

Submitted to Long-term Insights Briefing: The long-term implications of our ageing population for our housing and urban futures
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Use of information

Housing tenure and access to housing in an ageing society

1 Are there implications of housing tenure and housing costs that we've missed?

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It would be helpful to have a better understanding of the projected number of renters relying solely on SuperAnnuation to better plan a response. The Briefing paper seems to imply that there will be affordable and accessible supply available to meet the changing needs of our population. We see no evidence of the required system response to deliver this. Failure to do so will come at an enormous cost to society.

For example, we believe the LTIB would benefit from some analysis regarding seniors entering retirement as renters and their ability to afford rents on the income from SuperAnnuation. The current gross weekly rate for a single person living alone is \$538.24/week. If an affordable rent is considered to be no more than 30% of gross income, that equates to a rental charge of \$161.47. TradeMe reports the national median rent was \$575 in September.

There is no current funding dedicated to building new homes meeting the affordability and design needs of seniors. Historically, many Councils received central government support to develop housing for seniors. These supports ended three decades ago, and most Councils struggle to operate their owned housing at a breakeven level. Several have leased or sold their stock to registered Community Housing Providers in hopes their access to Income Related Rents can be leveraged to modernise and increase the stock. This is an imperfect response as it does not directly address the needs of seniors who do qualify for the IRR subsidy and recent changes to government policy on redirects limits this as a tool.

2 What are your views on whether and how different forms of housing tenures (rental, home ownership, intermediate) will support an ageing population?

What are your views on whether and how different forms of housing tenures (rental, home ownership, intermediate) will support an ageing population? :

Diversity is key to responding to our ageing population. There is no single tenure or typology which is appropriate to the diversity of our people. Our housing stock will need to be more diverse, adaptable and resilient. Community housing providers are currently the only organisations experienced with the delivery of multiple tenures and housing types in single development settings. The sector reflects the diversity of communities including iwi and Māori providers, Pacific providers, organisations focused on seniors, disabilities and others rooted in faith-based responses.

Research from the Australasian Housing and Urban Research Institute documents the range of tenure options and preferences expressed by lower income Australian seniors (see: <https://www.ahuri.edu.au/research/final-reports/390>). In Aotearoa, many of these tenures are already offered by community housing providers. Scaling these efforts up will be required to meet the documented demographic changes ahead.

Affordable Rentals

The community housing sector can play the crucial role of a friendly landlord providing a secure home at an affordable cost. As charities and for purpose organisations, the motivations of the sector are to promote well-being, not purely financial returns (which is the primary intention of private investor landlords). Community housing providers don't stigmatise the people they house. Concerns documented through research include social isolation and stigma, harassment and financial abuse by landlords, and not asking for repairs and maintenance out of fear of rent increase or eviction (see: https://www.buildingbetter.nz/publications/homes_spaces/adm/James_Saville-Smith_2018_tenure_insecurity_exclusion.pdf).

Furthermore, community housing providers provide connections to supports that may be required to ensure residents remain in place as long as possible, mitigating the risk of social isolation and reducing the cost impost on the public health system. Abbeyfield NZ specializes in providing affordable homes for seniors to address social isolation. Their research shows that for nearly a third of their residents, rest home care is likely to be delayed by up to two or even three years, compared with the rest of the population. This is a significant well-being impact in addition to providing significant fiscal savings to the health system.

Progressive home ownership

The community housing sector has led the development of intermediate housing tenures across shared equity, rent-to-buy and leasehold models. These tenures provide pathways to build inter-generational wealth for households otherwise locked out of ownership.

Specific policies and investment is required to support Māori and Pacific households into ownership. As the Briefing notes, the population age structure of Māori and Pacific families and communities today reflect that of the NZ European population in the 1950s-70s, when government policy and investment propelled them into high rates of homeownership which persist today. The failure to correct this lack of policy and investment will continue to have damning intergenerational consequences on the health and wellbeing of Māori and Pacific whānau.

The CHP sector of the NZ housing system is seeing a future growth of Pacific community housing providers. As such, there is an opportunity to support these efforts to deliver Pacific led solutions. According to Statistics New Zealand (2018), Pacific peoples make up over 64 percent of renters in New Zealand. For these younger households, affordable rentals allow for savings to be accumulated. These enable investments in education, businesses or home ownership depending on household needs.

Our housing stock and homes

3 Are there any implications of population ageing for our housing stock and houses that we've missed?

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An overall lift in housing quality is needed in New Zealand. The benefits of a step change in the quality of our homes include increased energy efficiency to meet climate change goals and reduced operating costs; increased warmth and comfort reducing unnecessary illness and hospitalization; improved safety reducing in-home injuries.

Intergenerational and extended family living

The Briefing notes that intergenerational and extended family living will become more prevalent as Māori and Pacific populations age. We agree that an increasingly diverse housing stock is required now and over the long term, particularly given the relatively higher birth rates of Māori and Pacific peoples.

Our current selection of housing stock is limited and not suitable for large and diverse family sizes. This is due to a Euro-centric ideal of housing design. The lack of suitable houses that can accommodate large Pacific families has led to overcrowding, including intergenerational homes. Statistics New Zealand (2020) has shown that for Pacific peoples aged 70 years and over, 27.4% live in a crowded home, compared to 2.7% of this age group in the total population.

4 What do you see as the most important things to ensure our housing stock is fit-for-purpose for an ageing population?

What do you see as the most important things to ensure our housing stock is fit-for-purpose for an ageing population?:

Accessibility and adaptability of stock will be essential. In addition, more stock also needs to be visitable by family members and friends who may not live there. While fully accessible is the ideal, being able to at least host visitors in all homes should be the norm. This can be accomplished by ensuring no barriers to access and having communal areas and restrooms at ground level. Community housing providers tend to try to develop homes that meet these needs.

The current approach of retrofitted modification to existing stock is not serving the functional capacity of the housing stock and is also an expensive way of creating accessible housing. Rather than improve stock, it generates additional barriers to accessibility and functionality for those who need it and must wait for those interventions once their life circumstances change. This often occurs with little or no advance knowledge, creating situations where one's home suddenly is inaccessible. Purposeful action is urgently needed to incentivise universal design of our existing stock and requiring through legislation and regulation universal design in new builds. When implemented at the design stage, universal design adds between 0-2% to the overall cost of the build and maximises the number of people who can live in and use the home over time – it is therefore a key intervention to support ageing in place.

Neighbourhoods, towns, and cities

5 Are there implications for our neighbourhoods, towns, and cities that we've missed?

Are there implications for our neighbourhoods, towns and cities that we've missed?:

Ensuring connectivity to community and social supports is a key driver of the community housing sector. For example, the vision framework of our largest Māori Community Housing Provider, Te Āhuru Mōwai includes two elements of urban design that directly impact the wellbeing of older people:

- Know your neighbour: stitch east with west Porirua
- Sow seeds, grow community: 5-10 minute walkable neighbourhood that provides equal access to core services, amenities and opportunities.

The Office for Seniors has developed a great resource on "Age-friendly Cities and Communities" which provides world experience and pointers. Incorporating these approaches into our planning system can ensure consistent outcomes which foster closer connections and better communities. Connection of the urban environment and the ability to access core services, amenities and opportunities are key components of good design that cannot be left to chance.

6 For our neighbourhoods, towns, and cities to support an ageing population, where should efforts be focused?

For our neighbourhoods, towns, and cities to support an ageing population, where should efforts be focused?:

Our current process of allowing developers and builders to design and deliver what they want must change. Large single tenure developments of mainly 4+ bedroom homes, with highly restrictive covenants limiting diversity in affordability and typology is the antithesis of what is required. A much more diverse approach is required to respond to the changing population. We need a range of home sizes and tenure models in every development to meet the diversity of needs of time. It is essential to provide appropriate planning tools to local authorities to support an ageing population. Inclusionary Housing is one such tool which can address the affordability and typology needs of diverse communities.

7 How should new developments be planned to promote integrated decision-making from strategic urban development to age friendly localities?

How should new developments be planned to promote integrated decision-making from strategic urban development to age friendly localities?:

We offer the following points to consider:

- In partnership with communities and tangata whenua, underpinned by local analysis (e.g. Housing Needs Assessments)
- Within clear national frameworks that provide Councils with options for mandating/funding affordability and typology, e.g. Inclusionary Housing enabled

in the RMA reforms

- Paying close attention to the Human Rights Commission's Framework Guidelines on the Right to a Decent Home, especially homes that are accessible and culturally appropriate
- Prohibiting housing for older people being developed on flood prone or erosion prone land so that the options for ageing in place are maximised

Submitter information

8 Please provide us with your name and email address in case we need to contact you about your submission.

Name and surname:

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Email address:

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9 Are you making this submission on behalf of an iwi, business, organisation, or other entity?

Are you making this submission on behalf of an iwi, business, organisation, or other entity? :

Yes

10 If yes, please tell us the name of your iwi, business, organisation, or other entity.

If yes, please tell us the name of your iwi, business, organisation, or other entity. :

Community Housing Aotearoa

11 Please select the sector that best represents your entity:

Other:

Peak body

12 Please select your age bracket:

51 – 64

13 Which of the following best describes the type of area you live in?

City centre

14 Which ethnic group do you belong to? Select any which apply to you.

Other ethnicity:

CHA represents providers across multiple ethnicities