

Later living housing: Meeting the challenge of an ageing society

14 August 2025  Victoria Thourgood

The UK, Ireland and many developed nations are experiencing an unprecedented demographic shift.

Our populations are ageing rapidly, with people living longer while fewer young people join the workforce. This transformation presents both opportunities and significant challenges for how we house and care for our older citizens.

The statistics are stark: the UK's population aged 65 and over is projected to grow by 20% over the next decade, while the working-age population remains relatively static. This demographic imbalance means there simply won't be enough working people to provide the same level of care and support that older generations enjoy today.

The implications extend far beyond healthcare – they fundamentally challenge how we think about housing, workforce, community planning, product development, insurance and intergenerational support.

Simultaneously, younger generations face their own pressures around the cost of living, home ownership and pension provision, creating a perfect storm that demands innovative interventions. A focus on housing provision for later living could be part of the solution.

This article explains all you need to know about the landscape of later living housing, including the opportunities and benefits beyond meeting immediate accommodation needs, and the key challenges facing government and developers, such as planning barriers, funding complexities, land scarcity, and cultural resistance to "rightsizing".

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The insight forms part of our comprehensive coverage of later living housing challenges and solutions. [Explore our related articles](#) on retirement living options, policy developments and cultural perspectives on rightsizing.

Spectrum of later living options

Later living-specific housing encompasses a range of accommodation types, each designed to meet different needs and preferences as people age:

- **Care homes:** Provide comprehensive residential care with 24-hour support for those with significant health or mobility needs. These facilities offer varying levels of care, from residential care for daily living assistance to nursing care for complex medical needs.
- **Retirement housing:** Typically consists of purpose-built apartments or bungalows designed for independent living, often featuring age-friendly design elements, communal facilities and optional support services. These developments may include assisted living options with graduated care packages.
- **Integrated retirement communities:** Represent the most comprehensive approach, combining independent living accommodation with on-site care facilities, leisure amenities and community spaces. These developments create self-contained communities that can adapt to

residents' changing needs over time.

Each option serves different segments of the later living market, from those seeking to downsize while maintaining complete independence – known as 'rightsizing' – to those requiring varying degrees of support and care.

Overcoming development challenges

Building sufficient later living housing faces numerous obstacles that require co-ordinated solutions:

Planning and policy barriers

Local planning systems often lack specific policies for later living developments, leading to inconsistent decision-making and lengthy approval processes. Many local authorities struggle to balance the need for later living housing with other development priorities.

Funding and viability

The economics of later living developments can be complex, particularly for care homes and assisted living facilities that require significant capital investment in specialised infrastructure and ongoing operational costs.

Land availability

Suitable sites for later living developments – often requiring good transport links, proximity to healthcare facilities, and community amenities – are increasingly scarce and expensive.

Cultural resistance to 'rightsizing'

Perhaps the most significant challenge is cultural. Many older people resist moving from family homes due to emotional attachment, fear of losing independence, or negative perceptions of retirement living. Encouraging 'rightsizing' requires a fundamental shift in how society views later living options – from a last resort to an aspirational lifestyle choice.

Workforce challenges

The care sector faces ongoing recruitment and retention difficulties, exacerbated by Brexit and competitive labour markets. This impacts both the operation of existing facilities and the viability of new developments.

Investors and developers are responding with increasingly sophisticated approaches to later living housing.

Examples of market innovation include:

- **Technology integration:** The use of AI and assistive technology to provide aspects of care, monitor health and wellbeing, and enhance independence.
- **Flexible care models:** Developments that can adapt to changing needs without requiring residents to move.
- **Community-focused design:** Creating environments that combat loneliness and promote active ageing.
- **Sustainable development:** Incorporating energy efficiency and environmental considerations.

Policy developments

The policy environment is evolving to address these challenges. The government established the Older People's Housing Taskforce in May 2023 to explore options for the provision of greater choice, quality and security of housing for older people.

In November 2024, it published a report, titled [Our Future Homes: Housing that promotes wellbeing and community for an ageing population](#).

This provided crucial insights into the scale of the housing challenge facing older people and outlined recommendations for government, local authorities, and the private sector.

It made 10 broad recommendations:

1. **Standardise definitions:** Create clear, shared definitions for types of older people's housing to improve understanding and co-ordination.
2. **Incentivise housing options:** Expand and diversify housing choices to reflect the varied needs of older people.
3. **Design for later life:** Ensure homes are attractive, accessible, adaptable and inclusive for ageing populations.
4. **Create inclusive communities:** Develop neighbourhoods that support independence, wellbeing and cultural sensitivity.

5. **Expand and finance housing:** Scale up affordable housing options and attract investment through viable financial models.
6. **Strengthen planning policies:** Reform planning systems to prioritise and facilitate development of older people's housing.
7. **Improve access to information:** Establish a national platform and local hubs to provide trusted housing advice and support.
8. **Build consumer confidence:** Increase transparency and regulation to protect older residents and encourage informed choices.
9. **Enhance innovation and research:** Launch a co-ordinated research programme to drive innovation and improve housing outcomes.
10. **Create leadership for change:** Establish a national strategy and leadership body to drive long-term transformation in housing for ageing populations.

Broader benefits of increased later living housing options

Addressing the later living housing challenge delivers benefits beyond meeting immediate accommodation needs:

Housing market relief

When older people move to appropriate later living housing, they free up family homes, potentially making housing more affordable for younger generations and families.

Economic stimulus

Older people who move to suitable accommodation often have increased disposable income, contributing to local economies and potentially investing in home improvements like solar panels and energy efficiency measures.

Health and social benefits

Research consistently shows that people living in appropriate later living environments experience improved independence, better health management and reduced social isolation.

Intergenerational support

By creating sustainable models for later living, we reduce the burden on younger generations while ensuring older people receive appropriate care and support.

Looking forward

The challenge of providing adequate later living housing options requires collaboration across government, local authorities, developers, investors and communities. Success depends on:

- Innovative funding models that make developments viable while keeping them affordable.
- Cultural change that repositions later living as an aspirational choice.
- Technology adoption that enhances care whilst maintaining dignity and independence.
- Policy frameworks that support rather than hinder appropriate development.

Alongside addressing recommendations by the Older People's Housing Taskforce, industry must seek to embrace opportunities provided where they arise.

For example, the adaptation of Richard Osman's bestselling fiction series [The Thursday Murder Club](#) as a Hollywood film brings integrated retirement communities into mainstream culture, exposing younger demographics to the aspirational qualities of these living environments for perhaps the first time.

As we navigate this demographic transition, the decisions we make today about later living housing will determine the quality of life for current and future generations of older people.

The opportunity exists to create communities that don't just house older people, but enable them to thrive.

How we can support

Browne Jacobson's lawyers and HR advisers in [health and care](#) are active in the later living sector.

We advise operators of all sizes, as well as developers, lenders and investors involved in care homes, retirement housing and integrated retirement communities. We have helped numerous clients develop a 'buy and build' platform, playing an integral role in their growth.

Our health and care team collaborates with other experts across the firm – including in construction, real estate and insurance – to deliver a full service to clients. This is demonstrated by more than one-third of our banking and finance team’s transactions being in the later living sector.

For expert legal advice on later living housing developments, planning and regulatory matters, [get in touch](#).

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Media coverage

- [Our ageing population means housing needs a radical rethink](#) (The Times).
- [Older people’s housing provision remains ‘woefully insufficient’](#) (Property Week).
- [The critical role of ‘rightsizing’ for an ageing population](#) (Healthcare Property).
- [Government publishes the Older People’s Housing Taskforce report](#) (The Carer).
- [Low-cost models for later living](#) (Property Week).

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