**Pensioner Poverty & Housing Working Party Briefing Paper - September 2022**

**Introduction**

The most widely used definition of poverty – people with a household income below 60 per cent of the national median considering the number of adults and children – is usually expressed before housing costs. When taking housing costs into account, this further pushes people into poverty.

Houses are more than physical structures providing shelter. They are homes – where we bring up our families, socialise with friends, our own space where we can unwind, keep our possessions safe and take refuge from the rest of the world. They are where we spend most of our time.

The significance of the links between housing, poverty and material deprivation over people's life course has received more attention with the cost-of-living crisis. In the UK around three in ten people live in bad housing (3.6 million children, 9.2 million working age adults and 2 million pensioners).

**UK housing stock**

A good home is one that is suitable for those who live in and visit it, both now and in the future. It must be safe, secure, easy to warm and cool, and be affordable. It must not damage the life chances of its inhabitants, either through its design, location, or connectedness. Anything that falls short of this definition would be sub-standard.

* The UK however has some of the oldest and leakiest housing stock in western Europe, ensuring that heat dissipates through walls, windows, and doors quickly after leaving radiators.
* Nine in 10 households rely on gas boilers:
* UK households consume more of it than almost all of their European peers, at around twice the EU average.
* With the increasing cost of heating homes, people are choosing between heating and eating. The Energy Price Cap regulated by Ofgem is now expected to rise by 65% in October 2022, taking average annual bills to a whopping £3,582. This is more than 1/3rd of the full state pension, which many people do not receive in full and is also their sole source of income.

Drastically rising energy costs have further shown the poor quality of UK housing stock. An analysis by EDF Energy of 21 million homes across England and Wales has found over half (58%) only meet insulation standards of 1976 or earlier - potentially costing households up to £930 a year if they don’t make changes soon. The study also found just 37% of owner occupiers have ever updated their property’s insulation. A quarter (25%) haven’t done so because it’s too expensive, with 17% unsure of what type of insulation they require.

**Owner occupiers**

Older people are more likely to own and live in their own homes, however in retirement, they are also likely to be on a fixed and potentially low income. This can lead to them being described as asset rich, but the reality is that many are unable to afford basic repairs to their property or be unable to afford to move to a more appropriate property. Owner occupiers made up more than half of people living in poverty (before housing costs) in the UK, after housing costs are considered, this was still 37% of those in poverty.

**Social Housing and rented homes**

* Around 18% of people aged 65 or over live in social housing.
* Older residents in the social housing sector face the exact same problems which are facing the younger generations; poor quality housing, limited rights and a chronic shortage of a range of suitable accommodation.
* In the UK today, hundreds of thousands of people of all ages sit on waiting lists for social housing, simply because not enough is being built to meet the demand. If nothing is done to increase the supply of social housing stock, the waiting lists are only going to get longer.
* Overcrowding is more likely to affect those in social rented properties and is also more common among those living in London.
* Poorer pension returns and a social housing crisis are leaving more older people with fewer options of where to live.
* Sub-standard housing is more common among those in private rented properties.
* Four in ten (3.3 million) private rented tenants live in sub-standard housing.
* The number of pensioners in rented homes has doubled in the last decade and that number will continue to grow as social renting declines and the population of the UK continues to grow older.
* Private rents are forecast to rise by 90 per cent in real terms between 2008 and 2040, more than twice as fast as incomes, pushing up to half of private renters into poverty.

**Conclusion**

Poverty and low incomes prevent people from living in good homes and eventually it costs people their lives. Excess winter deaths in the last 5 years are approximately 200,000. Poor, cramped housing was a factor in the spread of Coronavirus. Better housing is crucial for better health. In 2019 the NPC published its policy on housing entitled 'Home Sweet Home?'. Some key points from the report recommend:

* Fast track building applications for those developers who propose affordable and suitable accommodation for older people
* Older people must be at the heart of house planning decisions
* Local authorities must be required to publish a strategy explaining how they intend to meet the housing needs of older people in their area
* Improve the support and advice given to those wishing to 'rightsize'
* A minimum of at least 85,000 properties needs to be built every year for older people to meet the current demand and the projected population rise
* The current definition of affordable housing is not fit for purpose
* Changes in longevity and economic circumstances are leading to more single person households and planning requirements for suitable housing need to recognise this.
* Recognition that certain sections of society, especially older women, minority elders, LGBT pensioners and older people with disabilities may face greater levels of housing discrimination which requires specific action
* The government must recognise the link between housing and health and social care and introduce a national strategy for older people’s housing

**Further Information / references**

National Housing Federation - People in housing need.

[www.housing.org.uk/globalassets/files/report-people-in-housing-need-final.pdf](http://www.housing.org.uk/globalassets/files/report-people-in-housing-need-final.pdf)

National Pensioners Convention - Home Sweet Home (recommendations) -

[www.npcuk.org/\_files/ugd/75333b\_d09902872eb2487786afc3518123b03d.pdf](http://www.npcuk.org/_files/ugd/75333b_d09902872eb2487786afc3518123b03d.pdf)

Centre for Ageing Better - Good homes for all -

<https://ageing-better.org.uk/sites/default/files/2021-09/good-homes-for-all-a-proposal.pdf>

Housing and Poverty

[www.jrf.org.uk/sites/default/files/jrf/migrated/files/housing-poverty-roundup-full.pdf](http://www.jrf.org.uk/sites/default/files/jrf/migrated/files/housing-poverty-roundup-full.pdf)

The Big Issue

[www.bigissue.com/news/housing/number-of-pensioners-in-rented-homes-has-doubled-in-the-last-decade/](http://www.bigissue.com/news/housing/number-of-pensioners-in-rented-homes-has-doubled-in-the-last-decade/)

NPC Housing Working Party

[www.npcuk.org/housing-working-party](http://www.npcuk.org/housing-working-party)

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