

SENIORS HOUSING

Issue Identification Paper



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Seniors housing - Issues identification paper

Key Takeouts

This issues paper considers the housing experiences of vulnerable seniors (aged over 65) in Auckland.

Why have seniors housing issues been investigated?

Auckland's population is growing, and becoming older. It is estimated that by 2041, over 65's will make up 22-25% of New Zealand's population and 24-32% by 2068¹. Declining home ownership rates may mean that 'within the next few decades, half the older people reaching retirement age will be renting'². The affordability of Auckland for renting seniors and financially vulnerable owner-occupier seniors will become a deeper issue if housing costs continue to rise and the number of seniors grows.

What housing issues have been identified?

- High costs of accommodation (renting and for financially vulnerable owner-occupiers) may impact on seniors ability to remain within existing communities or age in place
- Weak tenants' rights and insecure rental tenure
- Unequal health and wellbeing outcomes as a result of housing tenure
- Lack of minimum standards in Auckland's rental housing stock
- Limited housing choices suitable for seniors
- Potential for first time homelessness in older age
- Downsizing and its market implications
- Increased demand for social housing, financial assistance for housing facilities and aged care

What are the potential implications of these issues for affected seniors and Auckland-wide?

- Challenges for Council as a 'Housing for Older People' provider if demand for social housing grows
- Difficult trade-offs (e.g. food, heating) for seniors in affording adequate, secure accommodation in accessible locations
- Frequent moves, financial and or transport limitations may increase instances of loneliness and isolation
- Auckland becomes an unaffordable place for some seniors to retire
- Poorer health and wellbeing outcomes for those renting
- Seniors downsizing, or remaining in larger dwellings can have wider housing market implications

¹ Statistics New Zealand, November 2014, http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/NationalPopulationProjections_HOTP2014.aspx

² National Science Challenge, *Ageing Well*, June 2015, p19

Purpose

This issues paper considers the housing experiences of seniors in Auckland, with a focus on vulnerable groups (asset poor renters and owner-occupiers in a financially vulnerable situation). Community and Social Policy have identified housing issues facing seniors to be an emerging policy area for investigation.

The outcome of this work will be an evidence based understanding of the housing experiences of senior Aucklanders, which will contribute towards future Auckland Plan updates. Issues presented within this paper are in an Auckland wide context, not just aspects within this reach of Auckland Council.

Subject to approval, the next phase for this work will be the development of a 'Seniors Housing Options Paper'. The 'Seniors Housing Options Paper' would present options interventions available to Auckland Council based on the discovery work undertaken as part of this senior housing issues paper.

Scope

The scope of this paper is to identify the key seniors housing issues and assess their implications, and to identify key stakeholders and their roles. Informal engagement with the Seniors Policy within the Ministry of Social Development has contributed to the development of this paper. No formal external engagement has occurred.

Strategic Fit

Auckland Council currently has no overarching policy direction relating to senior Aucklanders. The Auckland Plan notes issues for seniors relating to accessibility and housing choice, ageing in place, rental insecurity and housing affordability. However there are no specific directives relating to housing for this cohort.

The Housing Action Plan has a number of actions which relate to this topic, however the only actions which specifically address seniors housing relate to redevelopment and restructuring of Council's own housing provision.

This work will contribute towards wider Community and Social Policy investigation of 'Ageing in Place' and the wellbeing of senior Aucklanders. The 'Ageing in Place' work also considers the World Health Organisations (WHO) 'Age Friendly City Guidelines' and steps Auckland can take to becoming more age friendly. Along with discussion on age friendly housing, the WHO guidelines identify a link between housing, access to community and social services in influencing the independence and quality of life of older people³. The WHO indicate the following as key areas for consideration in age friendly housing: affordability and housing options, essential services, design, modification, maintenance, living environment, community integration and ageing in place⁴.

³ World Health Organisation, *Global Age-friendly cities: A Guide*, p30

⁴ World Health Organisation, *Global Age-friendly cities: A Guide*, p36-37

Current Situation

Data from the 2013 census shows that the over 65 population will increase to between 1.25 – 1.37 million by 2041 and to 1.58 – 1.81 million in 2068⁵. Additionally, longer life expectancy means that older people are likely to be older for longer⁶.

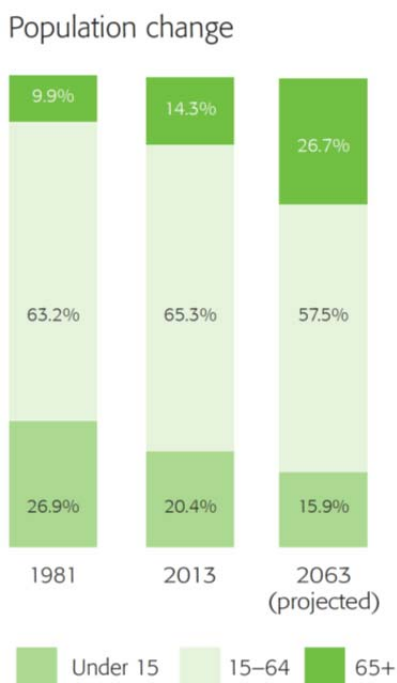


Figure 1: Statistics NZ 2013 Census 'People aged 65+ in New Zealand'

The European population ages at a greater rate than Māori and Pacific peoples, who had more youthful populations.

	65+	vs	Under 65
European	87.8%		71.7%
Māori	5.6%		16.5%
Asian	4.7%		12.9%
Pacific peoples	2.4%		8.2%

Figure 2: Statistics NZ 2013 Census 'People aged 65+ in New Zealand'

Māori and Pacific peoples are likely to experience significant inequalities in older age⁷, particularly around health outcomes. Māori and Pacific population have lower rates of home ownership when compared to people of European origin. Data from the 2013 Census showed that 40.2% of Māori and 32% of Pacific peoples owned their own homes compared to 69.6% of European people⁸. The proportion of Māori living in owner-occupied homes has continued to decrease at a greater rate than European households⁹.

⁵ Statistics New Zealand, November 2014, http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/NationalPopulationProjections_HOTP2014.aspx

⁶ Statistics New Zealand, November 2014, http://www.stats.govt.nz/browse_for_stats/population/estimates_and_projections/NationalPopulationProjections_HOTP2014.aspx

⁷ National Science Challenge, *Ageing Well*, June 2015, p8 & p15

⁸ Statistics NZ, *Housing in Auckland: Trends 1991 – 2013*, p37

⁹ Māori and housing in Tamaki Makaurau / Auckland: Issues, experiences and initiatives, February 2016, p4

Statistics from the 2013 census show that 67.6% of Aucklanders aged over 60 owned their own home. This is 9.6% lower than elsewhere in New Zealand for this age group, which stands at 72.5%¹⁰.

Figure 3 demonstrates how home ownership by age group has changed. 'Since 2001 there have been substantial drops in home ownership for Aucklanders aged in their 30's, 40's and 50's¹¹' which means an increasing number of people may enter retirement without home ownership within the next few decades.

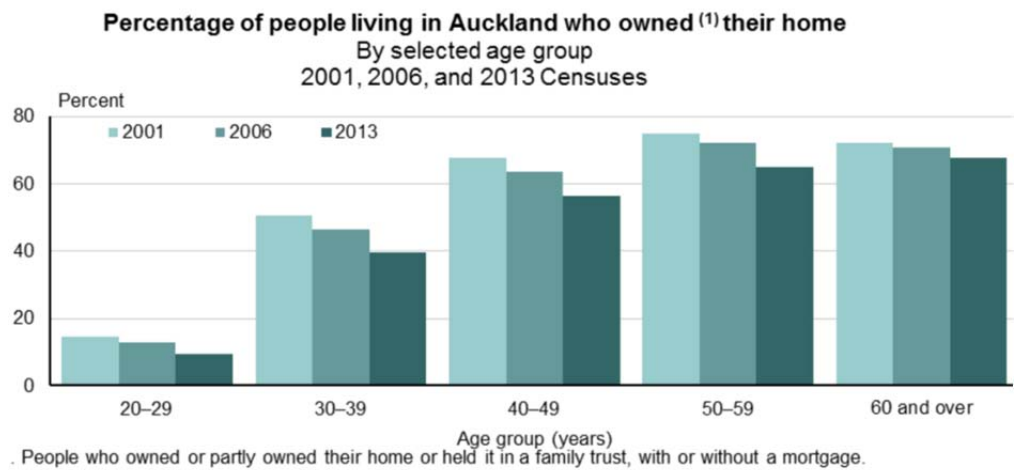


Figure 3: Statistics New Zealand, Housing trending in Auckland 1991 - 2013

In 2013, 35.4% of households of all ages paid rent in New Zealand; this represents an increase of 18.5% since 2006¹². Utilising 2013 census data, the Salvation Army have provided a breakdown of housing tenure for people aged over 65 in New Zealand, which is shown in Figure 4¹³. They estimate that in the next 15 years (by 2030) the number over 65's in the private rental sector will grow by 240% to around 270,000 people¹⁴.

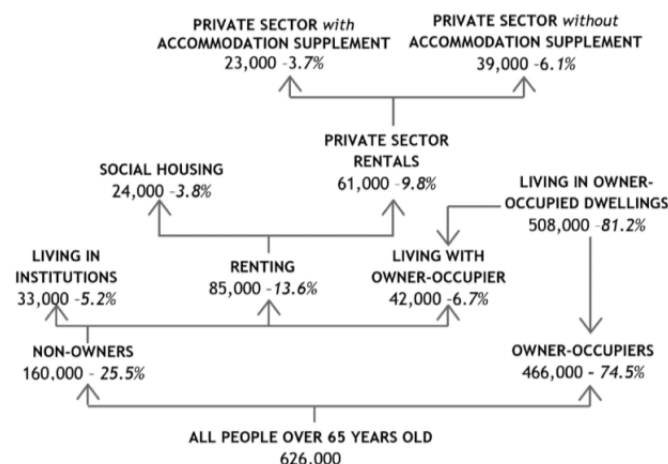


Figure 4: Salvation Army, Homeless baby Boomers, Breakdown of tenure for people

¹⁰ Statistics NZ, Housing aged 65 and over - 2013
¹¹ Statistics NZ, Housing in Auckland: Trends 1991 to 2013, p40
¹² Statistics NZ, Housing in Auckland: Trends 1991 to 2013, p45
¹³ The Salvation Army, *Homeless Baby Boomers*, December 2015, p26
¹⁴ The Salvation Army, *Homeless Baby Boomers*, December 2015, p40

Issues discussion

1. What impact is the cost of housing having on seniors?

Auckland Context:

Based on the 2013 Census, it is estimated that:

- 67.6% of Aucklanders (over 60) entered retirement with home ownership, compared to 77.2% nationally¹⁵
- Around 20% of people in their 60's, 16% of people in the 70's and 15% of people in their 80's live alone¹⁶, either in owner occupation or renting.

Auckland has the highest median rent in New Zealand¹⁷ and is less affordable than any other region¹⁸. In March 2016, the TradeMe Property monthly 'Rental Property Index' demonstrated that (based on their research and website listings):

- Private rental prices in Auckland are up 8.7% compared to a year ago
- The average 1-2 bedroom dwelling costing \$420 a week¹⁹

The figure below places the Auckland private rental market in a national context; percentages are based on the increase (or decrease) on the last month.



Figure 1: TradeMe Property, Rent Price Index, March 2016

For those relying on New Zealand superannuation only, the affordability of even small units may present a challenge. As of 1st April 2016, based on 'S' tax code (17.5%)²⁰ the NZ Superannuation stood at \$365.91 per week for a single person, living alone, and \$554.24 for a couple living together after tax²¹. The current level of superannuation for a single person falls short of the March 2016

¹⁵ Statistics NZ, Housing in Auckland: Trends 1991 to 2013, p40

¹⁶ Statistics NZ, *Housing in Auckland: Trends 1991 – 2013*, p66

¹⁷ Auckland Council, *Auckland Dwellings and Households*, May 2014, p3

¹⁸ Massey University, *The New Zealand Rental Sector: A survey of tenants and landlords*, November 2015, p4

¹⁹ TradeMe Property, Rent Price Index, March 2016, <http://www.trademe.co.nz/property/price-index/for-rent/> (based on site listings)

²⁰ Subject to eligibility, the maximum weekly rates stood at \$384 for a single person living alone and \$591 for a couple.

²¹ Department of Work and Income, NZ Superannuation rates, <http://www.workandincome.govt.nz/map/deskfile/nz-superannuation-and-veterans-pension-tables/new-zealand-superannuation-and-veterans-pension-ra.html>

average rental price for a small 1-2 bedroom home. For a couple living on NZ Superannuation, the average rent represents approximately 75% of their weekly income, leaving little for bills and food.

Accommodation Supplement (AS) is available to people whose typical housing costs exceed 25% of a persons, or household income²². As this is means tested and based on individual circumstances, no approximate data is available on payment rates.

Demand for AS could be expected to increase as the number of people entering retirement within the private rental market climbs. The Salvation Army estimates that the number of people receiving both NZ Superannuation and Accommodation Supplement to 100,000 by 2025²³, up from 25,346²⁴ in 2015.

The number of Auckland households in housing stress²⁵ is forecast to grow with the most significant stress experienced by older couples and one person households²⁶. This will not only affect vulnerable, renting seniors, but also low income owner-occupiers. The cost of Council rates, maintaining a larger home (e.g. heating costs), repairs / modifications could place those on low fixed income in housing stress and challenge their ability to remain in their own home. Whilst this has always been the case, affordability challenges these households may face add an extra level of demand for financial support from government.

Implications:

Decline in home ownership rates has led researchers to suggest that ‘within the next few decades, half the older people reaching retirement age will be renting’²⁷. The affordability of Auckland for renting seniors and financially vulnerable owner-occupier seniors will become a deeper issue as housing costs continue to rise. This gives rise to a number of implications:

- As the number of households in housing stress grows, demand for social housing, accommodation support and Council rates subsidies will increase. This presents challenges to central government, along with Council, in delivery of affordable accommodation for seniors²⁸ and financial assistance.
- The prospect of first-time homelessness in old age increases following a change in circumstances, such as a relationship breakdown, if adequate support is not available.
- Difficult trade-offs may have to be made in order to afford accommodation, this includes:
 - Trading off adequate heating, food and transport
 - Having to accept cheaper accommodation, which may not meet their needs in terms of dwelling design or location
- Lack of security of tenure may result in more frequent moves

²² The Salvation Army, *Homeless Baby Boomers*, December 2015, p26

²³ The Salvation Army, *Homeless Baby Boomers*, December 2015

²⁴ The Salvation Army, *Homeless Baby Boomers*, December 2015, p26

²⁵ Housing stress is defined as households who pay more than 30% of their gross income on housing costs

²⁶ Centre for Housing Research, Darroch, *Auckland Region Housing Market Assessment*, November 2010, p19

²⁷ National Science Challenge, *Ageing Well*, June 2015, p19

²⁸ The Salvation Army, *Homeless Baby Boomers*, December 2015, p7

- Financial and transport limitations, along with frequent moves could compromise the ability to connect with communities, maintain social connections and result in delays in seeking help, advice or medical care. This may increase instances of loneliness and isolation.
- Affordability issues may mean seniors moving to cheaper suburbs or regions to afford rent. Additionally, owner-occupier seniors may consider the potential capital gains in selling their homes and moving to cheaper suburbs or regions.
 - This may be an attractive option for some seniors and they may already have established links with their new region. For older seniors with no established social networks in these new areas, and who are financially restricted, may experience greater levels of isolation.
 - Further, Auckland would lose the contribution of seniors in terms of providing family support, spending power and voluntary contributions.

2. How do seniors experience the private rental market?

Auckland Context:

Auckland has the greatest numbers of people retiring without home ownership. The 2013 census shows 67.6% of people aged over 60 owned their own home in Auckland, this is compared to 72.5% of the same age group nationally²⁹.

The Salvation Army estimated that as of the 2013 census, there were 61,000 (9.8%) people aged over 65 in New Zealand's private rental sector³⁰. In 2015, the number of people in New Zealand aged over 65 receiving both the NZ Superannuation and accommodation supplement for rental accommodation stood at 25,346³¹.

The principle legislation relating to New Zealand's private rental market is the Residential Tenancy Act 1986. The act relates to residential tenancies and defines rights and responsibilities of landlords and tenants. It has been noted that the current Residential Tenancies Act 1986 and associated regulations "*reflect and maintain the culture of relatively short term tenancies that prevails in New Zealand. Tenancies legislation in New Zealand [...] focuses on simply clarifying the relationship between landlords and tenants within a generic market framework. There are few requirements placed on landlords around the performance of dwellings or maintenance of tenure security except in so far as they relate to extreme circumstances*".³²

The Residential Tenancies Act provides little security to renters. Tenancies can be terminated at short notice (90 days) and for no reason. Statistics New Zealand found that people who rent were more likely to have moved within the previous year. In 2013, 35% of Aucklanders who rented a home had lived there for less than one year, compared with 14.4% of owner-occupiers³³.

²⁹ Statistics NZ, Housing in Auckland: Trends 1991 to 2013, p40

³⁰ The Salvation Army, *Homeless Baby Boomers*, December 2015, p24

³¹ The Salvation Army, *Homeless Baby Boomers*, December 2015, p26

³² Auckland Council, *Literature review on the private rental housing sector in New Zealand* (2013), p15

³³ Statistics NZ, Housing in Auckland: Trends 1991 to 2013, p48

The private housing rental market is characterised by short-term landlords with little commitment to the provision of rental housing as a service industry.³⁴ Most private landlords in New Zealand are of a non – commercial nature and treat their rental property as an investment. This means that they may have ad-hoc practices and short term interests. Short term tenancies benefit this type of landlord as they can respond to the market quickly and renegotiate rents more frequently. Increased demand for rental accommodation means they may be less prepared to work through tenants' issues or make modifications to their homes to enable continued tenancy. Combined, this adds to the insecurity felt by renters.

Implications:

A lack of tenure security impacts on people of all ages, especially the elderly. Seniors often have lower levels of physical and psychological resilience and frequent moves can impact their financial status, health and wellbeing more acutely.

Relocating, moving belongings and establishing new social networks is hugely stressful and costly at a point in life when stability is highly valued³⁵ and the ability to age in place is lost.

The impact of moves can disconnect people from their communities³⁶, meaning seniors could find themselves in vulnerable or isolated situations with limited support networks nearby. The perception of safety is an important consideration for seniors. Moving may increase security fears if they are unfamiliar with the area and have no established connections.

The costs of moving can be difficult on a fixed income and includes:

- The costs of travelling to view potential new homes
- Around 6 weeks of rent needs to be paid in advance, typically comprising a bond (usually equivalent to 4 weeks rent) and up to 2 weeks rent in advance, along with a letting fee (usually equivalent to 1 weeks rent) if using a property agent.
- Paying for professional movers if they are physically unable or have no support networks to assist with the move.

3. How important is housing to the health and wellbeing of senior Aucklanders?

Auckland Context:

A key determinant of health is the physical environment and it is estimated that older people spend between 70% and 90% of their time in their home³⁷. This makes housing very important to the health and wellbeing of seniors.

In general, the overall quality of housing stock is low and the quality of Auckland's rental stock is poor. Seniors often have compromised mobility and require increased levels of heating. Take up of subsidies for retrofitting by landlords is very low compared to take up among owner occupiers³⁸.

³⁴ Auckland Council, *Impacts of Insecure Housing Tenure*, p1

³⁵ MBIE, Auckland Council, *Exploring security of tenure through co-design*, 2015, p35

³⁶ MBIE, Auckland Council, *Exploring security of tenure through co-design*, 2015, p36

³⁷ Shelter UK, *Older people and housing*, 2007, p1

Although a number of acts and regulations relate to housing quality, they are not being effectively implemented. On the 8th December 2015, Parliament first read a bill proposing changes to the Residential Tenancies Act. This Bill included the requirement for all residential rental properties to have ceiling and under floor insulation by 1 July 2019 and smoke alarms by 2015.

Even in the case of owner-occupiers, there is considerable under investment in repair and maintenance in the dwelling stock³⁹. Older people tend to overestimate the performance of their homes and under-invest in repairs and maintenance⁴⁰; some may simply not be able to afford any modifications to their property.

Implications:

For those with limited means, they may have little alternative in accepting poor quality accommodation which negatively impacts on their health and wellbeing outcomes.

- Accepting accommodation in areas where accessibility and public transport is a challenge (financially or inadequate public transport supply) may increase feelings of isolation, and cause delays in seeking medical care and accessing services.
- Lower quality housing stock may mean seniors are confined to single rooms due to access constraints and or inability to heat the whole dwelling.
- The insecure tenure associated with the New Zealand rental market can be a cause of stress.
- Cold, damp houses in disrepair can contribute to feelings of shame, low self-worth, stress and poor health⁴¹.
- Rental tenure has been associated, here and overseas, with poor health and wellbeing outcomes and higher probabilities of moving into residential care⁴².
- Older people require higher levels of thermal comfort and are vulnerable to excess seasonal mortality associated with exposure to cold and damp⁴³.

4. Is there enough supply of suitable housing options for seniors?

Auckland Context:

For both renters and owner-occupiers, seniors in retirement may look to reduce costs as they move onto lower fixed incomes and require accommodation to meet their changing needs. This means smaller, better designed accommodation, in accessible locations which provide adequate facilities and public transport links.

The 2013 census estimated that there were 626,000 people aged over the age of 65. Of which (see page 5 for more information):

³⁸ Centre for Housing Research, *Older people's housing futures in 2050*, October 2009, p35

³⁹ Centre for Housing Research, *Older people's housing futures in 2050*, October 2009, p31 & 38

⁴⁰ Centre for Housing Research, *Older people's housing futures in 2050*, October 2009, p14

⁴¹ Māori and housing in Tamaki Makaurau/Auckland: issues, experiences and initiatives, Feb 2016, p11

⁴² National Science Challenge, *Ageing Well*, June 2015, p19

⁴³ Centre for Housing Research, *Older people's housing futures in 2050*, October 2009, p35

- 81.2% are living in an owner-occupied dwellings (either as an owner-occupier or living with the owner occupier)
- 18.8% were non-owners or not living with the owner-occupier. Of these, 5.2% were living in institutional care, 3.8% were in social housing and 9.8% were in the private rental sector⁴⁴

Owner occupier and market rental accommodation

Downsizing is often presented as an opportunity to reduce living expenses for both owner-occupiers and renters. As baby-boomers approach retirement, more people will be looking to downsize at around the same time⁴⁵ increasing the demand for smaller, accessible dwellings at more affordable levels.

Existing housing stock may not meet needs in terms of size, accessibility, location and affordability. While some new housing stock is targeted towards seniors, the majority of new stock is dominated by detached dwellings with three or more bedrooms⁴⁶. Census data showed that houses with four or more bedrooms increased from 19% of all private occupied dwellings in 1991 to 28% in 2006 and average floor area increased from 139m² to 191m²⁴⁷. In addition, housing design is not matched to accessibility needs⁴⁸ and modified housing stock is undersupplied.

For seniors in rental accommodation, landlords may be unwilling to make modifications to dwellings to enable their continued tenancy or allow new older tenants to move in.

Retirement Villages

As the population of over 65's grows, increased demand will be expected for residential and retirement villages. Over the 3 year period from 2012 to 2015, the number of retirement villages in New Zealand increased by 9.6%, from 343 to 376 providing total of 26,307 units⁴⁹.

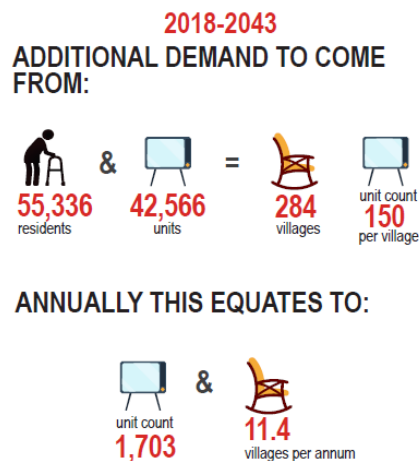


Figure 2 JLL Retirement Village Report Dec 2015

⁴⁴ The Salvation Army, Homeless Baby Boomers, December 2015, p5

⁴⁵ The Salvation Army, Homeless Baby Boomers, December 2015, p7

⁴⁶ Centre for Housing Research, *Older people's housing futures in 2050*, October 2009, p31 & 38

⁴⁷ Statistics NZ, How will New Zealand's, ageing population affect the property market? P9

⁴⁸ Centre for Housing Research, *Older people's housing futures in 2050*, October 2009, p39

⁴⁹ JLL, *Retirement Village Report*, December 2015, p4

Using a medium growth scenario, JLL estimate the ageing population will create additional national demand of 55,336 residents and 42,566 units, between 2018 – 2043⁵⁰. In Auckland, there are estimated to be 7,940 residential units planned, representing 49% of the total national development pipeline⁵¹.

Retirement Village accommodation is largely financed through the freeing up of equity on residential housing, rather than government expenditure⁵². Those retiring without significant assets may be excluded from this option.

Residential Care

Residential care for older people can be understood as accommodation which includes rest homes, continuing care hospitals and dementia units. It excludes independent self-care flats or retirement village complexes.

Between 2014 and 2015, there was a 2.6% increase in the total number of beds in residential care facilities, bringing the total to 35,484 across New Zealand⁵³. Auckland has the largest number of people in residential care, 8,535 in 2013⁵⁴ and demand for residential care is widely expected to grow. Statistics New Zealand estimates the number of people aged 80+ living in more communal non-private dwellings, such as residential care, will double between 2006 and 2031⁵⁵.

The industry will need to undergo sustained long term growth to meet this demand. The Salvation Army estimate that nationally, an additional 100 bed facility will be needed every two and a half weeks for the five years between 2025 and 2030⁵⁶.

District Health Boards (DHB) are responsible for funding residential care to residents who are eligible for the government-funded 'residential care subsidy'. To be eligible for this funding and meet the needs for entry into DHB rest homes, a person must first undertake a needs assessment and be determined as having high or very high needs which are indefinite (and cannot be reversed) which prevent them from independent living. Following the needs assessment, a means test is undertaken to determine the level of residential care subsidy available. The maximum eligibility threshold stands at \$213,297.

If the person is not determined to have very high or high needs, they can still enter DHB funded units; however no care subsidy would be available. Without assets, this could mean difficult choices in terms of quality and location of care.

The Salvation Army have advocated for the creation of a residential care strategy, and associated budget, to ensure adequate provision of aged care facilities over the next 10 years⁵⁷.

⁵⁰ JLL, *Retirement Village Report*, December 2015, p4

⁵¹ JLL, *Retirement Village Report*, December 2015, p5

⁵² JLL, *Retirement Village Report*, December 2015, p4

⁵³ JLL, *Retirement Village Report*, December 2015, p6

⁵⁴ Statistics NZ, People who live in residential care for older people, <http://www.stats.govt.nz/Census/2013-census/profile-and-summary-reports/outside-norm/residential-old.aspx>

⁵⁵ Statistics NZ, How will New Zealand's, ageing population affect the property market? P9

⁵⁶ The Salvation Army, *Homeless Baby Boomers*, December 2015, p8

⁵⁷ The Salvation Army, *Homeless Baby Boomers*, December 2015, p10

Implications:

The undersupply of suitable housing options, has a number of implications including:

- Having to remain in, or having to accept, larger properties which do not meet their changing needs, cost more to heat and maintain and are in less accessible locations.
- Some seniors may have the opportunity to downsize to cheaper regions or suburbs. Senior migration patterns may present challenges for Auckland as their capital and contribution ends. Questions which arise include:
 - Providing family support: Will workforce participation be affected if seniors are unable to provide childcare / family support?
 - As a group, seniors have significant spending power. What are the economic impacts for Auckland?
 - Seniors contribution to the voluntary sector is high. A lot of NGO's and the voluntary sector rely on their contribution. How might their services be affected?
- A large movement of older people to other regions will also affect their demands for housing and services.
- For the individual, country-wide migration may disrupt established community, social and family connections increasing the potential for isolation and loneliness.
- It is unclear if the residential care sector will have capacity or growth constraints in meeting increased demand.

The Salvation Army advocates that the Government should engage Local Government in an initial debate to consider local housing markets and the need to cater for older people migrating to regional cities and towns⁵⁸.

5. Will demand for social housing increase?

Auckland Context:

The ageing population, declining rates of home ownership, high rental costs and anticipated undersupply of suitable private sector accommodation is likely to result in increased need for social housing in older Aucklanders.

Council is now in the process of entering a partnership arrangement for the future delivery of this service. A key objective is to balance the portfolio through divestment of not fit for purpose stock and investment in new stock to better meet the needs of older people and to improve wider services provided to tenants. It is a further intention to grow the provision of social and affordable housing through this activity.

Housing New Zealand owns or manages around 69,000 state houses nationwide, with approximately 20 per cent of tenants aged 65 or over, with almost half of older tenants housed in Auckland⁵⁹.

⁵⁸ The Salvation Army, *Homeless Baby Boomers*, December 2015, p10

⁵⁹ Ministry of Social Development, *Older New Zealanders*, October 2013, p22

MSD's Social Housing income related rent subsidy purchasing intentions for 2015 / 16 plans for an increase of 1,810 places in Auckland. This is for total population needs, not just pensioner housing⁶⁰.

Implications:

Low and modest income seniors without home ownership will increasingly find the private rental market unaffordable.

- This increases the demand on Government and Council resources, in terms of housing and financial support needed.

If social housing is unavailable, financially vulnerable seniors may:

- Be forced to accept low quality, inaccessible housing
- Make undesirable trade-offs, such as reducing food intake and heating
- Be subject to increase rates of homelessness
- Live with relatives, there some negative outcomes associated with this option including increased rates of overcrowding, the potential for a loss of autonomy, possibly increased instances of elder abuse (emotional, physical and financial).

6. Is first time homelessness among seniors becoming an area of concern?

Auckland Context:

First time homelessness among seniors is an emerging area of concern. In part, this results from the compounding issues of insecure tenure, inaccessible accommodation, affordability and high demand for social housing. The Australian Housing and Urban Research Institute (AHURI) have raised academic interest in this area, in an Australian context. Australia and New Zealand are facing similar issues in terms of demographic change and housing supply. In December 2015, the Salvation Army released 'Homeless Baby Boomers' highlighting the issue in a New Zealand context. They estimate that by 2030, 200,000 New Zealand over 65's won't own their home and will be unable to afford rent⁶¹.

The AHURI research groups those experiencing first time homelessness into 3 broad categories. The first is those with conventional housing histories (primarily long term renters), secondly those which have experienced housing disruption and thirdly those who have had a transient housing history⁶². Of those with conventional housing histories, the primary reasons for first-time homelessness were found to be:

- Being served notice (insecure tenure)
- Being unable to continue living with family
- A lack of affordable housing options

⁶⁰ Ministry of Social Development, *Social Housing (IRRS) Purchasing Intentions*, 2015, p30

⁶¹ The Salvation Army, *Homeless Baby Boomers*, December 2015

⁶² AHURI, *Preventing first time homelessness amongst older Australians*, June 2014, p3

- Inaccessible housing design which makes it unsafe to continue or accept the tenancy
- The breakdown of a relationship⁶³

There is an undersupply of emergency accommodation in New Zealand and this supply may not meet the needs of seniors.

The Auckland City Mission's Elder Service reaches out to vulnerable seniors over 65 to support them with food parcels, budgeting and help to access medical care. In 2014/2015, the Mission supported:

- 292 clients
- Provided 226 food parcels
- Supported 544 to doctors consultations
- Had 42 new clients

The Auckland Plan target of 'Ending rough sleeping (primary homelessness) in Auckland by 2020' is measured by the number of new contacts made with Auckland City Mission. This data is not available by age and so the number of seniors cannot be determined, but the data shows contacts are increasing. In 2014, 2193 homeless outreach contacts were made by the Mission compared with 1954 in 2012/13.

Implications:

There are a number of issues associated with first time homelessness in older age.

- Family support may be available to some seniors (but not all), however this may not be long term, the dwelling may not meet accessibility standards and could result in overcrowding. Additionally, the senior may be at a higher risk of elder abuse, such as physical, emotional (loss of control / freedom) or financial (loss of control over income).
- Lack of suitable emergency accommodation
- Increased demand for Council (and government) social housing.

The Salvation Army advocates for a programme of interventions to be developed to limit the risk of those in late middle age and early old age becoming homeless for the first time⁶⁴ due to these factors.

⁶³ AHURI, *Preventing first time homelessness amongst older Australians*, June 2014, p3

⁶⁴ The Salvation Army, *Homeless Baby Boomers*, December 2015, p10

Stakeholder mapping

An overview of stakeholders and activities which operate within the seniors housing space has been compiled.

Role of Auckland Council

Auckland Council is a key provider of affordable rental housing for older people. As of January 2016, Auckland Council provided 1412 homes, with 380 people on the waiting list. This is in addition to Housing New Zealand, which also provides rental housing to low income seniors.

Through various Auckland policy and strategies, including the Auckland Plan and Proposed Auckland Unitary Plan (PAUP), Auckland Council has the ability to influence housing supply and design.

Government

The Ministry of Social Development (MSD) has been identified as a primary stakeholder in considering housing for older people. MSD is responsible for policy relating to social housing and benefits which affect seniors. They undertake forecasting and modelling which helps to shape the operation of Housing New Zealand and helps to inform the work of the Department of Work and Income. Additionally, sitting underneath MSD is the Office for Senior Citizens, who work to further the interests of seniors.

The following tables provide more information about the range of organisations involved in the seniors housing spectrum. Table 1 provides a list of organisation and their work area. Table 2 explains in more detail the role of each organisation and what they deliver in this space.

Table 1: Overview of housing providers operating within the seniors housing spectrum

Area of work	Organisation
Seniors Social Housing Providers	Housing New Zealand Auckland Council Salvation Army
Strategy	Ministry of Social Development Ministry of Business, Innovation and Employment Office of Senior Citizens
Advocacy organisations	Grey Power Age Concern Mental Health Foundation Salvation Army
Support programmes	'Warm up New Zealand': EECA 'Retrofit your home': Auckland Council Lifewise St Johns NZ Red Cross Salvation Army
Financial	Department of Work and Income Department of Internal Affairs

Table 2: Overview of activities provided by each organisation

Area of work	Stakeholder activity
Seniors Housing Providers	<p>Auckland Council Auckland Council is a provider of affordable rental housing for Auckland seniors and is in the process of entering a partnership arrangement for the future delivery of this service.</p> <p>Ministry of Social Development / Housing New Zealand Housing New Zealand owns or manages around 69,000 state houses nationwide, with approximately 20 per cent of tenants aged 65 or over, with almost half of older tenants housed in Auckland⁶⁵. MSD's Social Housing income related rent subsidy purchasing intentions for 2015 / 16 plans for an increase of 1,810 places in Auckland. This is for total population needs, not just pensioner housing⁶⁶.</p> <p>Salvation Army Limited 'Independent Living Units' are provided throughout the country for low income elderly. There are 283 basic units across New Zealand.</p>
Quality	<p>Auckland Council: Retrofit your home The 'Retro-fit your home' programme offers homeowners and landlords a grant to make energy efficiency improvements, such as insulation. The grant is repayable through Council rates over a period of up to 9 years, spreading out the cost.</p> <p>EECA: 'Warm Up New Zealand: Healthy Homes' programme Provides free ceiling and under floor insulation to low-income households. Eligibility criteria apply, and are based on the occupant. For example, a low income tenant could be eligible but landlords of eligible tenants may be asked to make a contribution. This has the potential to limit take up by landlords.</p>
Advocacy, Research & Health Promotion	<p>Salvation Army The Salvation Army's Social and Parliamentary Unit undertake research and advocacy on this issue. The latest report, 'Homeless baby boomers' released in December 2015 highlights this issue in a New Zealand context.</p> <p>Mental Health Foundation In addition to policy and advocacy work in seniors issues, the Mental Health Foundation has produced a website dedicated to the needs of seniors. www.boomers.org.nz provides general health and wellbeing advice for seniors with a small section on dealing with isolation and 'ageing in place'.</p> <p>Age Concern: Housing information & policy The Age Concern website provides practical information for seniors on housing matters, such as downsizing, remaining in their home and moving to residential care. No services are listed.</p> <p>Age Concern delivers research, briefings, submissions and policy advice to government advocating for the needs of seniors.</p> <p>Ministry of Social Development Investigating the implications of seniors migration patterns across the Country and what this means in terms of accommodation and provision of services.</p> <p>MSD are working with the Department of Internal Affairs to create an online 'one stop shop' for older people. This will include answers and links to many issues affecting seniors, including housing. It is anticipated that this will help to provide consistent and accessible information.</p>

⁶⁵ Ministry of Social Development, Older New Zealanders, October 2013, p22

⁶⁶ Ministry of Social Development, *Social Housing (IRRS) Purchasing Intentions*, 2015, p30

	<p>In addition, the MSD are investigating the design and potential integration of service delivery (for older persons) across Government and with Local Governments. http://superseniors.msd.govt.nz/</p> <p>Greypower Greypower are an advocacy group campaigning on a number of a number of issues facing seniors, including housing. Regular meetings with government departments.</p> <p>Salvation Army The Salvation Army’s Social and Parliamentary Unit undertakes policy and advocacy work. This includes investigation into issues facing seniors, of which the most recent report is ‘Homeless Baby Boomers’ December 2015.</p>
Service delivery	<p>Ministry of Social Development</p> <ul style="list-style-type: none"> • MSD are working on a pilot project in Wellington to integrate the waiting lists of government and Council as a way of improving service delivery. Auckland Council will follow the progress of this trial. • To help provide seniors with the support they need, when they apply for a state home the MSD is working on more integration so they are also put in touch with other support agencies. <p>Salvation Army: Homecare Homecare is a range of services provided by Salvation Army to help improve the health and wellbeing of seniors in their own home. Services include, low-level personal care, housekeeping, volunteer visiting services.</p> <p>Lifewise: Homecare Services Provide assistance to older people to help them remain in their own home. Services include housekeeping, shopping etc. http://www.lifewise.org.nz/about-lifewise/our-services/homecare-services</p> <p>St Johns: Caring Callers Caring Callers is designed to help reduce isolation and loneliness experienced by seniors. Volunteers make daily telephone calls, providing social contact, to people who are mostly housebound. Mental Health Foundation: www.boomers.org.nz The Mental Health Foundation has established a website dedicated to the wellbeing needs of seniors. However, no housing and wellbeing links were identified on the website.</p> <p>New Zealand Red Cross: Meals on Wheels This service delivers a hot meal each day to those who may struggle to provide meals for themselves. Additionally, the service provides an opportunity for social contact which may help to reduce the feelings of isolation or loneliness felt by some seniors.</p> <p>New Zealand Red Cross: Community Transport This shuttle service is offered to support seniors (and those with limited mobility) to attend medical appointments. This may help to reduce accessibility issues with obtaining medical care, but demand for the service is high.</p> <p>Department of Internal Affairs (DIA): Rates Rebate</p> <ul style="list-style-type: none"> • The Rates Rebate supports low income home-owners with the cost of Council rates. • DIA fund the scheme and it is administered by local councils, to a maximum of

	<p>\$610 for 2015/16.</p> <ul style="list-style-type: none">• Auckland Council tops up the central government scheme to cover water and wastewater charges.• To be eligible, the income threshold is \$24,440 per year and evidence of income and any dependents is required.• http://www.aucklandcouncil.govt.nz/EN/ratesbuildingproperty/ratesvaluations/financialassistance/Pages/home.aspx <p>Department of Work and Income Administer the Accommodation Supplement. This is means tested and available to people on top of the NZ superannuation.</p> <p>Auckland Tenants Protection Association</p> <ul style="list-style-type: none">• Advocacy and promotion of tenants' rights• Support and advice for tenants
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