



**TE ARA
AHUNGA ORA**
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Cohousing Models in New Zealand: three case-studies



Cohousing Models in Aotearoa: Three Case-Studies

Overview

In broad terms, cohousing is where a group of people get together and build a housing community. Residents live in a collaborative situation with some shared facilities (often a central common house as well as shared appliances, workshops, cars etc) and everyone has their own individual dwelling. The approach has the potential to address some of the barriers to homeownership faced by New Zealanders and may offer an accessible community that some people lose as they get older.

Cohousing has existed as a model in Aotearoa for 17 years (Earthsong was the first community, conceived in 1995), but uptake of the concept has been minimal until recently. A number of cohousing communities now exist (or are in the process of being developed) throughout Aotearoa, such as in Whangārei (e.g. Ahi Wai), Auckland/Tamaki Makaurau (Cohaus), Christchurch/Ōtautahi. Cohousing is available for communities with individuals of all ages. However, as an alternative, a senior cohousing community is comprised of residents who are over a certain age. This allows seniors to have a more favourable community for their needs.

To contribute to the [2022 Review of Retirement Income Policies](#), Terms of Reference #9 (how diverse housing options for seniors would have different impacts on preretirement savings and retirement income), two focus groups were held in May 2022 with people in two types of cohousing communities: Earthsong in Auckland; and Peterborough in Christchurch. A third case-study (Abbeyfield) is briefly discussed as an example of a senior cohousing-type model – information was provided from a senior executive at Abbeyfield and supplemented with desk research.



Case study 1: Earthsong



[Home \(earthsong.org.nz\)](http://earthsong.org.nz)

Introducing Earthsong

The Earthsong eco-neighbourhood's vision is "to establish a cohousing neighbourhood based on the principles of permaculture, that will serve as a model of a socially and environmentally sustainable community" ([About \(earthsong.org.nz\)](http://earthsong.org.nz)). With the concept starting in the 1990s, it eventually became a reality with completion in 2008 and is now a flagship project of sustainable settlement.

Located in West Auckland (Ranui) there are currently 32 homes of varying sizes (1-4 bedroom) and homes are owned as Unit Titles (the same way that apartments work) and in contrast to Licence to Occupy (as in retirement villages). Each unit has a 1/32 share of the entire site and associated resources.

The value of each home depends on the size, but a 3-bedroom home recently sold for \$1.3m. Three years ago, it would have been worth around \$925,000. The perception is that homes are more expensive than those in the surrounding Ranui area, but less than in central Auckland. However, it's hard to know what the true value of the homes are because it is not uncommon for the seller to sell to someone they know (e.g., friends or family) at a lower amount than they would do for a stranger. There have been some comparatively expensive costs in set up (such as the rammed earth buildings and the common house).

While homes contain all the conventional utilities and each unit has their own garden, there is also an abundance of shared space that includes gardens, outdoor leisure areas, a workshop and a large common house (the social centre of the neighbourhood). Carparking is on the outskirts of the neighbourhood, enabling significant pedestrian space that provides safe and open access to residents. As such, the neighbourhood is designed to allow a combination of both community and privacy.

The eco-neighbourhood is made up of a range of residents, from single professionals, through to families, and older retired residents. Currently the neighbourhood has 18 children, a historically large number for the community. It is not uncommon for a person to move to several different



residences over the whole period of living in the neighbourhood as their needs change from upsizing to downsizing. Household incomes of the residents ranges significantly, with some coming into the community with a relatively comfortable income (or nest egg) and others having very little to live on (e.g., relying completely on NZ Super).

Up until COVID, residents came together twice a week for a communal dinner, and the common house was a hive of social connection. This is slowly returning although COVID still causes some disruption. Additionally, COVID appears to have created a higher turnover of residents, not surprising given that social restrictions are the antithesis of communal living.

Ideally, all residents are active in decision-making and running of the neighbourhood. Meetings or 'focus groups' are held very regularly, and residents are expected to participate. However, it is also recognised that some people have skills or interests in areas outside of communal decision-making, so if people contribute to another important area, this is accepted.

There is no vetting of new members although it is likely that people self-select themselves even before having an introductory meeting to the neighbourhood, so that people who are interested in applying for a home typically have at least some similar values regarding socially and environmentally sustainable living.

Participants

Seven residents took part in a focus group in the meeting room adjoined to the large common hall.

Participants included five women and two men. Two participants were aged 50-65, five were aged over 65. One participant was Māori (Te Rarawa, Ngatiwai and Ngati Whatua), the remainder were Pākehā.

In terms of how long participants had resided in the village, duration ranged from four years, through to over 15 (being a founding member).

An introduction question had people describe what their attitudes towards money were. Responses ranged from frugal to 'relaxed', but no one described themselves as 'spenders rather than savers', a contrast to other focus groups with older people conducted by the researcher around the same time. Some participants explicitly stated they were socialist.

Residents' journey to Earthsong

Participants' previous homes ranged from a large villa in the city, apartments, an organic farm, kibbutz, and family homesteads, suggesting that a history of communal living was not necessarily a typical entry into the eco-village.

The decision to move to Earthsong appeared to come about during periods of reflection or change (such as moving country, selling a home or downsizing). For several, Earthsong entered the consideration set via conversations with friends or work colleagues. Some participants indicated that previous living arrangements had left them feeling isolated and lonely. Others had seen what isolation had done to people they worked with and wanted to ensure they were part of a larger community.

As such, a common theme was the immense importance of community; of knowing the neighbours; of being available to support each other and help each other out; of creating something together; of



being willing to experience greater intimacy with each other than a typical city neighbourhood might be able to offer.

Participants recognised that such close social contact and the pre-requisite need to work together as a community wasn't for everyone. Indeed, some expressed an acknowledgement that this form of living could be personally challenging but equally an opportunity for personal growth.

Participants spoke very warmly of their experiences once in the eco-neighbourhood.

Cohousing income and expenses

Income of participants range from full-time or part-time work, through to NZ Superannuation bolstered by a small nest-egg. The cohousing system of the eco-community is not discussed as a source of income for members.

To some extent housing costs are dictated by the degree of frugality of the resident. For instance, one of the participants indicated that being reasonably careful, she can keep her housing costs to \$80/month.

Core costs include:

Rates (dependent on the size of the house) – one of the biggest fixed costs, and governed by Auckland Council

Body Corp levy of \$69,000 p.a. split between the 32 units. That is, \$2500 per annum (apparently in other cohousing communities, levies can be as high as \$8000-9000 p.a.). Because homes were built at about the same time, there are situations where a number of homes need maintenance simultaneously, meaning there are peaks in large expenses (e.g., like replacing the solar panels). External maintenance of the homes is one area that may be higher than elsewhere. The homes need to be oiled roughly every 4 years (as opposed to a traditional home where painting would be done every 10 years).

Internet – the community uses a single internet provider, and the bill is divided among all the residents. However, this produces quite a slow connection, so some residents have chosen to pay individually for extra speed.

Power - Due to the construction of the homes, power needs are kept low via passive solar design and solar heating. The community also gets power via three mains lines of power, hence there are three-line charges. Readings are done quarterly and split on the basis of use.

Water – water comes from the town supply as well as from rainwater tanks, but there is also one fixed rate charge that the community pays.

Rubbish removal – the community allows for four rubbish bins to be collected each week.

Parking – each home has one free carpark allocated, but residents can purchase an additional space for \$5 week. The aim is for fewer cars, and there is a container load of bicycles for resident use.

Home ownership insurance is included in the Body Corp fees. However, individuals pay for their own content and car insurance.

Communal tools, appliances – e.g. The community pools money to purchase items likely to be used frequently, such as the two communal lawnmowers and four washing machines. They have also



bought their own scaffolding since it's used often enough that it is less expensive than hiring. There is also a communal workshop and if there is something that is going to be used frequently, larger tools or machinery will be bought rather than hired.

Professional training – The community is able to draw on a wide range of skills, but where the community does not have the internal skills necessary for a project (e.g., building, plumber, etc), a resident will often put their hand up to become trained in a specific area. An example is training someone to put up the scaffolding and to get sign-off on health and safety. Another example being trained for solar panel installation.

Food – while food does make up a significant cost, this is much lower than elsewhere given the emphasis of food production within the community. Everyone shares their crops. At one stage, the community attempted to organise a food co-op or to set up a bulk buying facility, but it ended up being administratively arduous and so has not progressed. There is a supermarket next door to the eco-neighbourhood.

Transport – there are a range of options for residents. The train is nearby, and residents try to carpool where possible, with some people having joint ownership of cars with their neighbours. However, residents do still need their cars to get around and this is an area where it's hard to keep costs down.

Healthcare fees – managed individually and dependent on the individual's needs.

No Accountant fees - One difference that contributes to this comparatively small levy is the fact that Earthsong has a resident accountant who is willing to provide her services on a voluntary basis – something that enables communal costs to be reduced for everyone.

Perceptions of the future

Participants were asked how much thought they'd given to their future and what their feelings about it were. Attitudes ranged from optimistic to slightly fearful. Some apprehension of living beyond resources was expressed by a couple of participants. One participant acknowledged that until recently he had been quite apprehensive of living in poverty in old age. However, having recently been diagnosed with cancer he now viewed life with a shorter timeframe and consequently less fear.

Another person (the accountant) mentioned she had been intrigued by the Barefoot Investor. As a result, she'd put together a model to explore how long their savings and investments would last them. Based on their current financial position, she could see that her model was fairly accurate, and this had given her and her partner comfort, knowing they could relax and spend money now, yet still be comfortable in the future. The partner of this person also mentioned a reverse mortgage, something that he hasn't ruled out as an option (and something he felt was possible even within the eco-community model).

Another participant (who'd recently had a stroke) was trying to live entirely on her NZ Super fund and was now observing that it wasn't covering all her expenses. She indicated she felt 'curious' as to what would happen in the next little while as costs continued to increase and savings were eroded. This participant believed she might need support managing physically and financially in the future but wasn't sure what that would look like. She did not appear to be receiving disability or accommodation supplements currently.



Another example was raised by a participant who lived with her partner (who had early-onset dementia). She had received incredible support from the community. However, she was aware that it wouldn't be too much longer before she would not be able to care for him in the way he needed, and he might need to move into full-time care. Her predicted costs for his care in future should he require fulltime care were \$7,500-\$9,000 per month, an amount that was cause for concern.

Care for older residents

In terms of care and support for older people, there was an acknowledgement that currently Earthsong has a fairly 'pākeha' culture. How well might the eco-neighbourhood ensure the elderly were comfortable and safe, especially if they did not have family in the neighbourhood? As one participant pondered: *'When does this place become 'unsafe' to remain in'?*

The ability to contribute meaningfully to the neighbourhood was important, but some participants could imagine getting tired of it. Indeed, this was one of the triggers for churn out of the neighbourhood – a few ex-residents were known to be relieved not to have to spend so much time and effort contributing. This could potentially be exacerbated by the number of younger families moving in who were less available because they had such busy lives juggling work and children, meaning a disproportionate amount of time was contributed by older residents.

The two younger participants still wanted to travel and had ideas of moving to the South Island. Others pondered what other places they might like, with apartments, retirement villages and units not ruled out. As an alternative living situation, retirement villages garnered a mixed response from participants. One woman was adamant she would never move to a retirement home, having had traumatic experiences with the way they were managed in the past. In contrast, one man indicated he would be reasonably comfortable in a retirement home, where he could relax and enjoy life making new friends in that community (he was aged 78). However, *'living within age bands'* would mean he would miss the energy that the children brought to the community. One alternative of interest was pension housing such as that provided in Surrey Crescent (Grey Lynn).

Overall

For older participants, having a range of ages within the community was seen as a significant positive. However, there was also a recognition that there would eventually be a limit to how well they could contribute and an increase in their needs that might not be met within that community.

Thus, residing in an eco-community was not considered the endpoint for participants, but it was an arrangement that suited people well at a particular time in their lives and afforded an ability to live comparatively economically and socially connected.



Case study 2: Peterborough Housing Cooperative



[Peterborough](#)

Introducing Peterborough Co-op

Peterborough Co-op is 14 townhouses built around a huge central courtyard, with a neighbourhood house, located in inner-city Ōtautahi (Christchurch). The townhouses vary from 1 to 4 bedrooms.

It started in 1982 but the 2011 earthquake terminally damaged all the houses, which were subsequently rebuilt as a purpose designed pocket neighbourhood.

Ōtākaro Land Trust is the legal entity of Peterborough Housing Cooperative. Currently the Trust owns 11 of the 14 townhouses, with 3 privately owned, which will revert back to the Trust when the owners wish to sell. All residents, owners and renters, become Trustees of the Trust.

Ōtākaro Land Trust is a charitable trust that supports community development through encouraging co-operative housing. Housing designed for people, that is socially, economically and environmentally sustainable.

Property details

The property has two shared laundry facilities, and a heating system that uses solar power where possible and is assisted by heat pumps. The heating system provides the townhouses with hot water and underfloor heating. The properties have thicker walls than are standard and are insulated.

The neighbourhood house includes a guest bedroom and accessible bathroom, so that residents do not need their own spare room for guests and is used for weekly shared meals and as a meeting space. There is also a workshop.

The garden area has a focus on native plants and also includes food items (such as lettuce, silverbeet, pumpkins, rocket, strawberries, tomatoes, and herbs). It uses limited concrete and non-tannin wood. There is a shared parking area located away from the houses and garden and some informal sharing of private vehicles occurs.

All residents provide four hours a month as 'community hours' and act as their own property managers.



Interviews

A focus group was conducted in May 2022 with 5 residents (2 men and 3 women). Within the group was a married couple, one partnered person, and two single people. Two of the residents were aged over 65 and three residents were aged under 65.

Prior experience of cooperatives and access

Some residents had been thinking for up to 30 years of finding cooperative style housing and some had looked at other options that had failed to materialise.

There is interest to move into the Peterborough Co-op, especially from women in their 60s who live alone, but there is a deliberate focus to maintain a mixed of ages within the community (so currently families are sought).

The community was noted as offering lots of space and security, but also being a 'fishbowl' with a lack of privacy, which may be less appealing for younger people. Residents noted that the Peterborough Co-op provides more security than traditional rental accommodation.

Residents agreed that it was hard to get into the Peterborough Co-op, and that connections to existing residents were useful, as collective agreement is required to move in and there is a waiting list.

In terms of building new cooperatives, a number of barriers were discussed, including insurance, funding (obtaining bank loans), and council consents.

Expenses

Rent is set at approximately 75% of market rents. As at 1 June 2022 the weekly rents are as follows: Studio - \$221.55, one bedroom - \$276.15, two-bedroom \$345, and 3 bedroom - \$405.30.

Internet is shared at a total cost of \$200 per month. Power costs vary, and there have been challenges to get individual bills, which are important as power costs vary (houses at the end of the rows are harder to heat).

The Body Corporate covers community expenses, with contributions coming from the four owners (the Trust and the three private owners), and has been set at an initial low rate that covers insurance. As expenses become clearer the contributions may be increased.

One resident suggested it generally costs around 20% less to live in cooperative housing. Baby-sitting was offered as one cost saver and other residents provide 'tech support' for older residents. Other individual expenses included health insurance, which was considered very expensive, and the need to pay for private surgery to avoid public waiting lists was noted. The recent cost of living increases due to inflation had been felt by residents. Residents described a frugal approach to life, and a habit of saving, and considered themselves to be less materialistic than many other people.



Income

Residents had various forms of income, including paid work (for those under 65), NZ Superannuation (for those over 65), and rental income from other properties.

The guest facilities in the neighbourhood house were noted as a potential income stream for the Trust, but this was not favoured due to safety concerns, especially of children in the community.

Retirement planning

KiwiSaver and private retirement savings schemes were utilised by some residents. The community housing was a retirement plan for others, especially as two units are accessible, managing any future later-life disability issues.

There was some concern that women, especially, did not realise they could keep contributing to KiwiSaver when they weren't in paid work, and some hope that when people were receiving a benefit, they might still be able to contribute a small amount to their KiwiSaver. There was also concern for the high level of student debt.

Overall

Residents noted that it is a learning process to live in co-housing. In this case, they acknowledged that many people had worked hard to get the property as it is now, after the work to rebuild after the 2011 earthquake. Residents were committed to 'giving back'.

Residents were grateful to have the opportunity to live at Peterborough and felt privileged to do so. Due to the limited number of such housing options though, residents could be separated from family in other parts of the country, and they appreciated the increased social connections available at Peterborough.



Case Study 3: Abbeyfield



<https://www.abbeyfield.co.nz/>

Introducing Abbeyfield

The first community was established in the 1950s by founder Richard Car-Gomm in response to his observation through volunteering that older people often experienced loneliness in their later years. Since then Abbeyfield¹ has become an international network. As explained on the Abbeyfield New Zealand website:

“Abbeyfield is a voluntary effort by people of goodwill to assist older people to achieve a fulfilling way of life. We believe:

- that many older people suffer from loneliness and insecurity, finding it difficult to maintain a large house, and failing to cook themselves nutritious meals
- that older people have an important role to play in the lives of their families, friends and communities
- within each community, individuals can work together to help older people have a secure, comfortable life with the companionship of a small household.”

Abbeyfield New Zealand is a registered charity (CC23346), is a registered Community Housing Provider (CHP) with the [Community Housing Regulatory Authority](#), and a member of [Community Housing Aotearoa](#).

Abbeyfield New Zealand currently has 14 houses distributed around the motu, providing a home to 161 people. Locations include Whangarei, Auckland, Hamilton, Masterton, Palmerston North,

¹ Information for the Abbeyfield case study was derived from a phone interview with a senior executive of Abbeyfield New Zealand, lasting around an hour, and supplemented with desk research.



Takaka, Motueka, Nelson (Stoke and Tahunanui), Christchurch (Hornby and Wigram), Leeston, Queenstown and Dunedin.

Each centre is run by a locally incorporated society made up of people who volunteer their time to handle applications, employ staff and maintain the property, as well as take an active interest in residents' wellbeing. The buildings are centrally owned, but locally managed. Unlike retirement villages, no capital contribution is required by residents.

Residents pay rent, which covers accommodation, meals and operating costs on a not-for-profit basis. The accommodation provides individual living, which means residents who are single may be eligible for NZ Super at the single, living alone rate'. Some residents may also qualify for the Accommodation Supplement depending on their circumstances. A housekeeper is employed to provide meals, do grocery shopping and clear communal areas, but nursing care is not provided.

As a CHP, specified performance standards must be reached and maintained, and a stringent annual reporting regime is required across finance, governance, management, maintenance, and tenancy regulation performance standards. Abbeyfield currently have one contract (ie for one location, where they have added 4 additional suites) with HUD for IRRS (Income Related Rent Subsidy) and Operating Supplement.

Residents

Each community houses 12-14 people who are aged over 65 (usually single) and able to care for themselves independently.

Abbeyfield is aimed at single people who need companionship, so accommodation typically takes the form of single rooms or studios. Residents are currently skewed to women (although this appears to be becoming more balanced), and Pākehā, with a minority continuing to work part-time.

Essentially, the communities aim to meet the needs of the 'missing middle', focusing on the older generation. Many residents have experienced life shocks (e.g. redundancy, loans to family, issues with health) that have impacted on them financially. Such residents are likely to access NZ Superannuation and may have some savings, but don't have sufficient funds to afford entry into retirement villages. Unfortunately, despite Abbeyfield being a CHP, this 'missing middle' are unlikely to qualify for the public housing register and as such are unable to access the IRRS.

Six years ago, more than half of the residents had a house they could sell, but now fewer than half of the residents are in this position. For owners, their homes may have become too difficult to maintain and there is a desire to downsize. Other residents have already been renting in the later part of their life and need somewhere that can offer a more secure tenure. For many, finding a place to live would mean moving outside their home region, and Abbeyfield offers an opportunity to remain close to family and friends.

Abbeyfield is aware of their Pākehā skew and are continuing to develop their community model to meet the needs of people from diverse cultural backgrounds. For instance, Abbeyfield is regularly approached by iwi in Aotearoa who wish to explore this model of living for senior residents². There

² For example, Te Whare Āhurutanga is an 11 person house for kaumātua, provided by Te Taiwhenua O Heretaunga, based on the Abbeyfield model ([Kaumatua / SENIORS, Te Taiwhenua o Heretaunga \(ttoh.iwi.nz\)](https://www.kaumatua.govt.nz/sections/seniors))



are examples overseas (e.g. UK) where Abbeyfield communities are made up entirely of a single cultural segment (e.g. in London there is an Abbeyfield Polish community).

Future growth

Choice of new locations is currently 'reactive' based on need, rather than 'proactively' looking for new opportunities. Limitations to growth include availability of funding for building, as well as availability of land. Additionally, proximity to community centres is also important to allow residents to remain connected and independent.

Once a need is established, a group of people willing to steer development of the project forms and works together with Abbeyfield New Zealand. The group will eventually become a local Abbeyfield society responsible for managing the house.

Once a house is developed, it is expected to be self-sustaining as long as occupancy remains near 100%. It is therefore essential that sufficient demand is confirmed before proceeding with development.

Abbeyfield New Zealand is almost completely reliant on funding via grants / other fundraising, plus mortgages. Half of Abbeyfield Houses were developed through the partial funding provided from the Housing Innovation Fund (HIF) and the Social Housing Unit (SHU). According to Abbeyfield, the Crown's interests in providing this funding were adequately protected and all these properties continue to provide an affordable housing option for older people.

Going forward, in the first tranche of Affordable Housing Funding, Abbeyfield have now been permitted to register interest in applying for three of their pipeline projects but have yet to hear about the outcome. The fund will advance a grant of up to 50% for new affordable rental properties in six regions where need is most apparent³. Local societies are currently working to establish houses in Manukau, Greymouth, Blenheim and Western Bay of Plenty.

³ [Affordable Rental Pathway - Te Tūāpapa Kura Kāinga - Ministry of Housing and Urban Development \(hud.govt.nz\)](https://www.hud.govt.nz/affordable-rental-pathway/)

