

# THE FUTURE OF LIVING

## Early provocations and potential indicators of future trends

### Introduction

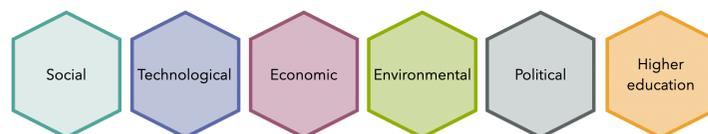
This short paper is designed to support conversation about the future of Living. It draws on the initial findings from Ash Futures' horizon scanning work.

We have included 25 individual issues, grouped into 7 themes:

- The demographic bulge
- Co-living: communities that care
- Social irresponsibility?
- The future of the centre
- Generation rent
- Safe and sound
- Design matters

Each individual issue is colour coded according to the broad category we believe it falls into. The categories are shown at the bottom of each page.

Each issue is also marked as a potential opportunity, a potential threat or as having an uncertain outcome for Unite. This is our interpretation and is subjective. Readers may disagree.

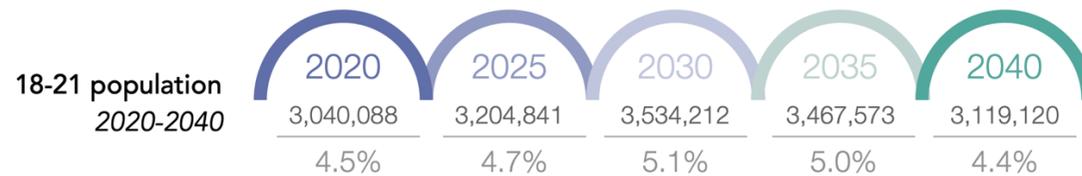


# The Demographic bulge



Office for National Statistics projections show that **the balance of the UK population will be substantially different by 2040**. There will be more people in all the older age group - with the number of over 85s doubling to 3 million. At the same time, there will be fewer young children and more teenagers. The dependency ratio (pensionable age : working age) is likely to rise from just under 300:1,000 to over 350:1,000 by 2040 - with rising issues of affordability of care.

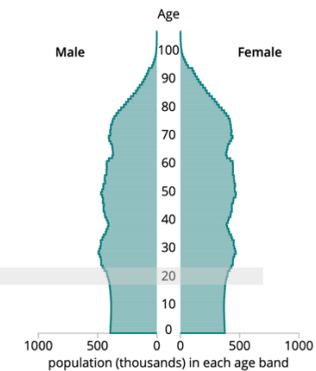
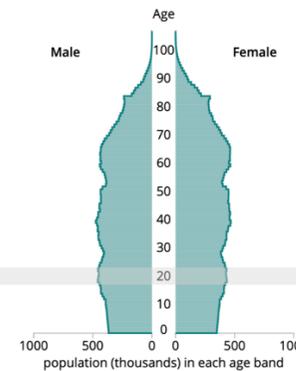
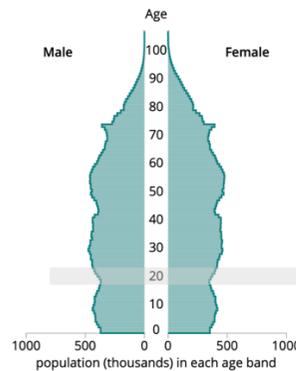
Within those broad changes, the population of 18-21 year olds increases to 2030 and then reduces to 2040, with implications for the potential undergraduate student population.



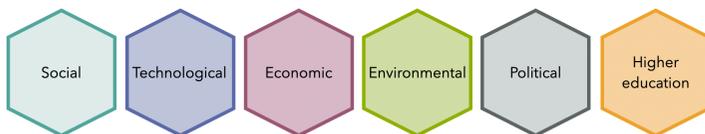
**67,195,769** people in 2020  
All ages  
33,194,219 males 49.4%  
34,001,550 females 50.6%

**69,843,742** people in 2030  
All ages  
34,594,739 males 49.5%  
35,249,003 females 50.5%

**71,836,821** people in 2040  
All ages  
35,652,484 males 49.6%  
36,184,337 females 50.4%



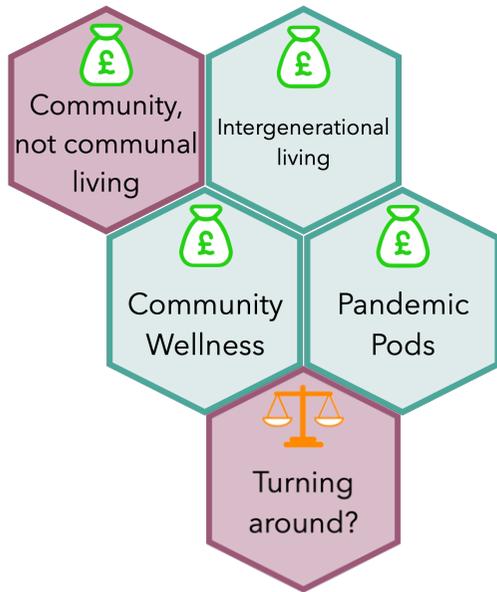
Key



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# Co-living: communities that care



Tomer Bercoviz, chief executive of fast-growing co-living brand Vonder, **believes Covid will enhance demand for co-living from people who have spent months in isolation**, living alone or within their limited support bubble. That's why Vonder is focussing more on community than a communal living experience. Their goal is to improve how people live, work and socialise.

New development Vonder Skies contains over 100,000 sq ft of residential space over five floors and includes state-of-the-art amenities and unique courtyards. 271 apartments provide options from studios to one-bedroom and two-bedroom flats. Average apartment size is 37 square metres. Vonder are seeing high demand, especially from young professionals. Leasing options - minimum of three months - are flexible.

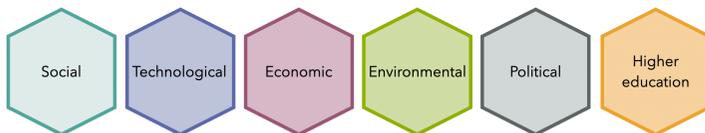
Tenants belong to a true, active and supportive community but are still able to enjoy their alone-time in their spacious private spaces. Vonder's philosophy goes beyond housing to a way of life. Curated events and content provide people with the opportunity to connect, experience and embark on new urban adventures.

**Intergenerational living can occur among unrelated people**, leading independent lives. Marmalade Lane in Cambridge is a cohousing development of families, young workers and older adults, who jointly manage their living environment. Granby Four Streets in Liverpool is being retrofitted through community land ownership to turn empty buildings into affordable homes, creating accessible shared public space. The soft-scaped intergenerational community of 2021 is a policy solution to tackle concentrations of deprivation and poverty. Refitted and refurbished residential, corporate and retail spaces will enable professional, managerial and service workers of all ages to live alongside each other in the new hub of work, care and family - the home.



Mason + Fifth's co-living space in Bermondsey - known as The Italian Building - has 28 studio apartments and a wellness agenda that aims to 'strengthen communities and boost well-being from the inside out'. From meditation workshops and running and supper clubs, to waterfall showers and plant-filled spaces (there's a garden for residents to nurture), Mason + Fifth's ethos is all about **ensuring wellness of mind, body and spirit**, and building community around that.

Key



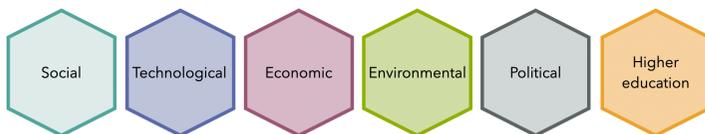


As more people band together during the pandemic, brands need to be aware of the rise of the 'pandemic pods' - limited self-contained groups of people who share a similar virus risk tolerance and agree to exclusively engage in direct, non-distanced, social interactions. The emergence of **pandemic pods can be viewed as an acceleration of the trend towards multigenerational co-living**. Recent research shows the percentage of Americans engaged in multigenerational co-living has increased from a low of 12% in 1980 to a high of 20% (64 million people) in 2016. The Pew analysis found that the total number and share of Americans living in multigenerational households significantly increased during and immediately after the 2007/9 Recession - and again since the pandemic began. The desire to live on one's own will inevitably dull as many will come to realize that it is too risky, too lonely, or just too difficult. As a result, it won't necessarily be the signifier of success that it once was.

In late 2019, the report [Emerging Trends in Real Estate Europe](#) picked co-living as the sector with the third-best prospects for the coming year. By autumn 2020, it had slipped to 14th out of 27. Speaking to Business website Bisnow in December 2020, CEO of The Collective, Reza Merchant, highlighted some **challenges for co-living in the world of Covid-19**.



For The Collective this means that occupancy in its two operational UK sites is 83%, compared to mid-90s before the pandemic. During the first lockdown, occupancy dropped to the mid-60s. Bars and cafés had to be shut, so a room service delivery option was brought in. Gyms and pools closed, but other common areas were kept open with social-distancing rules in place. For those areas, cleaning regimes were intensified. To plug the rental gap at Canary Wharf, The Collective housed workers from the temporary Nightingale hospital set up in Docklands. Public authorities paid a discounted price to house workers in its facilities. The company also pivoted to focus on long-stay residents. That involves different marketing and different check-in and hospitality offers for guests. "At times like this people gravitate towards value," Merchant says. "So an offer that is good value, with all your bills included, where you can pay via an app is what people want. In general, that is the way products in all sectors are going."



## Social irresponsibility?



A scheme to turn a protected building in Dublin into a co-living development was turned down by councillors concerned it would create “**tenements of the future**”. Councillors said co-living schemes allowed developers to avoid making “any contribution to local authority housing” and that it was “profoundly sad” that no social housing would be provided in the development. They noted the developer’s assertion that there was a demand in the area for shared accommodation but said: “we have a rental crisis but it won’t be fixed by shared accommodation.”

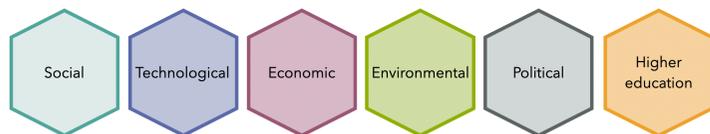
The decision marks a striking backlash against co-housing. An [article in the Irish Examiner](#), for example, suggests that “introducing a type of living that devalues privacy, space and even dignity at this point is to head in the direction of serious social regression.”

[An article in The Meteor](#) reports on IQ Living’s new co-living development near Manchester Piccadilly station. The development consists of three towers - 14, 20 and 25 storeys -and will hold 242 student rooms and 642 co-living rooms. IQ plans to price rooms so that ‘almost half [will] be affordable to those earning up to £29,000 with over 80pc affordable to those earning up to £39,000 pa’. The article is **unsupportive of housing that it describes as ‘not truly affordable...but a premium product aimed at graduates with well-paying jobs.’** It reports that, while council policies have called for minimum space standards to be met, every co-living development passed so far has hundreds of rooms which break them.



Several Manchester Councillors have expressed disquiet about the rapid spread of co-living. Councillor Marcus Johns says “It is an interesting debate -a lot of ‘co-living’ happens in city-centre apartments and in family housing stock already - so I can see an argument similar to the purpose-built student accommodation policies around freeing up general housing stock for general use but I can also see arguments against, including how it fits in with host communities and its genesis in the American model of urban development.”

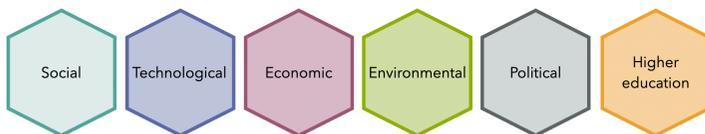
The article explores the emergence of co-housing at some length and concludes “*Manchester is historically a city of firsts. Now it appears we are playing catch-up on a housing model that many are critical of due to its poor size standards and the high level of profit made at the expense of its tenants.*”



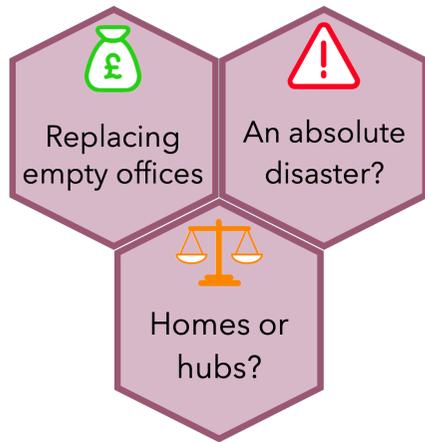


The education building boom has long been accused of **damaging communities in Bristol**. The blame is mostly pinned on the swathes of houses converted into student digs, or houses of multiple occupation (HMOs). The city council is now clamping down. Ruth Day, a Maths and Philosophy student at Bristol University co-chair of Bristol Labour Students, says it is 'disgraceful' that universities are putting their profits above the living conditions of their students and the local community. She says: 'Universities need to halt their rapid expansion plans, and instead focus on getting their housing stock up to scratch before they take in any more students.'

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# The future of the centre

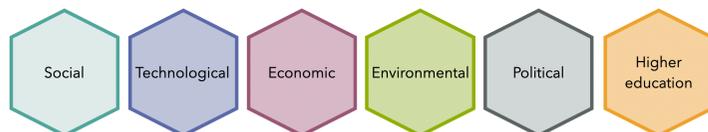


As [thousands of businesses consider downsizing their space](#), **conversion of office space into residential hubs will follow**, with these spaces supporting wider community activities. Paris has already committed to turning one third of its underutilised office space into residential housing. And it's not just offices; even before the pandemic, UK property developers were looking to convert retail outlets into housing. John Lewis and IKEA are both seeking to retrofit retail space into a mix of private, affordable and social housing. A 2020 Social Market Foundation report concludes that replacing commercial space with residential property could create 800,000 additional homes. There are, however, markedly different patterns from town to town; local high streets with more convenience shopping, hot food takeaways and other essential businesses have generally performed much better than city centres dominated by department stores and shops selling higher-value items.

Conversion of offices to housing has been going on for some time in the UK but is accelerating as a result of **changes to Permitted Development Rights** (PDR) which give property owners the right to develop their premises from offices to housing without applying for planning permission. Across England, 65,000 such conversions have been carried out under the scheme in the last five years. The Local Government Association is concerned that these developments are resulting in loss of thousands of desperately-needed affordable homes and creating unsuitable housing, [far from amenities and with social problems](#).

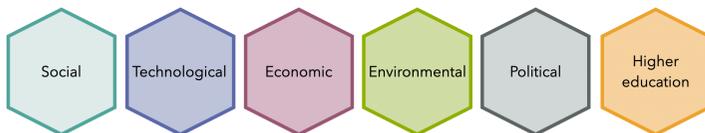


Polly Neate, chief executive of housing charity Shelter, said allowing conversions of commercial buildings into residential through PDR has been "an absolute disaster". She added: "It has resulted in tiny windowless homes no bigger than a parking space, often on remote industrial estates miles from schools, shops, or buses. Extending PDR further to allow even more conversions will only keep producing unfit and unsuitable housing." Political and business leaders are now working together to try and put an end to further space being lost locally. For many in these areas - such as Tunbridge Wells and Peterborough - the prize is to secure a share of the rising demand for local office as London firms close their offices due to lockdown and eye up regional hubs. The danger is that developers will convert all the office space into housing. Whether good or bad.

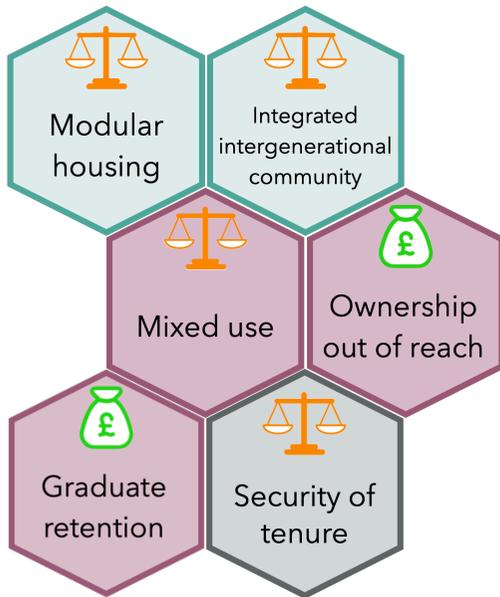




**A permanent shift towards working from home and increased online shopping** could cost more than 400,000 retail jobs on England's high streets, according to a report. The towns and cities worst affected by the reduction in commuter footfall could see nearly a third of office work performed at home, suggests KPMG's [The future of towns and cities post-Covid-19](#) report. This, it argues, will mean many town and city planners and businesses will need to rethink their purpose and transform office spaces into hubs for collaboration, creativity and culture. Yael Selfin, chief economist at KPMG UK, said: "As people travel less for work or to shop, town and city centres will need alternative offerings to fill vacant space and to attract people to the area as we hopefully leave the pandemic behind sometime this year. "High streets will need to be reimagined as cultural and recreational hubs that will act as magnets for businesses and jobs able to transform less prosperous areas." Selfin also said the government must consider the changes brought about by the pandemic in its levelling-up agenda.



# Generation rent

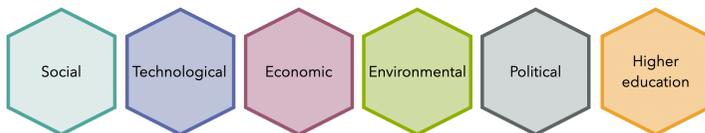


LaunchPad Fishponds is a **mixed community housing scheme**, set up for University of Bristol students, young people who have been at risk of homelessness, and Key Workers. Launchpad’s ambition is to bring young people together to build communities and futures. The LaunchPad Fishponds residence consists of 31 one-bed apartments with shared communal space as well as laundry, bin store and secure cycle parking. Each apartment is self-contained with a bedroom, bathroom and small kitchen/dining area. Residents are not allowed to have a car as part of their tenancy agreement. Residents at Fishponds have full access to university facilities. The project is, at least in part, an effort to break down barriers between university and town.

Plans for an **intergenerational mixed use development** in the heart of Craigmillar, Edinburgh, were nominated for the 2020 Scottish Design Awards. The scheme seeks to promote an intergenerational approach to integration of care, in a non-institutional environment, which is positively engaged with the wider community. Craigmillar care and residential development comprises purpose built student accommodation, assisted living residences, and a dementia care centre. The proposed development has sought to create an environment that positively addresses the challenges of the nation’s ageing demographic and which provides an integrated, intergenerational community that accommodates some of the most vulnerable members of our society.



Developers regard millenials - who want to live in dense urban areas, to prioritise convenience above all and ideally to travel on foot rather than by car - as **the core target market for mixed-use developments**. Millenials also want community and mixed-use developments incorporate amenities that encourage socialising, such as co-working spaces and gyms. Mixed-use developments are a response to a change in consumer behaviour. With the rise of convenience culture, physical retailers are suffering and struggling to attract younger shoppers through their doors. Developments bring retail and residential together; it’s an attractive proposition for retail tenants who generally benefit from the recurring spend of local residents more likely to visit mixed-use retail - and more often - than they would visit a single standalone store.



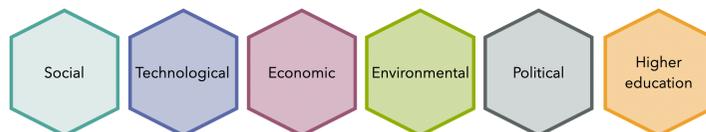
Homeowners are benefiting from the coronavirus crisis, with cheap borrowing and government tax cuts driving real estate prices to an all-time high last year- but **ownership is further out of reach for the young**, particularly in London where the value of property has almost doubled in the last decade. More and more houses are owned by the same people, a narrow segment of society who are renting them out to younger people. There are implications for the productivity of the economy. High housing costs can make it hard for workers to relocate, depriving companies of talent and robbing young people of opportunities for better jobs and pay. Gary Stevenson, an inequality economist and former Citibank trader, warns that London house prices could double again. "It makes social mobility completely impossible and housing completely inaccessible for the bottom 50 or 60 percent of society," he says. "It's like cutting off the bottom half and saying, you guys lost capitalism, you're out." For years, build, build, build has been the mantra of campaigners, who say that new homes are the key to fix the housing crisis. But despite a homebuilding recovery in the past decade, Britain is still constructing half of the homes that it did at its peak in the late 1960s.



In the mid-1990s around one in 20 families with children lived in the private rented sector. Now more than one in five do. More than half of all private renters are now over 35. A form of tenure once confined to urban centres and university cities has spread to the suburbs and small towns. Housing charities estimate that some 200,000 private tenants have slipped into rent arrears over the past six months.

**Security of tenure is a big issue.** The norm in England is a 12-month lease with no obligation to renew, whereas continental European countries offer much more security. Germany, for instance, gives tenants who behave themselves an indefinite right to remain in their homes. Opponents of greater security for tenants argue that it would decrease the supply of properties as landlords would worry about not being able to get them back. Proponents argue that the opposite would happen: longer leases would attract families seeking security and give institutions the security they seek, thus encouraging investment in the sector.

Offering tenants more security would put the Conservative Party at odds with its property-owning supporters, and also with its worldview. As the 2019 manifesto said, home ownership is "one of the most fundamental Conservative values". The Tories' answer is to increase the supply of homes—or "build, build, build", as Mr Johnson's new slogan puts it – to allow more people to buy. Previous Conservative governments have tried that



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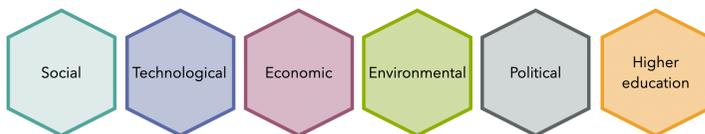
and been frustrated by their nimby supporters. The Tories' blinkered vision of housing tenure offers Labour an opportunity. In 2019 Labour embraced Scottish-style open-ended tenancies but combined that with rent controls which, history shows, destroy rental markets. The political space for a sensible offer to tenants in England lies open.

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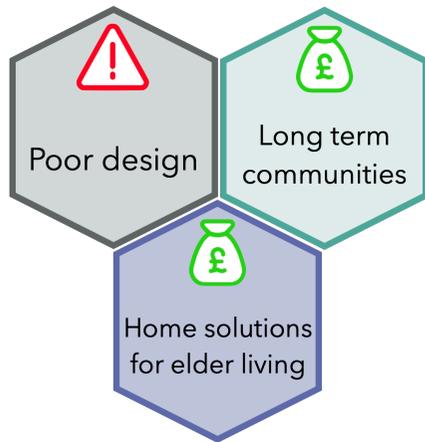


Knight Frank's [Student Accommodation Survey 2021](#) shows that Birmingham had a 46% retention rate of its students in 2020; Manchester had 43%. As cities expand economically, retaining their best talent and adding new talent to the workforce are essential. The report highlights that a city's future ability to retain skilled graduates will depend on the availability of vibrant, amenity-rich, flexible living space for those workers in the right areas and at the right cost. Delivering homes in the private rental market - such as build-to-rent - in these cities will ensure the convenience and quality of housing for these workers in the locations they want to be. Both Birmingham and Manchester have critical undersupply rental markets in their city centres.

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## Safe and sound



Safety first

People renting accommodation have a right to expect that their living space will be **safe and fit for purpose**. The Grenfell tragedy and the enquiry that has followed has highlighted an industry that is often apathetic, too focused on price, uncoordinated and without effective oversight. The response by government, and the industry itself, will aim to rebuild trust by increasing regulation and rigour; and by emphasising quality and positive outcomes rather than lower costs. Yet, the Industry Safety Steering Group (ISSG) warned as recently as August 2020 that “not all in the industry have embraced the changes required”. There are also concerns that the financial impact of coronavirus on the industry may lead to corners being cut again. There can be no complacency.

As co-living takes off and the pandemic invites people to take stock of community and relationships, interest is growing in their potential as the basis for **long term communities** that are more representative of societies’ demographic and reflect people’s [need for friendship and neighbourliness](#). A 2020 academic paper [on the effects of cohousing model on people’s health and wellbeing](#) found a positive correlation between the characteristics that define co-living - social support, sense of community, physical, emotional and economic security - and improved quality of life, wellbeing and health. While the paper’s authors are clear on the scientific limitations of their research - limited evidence, no standard definition of co-housing, for example - they are optimistic about further research being able to contribute to the design of evidence-based policies in the cohousing domain.



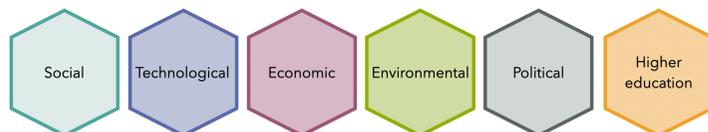
Long term communities



Home solutions for elder living

CES2021 unveiled a range of **technology designed to support elders [who want to continue living at home](#)** instead of moving into nursing homes.

- [Zibrio](#), a scale that assesses users’ balance to predict if they are at risk for a fall, can also be incorporated into at-home routines.
- For people with chronic conditions, [Folia Health](#) helps monitor the progress of treatments
- [Mighty Health](#), an app that pairs users with health coaches, certified trainers and personalized nutrition plan



Opportunity

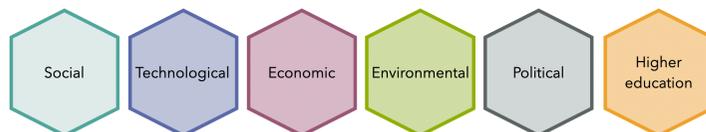


Threat

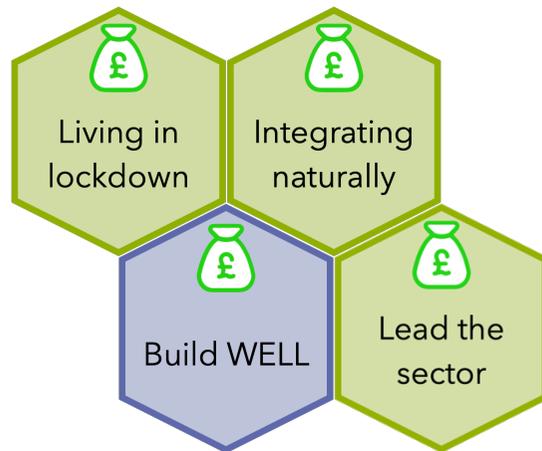


Uncertain

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- [FallCall Solutions](#)' Apple Watch apps that send alerts when a fall is detected and help family members check on users
  - [Nobi](#), a smart lamp that automatically turns on when users stand up and sends alerts to family members if they fall. some is aimed at caregivers who need assistance
  - [Caregiver Smart Solutions](#) is a multifaceted platform that makes it easier for seniors to stay at home with a machine-learning-based app for early detection of potential health issues, fall sensors, monitors and emergency buttons
  - For people with incontinence, [DFree](#), a wearable device, can reduce stress by monitoring how full their bladder is with an ultrasound sensor and keeping track of their average time between bathroom visits. It's available for both consumers and healthcare facilities
  - [Rendever](#) is a virtual reality platform that wants to help reduce isolation. It can be used with reminiscence therapy, which guides individuals with dementia through experiences that remind them of their pasts and to allow virtual travel to landmarks. [Cutii](#), a companion robot, also seeks to reduce loneliness. While companion robots have been around for years, Cutii sets itself apart with entertainment like music, games and live events. It also has video call and night patrol features
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# Design matters



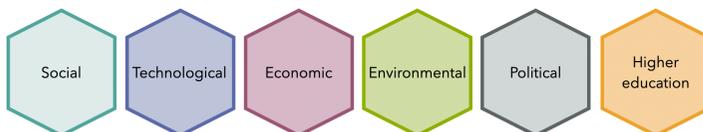
Catalan architect Vicente Guallart won a competition in China with the design for a neighbourhood that remains **liveable and self sufficient even in case of lockdown**. It allows for different levels of isolation and offers inhabitants a less distressing and restrictive daily life even during health, energy and food crises. Guallart designed a self-sufficient city, in which the European tradition of the block, the modern Chinese predilection for tower buildings and the productivity of the agricultural landscape coexist. The proposal transforms the lockdown experience into an opportunity to rethink a city made entirely of sustainable materials, capable of locally producing its own food and connected to the rest of the world by digital networks. The roofs host greenhouses and auxiliary energy sources, the large terraces allow for greater contact with the outside world, the presence in the housing blocks of dedicated workstations improves flexible work arrangements. Made out of glulam and with large kitchen gardens inside the courtyards, the four blocks can be enjoyed by residents of all ages and are designed for the coexistence of housing, offices, commercial businesses and services. The use of 3D printers on the ground floor of the buildings also fosters the birth of a digital micro-industry capable of producing small objects for everyday use.

Eight years after its construction, a "green" block of flats - with trees on its façade - in Turin has reached a state of perfect maturity and confirmed its status as a benchmark for those who think that **cities should increasingly merge with nature**. "We are beginning to realize that we need nature. It's not such a good life in cities made of minerals," says architect Luciano Pia of his work. The outside walls are clad with over a million larch shingles cleft naturally to preserve the whole fibre and prevent infiltrations of water. The trees, from two to eight metres in height, grow in planters, their weight supported by a spectacular external structure that supports the terraces, staggered so that they can grow naturally.



The building is U-shaped and its 63 housing units (from 80 to 150 square metres) are box-shaped elements with a reinforced concrete structure, arranged in a staggered way on the metal framework of the building in order to animate the façades. It feels like living in a wood, and it's not just a question of beauty: the vegetation produces oxygen and controls the direct exposure to the sun on a seasonal basis; the roof gardens provide insulation from the heat and cold. Internal comfort is guaranteed by ventilated walls and underfloor heating, while geothermal

Key



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pumps are used to heat water. "I never tire of looking at how the trees change continually, they are the true inhabitants of this complex," comments one of the residents. And he is not the only one who feels like that: many of the people who live here have changed their lifestyle and today make up a genuine community. The microclimate created by the plants is matched by a new way of handling human relationships - also more sustainable.

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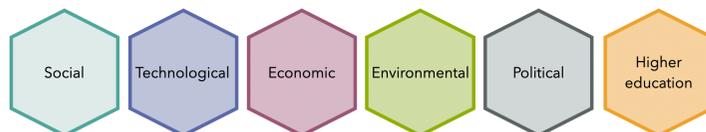
The Covid-19 pandemic has highlighted **the need to create healthy indoor environments**. Architects have been aware of this for a long time and have been designing indoor environments that mitigate pathogens rather than create unhealthy corners that harbour them. The WELL Building Standard - an international tool for rating the health of buildings, introduced and administered by the International Well Building Institute (IWBI) in America - sets the current standard. The first UK building to meet this standard was 22 Bishopsgate in London. The IWBI argues that because we spend 90% of our time indoors, our physical environment impacts our health more than lifestyle, medical care and genetics. Buildings that meet the WELL Building Standard are designed to impact on occupant health in seven areas: air, water, nourishment, light, fitness, comfort and mind.

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As a major property developer and landlord, Unite has the opportunity to **lead the sector in how it responds to the coming challenges** of climate, population, urbanisation, technology, trust and economic change. Some creative and enlightened architects and developers are trying to create more sustainable and holistic places to live. Communities and buildings which are healthier; which use and re-use greener materials; which promote more social interaction and which merge the functions of live / work / play / shop. Three themes are emerging:



- Making a place for nature - which also improves health and wellbeing
  - Building in flexibility - which can extend the life of a building and reflect changing needs
  - Creating connections - encouraging links between people in different settings, and integrating into the location
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# Authors

Simon Hooton



Simon Hooton has over 30 years' experience of producing strategies and plans for governments, companies, charities and regional agencies. He is particularly insightful in horizon scanning and is experienced at working with senior teams to help them characterise and understand the future impacts of drivers of change and to identify how to adapt to secure future success.

Simon is the Director of [Ash Futures](#), a consultancy which focuses on economic development, strategic planning, research and evaluation, and futures thinking. He was previously Director of Strategy at the South West Regional Development Agency, and Head of Economic Development at Bristol City Council.

Alister Wilson



Alister consults in strategy development and futures thinking with clients in the government, private and higher education sectors. He works with senior management teams to help them identify what's driving change; to understand what that change means for their current and future ambition; and to develop and implement the strategies they need to secure long term advantage.

Alister is Director Futures at [Waverley Consultants](#).

## Key

