



## RESEARCH BULLETIN

### Ageing in Place as an Older Tenant: independence and uncertainty

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More people in mid-life and older are renting in New Zealand. This is a significant change. During the mid-to-late twentieth century this country enjoyed one of the highest rates of homeownership (Morrison, 2008). Accordingly, there was a widespread expectation that people would retire mortgage-free, able to enjoy the benefits of a secure home, with an asset which could be partially liquidated to supplement retirement income and support an acceptable living standard (Saville-Smith, 2019). Homeownership not only confers financial stability in later life; it also contributes to wellbeing (Koopman-Boyden & Waldegrave (eds), 2009).

Homeownership has been falling since the 1980s. The proportion of people living in an owned home fell by 26.2 percent over the years 1986-2013, from 75.2 percent to 49 percent. In 2013, 19 percent of people aged 65 years and older, and just over 20 percent of those aged 55-64 years lived in rental housing (James *et al.*, 2020).

We asked 108 older tenants about their experiences of 'ageing in place' in rentals in five areas: Waiheke Island, Marlborough District, Western Bay of Plenty District, Tauranga City and the Hawkes Bay – areas with an older population profile, increasing proportions of older tenants and unaffordable rents. Participants' ages ranged from the mid-50s to 89 years. Their self-identified ethnicity was Māori (50%), NZ European (44%), and other ethnic backgrounds (6%). Almost three-quarters of participants lived in private rentals while the rest lived in housing provided by not-for profit organisations (including churches and community housing providers), councils or Kāinga Ora.

Key themes emerging from the research were: the loss of homeownership; tenure insecurity and homelessness; unaffordable rents; and poor dwelling condition. All these affect seniors' ability to age safely and securely in their homes and communities.

#### **Loss of homeownership**

Overall, 66 participants (61%) had owned a home in the past. Over half of those (38) had left homeownership because of circumstances beyond their control. The most common reasons for having to sell their home were relationship breakdown or financial crisis. Their stories showed the complex and cumulative effects of divorce, job loss, debt, and illness.

Eleven participants made a proactive and planned choice to leave homeownership, citing lifestyle aspirations, or to pursue employment, business or study opportunities. A few in

their later years chose to relinquish home-management responsibilities or to decumulate housing equity by exiting homeownership.

Ten participants became renters for family-related reasons, including a desire to live close to family, to give or receive support, to return to a home place or tūrangawaewae, or to pass on their home to children.

Around 40% of the former homeowners started renting when they were 55 years or older. Finding a rental was especially challenging for those who become renters later in life. Some found looking for their first tenancy a daunting entry into the unfamiliar world of searching and applying for a rental on the internet.

### **Tenure insecurity and homelessness**

Tenure security is about residential stability, meaning that the tenant can stay in their housing for as long as they want to, while meeting their contractual obligations as a tenant.

Statistics NZ data shows that renters of all ages are more likely to move than owner-occupiers. The most common reason for moving is that the tenancy is ended by the landlord (Statistics NZ 2020). We also found this to be a key reason in our study. Many participants talked about having to move. The two main reasons participants moved were:

- The landlord gave the tenant notice to leave, usually because the dwelling was to be sold, or the landlord wanted the dwelling for themselves or a family member.
- The rent became unaffordable.

Participants reported that moving has negative financial, social and psychological impacts for them. Moving is stressful, as well as disrupting their social networks, their sense of attachment to a community, and access to services. Some participants find searching for a rental a challenge, since they do not have access to the internet. Added to the digital barriers, participants have encountered real estate agencies with low awareness of the growing number of older people seeking rentals and their specific housing needs, such as housing located close to services, a flat section, and a warm home in good repair.

For 19 participants, tenure insecurity resulted in them becoming homeless at some point within the five years before their interview. Most had been homeowners before becoming renters; and a few went straight from owner-occupation to homelessness. Homeless situations included living in a vehicle, in an improvised dwelling such as a garage, shed or farm building, couch surfing, in emergency or temporary accommodation or in an uninhabitable dwelling. Their time spent homeless ranged from a few weeks to years. At the time of interviewing, six were living in homeless situations, and all were paying rent. Thirteen had moved out of homeless situations, mainly with the help of friends or family. It was common for those in homeless situations not to know where to go for help with their housing. Most were eventually housed by a council or community housing provider.

## **Paying the rent**

The biggest problem that participants reported was rental increases. Since most of those aged 65 and over are primarily reliant on national superannuation, their income is low (Perry, 2019). As a consequence, many struggle to pay market rents. It was common for our participants to receive the Accommodation Supplement. Moreover, a few were living in material hardship and relied on additional government income support to meet routine living expenses.

To meet their rent obligations, tenants often reduced spending on transport, food, outings or health care. This in turn made it hard for them to maintain their social connections and to access services.

## **Dwelling condition**

With many older renters reporting one or more long-term health conditions or mobility impairment, it is important that their homes have features to make it safer and more accessible (Pledger et al, 2020).

Some of our study participants reported unmet repairs and maintenance. Others said their heating did not always keep them warm in winter, or the dwelling was cold and damp. The most commonly modification that participants said they needed was a grab rail or handrail. Most decisions that influence dwelling condition and performance, such as repairs, heating installation and modifications for accessibility, can only be made by the landlord.

## **Ageing in place successfully**

The most important things participants said would help them to feel secure and to age in place are:

- a home that enables them to maintain their independence
- a warm and well-maintained dwelling that supports their physical needs
- an affordable rent
- an ability to make small changes to the dwelling to make it their home
- the availability of practical support if needed (e.g., help with the garden and housework)
- being able to stay in their home as long as they want
- a good relationship with the landlord

The landlord's relationship with their older tenant is important for creating a good renting experience that supports ageing in place. According to participants, the key aspects of a positive relationship are: the landlord/property manager's responsiveness to requests; and mutual trust and respect.

## Conclusions and policy implications

Our research with older tenants shows that there is no longer a smooth progression through adulthood, of buying a home, paying off the mortgage and achieving a mortgage-free home by retirement. Instead, exit from homeownership is frequently caused by shocks or circumstances beyond the individuals' control. Renting is increasingly common in later life, and will become more so, as the numbers reaching retirement with a mortgage grow (Perry, 2019).

Our research shows the need for policy responses that:

- Halt the decline in homeownership, which is a protective factor against precarity in later life.
- Ensure that the rental system becomes more age-friendly, by increasing the supply of affordable, secure rentals that support seniors' independence and wellbeing.
- Embed services and supports for seniors across housing, income support, primary health services and home-based care.

## Evidence-based information resources

Based on our research, we developed a toolkit and other information resources to help seniors to find and live successfully in a rental home. This toolkit was designed and tested with older renters, as well as organisations supporting seniors in their communities.

Older renters who participated in the research talked about their housing experiences and needs, including what would help them to navigate through the rental market. For example, many were unfamiliar with their tenancy rights and unaware of matters affecting their rights and responsibilities as tenants, including the implications of a periodic tenancy. They were unsure about what are acceptable or unacceptable landlord practices. One-quarter could not identify anyone they would know to contact for information or advice about their tenancy or their rights.

For information about the resources *Going for Good Renting, Rapid Reference for Older Tenants*, and *Housing and Supporting Tenants, A Landlord's Guide*:

- contact CRESA Freephone 0508 427 372
- or download the toolkit <https://renting.goodhomes.co.nz/tools-for-you-renting/>

## Further reading

James, B., Bates, L., Coleman, T., Kearns, R. and Cram, F. (2020) Tenure insecurity, precarious housing and hidden homelessness among older renters in New Zealand *Housing Studies* DOI: 10.1080/02673037.2020.1813259

James, B., Coleman, T., Cram, F., Bates, L., and Kearns, R. (2021) Pathways to Renting among Older Former Homeowners *New Zealand Population Review* 47:225-261.

## References

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Pledger, M., McDonald, J., Dunn, P., Cumming, J., & Saville-Smith, K. (2019). The health of older New Zealanders in relation to housing tenure: Analysis of pooled data from three consecutive, annual New Zealand Health Surveys. *Australian and New Zealand Journal of Public Health*, 43(6), 182–189.  
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Saville-Smith, K. (2019) *Housing, New Zealand's Tenure Revolution and Implications for Retirement. A Paper for the 2019 Review of Income Retirement Policies*. Prepared for the Commission for Financial Capability. Wellington: Centre for Research, Evaluation and Social Assessment. <https://cffc-assets-prod.s3.ap-southeast-2.amazonaws.com/public/Uploads/Retirement-Income-Policy-Review/2019-RRIP/Research-docs/Home-ownership/CRESA-Housing-NZs-Tenure-Revolution-and-Implications-for-Retirement.pdf>

Statistics NZ (2020) *Housing in Aotearoa: 2020*. [www.stats.govt.nz](http://www.stats.govt.nz)