

Long-Term Insights Briefing

The Long-Term Implications of our Aging Population for our Housing and Urban Features



New Zealand Council Of
Christian Social Services

Contact Name:	Nikki Hurst Rachel Mackay
Organisation Name:	New Zealand Council of Christian Social Services (NZCCSS)
Ko wai au Who we are:	<p>The New Zealand Council of Christian Social Services (NZCCSS) welcomes the opportunity to provide feedback on this Long-term Insights Briefing regarding the implications of the aging population on our housing and urban features.</p> <p>NZCCSS has six foundation members; the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches.</p> <p>Through this membership, NZCCSS represents over 250 organisations providing a range of social support services across Aotearoa. We believe in working to achieve a just and compassionate society for all, through our commitment to our faith and Te Tiriti o Waitangi. Further details on NZCCSS can be found on our website www.nzccss.org.nz.</p>

Tirohanga Whānui | Overview

We welcome the attention being paid to the impacts of our aging population on the housing and urban features of Aotearoa New Zealand. We firmly believe that designing housing and urban centres with older people in mind will create liveable and functional spaces that benefit all age cohorts of society.

We have for some time expressed concerns that this aspect of our housing crisis is not being paid sufficient attention, and that a serious and considered response is required in order to prepare for the further stresses on an already over-strained housing system.

We welcome this assessment, and strongly encourage HUD to continue to communicate with aged care and disability service providers as this work progresses. Ensuring adequate housing exists for our older people is both a commitment to Article 3 of Te Tiriti o Waitangi, and an expression of human rights.

Our key points are:

Item One

Older New Zealanders are either safe or in significant danger of housing deprivation as a result of being homeowners or renters, and this issue is only going to be exacerbated in future generations.

Item Two

There is no current regulatory mechanism for affordable rentals, leaving older people still renting on a pension in significant danger of housing poverty.

Item Three

Funding and support for Aged Residential Care (ARC) for those who cannot afford for-profit retirement villages must meet the growing demand, across the spectrum from residential to hospital level care.

Item Four

MAIHI Ka Ora must lead the way for the development of culturally appropriate housing and urban planning for kuia, kaumatua, and their families.

Item Five

Urban planning that meets the needs of older people requires more accessible design for all demographics.

Item Six

Universal and Lifetime Design principles meet the needs of all and should have required percentages in developments. Covenants excluding accessibility features should either not be permitted or should be restricted to a percentage of developments.

Item Seven

Retrofitting homes is more costly than requiring features in new stock, but there must be a mechanism for supporting individuals to remain in their homes and communities for wellbeing purposes via adjustments to their homes.

Taunakitanga | Recommendations

We raise the following points and recommendations for consideration:

Item One - Older New Zealanders are either safe or in significant danger of housing deprivation as a result of being homeowners or renters, and this issue is only going to be exacerbated in future generations.

The trajectory of housing security in old age has always been predicated upon most individuals or couples being able to own their own home outright by the time they retire. From this state of housing security, they can then either remain in place until they require additional help, or they can sell their family home to downsize or move into a retirement village. In previous generations, there was the expectation that the small number of people reaching older age without the financial security of home ownership was so low that they could be catered to by council flats and community organisations (such as many of our members).

This trajectory is no longer so predictable. Now, not only do we have an aging population where the absolute number of older people is higher than ever before, but we have historically low home ownership among our oldest citizens. Further, the last twenty years has seen the loss of council and state housing, to an extent that many areas no longer have housing set aside for their older people ([See our Housing Tool](#) for available housing).

There is a material and growing imbalance between those who can afford to purchase suitable housing as they retire and those who do not have the financial capacity to do so. As a result, the lower-income services for those who cannot afford premium, commercial Aged Residential Care (ARC) are overwhelmed. These are often independently owned and just managing, or not-for-profit and increasingly facing threats of disestablishment. Where social housing is being built, considerations relating to the needs of older New Zealanders are poor.

Further, there are multiple missed opportunities presently to build housing that allows for intergenerational, but independent, living. For many cultures, intergenerational living is the norm. Our building practices (both social and commercial) should reflect this. Our building regulations should easily allow for this.

The intergenerational wealth gap is relegating more New Zealanders than ever to being long term residents of the intermediate housing market. This means that without systemic change to re-establish the certainty that most people will be able to retire as homeowners, this issue will persist. The way we manage this incoming generation of older people will set the blueprint for the next few decades of housing support for this age cohort, until such a time as the nation's wealth distribution and housing market can be managed in a more equitable fashion.

Recommendation Proposal 1:

a) We suggest overall assessment of the housing continuum to ensure future generations can have a realistic chance of home ownership, to set themselves up for housing security in old age.

b) We suggest urgent attention be paid to social housing for older New Zealanders

c) We suggest urgent attention be paid to planning, regulation and delivery of housing stock (social and commercial) that allow for independent, intergenerational living

Item Two - There is no current regulatory mechanism for affordable rentals, leaving older people still renting on a pension in significant danger of housing poverty.

There are currently no regulatory, financial, taxation, or market benefits to encourage the creation or maintenance of dedicated affordable rental portfolios to meet growing need. A key stage of the housing continuum is that of 'affordable rentals', properties designated at below market rent to bridge the affordability gap between social housing (on Income Related Rent Subsidy) and the private market (for which there are no limits on the rent outside of market forces).

The lack of affordable options is particularly concerning to older people living in private rentals. These older people remain subject to annual rental increases, often while receiving fixed superannuation income. The current rate of payment for a married couple who both qualify for superannuation payments is \$712. Current (April-September 2022) market rent for a 2-bedroom house is \$493 in Otara (Auckland), \$460 in Burwood (Christchurch), and \$455 in West End (Palmerston North). Affordability of housing is calculated at approximately 30% of household income – a superannuant couple should be spending no more than \$213.60 per week on their accommodation, yet in all three of these areas they would be paying more than twice that. In addition, this does not calculate the unaffordability of private rentals for those who are not married, or who have been widowed and subsequently lost some of their superannuation eligibility.

Further, it also does not consider that many older people will be living in homes larger than 2 bedrooms, where they have deep community connections. Or that they may need additional bedrooms for hosting grandchildren or other family members. A single room house in a suburb where they haven't spent their lives may not meet their needs but staying may result in far higher rents due to a lack of appropriate options.

The lack of affordable housing mechanisms effects all people renting, but older people who have a reduced capacity to supplement their income with employment, feel it the most.

Recommendation Proposal 2: We suggest investigation into the best mechanisms to establish and support affordable housing portfolios in communities to ensure that private market tenants have lower-cost options, especially those on the fixed superannuation income.

Item Three – Government funding and support for Aged Residential Care (ARC) for those who cannot afford for-profit retirement villages must meet the growing demand, across the spectrum from residential to hospital level care.

There are simply not enough not-for-profit ARC sites or providers, and what we have we are struggling to retain. Long standing lack of investment in infrastructure and key workforce issues are seeing the closure of ARC facilities - in exactly the spaces where they are needed. For-profit ARC - while increasingly common - are inaccessible to the growing population of older New Zealanders who cannot afford market rates. The intersection of these issues is key for HUD to understand, in order to play a considered part in this kōrero. And more importantly, to actively support effective funding and decision-making urgently required to halt the crisis facing not-for-profit Aged Residential Care (ARC) is facing.

Not-for-Profit ARC in Aotearoa New Zealand has historically been provided by faith-based organisations, most of whom make up our membership. Their commitment to this kaupapa stems from both our core values (if not us, who?), and from persistent and entrenched unmet need (if not

now, when). Rarely, has government adequately funded these services. Rarely has government adequately planned to meet this need. And at exactly the moment that we need to be in a growth mode to meet the needs of this generation, these double pressures are causing the closure of multiple sites across the country. While this LTIB is interested in housing, the situation in ARC cannot be addressed without also addressing the impact of workforce shortages¹.

[Te Pae Tata](#), our interim health plan, promises increasing and flexible financial support for community partners that meet standards, but under a housing umbrella this must also be a consideration for HUD, not just Te Whatu Ora and Te Aka Whai Ora. ARC is being failed on all angles under current funding settings, despite filling a need that government is currently unable to facilitate. We urgently need a cross-governmental approach to these challenges.

Recommendation Proposal 3:

a) We suggest HUD invests into ARC infrastructure to ensure that these key facilities can continue to function.

b) We suggest Te Whatu Ora, Te Aka Whai Ora, HUD, MSD and others form a cross-governmental group to urgently work to address the current crisis.

Item Four - MAIHI Ka Ora must lead the way for the development of culturally appropriate housing and urban planning for kuia, kaumatua, and their families.

We strongly urge that there is a notable Māori presence in decisions regarding cultural safety and support for kuia and kaumatua. We would hope to see strong integration of the MAIHI Ka Ora Implementation Plan into any Older people housing plans that come from this LTIB.

Recommendation Proposal 4: We suggest strong association and integration of MAIHI Ka Ora into any planning for older people's housing that comes from this LTIB.

Item Five - Urban planning that meets the needs of older people requires more accessible design for all demographics.

Ensuring that communities and urban spaces are designed with older people in mind will ensure that there is the facility for these individuals to remain within their communities as they age. The capacity to age in place is critical for holistic wellbeing, community cohesion, and whānau stability. Ensuring that older people do not have to leave their homes and communities in order to access the infrastructure and urban design they need is key to facilitating this.

The consultation document contains an illustration of an Age Friendly urban place, with many features that our members have advocated for in their own communities. The concept is noted as being based upon the 20-minute city concept, whereby most everyday needs can be met within 20 minutes of a person's residence by walking, cycling or public transportation.

¹ Ironically, these workforce shortages also stem from under funding, AND are exacerbated by inaccessible, over-priced housing pressures.

These parameters meet the needs of all people, but especially older people, and foster a sense of community unity and consideration. The same path that is easy to navigate with a wheelchair or walker is easy to navigate with a pushchair or on a balance bike. Frequent and comfortable seating benefits not only older people but anyone needing a pause in their day. Comfortable and inviting community spaces foster a sense of engagement no matter the age cohort. Universal design benefits all members of a community.

Recommendation Proposal 5: We suggest requiring universal design principles such as the 20-minute city in all aspects of urban design and replanning moving forward.

Item Six - Universal and Lifetime Design principles meet the needs of all and should have required percentages in developments. Covenants excluding accessibility features should either not be permitted or should be restricted to a percentage of developments.

Just as communities based on accessible design are easier for older people to navigate, so too do individual homes with universal design. Homes built with accessibility features are far more cost effective than retrofits and need to be found in all neighbourhoods to ensure that individuals have a reasonable chance to age in place within their community. There is no reason that new developments should not have a quota of universally designed homes throughout them, stipulated in District Plans to reflect local population dynamics.

Similarly, the information presented in the consultation notes regarding covenants in Auckland is extremely concerning to us from an equity perspective. No covenant should be legally permitted that would exclude accessibility features, especially such basic features as ramps. This is a blatant case of discrimination against individuals who require this feature, excluding them from specific areas and amenities.

Recommendation Proposal 6: We suggest engaging District and City Councils in their next round of District Plan reviews to create requirements for minimum quotas of Universally designed homes over the next plan period and creating specific exclusions for applications for covenant that restrict accessibility features.

Item Seven - Retrofitting homes is more costly than requiring features in new stock, but there must be a mechanism for supporting individuals to remain in their homes and communities for wellbeing purposes via adjustments to their homes.

Retrofitting accessibility features into homes is more costly than building homes with them in the first place. For most of Aotearoa New Zealand's housing stock this would be the only way to ensure that they are provided.

However, access to accessibility retrofitting funding is closely guarded by a mixture of Ministries with varying requirements and thresholds. ACC will facilitate certain modifications, but only if you meet specific physical requirements relating to an injury. Whaikaha cannot approve general maintenance requests or any modification that costs less than \$200. Work and Income approve payments below this threshold through the House Modification Funding through the Ministry of Health. All current online reference to this funding on the Work and Income website and the "Home Modifications" page of The New Zealand Government page still refer to the Ministry of Health and DHB's – which

are now incorrect and impossible to follow links for information since the commencement of Te Whatu Ora.

There is also a barrier to access in that individuals need to wait for an assessment to 'ensure' they meet the physical requirements of disability before they are approved for support. Many older people will not accept the need for this assessment until they have already been injured or disadvantaged by the lack of the accessibility feature – usually shower and bath rails.

Allowing a more streamlined and centralised access point for access to this funding would be of benefit to all individuals who need it, but especially older people. Facilitating an inter-ministry de-siloed approach to retrofitting would be ideal for all in this sphere.

Recommendation Proposal 7: We suggest establishing a consistent, inter-ministry granting fund for accessibility retrofitting, that ensures that anyone who requires support can access it.