

Ageing Population in Jersey

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Purpose: To summarise how Jersey's ageing population relates to a sustainable housing market in Jersey

Recommended Actions for the Housing Policy Development Board

- Consider the relative priority of addressing the housing needs of older people compared to other groups (such as first-time buyers or those on low incomes)
- Consider the health and social implications of housing for an ageing population and implement joined-up policy interventions to ensure housing options are attractive and suitable for all members of Jersey's society
- Consider the relative potential of 'unlocking' housing capacity through encouraging downsizing and how this can be linked to policy interventions to support improved housing suitability for older people
- Consider the acceptability of adopting right sizing policies to both older people and the wider population
- Consider policy interventions that target the range of experience, desires and needs of older people in Jersey

Summary

The Government of Jersey (GoJ) has identified Jersey's ageing society as a key challenge facing the island, particularly as the changing demographic profile of the island has implications for the requirements of the health and care services. Jersey's ageing population also has implications for the housing market, particularly because Jersey's older people are one of the largest group of owner-occupiers in the market and may face challenges related to the suitability of their existing accommodation as well as the cost and availability of alternative appropriate housing options.

There are two key challenges relating to Jersey's ageing population and a sustainable housing market, which were identified by stakeholders through our research:

- Under-occupation among older people: Jersey has significant under occupation in all tenures of its housing stock, with about a quarter of all households under occupying by two or more bedrooms. Under occupation is concentrated among older people's households, or households where children have left the family home. As a result, larger homes remain occupied by a single person or couple rather than larger households. Since

Jersey has limited supply, it is accepted that this is an inefficient use of limited housing stock. The issue is compounded by barriers to moving to smaller properties and unsuitable “rightsizing” options.

- Unsuitable housing for older people on the island: It may be that the limited supply of housing options for Jersey’s older people has implications on more than the housing market: anecdotal evidence suggests a lack of suitable housing options for older people can lead to inappropriate occupation of bed spaces in Jersey’s hospital and makes it more difficult to address the established practice of older people entering residential care settings earlier than would otherwise be necessary.

To investigate these issues we undertook desktop research, spoke to key stakeholders (Appendix 1) including not-for-profit organisations and a representative of GoJ’s Adult Social Care team.

1 Demographic Context

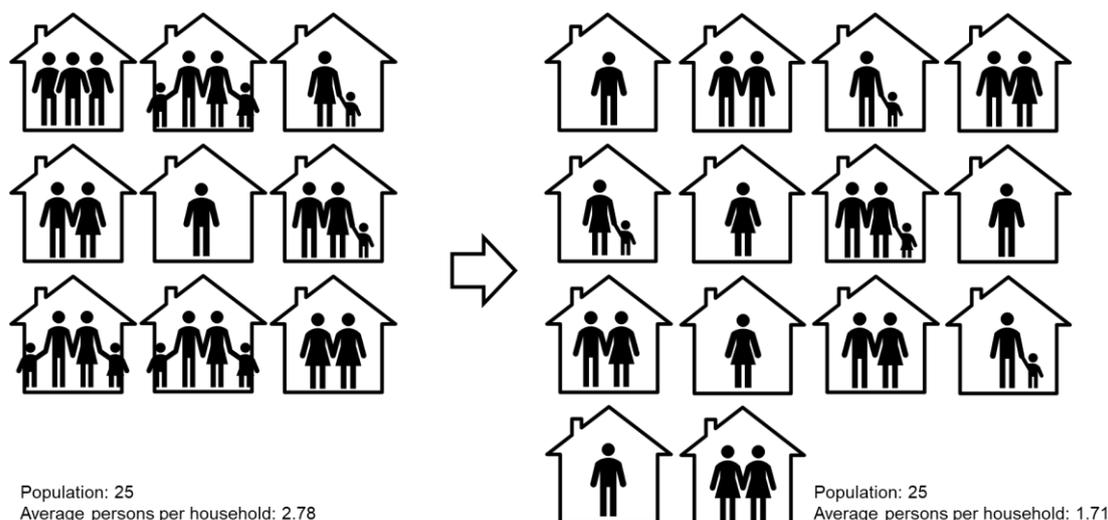
- 1.1 Older people over 65 make up c. 17% of Jersey’s population but account for about a third of all homeowners on the island and live in a quarter of the homes in Jersey.¹ At the last Jersey Household Income Distribution report in 2014/15 72% of pensioners were owner occupiers (70% without a mortgage 2% with a mortgage). While these properties have a significant capital value, these older owner-occupiers include a group of households described anecdotally as “asset-rich and cash-poor”. The report also found that as of 2014/15, 28% of pensioners in Jersey were living in relative low income (RLI), that is with an income at 60% of median income or below or £410 per week. However, the mean percentage of income spent on housing by pensioner households was just 9%. Pensioners accounted for a 45% of households below the RLI before housing costs, and a third after housing costs.²
- 1.2 Estimates show that there will be c.11,000 more pensioners living in Jersey by 2035.³ Where there are currently about 4 working-age people for each pensioner in Jersey at present, this ratio will reduce to c. 2-2.5 working-age people per pensioner by 2045⁴, placing considerable pressure on the working age population to support the health and other social costs of the non-working population into the future.
- 1.3 Linked to changes in the population age profile, as well as other social and cultural changes, Jersey’s households are getting smaller. Over the last forty years, Jersey’s households have decreased from 2.8 persons per household in 1971 to 2.31 persons per household in 2011. As Jersey’s population ages and as social and cultural factors mean individuals are living alone longer and more frequently, there will be an increase in the formation of new single-person households, and thus demand for housing will likely increase in any future scenario even if population is stable. This places strain on the existing supply of housing, as illustrated in the figure below:

¹ 2011 Census, Pensioner households include Couples with one pensioner, Single Pensioners, Two+ Pensioners

² Jersey Household Income Distribution 2014/15, Statistics Jersey

³ ‘Future Jersey’ 2017-2035

⁴ Under migration scenarios nil migration thru net inward +1,000 persons, Statistics Jersey



- 1.4 Jersey has significant under occupation in all tenures of its housing stock, with about a quarter of all households under occupying by two or more bedrooms (42% of owner occupiers under occupy). This is compared to c. 5% of households that over occupy their dwellings by two or more bedrooms.⁵ Under occupation is concentrated among older people's households, or households where children have left the family home.
- 1.5 We are unaware of the impact of recently high migration levels on these figures since the census was published in 2011, however research from other jurisdictions suggests that higher need for housing does not necessarily combat widespread under occupation in housing stock. This is because there may not be sufficient 'effective demand' for properties that are currently under occupied due to the price or tenure of these properties (e.g. that they are for owner occupation, or due to affordability challenges).
- 1.6 'Effective demand' addresses the issue that while there may be a need for housing (demand), this may not be accompanied by an intention or ability to purchase. For Jersey 'effective demand' will be drawn from those who have the correct housing qualifications, and required savings and income to purchase a property. Where households do not have the means to purchase properties that are currently under-occupied they will not contribute to effective demand for these properties. Where migrant households have low incomes, or are not able to purchase property under Jersey's residential qualification system, instead of creating demand for under occupied properties the higher housing need caused by high net inward migration may compound over-occupation figures, as these households can only access small properties.
- 1.7 Access to social housing⁶ through the housing gateway is only open to those adults (over-18) who have housing qualifications and a registration card, have a household income below a fixed threshold of £40,000, and who meet the qualification criteria of either:

⁵ 2011 Census

⁶ "Who can apply for affordable housing", Gov.je

- having a dependent child,
 - having medical, physical or mental disability and be in need of a special type of housing
 - being over 50 and in receipt of relatively low income.
- 1.8 As a result of these eligibility criteria, a significant proportion of social housing tenants are older people. Jersey's Social housing stock is primarily general needs housing, and there is limited specialist accommodation for older people. Andium are currently working with Age Concern to deliver a purpose-built low-rise facility for the elderly at Convent Court which will provide 21 specialist homes. This combined facility for Age Concern to deliver its services and housing development will be the first of its kind in Jersey.⁷
- 1.9 Jersey's older population is diverse, and as a result demand among this group for housing is also diverse. For example, while some individuals over the age of 80 will require some form of care and or support in the home, some individuals will be completely independent. Policy interventions in the 2002 Island Plan, 2008 amended Island Plan, 2011 Island plan and 2014 amended Island Plan focus on older people as those over-55. With life expectancy now at 80 years in Jersey⁸ it is important to recognise that the term 'older people' captures people at a range of life stages over a period of on average 25 years. This group, in common with the rest of the population, will have a diversity of needs and desires. In 2017 the healthy life expectancy (how long they will live in 'good' or very good' health) of a 65-year-old male was 12.6 years and for a 65-year-old female it was 14.5 years.⁵
- 1.10 Currently, GoJ policy generally refers to two groups, those older people "over-50" (as expressed in social housing policy) or "over-55" (as expressed in Island Plan policies) and pensioners⁹ (referred to in population, Future Jersey policies and the previous 70+ targeted for Free Home insulation Policy¹⁰). As expressed above, the housing drivers for these individuals will vary both between and among age groups. The beneficiaries of policies (both housing and other policies) targeting older people can be divided into three profiles of individuals:
- Working age 'older people' (Over 50s or Over 55s): This group is economically active and may or may not still have children living at home (who may or may not be dependent)
 - Retirees (Over 65s): This group is generally socially active and will continue to be economically active in the future as the pension age increases.
 - Elderly (Over 80s): This group, depending on health, may or may not require care.
- 1.11 It is arguable given trends in life expectancy and healthy life expectancy, changing working patterns and later retirement ages these groupings may no longer be helpful when

⁷ Andium Homes 2017 Annual Report

⁸ Annual Mortality report (2018) Statistics Jersey

⁹ We have referred to over-65s for consistency, but are aware the pension age will increase to 67 by 2031

¹⁰ Policy enacted by the Energy Efficiency Service c. 2012 to address high energy bills for older people in winter, and is adjacent to but not directly tied to older people's housing policies

considering policy interventions. Careful consideration should be paid to the particular the age range which GoJ wishes to target as beneficiaries of interventions.

- 1.12 Research conducted by the Joseph Rowntree foundation (JRF)¹¹ found that many older people prefer to live in mixed-age communities, and many require or desire two bedrooms to accommodate belongings, enable them to have flexibility in how they use their home and to allow for visitors or carers. These demands run in contrast to traditional offers seen in the UK and elsewhere of older people's sheltered accommodation, which tends to be age-restricted and made of bedsit or one-bedroom accommodation. Since 2008 Jersey has taken this into account in planning standards relating to 'lifelong homes' (see 3.3) which are required as a minimum, to provide one and a half bedrooms.

2 Older People's Housing Policies

2.1 Lifetime Homes Standards

- 2.2 Since 2008, all newly built homes have been built to "lifetime home standards" (see Appendix 2). The lifetime home standards are building control regulations for internal layout and adaptability of the dwelling which aim to make the dwelling adaptable to the occupiers long-term needs and to incorporate features that will enable occupants to cope better with reducing mobility and to 'stay put' longer in their homes¹². The lifetime homes policy is also mirrored in the current health and housing strategies as well as the current Island Plan.

- 2.3 Lifetime homes standards in Jersey are based on those originally conceived by the Joseph Rowntree Foundation Lifetime Homes Group in 1991. Today, In Wales and Northern Ireland, new publicly-funded homes are required comply with the Lifetime Homes Standard. However, the UK government has focussed on incorporating the objectives of the Lifetime Homes Standards into simplified Building Regulation. This recognises that while accessibility and adaptability standards can be beneficial, they must be incorporated carefully into policy as not to complicate planning and design.

2.4 Lifelong Homes

- 2.5 Different to lifetime homes policies which ensure new development in the open market is made to standards that allow for adaptations into the future, the Government of Jersey has also made policies to support the development of homes specifically designed for older people. These policies are referred to as "Lifelong" homes in policy material. In July 2008, the States approved an amendment to the 2002 Island plan which allowed planning to zone eight parish sites, six of which were to be developed for "lifelong homes" (for people over-55 for social rent and purchase on the open market). The GoJ describes "lifelong homes" as those which enable downsizing and release of larger homes which may be more suitable for families elsewhere in the housing market.¹³ Lifelong homes are included in the

¹¹ Joseph Rowntree Foundation (2012) Older people's housing: choice, quality of life, and under-occupation

¹² Strategic Housing Unit, Housing Strategy 2016

¹³ States of Jersey, Provision of Land for Lifelong Dwellings and First Time Buyers, Amendment to Island Plan (2002)

description of Category A need housing, which also includes States, Parish and Housing trust rental housing and housing for first-time buyers (FTB).

- 2.6 The sites identified for lifelong homes that have been developed since 2008 are included in the table below. The social rent properties are managed by either Andium, or locally by parish trusts:

Site & Location	Number of Lifelong Homes / Tenure
Fields 516, 516A, 517 and 518 St. Saviour	100 units for private sale / social rent
Field 274, La Lourderie, St. Clement	23 cottages and 19 flats
Field 605, St. John	14 units for private sale
Fields 561 and 562, St Mary	14 units for social rent 4 units for private sale
Land north east of Maison St. Brelade	Extension to form 8 units
Field 148, Rue des Maltières, Grouville	20 units for social rent
Fields 818 and part of Field 873, Trinity	14 homes
Field 578, Trinity	4 rented units

- 2.7 Research has not been conducted on the efficacy of the development of these sites in releasing larger properties into the market, and in future residents of these properties could be surveyed to understand their experiences and where they had moved to the lifelong homes from.
- 2.8 Long-term care scheme
- 2.9 The long-term care scheme, enacted in 2013, provides a ring-fenced fund to help provide financial support to individuals with their long-term care costs and responds to the acknowledged challenges Jersey is facing in terms of changing demographics and the provision of care.
- 2.10 Under the scheme for those living in residential care there is usually a requirement to co-fund by paying for non-care costs (e.g. housing costs, and other living costs), while those living in their own homes are assumed to be meeting their living costs (including housing costs) outside of the scheme. The scheme is currently funded by Long Term Care (LTC) contributions collected from Jersey residents who have an income high enough to pay income tax, together with a tax funded grant.
- 2.11 The long-term care policy was designed to encourage care being provided in the community and identified “lifelong homes” as supporting the delivery of care packages in homes due to spatial considerations. The scheme was designed so as not to present a barrier to addressing under occupation in older people’s owner occupied properties through treatment of financial assets that does not penalise older people who downsize within the scheme.

- 2.12 The LTC scheme requires individuals to support their own care costs for an agreed period if they can afford to do so. However, there is an asset disregard which exempts assets up to £419,000. This means those requiring care are only expected to use the value of assets above the exemption limit to help to fund their care and for people who own property that is above this level, they can receive assistance by using a charge against the property with a very low rate of interest.
- 2.13 According to GoJ, a strong driver for the scheme was the need to protect homeowners from having to sell their houses to purchase care. The scheme is designed to support all tenures and care in all settings, and the financial rules are such that everyone qualifies for financial support after they have been receiving care for a fixed amount of time.
- 2.14 The £394,000 asset disregard was set based on the mean price of a two-bedroom property, and not a three- or four-bedroom property which the policy acknowledged pensioner households owned at a high proportion. Data is unavailable to demonstrate if LTC claimants have remained living in larger properties or moved to smaller units.
- 2.15 Right-sizing policies
- 2.16 Right-sizing policies are policies which support individuals to move from accommodation they are under-occupying into smaller accommodation. Currently, Jersey applies right sizing policies to those in receipt of Income Support and to the initial allocation of social housing.
- 2.17 For tenants receiving Income Support the amount of housing component is linked to the number of bedrooms required by the household. Where a household is under occupying because members of the household have moved out, the housing component for the larger unit can be paid for up to 12 months while they wait to move to a smaller property. Individuals applying for social housing are required to provide household details on their application to determine housing size eligibility.

3 Challenges and Implications

- 3.1 There are two key challenges relating to Jersey's ageing population and a sustainable housing market, which were identified by stakeholders through our research:
- under-occupation among older people
 - unsuitable housing for older people on the island.
- 3.2 GoJ has recognised these challenges and the policy interventions described in section 3 seek to address these challenges.
- 3.3 Challenge: Under-occupation among older people
- 3.4 **Description:** Under-occupation is described as living in accommodation with two or more 'spare' bedrooms. The current lifetime homes policy may indirectly encourage under-

occupation because it supports interventions which allow older people to remain independent in their own homes, which are likely to be large, family homes, over the course of their lives. Some older people are interested in “rightsizing” to smaller homes for a number of reasons, including supporting present or future care needs, reduced utility costs, lower cleaning and maintenance requirements. However, they can be limited by financial, cultural or market barriers explored in 4.10 below.

3.5 Implications

- Larger homes remain occupied by a single person or couple rather than larger households
- Inefficient use of limited housing stock
- Financial, cultural or market barriers limiting “rightsizing” to smaller homes

3.6 Challenge: Lack of availability of suitable housing for older people on the island

3.7 **Description:** Interviewees identified that there is a lack of supply in extra-care and other suitable accommodation that may provide older people the range of choice necessary to move. Jersey, as with the UK and other countries, has experienced slow progress in models for housing older people which are attractive enough for older people to choose to move to. Between 2002 and 2017, 174 homes targeted at the over-55s or retired people were completed across tenures and developers.¹⁴

3.8 Implications

- Large family homes may be inadequately insulated or adapted to the older person’s needs
- Inappropriate use of institutional care facilities
- Lack of attractive choice discourages older people from moving

3.9 These challenges intersect where older people who under-occupy their home are considering whether to “stay-put” (perhaps with adaptations) or “right-size” into suitable housing alternatives.

3.10 Maintaining independence in the home where an older person may have raised their family will be the right choice for some, particularly in cases where an older person may continue to live and receive support from their local community or when the home continues to support the older person’s needs.

3.11 However, right-sizing is another option that allows an older person the freedom of choice to either stay or move to what they see as a better, more suitable housing option. Right-sizing is not a new policy in Jersey, and is most synonymous with the “lifelong homes” policy of 2008 and has been used in conjunction with adaptation-based policies such as “lifetime

¹⁴ GoJ, Completions 1986-2020 (est) from Government Of Jersey Department of the Environment (Planning)

homes” since 2002.

- 3.12 The long-term care scheme acknowledges that “in an Island with limited housing resources, a voluntary decision to sell the family home and move to a smaller, purpose-built lifelong home also releases a family home for the next generation”. Right-sizing or moving from a larger family home if included in a package of choices available to an older person, can offer positive benefits to the mover, including improved quality of life, physical health and social well-being.¹⁵
- 3.13 Research suggests there are several common push factors and barriers to movement into “right-sized” accommodation, which any potential right-sizing policy will need to consider. These are highlighted in the table below.

Push Factors	Barriers to Moving
<ul style="list-style-type: none"> ▪ Need to increase accessibility and current home is not suitable due to health circumstances ▪ Cost to maintain and heat larger properties ▪ Home is isolating, or does not have access to transport or amenities ▪ Desire to leave home after children have moved out or in event of marital breakdown ▪ Aspiration to benefit from a lifestyle offer or new location 	<ul style="list-style-type: none"> ▪ Cost of alternative, smaller housing is comparable to existing equity in current home meaning there is limited financial benefit to moving (particularly after taking into account moving costs) or if older property requires modernisation to sell ▪ Stamp Duty / Land Transaction Tax on the purchase of a new property may act as a financial disincentive to sell ▪ General moving costs and challenges relating to organisational effort to arrange a sale and purchase (particularly if in poor health) ▪ Emotional attachment to current home ▪ Proximity of social networks and ties to local community if alternative accommodation is not located close to current home ▪ Lack of attractive alternatives to move into (including a lack of extra care or other purpose built housing for older people) ▪ Desire to pass on by way or inheritance a larger family home rather than a smaller home purchased later in life

- 3.14 Jersey’s older people are diverse and a comprehensive policy will need to reflect the needs of older people with different housing drivers. Any future policy should consider the following:
- The appropriate age of target beneficiaries for older people’s housing interventions, and the diversity of need and desire within the target group
 - Level of care and support required in and out of accommodation, including social and

¹⁵ Joseph Rowntree Foundation (2012) Older people's housing: choice, quality of life, and under-occupation

community support

- Quantity and type of new housing stock needed to support care needs within Jersey's overall health and care system
- Level of financial support required and how income, property assets and savings should be used (particularly relating to "asset-rich, cash-poor" individuals) when defining policy beneficiaries
- Level of financial or other penalties that could be imposed on under occupiers
- Tenure demand considerations, such as homeownership or rental products (many older people are currently, and prefer to remain, homeowners)
- Spatial considerations and the result on demand and societal support networks, including if housing schemes should be a mix of older people and general needs accommodation
- Some older people prefer to live in their homes for as long as possible, and in some cases this is the right choice as it offers practical advantages (like maintaining community support networks)

4 Policy Tools

- 4.1 Housing is limited and expensive for all of Jersey's population, and so any effective and acceptable policy tool to help address the key housing challenges relating to Jersey's ageing population issue will need to be carefully considered on a cost-benefit and public acceptability basis.
- 4.2 This research has found that there are several barriers that older people experience that may be preventing them from 'rightsizing' to more suitable accommodation. There are a number of approaches that could be taken to address this which will be considered further in the solutions phase of work. For example, policy interventions could act to reduce unintentional disincentives to moving caused by other policies, or it may be that the private market is best placed to deliver the range of housing options that would be attractive to older people, and as such the government may look at options to facilitate supply by private developers, i.e. through planning, fiscal incentives or measures to increase demand.

5 International Perspectives to an Ageing Population and Housing

- 5.1 Many developed countries face similar challenges regarding an ageing population, and those with similar geographic and migration characteristics to Jersey. Below we have briefly summarised the challenges present and policies used in Malta and Switzerland, and how these compare to Jersey.

Case Studies:	Jersey	Malta	Switzerland
Demographic Data	<ul style="list-style-type: none"> 16.6% of Jersey's population is over the age of 65. The Elderly dependency ratio is 25.4 	<ul style="list-style-type: none"> 20.5% of Malta's population is over the age of 65. The Elderly dependency ratio is 27.3 	<ul style="list-style-type: none"> 18.3% of Switzerland's population is over the age of 65 The Elderly dependency ratio is 26.8
Housing Background	<ul style="list-style-type: none"> Home ownership rates in Jersey are c. 54% and prices for owner-occupied and rental housing having been growing over time Jersey has significant restrictions on who can buy or rent property 	<ul style="list-style-type: none"> Home ownership rates in Malta are high at c. 80% and in recent years house purchase and rental prices in Malta have risen considerably. Anyone from the EU can purchase a property in Malta with some restrictions relating to price 	<ul style="list-style-type: none"> Home ownership rates in Switzerland are low compared to Jersey and Malta, with c. 43% of the population owning their own home. Switzerland has significant restrictions on foreign buyers
Key Policy	Lifelong homes	Lifelong homes	Multigenerational living and preventing isolation
Key Solutions	<ul style="list-style-type: none"> Policies to make adaptations for homes to enable older people to stay in homes Previous use of zoning for over-55 developments The limited available older people's housing delivered through social and market developers Arm's length affordable housing developer, Andium, is working with Age Concern to build new facility with flats for 21 older people Private developers, such as Dandara, build market-driven over-55s schemes Civil society work to provide community support and to help older people with isolation and loneliness 	<ul style="list-style-type: none"> The Housing Authority provides schemes that enable older persons to implement age-friendly structural changes to their residences, offering up to €15,000 per person. Municipal and regional planning takes into account the needs and input of older persons, i.e. by placing new housing for older people in centres of communities and near to health centres, while affordable housing and public buildings are designed to be accessible and adaptive to modifications, such as first floor living and step-free showers. Some mixed older people accommodation services offer sheltered housing, residential care and health services in one scheme. Malta works closely with NGOs through direct grants to support semi-independent living 	<ul style="list-style-type: none"> Switzerland is highly urbanised and so Swiss cities have worked to develop models which integrate the ageing population into the urban environment Because Switzerland is decentralised, many of the ageing issues the country faces are dealt with at a local level or by a multiple stakeholders. Some clear principles being pursued by local authorities (cantons) and NGOs include intergenerational housing and wider social integration of older people. The Federal Office for Housing (FOH) is involved in age-related housing projects working with NGOs and were involved a programme which sees older people renting rooms to younger people in exchange for help or services (co-housing principle)

Appendix 1: Stakeholder Interviewees

Position(s)	Organisation
Chairman	Age Concern Jersey
Executive Director	Mind Jersey
Communications and Specialised Services Manager and Head of Financial Planning	Andium Homes
Acting Head of Adult Social Work	Government of Jersey Health and Community Services
Principle Planner	Government of Jersey Planning and Building Control

Appendix 2: Jersey Lifetime Homes Standards

The standards are part of The Building Bye-laws (Jersey) Part 8: Access to and use of Buildings. The latest edition of the 2002 standards was published in the 2007 Technical Guidance Document, which was amended in 2012.

Standards on access to and use of dwellings:

- Section 6: Means of Access to and into the dwelling
 - Reasonable provision should be made within the boundary of the plot of the dwelling for a disabled person to approach and gain access into the dwelling from the point of leaving a vehicle which may be within or outside the plot
 - In most circumstances, it should be possible to provide a level or ramped approach to gain access to the principle level of the dwelling if a house or entrance-level flat
- Section 7: Circulation within the entrance storey of the dwelling
 - Enables access within the entrance storey or principle storey of the dwelling into habitable rooms and a room containing a WC
 - This means corridors and passageways will be sufficiently wide to allow convenient circulation of a wheelchair user
 - Where vertical circulation within the entrance storey is impossible, a stair or reasonable width for ambulant disabled people should be used with handrails on either side
- Section 8: Socket Outlets in the dwelling
 - Socket outlets for lighting and power should be located for those people whose reach is limited
- Section 9: Passenger Lifts and Common Stairs in Blocks of Flats
 - Passenger lifts should be used in blocks of flats where possible and should be suitable for an unaccompanied wheelchair user
 - If provision of a lift is not possible, common stairs should be designed for needs of ambulant disabled people or people with impaired sight
- Section 10: WC Provision in the entrance storey of a dwelling
 - Access to sanitary conveniences should be on entrance or principle storey of dwellings so that there is no need to negotiate stairs to reach it from habitable rooms in the storey
- Section 11: Internal Layout and Adaptability of the dwelling

- Reasonable provision should be made to allow adaptations to be made to enable occupants to cope better with reducing mobility.
- This may mean designing rooms with large enough space to accommodate a wheelchair user when the room is furnished.