooms than their previous property.

5.1.2 The characteristics of new home buyers aged 55 or over

The proportion of people choosing to move and buy a new home at 55 and over diminishes rapidly with age, as shown in the figure below.

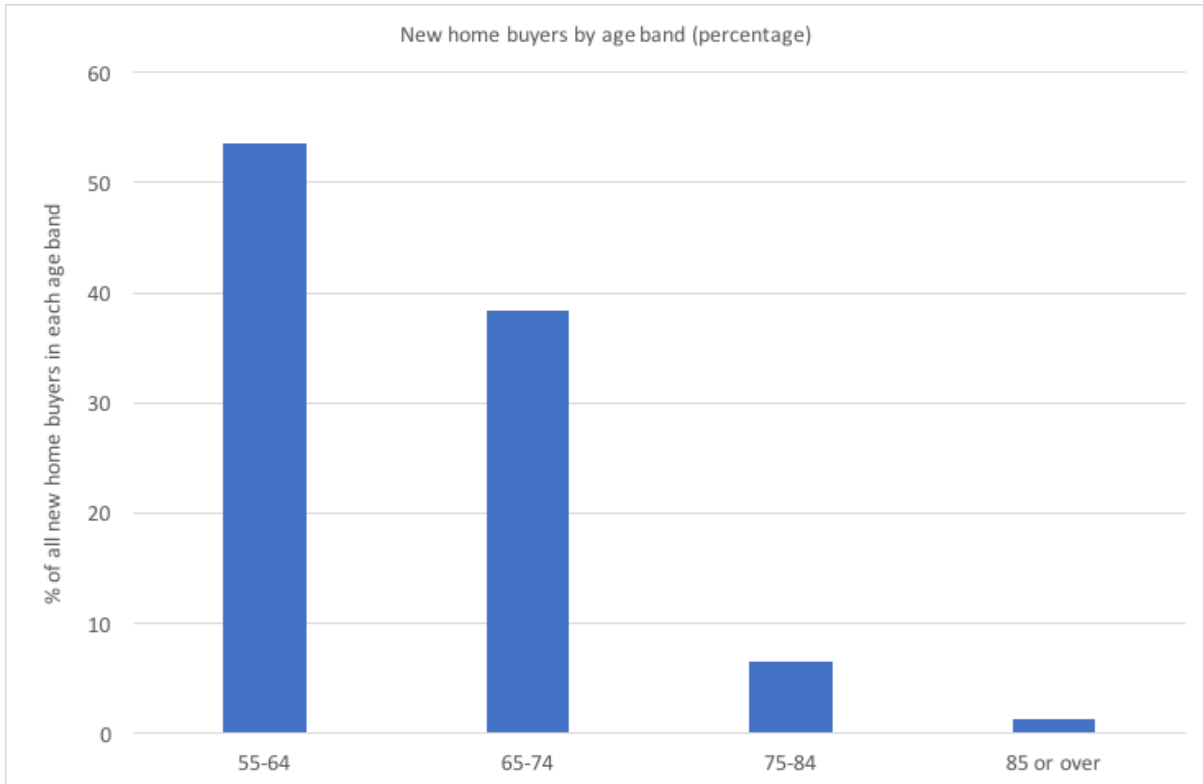


Figure: New home buyers by age band

Rather more than half (54%) of all purchasers were aged between 55 and 64, over a third (38%) were aged between 65 and 74, only 7% were aged between 75 and 84, and only 1% of all purchasers were aged 85 or over.

Nearly all (96%) of home buyers aged 55 or over were living on their own, or in a couple with no other family member. The proportion who live alone is fairly constant between 55 and 75, at nearly one in four (24%), but increases with age to over a third (36%) in the 75-84 age band, and to nearly three quarters (71%) among those aged 85 or over.

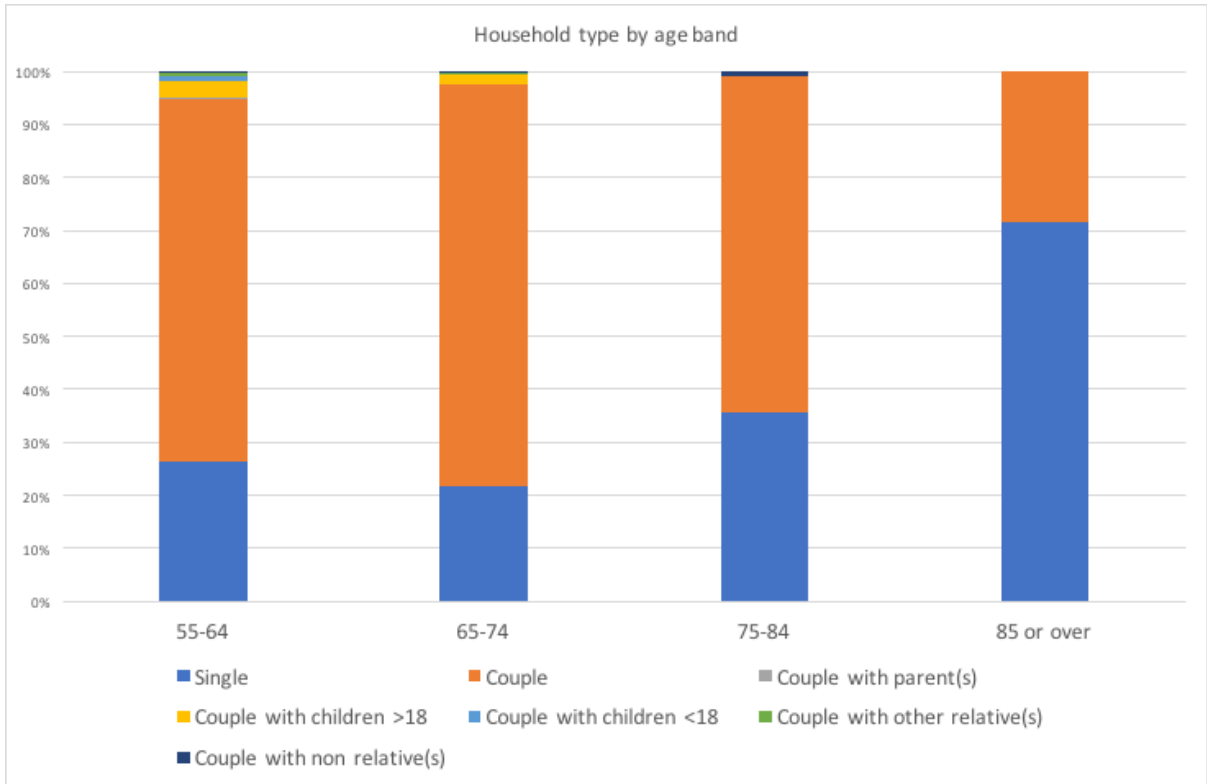


Figure: Household types by age band

The figure shows clearly that moves to buy a new home by the over 55s are not driven by increasing family sizes: even among those aged 55-64, only 5% of households contain anyone other than a single person or a couple.

The figure below shows the marital status of single people living alone by each age band.

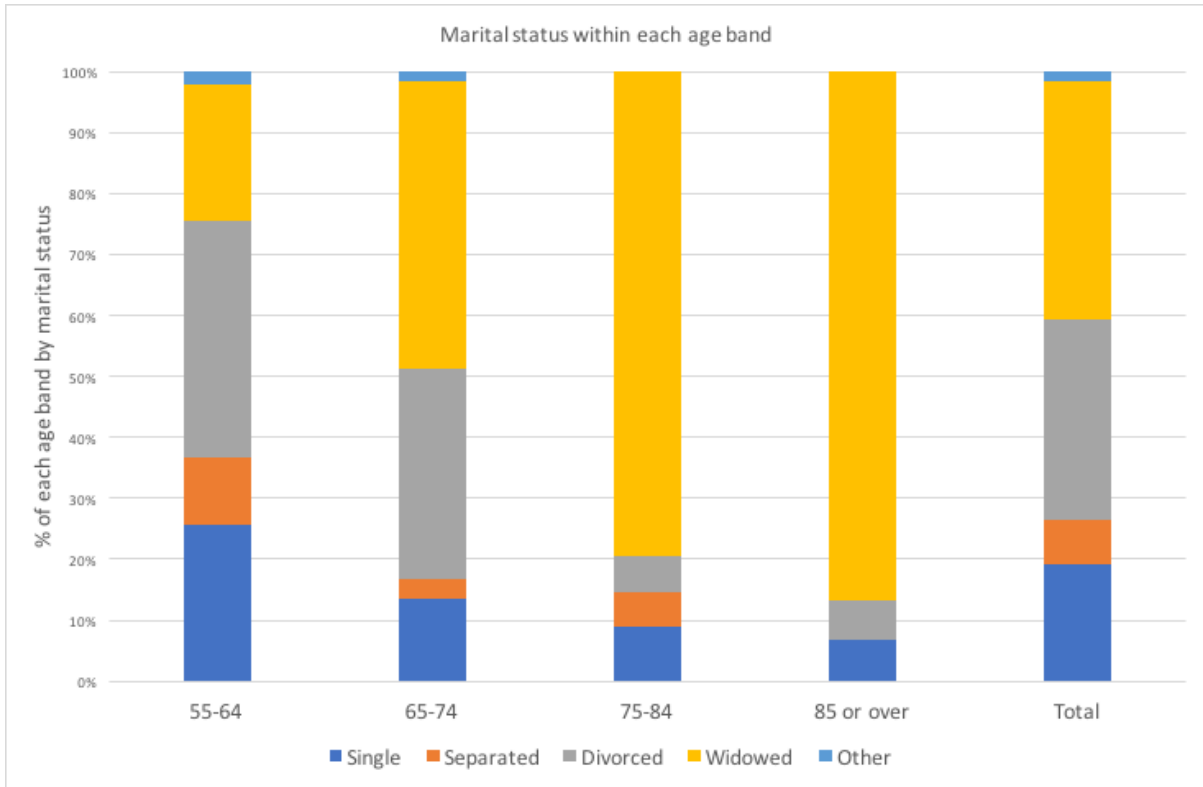


Figure: Marital status by age band

Although divorce rates have fallen over the past decade for people aged 45 or less, divorce rates among those aged 50 or over have barely altered: as a result the proportion of people who divorce at age 50 or over has increased. Increasing longevity also results in an increased number of single people at higher ages who have been divorced rather than widowed. This may result in an increasing number of single people needing a new home following a relationship breakdown later in life.

5.1.3 The incomes of home buyers aged 55 or over

The gross (i.e. before income tax and N.I.) household incomes of home buyers aged 55 or over were not large, although there is a long tail of households with higher incomes, as shown in the figure below.

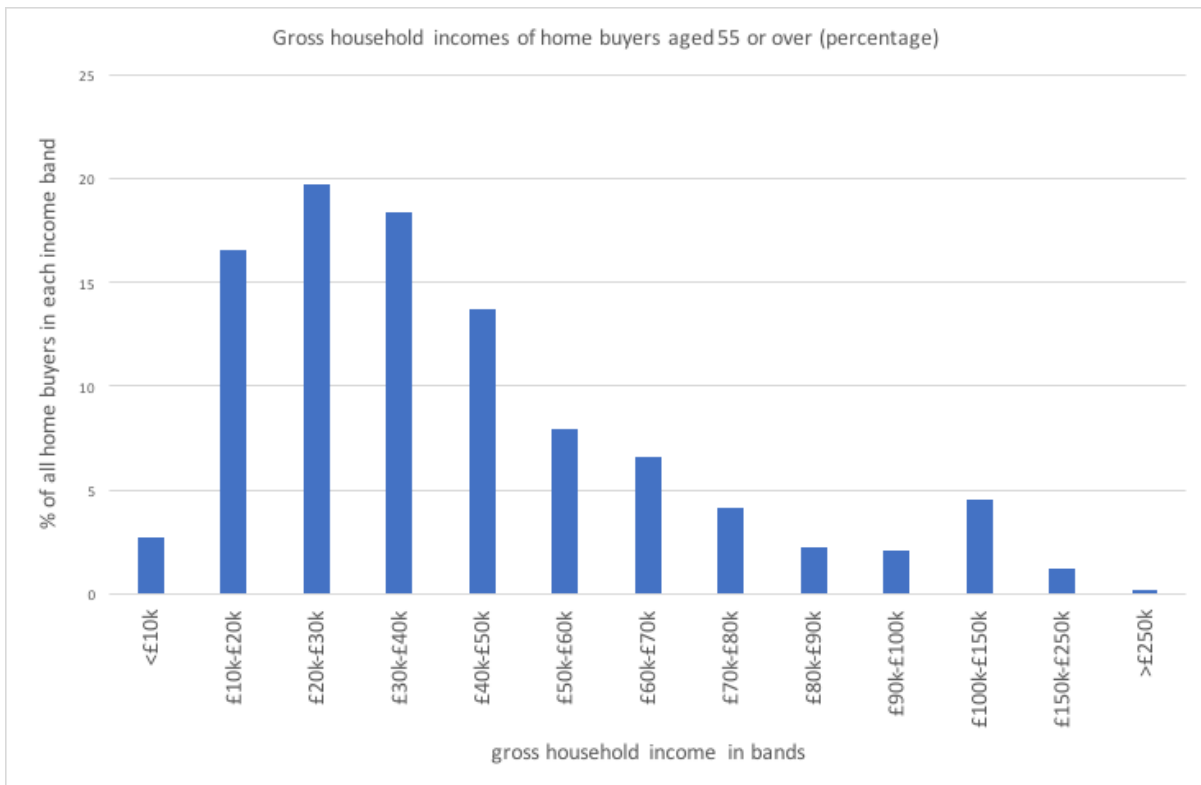


Figure: Household income

Only one in forty (2.7%) of households had an income under £10,000 per annum (the minimum income for a single pensioner entitled to Pension Credit is £8,286 per annum); one in six (17%) had an income in the £10,000 to £20,000 band, one in five (20%) had an income in the £20,000 to £30,000 band; and just under one in five (18%) had an income in the £30,000 to £40,000 band. Overall, nearly three out of five households had an income of less than £40,000 per annum.

The ability of households aged 55 or over to buy a new home was clearly dependent upon their being already home owners, with a property to sell. The median price of the properties that were bought was around £275,000 (see below), or nearly eight times the median gross household income, of around £35,000.

However, in addition to those who already owned a property in the UK, there were also small numbers of households who had bought a property on their return from abroad, or who had previously been renting, or who had bought following an inheritance.

Households aged 55 or over were also in a transition period between employment and retirement, and the figure below shows the contribution of different economic states to household income in each of the income bands.

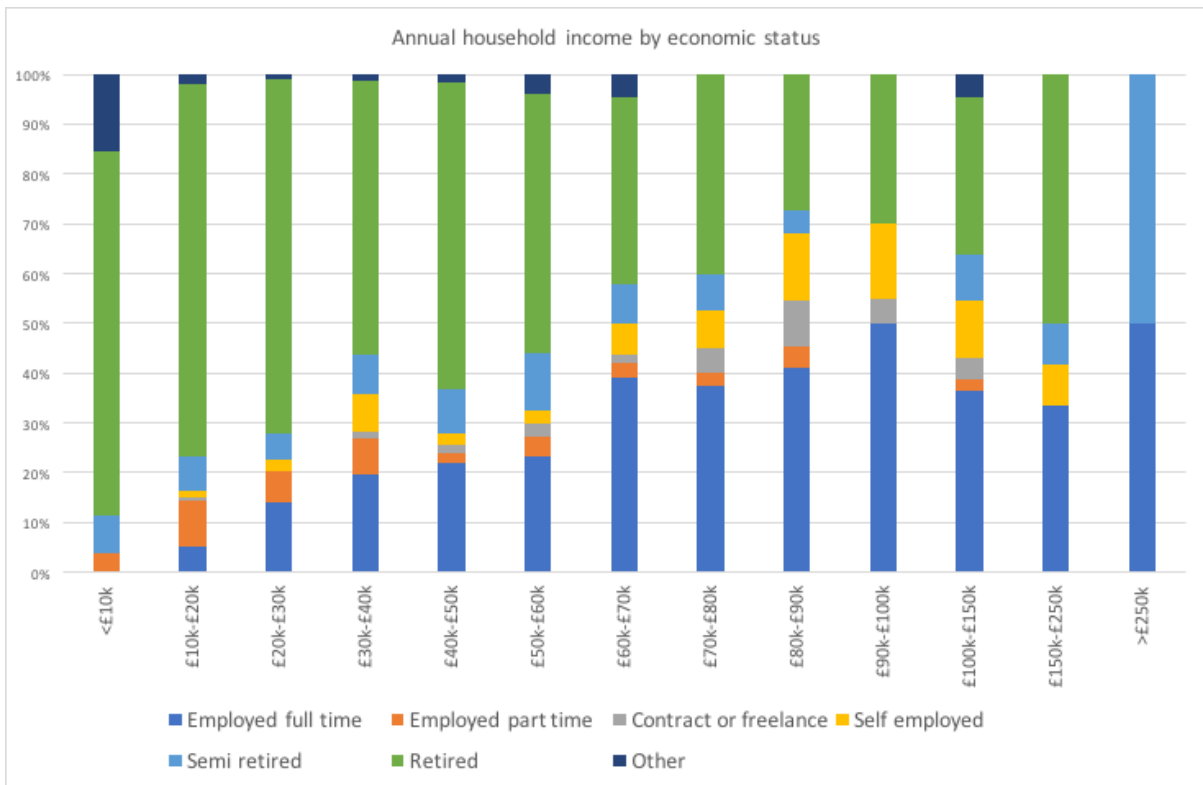


Figure: Household income by economic status

The figure shows that as incomes become lower, the proportion of retired households rises, and that employment becomes more important as incomes rise, with income from self-employment peaking at incomes between £80,000 and £150,000 per annum. The proportion of households who are retired is at its lowest at incomes between £80,000 and £100,000, but increases for households with incomes between £100,000 and £250,000 per annum, although these only represented one in twenty (5.8%) of all households.

The figure below shows the gross household income bands by age.

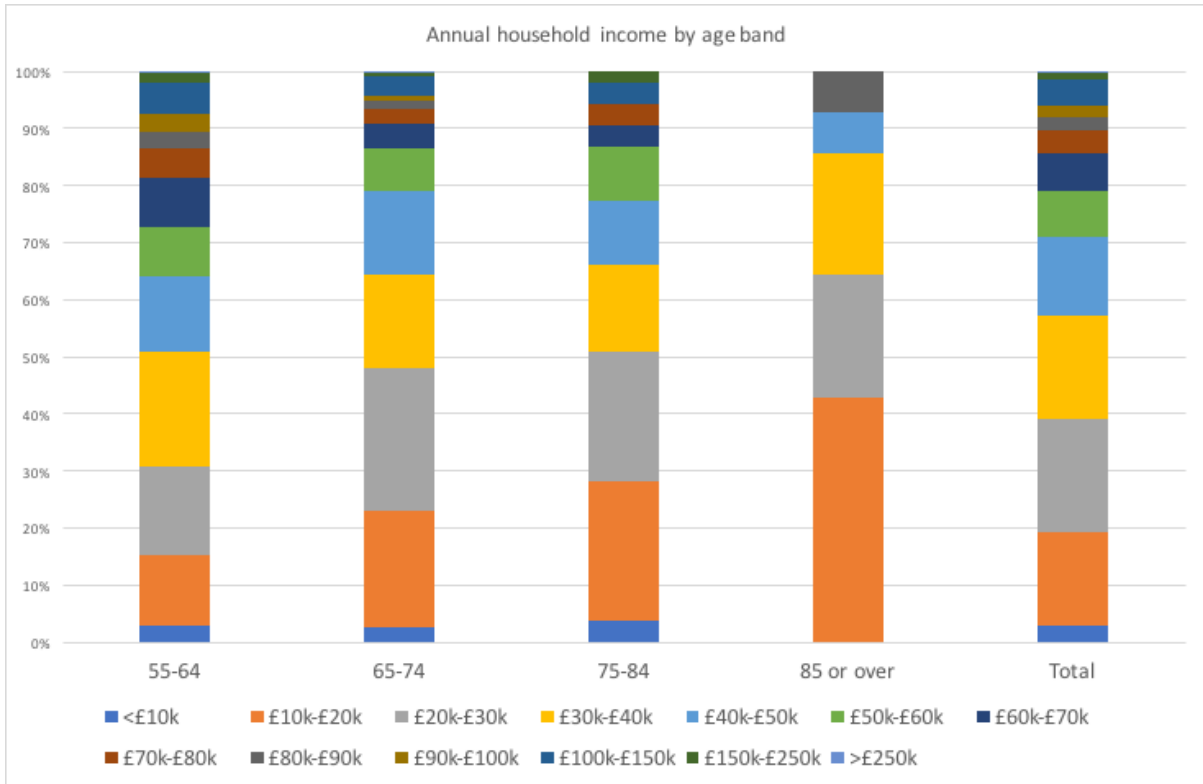


Figure: Household income by age band

The figure shows that household incomes decline with age, with only half of those in the 55 to 64 age band living on an income of less than £40,000 per annum, rising to two thirds in the 75 to 84 age band, and to 85% among those aged 85 or over.

The figure below shows that not only do employment or retirement affect income, but that gender does also.

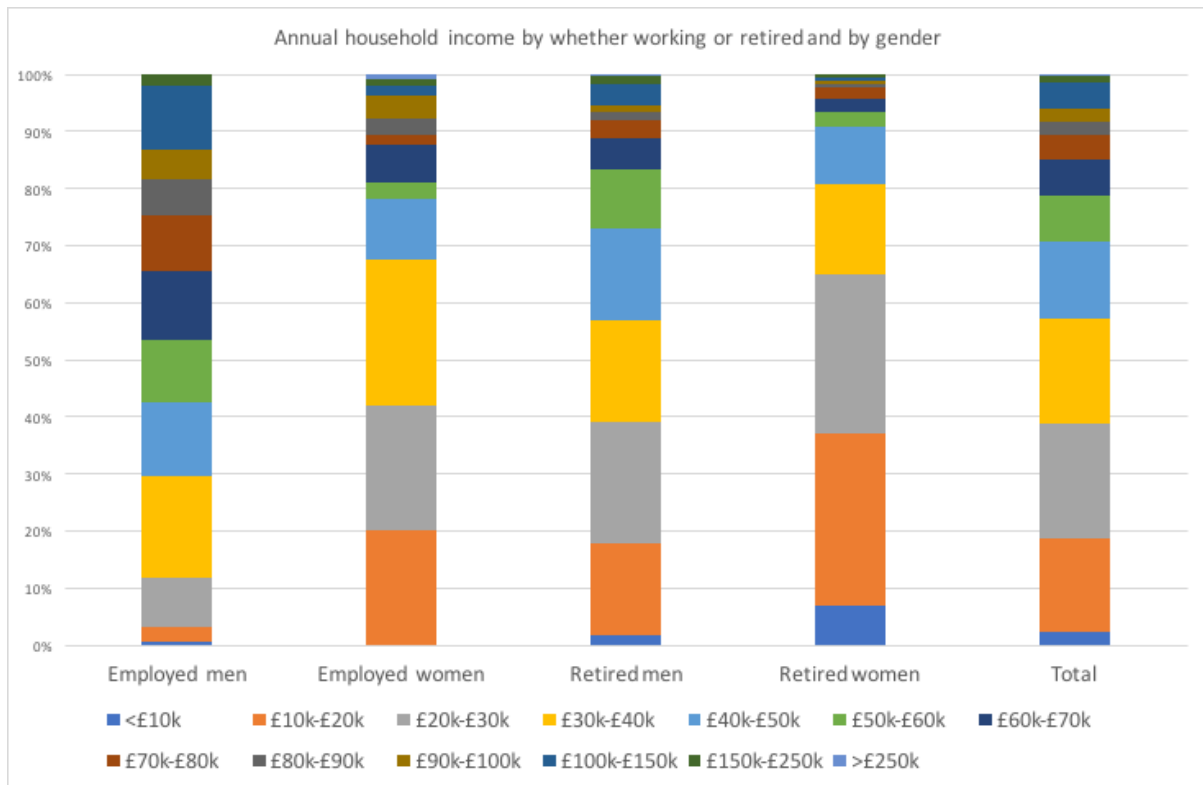


Figure: Household income by whether working or retired and by gender

The figure shows that while less than a third (30%) of employed men (and their households) are living on less than £40,000 per annum, over two thirds (67%) of employed women (and their households) are living on less than £40,000 per annum. A similar pattern exists among the retired, with less than three out five (57%) of retired men (and their households) living on less than £40,000 per annum, just over four out of five (81%) of retired women (and their households) living on less than £40,000 per annum.

The figure below shows that while couples have larger incomes than single people, there are again significant differences dependent upon gender. These are particularly striking in the difference in incomes between couples where the man was the respondent to the survey, and couples where the woman was the respondent.

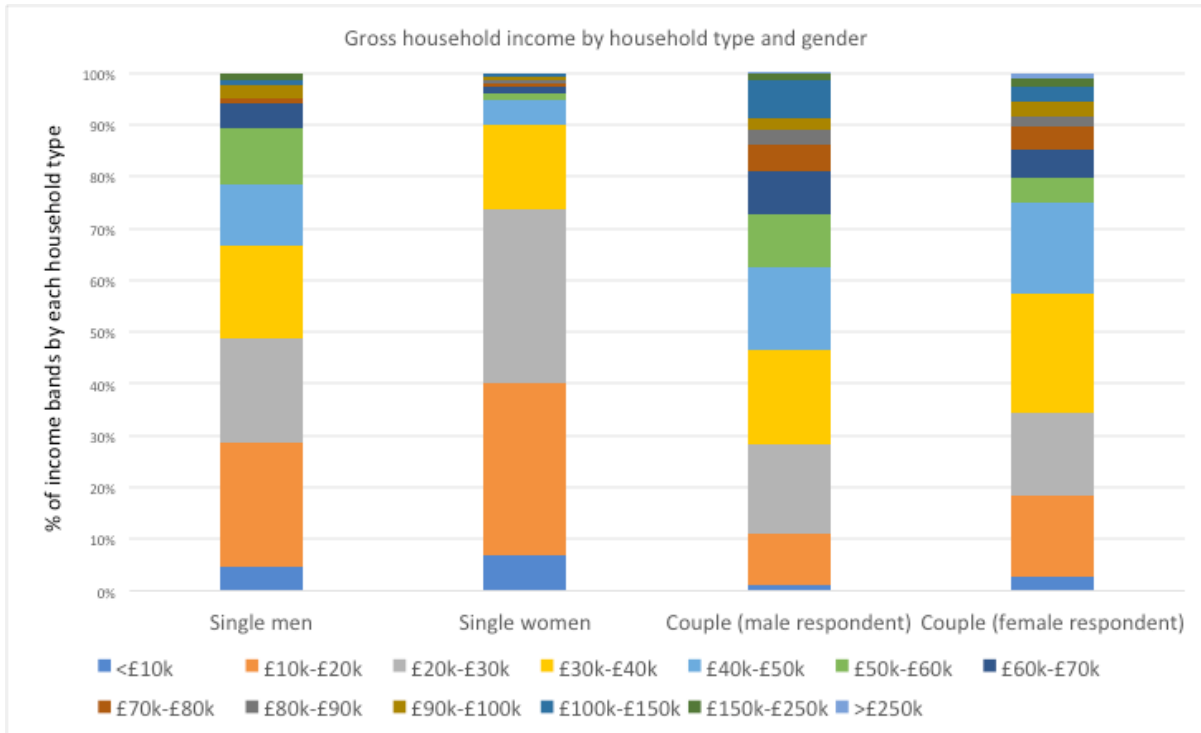


Figure: Household income by household type and by gender

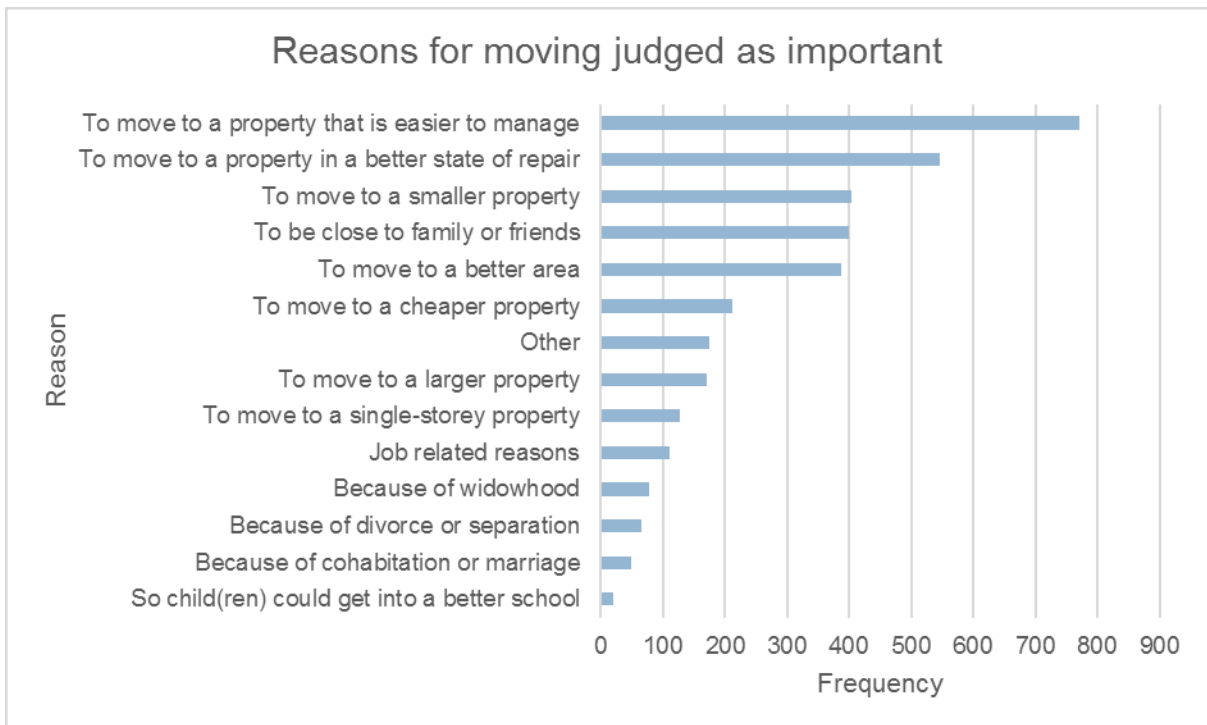
The figure shows that while two thirds (67%) of single men are living on less than £40,000 per annum, nine out ten (90%) of single women are living on less than £40,000 per annum. Among couple households, less than half (47%) of couples where the man was the survey respondent are living on less than £40,000 per annum, but nearly three out of five (57%) of couples where the woman was the survey respondent are living on less than £40,000 per annum.

5.1.4 Why do people over 55 move home?

The most commonly cited, important reasons for moving amongst this group was not linked to a desire to move closer to amenities or relatives, instead it was moving to easier to manage properties that was crucial.

Respondents were asked to rank how important different reasons for moving were in their own decisions to move. We are taking rankings of 'very important' or 'extremely important' to be strong reasons for moving.

On this basis, the most important reason for moving within the sample was to have a property that was easier to manage; 772 respondents ranked this as an extremely or very important reason for their move. The second most highly ranked reason to move was to have a property in a better state of repair (ranked highly by 547 respondents).



Reasons for moving judged as extremely or very important amongst people aged 55 and over

5.1.5 Properties viewed

Almost two thirds (60%) of this sample had bought their property 'off-plan'. Whilst 44% of respondents viewed one to five other properties, 14% only viewed the property that they eventually purchased.

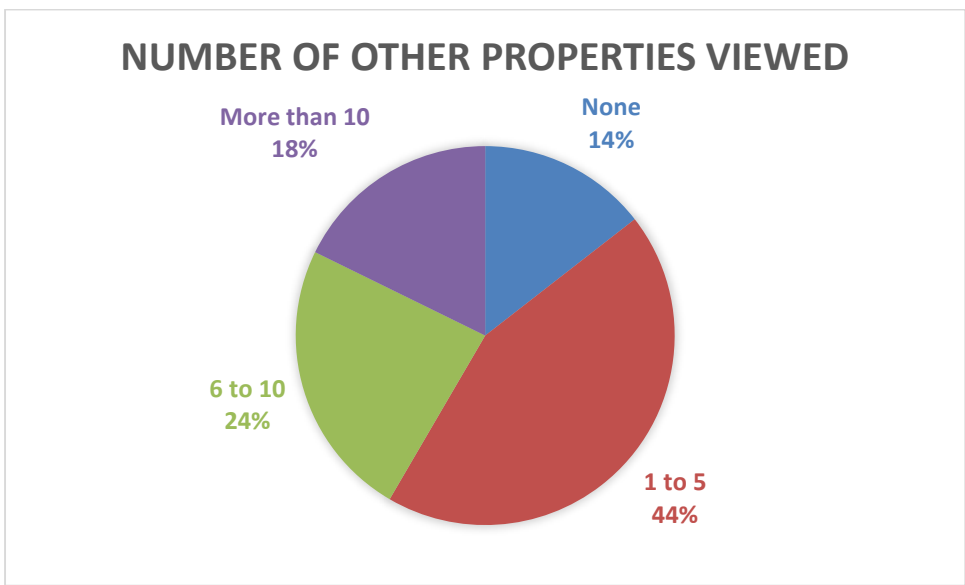


Figure X: The number of other properties viewed by respondents

Of those who viewed other properties, the majority viewed a mix of new and existing properties.

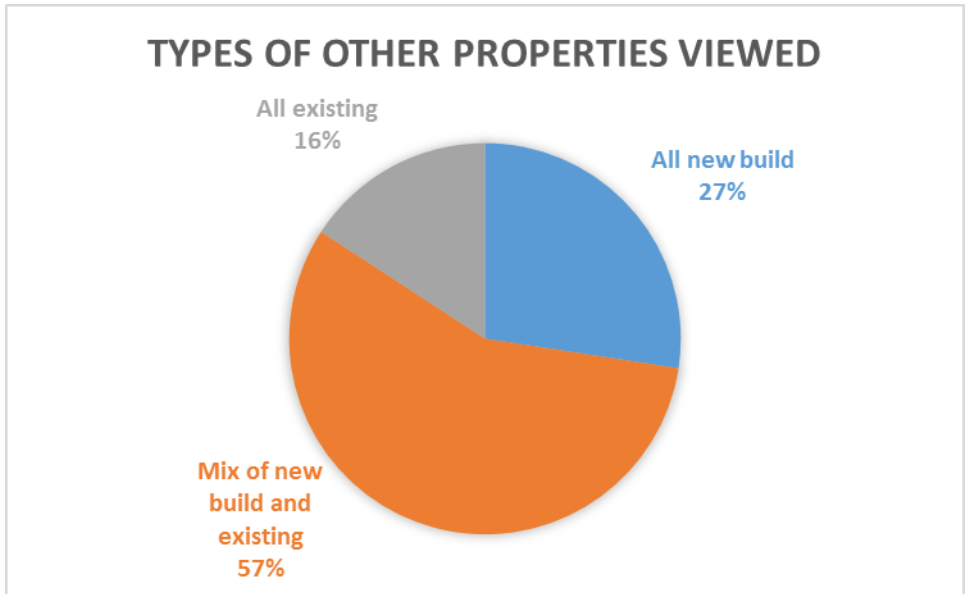


Figure X: The types of other properties viewed by respondents, if respondents viewed properties other than the one purchased

Whilst 57% of respondents who viewed other properties saw a mix of new and existing homes, 27% only viewed other new build properties.

Almost two thirds of this sample (63%) had bought at least one new build property before.

5.1.6 Reasons for choosing a new build property

In relation to their recent move, the main reason for buying a new build property amongst the respondents was to have a property with lower maintenance costs; 903 respondents ranked this as very or extremely important in their decision-making.

This was followed by wanting an NHBC or other warranty and having lower running costs; 836 and 758 respondents, respectively, ranked these as very or extremely important factors in choosing a new build property.

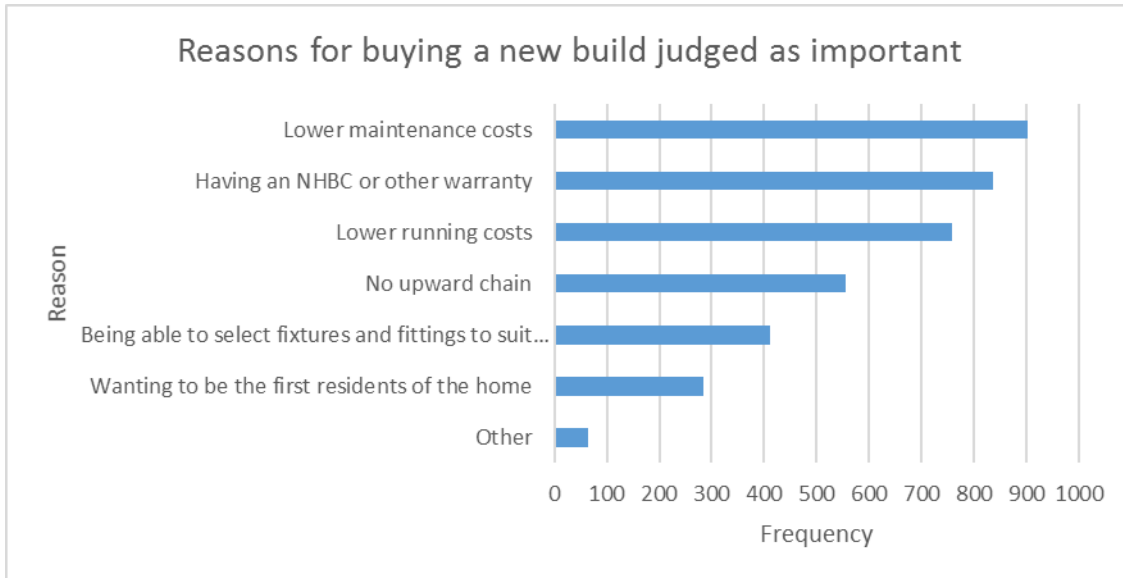


Figure X: Reasons for choosing a new build property judged as extremely or very important

5.1.7 What homes do purchasers aged 55 or over buy?

Overwhelmingly, home buyers aged 55 and over bought houses: 80% bought a house, while less than one in five (17%) bought a flat, and only 3% bought a bungalow.

The very small proportion buying a bungalow appears to be a question of lack of supply, and lack of supply of larger bungalows. A number of interviewees commented that they would have preferred to buy a bungalow, but either could not find one in their area, or that the ones available were too small.

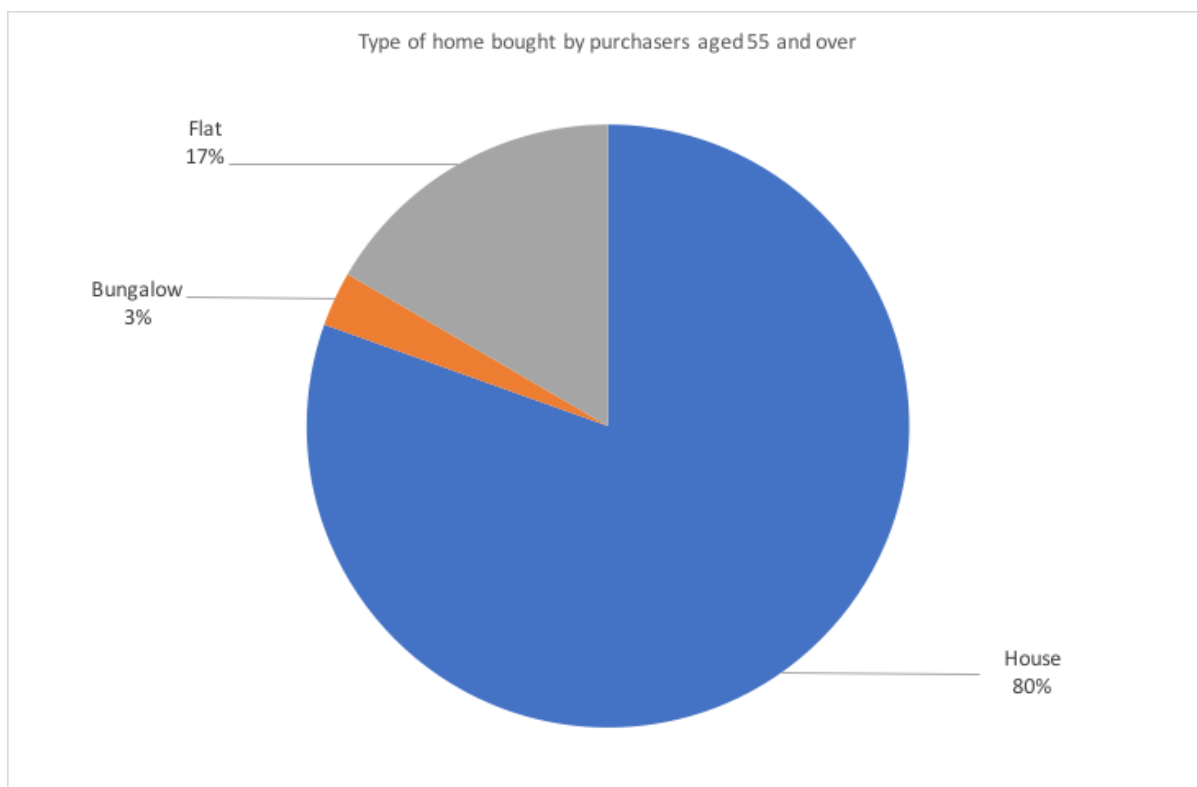


Figure: Type of home purchased

Nearly a third (30%) of home buyers changed the type of property that they lived in when buying their new home. The table below compares the house type (house, bungalow or flat) of the previous home with the house type of the new home.

| House type of previous home compared to house type of current home | | | | | | | |
|--|----------|---------------|----------|------|-------|-------|-------|
| | | Previous home | | | | | |
| | | House | Bungalow | Flat | Rooms | Other | Total |
| Current home | House | 990 | 101 | 86 | 0 | 11 | 1188 |
| | Bungalow | 34 | 4 | 4 | 0 | 1 | 43 |
| | Flat | 169 | 30 | 41 | 1 | 4 | 245 |
| | Other | 4 | 0 | 0 | 0 | 0 | 4 |
| Total | | 1197 | 135 | 131 | 1 | 16 | 1480 |

Table: House type of previous home compared to house type of new home

The table shows that the number of houses decreased slightly, from 1,197 to 1,188; that the number of bungalows decreased from 135 to 43; and that the number of flats increased from 131 to 245.

Only four home buyers who had previously lived in a bungalow bought a new one: three quarters (75%) bought a new house, and nearly a quarter (22%) bought a flat.

Among home buyers who had previously lived in a flat, two thirds (66%) bought a house, and nearly a third (31%) bought another flat.

Just over four out of every five (83%) of home buyers who had previously lived in a house bought another one, while one in seven (14%) bought a flat and a handful (3%) bought a bungalow.

5.1.8 Home layouts

Respondents were asked about the layout of the downstairs (or living areas, if the property was single-storey) of their homes.

The majority of respondents had a separate living room (1,037 respondents stated this). In addition, 1,012 respondents had kitchens large enough to eat in and a further 587 homes have a separate utility room. Relatively few respondents had a separate dining room, and there were suggestions that some respondents had converted spare bedrooms (presumably in single-storey properties) into separate dining rooms.

The majority of the houses bought by the sample have a downstairs cloakroom with a W.C. In addition, 300 of houses bought have a downstairs bathroom, or the potential to install one.

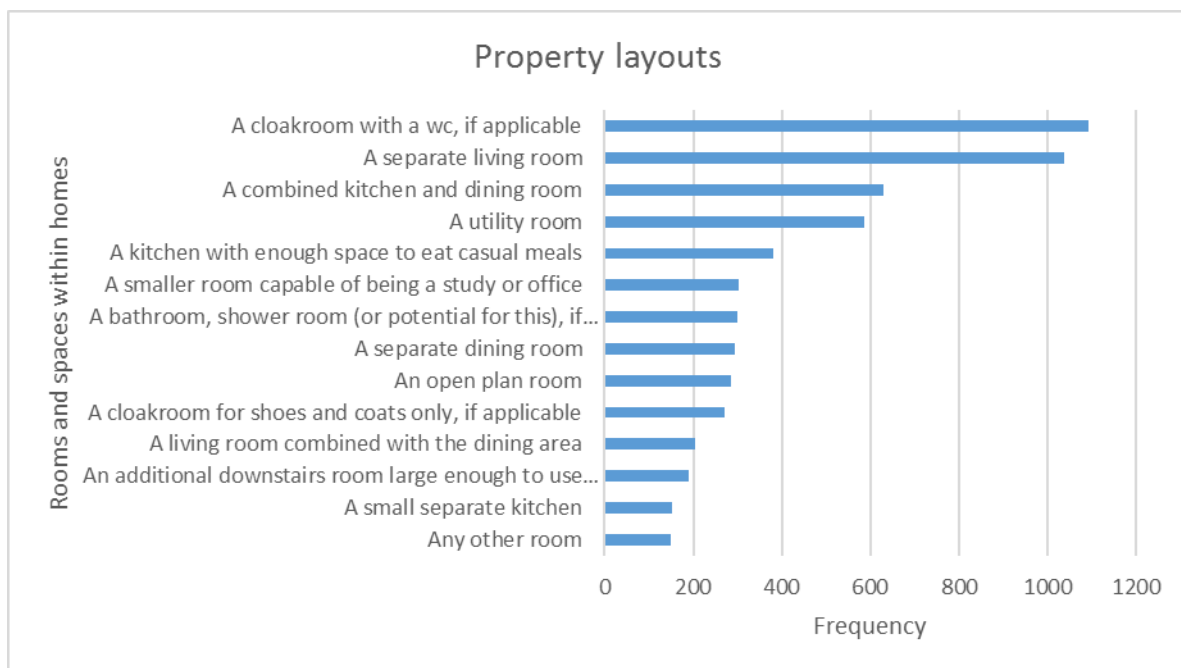


Figure X: The layout of respondents' homes

5.1.9 Use of spare bedrooms

The vast majority of the sample used their spare bedroom(s) for visiting friends or relatives. This was followed in popularity by using spare bedroom(s) as a home study or office or as a dressing room or clothes storage. Respondents could state multiple uses for their spare bedroom(s).

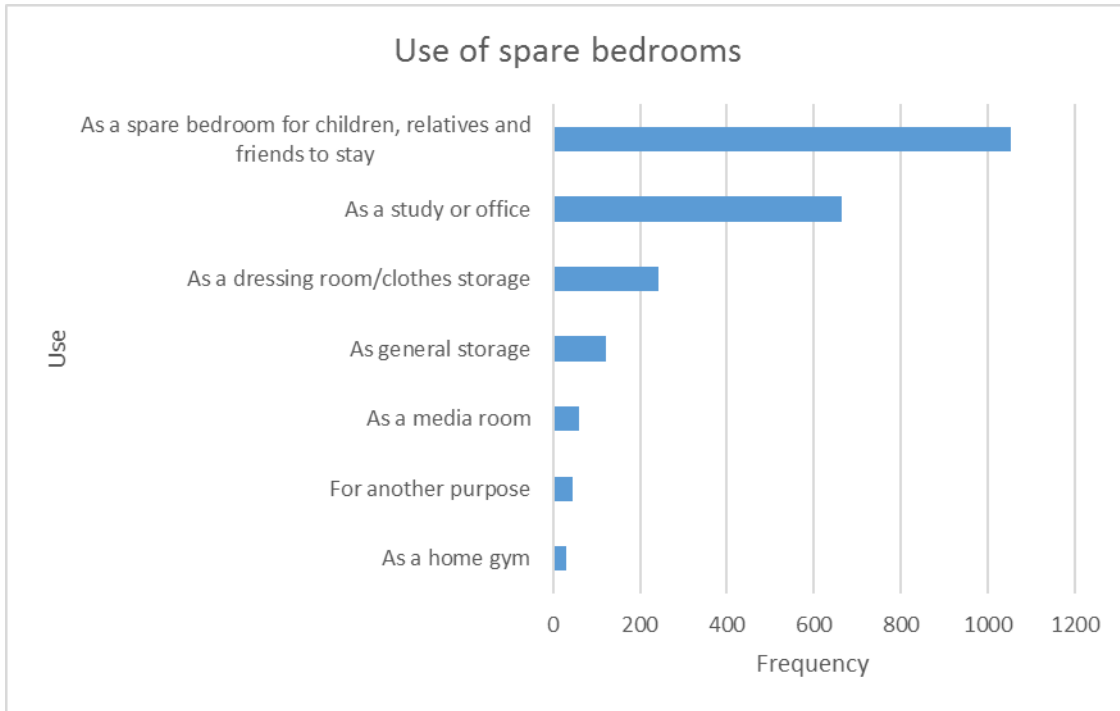


Figure X: The layout of respondents' homes

5.1.10 Are the over 55s interested in developments specifically for the over 55s?

A striking finding of the research was the lack of interest expressed in developments aimed specifically at the over 55s. The panel was asked:

“Is your current home on a development only for people aged 55 or over?”

and out of 1,491 replies, only 83 people (5.5%) answered ‘Yes’.

The figure below shows that the proportion of people living on a development specifically for over 55s does rise with age – but only just over a quarter of those aged 75-84 did so, and the proportion only rises significantly among buyers aged 85 or more, when 80% bought a flat on a development specifically for the over 55s (but that was 16 out of only 20 house buyers aged over 85).

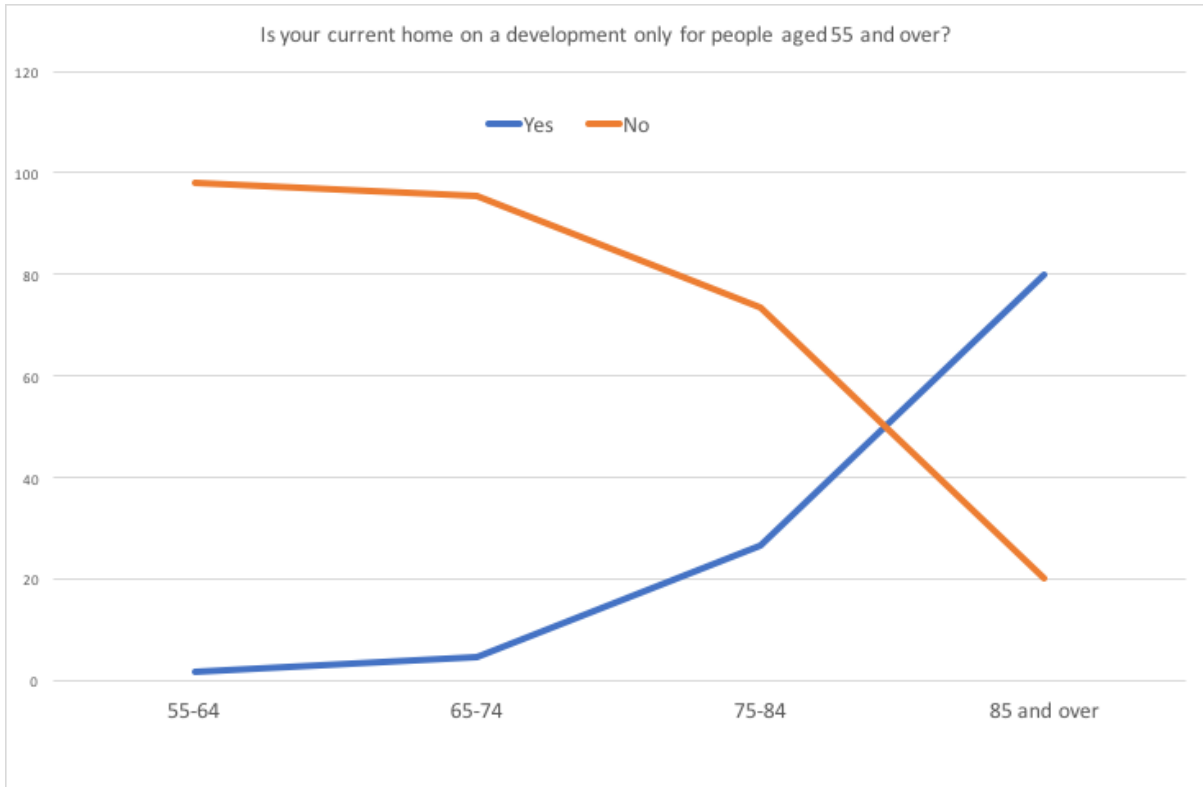


Figure: Proportion of people living on a development specifically for over 55s by age band

The figure below shows the numbers of home buyers by age band, by whether they live on a development for the over 55s or not, and the house type that they bought.

Among all home buyers, just under one in twelve (7.9%) is aged 75 or more, and even among this group, only just over one third (35.8%) bought a home in a development specifically for the over 55s. Among the other two thirds of home buyers aged 75 or over, nearly three quarters bought a house, rather than a bungalow or flat.

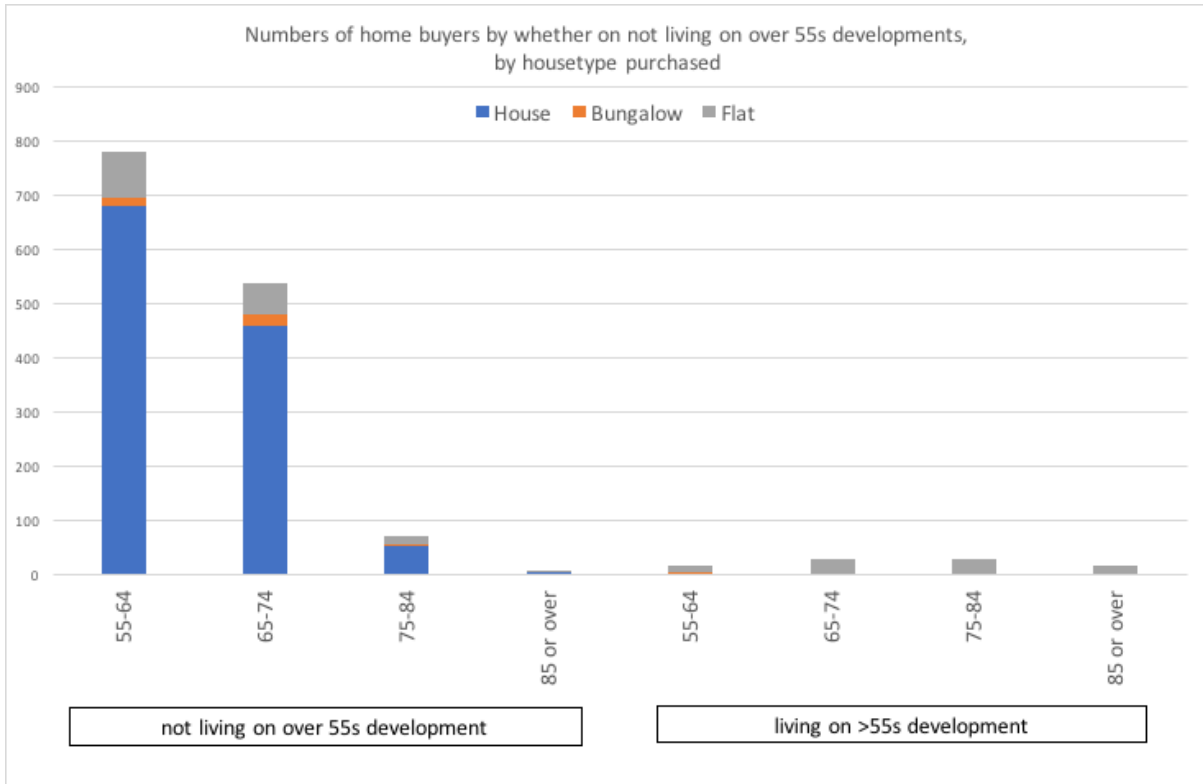


Figure: Numbers of home buyers by age band, by whether they live on a development for the over 55s or not, and the house type that they bought

Although nearly all (95%) of the homes bought on developments for the over 55s were flats, overall twice as many flats were bought on ordinary housing developments than in developments for the over 55s.

However, home buyers did not all wait until they were 85 or more to buy a home on a development for the over 55s. The table below shows that of the 83 home buyers who had bought a new home on a development for the over 55s, nearly a third were aged 65-74, and nearly a third were aged 75-84. These buyers were evidently thinking ahead, but their preference for an over 55s development was not shared by the other 92% of home buyers aged between 65 and 84 (83 as a percentage of the 666 home buyers who were aged 65-84).

| Age of buyers on over 55s developments | | | |
|--|-----------|-------------|-------------|
| | | No | Total |
| 55-64 | 18% | 56% | 54% |
| 65-74 | 31% | 38% | 38% |
| 75-84 | 31% | 5% | 7% |
| 85 and over | 19% | 0% | 1% |
| Total | 100% | 100% | 100% |
| Number | 83 | 1408 | 1491 |

Table: Age of buyers on over 55s developments

5.1.11 The homes bought by buyers aged 55 and over

Not only did 80% of home buyers buy a house, but nearly three quarters (74%) of all home buyers bought a house with three or more bedrooms, and a half (46.5%) of all home buyers bought a house with four or more bedrooms.

Less than three percent bought a property with only one bedroom, and just over one in five (21%) bought a property with two bedrooms.

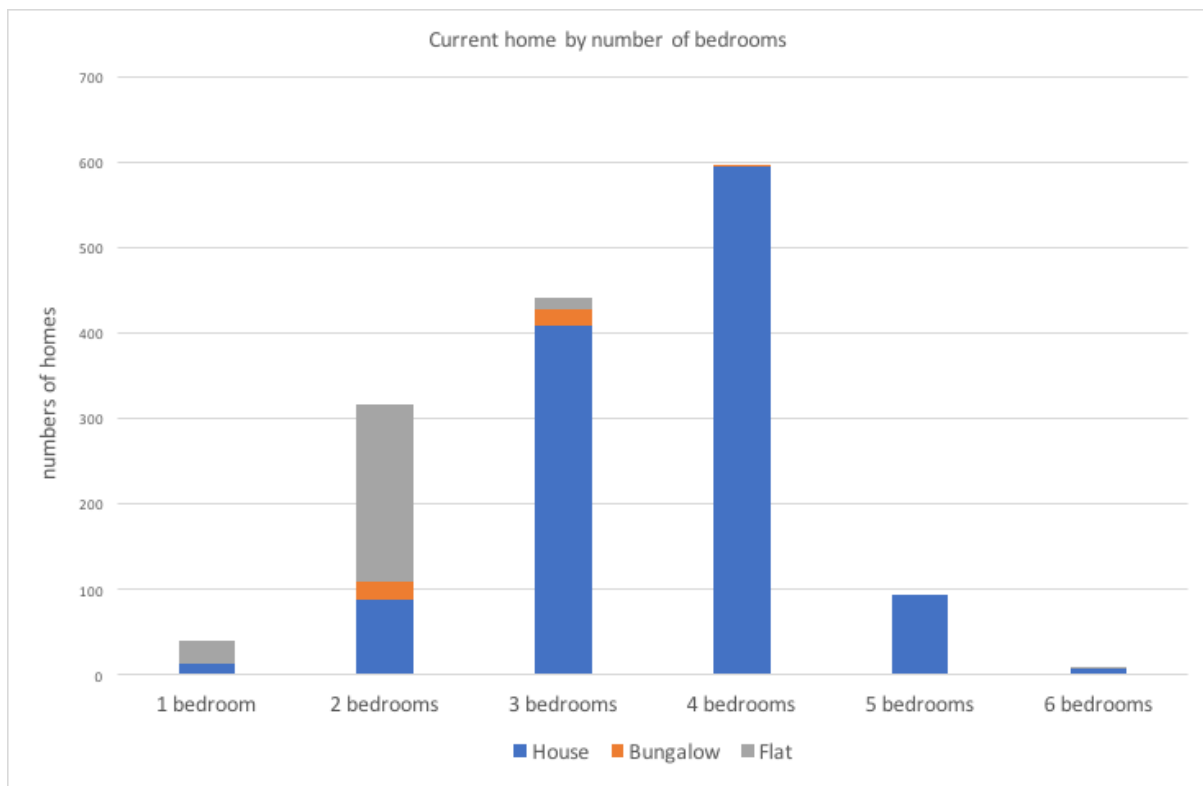


Figure: Current home by number of bedrooms

Less than one in ten (7%) of home buyers who bought a house bought one with only two bedrooms, but over four out of five (84%) of flat buyers bought a flat with two bedrooms.

Flat buyers aged 55 or over were less likely to buy one bedroom flats than the supply in the market: 11% of flat buyers aged 55 or over bought a one bedroom flat, compared to the 27% of new build flats that have one bedroom. They were also more likely to buy a two bedroom flat than the market supply (84% bought a two bedroom flat compared to the 72% of new build flats that have two bedrooms). They were also more likely to buy a three bedroom flat than the market supply (just over 5% of buyers, compared to less than 4% of the supply of flats), although the numbers of purchases of three bedroom flats was very small: only 13 out of 249 flats in total⁴.

This suggests that there is a potential demand for three (and possibly four) bedroom flats among home buyers aged 55 or over, provided that these are on developments with a wide range of ages, rather than on developments restricted to the over 55s, and with lift access.

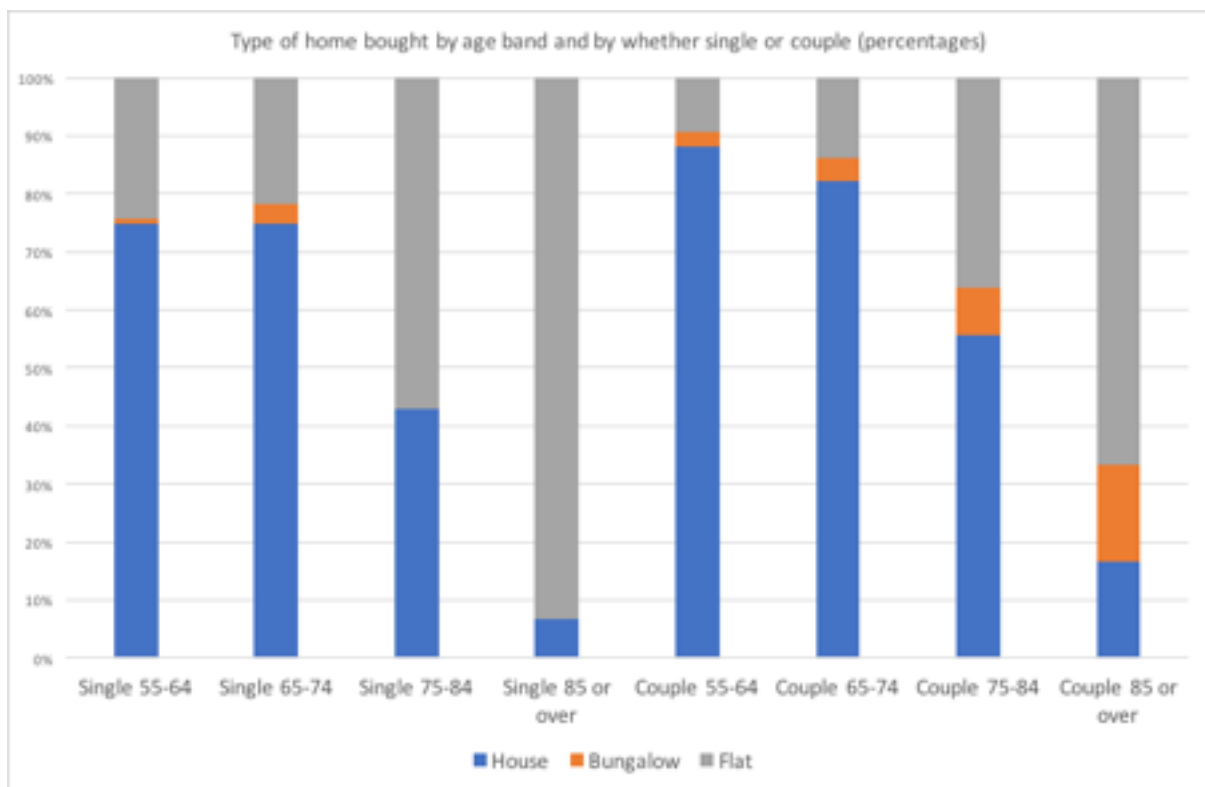


Figure: Type of home purchased by age band and by whether single or a couple

The figure shows that the proportion of flats bought rises with age, and that single people are increasingly more likely to buy a flat at higher ages than are couples.

⁴ Data from DCLG Live Tables 244 and 245

5.1.12 Perceptions of ‘downsizing’

It is clear from the answers that home buyers gave to questions comparing the relative size of their former and current properties that this did not correlate particularly closely with whether they had bought a property with fewer, or more, bedrooms than their previous home.

The survey asked respondents:

“When you moved to your current home, was it smaller or cheaper than your previous home?”

The table below compares the answers to that question with the number of bedrooms gained, or lost, in the move from the previous home.

Nearly two thirds (64%) of home buyers had bought a new property with the same number of bedrooms, or more bedrooms, than their former home. More than two in five (43%) of these thought that their current property was either smaller, or cheaper, or both, compared to their former home.

The perception that their current home was smaller than their previous home may of course indicate the combination of a number of factors: the house might be smaller in floor area, or have fewer reception rooms, or the rooms may ‘feel’ smaller due to lower ceiling heights, or the garden might be smaller, or there may be a smaller garage, or no sheds or outbuildings.

It seems clear that people’s perception of ‘downsizing’ is not necessarily related to the number of bedrooms in a property, but to a much wider range of features: asking whether someone has moved to a ‘smaller property’ is not necessarily an indication that they have downsized to one with fewer bedrooms.

| Perceptions of downsizing: people who moved to smaller homes but with more bedrooms | | | | | | | | | | | |
|---|------------|----------|-----------|------------|------------|------------|------------|-----------|----------|----------|-------------|
| Difference in number of bedrooms in former house | -5 | -4 | -3 | -2 | -1 | 0 | 1 | 2 | 3 | 4 | Total |
| Did not downsize, moved to same or more bedrooms | | | | | | 191 | 253 | 50 | 3 | 2 | 499 |
| Did not downsize, but moved to fewer bedrooms | 0 | 0 | 4 | 11 | 29 | | | | | | 44 |
| Moved to smaller home, but with fewer bedrooms | 0 | 2 | 7 | 42 | 85 | | | | | | 136 |
| Moved to smaller home, but with same or more bedrooms | | | | | | 57 | 5 | 0 | 0 | 0 | 62 |
| Moved to cheaper home with same or more bedrooms | | | | | | 85 | 67 | 12 | 1 | 0 | 165 |
| Moved to cheaper home with fewer bedrooms | 0 | 0 | 3 | 5 | 13 | | | | | | 21 |
| Moved to smaller and cheaper home with fewer bedrooms | 1 | 2 | 21 | 92 | 173 | | | | | | 289 |
| Moved to smaller and cheaper home with same or more bedrooms | | | | | | 136 | 10 | 2 | 0 | 0 | 148 |
| Total | 1 | 4 | 35 | 150 | 300 | 469 | 335 | 64 | 4 | 2 | 1364 |
| Summary total | 490 | | | | | 874 | | | | | 1364 |

Table: Perception of downsizing compared to bedrooms gained or lost

The figure below shows graphically that while there is a strong correlation between buying a new home that is smaller, or both smaller and cheaper, than the previous home, there is nevertheless a good deal of overlap between these categories.

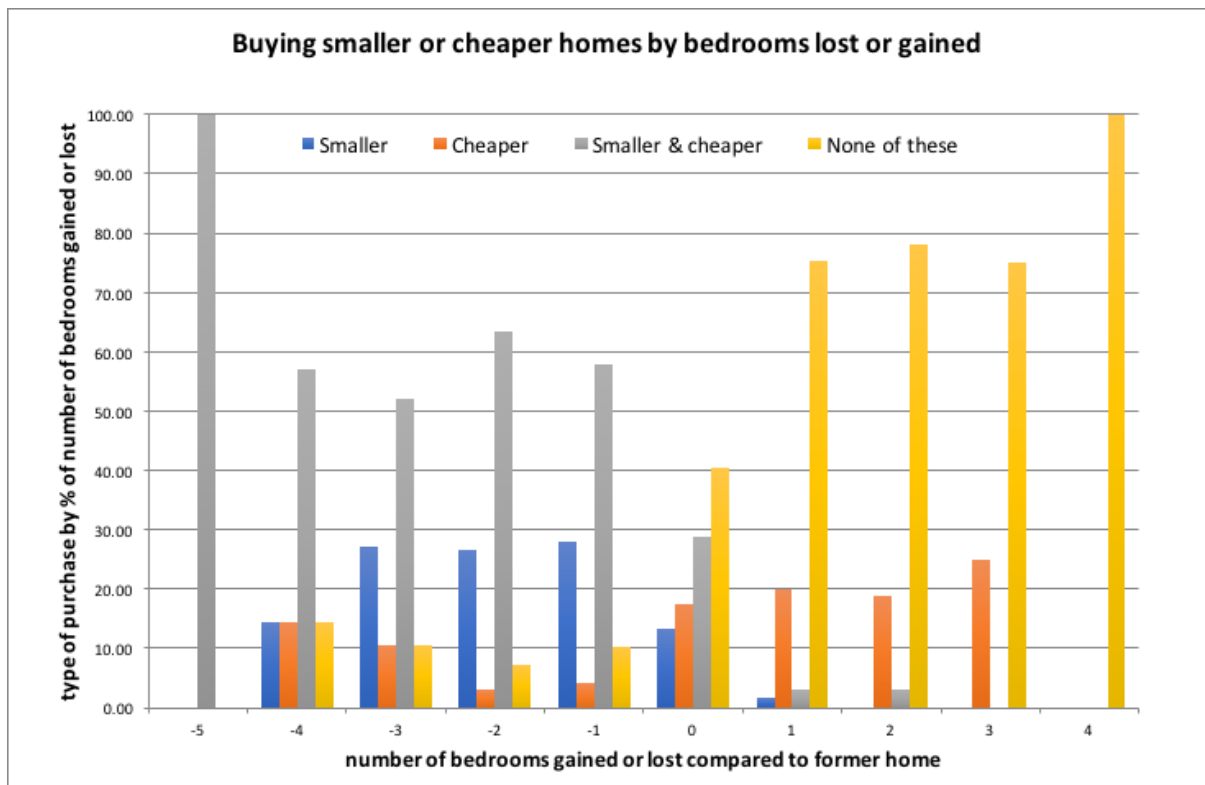


Figure: Bought a smaller or cheaper home by bedrooms lost or gained

Home buyers who bought a new home that they described as being 'smaller and cheaper' than their previous home had generally also downsized in the number of bedrooms, but some had bought a house with the same number of bedrooms, and a handful had actually bought a new home with more bedrooms than previously. Similarly, home buyers who had bought a new home that they viewed as neither smaller nor cheaper than their previous home had generally bought new homes with more bedrooms than their previous homes, but a number had still downsized, buying a new home with fewer bedrooms.

Among home buyers who bought a new home with one, two or three bedrooms more than their previous home, around one in five had managed to do so while buying new home that was cheaper than their previous home.

5.1.13 Looking ahead: buying accessible properties

One factor which may influence home buyers' choice is whether the property would remain suitable if increasing age makes climbing stairs difficult.

Bungalows and flats might be assumed to be all on one level, and therefore automatically providing level access to bedrooms and bathrooms, but relatively few new build houses will have a downstairs room large enough to be used as a bedroom.

The survey asked home buyers who bought a house whether the property had a room downstairs that was large enough to use as a bedroom, and 10% had bought such a property. A house with such a room downstairs is likely to be a relatively large property, and three quarters of these buyers had bought a house with either the same number, or more, bedrooms than their previous home.

The table below shows the extent of accessibility to a bedroom on the same level as the kitchen and living areas: over a third (37%) of home buyers had bought an accessible property.

| Buying houses with a downstairs room large enough to be used as a bedroom | | | | | | | | | | | |
|---|----------|----------|-----------|-----------|------------|-----------|-----------|-----------|----------|----------|------------|
| Number of bedrooms gained or lost in new home | -5 | -4 | -3 | -2 | -1 | 0 | 1 | 2 | 3 | 4 | Total |
| Number of houses with bedrooms upstairs | 1 | 2 | 20 | 88 | 211 | 412 | 289 | 50 | 3 | 2 | 1078 |
| Of which, properties with a bedroom downstairs | 0 | 0 | 2 | 6 | 19 | 30 | 37 | 13 | 1 | 0 | 108 |
| Number of bungalows | 0 | 0 | 2 | 8 | 21 | 8 | 3 | 0 | 0 | 0 | 42 |
| Number of flats | 0 | 5 | 25 | 68 | 94 | 44 | 9 | 0 | 0 | 0 | 245 |
| Total of properties with accessible bedrooms on ground floor | 0 | 5 | 29 | 82 | 134 | 82 | 49 | 13 | 1 | 0 | 395 |

Table: Houses purchased with downstairs room larger enough to be used as a bedroom

For buyers of bungalows and flats, gaining internal accessibility was usually associated with a reduction in the number of bedrooms compared to the former home: nearly three quarters (74%) of bungalow purchasers and just over three quarters (78%) of flat buyers had bought a property with fewer bedrooms. The lack of larger bungalows in the market was commented on by a number of interviewees, who would have preferred to buy a bungalow rather than a house had suitable properties been available.

There are other solutions available to house owners without a suitable downstairs room, such as stairlifts or the purchase of a Lifetime Home, which are designed with space, and joist arrangements, suitable for fitting a lift in the future (although Lifetime Homes are only offered by a minority of house builders). However, investigating these solutions was beyond the scope of the research survey.

5.1.14 Household size and number of bedrooms in current home

Almost all (96%) of home buyers aged 55 or over are either single people or couples. Among single home buyers living alone, well over half (58%) bought a property with three or more bedrooms, and nearly a quarter (22.5%) bought one with four or more bedrooms. Less than one in twenty (4.8%) of single people living alone bought a one bedroom property.

Among couples living alone, over four in five (81%) bought a property with three or more bedrooms, and over half (53%) bought one with four or more bedrooms. Only one in fifty (2.3%) of couples living alone bought a one bedroom property, and less than one in five (17%) bought a property with two bedrooms.

Among the one in ten households that contained couples living with other family members, nine out of ten (90%) bought a property with three or more bedrooms, and nearly two thirds (63.5%) bought one with four or more bedrooms.



Figure: Household type by bed size of property purchased

Over three quarters of home buyers in the 55-64 and 65-74 age bands bought three bedroom or larger properties, and even in the 75-85 age band over half bought a three bedroom or larger property. Under half (44%) of the 75-84 age band bought a two bedroom property, but two bedroom homes rise to nearly three quarters (71%) of all properties bought by the small number of home buyers aged 85 or over, largely as a result of the increasing proportion of purchases of two bedroom flats on developments specifically for the over 55s among this age group.

Although purchases of two bedroom properties increase as a proportion of homes bought in the higher age bands, purchases of one bedroom properties do not even reach one in five (19%) among home buyers aged 85 or over, or four out of the 21 home buyers in that age band, nearly three quarters (71%) of whom bought a two bedroom property, and one in ten bought a four bedroom property.

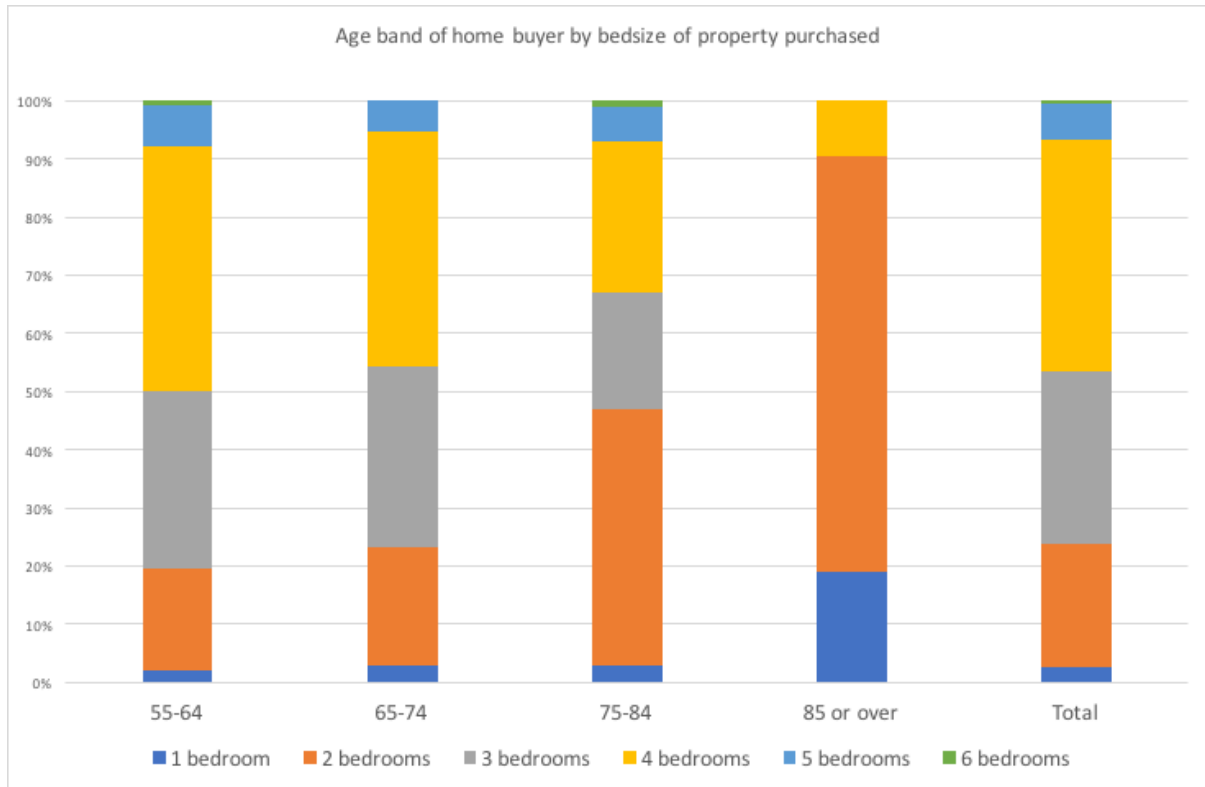


Figure: Age band by bed size of property purchased

The shift towards buying two bedroom properties in the higher age bands is reflected in a parallel shift to buying flats rather than houses, as shown in the figure below.

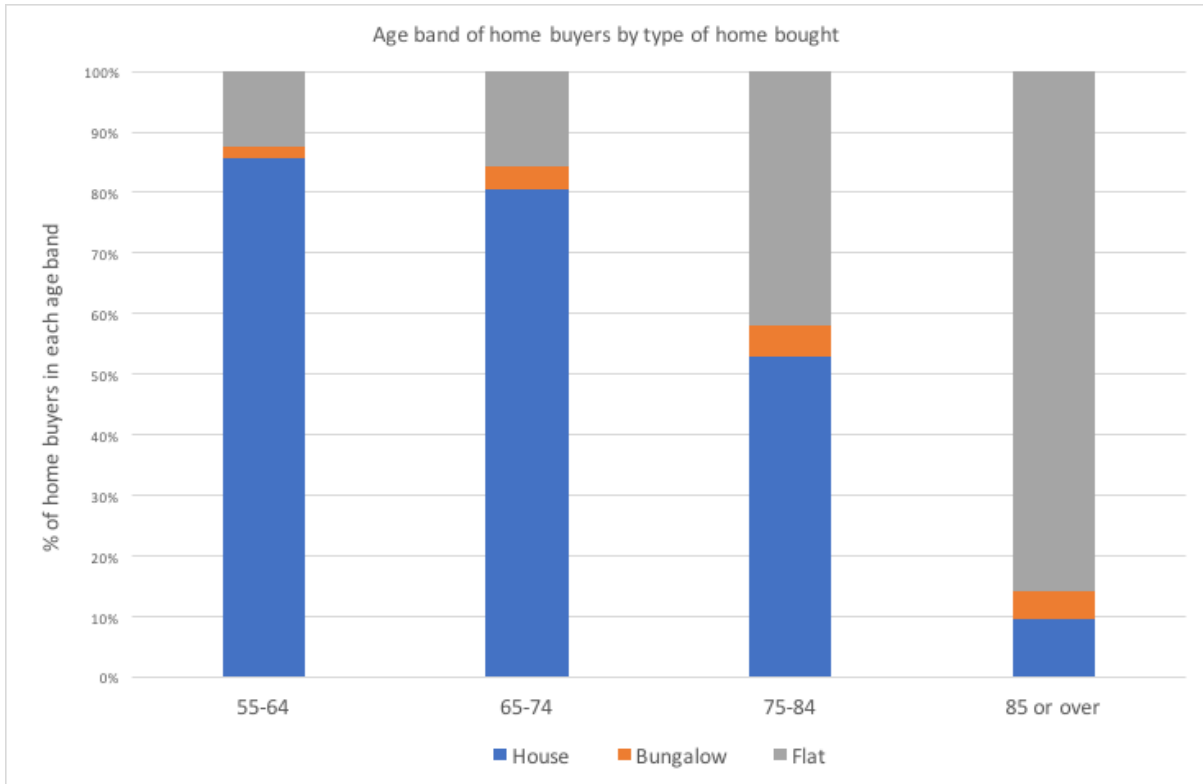


Figure: Age band by type of home purchased (%)

However, the number of home buyers in the two higher age bands is also much smaller than the numbers in the two lower age bands, with the result that larger numbers of flats are actually bought by home buyers aged 55-64 and 65-74, as illustrated in the figure below.

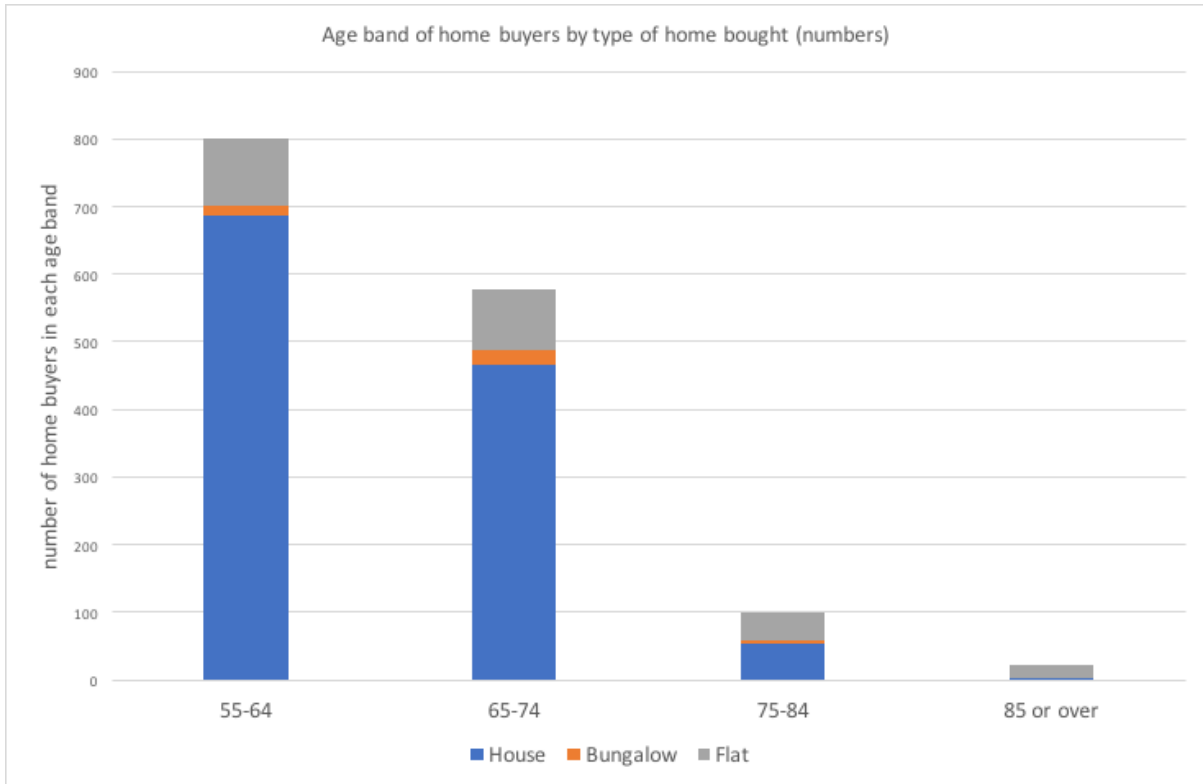


Figure: Age band by type of home purchased (numbers)

5.1.15 The purchase price of the current home compared to the selling price of the previous home

Two thirds of survey respondents (955) were willing to record both the selling price of their previous home and the purchase price of their current home.

The figure below shows the prices paid by home buyers for their new home, by the percentage of all home buyers purchasing in each £25,000 price band.



Figure: Percentage of homes purchased in each price band

The figure omits 78 prices below £50,000, on the grounds that these are implausibly low for new build properties, and 4 prices above £2.1m for clarity.

Three quarters (77%) of all purchases were in the range from £150,000 to £425,000, and half (52%) were in the range from £200,000 to £350,000.

5.1.16 Equity release, or equity investment?

In recent years there has been a significant policy interest in whether home ownership can contribute to household resources in later life by downsizing to cheaper properties and releasing equity for purposes such as supplementing pension income or meeting the costs of residential care in the last years of life.

The figure below compares the selling price of the previous home (in the orange line) with the purchase price of the current home (in the blue dots).

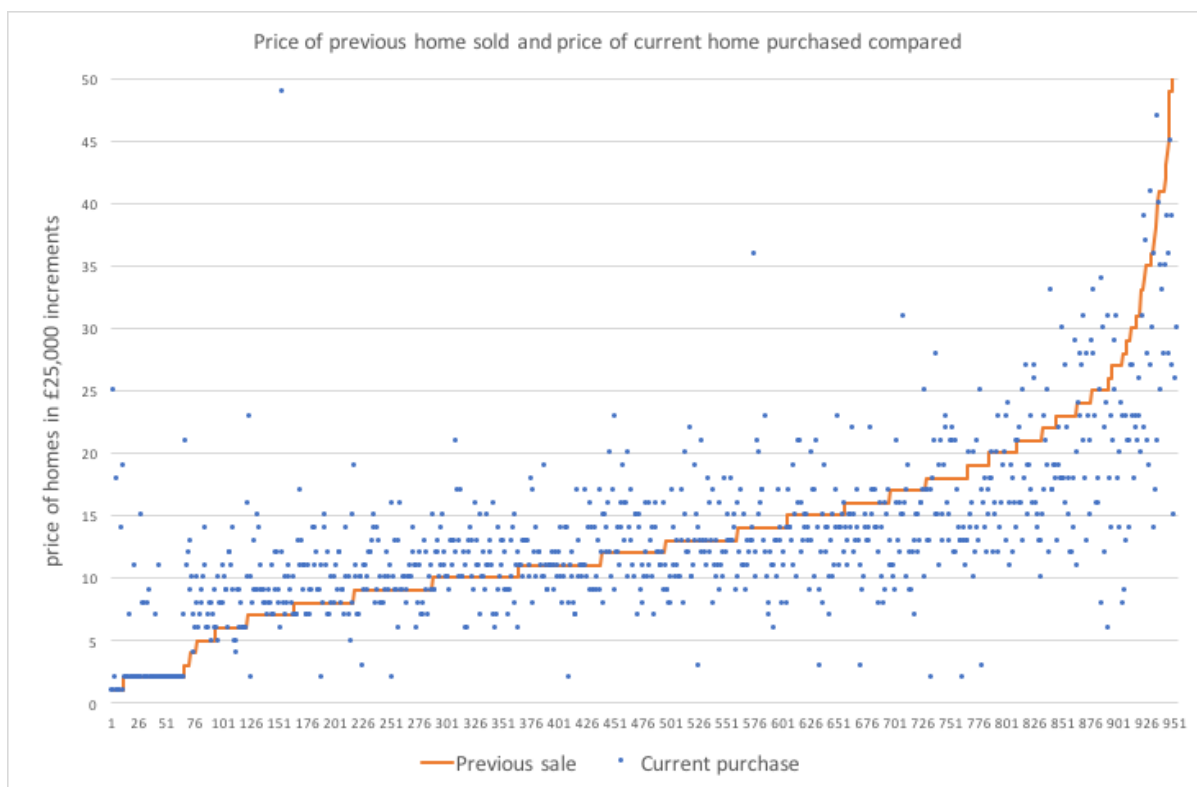


Figure: Comparison of selling price of previous home with purchase price of current home

The vertical scale of the graph is in £25,000 increments, so that 5 on the vertical scale equals £125,000 (5 x £25,000) and 10 on the vertical scale equals £250,000, and so on. It appears likely that some respondents have entered prices inaccurately, most probably by omitting, or adding, a zero to the price: there are a number of improbably low prices for new build homes at £50,000 or less, while there are also some improbably (but not impossibly) high values. The graph omits 13 prices above £1.25 million, partly for clarity but also because a handful of very high values, up to £8.995 million, also appear improbable.

The vast majority (85%) of all sales and purchases were between £125,000 and £625,000.

The graph shows that at lower selling prices for the previous home, up to around £325,000, a majority of new home buyers were investing additional equity to buy their current home (the number of blue dots above the orange line, indicating that the current home cost more than the previous home, is greater than the number of blue dots below the orange line). The reverse becomes true above around £325,000, where the selling price of the previous home is increasingly above the purchase price of the current home, indicating that the buyer has been more able to choose to release equity from the sale of the previous home.

5.1.17 How did purchasers finance a more expensive home?

As would be expected only a handful (1.8%) of buyers who had released equity from selling their previous home then invested additional equity in purchasing their current home.

Among buyers who invested additional equity in purchasing their current home, two thirds (67%) had used savings alone, while a fifth (21%) had used mortgage finance, of whom just under half had added the mortgage borrowing to savings.

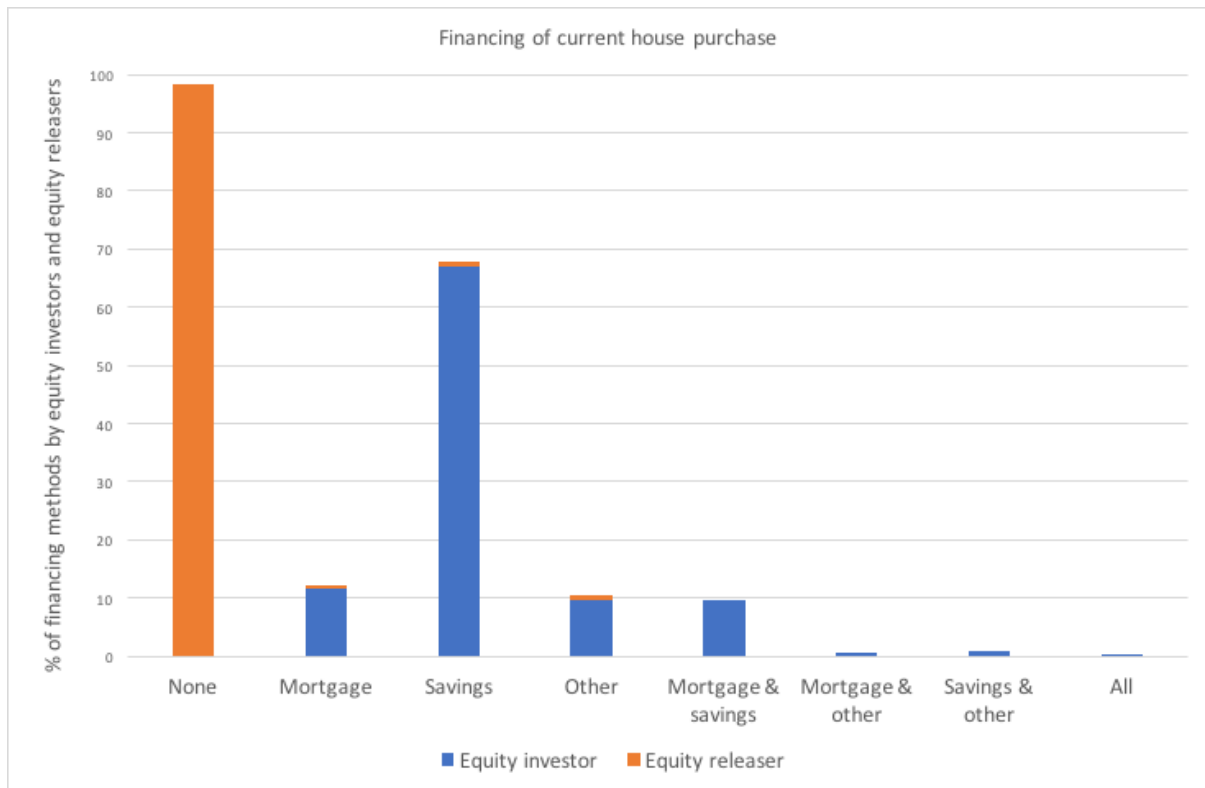


Figure: Financing of current property purchase

The use of mortgage finance declined with age, with 31% of buyers aged 55-64 using a mortgage for all or part of their investment, dropping to 12% among those aged 65-74. Only one of the 29 buyers aged 75-84 used mortgage finance, and all three of the buyers aged 85 or more used savings only.

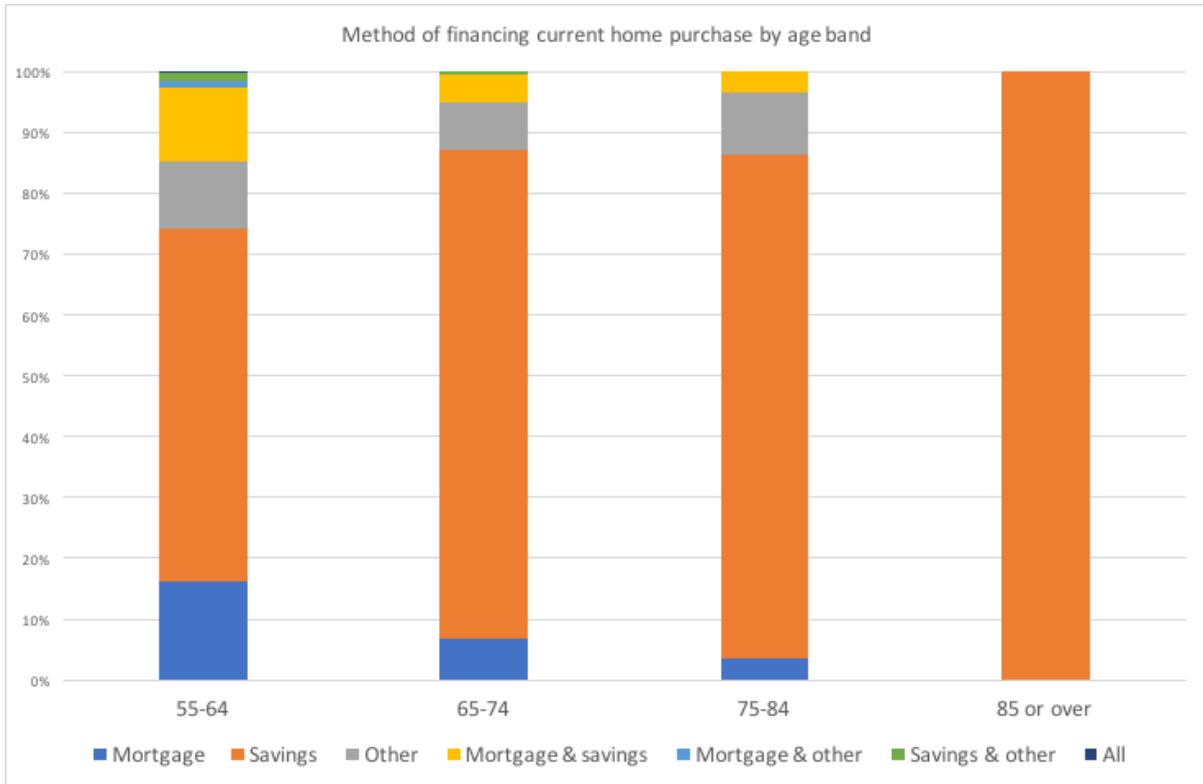


Figure: Method of financing by age band

5.1.18 Equity release and investment by home buyers above 55

Survey respondents were asked about the selling price of their previous home and the buying price of their current home, and two thirds of respondents (955) replied to both questions.

Where the purchase price of the current home was above that of the selling price of the former home, it is assumed that the buyer released equity, and when the purchase price of the current home was above that of the selling price of the former home, it is assumed that the buyer invested additional equity.

Just over half (53%) of all buyers had released equity, and just under half (47%) had invested additional equity to buy their current home, as shown in the figure below.

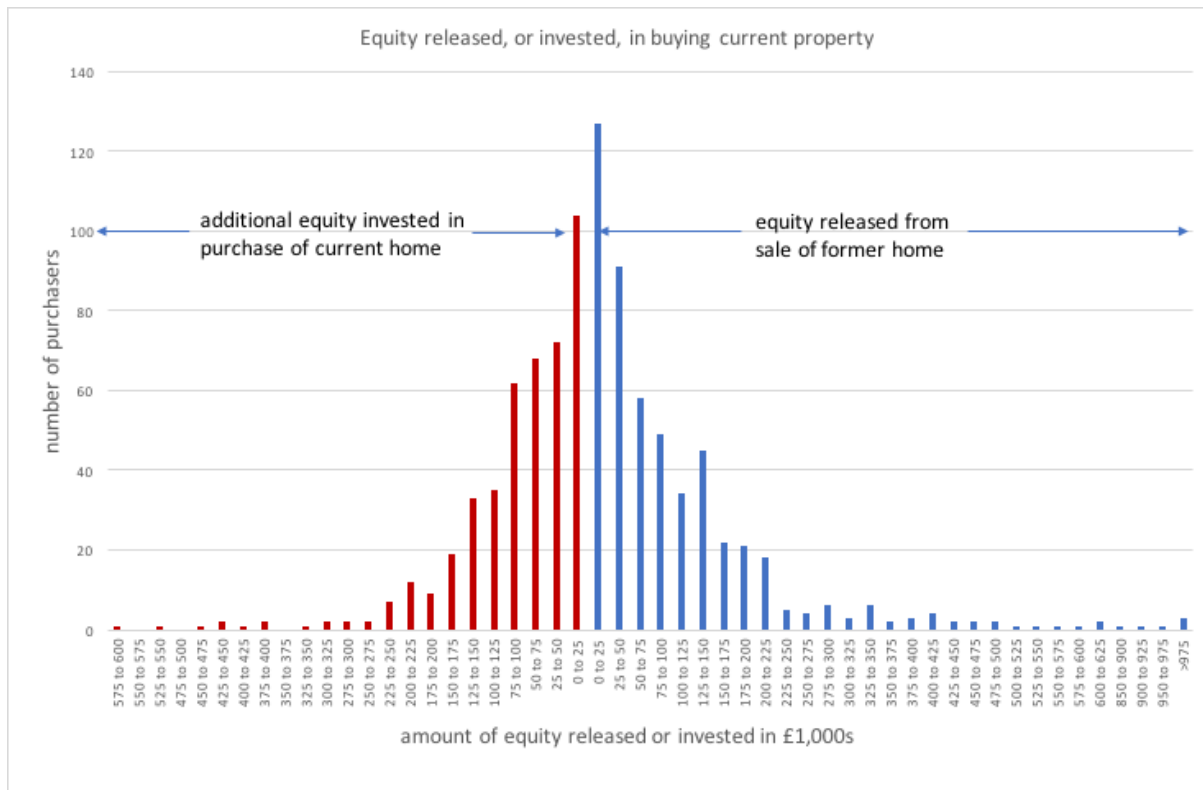


Figure: Equity released or invested in purchase of current property

The amount of equity released, or invested, was not large. Equity releasers realised a median sum of £70,000, with a mean of £105,100, while equity investors contributed the same median amount of £70,000 with a mean of £84,400. A quarter of equity releasers realised less than £25,000 and two out of five (42%) realised less than £50,000. Only 5% of equity releasers realised in excess of £375,000. Among equity investors, a quarter (24%) contributed less than £25,000 and two out of five (42%) contributed less than £50,000. Only 5% of equity investors contributed more than £225,000.

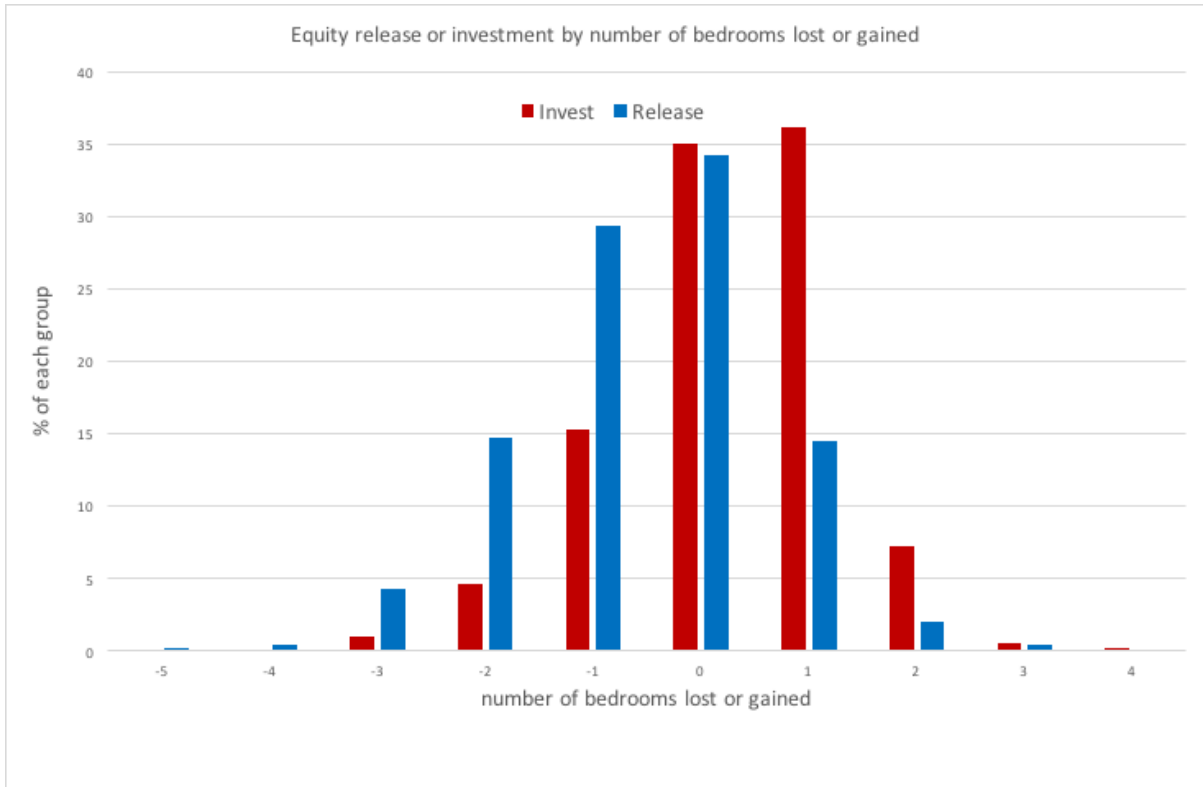


Figure: Equity released or invested by number of bedrooms lost or gained

As would be expected, more home buyers released equity as they downsized by one bedroom or more, and more home buyers had to invest equity in order to gain bedrooms. However, just over a quarter (26.5%) of all home buyers downsizing by number of bedrooms invested equity to buy their new home, while just under a third (31.2%) of those who gained bedrooms were also able to release equity.

Rather more home buyers in employment released equity (54%) than invested equity (46%), and equity release becomes more pronounced among the retired, with 63% releasing equity, and 37% investing equity, as shown in the figure below.

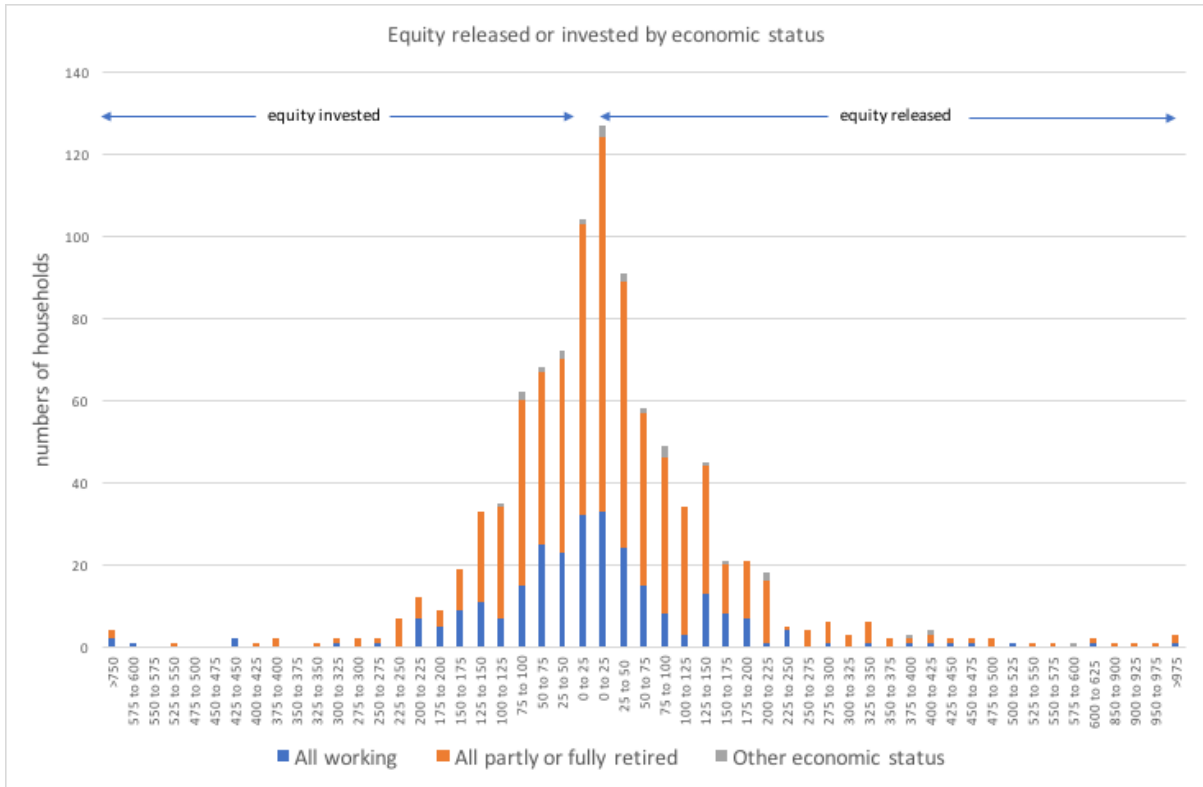


Figure: Equity released or invested by economic status

Again, as might be expected, younger home buyers (55-64) were more likely to invest equity in their new home, while older buyers were more likely to release equity, but the differences were not large. Between 55 and 64, the percentage investing equity was almost the same as that releasing equity; between 65 and 74, 42% of buyers invested equity and 58% released equity; between 75 and 84, 41% invested equity and 59% released equity, and only among the small number of home buyers aged 85 or more did the percentage who released equity rise to 75%.

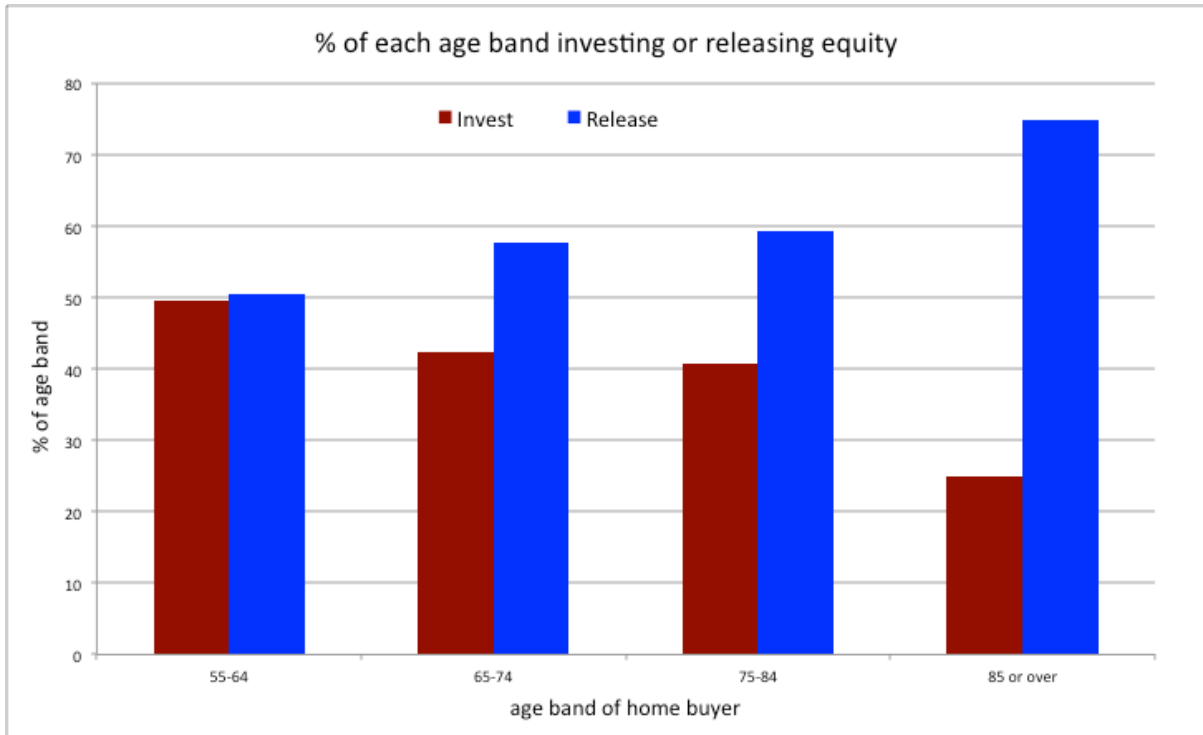


Figure: Percentage of each age band investing or releasing equity

Slightly more (52%) home buyers released equity if they bought a house than those who needed to invest equity (48%), but equity release increased among those buying a bungalow, with 62% releasing equity, or a flat, with two thirds (67%) releasing equity: but a third of those who bought a flat still invested equity in the purchase.

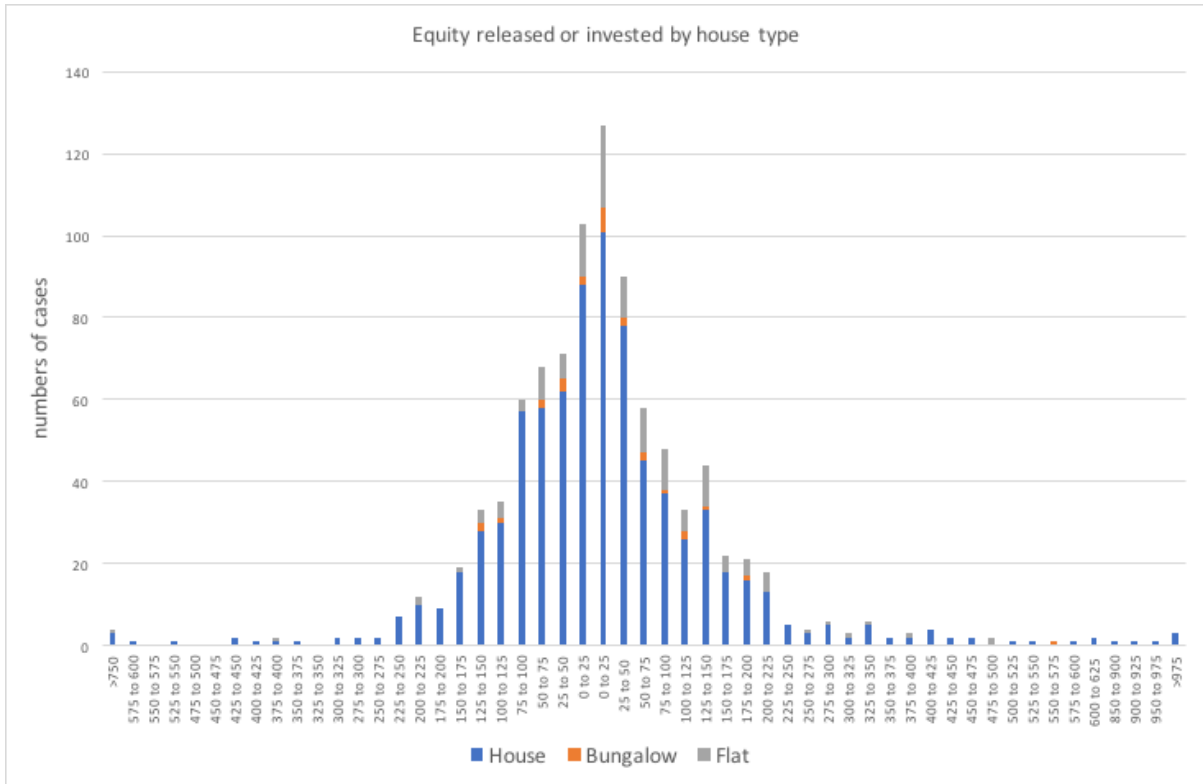


Figure: Equity released or invested by house type

Although it is often assumed that equity release will typically result from a move away from the higher priced areas of southern England, equity release, or investment, did not appear to be connected with the distance moved, as shown in the figure below.



Figure: Equity released or invested by distance moved

The figure above shows that there is no particular pattern relating to distance moved: a majority both of those who moved the shortest distance, and of those who moved the longest distance (over 77 miles) released equity, while at all distances moved in between, a majority invested equity in the new home.

The amount of equity released through downsizing was not linked to the length of residence in the previous property. This suggests that downsizers are not 'cashing in' on long-term house price rises.

Those who released equity used the money for a range of different purposes, however, two reasons were much more common. The most common use of released equity was investments or savings, followed by redecorating or furnishing their new home.

5.1.19 How far do the over 55s move when buying a new home?

The figure below shows the distance moved by home buyers, by whether they moved within their former postcode district, whether they moved to another postcode district but within the same postcode area, or whether they changed postcode area altogether. The distances shown are the straight line distances between the centre of each postcode district.

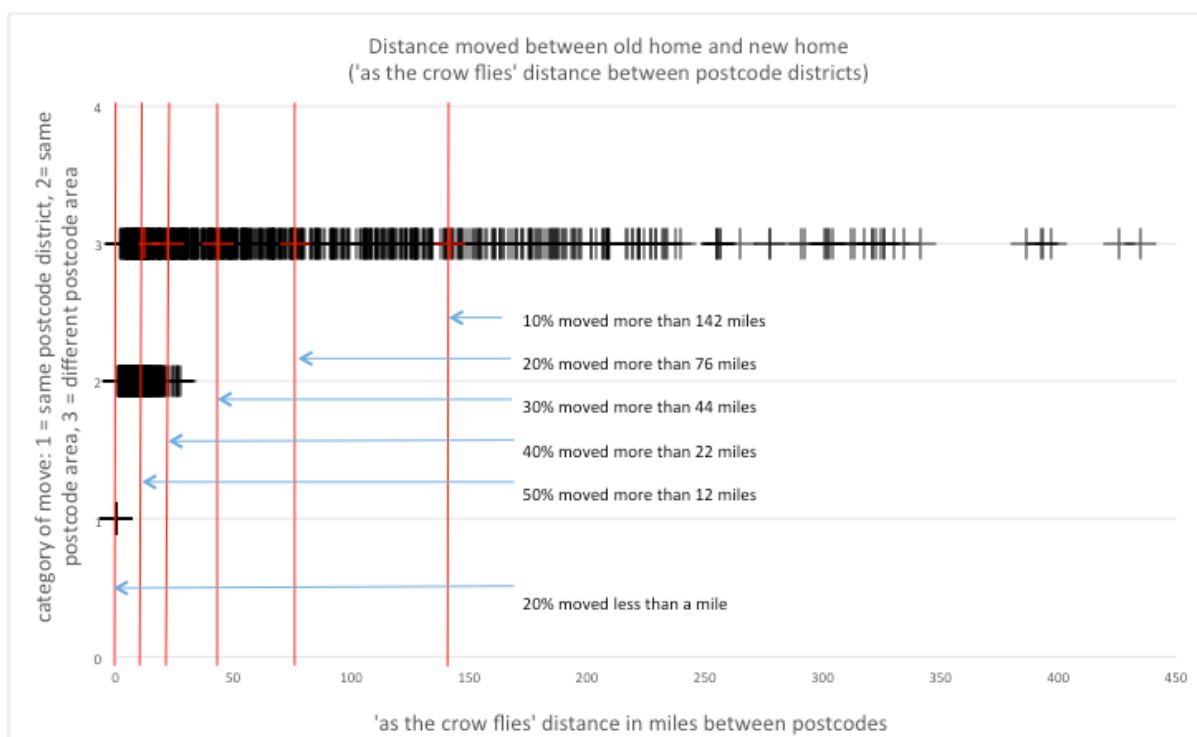


Figure: Distance moved

The figure shows that only 20% of home buyers aged 55 or more moved within their immediate locality (moving less than a mile, within the same postcode district), that just over two thirds (68%) moved more than four miles, and that half (49%) moved more than twelve miles away from their former home, distances which imply a willingness to move to another locality with a loss of contact with previous neighbours.

Longer distance moves, beyond twenty miles, were clearly influenced by whether or not the household was working, as shown in the figure below.

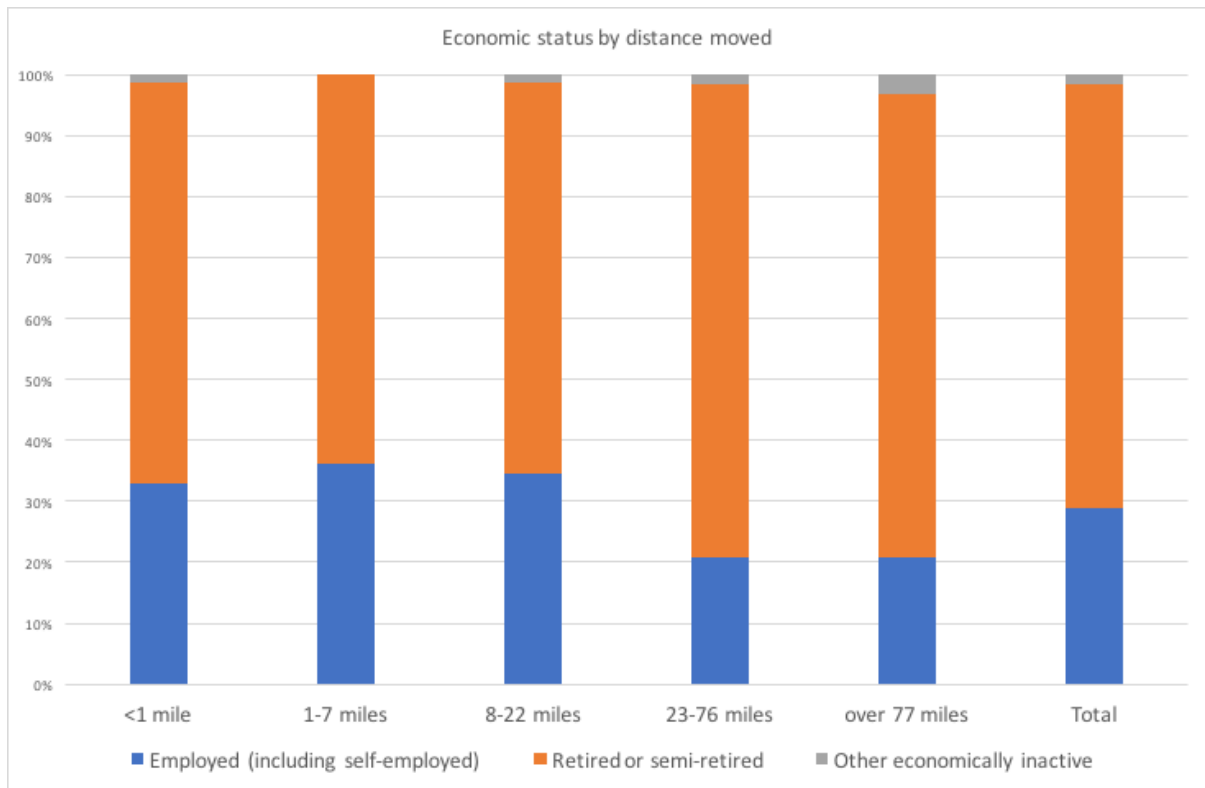


Figure: Distance moved by economic status

The figure shows that although only three out ten (29%) of households were working, nearly three quarters of these moved less than 22 miles, compared to just over half of all retired households. Just over three quarters of all moves of more than 22 miles were made by retired households.

The figure below shows that while age does affect willingness to move, nevertheless moves over all distances are made by all age bands.

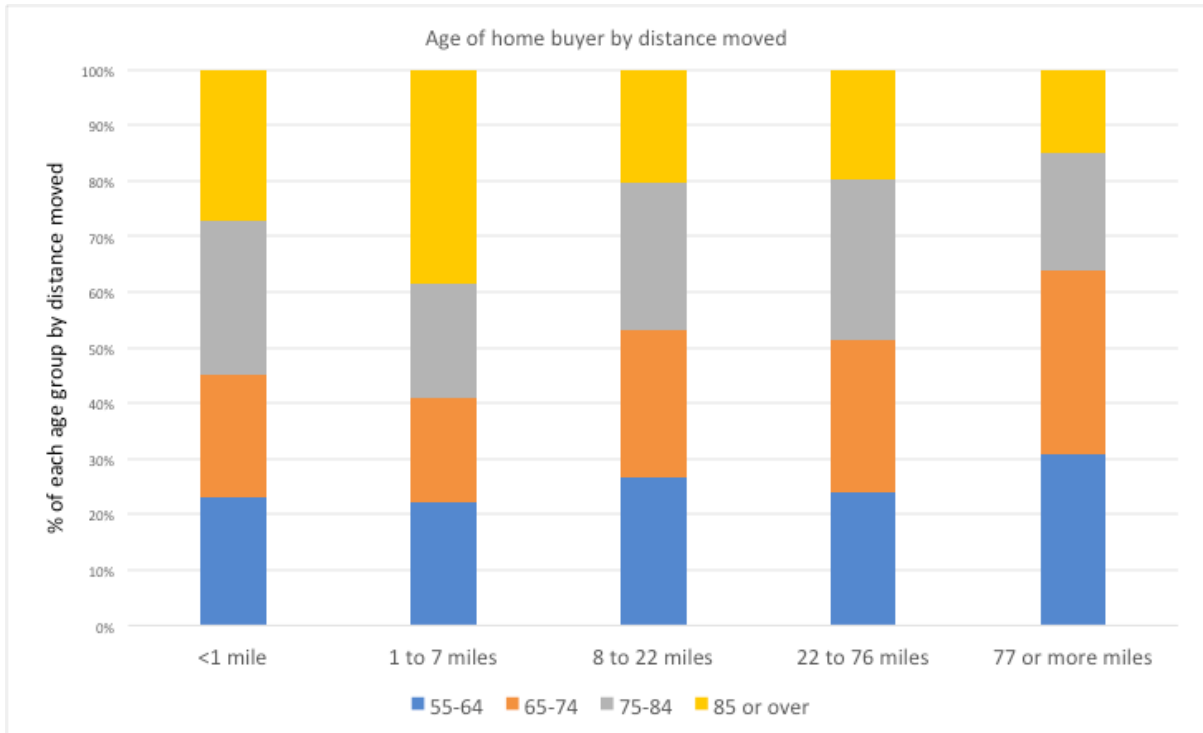


Figure: Distance moved by age band

The figure shows that the younger age groups are relatively evenly spread across the distances moved: two in five (41%) among 55-64 year olds moved less than seven miles, but two in five (39%) moved more than twenty two miles, while nearly two in five (37%) of 65-74 year olds moved less than seven miles but over two in five (43%) moved more than twenty two miles.

Among 75-84 year olds, rather more than two in five (44%) moved less than seven miles, while just over a third (36%) moved more than twenty two miles, and among the small number of home buyers aged 85 or over, nearly half (45%) moved less than seven miles but a quarter (25%) moved more than twenty two miles.

The figure below shows the pattern of moves by household types.

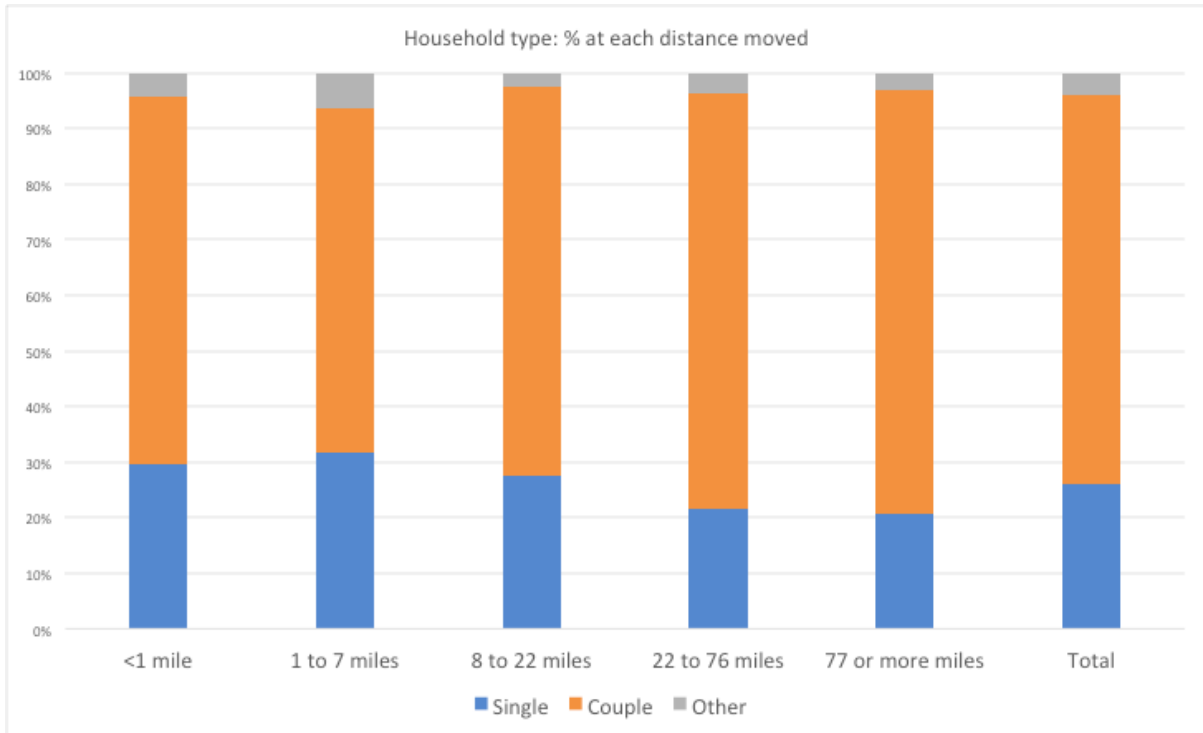


Figure: Distance moved by household type

The figure shows that there is a greater tendency by couples to move longer distances: just over a third (37%) of couples moved more than seven miles and rather less than half (45%) moved more than twenty two miles. In the case of single people, nearly half (47%) of all singles moved less than seven miles, while a third (33%) moved more than twenty two miles.

It is often assumed that longer distance moves will tend to be from higher priced areas to lower priced ones: from southern England to northern England or to Scotland. However, the figure below shows the direction of the fifty longest moves recorded by home buyers, and they are in all directions.



Figure: Direction of the fifty longest moves

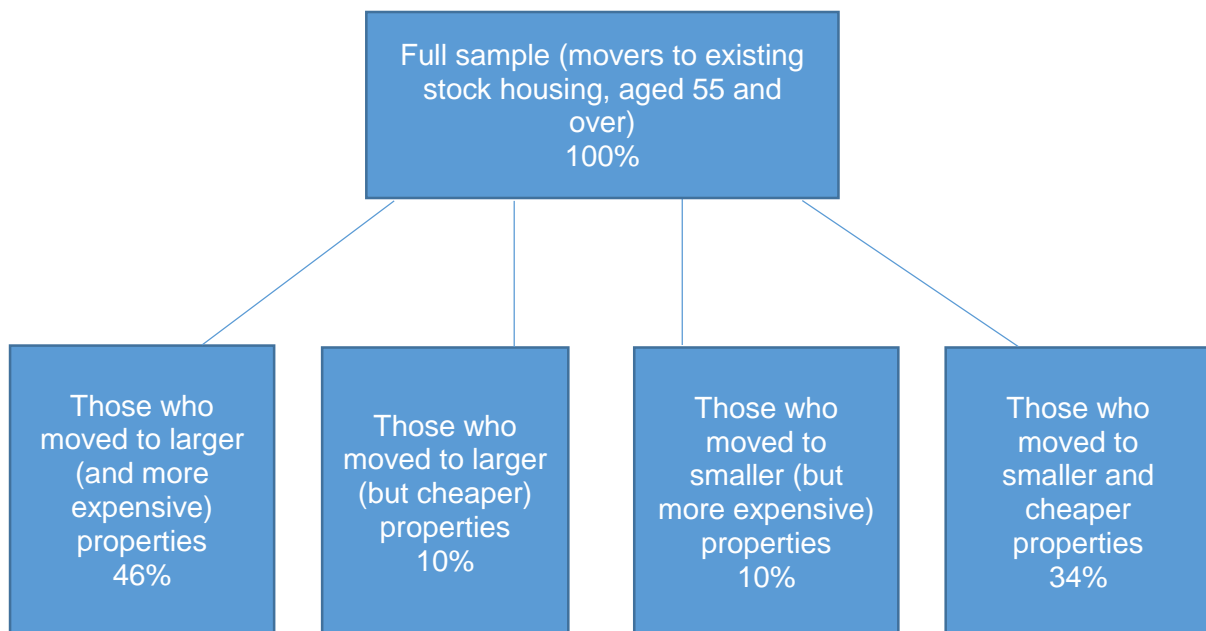
5.2 Comparisons with the survey of movers to existing stock housing

The research was advertised on the Saga website, with a link to the survey. The survey was completed (in full or in part) by 78 respondents; all respondents were owner occupiers and had bought an existing property.

The sample of respondents consisted of respondents at different ages; two (4%) were between 45 and 54, 14 (30%) were aged 55 to 64, 18 (39%) were aged between 65 and 74 and 12 (26%) were 75 or over. Only one respondent had bought a property on a development for people aged 55 and over.

The sample for this survey is much smaller, so that analysis is less extensive and focuses on the differences between the sample of people who bought an existing stock property and those who purchased a new build.

As with the sample who moved into new build stock, the existing stock respondents can be broadly categorised in the following way:



5.2.1 Reasons for moving

The key finding is that respondents in this sample moved for different reasons to respondents who moved to new build properties.

The most common reasons for moving (amongst those who moved to existing housing stock) were to be closer to family and friends, to move to a better area and to move to a property that was easier to manage.

As with the new build sample, respondents who moved to existing stock tended to view other properties than the one they bought, however, over 40% only looked at other existing properties.

5.2.2 Reasons for choosing an existing stock property

The most important reasons for moving to existing stock housing amongst this sample was to be closer to amenities than new build homes were perceived to be, wanting a larger garden than perceived of new build homes and preferring the ‘traditional’ appearance of existing houses.

5.2.3 Property alterations

Respondents in this sample were likely to have made major alterations to their properties.

The most common alterations made by respondents to their existing stock homes were fitting new windows and new kitchens.

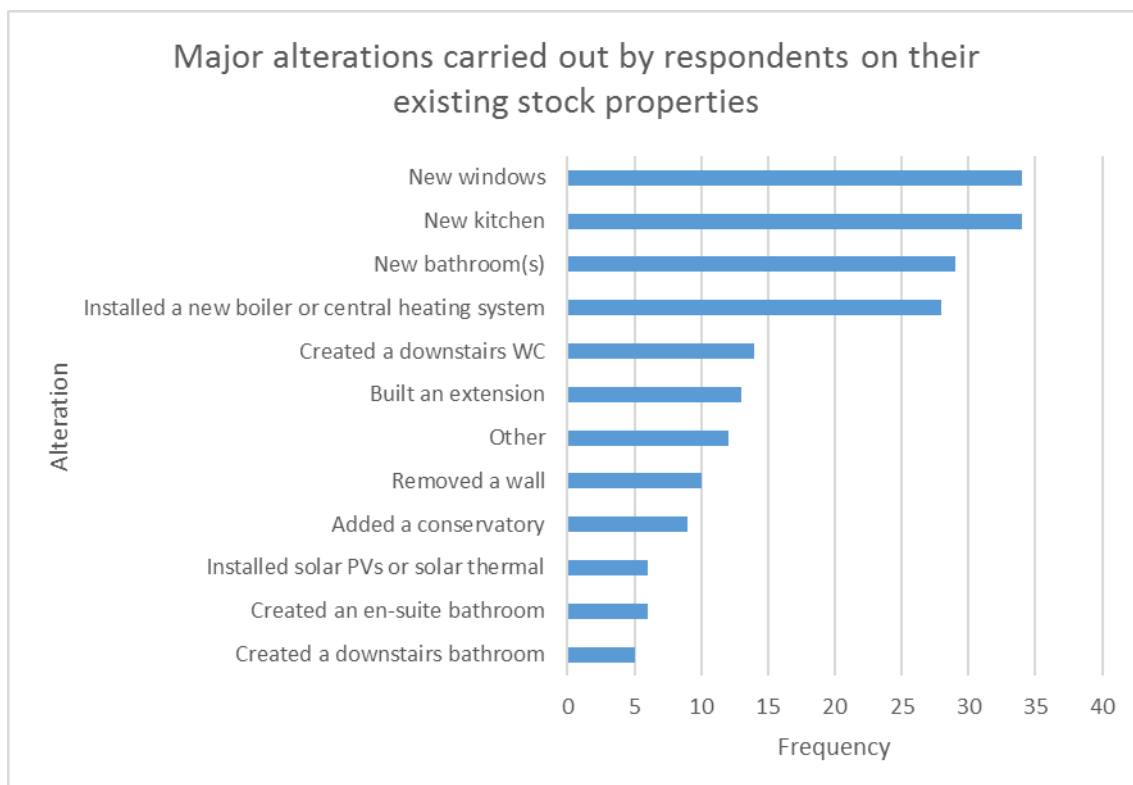


Figure X: The types of major alterations carried out by respondents on their current existing stock properties

5.2.4 Home layouts

When asked about the layout of their homes, respondents in this sample suggested that their existing stock homes had 'traditional' layouts, compared to the more modern, open-plan designs in the new build sample.

Most of the existing stock sample had a separate living room (43 homes), kitchens with enough space to eat in (40 homes) and 24 homes had separate dining rooms.

Where respondents had a spare bedroom, the most common uses were as guest bedrooms and studies; similar to the uses of spare bedrooms by those who moved to new build housing.

5.2.5 Moving to smaller or cheaper properties

Due to the smaller sample size of movers to existing stock housing, individual groups comparisons are not robust; instead, those moving to larger and more expensive housing have been separated from the rest of the sample (termed non-downsizers), with the rest of the sample (having moved to smaller or cheaper properties) being referred to as downsizers.

As with the new build sample, those who moved to smaller or cheaper existing stock properties tended to be older; 77 per cent of those who downsized to existing stock were aged 65 or over, compared to 48 per cent of those who moved to larger and more expensive homes.

All but one (22 out of 23) of the respondents who chose a larger and more expensive existing stock housing moved to houses, compared to (19 out of 27) of downsizers. Seven downsizers moved to bungalows, but none of the non-downsizers did so. Downsizers were more likely to move to terrace properties than non-downsizers, both groups were equally as likely to buy a semi-detached property and non-downsizers were more likely to buy a detached property.

Downsizers were living in slightly smaller properties than non-downsizers, with 45% of downsizers choosing properties that had two fewer bedrooms than their previous properties, whereas 48% of non-downsizers had the same number of bedrooms.

Amongst downsizers, the most important reasons for choosing smaller and/or cheaper properties were to have a home that was easier to maintain, to have a home more suited to them as they grow older and to have a home with reduced running and maintenance costs; these are similar reasons to those of respondents who downsized to new build properties.

5.2.6 Equity release

Of the 21 respondents who moved to existing stock properties and stated that they had cash left over from the sale of their properties, only nine provided sufficient information to gauge the likely sum of equity released. These nine respondents released between £20,100 and £180,000, with a median equity release of £60,000. The most common uses of this released equity was on redecorating or furnishing their current home and structural works to their current home.

6) Findings from primary data collection: interviews with movers into new build properties

Introduction

This section presents the findings from in depth interviews with people who had recently moved into new build properties. It analyses interviewee's motivations for moving and their reasons for choosing a new build property of a particular size and style. It also explores individuals' experiences of purchasing their property. The section uses quotes from interviews to highlight key points, but names have been changed to respect participant anonymity.

Summary of findings from interviews with movers into new build properties:

- The key finding is that the media and policy discourse about older people choosing or aspiring to 'downsize' to much smaller properties as they move into older age did not hold true for the majority of the interview sample.
- An overall finding was the diversity of circumstances, motivations and aspirations of the people interviewed, and how these were reflected in the choices they had made.
- The decision to move was often driven by several factors, including a desire to move closer to family, seeking a different lifestyle in a new area, relationship changes, or wanting to move to a more manageable property.
- Choosing the size of their property came as a secondary consideration for most people.
- Moving into a property that would be easier to manage or maintain was a factor for many interviewees, but mostly this was given as a reason for choosing new build properties, rather than for dramatically reducing the size of property chosen.
- Interviewees saw many benefits to new build properties, including reduced maintenance work, warranties, and energy efficiency.
- There was very little interest in specialist accommodation for those aged over 55. This was seen as something for the very elderly, not relevant to the interviewees at the current time.
- The styles of property they had chosen were very varied.

- It was clear that when deciding which property to purchase, interviewees choices were constrained by the properties that were available in their area on their budget.
- The size of property chosen was often largely determined by house prices in the area interviewees were moving to. This meant that there was evidence of interviewees upsizing when they moved to cheaper areas. In more expensive areas individuals often had to prioritise certain criteria over others when making their choice. Not all interviewees could find properties that matched their aspirations.
- It was found that categorising whether a move was a downsizing move or an upsizing move was not always clear-cut, with individuals sometimes struggling to identify whether their new property was bigger or smaller, for example, if it had more bedrooms but the overall living space was smaller.
- 'Traditional downsizers' (those who were downsizing to a smaller property that would be easier to maintain) only made up a small proportion of the sample.
- Releasing equity was not a common driver for downsizing.
- Even where interviewees were downsizing they still expressed a need for space.
- A key finding is that many interviewees downsized to properties that were still relatively large.
- Two main barriers to moving in later life were identified by interviewees, firstly the difficulty of the sale, purchase and moving process, and secondly a lack of suitable properties to move to. The majority of people were able to find properties that met their needs, but there were some reports that properties were not spacious enough, and some unmet demand for bungalows.
- Interviewees identified areas where house builders could make improvements in the properties that they offer to people aged over 55. This includes the way these properties are marketed and the support that is given to people through the moving process.

6.1 Sample for interview

A survey was sent to members of the NHBC National New Homes panel who were aged 55 or over and still living in the new home that they bought. The link to the online survey was distributed via email and answered by 1441 new homeowners. Within the survey, respondents were asked whether they would be happy to be contacted for a follow-up telephone interview. 812 responded positively.

Stratified sampling was used to obtain a sample and interviews were conducted with 31 of these respondents. A sampling framework was applied which included age and the type of move individuals had made according to their survey response:

- Downsized – smaller
- Downsized – cheaper
- Downsized – smaller and cheaper
- Upsized

| Age | Downsizing status | | | | | | | |
|-------------|---------------------|----|---------------------|----|---------------------------------|-----|---------|-----|
| | Downsized - smaller | | Downsized - cheaper | | Downsized – smaller and cheaper | | Upsized | |
| 55-64 | 2 | 6% | 2 | 6% | 5 | 16% | 6 | 19% |
| 65-74 | 2 | 6% | 1 | 3% | 3 | 10% | 4 | 13% |
| 75 and over | 1 | 3% | 1 | 3% | 3 | 10% | 1 | 3% |

Interviewees were a mixture of men and women.

| Gender | Number |
|--------------|-----------|
| Male | 18 |
| Female | 13 |
| Total | 31 |

Over half of the interviewees were living with a spouse or partner, fewer were living alone.

| Household composition | Number |
|------------------------------|-----------|
| Lives with spouse or partner | 18 |
| Lives alone | 12 |
| Other (lives with lodger) | 1 |
| Total | 31 |

The majority of interviewees were aged between 55 and 74.

| Age | Number |
|--------------|---------------|
| 55-64 | 15 |
| 65-74 | 10 |
| 75 and over | 6 |
| Total | 31 |

6.2 Reasons for moving

Interviewees were asked to give their main reason for moving. The main reasons included:

- A desire for a change of location
- Relationship changes
- Financial reasons
- The desire to move to a more manageable property

6.2.1 Change of location

Around half of the interviewees moved house when they relocated to a different area. For many of these interviewees, a desire to change their location had prompted their move and the size or characteristics of the property chosen were often secondary considerations.

It was clear that people moved to very different locations for a diverse set of reasons. Some interviewees relocated to more rural areas, for example, moving out of central London. Other interviewees did the reverse and moved from rural locations into towns because of a desire to be nearer facilities.

We wanted somewhere more modern, nearer the shops. We were very isolated where we were, so we needed to be nearer facilities, for shopping, for the station, for buses, that sort of thing. [13]

One couple relocated because the interviewee got a new job. Others moved because they wanted a 'fresh start' in a new location, including one interviewee who moved to a new location after his wife died.

The close we lived in had neighbours of a similar age.... everyone was my sort of generation. I lived in a small-ish town...and I thought I need a completely fresh start [24]

Eight interviewees were relocating to be closer to family members. In some cases, this was for their own peace of mind.

In case there was an emergency...I felt happier being near to [daughter] [12].

In other cases, interviewees were motivated to move to care for their elderly relatives or grandchildren, such as in Joe's case study.

Joe* is aged 55-64 and lives with his wife. They are both retired. This is their second move since their children left home. They had been living in a 6-bedroom semi-detached house in Colchester, but 15 years ago they moved to a 3-bedroom house by the coast, which they had initially bought as a holiday home. They were prompted to move back to Colchester to be nearer family, so they could care for both the older and younger generation.

My wife's mother was quite poorly which meant we were travelling into Colchester almost daily to see her, and we decided that was silly so we decided to move so we could be nearer. Also our three kids were there with our grandchildren, all living in the same town. So we thought it would be useful if we were there so we could enjoy grandparent duties. [09]

Other interviewees wanted to relocate to minimise the travel time required for their children to visit them. Often these moves did not involve moving to the same city or community as their children, but instead moving a distance that made day trips achievable.

Now... my daughter and her daughters can come over just for the day. [16]

6.2.2 To move to a property which is easier to maintain

Six interviewees were prompted to move because they were no longer able to manage their house or garden. For some it was the size of the property that was the problem.

The house was too big for us. There was a lot of work to be done, obviously I couldn't do that, and do all the cooking and all the washing and do the garden...I'm slowing down quite a bit and I was beginning to notice it. [31]

For others it was the layout of the property that was a problem.

It was on a hill; it was a lovely view but it had ten concrete steps up to front door, and the garage was on a hill as well, which meant when it snowed or it was icy I couldn't get the car out. And also I had further steps up the back garden. So before I got too incapacitated I thought it was about time I moved. [12]

Half of those who had been prompted to move because their properties were unmanageable also moved to properties that were closer to family members.

6.2.3 Relationship changes

Two interviewees were prompted to move by separating from their partners. One interviewee moved to buy a house with a new partner, see Craig's case study.

Craig* is in his late fifties and lives with his partner, they are both still working. He was prompted to move because he and his partner decided to move in together. He had previously been living alone in a flat in Edinburgh, and his partner was from Dundee, so they bought a property in a location mid-way between the two cities. They bought a larger property as it was for the two of them. They chose a three-bedroom house with a garden, as they knew they wanted a spare room and a hobby room.

6.2.4 Financial reasons

Three interviewees were prompted to move for financial reasons. Two downsized in order to pay the mortgage off on their previous property. One did so in order to take early retirement.

That was the idea. I moved so that I could pay the mortgage off. If I hadn't... I would have carried on working for another seven years or so. [11]

6.3 Why people chose a new build property

Interviewees were asked why they had chosen a new build property. The reasons given included:

- Less maintenance work
- The warranties and guarantees that come with a new property
- No need to decorate
- New houses are more energy efficient and environmentally friendly

6.3.1 Less maintenance work required and a warranty

Almost all of the interviewees stated that they chose new build houses because of the reassurance that would not have to do a lot of maintenance in the early years.

We'd done up two houses before. We've always found there's far more wrong with a property than you can see when you look at it. We're fed up with undoing other people's bodging. [14]

The NHBC warranty or developers' guarantees were cited by most interviewees as attracting them to new build properties.

Everything is done and you know that everything should last for about 10 years, and if there's any problems when you move in the developers should sort it out, whereas if you buy a second-hand home you're buying somebody else's problems. [1]

One interview explained that the NHBC warranty gave him peace of mind because he was on a restricted income.

The warranty concept was an important factor. Now I have decided to stop working, I'm just living out of a pension, you want some form of confidence that if anything goes wrong with the property, you know that you are covered. [23]

6.3.2 Energy efficient and environmentally friendly

Ten interviewees bought new build homes because they have cheaper running costs and are more environmentally friendly. New homes were seen as better insulated with lower energy costs.

The level of insulation is phenomenal, which means it keeps pretty warm even in the coldest weather... we've pretty well halved our bills by moving to a new, well-insulated house with this heat exchange system. [09]

6.3.3 Brand new interior

The ease of moving into a new build property was identified by a handful of interviewees, who stated that they were attracted by everything being newly decorated, rather than having

the previous owner's décor or damage.

It's fully decorated, there are no holes in the walls, or nicks and dents and bumps and bangs...You buy an existing property and there's going to be dings and dents and scratches, screws in the wall, the carpet's going to be compressed where they've had their furniture on it.... a new home is just pristine. [19]

6.3.4 Other reasons

Two interviewees chose a new build property because it made the purchase process easier having no upward chain.

An important factor for us in buying a new house was, you do cut out one of the chains...it meant that we only had one lot of problems to contend with, we didn't have problems in the purchase, it was only in the sale. [10]

A few had had positive previous experiences with new builds.

I'd had a new build before; my previous house I'd had from new. I think it's the more recent design and development which is attractive, and it's more sustainable in its build. It's more energy efficient. [29]

Two interviewees chose new builds because they had lower purchase prices, or they believed they offered better value for money.

At the time, 5 years ago, they were doing phenomenal deals, because it was the recession, they weren't shifting. So we got a really, really, really good deal. The house has virtually doubled in value since we bought it 5 years ago, that's how good a deal we got. [9]

One couple were doing a part-exchange so a new build property was their only option. Five interviewees had not set out to buy new build houses specifically, but found that they met their requirements better than houses in the existing stock. Some had not ever considered this option before.

A year before if anyone had said "why don't you move onto a new build estate" we probably would have said "what?!" ... You travel an awfully long way from preconceptions to what you actually do want really. [10]

6.3.5 Problems with new build properties

Despite many interviewees being attracted to new build houses because they would not need any work carried out on them, snagging issues were common. Some issues were quite substantial.

The upstairs floor creaked a lot because it was a suspended floor attached with metal hangers that weren't put together very well.... The floors were also uneven where the boards sat over the hangers. [28]

Issues were not always dealt with satisfactorily. There was disappointment among some interviewees about the attitude of developers, some felt they had been deliberately misled by developers who knew of problems, but waited for the purchaser to complain before addressing the issue.

Unfortunately we had a lot of snags, more than there should have been because at that time they had a bad site manager and assistant site manager...the kitchen was fitted so badly, they never used a spirit-level or a tape measure, it was terrible. [14]

6.4 Reasons for choosing specific properties

Interviewees were asked what it was that attracted them to the particular property they bought. Answers related to:

- The physical features of the property
- Features of the estate
- The amenities in the surrounding area.

6.4.1 Physical features of property

Six interviewees said that they had chosen their property because they liked the layout. A few said they were attracted to how spacious their property was in comparison to other properties that were available, suggesting that other new build properties on offer were too small to meet their needs.

I think the main thing was that it was reasonably spacious, most of the new builds that we saw were on top of each other and rather small. [28]

Several interviewees were attracted to properties because they had a garage. The presence and size of a garden was also a big deciding factor for some interviewees. Some were keen gardeners, so wanted to keep a garden, but wanted one that was small enough to manage.

I like the thought of having a garden that I'm in control of, rather than it being in control of me...I sit and worry about it if there's too much to do. [14]

When choosing a property, a few interviewees thought about possible changes they could carry out to make it suitable for them in the future as they became more infirm with age, for example, see Moira's case study.

Moira* [05] is in her seventies, she is widowed and lives alone. She moved house because she wanted a property that was easier to look after. She chose a four-bedroom house which was a similar size to her previous one, because she sometimes has visitors from overseas. The property was more expensive than her previous property.

She chose the property because of its location, at the edge of an estate, next to a main road and transport. She had originally been seeking a bungalow, but there were no new-build bungalows on offer and the existing-stock bungalows all required a substantial amount of renovation.

A key reason she chose her particular property was that she saw potential to adapt it for her future needs. The property has a strip of garden at the side, where she hopes to build a house extension. This would allow her to turn the dining room into a bedroom if she could no longer manage the stairs. There is also a downstairs toilet which would be large enough for a shower to be added if she needed to live on the ground floor.

Despite planning adaptations to her current house she does expect to move again. She plans to move again in about 10 years, when she is about 80. At this point she would expect to move into sheltered accommodation or an over-55's development.

6.4.2 Features of the estate

Many interviewees had bought properties on new-build estates. Eight interviewees said that it was specific features of the estate that had attracted them to their property. In particular people were attracted to estates which had green spaces and good views, where the properties were not too crowded and had open aspects.

It has a balcony in the front which looks onto open land with three ponds...the fact that I had been used to looking out on a lovely view, that is what cinched it really. [12]

Some had deliberately chosen their estate because they wanted to live in a mixed community, in terms of age.

A small new estate which is lovely, very mixed housing, lots of young people as well as older people which is nice. I like mixed communities. [13]

Others were attracted to certain developments because they knew about the builders by reputation.

We had seen several sites they've been working on. They are one of the major builders but their properties are higher-end, better quality of finish. [23]

6.4.3 Nearby facilities

When choosing a property seven interviewees were influenced by the distance to certain amenities. Many referenced thinking about the practicalities of ageing and spoke about wanting to be near to shops, hospitals and transport links.

There are certain things when you're that age that you need to think about because...you are on the downward slide...so you do know that you need to be thinking about things like "how convenient are shops, is there public transport to make life easier when you do actually get older? [30]

6.5 Reasons for choosing different property types

Interviewees had bought a range of properties:

- Twelve had bought detached houses
- Nine had bought flats
- Six had bought terraced houses
- Four had bought semi-detached houses
- None had bought bungalows, but some mentioned that they would have liked to buy bungalows, had these been available.

6.5.1 Flats

Interviewees who bought flats were asked why they had chosen properties of this type. Answers included the fact that they are:

- Easy to maintain
- Tended to be in urban areas
- Were high security
- Were laid out over one level.

Flat purchasers were asked about several issues that could be associated with flats, service charges and maintenance were concerns for some, but noise was not seen as an issue for any of the interviewees.

6.5.2 Flats - low maintenance

Two thirds of the interviewees who had bought flats stated that they had made this decision because a flat would be easier to maintain than a house. Not having a garden was seen as a specific advantage of purchasing a flat.

As I get older I don't want to dig the garden or paint the outside of the house anymore, thank you, so for me a flat is wonderful, just pay the service charge and smile. [19]

The wife of one interviewee loved gardening, therefore the couple had to find a compromise by finding a flat with an outdoor area.

The biggest thing for my wife, because she likes gardening, is that she had outside space...so this one, with a big balcony where she can have her pot plants, suited us [08]

6.5.3 Flats - urban lifestyle

Just over half of the interviewees who had bought flats had moved closer to the centre of town to be nearer amenities.

It's closer to the town, it's five minutes to the high street here, whereas before we were 15-20 minutes to the same high street. [31]

The remaining interviewees were previously living in city centres, so had not changed their lifestyle when they moved into the flat, for example, see Richard's case study.

Richard* is aged 55-64 and lives with his partner. They both recently retired and moved to Edinburgh, which is something they had planned for years.

We decided a long time ago that once we stopped work we would move to Edinburgh.

They had lived in urban areas for at least the last seven years, so this move was for a continuation of that lifestyle. They had lived in Dublin for five years, and then returned to London. They struggled to sell their house in Dublin for some time, so they rented a place right in the middle of London for two years. The central location was a key factor for them in choosing their flat.

It's very convenient for getting into the middle of Edinburgh, there's a lot of good bus routes that we're on so it only takes us ten minutes to get into town.

6.5.4 Flats - security

A few couples had chosen a flat because they spend large parts of each year travelling and wanted a place that would be secure while they were away.

We like travelling so with a flat you basically have a secured building as such, you can lock up the building, you can go away for three months in the winter, and no-one's going to break in, unless you get Spiderman climbing up the outside! [08]

6.5.5 Flats - level access

One interviewee has problems with mobility so he wanted somewhere where the bedroom, living space and bathroom were all on one level.

6.5.6 Issues with flats

Some interviewees expressed that they had concerns about service charges and maintenance in their flats.

Because I'd not lived in a place that's leasehold before, this was the first time I've paid quite substantial maintenance charges, so I wasn't quite sure what to expect, so that was a concern, yeah...In the future would I be saddled with huge bills. [27]

None of them had particular concerns about noise issues.

[Noise issues] are things you have to deal with anyway whether you have a house or you've got an apartment. [08]

6.5.7 Bungalows

Although there was not a question about bungalows in the interview, several interviewees mentioned bungalows in their answers. None of the interviewees had bought bungalows. There was a clear divide between those who would have liked a bungalow, but were not able to find one that met their needs, and those who actively did not want a bungalow.

Five interviewees said that they would have liked to buy bungalows, but they were not able to find any that met their requirements. Two interviewees suggested that there were not enough new build bungalows being built in the right locations. Others found all of the bungalows on offer to be too small.

Ideally we would have liked a bungalow, but there's so few of those on the market, and the ones that were on the market, either they weren't in areas we were interested in, or you couldn't swing a cat in them, they were so small. [30]

Three of the interviewees said that they did not want a bungalow. In two cases this was because they wanted to be able to go upstairs to bed.

At one stage we thought about a bungalow because we're getting older and stairs are probably going to be an issue, but I'll be honest I knocked that on the head because I don't like sleeping downstairs, I like going upstairs to bed. So we changed our minds. [13]

In another case, the interviewee said that she had been to a talk by the WRVS which said that it was wrong for older people to go into bungalows because you get such a restricted view.

If you've got a garden you've got a fence all the way around so that you can't see out, and even if there isn't a fence you can only see people passing, whereas if you go upstairs you've got a much wider view. [12]

6.5.8 Over 55s developments

Interviewees were asked whether they had considered any properties marketed for people aged over 55. A few interviewees had looked at these, but the majority had not considered them at all. The main reason for this was that they perceived them as something for much older people. There were also some practical reasons why these properties were not suitable.

6.5.9 Too young for over 55s developments

The majority of interviewees stated that they had not chosen properties on over 55's developments because they did not feel they were old enough for these yet.

We honestly didn't think about it. I'm 75, my wife is 73. We didn't even think we were old enough. [07]

Over 55's developments were viewed as being for those who were very elderly or in poor health.

Those places are sort of 80 plus, plus, plus, plus! So we didn't [consider buying one]. My husband said he wasn't ready for that quite yet. [02]

Interviewees stated that they would prefer living in an area with younger people.

I didn't want to go into that sort of environment. I wanted to have younger people around me, I find that more lively. I don't want to go into a care home type of atmosphere. [24]

Others were not attracted to the semi-communal living involved. Some were put off by hearing about the experience of friends or family members who had found that the other residents were 'cliquey', others had made the decision based on visits to developments.

They just felt overpowering, it's hard to describe, it's not a lack of privacy, because you have your own flat, but you just felt hemmed in somehow. Whilst we're fit and active we want our independence. [06]

6.5.10 Practical issues with over 55's developments

Other interviewees stated that properties on over 55's developments did not meet their needs for practical reasons, including because the developments in their area only offer flats, because the all the properties were too small, or because they are all lease-hold. Others were put off by the expense of all of the extra features that come with these properties. Several mentioned that these developments tend to be in undesirable locations.

We did look at over 55's communities but they were typically out of town, or in very small towns and not well connected to London. [21]

One said that he would have concerns about re-selling the property, after a previous experience in his family.

My parents had an apartment like that and it proved to be very difficult to sell when my mum died. [18]

The interviewees were divided on whether they would consider these properties later in life. Some were certain that this way of living would never appeal to them, others thought that they would consider it much later in life.

There is no doubt that at some point we will go into sheltered accommodation, but at the moment I like to think that I am alive and kicking! [19]

6.6 Were they downsizing moves?

Interviewees were asked why they had decided to move to a property that was either smaller or larger than their previous property. The typology below gives an overview of the characteristics of the interviewees who had made each of four types of moves, and a case study for each. The section goes on to summarise reasons interviewees gave for downsizing or upsizing.

- Interviewees downsized to smaller properties because these were easier to maintain and affordable in the more expensive areas that they were relocating to.
- Some interviewees bought cheaper properties with the aim of releasing equity, but this was not a key driving factor for most people, and most did not release a substantial amount of equity.
- Interviewees upsized to larger properties because these were affordable in the cheaper areas they were relocating to, because they wanted more space, or because they had already downsized to a smaller property but found it too small.
- Interviewees bought more expensive properties when cost was not their main consideration and they had chosen the property they desired because of its location, size, style or features.

6.6.1 Four types of moves

1) **Smaller and cheaper**

- Thirteen of the interviewees had moved to properties that were smaller and cheaper.
- Some of these were prompted to move for practical reasons, for example, to have a house that was easier to manage.
- Moves were also prompted by financial reasons, for example, to pay off the mortgage on their old house or to release equity.
- A few had relocated, but fewer than in the other groups.
- A couple of interviewees had moved into smaller and cheaper properties after a divorce.

Case study – moving to a smaller and cheaper home

Sandra* [13] and her husband had downsized from a large 18th century cottage to a new, 4-bedroom semi-detached house. They decided to move because they wanted a smaller property that was easier to maintain.

I suppose we felt that the time had come to have somewhere smaller, easier to manage, less work for me.

They also wanted to save money, as their previous property was very expensive to run.

Our old house was eating money because of really maintenance costs...we had no gas, so we had to have oil central heating and it was very expensive.

Releasing equity was another motivation.

We wanted to release some capital so that we could enjoy ourselves quite honestly, go on holiday a bit more often.

They were also motivated to move because they felt they were too isolated in their previous property and wanted to be nearer facilities.

They chose their property because they liked its location, on a small estate within a town. They initially thought they would move further away, but decided to stay within the same area to be near their existing friends.

2) Smaller and more expensive

- Seven of the interviewees had moved to properties that were smaller and more expensive than their previous properties.
- The majority of these interviewees had relocated to a new area.
- Several had moved to be nearer family.
- Others were returning to areas where they had lived in the past.
- Mostly they had chosen smaller houses because the house prices were higher in the areas they wanted to move to.

Case study – moving to a smaller but more expensive home

Valerie* [02] and her husband were in their sixties and both retired. They decided to move to live nearer her son, who lives in London. They relocated from Milton Keynes to St Albans.

They were attracted to the house because it had a balcony and garage. They originally wanted to buy a bungalow, but they couldn't afford any with two bathrooms in the area they wanted to live. A major deciding factor was that it has enough bathrooms.

A lot of UK houses only have one bathroom or at best a downstairs loo and a family bathroom and that wasn't on! ... when you get older you have to go to the loo every 5 minutes.

The new property was slightly smaller than their previous property, and much more expensive. This was due to the house prices in the area.

The closer you get to London the more it goes up.

Her husband had to get a small mortgage to enable them to buy the property, which they did not initially want to do. They had to compromise on the size of the kitchen but overall she does not mind that the property is smaller because it is easier to maintain.

Getting older you need less things to do.

3) Larger and cheaper

- Four of the interviewees had moved to properties that were larger and cheaper.
- All of these had relocated to new areas.
- The majority had moved to a completely new area for a 'fresh start', although one had moved to be nearer family.
- They had chosen larger houses mainly because the house prices were lower in the areas they wanted to move to.

Case study – moving to a larger and cheaper home

Paul* [03] and his wife were both in their sixties and retired. Fifteen years ago they took early retirement and downsized from Wiltshire to a 2-bedroom property in a very rural location in the Yorkshire Dales, which they had previously been renting out as a holiday home. Three years ago they upsized to a larger property, a 4-bedroom house in York.

They decided to move for two main reasons. Firstly, so that they would be nearer their daughter, so they could babysit for their grandchild. Secondly, because they felt they were living too remotely and wanted to move closer to facilities, especially medical facilities, as they were 1.5 hours from the nearest hospital.

They chose a larger property because their house in Wiltshire had been large and they "*missed the size of it*", especially when their grandchildren came to visit. They were able to buy a larger house because house prices were much lower in the new area.

We felt that, because we could get a house at the same value and bigger, we might as well. We didn't need any capital so we thought we might as well make the most of it.

4) Larger and more expensive

- Seven of the interviewees had upsized to properties that were both larger and more expensive.
- Some of these interviewees wanted extra space for family or friends to visit.
- Others had not necessarily set out to buy a larger property but had ended up buying one in order to meet the other criteria they wanted in a property.
- One interviewee had moved in with his partner so required more space.
- Roughly half of the interviewees had relocated.

Case study – moving to a larger and more expensive home

Roger* [06] and his wife were both in their eighties and retired. This was their second move in recent years. They had moved from the South coast up to the Midlands a few years previously, “*to make a new start*” but they weren’t happy there so decided to relocate to Norfolk as they had enjoyed holidays in that area. They upsized from a 2-bedroom bungalow to a 4-bedroom house.

We upsized rather than downsized, which is daft at our age I know!

They didn’t deliberately upsize but couldn’t find anything smaller that met their requirements. They needed a spare room as they have family living abroad who sometimes visit them.

They hoped to buy a bungalow, but found all of the new build bungalows in the area very small. Their previous bungalow had been spacious with large rooms and conservatory, and they “*couldn’t face*” downsizing to a very small property.

They thought about their possible future needs, if they become less mobile in the future they planned to live on the ground floor. This would be possible because it is spacious.

We thought ‘well, we can manage’, because of the size of the house, if necessary we could live downstairs.

6.6.2 Why interviewees chose a smaller home

In total twenty interviewees moved to a smaller property. Of these, seven interviewees chose a smaller home because the house or garden would be easier to maintain. For some interviewees this was a necessity because of failing health and the need for a property that was easier to look after.

I'd been on my own for two and a half years. I wasn't coping, the house was too big, the garden was too big. I was employing people to help out. I got pressure from my girls [daughters] and I downsized. [26]

However, for the majority of these interviewees it was a choice they made as they wanted to free up time for other activities.

I think as you get older you don't need as big a place.... As you get older you just want to spend less time cleaning and stuff, and more time just going out and having a good time. [18]

Others explained that they had bought a smaller house because they did not need any more space. One interviewee explained how she bought a smaller place because she moved closer to her family, so they don't come and stay overnight now that they are close enough to visit for the day and then go back home.

Others bought a smaller home for financial reasons, because they moved to more expensive locations and therefore could not afford properties of the same size as the ones they sold.

It was apparent through the interviews that 'downsizing' is a relative term and property size is relative. A key finding is that many interviewees downsized to properties that were still relatively large. This is clear in Margaret's case study.

Case study – ‘downsizing’ to a large detached home

Margaret* [16] is in her seventies and lives alone, her husband died many years ago. She was prompted to move to be nearer her children who both live in the south of England. She sold the large family home where she had raised her children and moved to a smaller, cheaper home on a new build estate.

This was a downsizing move. However, the house that she moved to was still a fairly large detached family home. Her previous house had 5 bedrooms and “*lots and lots of downstairs reception rooms*”. The new house has ‘4.5’ bedrooms and two reception rooms.

Her current house is the largest on her street even though her neighbours are all families. But she still found it difficult to adjust to the smaller property:

To me when I first came it felt small, with the ceilings being lower it felt a bit claustrophobic.

The reason she kept a relatively large house was so that she could host her family.

I could have gone even smaller, but my grandchildren at the moment range from 14 down to 10, and they are still at the stage where they want to come and stay with Grandma. My daughter and my daughter in law try to coincide their visits so that all the grandchildren get to spend time together, which means that I need the extra bedrooms at this point.

She expects to move again in approximately 10 years’ time, when her grandchildren will no longer all visit together. At that point she plans to move to an apartment by the sea with a balcony.

6.6.3 Why interviewees chose a cheaper home

Seventeen interviewees chose a property that was cheaper than their previous property. For five of these interviewees this was a deliberate decision so that they could release equity.

I thought it was a good idea to have less of my money tied up in my home [29]

Some planned to invest the money for their future pension plan, others planned to spend it in the short term.

We wanted to release some capital so that we could enjoy ourselves quite honestly, go on holiday a bit more often. [13]

For three of the interviewees they chose a cheaper house because they had limited funds, in one case because they had retained their previous property, and in two cases as a result of a divorce.

The remaining nine interviewees needed the sale of their previous house to cover the cost of their new house, but did not deliberately set out to release equity. Many had considered buying other houses which would not have released equity.

We had to sell the house to buy the flat, we didn't need to release surplus cash but we did need to pay for the flat. [20]

Most of these interviewees had not released a significant amount of equity. It was usually enough to cover their legal fees and furnishing of the new house, and perhaps a holiday.

However, four of the interviewees who had not deliberately set out to release equity did end up releasing a substantial amount of money. Two of these had sold properties in central London. They saw this as a "nice bonus" to moving house.

We didn't deliberately set out to make a profit from the sale of our house, but that was a useful side effect. [4]

Some interviewees had saved this equity.

We have £350,000 sitting in...an investment company house group. That gives us an income, a return, call it another pension. It's an investment essentially in stocks and companies so it will always be there. [19]

Others had given it to their children.

Christmas time came early for [two daughters] ...at this moment in time, with rates as they are, there's no point putting it in the bank. [26]

6.6.4 Why interviewees chose a larger home

Eleven interviewees had bought properties which were the same size or larger than their previous properties. Four interviewees had done this because they could afford to as a result of moving to locations where the house prices were lower.

Property in Bristol at the time was half the price of property in London, so for half the price of our London flat we got a 3-bed penthouse overlooking the newly regenerated harbour area of Bristol. [19]

Two interviewees were upsizing relative to their most recent property, after having downsized to properties that were too small, as they were initially intended as holiday homes (for example, see Joe's case study page 3 and Paul's case study on page 15). One had moved in with a new partner (see Craig's case study on page 4)

One interviewee said that she and her husband had upsized because their previous property, a flat, felt too small after her husband fully retired. They wanted:

Our own back door, leading onto somewhere we could sit out if we wanted to, because we were in an apartment block. [Her husband] gets itchy feet and when he fully retired the allotment wasn't quite enough. If it was wet then we were in four walls, if you like. [15]

Another interviewee wanted to retain the same number of bedrooms as she had visitors from overseas. The remaining interviewees had bought properties that were the same size or bigger to achieve other features they wanted in the house, such as good views or the location near to friends and family.

6.6.5 Why interviewees chose a more expensive home

Fourteen interviewees chose a property that was the same price or more expensive than their previous property. However, for these interviewees cost was not their main consideration. They had chosen the property they desired because of its location, size, style or features.

Where the cost of the new property was not covered by the sale of interviewees' previous property, they were usually able to meet this cost through savings or investments.

When you're 65 and you've been working most of that time and you're sensible you have savings. [25]

My husband left me some investments and I had to cash quite a lot of those. [12]

Six of the interviewees had taken out small mortgages to cover the extra cost of the new property. In two of these cases they required a mortgage because they had retained a previous property for family members to stay in, or to rent out. In one of these cases they required a mortgage because they had lost money through a divorce.

One of the problems with getting divorced, the other half takes a lot of the money, so it's like starting all over again. [17]

6.6.6 Difficulty categorising whether a move was an upsize or a downsize

Through the interviews it became apparent that it was not always easy to categorise interviewees as having 'downsized' or 'upsized', as they sometimes struggled to identify whether their new property was bigger or smaller, for example, if it had more bedrooms but the overall living space was smaller.

The old property was 3-bedroom bungalow, but it was a very large, with massive bedrooms and a huge kitchen. The new property has 4 bedrooms, but the rooms are smaller. [14]

6.7 Barriers to moving

People were asked if they felt there were barriers to moving home over the age of 55. Answers included:

- Apprehension about various stages of the moving process.
- Fear about moving away from friends and neighbours.
- Sadness at leaving houses with family memories.
- Lack of suitable housing for older people.
- Financial barriers including fees and the difficulty of securing a mortgage in later life.
- Almost all gave examples of barriers to moving, but many did not personally experience any of these barriers.

6.7.1 Fear

Many of the interviewees said that the main barrier to people moving as they got older was fear, although some said that they themselves did not experience this fear.

In my experience a lot of people are frightened...I'm talking about people who are bright and who've had good jobs and there's no reason for them to be frightened. [25]

The interviewees suggested that fear was associated with several different stages of the process of moving. The idea of sorting through one's belongings was seen as too daunting by many people and some emphasised that the physical process was a barrier.

The whole idea of it is daunting, especially if you've been in your existing property a long time...we'd been in our existing property for 28 years so you imagine that garages, sheds and outhouses were full of 28 years' worth of stuff ...You do think "oh, we'll never cope with this". [10]

Others emphasised the difficulty of moving on an emotional level, as people are attached to their family home.

Some people do get attached to their properties, and family memories and that type of thing. I think it's the upheaval of it, as you get older, that puts people off moving, and the memories they have in the property. [22]

The thought of managing the purchase process itself was seen as quite daunting, some older people were seen as perceiving themselves as less able to cope, should something go wrong.

Also the fact that chains collapse...when you're older, dealing with those sorts of things becomes more stressful, you don't take it in your stride as well as you do when you're 30 or 40. [10]

One interviewee suggested that it was even more difficult to go through this process as a single person.

It's being on my own. If you can discuss it with someone all the time it's easier. When you do it on your own it is more difficult. [12]

Older people were also seen as having fear around moving away from friends and integrating into a new local community.

The main thing is the whole idea of going to a new neighbourhood is quite daunting when you're older, because you don't have the mechanisms for engaging in the locality that you do when you have children, when you have a family...you are a lot more isolated when you move when you are older. [29]

Health problems were seen as exacerbating the challenges.

I can see that if you have lots of medical conditions it wouldn't be very attractive, because once you get in with the doctors and all the rest of it, it's quite a stressful thing for elderly people in that position. They've got their medicine set up and their appointments and everybody knows them. [02]

6.7.2 Lack of suitable properties

Four interviewees suggested that a lack of suitable properties was a barrier to older people moving. A clear message was that, even if older people are downsizing, they still want properties that feel relatively spacious. Most of the properties on the market aimed at older people were seen as being far too small, while family properties were too large, so there was seen as a need for 'appropriately' sized houses.

There doesn't seem to be much built between two bedroom flats and four bedroom villas, there doesn't seem to be anything really in between. [05]

Some older people desire bungalows, so there was seen as a need for more of these, but these too should be spacious to meet older people's needs.

We were looking for a bungalow but there weren't any new build bungalows at all. There was the odd one or two but they were squitty little things... there's no estates with bungalows on nowadays...no-body seems to build them. [06]

Lastly, it was suggested that the marketing of properties suitable for older people needs to change to target the things that matter to older people, such as access to public transport and healthcare.

Healthcare becomes far more important than education...a lot of properties are sold on the basis that "oh there's a good school nearby", well I couldn't care less what the schools are like, but I do care what the doctors are like, and I care about getting into town easily. I think it's actually coming up with smarter ways of marketing to people

who are 55 plus – I think there are different priorities for us which are not necessarily picked up on by developers. [18]

One interviewee who had not yet retired was critical of the idea that couples were expected to downsize as they got older. He was of the strong opinion that he would move again to a larger property, rather than a smaller one.

I'm not sure why everyone's assuming the next one is going to be smaller...the idea of sharing the same house and not going to work ever again means the house needs to be bigger! If you want to do hobbies and crafts and things, you need the space to do it. [28]

6.7.3 Financial barriers

The cost of moving was cited as a barrier for older people.

It's a sizeable amount of money to move these days, with all the fees and things. [22]

The difficulty to secure a mortgage in older age was seen as a particular barrier.

Historically there's been big problems on long-term mortgages. They used to cap at 65, 70, 75. Gradually mortgage providers are improving, they're looking at longer-based pensions, but people in their scoring systems still don't understand the concept of retirement and pensions. In many ways if they are going to lend to someone who will fund it out of their pension they have much more security than someone in employment. [23]

Stamp duty was mentioned by one interviewee, and another interviewee suggested that, in the current climate, a lot of older people are supporting their children to get on the property ladder and that can restrict their own ability to move.

As a 55-year-old you might feel that you want to put your funds into helping your children more, so that might restrict some older people buying the house that they want, or moving, or changing their lifestyle, I would imagine. [21]

6.8 Compromises made on properties

Interviewees were asked whether they had had to compromise on any aspects of their property. Overall most interviewees had found properties that met the majority of their needs, and fitted with their expectations. Some had been unable to find properties of the size and style that they desired.

Three interviewees were unable to get properties with the number of bedrooms they wanted. One couple wanted a three-bedroom house but bought a two-bedroom house. Another couple wanted a two-bedroom house with a garage but couldn't find any, so bought a three-bedroom house with a garage.

One couple wanted a flat with two bedrooms, but were unable to find one which met their other criteria, so bought a flat with one bedroom.

We would have liked to have had a two bedroomed building, but this one hit all our other criteria, and was also situated at a reasonable travel distance from the people we wanted to stay in touch with. The only thing it doesn't have is a second bedroom. [21]

Five interviewees said that they would have liked to buy bungalows, but they were not able to find any that met their requirements, so they bought houses instead.

One interviewee had chosen a property over three floors when she had wanted properties over two floors, as this met her other criteria.

I've got two lots of stairs which at my age I do find difficult. I think "gosh, what I want is on the top floor, or I'm on the top floor and what I want is down on the ground floor...there again, I think it keeps me fit. [12]

Five interviewees stated that they had to compromise on the size of the interior of their properties, stating that the kitchen, bedrooms or overall space was smaller than they had hoped for.

The rooms are far too small. [30]

Three interviewees had compromised by not having a garage, or having one that was smaller than they wanted.

The only compromise is the limited parking, there is only a single garage and a single drive [23]

Three interviewees also said that their property had less outdoor space than they would have wanted.

We compromised a lot on the space outside, we wanted a bigger garden and some kind of distance between us and the road. [28]

Others had some problems with the layout of their properties, two disliked that the only exit was through the lounge, one disliked not having a utility room. One said that some parts of the layout were poorly thought through, and two said that there was a lack of storage space. One said she disliked the small size of the windows.

Some interviewees ended up buying much larger properties than they originally intended, not because smaller ones were not available but because they loved certain aspects of particular properties:

I was looking for something small, a two-bedroom bungalow, but they were offering such good deals with this new build, and it was such nice dimensions that I fell in love with it at the show home. [22]

As a single guy having a four-bedroom townhouse was probably not first on my shopping list...but I loved the layout, because I have a kitchen and lounge on first floor looking out on a balcony which looks over the river. There's a bedroom and lounge granny flat downstairs that my mum could move to ultimately... the facilities are fabulous [23]

A few people had moved into more unmanageable properties (in terms of mobility) than the ones they were in before.

Some people say 'well hang on, you've moved from three floors, why are you now moving to four at your age?' but it keeps me fit. [07]

These findings show that there is a huge diversity of circumstances, aspirations, wants and needs amongst different older people. It also shows that the decisions they make about their housing are quite unpredictable.

6.9 What would encourage older people to move?

Interviewees were asked what would encourage or support older people to move. They gave some practical suggestions around more suitable housing and support with the process of selling purchasing and moving.

6.9.1 More suitable housing

Several interviewees suggested that offering small houses and bungalows that are still relatively spacious would encourage older people to move. One interviewee also highlighted the importance of offering properties that are close to public transport and facilities.

To encourage older people to move, houses need to be available which are near good local transport, for when the time comes and they can't drive any more. They need to be near shops and things for them to do. [01]

Other suggestions include offering retirement villages in desirable locations and housing which is more energy efficient, with low running costs. It was highlighted that greater numbers of older people are separating now, so the specific needs of this group should be considered.

There's also a lot of older people separating, so there needs to be some thought into that. [23]

6.9.2 Support with the process of selling, purchasing and moving

Several interviewees suggested ways in which the process could be made less daunting for older people. Firstly, it was suggested that it would be helpful to have an organisation that could mentor you through the process of moving, to explain the different stages.

A slightly more objective view on the whole process, some kind of helping agency would be helpful...If you didn't really know the mechanics [of moving] it would be quite helpful to have somebody helping you with the actual process, because there's quite a lot of to-ing and fro-ing with solicitors. It's quite daunting to do on your own. [29]

It was suggested that this agency should be separate from the property developers

I guess some kind of independent body or access to assistance or ideas...but I think if it came from the builders themselves people might think it's part of the sales push. Personally I'd rather see someone who wasn't tied in with the selling of the houses. [29]

Secondly, it was seen as helpful that some developers offer to buy your old house

I also know that some new developers say "we'll buy your house" and that I think is

probably an incentive...anything to make that sale and purchase coordination easier. [10]

One interviewee had experience of part exchange and found this to be very positive. She used an agency where you are allowed to downsize, whereas traditionally part exchange could only be used to purchase larger properties.

I think the part exchange minimises the problems and stress. I think it's really good... Normally there has to be the 70-30% split, whereas with them you could actually sell a big house and buy something smaller and they'd still do it for you. So I think that's a really good thing for older people. [14]

Packing and moving are seen as another barrier to moving, and it was suggested that a packing service that went beyond the work of a removal company would help make this less daunting. One interviewee suggested that this was already available in his area.

I employed a lady who called herself a 'relocation consultant' – I paid her a fee and she came and helped pack up, she chose the removal people...and then she came to help unpack here and get me settled in...when you get older these things become more formidable, the idea of moving, and if you have someone who can help you and go through the process and take a lot of the... worry away, then it's great. [24]

Alternatively, it was suggested that offering properties with furniture included may suit some older people. In order to make this practical it was suggested that a service could be offered of getting rid of any existing furniture from your previous property that doesn't fit in the new one, and replacing it.

Also for some people, just the sort-of logistics of it all, I think having to have your own furniture can be quite frustrating, maybe if they [new build house providers] had offers to sell with a selection of furniture available, so people could move into turn-key property. [23]

It was also suggested that once people are settled in, it would be helpful to offer a service of calling in and seeing whether they need help rearranging furniture etc.

Getting organised would be one of the things that, again, as you get older perhaps you would need more help with...perhaps people to call in and see how you are doing, see if you want something moving round". [28]

6.10 Summary and conclusions

This section has explored the reasons why older people move, and why they choose properties of a particular type. The key finding is that the media and policy discourse about older people choosing or aspiring to 'downsize' to much smaller properties as they move into older age did not hold true for the majority of the interview sample.

There was a wide range of different factors that influenced their decision to move house, including a desire to move closer to family, seeking a different lifestyle in a new area and relationship changes. However, choosing the size of their property came as a secondary consideration for most people.

Moving into a property that would be easier to manage or maintain was a factor for many interviewees, but mostly this was given as a reason for choosing new build properties, rather than for dramatically reducing the size of property chosen. Even when interviewees had moved into smaller properties, these were rarely particularly small. Size is relative, and some people had 'downsized' into large family homes.

Only a small number of interviewees had downsized to a smaller property because they were planning for old age. Likewise, only a handful of interviewees cited releasing equity as a motivation for moving. Few interviewees released a substantial amount of equity, and those who did mainly saw this as a 'useful side effect' rather than a necessity.

It was sometimes difficult for interviewees to identify whether their new property was larger or smaller than their previous property, for example, if it had a larger number of bedrooms but was smaller on the ground floor.

Overall the size of property chosen was most likely to be dictated by what people could afford in the area they were buying a property. There were examples of people buying much larger properties because they were moving to cheaper areas. Likewise, the main reason given for people buying smaller properties was that they were moving to expensive areas where property prices were much higher.

Interviewees did not always seem to be able to rationalise their decision making about which property to buy. Several interviewees had chosen properties split over three or even four floors, which would not seem an obvious choice for those beyond retirement age, something that many acknowledged. A few choices seemed contradictory, for example, an interviewee who bought a flat because he was unable to manage the stairs in his house, but who chose a flat which is up three flights of stairs.

A key driver behind many peoples' decisions was that they did not view themselves as old. Old age was seen as something very far in the future, at least at over 85, and many anticipated that they would move again when they reached this stage in life. At the current time, people viewed over 55 developments as being aimed at people far older than they were, and therefore not relevant to them.

A key finding was that older people differed greatly in their aspirations. This was reflected in the variety of property types they had purchased, and their views on purchasing bungalows and flats. When identifying barriers to moving in later life interviewees highlighted the difficulty of the process of moving and the lack of suitable properties to move to. However, with such a range of needs, drivers and aspirations, there comes a myriad of different perceptions of what a 'suitable property' should contain.

6.11 Case studies

| Name | |
|---------|--|
| Joe | <ul style="list-style-type: none"> - Aged 55-64 and lives with his wife, both retired. - Prompted to move back to nearby city so they could care for his wife's mother and their grandchildren. - Upsized to a larger, more expensive house, after having downsized to a much smaller house 15 years previously. |
| Craig | <ul style="list-style-type: none"> - Aged 55-64 and lives with his partner, both still working. - Prompted to move to live with his partner, previously he was living alone. - Upsized to a larger, more expensive house to accommodate them both. - Relocated to an area mid-way between where they had both been living. |
| Moira | <ul style="list-style-type: none"> - Aged 65-74, widowed and lives alone. Retired. - Prompted to move to find a property that was easier to look after. - Chose a four-bedroom house, a similar size to her previous property, because she sometimes has visitors from overseas. - The property was more expensive than her previous property. - She chose her property because she liked its location and the estate it was on |
| Richard | <ul style="list-style-type: none"> - Aged 55-64 and lives with his partner, both recently retired - Prompted to move to relocate to a different city on retirement - Chose to downsize as wanted to be cash buyers - Chose a flat because they travel a lot and thought a flat would be more secure. - Attracted to property because of its central location and modern features, including a lift for when they become less mobile |
| Sandra | <ul style="list-style-type: none"> - In her 70s, lives with her husband - Prompted to move to find a property that was easier to maintain - Downsized from a large 18th century cottage to a smaller and cheaper four-bedroom house. Decided to move because they wanted a smaller property that was easier to maintain and with lower running costs. - They also wanted to release some capital - Attracted to the property because of its location. |
| Valerie | <ul style="list-style-type: none"> - Aged 55-64, lives with husband, both retired - Prompted to move to move closer to her son - Upsized to a property that was much more expensive, because of location - Took out a small mortgage to cover the cost - Chose a property slightly smaller than their previous one, because of house prices. - Attracted to the property because it has enough bathrooms |

| | |
|----------|--|
| Paul | <ul style="list-style-type: none"> - Aged 55-64, lives with his wife, both retired - Prompted to move to be closer to their daughter and grandchildren, and also to relocate to a less rural area. - Upsized to a larger house, after having downsized to a much smaller house 15 years previously. - Chose a larger house as wanted more space and could afford it because house prices were much lower in the new area |
| Roger | <ul style="list-style-type: none"> - Aged 75 plus, lives with wife, both retired - Prompted to move for a 'fresh start' in a new location - Upsized to a larger house because they couldn't find anything smaller that met their requirements. - Had intended to buy a bungalow but those available in the area were too small - New property cost exactly the same amount as previous property |
| Margaret | <ul style="list-style-type: none"> - Aged 65-74, widowed and lives alone. Retired. - Prompted to move to be nearer her children - Chose a smaller cheaper home, but it still has five bedrooms - Chose a house that was relatively large so she could host her grandchildren |

7) Findings from primary data collection: interviews with movers into existing stock

Introduction

This section presents the findings from in depth interviews with people who had recently moved into existing stock properties. It analyses interviewee's motivations for moving and their reasons for choosing an existing property of a particular size and style. It also explores individuals' experiences of purchasing their property. The section uses quotes from interviews to highlight key points, but names have been changed to respect participant anonymity.

Summary of findings from interviews with movers into existing stock:

- There was a large diversity of circumstances, motivations and aspirations of the people interviewed, reflected in the choices they had made.
- The decision to move was driven by various factors, including seeking a different lifestyle in a new area, relationship changes, or wanting to move to a more manageable property.
- Changing the size of their property was not the only reason people had chosen to move, but wanting more or less space was a factor prompting the move in the majority of cases.
- Interviewees chose existing stock rather than new build houses because they had more character, could offer larger gardens, and were generally more spacious.
- Some interviewees were very against new builds and had not considered any. Others had considered new build properties but found they did not meet their needs.
- There was little interest in specialist accommodation for those aged over 55. Roughly half of the interviewees saw this as something for the very elderly, not relevant to them at the current time. Others were interested in this type of accommodation in principle, but had not chosen it for practical reasons.
- The styles of property they had chosen were very varied.
- The size of property chosen was partly determined by house prices in the area interviewees were moving to. This meant that there was evidence of interviewees upsizing when they moved to cheaper areas. Where they were moving within the same area some interviewees had chosen to downsize, while others had chosen to live in more expensive properties.

- 'Traditional downsizers' (i.e. those who were downsizing to a smaller property that would be easier to maintain) made up around a third of the sample.
- Bungalows were often chosen by people in this category.
- Downsizing to release equity was also fairly common.
- Almost all of the properties had required renovation work, in around half of the cases interviewees had carried out extensive work. Some had been aware that this was necessary and factored it into the price they paid for the property.
- Two main barriers to moving in later life were identified by interviewees, firstly the difficulty of the sale, purchase and moving process, and secondly the financial costs of moving. Most did not report any difficulty finding properties that met their needs.
- Interviewees identified areas where house builders could make improvements in the properties that they offer to people aged over 55. This includes the way these properties are marketed and the support that is given to people through the moving process.

Comparison with the new build interviewees

- A higher proportion were prompted to move because they wanted to change the size of their property (including more 'traditional downsizers' – about a third of interviewees).
- A higher proportion wanted to release equity.
- More were interested in over-55's properties, in principle.
- Where interviewees had upsized this was mostly because they needed the extra space, rather than purely because they were moving somewhere cheaper and they could afford it – although there was one example of this.
- A strong desire for large gardens.
- A lack of suitable properties was perceived as a factor in older people not moving, but this was mentioned by a smaller proportion of people.

7.1 Sample for interview

A survey was advertised on the Saga website. The survey was completed by 78 respondents. Within the survey, respondents were asked whether they would be happy to be contacted for a follow-up telephone interview. 31 responded positively.

However, of these 31 respondents 13 had moved prior to 2010 and were discounted from the sample. The remaining 18 respondents were contacted and interviews were conducted with 13 of these. Two of these interviewees had moved between 2010 and 2012, the remainder had moved since 2012.

Interviewees were a mixture of men and women.

| Gender | Number |
|---------------|---------------|
| Male | 2 |
| Female | 11 |
| Total | 13 |

Over half of the interviewees were living with a spouse or partner, fewer were living alone. Two were living with a partner and child, one of which was a foster child.

| Household composition | Number |
|------------------------------|---------------|
| Lives with spouse or partner | 8 |
| Lives alone | 3 |
| Other | 2 |
| Total | 13 |

The majority of interviewees were aged between 55 and 74.

| Age | Number |
|--------------|---------------|
| 55-64 | 6 |
| 65-74 | 5 |
| 75 and over | 2 |
| Total | 13 |

The type of move individuals had made included people making downsizing and upsizing moves.

| Type of move | Number |
|---------------------------------|---------------|
| Downsized – cheaper | 3 |
| Downsized - smaller and cheaper | 6 |
| Upsized | 4 |
| Total | 13 |

7.2 Reasons for moving

Interviewees were asked to give their main reason for moving. The broad reasons for moving were the same as those identified by the people who had moved to new build properties:

- A desire for a change of location
- Relationship changes
- Financial reasons
- The desire to move to a more manageable property

7.2.1 Change of location:

A few interviewees mentioned that they were prompted to move by a desire to change their location. One interviewee was motivated by wanting to make a new start in a different area of the UK. One relocated back to the UK after some time abroad, living in Holland.

We'd been living there for a number of years and we were coming home...because of our age, probably...Our family were still here.... we just decided to move back and find a home before we officially retired, so we'd have a chance to get to know the area and the neighbours etc. [08]

Another moved to be nearer family.

Another reason for moving is that I only live round the corner to my eldest son, that was the main reason for moving. [5]

Two interviewees were prompted to move by a dislike of the immediate surrounding area of their previous properties, one because it was located on a busy road.

The road it was on...has got progressively busier and busier with massive lorries going right by our door almost. It was mainly the traffic, it was so noisy and awful. [12]

The other because they were having trouble from their neighbour's children.

We wanted to get away from neighbourhood where we were living because there was the culture of boys playing football on our road and causing damage to our property and our garden. [03]

The same interviewee also relocated to be nearer her husband's job.

It was proximity to my husband's work. [03]

7.2.2 Relationship changes

One interviewee had to move due to a divorce, one moved in with her partner, and a third moved back in with his wife, who he had been separated from for 11 years, but they decided to get back together.

We each had our own house and we wanted a fresh start, so we both sold our houses and we bought a house that was bigger. [02]

7.2.3 Financial reasons

Financial reasons were an incentive to move for two of the interviewees. One couple wanted to release equity to help their children get onto the property ladder.

We wanted to help our sons to get on the property ladder, so we decided to downsize rather than find a bigger house that would cost us more. Just to take advantage of the extra money we could gain from it. [06]

Another wanted to sell their property before their neighbours all began selling theirs.

We were surrounded by people the same age as us, or similar, and [my husband] said “we’re all going to try and sell these at the same time, so this is probably the best time to capitalise on our investment”, and I think he was right. [04]

7.2.4 To move to a more suitable property

One interviewee wanted to move to a detached house so that she would not have to worry about her neighbours. Another moved from a house to a bungalow because she was no longer able to manage the stairs.

It had a spiral staircase, and when I found the stairs difficult I had a banister fitted on the right-hand side, there was already one on the left-hand side...It got so I was hauling myself up the stairs at night...and I couldn’t carry loads up the stairs anymore. [5]

7.3 Why people chose an existing stock property

Interviewees were asked why they had chosen an existing stock property. Interviewees were split fairly evenly between those who would not consider new build properties because they disliked them, and those that were happy to consider new build properties but were not able to find any that met their needs:

- Dislike of new build properties
- No new build properties available that met their requirements

7.3.1 Dislike of new build properties

Just over half of the interviewees said that the reason they had bought existing stock properties is because they disliked new build properties. Two reasons given by several interviewees were that the rooms are too small, and the walls are too thin.

I've never bought new build, the reason why is because they're like shoe boxes with paper thin walls. I have 16 inch walls here and it's authentic. I love character, I buy for character. [14]

Two interviewees shared the view that new build houses are poorly built or more likely to have issues.

I don't like new ones...you read so much about problems with them. [13]

Another interviewee also said that new build houses are too close together.

I don't like new build, I think they're too close together... the newer houses being built down the road from here, they're mansions and yet you can almost touch the house next door. [04]

Two interviewees had had negative experiences with new build properties in the past, which had influenced their views.

I have bought new build before and I did have a lot of problems with it, so that's maybe put me off. I think I'd rather have one that's sort-of settled. [09]

Another interviewee suggested that new builds did not appeal to her because they were designed for families.

Also, new builds tend to have families. I'm one elderly lady, I didn't want to be surrounded by families with lots of children. [10]

'Character' was the thing that people most often cited new builds were unable to offer, but one interviewee disagreed with this view.

My husband doesn't particularly like new builds but I'm ambivalent about it really... he likes the original character and so on, but I think there are quite a lot of houses now that are actually built with quite a lot of character. [03]

7.3.2 No new build properties available that met their requirements

Six interviewees suggested that they would have been happy to buy a new build house, but none were available that met their requirements in the location they wanted to live.

The local new build market was not able to meet one interviewee's desire for a bungalow, or another interviewee's desire for a house. All of the available new build properties were flats, but they wanted a house.

There were flats but my husband didn't want a flat because he loves his garden. [07]

Another interviewee suggested that the gardens in new build properties tend to be too small.

The gardens were generally much smaller than what we wanted. [02]

Two interviewees said that new build properties tend to be in the wrong locations.

New build properties tend to be out of town. [10]

7.4 Reasons for choosing specific properties

Interviewees were asked what had attracted them to their specific property. Answers included:

- Physical features of property or garden
- Location

7.4.1 Physical features of property

Seven of the interviewees mentioned that they had chosen the property because of its garden. In contrast to those who had bought new build houses, these interviewees wanted large gardens.

It's got a big garden that backs onto fields. [13]

One interviewee explained the significance of the garden to her, now that her children have left home.

Once you've finished nurturing your children you start nurturing the garden. [03]

Two interviewees had been attracted to the physical features of the property because they were a bit out of the ordinary. One was a renovated hospital complex, the other was an old cottage.

An 18th century sandstone cottage, which was absolutely beautiful. Huge garden, private drive, and in an 18th century village. We're very blessed. [14]

Three interviewees suggested that they were attracted to the property because they needed some repair, and they were interested in a 'project'.

I could see its potential...the previous owners hadn't looked after it at all, but I could see it had potential and I had the money at the time to make it how I wanted it. [09]

7.4.2 Location

Four interviewees had chosen their property because of its proximity to the centre of town and amenities.

I'm 74. Although I still have a car and I still drive, it may be soon that I have to give up my car, so I wanted to be within walking distance of all facilities...I can walk to supermarkets, library, post office, cinema, I can walk down to the sea. [10]

Conversely, four interviewees had chosen their properties because they were in quiet, rural locations with a lot of privacy.

I wouldn't agree to move, so my husband went on the hunt...this one had a fabulous garden, teeming with birds, backing on to a trail.... it's a very nice position, you're not overlooked in any way, even though your neighbours are close by. [04]

One interviewee chose her property because it was in a cul-de-sac, another because it was on level ground.

We wanted somewhere on level ground, because where we were before we were up the hill from the village, and to keep walking up the hill I found really difficult. This is on level ground, so that was important. [07]

7.5 Reasons for choosing different property types

Interviewees had bought a wide range of properties:

- Six had bought detached houses
- Four had bought bungalows
- Two had bought terraced houses
- One had bought a semi-detached house
- None had bought flats

7.5.1 Bungalows

Interviewees who bought bungalows were asked why they had bought properties of this type. Three had chosen them because they were easy to manage or suitable for those with poor mobility. The remaining interviewee had bought it as an investment, and did not select it because of the property style.

For two, this had been a deliberate decision as they were already finding a house difficult to manage.

We wanted a house that was easier to maintain, we didn't want an upstairs, we didn't want loads of decorating and big gardens and so on. [07]

One of these bought a bungalow because she was struggling with her mobility. She struggled to find a bungalow that did not have steps leading up to it.

This area is nearly all bungalows, but because it's hilly there's steps going into the bungalows, because of the terrain. We did find this one with very low steps. [05]

For one of the interviewees this move had very much been pre-emptive. It was a downsizing move led by her husband, who felt that they should move as in the future they may be less mobile. The interviewee was unhappy about this, as she felt living in a house with stairs kept them fitter.

We've gone from one extreme to another! [Previous property] was a house with four floors and he said "now we're getting old we ought to move". I said if you leave the stairs I think it's detrimental, we had a conflict about that, but I did agree in the end because the rest of the family got onto me about it. [04]

The other interviewee had not intended to buy a bungalow but had bought it as an investment opportunity as it needed modernising. They intend to sell it fairly soon and move to a new location. The fact that it was a bungalow was not deliberate.

It was a bit of a bargain because it needed modernising and we knew that we could do it quite simply, because we're quite fit. [12]

7.5.2 Reasons against over 55's developments

Interviewees were asked whether they had considered any properties marketed for people aged over 55. Some of the interviewees were against this type of property on principle because they felt it was for much older people. Around a third of interviewees had considered this type of property but then discounted it. There were also some practical reasons why these properties were not suitable.

7.5.3 Too young for over 55's developments

Just under half of the interviewees shared the attitude of the new build purchasers that they were too young to move to over 55's developments. When asked if they had considered new build properties some interviewee's responses were negative.

Definitely not! I suppose I'm quite young in outlook, I dress quite young, I have interests that probably wouldn't be classed as someone of my age. I suppose I'm one of those elderly people who doesn't think I'm elderly. I mean I might consider that in my 80s, but certainly not at the moment. [11]

These interviewees wanted to live in a more mixed community.

I just don't want to live in a ghetto for old people...I'm not afraid of young people and nor is my husband, we don't want to be alienated from them in any way, or out of touch. We think that you can become fearful of people if you don't mix with them. [04]

One stated how these developments should be re-labelled as the age category is too young.

I think they need to get it into their head that 55 is not the bracket any more, 75 might be. They've got it kind of wrong as to when people are kind of thinking "oh dear, I'm a little bit too old for that" ...the barriers have changed of age. [14]

One interviewee had heard negative feedback about these arrangements from their friends – although interestingly her concerns were opposite to those expressed by the new build interviewees. While they were worried the atmosphere was too stifling, she was concerned it would be too lonely.

No, because we've had friends that live there.... one was so lonely they've moved out. [05]

Overall the feeling that over 55 developments were for much older people seemed less unanimous amongst these interviewees than amongst the new build interviewees. A third of the existing stock interviewees had seriously considered properties for over-55's but discounted them for practical reasons. This was higher than amongst the new build interviewees. However, because it was such a small sample it is hard to generalise.

7.5.4 Practical issues with over 55's developments

The reasons for the interviewees not wanting to buy properties in over-55s developments were similar to the reasons given by those that bought new build properties. Interviewees thought that these would be too small, and not in good location.

They would have tended to have been much smaller than what we wanted to purchase...They would be out on what previously were caravan sites. And they were further away from... Belfast as well. [02]

Some interviewees were unhappy with the financial arrangements.

I don't really understand because they market properties for people over 60 but it's a sort of part-buy, it's like an equity release thing. [07]

Some were concerned about the service charges being too high.

We did go and look at them and we thought they were absolutely beautiful but...they're leasehold ...after a year or two they hand it over to different management companies and we have heard that they can then apply whatever charges they want. [12]

Two had concerns about the ability to sell these properties on.

Over 55s are always flats and they're leasehold.... eventually I will leave my house to my children and freehold houses sell much easier than those retirement properties. [10]

One interviewee had a particularly compelling reason for not being interested in over-55's developments, she was a foster carer, therefore this arrangement would not be appropriate for her.

Oh God no! Can you imagine foster children in one of those?! [13]

7.6 Were they downsizing moves?

Interviewees were asked why they had decided to move to a property that was either smaller or larger than their previous property. The typology below gives an overview of the characteristics of the interviewees who had made each of three types of moves, and a case study for each. The section goes on to summarise reasons interviewees gave for downsizing or upsizing.

- When interviewees downsized to properties that were smaller and cheaper these were usually within the same geographical area as the house they had sold. They were motivated by moving to properties that were easier to maintain. They were also motivated by releasing equity, since they were moving within the same area this necessitated a downsizing move.
- Interviewees moved to properties that were larger and cheaper because they had moved to an area where house prices were lower, so they could afford a larger property.
- Interviewees upsized to bigger, more expensive properties because they required more space. Half of these interviewees were upsizing after having previously downsized and found the property too small. Half were moving in with a partner, so required more space.

7.6.1 Three types of moves

1) Smaller and cheaper

- Six of the interviewees had moved to properties that were smaller and cheaper.
- Some interviewees were prompted to move to have a house that was easier to manage.
- Others were prompted by financial reasons, for example, to pay off the mortgage on their old house or to release equity.
- Interviewees tended not to have relocated.
- One interviewee had moved into a smaller and cheaper property after a divorce.

Case study - moving to a smaller and cheaper home

Penny* [07] is in her late seventies and lives with her husband, they are both retired. They recently moved to a detached three bed bungalow a mile and a half from their previous house. Theirs was a traditional downsizing move. They wanted to move to a house that was easier to maintain.

We had a big house, a big garden, and the upkeep was too much... It was lovely for our kids, the grandchildren, but now the grandchildren are grown up and it's just becoming a burden.

They also wanted to release some equity from the property.

We wanted to access some money, partly to help both our sons, one of whom had had a nasty divorce and was trying to buy somewhere and finding it difficult.

They were attracted to the property because it was on level ground, was detached, had three bedrooms and scope for improvements.

2) Bigger and cheaper

- Three of the interviewees had moved to properties that were larger and cheaper.
- All of these had relocated to new areas.
- They had chosen larger houses mainly because the house prices were lower in the areas they wanted to move to.

Case study – moving to a larger and cheaper home

Tracy* [11] is in her late seventies and lives alone. She is retired. She has moved several times in recent years. Most recently she had been renting for 2-3 years, prior to that she owned a three-bedroom semi-detached house in East Sussex. When asked what had prompted the move she explained it was:

Really what was happening in my life – I became freer, there weren't any ties and I just wanted to move out to somewhere that wasn't so built up. Sussex is very nice but there's so much going on there. It was environment really.

She relocated to the Wye Valley and bought a townhouse over three storeys. This was roughly the same size as the one in Sussex and far cheaper because house prices are much lower in this area. She chose a house roughly the same size as her previous one because of the low cost.

It was about half the price because it's much cheaper here.

She was attracted to the house because of its location, in the country but walking distance to shops and activities. She didn't originally intend to buy a house over three storeys, but now is very pleased with it.

I never thought of three storeys but I actually like the stairs, they are very good for my health, and I love sleeping three floors up. In a funny way it feels safer, which is why I probably wouldn't ever want to live in a bungalow.

3) Bigger and more expensive

- Four of the interviewees had upsized to properties that were both larger and more expensive.
- Two of these were cases where the interviewee was upsizing, having already downsized in the past
- Two were cases where the interviewee was moving in with a partner, so required more space
- One of the interviewees had relocated, the others had stayed in the same area.

Case study – moving to a larger and more expensive home

Alistair* [02] is in his early seventies and lives with his wife. They are both retired. They decided to move because they started a relationship again, after having separated and lived apart for 11 years. They decided to pool their resources and buy a property together.

They chose a larger, more expensive house than they needed, initially intending it to be an investment, but they now plan to stay there long term.

It was meant initially as an investment but after we'd been in the house for a few years we really liked it and the intention was to keep it, which was fortunate because the house market kind of collapsed.

They covered the additional cost of the larger property through a mortgage.

We both had mortgages on our existing houses, they were both interest-only mortgages, so we both brought our separate policies to the new house and then added an additional amount to it.

The large property has been very useful, as their son and daughter have both lived there for a time, and there is enough space for the grandchildren to visit.

7.6.2 Why interviewees chose a smaller home

Six of the interviewees had moved to properties that were smaller. Five of these mentioned that they wanted a house that was easier to manage. This is a higher proportion than amongst those who had bought new builds, suggesting that perhaps there are more traditional 'downsizing' moves in this sector – although this can only be extremely tentative given the size of the sample.

For one this was a pre-emptive move, planning ahead for older age.

With my husband in particular, he always pushed things, we're healthy and we're active but one day we may not be and a four storey house isn't sensible for people getting to our age. We need one that we could put a ramp into, and this one we certainly could.
[04]

For another, she had moved from a six bedroom house to a two bedroom house because of a divorce.

Sadly, through divorce I had to, and to escape my situation, and I was looking for something I could manage. [14]

7.6.3 Why interviewees chose a cheaper home

Nine interviewees had chosen a cheaper home. Four mentioned that their choice of house was deliberately made for financial reasons, for example, to pay off the mortgage on their old house or to release equity to give to their family.

That house really helped us as a whole family because we were able to release some capital, our mortgage was already paid off and we were able to help both our children with a lump sum of money from that house sale, so it ticked lots of boxes.
[12]

Three had located to new areas where the houses were cheaper. Two had bought properties which needed a lot of renovation which is why they were cheaper.

7.6.4 Why interviewees chose a larger home

Seven of the interviewees chose a larger home. For five this was a deliberate choice because they wanted more space. Reasons for this included having space for grandchildren to visit or because they were moving in with a partner.

One couple chose a larger property partly because they foster and they wanted the option of fostering two children at once:

When we fostered in London we only had a two-bedroom house so we only ever fostered one child. We wanted to increase that...because we had a bit more time. We wanted to offer respite [fostering]. [13]

Three couples chose a larger property because they could afford it because of the lower house prices in their new area.

7.6.5 Why interviewees chose a more expensive home

Four interviewees chose a more expensive home because they needed more space (for the reasons given above) and they were usually staying in the same location, so a larger property was more expensive.

Interviewees covered the extra cost of more expensive properties in various ways. One took out a mortgage, one cashed in some investments and the other two used their savings.

7.7 Barriers to moving

Interviewees were asked if they felt there were barriers to moving home over the age of 55. Answers included:

- Apprehension about various stages of the moving process.
- Fear about moving away from friends and neighbours.
- Sadness at leaving houses with family memories.
- Financial barriers including fees and the difficulty of securing a mortgage in later life.
- None of the interviews mentioned a lack of suitable properties as a barrier.

7.7.1 Fear

The interviewees suggested that fear was associated with several different stages of the process of moving. The idea of sorting through one's belongings was seen as too daunting by many people and some emphasised that the physical process was a barrier.

The upheaval, I think it's a physical barrier. To begin with, with all the packing and moving things around, you need a certain amount of stamina for that. [03]

Others spoke about the difficulty of negotiating the sale and purchase.

It is stressful, solicitors and estate agents can be very difficult. You have to be quite positive to do it. [07]

Others emphasised the difficulty of moving on an emotional level, as people are attached to their family home.

People don't like the upheaval...When you've lived in a house for 30 years or so it's a big wrench, because it's where all the growing up of family has taken place. [04]

In terms of relocation, people were concerned about leaving behind their friends to move to a new area.

Then there's also whether you are happy to leave behind friends and neighbours you've become close with. [03]

But others suggested that by having a positive attitude, it was possible to overcome the fear.

I think it's helpful if you're more an optimistic person than a pessimistic...if you think things are going to go wrong they probably will. [11]

7.7.2 Financial barriers

Some interviewees saw the cost of moving as a barrier. This included removal costs and fees.

As well as the price of the house you've got to factor in the fees and everything. It can be a traumatic experience. [09]

One interviewee highlighted the difficulty of securing a mortgage.

I guess if you wanted to get a mortgage it's still kind of difficult when you're that kind of age because people consider that you won't have much income when you retire, even though on the other hand everywhere keeps telling you how lucky people retiring now are, because we've got the biggest pensions anyone will ever get. It's a bit contradictory isn't it? [08]

7.8 Compromises made on properties

Similar to the new build interviewees, most of the existing stock interviewees had found properties that met the majority of their needs, and fitted with their expectations. Only one interviewee felt she had had to compromise on the physical features of her property.

I had to compromise. I came back several times; I was very unsure. I would have liked an extra bedroom, and an extra bathroom – I only have one bathroom. [09]

This was not due to lack of funds, but because she was under time pressure, having sold her previous property.

When I bought there was very little on market and I'd already sold mine so I felt a slight pressure. [09]

Another interviewee compromised by not having a garden.

We would have liked a garden, but it was one of the best ones that we saw so we stuck with it. [06]

Four interviewees compromised by getting a property that required more work than they would have liked.

It was different to what we originally thought we would buy – older and in need of more tender loving care shall we say. [08]

7.9 Renovations made on properties

All but two of the interviewees had done some renovation work on their properties since moving in. In five cases these were relatively minor changes, including redecorating, replacing windows and updating bathrooms.

We've done the bathroom and shower room up. The next thing to be done will be the kitchen, and hopefully that will be done later on this year...just minor things, we haven't built on any extra rooms or anything like that. [02]

In six cases major renovation had been done. Usually this work was done to remedy problems with the house, or to make it meet the needs of the owners at the current time. One of the houses was very damp so the interviewee installed insulation and replaced the windows and doors. They also converted the garage into a dining room to increase the amount of living space.

We've gained a whole room and really without it I don't know what I'd do because I did find the first few years really quite impossible after having a much bigger house. [04]

Some of the renovations were very ambitious and lengthy. Several interviewees used the equity released from previous house sales to cover the cost of the renovations. Sometimes the amount of work required was more than interviewees had anticipated

I don't think I would have bought it if I'd known how much needing doing... there was a lot of leaks and things I didn't know about. [09]

Only one of the interviewees specifically mentioned making alterations to the property with the aim of preparing for future needs. They had plans to 'knock through' from the current kitchen to a barn behind the property, and to convert the barn into a new kitchen. They would then convert the current kitchen into a downstairs bathroom, shower room and utility room.

It's to future proof really, because we're in our sixties and want to live here as long as possible – all the bathrooms are upstairs at the moment so we wanted to create some space on the ground floor so that if we couldn't make it upstairs as we get older we've got everything we need on the ground floor and we can just keep the upstairs for when we've got the children coming to stay. [08]

Meg* [03] is in her late fifties and lives with her husband. They moved 20 miles to be closer to her husband's work and also because they weren't happy with the neighbourhood they were living in. They did not want to buy a property that needed a lot of work, but compromised because they really liked the location of the property.

They knew before purchasing the house that it would require a lot of renovation as several of the flat roofs had failed and were leaking.

We had taken [the cost of work] into account. The property we're living in was valued lower than the house that we sold, because we knew that whatever equity we got from our previous house we would need to plough back in, in the new one. [02]

While they were having the work done on the roof they decided to take the opportunity to convert the loft at the same time, as it would not add that much extra work. They are converting the space into a bedroom and lounge so that when their daughter comes to stay she and her family can have their own space.

We bought a 5-bedroom house, it will probably be a seven-bedroom house by the time we've finished.

The renovations have been lengthy, builders have been working on the house for exactly one calendar year, and the work is only half completed.

7.10 What would encourage older people to move?

Interviewees were asked what would encourage or support older people to move. They gave some practical suggestions around more suitable housing and support with the process of selling, purchasing and moving. Their comments broadly matched with those given by the new build interviewees.

7.10.1 More suitable housing

Three interviewees stated that having properties on offer which better suited older people's needs would encourage them to move. One suggested that those developing and marketing properties for older people have an inaccurate image of what older people want, that a lot of people still want to move to a property that feels like a family home.

I think sometimes...when people think older, they think people want like flats and stuff like that...and to become contained, whereas a lot of people don't, they want a small family home, that still has that sort of feel about it. [14]

She thought that having a large garden was appealing to many older people, and the lack of a large garden may prevent older people choosing smaller houses.

A lot of small houses have a postage stamp...I know for myself the biggest draw for this was I had a huge garden. I know on paper I am 56, but that was my biggest draw because I love to be outdoors digging and doing everything that I need to do out there. [14]

Another interviewee believed there was a need for more one bedroom properties for older people living alone. She had several friends who had been widowed and could not find suitable properties, and thought that builders should focus on building more flats.

I don't think there's enough one-bedroom places suitable for over 55s. I think builders keep building houses, don't they? They could consider doing more flats for single people who don't want to be in sheltered accommodation, want their independence but don't want the bother of a big house. [07]

Similarly, another interviewee thought that over 55's developments should be built more around what people want. She felt that the current developments required people to "compromise space for support" [08]. She thought that there should be an option for similar arrangements but offering offer larger properties in less of a gated community.

I don't want to be separate from the people I'm living with. It would be nice if they were more mixed...so it was more mixed in with other people at different stages of their life. [08]

Other interviewees talked about criteria that are important to older people when choosing a property. Being close to amenities and having good transport links were seen as very important features, and having properties with these features may encourage older people to move.

7.10.2 Support with the process of selling, purchasing and moving

Four interviewees spoke about help and advice being something that would encourage older people to move. Two interviewees spoke about how having someone else manage the removals for them would be a big encouragement, and that this would attract them to retirement properties.

Some of the retirement places offer to do the whole thing for you, don't they? So that would definitely be something, if I do move into one of those retirement places, say in five years' time.... they organise the removals and they come and unpack for you, help you sort things out, because that's quite a nightmare. [10]

Another interviewee suggested that supportive estate agents was very important. The final interviewee spoke about the benefits of having someone explain the "hidden costs" of moving. She felt she had been disadvantaged in her previous move by not considering potential storage costs when downsizing.

I think maybe advice on things that you don't think of, the hidden costs in a way. Because there was such disparity in the size of the properties we paid quite a lot in storage, because we had to get all of the stuff out of the other house by a certain date and we didn't have anywhere to put it here. [04]

7.10.3 Financial incentives

Two interviewees suggested that financial incentives would encourage older people to move.

I think financially they should compensate, if their motive is to free up family houses then I think that people who are asked to move from a family house with all their memories need some kind of compensation for that, if they're going to buy into helping in that way, because it is a sacrifice. [14]

7.11 Summary and conclusions

As in the interviews with people who had moved to new build properties, the interviews show a large diversity of circumstances, motivations and aspirations of the older people who moved.

The decision to move was driven by various factors, including seeking a different lifestyle in a new area and relationship changes, however, wanting to move to a more manageable property was a greater motivating factor for this group.

A higher proportion were prompted to move because they wanted to change the size of their property (including more 'traditional downsizers' i.e. those who were downsizing to a smaller property that would be easier to maintain, about a third of interviewees). Bungalows were often chosen by people in this category, again on contrast to the new build buyers.

Changing the size of their property was not the only reason people had chosen to move, but wanting more or less space was a factor prompting the move in the majority of cases. Where interviewees had upsized this was mostly because they needed the extra space, rather than purely because they were moving somewhere cheaper and they could afford it. Downsizing to release equity was also fairly common and a higher proportion wanted to release equity than the new build buyers.

The size of property chosen was partly determined by house prices in the area interviewees were moving to. This meant that there was evidence of interviewees upsizing when they moved to cheaper areas. Where they were moving within the same area some interviewees had chosen to downsize, while others had chosen to live in more expensive properties.

The styles of property they had chosen were very varied. The research showed that people chose existing stock properties rather than new build houses because they had more character, were generally more spacious, and, in particular, could offer large gardens. This is in contrast to those who purchase new builds who generally did not want large gardens. The existing properties also gave the opportunity for renovation and investment opportunities. Almost all of the properties had required renovation work, in around half of the cases interviewees had carried out extensive work. Some had been aware that this was necessary and factored it into the price they paid for the property.

Some interviewees were not interested in new build properties and had not considered any. Others had considered new build properties but found they did not meet their needs. There was little interest in specialist accommodation for those aged over 55. Roughly half of the interviewees saw this as something for the very elderly, not relevant to them at the current time. Others were interested in this type of accommodation in principle, but had not chosen it for practical reasons. However, more were interested in over-55's properties, in principle, than those who purchased new builds.

In common with those who purchased new builds, two main barriers to moving in later life were identified by interviewees, firstly the difficulty of the sale, purchase and moving process, and secondly the financial costs of moving. Most did not report any difficulty finding

properties that met their needs. Interviewees again identified areas where house builders could make improvements in the properties that they offer to people aged over 55. This includes the way these properties are marketed and the support that is given to people through the moving process. A lack of suitable properties was perceived as a factor in older people not moving, but this was mentioned by a smaller proportion of people.

7.12 Case studies

| Name | |
|----------|--|
| Penny | <ul style="list-style-type: none"> - Aged 75+, lives with her husband, both retired. - Downsized to a bungalow as they were finding their previous property a 'burden' and wanted something easier to maintain. - Also wanted to release some equity in order to give some money to their sons. |
| Tracy | <ul style="list-style-type: none"> - Aged 65-74, retired and lives alone. - Chose to relocate to a new area as she wanted to move somewhere less built up. - Bought a townhouse over three storeys, it was roughly the same size as her previous house and half the price. - She chose a house roughly the same as her previous house as she could afford it due to the lower house prices in the area. |
| Alistair | <ul style="list-style-type: none"> - Aged 65-74, lives with his wife, both retired. - Prompted to move because they decided to live together after 11 years of separation. - Pooled their resources and bought a larger property together. - Bought a house larger than their needs, as an investment. - Covered the additional cost with a mortgage. |
| Meg | <ul style="list-style-type: none"> - Aged 55- 64, lives with her husband, both still working. - Prompted to move to be closer to her husband's work and to move out of neighbourhood they were unhappy in. - New property was larger and cheaper than their previous property, partly because it needed a lot of work. - Replaced the roof and converted the loft into a bedroom and lounge - Converting five-bedroom house into seven bedroom house. |

8) Implications for the house building sector

This section considers what opportunities households moving in older age might present to the house building sector.

8.1 Industry stakeholder views

What is apparent from the research is that there is a potentially considerable and in some ways untapped market of older people who desire new homes to meet a range of requirements. The general views of house builders and other industry stakeholders were sought on downsizing and the research findings.

Discussion with developers of mainstream market housing suggested that within the house building industry homes for older people tend to be viewed as a specialist market, rather than as a market for standard house designs. There are concerns in some organisations about entering what are perceived to be niche markets and generally wanting to “play it safe”. Many of the stock home designs have changed very little over decades and the main change to house designs is the move to more open-plan living space.

However, there is innovation taking place within the house building industry, for example, with the construction and marketing of new retirement villages. The research found that only a very small proportion of respondents had purchased a property on a development for over 55s, and views on such developments were very mixed. However, as one industry stakeholder pointed out, the research is based on decisions made in the current market in which very few specialist retirement homes exist and the choices made may have been different if the mix of available supply was more diverse.

It is obvious that most new homes bought by the over 55s are houses in “non-segregated” communities as that is virtually all that’s available. It isn’t robust to assume from that that there is no demand for alternatives just because they are not currently widely available and in use.

The research respondents were aged 55 and over but there is great heterogeneity within the over 55s and needs and aspirations may change as people age. This was discussed by industry stakeholders who suggested that specialist retirement housing may be more attractive to the very elderly.

Although the retirement sector markets to the over 55s and uses youthful/active lifestyle imagery most purchasers are 79+.

There was recognition that what people purchased was constrained by the current market supply.

A new home is likely to provide the solution but you can only buy what’s available. The industry tends to use the term “rightsizing” which means finding a property in the right location, of the right style and price with the right support and social networks.

This could be a more expensive home with three beds in a retirement village etc. but equally, due to lack of supply, is likely to be a home on a house builder's new estate.

One stakeholder felt strongly that providing new homes for older people was a great opportunity for the industry, but that there was currently an inadequate market offering.

Too often stereotyped by specialist retirement developments that older people don't want.

One of the major house builders interviewed has considered the potential of the 'downsizing' market and it is an ongoing area of interest for development. They considered developing 'downsizing' homes that allowed part of the home to be separated off, so they could be left for visiting family. One idea was a dormer bungalow with all the main accommodation on the group floor and a bedroom upstairs. The stairs were placed behind a door so the extra space could be closed off when not needed. The premise was that people want to downsize, but still have space for occasional visitors. This is supported by the research findings presented in this report.

They are also currently exploring the idea of an 'active elderly' range of homes for downsizing. These would be blocks of apartments in upmarket areas with good space and style standards. The premise is that people may want to have the ability to 'lock up and leave' a property to go travelling. The desire for a low maintenance property that can be easily left whilst away would certainly appeal to some of those interviewed as part of this research, although there were concerns about living in an environment that did not contain households with a mix of ages.

There is concern about the potential ceiling price for homes based on the number of bedrooms. If a spacious configuration is chosen (with fewer bedrooms) this could be problematic for resale or valuation for mortgages. One of the major house builders expressed concern about developing very small units, and units that are already furnished. They had done so in the past and whilst the properties did sell, they had lower resale values which was problematic.

Discussions with industry stakeholders support the research conclusions that older people are a very diverse group and require a variety of different housing solutions to best meet their needs.

The evidence reinforces what most other studies in this area conclude – that over 55s, as half of all homeowners, have a range of needs and aspirations and we should ensure the market caters for all of those needs.

The industry interviews also support the conclusion that downsizing is not what all older people aspire to do, nor is encouraging downsizing likely to improve housing supply.

Whilst of course downsizing may be appropriate for people who really can no longer cope in a larger home, that's not what many (most?) older people want and so may

be challenging to achieve. It's unlikely in any case to be an alternative to sustained increases in housing supply as a means of tackling housing affordability and other challenges.

Stakeholders recognised the diversity amongst this section of the population and the need for a diverse offer of different types of new homes.

A good antidote to all this 'old people want little homes'.

There was a view that the current mix of housing on offer to older people and the way it is marketed is not making the most of the opportunity to supply new homes to the growing number of older people.

I would fully agree with how inadequate and unattractive the current stereotyped market offering is. This is a very important point for policy makers and the industry to understand if they want to provide appropriate homes that are attractive to older people and to realise the potential and increasing market.

Our analysis suggests that looking at moves amongst the over 55s in the most recent data, around 330,000 households move a year, of which about 88,000 households specifically downsize. This suggests that the potential market is considerable.

The research has found a great diversity in the types of moves, the aspirations, the needs and the decisions made by people over 55. The over 55s are not a homogenous group.

The research highlights the different perceptions of downsizing and therefore the challenge of using this terminology to understand the moves made by older people. It seems clear that people's perception of 'downsizing' is not necessarily related to the number of bedrooms in a property, but to a much wider range of features. Asking whether someone has moved to a 'smaller property' is not necessarily an indication that they have downsized to one with fewer bedrooms.

8.2 Discussion of the downsizing discourse

There has been discussion in the media and in policy and think tank environments about the potential for older people to downsize and therefore free up family sized homes as a solution to housing affordability and supply problems. There is a view is that if only older people could downsize, then housing supply would be improved, and that a lack of suitable properties is a barrier that constrains downsizing. However, this is a view not based on evidence or understanding about what older people actually do, or what they aspire towards.

This research suggests that this view is misplaced and unrepresentative of the aspirations and actual behaviour of older people. There is little recognition in this discourse of the considerable heterogeneity of older home owners. Many of the older home owners who moved had no desire to downsize, in fact, many purchased larger properties. Even when downsizing, they often purchased relatively large properties and most people had a requirement for space for different purposes, such as family and hobbies.

The discourse also tends to assume that downsizing would release sufficient quantities of equity to be an additional income source, or a source of funds for future care and support needs. The research suggests that whilst some home owners do release equity, many do not set out deliberately to do so and the amounts released are not necessarily large. Some people purchased more expensive homes, rather than release equity.

The research found a great diversity in the types of moves, the aspirations, the needs and the decisions made by people over 55. The over 55s are not a homogenous group. The research found that people aged 55 or over make complex moves, only a proportion of which can be regarded as 'downsizing' in the conventional sense.

Many people moved to homes with more bedrooms than their former homes, some of whom bought a cheaper home but some of whom bought a more expensive home, and while many moved to a home with fewer bedrooms, some paid more to do so.

Overall, just over a third bought a home with fewer bedrooms than their former property, and two in five bought one that was cheaper than their former property, but only one in five bought a new home that was both cheaper and had fewer bedrooms than their former home, which would be regarded as 'downsizing' in the conventional sense.

One of the key findings is that even the group that self-reported making classic downsizing moves to smaller and cheaper properties cannot be easily categorised. Many of these people reported moving to a smaller home, but also reported that the home they purchased actually had more bedrooms than their previous property.

The research highlights the different perceptions of downsizing and therefore the challenge of using this terminology to understand the moves made by older people. It seems clear that people's perception of 'downsizing' is not necessarily related to the number of bedrooms in a property, but to a much wider range of features. Asking whether someone has moved to a 'smaller property' is not necessarily an indication that they have downsized to one with fewer bedrooms.

8.3 Implications for the sector

The population of the UK is ageing (and will continue to age), and a large proportion of older people own their homes outright and will continue to do so.

People aged 55 and over do move home and they do purchase new build properties. Our analysis suggests that looking at moves amongst the over 55s in the most recent data, around 330,000 households move a year, of which about 88,000 households specifically downsize, according to national English Housing Survey. This suggests that the potential market is considerable. However, the research shows that they are a very diverse group.

Referring to 'the elderly' or 'older people' is problematic and does not help us to understand this group. It is also a problem from a marketing perspective. The research showed very

clearly that people do not think of themselves as old, they perceive old people to be aged 85++.

The research found that although only a small proportion of home buyers purchased properties on specialist developments for the over 55s, they were spread across the whole age range from 55 upwards, which makes potential purchasers harder to identify. This is an area of the market that requires brand recognition – they are the purchasers who would seek out a provider, recognised by their specialist brand.

The housing market for people aged 55 or over is clearly not just a specialist retirement market, but a very diverse, and potentially very large, market. There is a need to think beyond the stereotypes of older home owners in order to fully tap into this market. There is demand for large properties, and small ones, across a range of property types. Some people are prepared to invest, others to release equity.

The key characteristics of the over 55s market are that these are very small households of one or two people and they mostly purchase three to five bedroom houses. The marketing strategies to identify and highlight what new build properties can offer to meet their needs is therefore different.

Their motivations for buying a new property are very varied. Many do not necessarily buy what they originally set out to look for. The decision to move was often driven by several factors, including a desire to move closer to family, seeking a different lifestyle in a new area, relationship changes, or wanting to move to a more manageable property. Choosing the size of their property came as a secondary consideration for most people.

The research found that downsizing is marginal and is therefore probably not a useful marketing angle. The over 55s are not simply a downsizing market and many older home owners want to purchase spacious properties. A key finding is that many interviewees downsized to properties that were still relatively large. Among those who bought a house, only a third downsize by number of bedrooms, and two thirds of this group only downsize by one bedroom.

Overwhelmingly 80% of home buyers aged 55 and over bought houses. Not only did 80% of home buyers buy a house, but nearly three quarters of all home buyers bought a house with three or more bedrooms, and a half of all home buyers bought a house with four or more bedrooms. Less than three percent bought a property with only one bedroom, and just over one in five bought a property with two bedrooms. There is clearly a demand for larger properties from many over 55s. There is a desire for internal space for family, hobbies and home offices and for outside space to be able to continue gardening in some form.

Less than one in five bought a flat. Buying a flat is associated with being single, and with increasing age, but there is also a group who purchase a flat because it suits a 'lock up and leave' lifestyle with frequent travel, and some who are attracted by the reduced maintenance burden.

The research suggests that there may be a market for three and four bedroom flats. Over 55s were more likely to buy a two bedroom flat than the market supply. They were also more likely to buy a three bedroom flat than the market supply. This suggests that there is a potential demand for three (and possibly four) bedroom flats among home buyers aged 55 or over, provided that these are on developments with a wide range of ages, rather than on developments restricted to the over 55s, and with lift access.

Only 3% bought a bungalow. The very small proportion buying a bungalow appears to be a question of lack of supply, and lack of supply of larger bungalows. A number of interviewees commented that they would have preferred to buy a bungalow, but either could not find one in their area, or that the ones available were too small.

Marketing new build properties to this diverse group should take account of some commonalities in what attracted them to their new home. The key factors were that the property would be manageable, easy to maintain, worry free because of a warranty, and would be energy efficient with lower running costs.

Older people want to purchase homes in communities with good local health care services, with good access to shops and green spaces. There is some desire to purchase new homes that enable future proofing for older age, such as having a room downstairs that could be eventually used as a bedroom.

The research identified some marketing issues. People felt that new homes tended to be marketed at families and younger people and did not make information available that suggested how it might meet their needs and aspirations.

An overall finding was the diversity of circumstances, motivations and aspirations of the people who participated in the research, and how these were reflected in the choices they had made. This is a very diverse market and it is important to avoid stereotyping older people as a homogenous or specialist market.

9) Appendices

9.1 References

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9.2 Potential data sources for analysing downsizing

Several different secondary data sources were considered when exploring the data on downsizing. Their content and the most comprehensive sources are summarised below.

ELSA

- Respondents aged 50 and over (around 12,000 respondents)
- Longitudinal (6 waves of data available, spanning 12 years)
- England only
- Asks about number of rooms in property
- Tenure
- Year moved/bought
- Whether home has 'features to assist people who have physical impairments or health problems' and what these features are
- Price paid for property
- Whether ever used equity release (plus amounts and arrangements)
- When property was built (most recent category of 1985 or later)

Understanding Society

- Adult respondents – all ages (around 40,000 households)
- Longitudinal - 4 waves of yearly data (5th wave due for release November 2015)
- UK wide
- Ethnic minority boost sample – Indian, Pakistani, Bangladeshi, Caribbean, African
- Number of rooms and number of bedrooms
- Tenure
- Value of property
- Year became owner
- Price paid for property
- When moved
- Whether respondent would prefer to move or stay

2011 Census

- Dwelling type
- Number of rooms and number of bedrooms
- Indicator of second addresses

English Housing Survey

- Around 13,300 households per year
- Type of accommodation
- Tenure
- Length of time living at address
- Distance of current address from previous address
- Age of property (most recent category 2002 or later – probed for exact year if in this category)
- Whether first person/people to live in property

- What happened to previous property (e.g. sold, on the market, being rented out)
- Reason for move
- Number of bedrooms , living rooms and bathrooms

Overall the English Housing Survey offers the most extensive range of variables relating to downsizing and whether this is to new stock (not addressed in the other sources listed); however, Understanding Society includes the rest of the UK.