



Remarks to the Joint Oireachtas Committee on Housing, Local Government and Heritage on Planning: Provision of housing for older people (including Fair Deal)

10th May 2022

Thank you for the opportunity to present to the Committee about some of the housing issues affecting older persons. In my remarks, I will build on the submission Age Action made to the Committee in March this year.

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Age Action is Ireland's leading advocacy organisation on ageing and older people. We advocate for a society that enables all older people to participate and to live full, independent lives.

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There are over one million people in Ireland aged 60 or older, representing more than a quarter of all adults. The number of people aged 80 or older will rise from over 170,000 people today to over 340,000 people by 2035. This is a success story, but when it comes to something like unmet housing needs, the scale of the challenge needs to be matched by the scale of the response.

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Four in five older persons own their own home. Because of this, many assume older persons don't experience housing problems. I will now mention **five areas of unmet housing need**. Then I will address the proposed changes to the Fair Deal scheme.

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First and foremost, older persons want to "age in place", to grow old in the communities where they have built their lives.

Barriers prevent many people from ageing at home. These include lack of physical accessibility around the home, lack of transport (especially if people lose the ability to drive), and problems securing home care support.

A third of people aged 65 or older have a disability or serious impairment. Local authority grants help with things like grab rails or ramps, but there are not enough to

meet the needs of all older persons.¹ Though many will have funded home modifications themselves, Age Action estimates that up to 56,000 households still have unmet home accessibility needs.

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A second concern is that **older persons who want to “right size” cannot access bridging loans**. We have spoken to people who own their home outright and want to sell it to buy a cheaper home better suited to their needs. They cannot get a loan because mainstream banks look only at their income, not the value of their assets.

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The third problem is also in relation to “right sizing”. There is often a **lack of suitable alternative housing in the communities where people have built their lives**. While some older persons might like a smaller home, they do not want to give up all their social connections. Planning needs to ensure that more diverse housing types are available in every community.

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Our fourth concern is that **many older persons cannot afford home repairs or insulation**. Older persons tend to live in older homes. Out of roughly 500,000 homes in Ireland that have a Building Energy Rating of E, F or G, at least 300,000 are likely to be occupied by older persons. Only a third of older persons receive Fuel Allowance, and the two-thirds who are not eligible are also not eligible for the Free Upgrade under the National Retrofit Scheme.

CSO surveys indicate that half of older persons have cash savings of less than €5,800. Most older persons cannot afford to make major investments in their homes, even with the other Retrofit partial subsidies.

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The fifth issue is regarding the **affordability of housing**, a growing concern for older persons.

In 2019, 9,370 mortgage accounts held by people aged 60 or older were in arrears, with the majority in “deep arrears”. This means they were 720+ days behind in payments. In future, more people will reach their 70s still paying off a mortgage.

2.4% of older persons rent in the private sector. Many have no idea how they will afford their housing once they stop working in their 70s. Social housing tenants also pay rent, which can be a significant proportion of their weekly income.

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¹ In the period 2014-2020, a total of 24,695 housing aid for older people grants were allocated by local authorities across Ireland, along with 13,478 mobility aid grants and 21,633 grants for a person with a disability. A total of 59,806 grants over seven years is 8,544 grants per year.

Finally, since January 2022, we have received more than 200 calls about **the Nursing Home Support Scheme**, the so-called Fair Deal scheme.

The recent announcement that people will be permitted to keep 60% of rental income under the scheme improves on the 20% under the old rules. But why not 100%?

Very few people rent out their homes under the current scheme. There's no incentive. The HSE is not gaining income through this and will not lose any if people kept 100% of their rental income. That would maximise the incentive to free housing that might otherwise be left vacant for the years that a person spends in a nursing home.

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That said, we have other concerns about this proposal. The older person must have choice and control throughout the process, and a package of safeguards is needed.

The Assisted Decision Making (Capacity) Act 2015 needs to be implemented in full, including for the new Decision Support Service to be fully operational. Anyone with impaired decision-making capacities needs to be assisted with making a decision about renting out their home, rather than having someone else make it instead.

We also need safeguards to prevent abuse, such as family members or others pushing an older person to rent out their home, or pocketing the rental income. In the 30-month period from 1st January 2019 to end-June 2021, Age Action's Information Service received over 100 contacts about financial abuse of older persons.

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Age Action's core concern is for all older persons to have choice and control over where and how they live. Planning, housing standards and housing supports all play a huge role in determining older persons' quality of life. We would like to see housing and planning take a rights-based approach.

We are happy to take any questions from the committee. Thank you.