

# **The Housing Older People Would Choose**

## **A Review of Selected New Zealand Research**

A Working Paper prepared for the  
Population Ageing Technical Advisory Group  
Western Bay of Plenty Sub-region

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## Executive Summary

This research review shows that:

- Most older people do not move and have a preference to stay within their dwellings and communities.
- Residential movement is sometimes by choice and sometimes in response to shocks.
- Intentions to move are not necessarily predictors of actual movement. In particular, those claiming an intention to move often emphasise easier care sections while actual movers report seeking more functional and accessible dwellings.
- While releasing equity is often referred to as a driver of downsizing:
  - few older people claim this as a primary reason for moving; and
  - equity realisation is relatively modest.
- Equity realisation tends to be modest because:
  - supply of smaller *and* lower cost stock is relatively constrained; and
  - movers tend to move within the same or similar local housing markets.
- When moving people make three decisions. Those around place, those around location and those around the dwelling. These decisions permutate in a variety of different ways and often involve trade-offs. Place-based moves are shaped by environment, familial and price aspirations.
- Older people want accessible and smaller homes. Across the studies the most important features of the home for older people are:
  - Easy maintenance of home and section
  - Accessible features
  - Warmth
  - Home-ownership tenure
  - Physical environment
  - Access to services
  - Provision of services to assist people to 'age in place' in their own homes
  - Safety
  - Affordability
  - Space for visitors, family, and hobbies.
- Older people's actual housing choices do not necessarily reflect their tastes or aspirations. Housing choices, whether in the rental market or the market for owner occupation, are not merely a matter of taste. There are a range of constraints on older people:
  - They typically have low incomes and limited access to credit.
  - They are less likely to be mortgage free or more likely to be tenants than in the past and those trends will continue.
  - Rising house prices can impact on location choices. They may have impacts on owner occupiers' housing choices if they are reliant on low fixed incomes because of risks around rates. For tenants, house prices may impact on rents.
  - The configuration, design and location of housing stock in the rental and owner occupier markets respectively limit older people's choices.

## 1. Introduction

One of the themes evident in research about older people's housing needs has been an assumption that older people have very different needs and tastes than younger age groups. The idea that older and younger people have different motivations for moving and possibly different tastes in housing reflects the dominance of a life-cycle approach to housing careers. That approach has portrayed an individual's housing career as a predictable and ordered dynamic, which is aligned to broadly uniform transitions through the life cycle. However, assumptions that housing careers are both orderly and aligned to an ageing life-cycle are not necessarily realistic, particularly where populations are diversifying, both in younger and older age cohorts, and where there are significant changes in the structure of housing markets and tenure. Frequently the housing that older people want, need and can choose are not well-aligned. The diversification of older people and the increasing numbers of people entering retirement years either still mortgaged or in the rental market presents significant challenges if we are to ensure older people's housing needs are met.

This report has been developed to assist Smart Growth and PATAG in the Western Bay of Plenty sub-region think about the 'housing older people would choose' by reviewing research data from New Zealand primary research into older people's housing choices and patterns of residential movement. It focuses on what the platform of research tells us about: the characteristics and amenities that older people consider important in their housing and living environment; the reasons older people give for wanting or needing to move; the actual reasons why older people move; and, the patterns of older people's actual housing choices.

A variety of research tells us something about the dwellings that older people choose. This report reviews the research that provides insights in the choices of older movers. The research and datasets reviewed for this report are:

- A 2003 survey conducted by McLeay and Lidgard to identify reasons why people had recently moved into or out of the Western Bay of Plenty sub-region. The survey included 216 aged 65 years and over, of which 140 moved into the area and 76 moved out.<sup>1</sup>
- Three national surveys of older people conducted by CRESA:
  - 2008 survey on home repairs and maintenance practices. There were 1600 respondents aged 65 and over.<sup>2</sup>
  - 2014 survey of movers to retirement villages, which comprised 617 respondents, all aged 65 years and over. The survey was part of the *Finding the Best Fit* research programme.<sup>3</sup>
  - 2014 survey of 571 people aged 65 years and over. These comprised 445 'stayers' and 126 'movers' who had moved house in the last five years, but not to a retirement village. The survey was part of the *Finding the Best Fit* research programme.<sup>4</sup>

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<sup>1</sup> McLeay and Lidgard 2006.

<sup>2</sup> James and Saville-Smith 2010.

<sup>3</sup> <http://downsizing.goodhomes.co.nz/>

<sup>4</sup> <http://downsizing.goodhomes.co.nz/>

- The 2015 study *The Housing We'd Choose* which reports on the views of more than 1400 Aucklanders on what is important to them in choosing a place to live. Although the study does not specify the number or percentage of older respondents, it indicates that around one-third were in the 65 years and older age group, while around 27 percent were in the 50-64 year age group.<sup>5</sup>
- Qualitative information about older people's housing aspirations and motivations for moving is also reported from several New Zealand studies:
  - Findings from workshops conducted for the report *Older People's Housing Futures in 2050: Three Scenarios for an Ageing Society*,
  - Interviews and focus groups with around 140 people aged 55 and over, conducted for the *Finding the Best Fit* research programme.
  - Interviews and focus groups with 64 participants in the 2008 home repairs and maintenance study.<sup>6</sup>
- Learnings from a BRANZ Levy funded research project undertaken by CRESA in 2016 into the delivery of universal design in the context of new builds and consented major renovations.<sup>7</sup>

The scope and focus of each of those research programmes differs and the data needs to be interpreted with caution because they do not use a standard set of methods or measurements. However, they do provide insights into the broad pattern of older people's residential movement as well as the housing choices they make. It should be noted that older people's actual housing choices do not necessarily reflect their tastes or aspirations. Housing choices, whether in the rental market or the market for owner occupation, are not merely a matter of taste. They are constrained by the financial resources of older people who in New Zealand typically have low incomes and limited access to credit. Moreover, although older people as a population have substantial reserves of housing wealth, there is an increasing proportion who are indebted and older tenants typically have no housing wealth. Older people's choices are also constrained by the configuration, design and location of housing stock itself in the rental and owner occupier markets respectively.

The report is structured as follows:

- Section 2 comments on the interest regions have in ensuring older people have access to appropriate housing.
- Section 3 provides a contextual comment on housing and the life cycle approach to older people's housing needs and careers.
- Section 4 reviews research which highlights the propensity of older people to move and the triggers of older people's residential movement.
- Section 5 looks at research findings related to the three key dimensions of housing choices – decisions around place, decisions around location, and decisions around dwelling.
- Section 6 consists of some concluding comments around the alignment of older people's housing needs, wants, and the constraints on older people's choices.

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<sup>5</sup> Yeoman and Akehurst 2015, p.55.

<sup>6</sup> CRESA and Public Policy & Research 2009; James and Saville-Smith 2010; <http://downsizing.goodhomes.co.nz/>

<sup>7</sup> Findings from this research are not yet published.

## **2. Regional Interests in Older People's Housing**

For many regions, ensuring a good alignment between what older people want, need and choose is critical. Older people are an increasingly significant proportion of regional populations. As owner-occupiers or tenants, they are a substantial proportion of the local rating base, consumers of local goods and services, and users of regional infrastructure. The tenure profile of older people, their housing needs and tastes, and their capacity to enter the market as tenants or as owners, raise issues as to the capacity of regional dwelling stocks, residential development and regional housing markets to meet that diversity.

The Western Bay of Plenty is a region for which those issues are pressing. With a high older age dependency ratio, the Western Bay of Plenty has been subject to significant movements of older people both into, away from and around the region. A 2003 survey of older movers found residential movement among older people to be pronounced and that older people made up a significant contribution to population growth. Although three-quarters of the older participants in that survey were not intending to move again, the data suggested that, in any one year, around one fifth of older residents were not yet permanently settled.<sup>8</sup>

Under those conditions, the future for the Western Bay of Plenty's local economy is in ensuring that young and old can access the services and resources they need to be economically productive, active consumers, and contributing to the social life of their communities. Secure, functional housing is an essential platform. In that context, having an understanding of older people's patterns of movement, their housing tastes, and the choices older people can make around their housing is key to enabling the Western Bay of Plenty achieve its potential and realise the dividend associated with longer lives.

## **3. Life Cycles, Housing Careers and Older People**

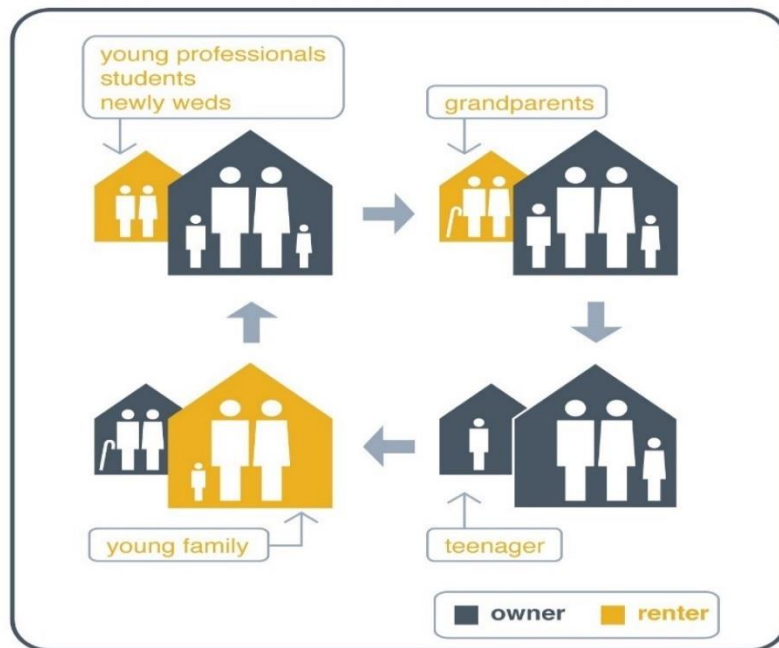
The public, planners, policy-makers and the building industry often see housing as aligned to life transitions and a well-established life-cycle through which people pass from birth to death. Households form, dissolve and re-form as their members move through pre-school, secondary and tertiary education, new relationships, child-bearing and rearing, divorces, employment and retirement.

In home-owning democracies such as New Zealand, people's housing careers have been broadly conceived of as starting by raising children in a modest, low-cost owner occupied dwelling, acquiring a larger and higher cost home by climbing the property ladder, and eventually downsizing or, in some cases, entering residential care in older age. In that portrayal, rental housing is seen as either residual for a small proportion of households unable to access owner occupation, or housing used by people – usually young adults – transiting between one life stage and another. Older people are portrayed as able to downsize and reap equity by moving to owner occupied, smaller, lower cost dwellings.<sup>9</sup> As Figures 1<sup>10</sup> and 2<sup>11</sup> show, that 'story' has traction among designers, planners and builders.

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<sup>8</sup> McLeay and Lidgard, 2006.

<sup>9</sup> Judd *et al.*, 2012, Saville-Smith, 2013.



*Life Cycle Diagram: for family and housing needs*

Figure 1: A Portrayal of Housing and the Life Cycle Promoting Accessory Dwellings in the USA

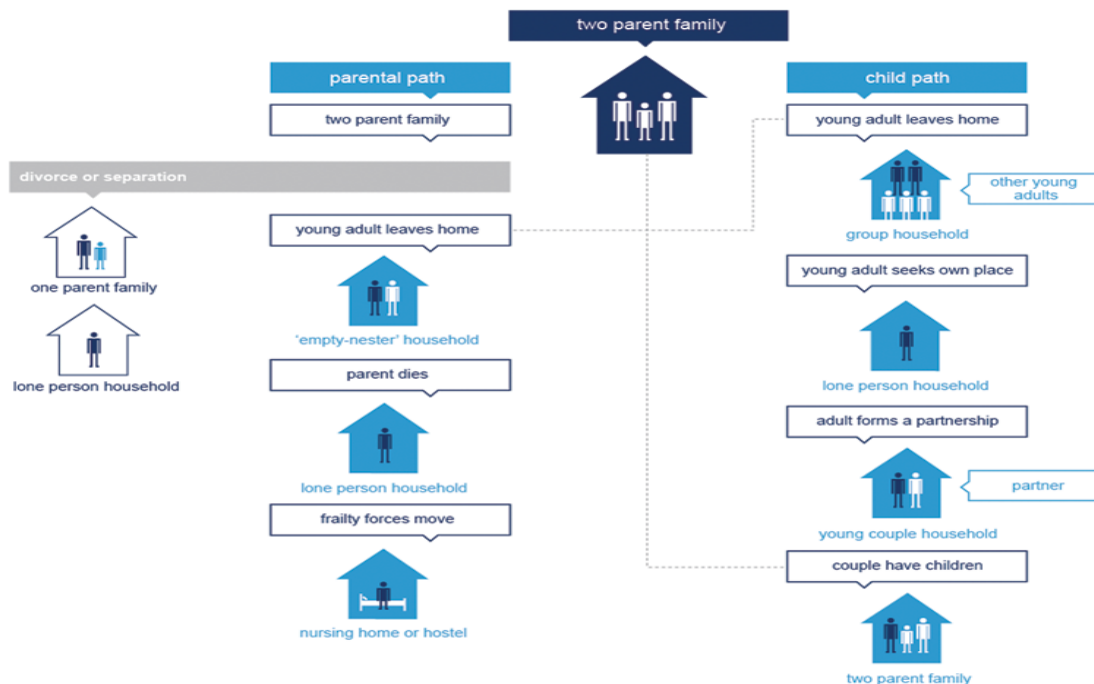


Figure 2: Dwellings and Household Life Cycles as Portrayed by the Wellington City Council

<sup>10</sup> <https://raleighbackyarddwellings.files.wordpress.com/2011/12/raleigh-accessory-dwellings-life-cycle-diagram-for-family-and-housing-needs.jpg>

<sup>11</sup> Wellington City Council <http://forecast.idnz.co.nz/wellington/household-suburb-life-cycles>



However, this conventional life-cycle story is less and less relevant to New Zealand. Rental housing is no longer residual or transitional for some households and some people in New Zealand. This is especially so for children and young family households. In 2013, 43.1 percent of children aged under 15 years were living in dwellings that were not owned. For Māori and Pacific children the proportions are very high with 61.5% of Māori children and 71.6% of Pacific children in rented dwellings.<sup>12</sup> Owner occupation is falling rapidly (Figure 3) and falling household sizes have not led to smaller new-builds (Figure 4).<sup>13</sup> Indeed, the building industry has largely deserted the low value housing market and now targets the top quartile of dwelling value.<sup>14</sup>

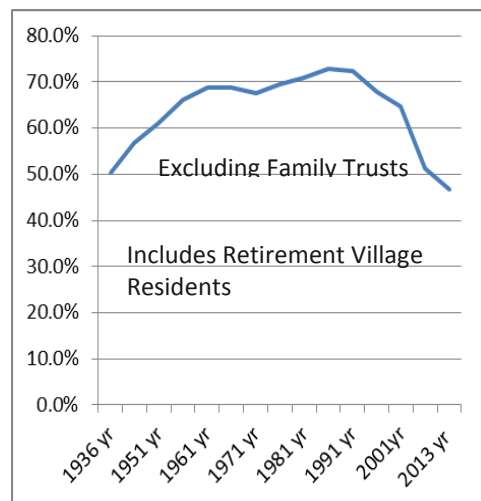


Figure 3: Dwelling in Owner Occupation

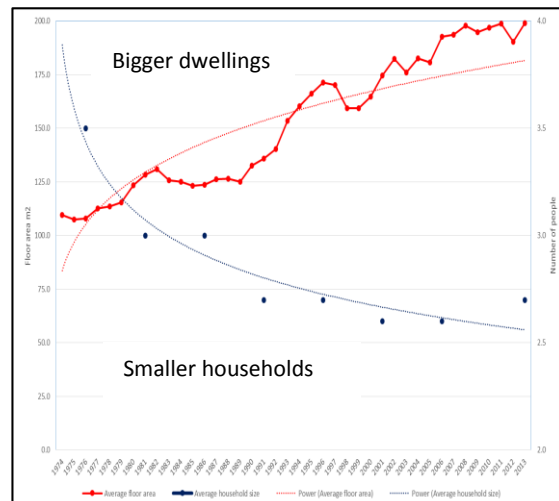


Figure 4: Falling Household Sizes and Larger New Builds

Overall, housing careers in New Zealand are increasingly diverse, disordered and precarious under the pressures of falling rates of homeownership, rising house prices, the building industry's exit from low cost housing provision in favour of upper quartile value house-builds, and the removal of income-related lending provision by government in favour of an Accommodation Supplement. In the midst of those broader trends, older people themselves are becoming more diverse. That diversity is manifest in the variety of ethnic origins among older people.<sup>15</sup>

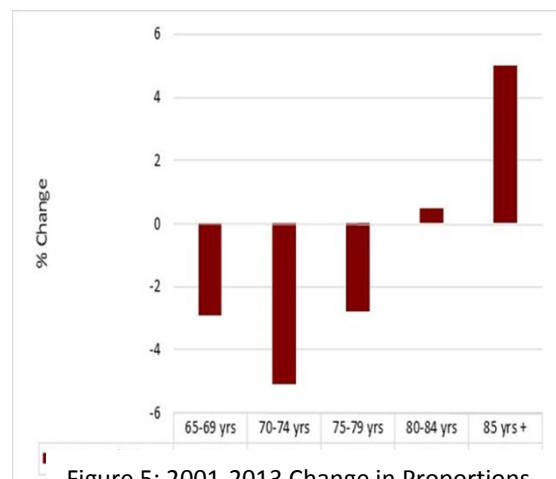


Figure 5: 2001-2013 Change in Proportions of Home Ownership among Older Populations by Age (Census Data)

<sup>12</sup> Statistics New Zealand, 2016.

<sup>13</sup> Census data.

<sup>14</sup> NZ Productivity Commission, 2012.

<sup>15</sup> Office for Senior Citizens, 2015.

It is also evident in the changing tenure profile of older people. As Figure 5 shows, the proportions of 'young' older people (65 years to 74 years) in home ownership has fallen considerably since 2001. By way of contrast, the proportions of 'old' older people in owner occupation has risen. The latter probably reflects falling rates of residential care and the impact of better health, more accessible dwellings and improved comfort. There has since the turn of the century been a policy and service emphasis on ageing in place. This has seen old older people to be more likely to stay in their own homes and retain their status as owner occupiers. Whether those policies can be maintained as more and more people come to retirement age as tenants is very debatable.

For those concerned about today's and tomorrow's older people's housing futures, the simple model of housing and lifecycle alignment has failed to grasp the diverse nature of older people's circumstances and situations. Older people live in regions with very different house prices and rental profiles. Owner occupying older people have very different opportunities to make capital gain according to the particular housing market in which they reside. Those differences mean that the choices that older people are able to make regarding any residential move will be increasingly diverse. Similarly, while today's older people still tend to be owner occupiers, there is evidence that the tenure situation of older people is increasingly complex and the amplification of rental tenure among older people is likely to be more significant and felt earlier than previous forecasting has suggested.

Older people encompass a very wide age range with differing physical and cognitive abilities, as well as differences in assets and resources. It is now well-recognised that years in life does not necessarily align with frailty or incapacity. Indeed, there is a considerable body of evidence showing significant variations in the physical, sensory and cognitive functionality of people as they age, and that these differences start showing before mid-life.<sup>16</sup> Similarly, although there is a perception that once older people become ill they are on a certain decline in health and functionality, the LiLacs study into the lives and health of the very old in the Bay of Plenty does not support that perception (Figure 6).<sup>17</sup>

Figure 6 shows that over the various waves of research contacts since 2010, the functionality of older participants has been very dynamic. Almost a third of those with high function at the beginning of the study retained it into the fourth wave. There was evidence too of older people with low function in Wave 1 improving their function over time. These dynamics are indicative of the limits of assuming that biological age, functional capacity, lifecycle housing careers and housing needs are aligned.

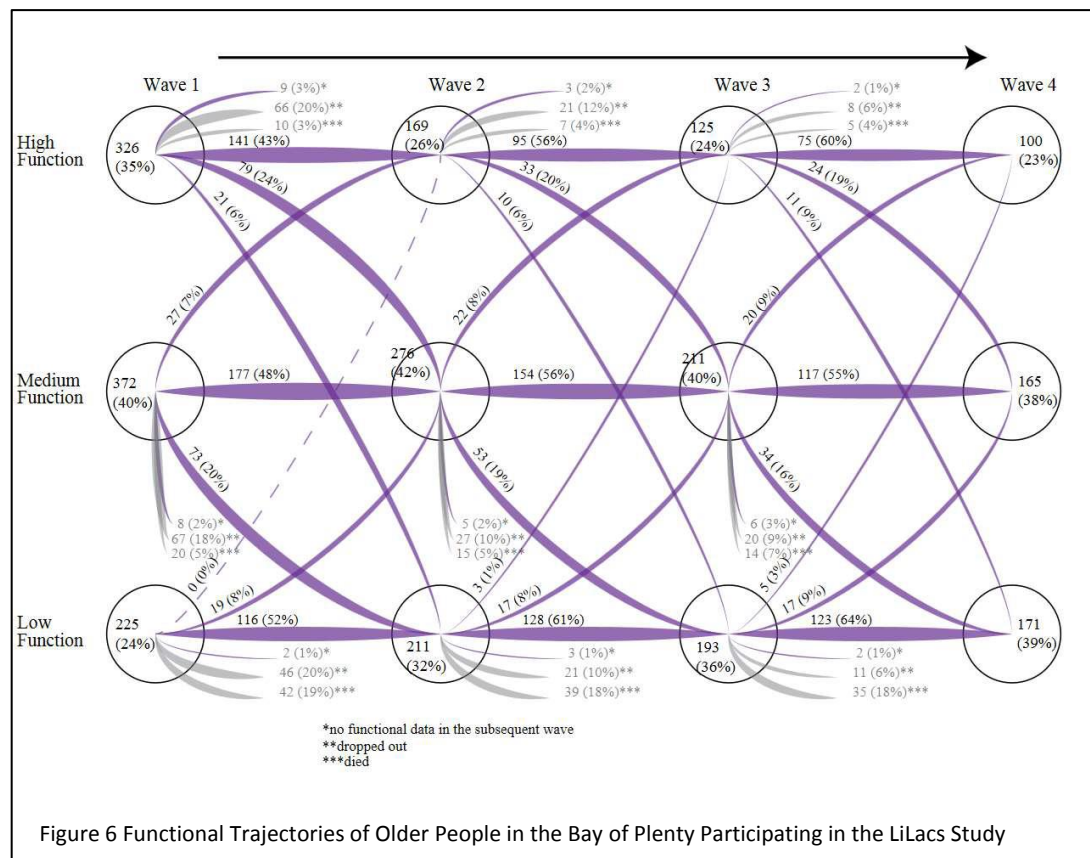
In short, older people are diverse. Personal trajectories and housing careers can vary and will vary increasingly as New Zealand's demography, housing markets, and stock tenure profile change and become more complex. The reasons, frequency and timing of moves of older people can differ according to whether movers are in their sixties, seventies, eighties or older. Housing needs and the range of choices can vary according to the local housing markets from which they came and according to whether they are renters or owner occupiers. Older people's housing choices will

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<sup>16</sup> Mitnitsky *et al.*, 2002; Belsky *et al.*, 2015.

<sup>17</sup> [www.fmhs.auckland.ac.nz/en/faculty/lilacs/about-lilacs.html](http://www.fmhs.auckland.ac.nz/en/faculty/lilacs/about-lilacs.html)

reflect their social, familial and cultural connections and supports. They will reflect attachments to their current home, their community and place.



#### 4. Older People's Movement and Its Triggers

It is important to recognise that most older people *do not* intend to move from their current home. A national survey of 1600 older people undertaken in 2008 found that less than a fifth of older people reported that they intended to move within the next few years. Of a survey of 571 older people in 2014, only 126 had moved with the last five years.

There is a strong desire among older people to stay in their existing home or at least within their communities. In that regard it is perhaps necessary to comment on retirement villages. The proportion of older people who move to retirement villages is small, despite the rapid expansion of retirement village units.<sup>18</sup> Proportions are not expected to rise significantly for three reasons:

<sup>18</sup> The most recent published estimates based on retirement village reporting is that 5.1 percent of people aged 65 and over, and 12 percent of those aged 75 years and over live in a retirement village. In the Bay of Plenty, 17.5 percent of those aged 75+ live in retirement villages. See Jones Lang LaSalle 2015. It should be noted that these estimates are based on assumptions around occupancy. The census does not currently differentiate owner occupiers from license to occupy households or retirement village residents.

- i. The business model for retirement villages mean that the majority of older people cannot sustain the cost of a license to occupy, and more particularly, the non-discretionary monthly fees associated with retirement village living.
- ii. Retirement villages need to sustain turnover. That imperative is reflected in the trend for age restrictions to rise over the years. It is now not unusual to find access restricted to people 75 years and older.
- iii. Many older people do not have a taste for retirement village living. In the 2008 national survey previously mentioned, less than 5 percent of those who wanted to move reported wanting to move to a retirement village. In the 2014 survey of older people undertaken by CRESA as part of the downsizing research (*Find the Best Fit*), only about 14 percent of the movers had considered a retirement village as an option and then they chose not to pursue it.<sup>19</sup>

#### 4.1 Reasons for Moving Reported by Intended and Actual Movers

Nineteen percent of the 1600 older people participating in the 2008 national survey stated an intention to move within the next few years. The main reasons for moving were:

- A desire for a smaller property.
- Ill-health.
- A desire to be closer to family.

A similar pattern was evident in a 2014 national survey of 571 older people of whom 445 had not moved recently and 126 had. The 445 stayers were asked to give a maximum of three reasons for a future move. The responses of those older people showed the diversity of reasons for intended moves, but the five most common were, in order of importance:

- A desire for a smaller home.
- A desire for less section maintenance.
- Wanting to be closer to shops.
- Wanting less maintenance of the home.
- Wanting a more functional and accessible home, easier to move around in, in or out of, or has a level entry shower.

Reported reasons for moving by people who *intend* to move must be treated with care for three reasons:

- i. Many people who report that they intend to move simply do not move. Similarly, some people who report that they have no intention of moving, do in fact move.<sup>20</sup>
- ii. When people actually move, the triggers for that movement are not always the same and can be prioritised differently from the type of triggers referred to by people reporting on some intention to move.<sup>21</sup> For instance, in the 2014 survey of older people the actual movers shared with intended movers the desire for a smaller dwelling. But their next priority was a more functional and accessible home. Less section maintenance and less home maintenance were less cited

<sup>19</sup> <http://downsizing.goodhomes.co.nz/>

<sup>20</sup> Kan 1999; Clark and Davies Withers 2007.

<sup>21</sup> Judd *et al* 2012.

among the reasons for moving among older people who actually moved compared to older people who claimed an intention to move.<sup>22</sup>

- iii. People do not always select destinations that reflect the amenities or characteristics they are seeking. This may arise out of constrained resources, a lack of those amenities on the market, or simply misunderstandings of the conditions of access around their choices. The latter can be problematic for retirement village operators. Almost a third of movers to retirement villages identify 'closeness to health services' as an important reason for their move.<sup>23</sup> However, despite significant requirements around disclosure, retirement village residents can be less than clear about what their residency involves. In particular, the conditions and costs of additional services such as health care and support can be misunderstood. There is evidence too that residents can confuse their status with regard to access to a high-level care bed in a hospital or dementia care facility that may be co-located with a retirement village site. There is a tendency for older people and, often, their families to see access to those facilities as guaranteed. Many residents and their families, and the public in general, have only a fleeting understanding of the differences between retirement villages and residential care, the legislative frameworks each operate under, or the implications of those differences.<sup>24</sup>

## 4.2 Shock Triggers

Some people who report no intention of moving and some who report an intention of moving but probably would not move, actually move because of shocks. The precipitating triggers of those moves tend to be shocks: loss of a partner, financial loss, tenancy loss, adverse health events, or adverse natural events.

Recent Australian reviews of residential movement in later life found that negative shocks such as financial, illness or loss of a spouse are key triggers for moving, and concluded that the overall results of most studies show that older people are unlikely to downsize without either a precipitating shock, or a change in household composition.<sup>25</sup> Data is sparse in New Zealand, but the 2014 survey of retirement village residents, along with other studies around retirement villages, found the loss of a partner or ill-health (including a partner's ill-health) were often triggers for movement into retirement villages.<sup>26</sup> Other shocks include:

- Home or tenancy loss - This can affect both older home owners, who through financial difficulties have to sell their home and rent,<sup>27</sup> and older tenants who are exposed to eviction or simply have to leave a tenancy because the house is sold.<sup>28</sup>

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<sup>22</sup> <http://downsizing.goodhomes.co.nz/>

<sup>23</sup> <http://downsizing.goodhomes.co.nz/>

<sup>24</sup> James and Saville-Smith 2011 ; Saville-Smith and James 2015.

<sup>25</sup> Judd *et al* 2012 ; Adair *et al* 2014.

<sup>26</sup> <http://downsizing.goodhomes.co.nz/>

<sup>27</sup> Wood *et al* 2013.

<sup>28</sup> Izuhara and Heywood 2003.

- Adverse natural events such as an earthquake or flood can necessitate a move to not only another dwelling but also to another area, thus disrupting social networks and supports.<sup>29</sup>

## 5. Housing Choices – Place, Location and Dwelling

Whether following through on an intended move or moving because of a shock, older people, like all adult movers, make three primary decisions in relation to a new home. Those are decisions around:

- place;
- location, and
- dwelling.

It is important to distinguish between ‘place’ and location. In this context, ‘place’ refers to a wider environment such as a region or, more usually, city or town. Location refers to the more precise area, a neighbourhood or sometimes even street. Some researchers refer to these as local housing markets. Those markets can be very narrowly defined indeed. For instance, in the Auckland region at least fourteen housing market areas have been identified.<sup>30</sup>

Choices around ‘place’ clearly de-limit choices around location. Choices around location often constrain choices around dwellings. The historical sequence of residential building, combined with land use planning and changes in building standards and practices, mean that certain types of dwelling tend to become clustered in specific locations. Dwelling types in a location can change over time through re-development, but the tendency for stock homogeneity, certainly at the neighbourhood scale, remains very strong. Similarly, the availability and price of dwellings constrains choices regarding dwelling. Dwelling prices are strongly associated with location although dimensions of dwelling condition, size and typology may be reflected in variations in price *within* a specific location.

### 5.1 Choosing a Place

The importance of place in older people’s decisions about residential movement is clearly shown in the last census, where 41 percent of movers aged 65 and older were living outside of their 2013 territorial authority five years before.<sup>31</sup> Those figures of course do not provide any detail on the place factors that may be important drivers of people’s movement.

It is clear that both price and the environmental qualities of places have been significant factors for some older people in the past. The burgeoning of the sun-belt regions of the Bay of Plenty, Nelson, Tasman and Marlborough has been in part driven off what many people refer to as the ‘lifestyle’ choices of older people in the past. It was facilitated in the past by mortgage-free home ownership among retirees and relatively low differentiation in house prices across the regions. Although those conditions are now changing, it is clear that for some older people, factors such as climate and the natural environment have prompted migration over significant

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<sup>29</sup>Tuohy, 2010; Davey and Neale, 2013; James and Saville-Smith, 2014.

<sup>30</sup> Darroch Ltd, 2010.

<sup>31</sup> Statistics New Zealand, 2013 Census.

distances. There is underpinning those movements a sense of older people seeking a sort of permanent holiday in retirement. They seek out places they went to on summer holidays as children or young adults, just as some people taking up a license to occupy express a particular interest in 'resort' type amenities.

Typically, however, whether young or old, people tend to move within their 'places' of origin and often within the same local housing market or to an adjacent local housing market.<sup>32</sup> The large majority of movers within New Zealand (85 percent) move within their city, town or area where they currently live.<sup>33</sup> Apart from the sun-seekers noted above, where longer 'migrations' occur those tend to be prompted by employment opportunities or transfers elsewhere, education take-up,<sup>34</sup> and, for older people, by a desire to return to their place of origin or other place of longstanding attachment.<sup>35</sup> Residing with or closer to children may also prompt long distance migration,<sup>36</sup> although there is considerable ambivalence expressed by older people about that. For some, such as farming families, regional migration of older people may reflect succession planning around family farms or sale. Other 'push' factors include movements from under-serviced rural areas, particularly for health services.<sup>37</sup> In the Bay of Plenty it was found that one of the most important factors contributing to moving out of the region was concern about unaffordable housing costs.<sup>38</sup>

A number of research programmes have commented on the 'place' choices among older people. In the McLeay and Lidgard survey, the climate and the coast were important reasons for older age groups moving into the Western Bay sub-region, although the percentage was highest for the youngest (65-69 years) age group. For them, the climate (70.6%) and the coastal environment (64.7%) were by far the most important reasons for moving into the area. This was followed by a 'desire for change' (54.9%). All three of these reasons were termed lifestyle reasons by McLeay and Lidgard. In contrast, being closer to family was a more important reason for moving into the region for the 75+ age group. The two most consistent reasons for moving away from the Western Bay sub-region, cited by those respondents who had moved, was 'retirement' and the 'desire to live in a new area'. Across all the age groups, concern about housing costs was also evident as a driver, although most pronounced in the 65-69 and 70-74 age groups where it was the second most important reason for moving away.

A study of older people's movement into Kawerau<sup>39</sup>, conducted for the *Finding the Best Fit* research programme gives further insights. Of the incomers aged 65 and older, 57 percent were living outside of the district five years before the 2013 census. In-depth interviews with some of those incomers found that key reasons for moving to Kawerau were about the attraction of place, in particular:

- Climate.

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<sup>32</sup> Statistics New Zealand, 2007.

<sup>33</sup> Statistics New Zealand, 2007; Statistics New Zealand, 2009.

<sup>34</sup> Statistics New Zealand, 2007; Statistics New Zealand, 2009.

<sup>35</sup> Banks *et al.*, 2010; Clark and Davies Withers, 2007; Löfqvist *et al.*, 2013.

<sup>36</sup> McLeay and Lidgard, 2006.

<sup>37</sup> Joseph and Chalmers, 1996; Lidgard, 2006.

<sup>38</sup> McLeay and Lidgard, 2006.

<sup>39</sup> James, 2016.

- Opportunities for outdoor leisure and recreational activities, including a free swimming pool.
- A reputation for being motorhome-friendly and dog-friendly.
- Quality homes to buy and rent for a reasonable price.
- Handy location to other, larger centres.

No strong differences in reasons for movement have been identified across the different age groups within the older population, although the Western Bay of Plenty sub-region study suggests that lifestyle reasons are more dominant among the 'young old' group, while moving for family reasons is more important among the 75+ age group.<sup>40</sup> These findings mirror Australian studies on older people's movement that have found the 'young old' age group in particular is moving for lifestyle reasons.<sup>41</sup> The *Finding the Best Fit* surveys also found 'lifestyle improvement' to be a consideration, especially for those moving to a retirement village, although lifestyle reasons did not appear to be as important as other reasons for movement relating to house and section size, house amenities, closeness to services or closeness to family.

## 5.2 Choosing a Location

When individuals choose a 'place' to live, they are then confronted with decisions around selecting a location within that place. Those aspects include services and facilities, as well as perceptions of safety and attractiveness of the area:

- ***Appearance of the neighbourhood and neighbourhood safety*** were identified in the *Older People's Housing Futures* study as important factors in housing choice.<sup>42</sup> Similarly, in the Auckland study *The Housing We'd Choose*, those aged 65 years and over were more likely to rate a physically attractive neighbourhood as being very important (59% compared with 33% of those aged 18 to 34 years).<sup>43</sup> The participants in *Finding the Best Fit* research also commented on the importance of the neighbourhood environment, including having an outlook. Being without a visual connection to the environment was considered undesirable.<sup>44</sup>
- ***Proximity to health services*** was emphasised in a number of studies including *Older People's Housing Futures* and *Finding the Best Fit*. This is not just about tertiary or even secondary services, but about accessibility to primary health services. It is notable that while this is often cited as a reason for residential movement among older people, there is little evidence that older people typically explore access to health services in any systematic way. Access to primary health care can often be assumed by older people despite some primary health organisations in some areas not enrolling new patients.
- ***Proximity to shops*** was mentioned as a desirable characteristic in the *Older People's Housing Futures*, *The Housing We'd Choose*, and *Finding the Best Fit* studies.

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<sup>40</sup> Mcleay and Lidgard, 2006.

<sup>41</sup> Judd *et al* 2012.

<sup>42</sup> CRESA and Public Policy & Research, 2009.

<sup>43</sup> Yeoman and Akehurst, 2015.

<sup>44</sup> <http://downsizing.goodhomes.co.nz/>



- **Accessibility to public transport** was mentioned as a desirable characteristic in the *Older People's Housing Futures*, *The Housing We'd Choose*, and *Finding the Best Fit* studies.
- **Social and cultural connection** to friends, family and opportunities for community participation are also important considerations in choosing a home. Housing that increases opportunities for companionship, social activities, recreation, entertainment and cultural connections such as marae was mentioned in the *Finding the Best Fit* and *Older People's Housing Futures* qualitative case studies.

### 5.3 Choosing a Dwelling

The design and functionality of the dwelling can be major precipitators of movement for older people, and what older people want and need in their dwelling can differ considerably from the preferences of younger people. This was apparent in the Auckland-based study *The Housing We'd Choose*. That study found that:

- Relatively high proportions of older respondents rated the following dwelling features as being very important – freehold title, no stairs, north-facing, easy-to-maintain section. While 63% of respondents rated freehold title as being very important, 74% of those aged 65 years and over, rated freehold title as important.
- Aged-person friendly design was very important to almost half (46%) of those aged 65 years and over (compared with 20% of those aged 50-64 years), as was the dwelling being carpeted and easy to heat.

In the qualitative research conducted for the *Older People's Housing Futures* study, *Finding the Best Fit* research and the 2008 home repairs and maintenance study, the most important things older participants were looking for in their dwelling were:

- Warmth.
- Easy-to-maintain home and section.
- Cheap running costs – utilities, rates, insurance, maintenance,
- Sufficient space.
- Accessibility features such as home modifications.
- Smaller sized homes, although with enough space for visitors and for hobbies.

In addition, the *Older People's Housing Futures* study, which included workshops with people aged from their 20s to their 80s, identified dwellings designed for multi-generational families as desirable.

The importance to older people of accessible design is also revealed in a recent BRANZ Levy-funded study undertaken by CRESA into the delivery of universal design homes. Among the various components of that study was a survey of 186 households that had undertaken new builds or major renovations in the three years prior to surveying. Of those householders, 36 percent were 65 years or more. Almost none of those older people were aware of universal design or New Zealand's LifeMark accreditation system. However, when asked about their preferences for specific design features or amenities, a clear preference for design features prioritised in universal design and LifeMark in particular emerged. Of these older new builders and renovators, a covered entrance way was desired to allow easy passage from proximate car parking into the house. In addition, 73 percent preferred level entry. Notably the same study has found that level entry is not provided as standard

by builders, and builders report significant difficulties and costs around consenting level entry designs. Some 76 percent of older new builders/renovators preferred open plan designs with no hallways or corridors.

## 6. Some Key Conclusions

This paper has addressed aspects of the question ‘what is the housing that older people would choose?’ by exploring the features that older people consider important in their housing and living environment, and the reasons they give for moving. It notes that:

- Most older people do not move and have a preference to stay within their dwellings and communities.
- Residential movement is sometimes by choice and sometimes in response to shocks.
- Intentions to move are not necessarily predictors of actual movement. In particular, those claiming an intention to move often emphasise easier care sections while actual movers report seeking more functional and accessible dwellings.
- While releasing equity is often referred to as a driver of downsizing:
  - few older people claim this as a primary reason for moving; and
  - equity realisation is relatively modest.
- Equity realisation tends to be modest because:
  - the supply of smaller *and* lower cost stock is relatively constrained; and
  - movers tend to move within the same or similar local housing markets.
- When moving people make three decisions. Those around place, those around location and those around the dwelling. These decisions permutate in a variety of different ways and often involve trade-offs. Place-based moves are shaped by environment, familial and price aspirations.
- Older people want accessible and smaller homes. Across the studies the most important features of the home for older people are:
  - Easy maintenance of home and section
  - Accessible features
  - Warmth
  - Home-ownership tenure
  - Physical environment
  - Access to services
  - Provision of services to assist people to ‘age in place’ in their own homes
  - Safety
  - Affordability
  - Space for visitors, family, and hobbies.
- Older people’s actual housing choices do not necessarily reflect their tastes or aspirations. Housing choices, whether in the rental market or the market for owner occupation, are not merely a matter of taste. There are a range of constraints on older people:
  - They typically have low incomes and limited access to credit.
  - They are less likely to be mortgage free or more likely to be tenants than in the past and those trends will continue.

- Rising house prices can impact on location choices. They may have impacts on owner occupiers' housing choices if they are reliant on low fixed incomes because of risks around rates. For tenants, house prices may impact on rents.
- The configuration, design and location of housing stock in the rental and owner occupier markets respectively limit older people's choices.

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