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# Submission

## Long-term Insights Briefing: Aging population and housing

### Executive Summary

Presbyterian Support New Zealand supports decision making by government that is reinforced and informed by long term policy planning, particularly regarding populations we serve. We consider the long-term implications of our ageing population on the future of housing and urban development to be a valuable issue to consider. We applaud the Ministry of Housing and Urban Development putting a spotlight on the relationship that New Zealand's ageing population experiences with housing and urban planning.

Presbyterian Support provides Enliven Services to Older People and people with disabilities, so we are part of a key sector serving this population in New Zealand. We speak as a not-for-profit provider in this sector. We pay close attention to Older People's home-based and residential needs and have a fear for the future of this population without carefully planned housing and urban development catered to these residential needs, within the current context of our Housing Crisis, the COVID 19 pandemic and their foreseeable economic impacts.

Retirement Villages and Aged Residential Care are features of Enliven's products and service offering for older people in four of our seven regions. Across the majority of our regions we also provide home-based care, which gives us added experiential knowledge of what older people want and choose with their whānau. Housing issues also feature at our other arm of services, Family Works, which provide social services for vulnerable tamariki, rangatahi and their parents and whānau. Often vulnerability has explicit links with the housing crisis, or expensive to heat unhealthy homes. We see whānau with intergenerational poverty. Part of our mission is to try and break that cycle for the next generation through our wrap around services for all household members.

Presbyterian Support New Zealand holds a Te Tiriti o Waitangi policy, Pātikitiki o Kōtahitangi, and although we are not a Kaupapa Māori organisation we serve many Māori across New Zealand. We have sought the experience and analysis of the anticipated issues for Māori elders in respect of Aged Care recently and report these here to support and inform the development of the Long-Term Insights Briefing. Far more specific work is needed on housing for aging Māori, and for aging Pacific peoples.

## Current Context

New Zealand has an ageing population set to increase as those born between 1946 to 1965 move into the 65+ age group. National Super has provided older people with the means for a decent standard of living, based on the assumption of home ownership and being mortgage-free by retirement. Home ownership provided a buffer against poverty. But we observe a growing number of older New Zealanders who have either never owned their own home or who have entered retirement still renting their home. The National Super does not provide adequate means for rental accommodation costs, and this is leaving tenancies insecure. The reduction conceptually of the home to a fixed capital asset within an investor economy means that as housing prices soar, rental prices also become increasingly unaffordable.

At present housing supply is being addressed through public-private partnerships, with building being carried out by developers. There is a trend for developers to build for middle income New Zealanders and buying becomes the provenance of those with higher incomes and investors. First home buyers have been supported with house lending products through Kiwisaver and Kāinga Ora, leaving retired renters on their pension a marginalised group in the housing market.

The present Government's vision is for wellbeing to be at the heart of social and economic policy, and most Cabinet spokespeople are on record recognising housing's determining relationship. However, many wellbeing sectors affected by the housing crisis expected more of a systemic, rather than departmental and incremental approach. An industrial-scale state house building programme, similar to the solution provided by a Labour-led government to New Zealand's housing crisis 100 years ago, would be a more complete approach.

There is still much work to do to embed the right to safe and secure housing for all, along with other social rights, in legislation and housing policy in this country.

## Longterm Insights

It is estimated that by 2041, over 65's will make up 22-25% of New Zealand's population and 24-32% by 2061. Declining home ownership rates indicate that within the next few decades, up to half the older people reaching retirement age will be renting.

We anticipate and forecast the following issues:

- High costs of accommodation (renting and for financially vulnerable owner-occupiers) may impact on seniors' ability to remain within their existing communities and "age in place" i.e. it will lessen their sovereignty and options of where to live



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- There will be growing first-time homelessness in older age without significant investment in suitable social housing, affordable retirement villages and increased funding for Aged Residential Care, in the communities and with the whanau Older People are connected to
- Among Older People there is Weak/low knowledge of their tenants' rights and insecure rental tenure may leave them vulnerable to profit-driven/abusive Landlords, and in a competitive rental housing market, they may only access minimum standard rental housing stock, unsuitable for seniors, because there is limited housing choices suitable for seniors
- There will be an increased demand for social housing and affordable retirement villages, increased demand for financial assistance among Older People, and increased demand for subsidised Aged Residential Care

There will be unequal health and wellbeing outcomes among Older People as a result of their varying housing tenure. For example, we are confident the health and wellbeing outcomes for Older People we house and care for through Enliven services will be enviable compared to those stuck in the rental market. Increasing Older People's access to affordable Retirement Villages and Aged Residential Care are essential components in resolving the growing Older People's health and well-being inequalities.

### Te Tiriti o Waitangi

An issue for Long Term planning for aging Māori is to collect data relevant to whānau rangatiratanga, recognizing that information about whānau is nested within Te Ao Māori and tikanga values. Presbyterian Support commends the Public Housing Plan for prioritising Kaupapa Māori partnerships in the planning and design of homes. Presbyterian Support New Zealand supports a Māori Housing Authority, together with funding for Māori Housing providers and organizations serving Māori, to be the appropriate institution and network for planning and designing housing requirements for the aging Māori population. Government must also facilitate this network's consultation directly with whānau, hapū and iwi to ensure housing policies reflect their needs and care support in accordance with tikanga.

The Crown has an obligation to protect Māori as a Tiriti partner and has a direct role to play in delivering targeted and robust solutions to hauora Māori. This extends in our current pandemic context, to support Māori wellbeing at home in response to the Covid-19 pandemic<sup>1</sup>.

A more holistic, culturally grounded approach to New Zealand housing policy remains an unmet obligation of the Crown. The recent new housing package announced by the Government aimed at accelerating housing supply and supporting first home buyers, for example, has included no Māori specific

Our Services

<sup>1</sup> King P, Cormack D, McLeod M, Harris R, Gurney J. COVID-19 and Māori Health: When equity is more than a word. Public health expert. 2020 December. <https://otologs.otago.ac.nz/pubhealthexpert/?p=4012>



provisions, despite Māori continuing to be overrepresented in measures of housing deprivation<sup>2</sup>.

Presbyterian Support's National Council and National Executive Group recently invited Māori Women's Welfare League to kōrero on the matter of Māori Aged Care. We also tautoko the New Zealand Christian Council of Social Services for holding a discussion with NZ Māori Council leaders on this issue, to support their submission. These discussions highlighted past beneficial historical provisions of Māori housing that served lifelong housing needs back in last century. The Māori Housing Schemes of the 1960's and 1970's were led through Māori Affairs (as it was then) and assisted Māori into home ownership via access to 25-30 year mortgages. By the time of retirement these mortgages would be paid. The situation now however for the whānau who inherit them, is likely that many of these houses need costly upgrade and maintenance.

Another insight from these kōrero is the major consideration that kuia and kaumatua will often be bringing up mokopuna and may have adult whānau returning home. They are thus providing a home for multigenerational living. Whānau living for aging Māori should be supported, not discouraged, as it offers reciprocal support and benefit across generations. Policy settings to support Older Māori should be aligned with whānau needs, and all accommodated in a single property. Collective housing arrangements allow for sharing resources including care and costs such as household goods - washing machines, lawn mowers, etc and sharing of rates.

Most dwellings in New Zealand are designed for single unit families, however, while Māori dwellings prior to colonisation and to this day, more often tend to consist of these multiple family units. In the current housing crisis context, the continued failure by government in housing policy and design to consider these traditional tendencies has continued to contribute to significant overcrowding amongst Māori households, with Māori being four times more likely to be living in crowded housing than people with European ethnicity<sup>3</sup>.

For Māori, land has significant spiritual value and is more than simply an economic asset, or a commodity to possess. In the modern economy, this point of view is marginalised while land faces increasing pressures for different and multiple uses (farming, housing, infrastructure). Underpinning Māori calls for the return of lands or simply access to them, is the desire on the part of Māori to preserve and maintain their genealogical and spiritual connection to their homelands. This is more astute for Kaumātua and Kuia, Older Māori.

<sup>2</sup> Boulton, A. Allport, T. Kaiwai, H. Harker, R. Potaka Osborne, G. Māori perceptions of 'home': Māori housing needs, wellbeing and policy 2021. Kōtuitui: New Zealand Journal of Social Sciences Online. <https://doi.org/10.1080/1177083X.2021.1920984>

<sup>3</sup> Stats NZ. Living in a crowded house: exploring the ethnicity and well-being of people in crowded households. 2018. [www.stats.govt.nz](http://www.stats.govt.nz)



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A challenge for policy into the future will be how to ensure that ageing Māori who desire to live rurally and be close to their tūrangawaewae are able to do so through the provision of suitable and healthy housing. We hear in our services of Whānau, including elderly Māori, looking forward to returning to their ancestral homelands, only to find substandard housing and overcrowding, sometimes as many as 14 plus people in three-bedroom homes. The barriers for Older Māori to better health and wellbeing outcomes lies in the affordability and location (away from Whānau) of healthier options.

### Pacific Housing

Special attention needs to be given to housing for ageing Pasifika people in the context of their communities. Pacific Peoples are identified as facing the highest levels of housing insecurity in New Zealand, and as a Pacific Island nation this breaches our obligations to these communities as a signatory to the United Nations Convention on the Rights of Indigenous Peoples.

Across the total population, and between 1986 – 2013, the fall in the percent of Pacific peoples with home ownership was much faster than for the total population. Pasifika peoples' ownership fell by 34.8 percent.<sup>4 5</sup>

We note the importance of recognizing the diverse Pacific nations in Aotearoa. We urge for the government's greater partnering with Pacific communities for resolving the housing crisis for Older Pacific people. Consideration should be given to a Pacific Housing authority which includes addressing the specific needs of the population.

### Conclusion

Through existing ownership of land, access to Reserve Bank finance (or the lowest-interest commercial finance available) and partnering effectively with those of us in the community social sector, the government could build the warm, dry, quality homes needed to end the housing crisis for our most vulnerable families and whanau – which include Older People - cheaper and faster than anyone else. Positive social, educational and health outcomes will come from delivering healthy, accessible, quality homes at speed for desperate tenants and families on low incomes, including a growing portion of Older People. In this building programme the government should model all aspects of sustainable building, addressing the housing crisis and climate crisis side by side.

Presbyterian Support NZ asserts this is a social investment approach recognising quality housing as a basic human right. It would save billions through reducing massive government spending on motels (over \$300 million per year) and in accommodation supplements (over \$1.7 billion per year, effectively paid to private sector landlords for their higher rental prices).

<sup>4</sup> Census data

[http://nzdotstat.stats.govt.nz/wbos/Index.aspx?\\_ga=2.181434535.165777961.1516222762-1025093187.1510003368](http://nzdotstat.stats.govt.nz/wbos/Index.aspx?_ga=2.181434535.165777961.1516222762-1025093187.1510003368) Figure in Johnson, A., Howden-Chapman, P. and Equb, S. (2018) A Stocktake of New Zealand's Housing. Wellington: New Zealand Government p.14

<sup>5</sup> CEO and Sector Leaders Forum, 30 July 2021. Submission to GPS-HUD consultation. P. 5.



Without such an approach, Presbyterian Support NZ remains concerned that in response to the affordable housing supply problem, the majority of the building response is being carried out almost entirely by Kāinga Ora and private developers that focuses primarily on one tenure type. It is not addressing the systemic problems across the housing continuum for the ageing first-time homeless, older renters and homeowners with mortgages in retirement. As a niche community provider keenly invested in these populations, we hope for greater strategic investment for our affordable retirement villages, Aged Residential Care and Home-based care.

A balanced portfolio of building must include us, community not-for-profit providers, and address the alarming reduction in homeownership and the growing inequalities resulting from it. It is our view that the Government's redevelopment agenda should have regeneration and community revitalisation as a primary focus, not simply building to scale.

**Specifically, Presbyterian Support NZ calls for these measures to be advocated in the Longterm Insights Briefing:**

- Government works in partnership with community providers as a key interested party, to adopt an industrial-scale state house building programme, that prioritises addressing the needs of low income whānau including refugee populations, Pasifika, people with addiction, disabilities, or escaping violence who are priced out of the market and need tailored solutions for their needs.
- Housing support assistance, particularly the Accommodation Supplement and the associated abatement rates, to be reviewed and updated immediately to ensure lower income households such as pensioners are realistically better off and able to afford their essential housing costs.
- Address the policy settings for the growing number of Older People who are unable to afford all their housing options, particularly as they become assessed as needing higher levels of care.
- The housing register and its system of ranking housing need among applicants to be reviewed and updated immediately to ensure households with complex social needs are prioritised.
- Government to partner with Māori and other communities and have a multi-disciplinary approach, that includes public health, urban planning, mental health, environmental health, epidemiology, and sociology to determine what is needed from the built environment to achieve hauora - holistic wellbeing.
- Government to prioritise access for Māori and Pasifika families in their provision of a range of homeownership opportunities and remove barriers from access for all lower income households currently squeezed out of the market.



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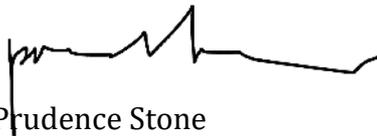
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- A systemic, rather than departmental and incremental approach, with Government acknowledging and partnering with us and all community providers, sharing the housing development investment with us alongside Kāinga Ora and the private sector.
- Government to commit to a balanced tenure policy of social housing, secure renting, and affordable homeownership options in all new housing developments.

We would like to note we are members of the Retirement Villages Association and the New Zealand Christian Council of Social Services, and support the recommendations made in these submissions also. We were also active in supporting Community Housing Aotearoa's submission as a member of Hui E!'s network, CommVoices.

Sincerely,



Prudence Stone  
National Executive Officer

Our Services

**enliven**

**Family Works**

Making a difference together