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# LEGAL & GENERAL LAUNCHES GUILD LIVING, BRINGING RETIREMENT COMMUNITIES TO UK CITY CENTRES

## GUILD LIVING PLANS TO DELIVER OVER 3,000 NEW HOMES IN THE NEXT FIVE YEARS, MEETING THE UK'S LONGEVITY AND URBANISATION NEEDS

Legal & General announces the expansion of its later living offering with the establishment of Guild Living a developer and operator of urban later living communities. Through Guild Living, it plans to deliver over 3,000 new homes over the next five years, equating to a Gross Development Value of around £2 billion.

Projections indicate that the number of over 85 year olds living in the UK is set to double by 2041 and treble by 2066 – by when there will be a further 8.6 million residents over the age of 65.<sup>1</sup> Yet there has been a fundamental failure to address the specific housing, health and care needs of this demographic. Alongside population growth, urbanisation is an increasing global phenomenon. According to the UN, today 55% of the world's population lives in urban areas and this is expected to increase to 68% by 2050. In the UK 83% live in an urban setting and during 2001 and 2011, the number of older people increased by 23.8% in OECD metropolitan areas.

Responding to increased urbanisation and the changing requirements of the UK's over 65s, Guild Living – which is a partnership between Legal & General and a team of global experts in design, development and wellness – will deliver a new class of urban retirement community across the UK's towns and cities. Set in vibrant urban environments, Guild Living will combine beautiful architecture and interiors with ground breaking and academically-accredited wellness programmes to enable and enrich an independent, active later life.

Staying active in later life is more than physical fitness; it is about social and mental activation too. Described by medical professionals as a “silent epidemic”, loneliness has profound medical implications. More than 2 million people in England over the age of 75 live alone and more than a million older people say they go for a month without speaking to a friend, neighbour or family member.<sup>2</sup> Although cities are full of people, social isolation is prolific. Retirement communities with extra care, such as those being designed by Guild Living, have the potential to significantly reduce social isolation.

Guild Living launches with two sites: 4.5 acres of prime river frontage in Bath city centre, Somerset; and a 2.7 acre site in Epsom, Surrey. A Guild Living community will be master planned and innovatively designed. Made up of around 200 apartments, it will include a restaurant, a physiotherapy gym and pool, consultant rooms for GP surgeries, a children's nursery and retail space for local businesses – all of which will be open to the local community. Residents will live independently, with flexible and supportive care available if and when needed. In Epsom specifically, the new scheme will include keyworker units and transitional care suites, available to the NHS as and when required.

<sup>1</sup> The Office for National Statistics August 2018 report says that in mid-2016 there were 1.6m people aged 85 years and over, that by mid-2041 this is projected to double to 3.2m and by 2066 to treble. By 2066 there will be a further 8.6m projected UK residents aged 65 years and over, taking the total number in this group to 20.4m and making up 26% of the total population. This increase in numbers is broadly equivalent to the size of the population of London today.

<sup>2</sup> <https://www.nhs.uk/conditions/stress-anxiety-depression/loneliness-in-older-people/>

**Phil Bayliss, CEO of Later Living at Legal & General and Chairman at Guild Living comments:** “With over three million over 60s in UK seeking to downsize their homes, we see a £100 billion investment opportunity. 84% of the UK population lives in urban areas and we expect retirees to continue to migrate to UK towns and cities to enjoy all the local amenities they have to offer as well as to be closer to their loved ones and transport links.

“We are establishing the Guild to address this staggering opportunity and tackle the NHS and care crisis head on. This forms an excellent extension of Legal & General’s retirement ecosystem. Nobody knows UK pensioners better; we are the largest UK manager of pension scheme assets, have over three million DC pension scheme customers and pay over one million pensioners a month. Through Guild Living and together with our existing out-of-town offering, we will now be delivering over 7,000 later living homes over the next five years.”

**Michael Eggington, CEO at Guild Living, comments:** “Internationally, we have seen countless examples of how active, community-focused living can change people’s lives. Over six per cent of over-65s in the US and Australia live in later living communities. This is in comparison to the 0.6 per cent of over-65s choosing a retirement community in the UK. In the likes of the US, New Zealand and Australia, the intrinsic link between housing and health is widely recognised. This support has helped retirement villages become a mainstream option for older demographics.

“Through our partnership with Legal & General, we are going to revolutionise urban retirement communities in the UK. Legal & General’s respected and trusted brand is aligned with the principles that we want to bring to the later living sector. With long-term investment, supported by a strong pipeline of sites, we are in a unique position to make a significant positive impact to tackling the UK’s chronic undersupply of age-specific housing in the UK.”

**Eugene Marchese, Design and Innovation Director at Guild Living, said:** “Our vision is to deliver a significant change to how our older generation live. We will create beautiful “age-friendly” environments that are activated by world leading wellness programmes and activities, designed to engage and connect our residents with family, friends and the greater community.

“Each Guild Living community will be designed with innovative architecture, communal facilities, and academically accredited wellness programmes, that will stimulate our residents physically, socially and cognitively.”

Supported by a team of leading academics, including Professor Malcolm Johnson of Channel 4’s documentary “Old People’s Home for 4 year olds”, Guild Living will design wellness programmes that support better ageing through physical, cognitive, psychological, nutritional and social stimulation. As part of Guild Living’s unique approach, it will incorporate a children’s nursery into the later living community, creating a culture of social inclusion and bringing a multitude of benefits that come from intergenerational engagement.

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**Notes to editors -****Legal & General's existing investments in the Later Living sector**

Legal & General first entered the later living sector in 2017 through the acquisition and establishment of Inspired Villages Group, providing much needed age-specific accommodation in out of town and rural settings. Today, the Inspired Villages business has nearly 200 employees and capital commitments of half a billion pounds across its seven villages.

At Legal & General, our core purpose is to improve the lives of our customers, build a better society for the long term and create value for our shareholders. Through our investment in the later living sector, our aim is to address the social and economic issues linked to the UK's ageing population through prevention and avoidance. Our later living strategy is dedicated to delivering spectacular outcomes for residents and helping to address spiralling health and social care spend resulting from a lack of housing provision for this demographic. Through Guild Living together with our existing out-of-town offering, we will now be delivering over 7,000 later living homes over the next five years.

**Legal & General Capital**

Legal & General Capital (LGC) is the early-stage investment arm of Legal & General Group. Investing from Legal & General's principal balance sheet, LGC's purpose is to generate long-term shareholder value by injecting new capital into key sectors where there has been a shortage of investment and innovation. Focused on Future Cities (including Urban Regeneration, Clean Energy and Infrastructure), Housing and Principal Investing (including SME Finance and Venture Capital), these key sectors reflect our aim to invest for the long term in economically and socially useful assets, to secure competitive returns and to create new asset classes for Legal & General's varied investment requirements, for our partners and for the wider marketplace.

**Legal & General Group**

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £19 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

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