

Planning for an Ageing Population

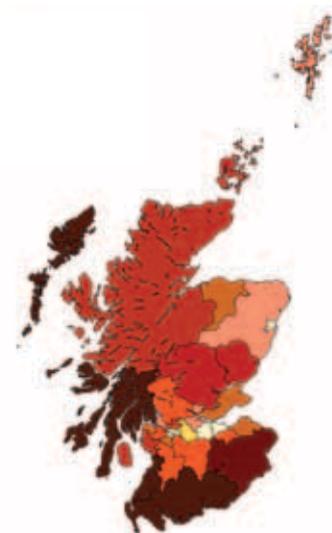
December 2015

FIGURE 1
Percentage of Population aged over 65

The effects of Scotland's ageing population present a substantial challenge for the housing market, as well as the economy. Yet this challenge provides the house building industry with opportunities, and gives the planning system a key role to play.

- Scotland's population is set to increase by 9% between 2012 and 2037.
- Between 2012 and 2037, the number of households in Scotland is projected to increase by 17%.
- The average household size is anticipated to be 15% smaller in 2037 than it was in 2012.
- By 2037 there are forecast to be 165,000 more one-person households with occupiers aged over 65 than there were in 2012.
- By 2037, it is projected that there will be half a million more people aged 60 and over living in Scotland than there were in 2012.

KEY	
14%	(4)
15%	(1)
16%	(5)
17%	(6)
18%	(5)
19%	(3)
20%	(3)
21%	(1)
22%	(4)



Source: 2011 Census Data and Savills Research

Growing demand

Scotland is set to experience a growth in both population and household numbers in the coming decades. This growth will have a significant impact on the structure of the housing market, and intelligently planned development will be imperative for a fully functioning housing market. Scotland's ageing population, in particular, will have a significant impact on future housing supply and demand.

Where are retirees?

By 2037, it is anticipated that 50% or more of households in 8 local authorities in Scotland will be headed by someone aged 60 or over. These local authorities, such as Moray, Perth and Kinross and Angus, have historically high levels of inward migration and have typically offered the rural idyll.

Areas with a large share of households headed up by someone

aged 60 or over are also forecast to witness some of the highest levels of growth, including Aberdeen, Glasgow and Edinburgh, where the over-65 population is forecast to grow in each city by 25%, 38% and 41% respectively by 2037. This represents a considerable retired population in both city and rural locations.

Encouraging downsizing

Planners, developers and society must play their part in actively encouraging downsizing.

Within Scotland, 430,000 households, and 50% of those aged over 65, under-occupy their property. The decision to remain in a larger property than is required is often based upon a number of motivations.

This has implications for society including a lack of sufficiently sized homes for young buyers and

families and the expense and energy implications of heating larger homes.

The most effective means of encouraging downsizing is to increase the range of good quality, appropriately-sized housing options; from modern, design-driven properties in central locations to retirement villages, care homes, and supported housing units.

Aspirational home movers

The planning system needs to react to demand and encourage the development of homes that people want, where they want them.

The retirement housing market now has the opportunity to focus on providing for the 'aspirational downsizer'. This niche market typically includes those who wish to unlock housing equity, make a lifestyle choice

→ such as moving into town, nearer to friends or family, closer to transport facilities or open space, rather than a reactive response to declining health or other circumstantial changes.

However, alongside their demands for high quality, appropriately sized accommodation with plenty of storage space, the home's potential for future adaptation is an important factor for these purchasers. These alterations range from lift access to downstairs shower rooms and convertible spaces.

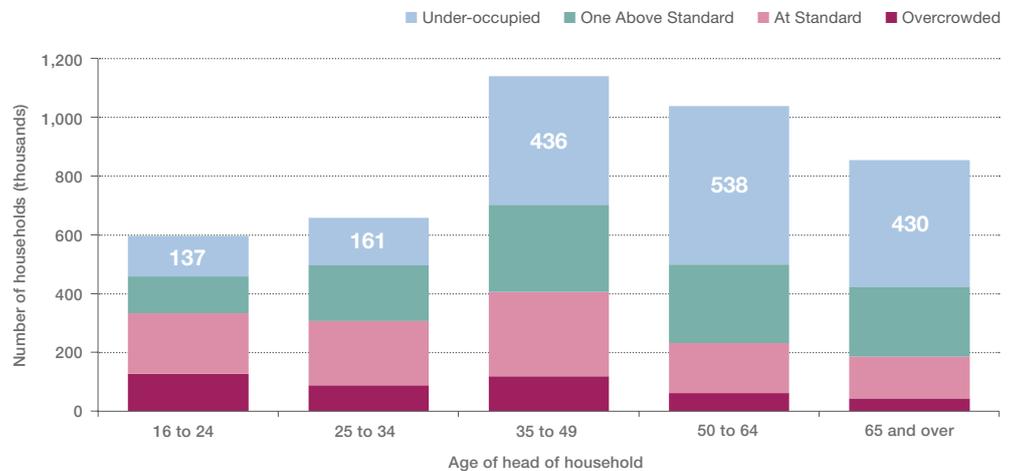
Planning for retirement living

How can the planning system help to cater for the housing needs and aspirations of the older generation?

Through policy, the Scottish Government explicitly requires local authorities to meet the housing needs of older people. Despite this, it is clear the planning system could do more to promote and develop the range of homes both necessary for and desired by the growing older population.

Currently, downsizer development opportunities are often not promoted, nor are preferred options within the planning system, and this must change. Promotion of sites for downsizers within the planning

FIGURE 2 Age of Head of Household and Number of Households



Source: 2011 Census Data

system will help increase supply, and in turn encourage developers to consider the changing housing requirements of the population and ensure that their products address the change in demand.

How can Savills help?

In Scotland, Savills Planning has a team of 11 planners based in our offices across the country. Across the UK, Savills has over 200 planners, providing national coverage

for retirement living operators, developers, landowners, funders and housing associations. The team can assist with strategic and local site promotions, preparation of masterplans, planning applications (including supporting reports) and appeals, and can provide planning consultancy advice for a range of retirement and residential developments.

Savills Planning forms a key component of the Savills Retirement Living Team, which combines the skills and services of our teams including planning, residential development, research, healthcare and urban design to provide an integrated approach to the retirement living market on behalf of private and public sector clients. ■

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Savills Planning

Savills team

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