

Heretaunga Plains Urban Development Study Phase 2 Technical Analysis

***Retirement Sector Housing Market
2015-2045***

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For

Napier City Council/Hastings District Council/Hawke's Bay Regional Council

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1.0 Introduction

- 1.1 This report provides an analysis of aspects of the future retirement housing market expected to prevail in the Heretaunga Plains study area over the long-term Projection period 2015-2045.
- 1.2 The report is one of a number of specialist studies that have been jointly commissioned by the Napier City, Hastings District and Hawke's Bay Regional Councils, as part of the Phase 2 technical research process associated with the Heretaunga Plains urban development study.
- 1.3 The specific matters that were requested to be addressed by the report are as follows:
- i) Changes in the size of the retirement population in the study area.
 - ii) The impact of migration on future population change within the retirement age-group.
 - iii) Retirement sector population and household growth drivers, issues and impacts.
 - iv) Changes in the general housing profile of the retirement population sector.
 - v) The specialist retirement housing supply and demand outlook.

2.0 Methodology

- 2.1 The main points to note in terms of the broad approach taken to the analysis in relation to the matters identified in Section 1.3 above, are as follows:
- 2.1.1 In the main, the study catchment (hereafter referred to in the report as the 'study area') used for the analysis comprises the Heretaunga Plains component of the combined Napier-Hastings Local Government districts. This includes the main Napier and Hastings urban areas (the latter also including Havelock North and Clive) as well as fringe rural and coastal settlements. On a Census Area Unit (CAU) basis, the study area fully or almost fully excludes the CAUs of Tutira, Puketitiri, Whanawhana, Sherenden-Puketapu and Tangoio and partly excludes the CAUs of Maraekakaho, Poukawa and Waimarama.
- 2.1.2 The analysis in the report is closely linked to and consistent with that provided in the companion report on the demographic and economic outlook for the study area, for the 2015-2045 projection period.
- 2.1.3 For the purposes of the report, the 'retirement sector' is defined as the broad 65+ age-group. However, in considering the analysis contained in the report, it should be noted that there will be growth variances between different parts of the group.
- 2.1.4 The range of information sources used for the report include:
- Statistics New Zealand (SNZ) 2006 Census based information and population projections
 - SNZ 'Infoshare' data base on natural population increase (births-deaths) and international migration, and specific short reports on internal migration change within New Zealand
 - SNZ historical building consent data and 'Table Builder' industry employment results

- Specialist reports (Housing NZ national housing strategy 2005, consultancy report prepared in 2004 for the CHRANZ organisation on accommodation options for older people in New Zealand and a SNZ 2007 statistical report on characteristics of the 65+ population in New Zealand)
- Relevant documentation provided by the Population Studies Centre of the University of Waikato

2.15 Organisations consulted with for the purposes of the study were:

- Napier City Council rental housing division
- Hastings District Council community services division
- Housing NZ Napier office
- Age Concern, Napier Office
- HB District Health Board
- National Office for Senior Citizens
- Local Managers of the Summerset and Ryman retirement complexes
- Horvath construction
- Cox Real Estate
- Ministry of Social Development East Coast office
- Local valuation companies (Telfer Young, Logan Stone and Morice Valuers)

3.0 Retirement Population

Key Findings

- Total retirement age population projected to grow strongly by 68% over 2015-2045, with the 80+ age-range growing the most
- 65+ population currently spread throughout the urban areas with a particular concentration in Taradale/Greenmeadows and Havelock North
- These areas are projected to record the largest numerical 65+ population growth over 2015-2045

3.1 **Table 1** indicates the current and projected age-group profile of the overall study area population. The table is sourced from the companion report on the demographic and economic outlook for the Heretaunga Plains area, for the 2015-2045 period. The figures in the table are based on Statistics New Zealand projections for the full Napier and Hastings districts. Currently, the 0-14 age-group accounts for approximately 22% of the total population, the 15-39 group 30%, 40-64 group 33% and the 65+ age-group 15%. By Year 2015, the proportions for these groups are projected at 21%, 29%, 33% and 17% respectively. By Year 2045, the respective proportions are 0-14 years 18%, 15-39 years 26%, 40-64 years 29% and 65 years plus 27%. Thus the projection period sees an approximate 15,000 or 68% increase in the 65+ population, with this age-group's total population share increasing from close to 17%, to 26%. The population of the other age-groups fall noticeably over the period.

Table 1: Heretaunga Plains Age-Group Population Growth 2009-2045

Age-Group	Year						Change 2015-2045	
	2009		2015		2045		Popn	%
	Popn	% of Total	Popn	% of Total	Popn	% of Total		
0-14	37,988	22.4	27,969	21.5	25,678	18.5	-2,291	-8.2
15-39	37,983	30.4	37,774	29.0	36,701	26.5	-1,073	-2.8
40-64	41,511	33.2	43,862	32.9	39,732	28.7	-3,130	-7.3
65+	17,613	14.0	21,715	16.6	36,464	26.3	+14,749	+67.9
TOTAL	125,095	-	130,320	-	138,575	-	+8,255	+6.3

3.2 **Table 2** (Page 4) indicates the projected growth in the study area 65+ population over 2015-2045 at the CAU level. At the current time, the parts of the area with the largest populations in this age-group are Greenmeadows, Taradale, Havelock North, Onekawa, Central Hastings, Marewa, Napier Hill, Napier South and Tamatea. Over 2009-2015, numerical population growth in the 65+ age-group is projected to be highest for, in order, Havelock North, Taradale, Greenmeadows and Onekawa. Population growth will be strongest (over 20%) in percentage terms in the significant 65+ population CAUs of Meeanee, Twyford, Clive, Longlands South, Ahuriri, Tamatea, Greenmeadows, Taradale, Pirimai, Frimley, Raureka, Parkvale, Hastings Central, Camberley, Flaxmere East, Iona, Havelock Hills and Havelock North Central.

Table 2: Projected Heretaunga Plains 65+ Population 2009-2045

Census Area Unit	2009	2015	Numerical Change 2009-2015	% Change 2009-2015	2045	Numerical Change 2015-2045	% Change 2015-2045
Bay View	203	250	47	23.4%	465	215	86.0%
Poraiti	53	65	12	22.7%	90	25	38.5%
Meeanee	121	150	29	24.2%	235	85	56.7%
Awatoto	35	45	10	27.4%	60	15	33.3%
Twyford	264	335	71	26.9%	700	365	109.0%
Karamu	79	95	16	19.6%	135	40	42.1%
Whakatu	58	70	12	20.8%	120	50	71.4%
Clive	194	240	46	23.4%	395	155	64.6%
Haumoana	164	195	31	18.6%	170	-25	-12.8%
Brookvale	47	55	8	16.8%	80	25	45.5%
Irongate	83	110	27	32.6%	275	165	150.0%
Longlands South	110	140	30	27.1%	265	125	89.3%
Tangoio	2	5	3	117.1%	10	5	100.0%
Eskdale	56	65	9	16.5%	60	-5	-7.7%
Sherenden-Puketapu	7	10	3	52.2%	20	10	100.0%
Omahu	25	30	5	18.4%	30	0	-0.5%
Waiohiki	17	20	3	20.2%	15	-5	-25.0%
Pakowhai	50	65	15	29.6%	120	55	84.6%
Maraekakaho	26	35	9	33.4%	65	30	85.7%
Bridge Pa	77	95	18	23.7%	195	100	105.3%
Poukawa	60	75	15	26.0%	185	110	146.7%
Pakipaki	69	90	21	30.5%	195	105	116.7%
Waimarama	46	60	14	31.5%	160	100	165.8%
Tutira	0	0	0	-	0	0	-
Puketitiri	0	0	0	-	0	0	-
Whanawhana	0	0	0	-	0	0	-
Westshore	189	225	36	19.1%	225	0	0.0%
Ahuri	260	330	70	26.8%	745	415	125.8%
Onekawa Central	309	370	61	19.8%	855	485	131.1%
Onekawa West	4	5	1	37.5%	20	15	266.5%
Onekawa South	584	705	121	20.8%	950	245	34.8%
Marewa	599	685	86	14.4%	770	85	12.4%
Maraenui	274	330	56	20.6%	455	125	37.9%
Hospital Hill	294	350	56	19.0%	420	70	20.0%
Bluff Hill	260	315	55	21.2%	410	95	30.2%
Nelson Park	282	325	43	15.1%	305	-20	-6.2%
McLean Park	266	305	39	14.7%	290	-15	-4.9%
Tamatea North	276	330	54	19.6%	395	65	19.5%
Tamatea South	391	480	89	22.8%	780	300	62.4%
Greenmeadows	1566	2030	464	29.7%	4510	2480	122.2%
Taradale North	1108	1370	262	23.7%	2350	980	71.5%
Taradale South	1216	1525	309	25.4%	2900	1375	90.2%
Pirimai	452	555	103	22.8%	900	345	62.2%
Mahora	563	680	117	20.8%	920	240	35.3%
St Leonards	388	460	72	18.6%	510	50	10.9%
Frimley	291	360	69	23.8%	610	250	69.4%
Raureka	511	635	124	24.2%	1100	465	73.2%
Mayfair	503	605	102	20.2%	770	165	27.3%
Parkvale	524	635	111	21.2%	900	265	41.7%
Hastings Central	651	790	139	21.4%	1100	310	39.2%
Akina	532	635	103	19.4%	700	65	10.2%
Woolwich	6	5	-1	-15.0%	10	5	100.0%
Camberley	223	275	52	23.2%	500	225	81.8%
Kingsley-Chatham	99	120	21	21.0%	190	70	58.3%
Lochain	110	135	25	22.7%	230	95	70.4%
Flaxmere East	362	460	98	26.9%	900	440	95.7%
Anderson Park	205	250	45	21.8%	400	150	60.0%
Iona	511	640	129	25.4%	1100	460	71.9%
Havelock Hills	97	125	28	29.4%	290	165	132.0%
Te Mata	1020	1345	325	31.9%	3500	2155	160.2%
Havelock North Central	655	785	130	19.9%	900	115	14.6%
Te Mata Hills	188	240	52	27.6%	510	270	112.5%
Total Study Area	17613	21716	4103	23.3%	36465	14749	67.9%

3.3 Over 2015-2045, the total population of the study area in the 65+ age-group is projected to increase by 14,749 or 68%. On a CAU basis, numerical population growth is expected to be highest for Havelock North, Greenmeadows and Taradale; in percentage terms, it is anticipated to be strongest for Twyford, Irongate, Ahuriri, Onekawa, Tamatea South, Greenmeadows, Taradale, Pirimai, Frimley, Raureka, Camberley, Flaxmere East, Anderson Park and the rest of Havelock North.

3.4 At the end of the projection period, those parts of the study area with the largest 65+ populations are projected to include, in order, Havelock North, Taradale, Greenmeadows, Raureka, Hastings Central, Onekawa, Tamatea, Mahora, Pirimai, Parkvale and Flaxmere East.

3.5 65+ Age-Group Trend Projections

Table 3 indicates the projected population trend over 2009-2045 for the different age-group bands within the overall 65+ study area population. The bases for the figures in the table are the SNZ national and sub-national age-group projections for the period and the results in Table 1.

Table 3: Heretaunga Plains 65+ Age-Group Population Projections 2009-2045

Year	65+ Age-Group Populations					Total 65+ Population
	65-69	70-74	75-79	80-84	85+	
2009	5,184	4,216	3,408	2,588	2,217	17,613
2015	7,032	5,151	3,972	2,762	2,798	21,715
2045	6,928	8,751	7,293	6,928	6,654	36,464
Change 2015-2045: #	-104	+3,600	+3,321	+4,166	+3,766	+14,749
%	-1.5	+69.9	+83.6	+150.8	+134.6	+67.9

3.6 The results in Table 1 indicate a slight fall in the 65-69 age-group population over 2015-2045, whilst there is significant population growth in the other age-groups, in particular the 80+ age-range.

3.7 Conclusion

Future urban development planning for the Heretaunga Plains area will need to take close account of the projected strong growth of the retirement age population and the distribution of this growth throughout the area.

4.0 Retirement Migration

Key Findings

- Over the past decade, the study area has recorded consistent annual overall net external migration loss but internal net migration gain
- Natural population increase has been the main contributor to overall population gain
- Internal migration has not been a major contributor to residential relocation of the 65+ population during Census periods
- HB is not a key NZ internal and external migrant recipient region
- Overall small net migration gain of 65+ people for HB over the past decade

4.1 This section assesses the likely contribution of net population migration (permanent/long-term) to future growth in the 65+ age-group population in the study area, over the projection period 2015-2045 in particular.

4.2 **Table 4** indicates the historical contribution over the past decade, of natural population increase and total (all age-groups net migration), to total population change in the Napier-Hastings area. The results in the table indicate overall net migration loss (-1250) during the period, resulting from a significant net external (overseas) migration loss (-4851) offset to a lesser extent by a net internal migration gain (+3601) of residents from the rest of New Zealand. Over the period, total net population migration has had a statistically negative impact on overall population change in the study area, in comparison to natural population increase.

Table 4: Napier-Hastings Total Population Change Factors 1999-2009

June Years	Population	Population Change	Births	Deaths	Natural Population Increase	Net Migration Total	Overseas Net Migration	Domestic NZ Net Migration
1999	124,300	0	1,786	1,070	716	-716	-869	153
2000	124,600	300	1,881	1,052	829	-529	-874	345
2001	124,800	200	1,826	1,015	811	-611	-703	92
2002	125,900	1,100	1,791	1,073	718	382	-85	467
2003	127,000	1,100	1,703	1,086	617	483	-137	620
2004	128,100	1,100	1,807	1,079	728	372	-4	376
2005	128,900	800	1,965	1,132	733	67	-310	377
2006	130,000	1,100	1,862	1,098	764	336	-235	571
2007	130,500	500	1,936	1,093	843	-343	-289	-54
2008	130,900	400	1,918	1,080	838	-438	-692	254
2009	131,546	646	1,919	1,020	899	-253	-653	400

4.3 **Total Migration:** Historical SNZ Census data for the period since 1981 indicates that the Hawke's Bay region as a whole has consistently recorded an overall total net migration loss as far as the movement to/from the region of internal New Zealand residents is concerned. This contrast with the Napier-Hastings experience above (in the table) since 1999 can be explained by the fact that the region-wide net internal migration loss has occurred outside the Napier-Hastings area, that is, Wairoa/Central HB districts. Also, the Napier-Hastings result captures the significant amount of migration that usually occurs between these major centres during Census intervals. The regional net internal migration loss was

particularly noticeable during the 1986-2001 period but tapered off quite considerably during the 2001-2006 period of relatively strong economic and employment growth in Hawke's Bay (a period which also saw a significant increase in internal migration to the region and noticeable reduction in internal migration from the area). The SNZ analysis indicates that since 1981, internal net migration (loss) has accounted for in the range a relatively small 0.1% to 2.4% of the total regional population.

4.4 **65+ Population:** A SNZ special report on the internal migration characteristics of New Zealand's 65+ population, released in July 2009, draws the following conclusions:

- Over the 2001-2006 Census period, approximately 70% of Hawke's Bay's 65+ population (excluding overseas migrants) did not move from their 2001 residential location in the region. However, 30% did and of these, 80% had moved within the region during the period. Thus, only 20% of all internal residential relocations in the region during 2001-2006 comprised people moving into the region from elsewhere in New Zealand. Approximately 40% of the total number (2,928) of 65+ permanent/long-term migrants to Hawke's Bay during 2001-2006 were from other New Zealand locations (i.e. internal migrants), with the remaining 60% being external migrants from overseas countries.
- The regions of New Zealand which recorded the highest levels of internal 65+ in-migration during the 2001-2006 interval were, in order, Waikato, Bay of Plenty, Auckland, Canterbury, Manawatu-Wanganui, Wellington and Northland. The regions recording the highest levels of external/overseas in-migration were, in order, Auckland, Canterbury, Waikato, Wellington, Bay of Plenty, Manawatu-Wanganui and Otago.
- During 2001-2006, approximately 1,200 New Zealand residents aged 65+ moved to the Hawkes Bay region, whilst some 1,000 moved away from the area. Thus, there was a small internal net migration gain of 65+ people for the region.
- The regions in the country that recorded the highest levels of internal 65+ out-migration during the Census interval were, in order, Auckland, Waikato, Wellington, Bay of Plenty, Manawatu-Wanganui and Canterbury.
- The regions recording an overall net internal migration gain of 65+ year-olds during the Census period were Northland, Waikato, Bay of Plenty, Hawke's Bay, Manawatu-Wanganui, Tasman, Marlborough and Canterbury. Auckland, Gisborne, Taranaki, Wellington, West Coast, Otago and Southland recorded net migration losses.
- Over 2001-2006, internal migrants to Hawke's Bay represented almost 6% of the regional 65+ population. This compares to 12% for Tasman and 10% for Bay of Plenty, Nelson and Marlborough, for example.

4.5 SNZ data on permanent and long-term resident arrivals into New Zealand indicates that over the past decade, the 65+ age-group has accounted for only 2.4% of total external arrivals into the Napier-Hastings area. The annual number of arrivals in this age-group has risen noticeably since 2004; however, the arrivals figures are small at an annual level of approximately 40. During the past ten years, permanent and long-term overseas departures from Napier-Hastings in the 65+ category have totalled 242 or 1.4% of total overseas departures from the area. The net migration outcome for the 65+ age-group for the period has been an overall gain of 86 people or 2% of the total net migration (loss) for all age-groups taken together.

4.6 With regard to internal migration, 2001 Census results for the combined Napier-Hastings districts indicate a total in-migration flow to the area of 1,324 people aged 65+ during the 1996-2001 period,

representing 7.5% of 'all age-groups' in-migration to the area over the period. At the same time, the 65+ category accounted for 5.7% of total out-migration.

4.7 The SNZ report referred to above also comments on reasons for population relocations within New Zealand of the 65+ population. The reasons include:

- Closer proximity to services and facilities (e.g. health)
- Desire to live in more suitable urban settlements
- Desire to live in a more attractive natural environment
- Lifestyle changes/retirement
- Desire for housing change

4.8 The conclusions to be drawn from the previous comments in this section are as follows:

- The study area's population experience over the past decade is one of overall net migration loss resulting from net external migration loss outweighing net internal migration gain
- In general, the 65+ population has not been a significant influence on the area's overall net internal migration performance (Local retirement village operators report that a maximum of only 10% of village residents tend to come from outside the Napier-Hastings district)
- Whilst the study area has recorded an overall net external migration gain of 65+ year-olds, the level of gain has tended to be quite small

4.9 **Conclusion**

Migration gain is therefore not expected to be a key contributor to 65+ population growth in the study area over 2015-2045.

5.0 Retirement Housing Influences and Issues

Key Findings

- There are a number of factors operating at a number of different levels that will collectively influence the future demand for housing from the retirement population in the study area
- The factors include Central Government immigration policies and its fiscal policies impacting the income/affordability position of the 65+ population, the availability and quality of key community facilities for the retirement sector, local resource management policies, and the level and range of new housing developments specific to the sector
- There is currently a lack of a focused strategy addressing the particular housing needs of the retirement sector
- The Napier-Hastings retirement population faces a number of issues with respect to housing
- There is a need to address the future housing requirements of the elder Maori population in the study area

5.1 This section of the report briefly indicates a number of the factors/changes that could potentially impact (either positively or negatively) the future housing market for the retirement sector in the Napier-Hastings area and significant local issues associated with housing for older people. The factors are in addition to the obvious population changes already mentioned in the report that directly impact retirement sector housing. The factors include, for example:

5.1.1 **International Level**

- International economic and social situation generally
- Major adverse population 'push' factors in overseas countries
- International knowledge of New Zealand and its regional dimensions and opportunities in particular
- Political, economic, trading and social links between New Zealand and overseas countries

5.1.2 **National Level**

- Permanent long-term migration from New Zealand for economic/employment (families of older people) and lifestyle change reasons.
- Central Government immigration policies and the impact of those policies on the 65+ population. It is noted that over the past decade, a total some of 15,300 people (including NZ residents) aged 65+ migrated to New Zealand on a permanent long-term basis.
- Changes in Government policy impacting the income position of the 65+ population e.g. taxation, superannuation, benefit, accommodation support and rates rebates.
- Government policies impacting directly or indirectly on older people, such as health (e.g. the current 'Ageing in Place' policy), housing (e.g. air quality, warmth/insulation and energy efficiency, and public/ community housing), transport, employment and Maori social/ economic development.
- Economic and financial/credit trends.
- The ongoing work of specialist national older persons' accommodation providers, such as retirement village or other 'housing cluster' businesses and organisations.
- Future levels and patterns of internal migration within New Zealand.
- Changes in the national 'culture' and level of home ownership

- Regional economic promotion activity

5.1.3 **Hawke's Bay Level**

- State of the rural economy
- Overall population change throughout the region, including migration movements
- Regional employment opportunities available
- Retirement housing developments
- Range and quality of local personal and community services for the older population

5.1.4 **Napier-Hastings**

- Land availability for new retirement housing developments
- Ongoing quality improvements to the existing housing stock
- Local Government land/zoning/housing policies
- Housing affordability/income and cost considerations

5.2 **Comment** – looking across the range of factors listed above, the ones that are considered likely to most impact the retirement housing sector in Napier-Hastings over the long-term projection period are Central Government immigration policies generally, Government fiscal policies impacting on the affordability situation of the 65+ age-group, the level/range/quality of local community services for sector, Local Government resource management policies and developer activity with regard to new housing developments.

5.3 **Local Housing Issues/ Trends**

Following the local consultation process undertaken in conjunction with this report, the following important issues have been identified for the retirement housing sector in the Napier-Hastings area. The issues include:

- a) Lack of a focused development strategy dealing with the specific housing needs of the 65+ population in the area
- b) Consequently, a general lack of investment in affordable and appropriate housing for the 65+ community and therefore a lack of real housing choices (including more cooperative arrangements)
- c) Significant proportion of the 65+ population living in inappropriate and ageing houses along with internal dwelling features and flexibility that do not adequately accommodate increasing age and associated impacts e.g. disability
- d) Common general housing issues of quality, poor insulation and lack of warmth
- e) Relatively high household operation and maintenance costs, and the impact of these factors along with income limitations on overall housing affordability. Current access to retirement village housing is limited to the upper middle-high income range
- f) Inappropriate location of a lot of the residential accommodation in the study area in relation to transport, shops, health services, banks and community facilities
- g) The availability of culturally sensitive housing options for the Maori community

5.4 **Conclusion**

There are a number of important influences and issues to be recognised and considered in the process of future planning for urban development in the Heretaunga Plains area, from the perspective of the 65+ retirement sector population.

6.0 Retirement Housing Profile

Key Findings

- Most of the 65+ population live in 'separate house' residential accommodation and this situation is expected to continue over the projection period
- Proportion living in flats/units/townhouses projected to increase over the period
- Income/affordability a major issue for most 65+ New Zealanders despite a relatively high home ownership level
- General desire for smaller homes with increasing age
- Housing options for older people include continued home ownership (upgrading of existing homes, downsizing or relocation to clustered housing), renting, retirement village/other clustered private housing, social/communal housing, Maori housing options (e.g. Marae based) and residential care
- Projected strong growth in dwelling numbers for all housing categories, for the 65+ population

6.1 This section indicates the current housing profile of the 65+ population in the Napier-Hastings area and quantifies trends in the profile over the 2015-2045 projection period.

6.2 Current Profile

Table 5 indicates the 2006 Census housing profile of the Napier-Hastings 65+ population, in comparison to that of the remainder of the local population and the New Zealand 65+ population.

Table 5: Napier-Hastings 65+ Population – Housing Profile for the Private and Non-Private Occupied Dwelling Sector 2006 Census

Residential Accommodation Type	65+ Population		Under 65+ Population		NZ 65+ Population	
	#	% of Total	#	% of Total	#	% of Total
Separate House	11,430	68.8	90,258	84.7	339,399	68.3
Flats/Units/Townhouses/ Apartments	3,828	23.1	10,353	9.7	86,211	17.4
Other Private Dwellings ¹	771	4.6	4,782	4.5	23,961	4.8
Residential Care Facility	546	3.3	84	0.1	3,843	0.8
Other Non-Private Accommodation ²	27	0.2	1,038	1.0	43,185	8.7
TOTAL	16,602	100	106,515	100	496,599	100

Notes:

1. Includes motor camps, mobile facilities, improvised dwellings, etc
2. Includes hospital, institutions, night shelters, visitor accommodation, other communal facilities, marae complexes, etc

The key points to note from the table are:

- (i) The majority (approximately 70%) of the 65+ Napier-Hastings population live in separate houses (and of one storey). The proportion in this category is significantly less than for the rest of the local population but similar to the national 65+ figure. Locally, the 65+ population

accounts for 11% of the total Napier-Hastings population living in 'separate house' accommodation.

- (ii) Almost a quarter of the Napier-Hastings 65+ population were living in flats/units/apartment/townhouse type accommodation at the time of the last Census, compared to around 10% for the remainder of the population and 17% nationally. People aged 65+ accounted for 27% of the total population of the area living in such forms of residential accommodation. Within the 65+ population, numbers living in flats/units/apartments/townhouses were highest for the 70-84 age-group.
- (iii) At the time of the 2006 Census, the number of 65+ Napier-Hastings residents living in residential care facilities represented just over 3% of the total 65+ population of the area, compared to 0.1% for the Under 65 population and 0.8% nationally. The numbers living in residential care accommodation were highest for the 85-94 age range.
- (iv) The table indicates that approximately 97% of the Napier-Hastings 65+ population live in private residential accommodation, compared to 91% at the national level and 99% for the Napier-Hastings Under 65 population.

6.3 National 65+ Demographic/Housing Profile

A consultancy report prepared in June 2004 for the Centre for Housing Research Aotearoa New Zealand (CHRANZ) entitled 'Accommodation Options for Older People in New Zealand' makes a number of points that are considered to be equally relevant to the Napier-Hastings older persons' housing situation. The points include:

- The matter of housing for older people is a focus of Central Government policy, namely 'Affordable and appropriate housing for older people' (Positive Ageing Strategy) and the Health of Older People Strategy (this strategy aims at ensuring the integrated approach to the provision of health and disability support services which is responsive to changing needs, supports older people staying in their own homes and reduces the need for institutional care). The current New Zealand Housing Strategy's Vision is that "*all New Zealanders have access to affordable, sustainable, good quality housing appropriate to their needs*".
- 75% of 65+ people own their own houses, as do 50% of those aged 85+
- Within the 65+ age-group, the 85+ segment has the highest population growth rate
- Older people generally live in smaller households
- Incomes are generally low for older people (the 2006 Census results indicate for the Napier-Hastings area that the leading personal income groups for the 65+ population are in order, \$10,001-\$15,000; \$15,001-\$20,000, \$20,001-\$30,000 and \$5,001-\$10,000). Median annual incomes for Maori and Pacific Peoples are noticeably below the national average.
- Most older people have low levels of savings and investments.
- **Housing Situation**
 - Most older people live in private dwellings
 - Few older people live in residential care
 - Multi-unit dwellings are a significant housing type for the very old

- The proportion of older people living in smaller dwellings increases with age
- 75% of the total national 65+ population as a whole live in their own homes, with most of these people not having a mortgage. However, the proportion of home-ownership is significantly less for the Maori (69%) and Pacific Peoples (45%) groups. The proportion also falls with increasing older age.
- Over a third of the 65+ population renting their homes have a private landlord, with 30% renting from the public sector (eg Housing NZ), 22% from a local authority and 7% from a private trust.
- A higher proportion of 65+ people renting their homes are in the low household income category, than is the case for those who own their properties.
- The main housing options for older people include continued home ownership (including upgrading, trading down/downsizing or relocation to, for example, a retirement village), renting (from the private, public or community sectors), retirement village or other similar clustered housing arrangements, social/community shared accommodation and residential care.

6.4 Future Retirement Housing Growth

On the basis of the 65+ age-group trend information provided at the start of the report in Table 1 and the information provided in Table 5, an assessment has been made of the projected growth over the 2015-2045 period in the number of dwellings in the study area occupied by people in this age-group, as follows in **Table 6**:

Table 6: Heretaunga Plains Housing Growth for the 65+ Population 2006-2045

Year	Total # of Houses with 65+ People ¹	Number of Separate Houses ²	Number of Units/Flats/Apartments/Etc ³	# In Residential Care Facilities ⁴	# In Other Accommodation ⁵
2006	10,793	7,609	2,590	546	48
2009	11,742	8,183	2,872	604	83
2011	12,654	8,751	3,134	668	101
2015	14,477	9,855	3,675	802	145
2021	16,444	10,929	4,326	975	214
2026	18,084	11,776	4,897	1,132	279
2031	19,724	12,578	5,492	1,299	355
2036	21,364	13,336	6,113	1,477	438
2041	23,004	14,050	6,760	1,665	529
2045	24,309	14,586	7,293	1,823	607
Change # 2015-2045 %	+9,832 +67.9	4,731 48.0	3,618 98.4	1,021 127.3	462 318.6

Notes:

1. Based on an assessed occupancy ratio of 1.5 persons per household.
2. Based on the 2006 Census proportion of the 65+ population in separate households (approx. 70%) falling to an assumed 60% by Year 2045 and the 1.5 household occupancy ratio.
3. Based on the 2006 Census proportion of the 65+ population in units/flats/apartments/townhouses (approx. 24%) increasing to an assumed 30% by Year 2045.
4. Based on the 2006 proportion of 3.3% (of the 65+ population) increasing to an assumed 7.5% by Year 2045. The numbers assume one-person households.
5. For example, boarding establishments, camping grounds and visitor accommodation.

The total number of dwellings in the study area containing 65+ age-group people is projected to increase over the 2015-2045 period from 14,477 or 28% of all dwellings to 24,309 or 41% of all dwellings, that is, an increase of 9832 or 68%. Separate dwelling accommodation is projected to account for 60% of the total in 2045, compared to 68% in 2015. Units/flats/apartments occupied by 65+ people are projected to account for 25% of total dwellings for this age-group in 2015 and 30% in 2045. The number of 65+ people in residential care is projected to more than double over 2015-2045.

6.5 **Conclusion**

The 2015-2045 period will thus see, as indicated earlier in the report, a major increase in the 65+ population in the study area and in the associated total volume and range of residential accommodation required to housing this particular age-group.

7.0 Retirement Housing Market

Key Findings

- The number of beds in known specialist retirement housing and rest home facilities in the study area presently accounts for over 10% of the 65+ population
- Demand for such beds is projected to increase by a further third over the period to 2015 and then more than double during 2015-2045, accounting for 15% of the 65+ population
- The additional land area implication of this latter projection is estimated at 81 hectares

7.1 This section quantifies the current supply of and projected future demand for specialist retirement sector dwellings in the Napier-Hastings area over the period 2009-2045, including the specified period 2015-2045. These dwellings cover residential accommodation in retirement village complexes, other clustered housing arrangements and rest home/care facilities (including those that are part of retirement villages and those that are stand-alone facilities). It is noted that due caution is required in comparing relevant results in **Table 7** below with those in Table 5 (showing the 2006 Census situation), due to differences of definition, information sources and survey responses (Census returns).

Table 7: Heretaunga Plains Specialist Retirement Housing/ Rest Home Accommodation Provision and Demand 2009-2045

Year	65+ Pop ⁿ	Specialist Retirement/Rest Home Total Provision (Beds)	Total Demand ³	Supply-Demand ⁴
2009	17,613	1,839 ¹	1,839	0
2011	18,981	1,903 ²	2,023	-120
2015	21,715	1,967 ²	2,425	-458
2021	24,667	1,967	2,944	-977
2026	27,127	1,967	3,410	-1,443
2031	29,587	1,967	3,909	-1,942
2036	32,047	1,967	4,438	-2,471
2041	34,507	1,967	5,000	-3,033
2045	36,464	1,967	5,470	-3,503

Notes:

1. Supply of beds-excludes NCC/HDC/Parkvale Estate. Information provided by Telfer Young Napier Office
2. Includes an estimate for additional beds in the Parkvale area coming on stream over 2009-2015 only.
3. Demand for beds assumed to be in balance with supply in 2009 (with no waiting list element) and increases from 10.4% of the 65+ population in 2009 to an assumed 15% in 2045.
4. Cumulative totals.

7.2 The key point to note from the table is that whilst the demand for beds increases by 3045 or 126% over the projection period, the currently known supply remains unchanged, thus resulting in an increasing shortage of beds over the period.

7.3 Land Uptake Implication

The projected increase in the demand for beds over 2015-2045 is 3045. On the basis of the current figures for total bed provision (1839) and the total assessed present land area of the retirement/rest

home complexes (49.0723 hectares according to Telfer Young Ltd) covered by the analysis (see 7.4), the total land area implication of the projected increased demand is an estimated 81 hectares.

7.4 **Current Provision Profile**

The current profile of specialist retirement and aged care accommodation in the study area is as follows:

- i) **Napier** – 6 retirement complexes and 15 rest home/continuing care/hospital care facilities
- ii) **Hastings** – 3 retirement complexes and 7 rest home/continuing-specialised care facilities
- iii) **Havelock North** – 4 retirement complexes and 6 rest home/continuing-specialised care facilities

It is noted that the number of rest home facilities also includes those located within retirement complexes.

In addition to the above facilities, both the Napier City Council/ Hastings District Council and Housing NZ provide rental dwelling accommodation which can be accessed by retirement-age people. Some other community and Church organisations also provide residential accommodation for this group.

7.5 **Conclusion**

Future urban planning/development work for the Heretaunga Plains area will need to take into account the projected significant increase in the 65+ population of the area and the associated implications of this change in terms of the range, quality and location of residential accommodation for the retirement population sector.