

AGEING
WELL

Kia eke kairangi ki te
talkaumatanga

Older People of Tomorrow Realising the Longevity Dividend

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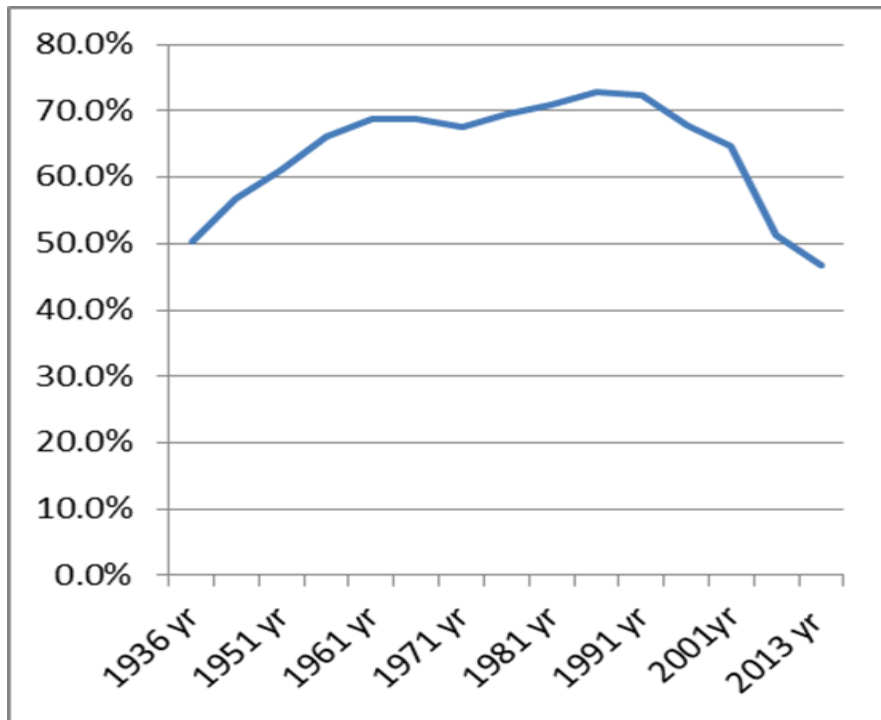
Longevity is a great achievement of:

- The 20th century:
 - Clean water
 - Antibiotics
 - Affordable housing
 - Pensions
- In the 21st century we can:
 - Use itOR
 - Lose it
 - Benefit from itOr
 - Be burdened by it

Experience of Future Older Population

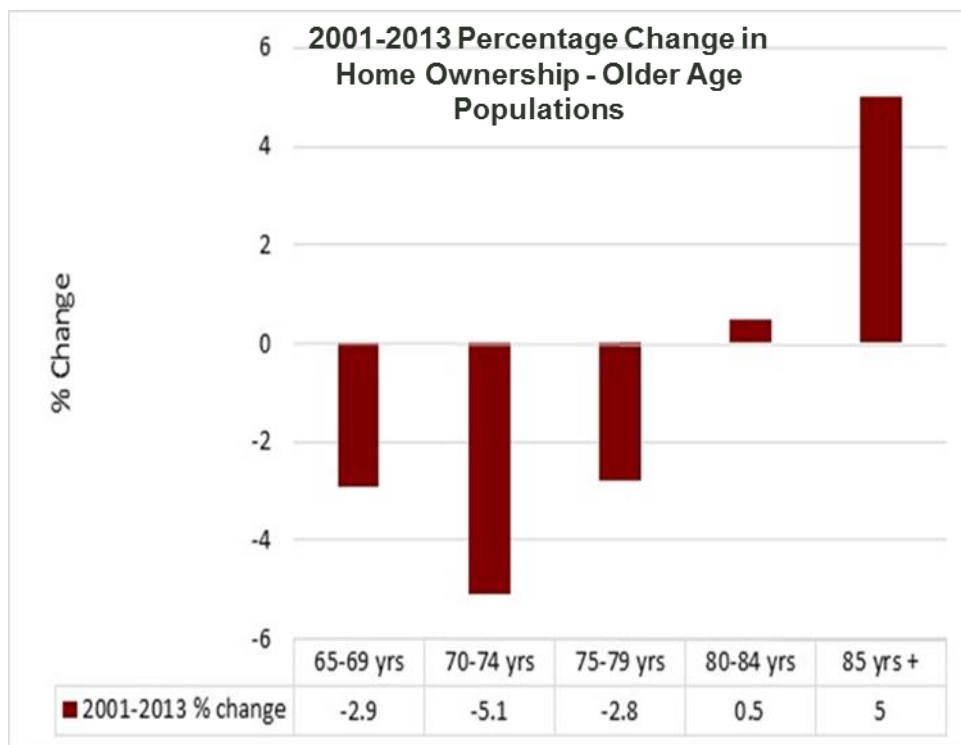
- Can not be 'read' from the overarching experience of:
 - The older population now, or
 - Earlier cohorts of baby boomers
- Tomorrow's older people will:
 - Live in a globalized world
 - Live a renting world
 - Be renters themselves or have friends who are
 - Likely see their children and grandchildren in rental for life

Back to the Thirties



Falling Home Ownership
– Dwellings (excluding
Family Trusts but
including Retirement
Villages)

Rental Onset for Older People



- **For 80+ yrs**
 - Ageing at home
 - Possibly a small retirement village affect.
 - Legacy of home ownership policy and affordable housing
- **For 65-79 yrs:**
 - Previously renting
 - Moving to rental
 - Out of private into non-private dwellings

What Will Be Affected? Lots!

- High, mortgage-free homeownership among older people frames:
 - Retirement incomes policy and settings
 - Health policy particularly:
 - **In-home care**
 - **Home modifications**
 - Residential care settings and funding
- Current housing delivery assumes older people have housing wealth:
 - HNZ gives low priority to older people
 - Local government pensioner housing in decline and affordability issues
 - Community housing sector:
 - **Does not target older people**
 - **Paralysed by policy and legislative confusion**
 - Retirement village expansion

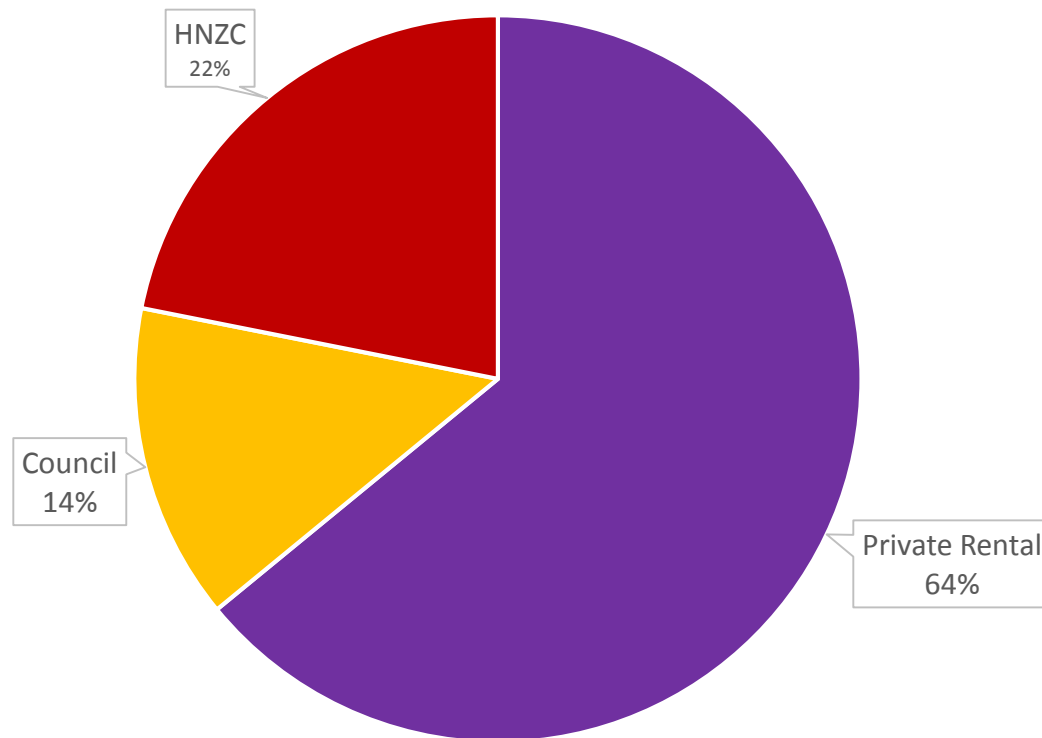
Will rental dominance:

- Incentivize and precipitate higher dependency and rest home care?
- Constrain access to or drive up costs of:
 - In-home care?
 - Modifications?
 - Home-based treatment?
- Change tastes and capacity to give and receive affective support in different cultural settings, places and households?
- Generate an age-friendly rental sector and rental stock?

Older Renters are:

- Under pressure
 - High house prices and low returns:
 - Rent increases
 - Tipping older people out of tenancies
 - Poor house condition and accessibility:
 - Older housing stock
 - Landlord reluctance to modify
 - Fragile deals with landlords around home maintenance, section maintenance.
- Operating in a tenure associated with:
 - Insecurity
 - Poor house performance
 - Marginal affordability
- Not a priority for social housing
- As Accommodation Supplement recipients living in unaffordable housing
- Fragile financially and physiologically

Landlords and Older Renters 2013 Census

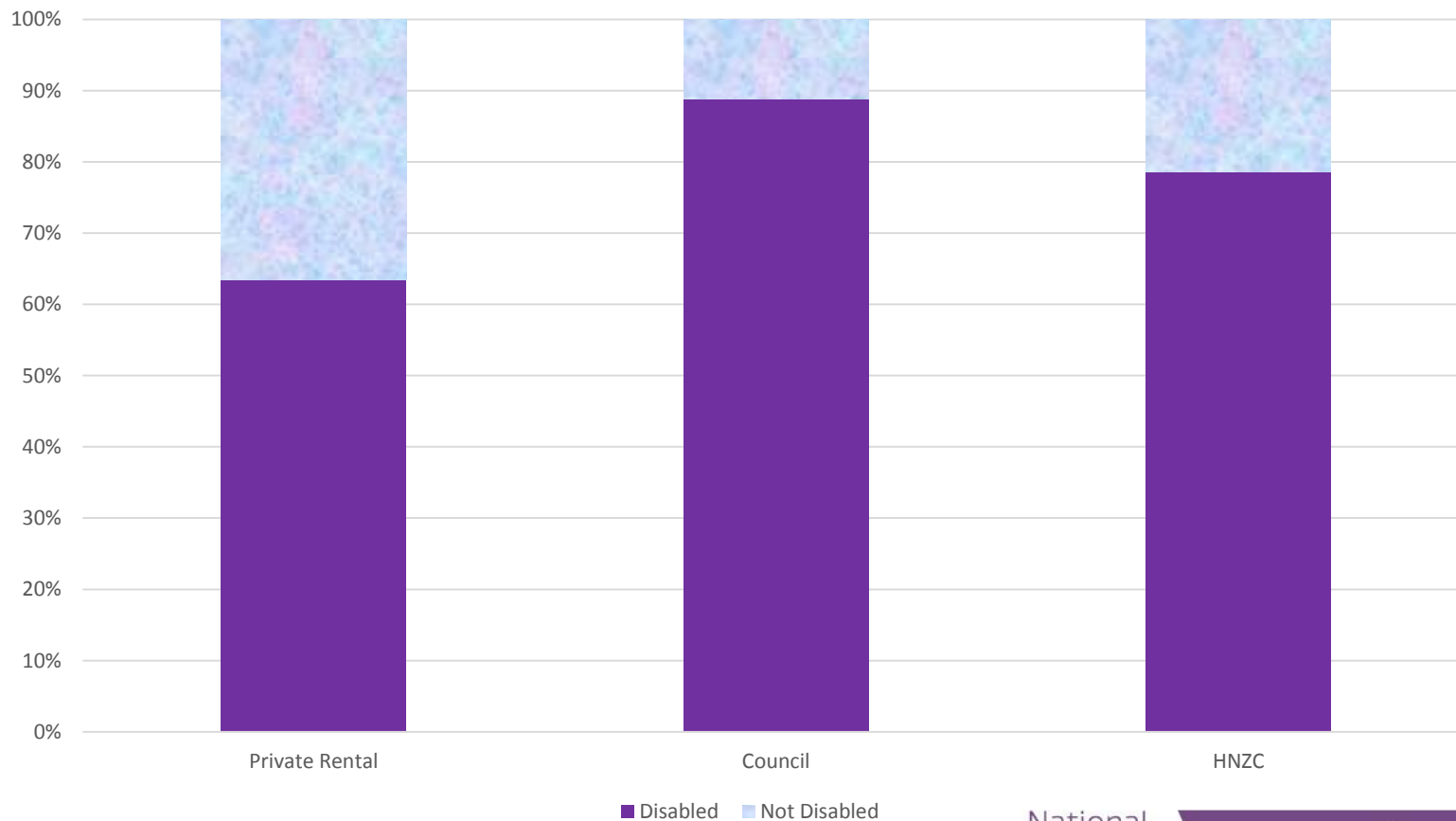


Rental Affordability for Superannuitants

- Affordability in 2014:
 - Couples - \$156/week
 - Living alone - \$105/week
- Councils locked out of Income Related Rents
- Rents targeted to older people – Council Rents 2014

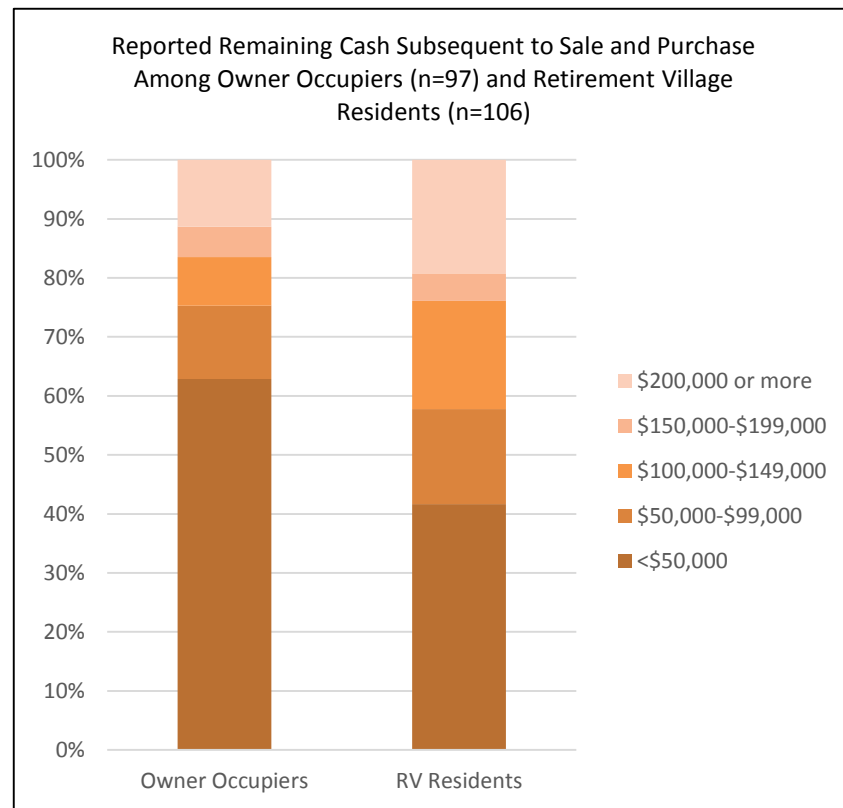
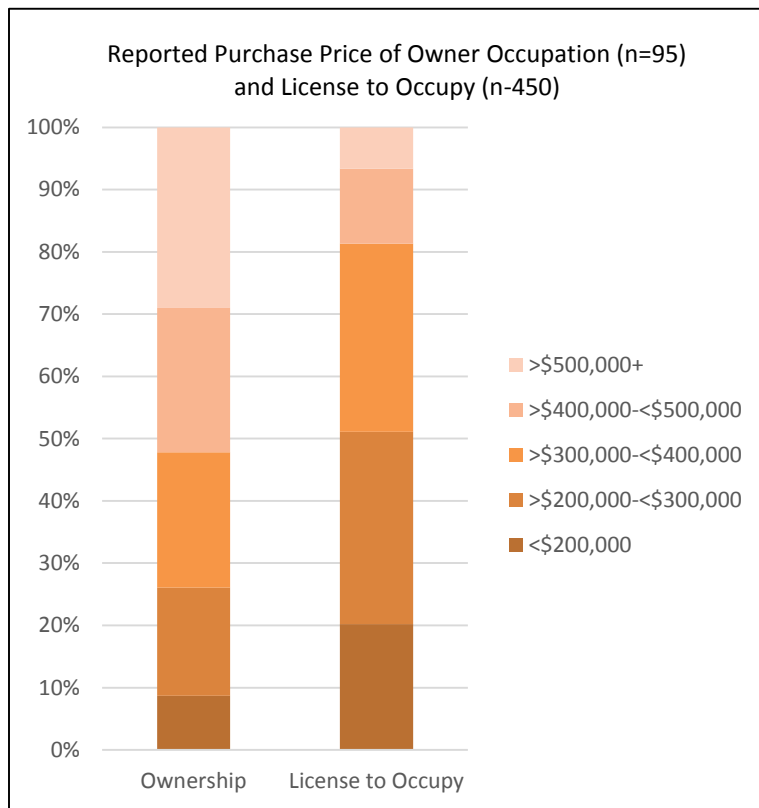
Unit Size	\$/week Range Single		\$/week Range Couples	
	Min	Max	Min	Max
Bedsit	\$45	\$165	\$45	\$165
1 Bedroom	\$60	\$200	\$60	\$220
2 Bedrooms	\$80	\$235	\$60	\$235

Older Tenants by Disability Status 2013 Census and Health Survey



And the owner occupier future?

- Under pressure to downsize but:
 - Limited choices in stock
 - Limited equity release
- Retirement village boom will continue despite:
 - Limited affordability and market
 - Fragile business model indicated in:
 - **Rising age of access**
 - **Interest in rest home provision**
 - **Interest in diversifying and accessing in-home care funding**
- Still a taste for living in the community among older owner occupiers



In-home Care Sector Futures – Challenges and Opportunities

- Landlord friendly in-home care sector
 - Landlords don't want to lose older tenants – maybe HNZ does
 - Key players:
 - Community Housing Aotearoa – community housing sector
 - Council housing
 - Property Investor Associations – Especially in provincial centres
 - Opportunities for economies through provision to older tenants in housing clusters
- Tenant friendly in-home care sector
 - Be TPA aware
 - Tenants will be increasingly diverse
 - Opportunities to
 - Provide services that address tipping points for eviction
 - Enter into copayment with tenants beyond higher income

In-home Care Sector Futures – Challenges and Opportunities

- Owner-occupiers
 - Will stay in homes longer
 - HCHA needs to reassure older people they can stay in their homes
 - **Many older people think their only option is a retirement village**
 - **MyHome MyChoices Tool identifies over sixty other options**
- Health funders and home treatment will need in-home support – Current in-home care providers are the site of best practice
- Opportunities to diversify:
 - Across different income groups
 - Across condition groups – including end of life care
 - Across services – including different service models
 - And drive forward virtual retirement villages

Use of Equity Released	% Cashed Up Older Mover (n=63)	% Cashed Up RV Resident (n=546)
Investments	37%	32%
Supporting/helping your children or other family members	32%	26%
Special recreational or fun activities	30%	30%
Day to day living costs	19%	45%
Banked/Rainy Day Reserves	14%	3%
Health costs	11%	23%
Renovations	11%	0%
Reduced mortgage/debt	5%	<1%
Funded Rental Property	3%	0%
Replaced car	3%	0%
Charities	2%	<1%
Household items	0%	2%