

Older owner-occupiers' perceptions of home-ownership

Although surveys show that the great majority of older home-owners prefer to own rather than rent their homes, a more detailed interview study carried out at King's College London demonstrates that their views are complex and that, although they do generally much prefer to be owner-occupiers, they see burdens accompanying this status. The study found:

f Older home-owners define the advantages and disadvantages of home-ownership by three main themes:

Independence: On the one hand, it enables people to control their homes and their future; on the other it burdens them with responsibility for repairs and maintenance.

Finance: On the one hand it is seen as a capital asset or investment, security for the future, and less expensive than renting; on the other, people are burdened by the cost of repairs and maintenance, their ineligibility for some forms of financial help, and the fact that they may have to sell the home to pay for institutional care if needed.

Identity: Older home-owners see themselves proudly as people who have achieved something, as responsible and morally worthy, hard-working and financially secure. But they also see themselves as tied down and not as carefree and unattached as tenants.

f Divorce and widowhood affected people's views: whilst they increase both the burdens and benefits of independence, financially they only increase the burdens.

f Whereas buying a smaller home is seen to ease financial burdens, the burdens of independence (often seen to accompany widowhood or ill-health) are only seen as eased by increased support from others or by moving to rented accommodation.

f Adult children of older homeowners are seen (by both) as having rights over the use of their parents' home and an expectation of inheriting it. They tend not to help with the financial burdens of home-owning, though they often relieve some of the responsibility, by assisting with repairs and maintenance.

f A very small number of older home-owners are sure that they want to move out of owner-occupation. About half say they have no intention of ever moving from their present home and have given no serious consideration to the possibility that a time might come when they cannot manage to live there.

Introduction

Do older home-owners find home-ownership a benefit or a burden? This study explores three main issues:

- the specific ways and particular circumstances in which older home-owners view home-owning, particularly compared with the perceived alternatives;
- how some of the changes which may occur in later life (for example, widowhood and growing disability) affect people's perceptions of owner-occupation;
- the impact of older people's relationships with their adult children.

Perceived benefits and burdens of owner-occupation

Whilst the older people in the study were generally very strongly attached not only to their present homes but also to being home-owners, this attachment was accompanied by considerable anxiety or sense of burden. Their views fell into three broad categories, each with positive and negative aspects:

Independence

On the positive side, people talked of how owning their home gave them:

- freedom to do what they like in and with the home, which they compared very favourably with the position of tenants,
- freedom from other people, who cannot tell them what to do, cannot delay action which they want taken, and to whom they are not beholden,
- freedom to control their own future, in particular because they have no landlord who might at some point want to evict them or move them to different accommodation, and also because owning makes it easier to move when they want to do so.

On the negative side, this very independence meant that they alone were responsible for decisions about the home, for obtaining advice, making arrangements and seeing that they were carried out. The main anxiety was about deciding what repairs and maintenance were needed (and when) and then finding reliable tradespeople to carry them out. People saw this problem as exacerbated by their age,

since known and trusted workmen have often retired, and by widowhood, which deprives women of husbands skilled in house maintenance. People also saw their independence as constrained in a burdensome way; this was mainly through perceived restrictions about what one can or cannot (or should and should not) do to one's home, or through the vagaries of the housing market.

Financial status

Again people had both positive and negative perceptions. The perceived financial benefits were that the home is an investment and a capital asset, financial security which can be used or sold to release cash, and less expensive than renting (especially when the mortgage has been paid off). On the other hand, owner-occupation was seen to bring financial burdens. First is the cost of repairs and maintenance which was seen to fall hard on people with reduced incomes and living in older properties. Second, there are the particular costs for those still with mortgages or moving house (eg. solicitors' or estate agents' fees). Third, although not universal, there was a very strong sense of financial injustice about the prospect of having to sell their home to pay the full cost of institutional care, whilst those who have been tenants were seen as subsidised.

In the eyes of most interviewees the financial advantages on balance outweighed the financial burdens. However, this equation was something which people had had to weigh up carefully; people could see both real disadvantages as well as advantages. (The sixteen people who bought under 'Right to Buy' were not markedly different from the rest of the sample.)

Personal identity

People revealed four positive personal characteristics which they associated with owning rather than renting their homes. First they saw themselves as people who could be proud of having achieved something; not only had they (in most cases) persevered to complete the long purchase of the home, but also in many cases to complete alterations and renovations to it. They also saw themselves as responsible, morally worthy people, again not merely because they had bought their home but because they had deferred other pleasures to save up for repairs and had responsibly maintained their home. Third, home-ownership was seen as a sign that one is a hard-

working person (with a good deal of time and energy necessarily spent on the home). Fourth, commitment to home-ownership shows that one is a financially secure person. Only one more negative personal characteristic was mentioned: being tied down and less carefree than someone who rents their home.

How changes altered people's perceptions

For the 37 widowed or divorced people in the study, the death or departure of a spouse affected both their sense of independence and their financial circumstances. Particularly for widows, it could increase the beneficial sense of independence they had in the owned home; if a husband has been the main decision-maker then being free to do as one likes can bring satisfaction. But for some widows, increased independence also increased the burdens - for example, having responsibility for repairs and maintenance. No one said that - from a housing perspective - they had gained financially by death or divorce.

For those experiencing increased disability or ill health, the burdens of independence and of financial pressures were exacerbated. Being increasingly unable to attend to matters themselves they became more dependent on others and had the worry of finding reliable people to help with home maintenance or gardening. They also had the financial burden of the increased costs. However, whilst understandably no one thought the financial benefits increased, their circumstances perhaps encouraged them to emphasise more forcibly the benefits of independence, for example, that they could alter the home as they wished to accommodate their changing needs. Even those over 80 were still very strongly attached to the identity of owner-occupier.

Being so strongly wedded to the status and identity of owner-occupier, it took a significant change in circumstances to change people's preferences from owning to renting. It was among disabled people that the small minority who were contemplating moving out of owner-occupation was to be found. They now saw the burdens of independence as outweighing the benefits and described their need to be in some ways dependent on others for care and support. In contrast, half the sample said they had no intention of moving from their present home and had given little consideration to the possibility that they might one day have difficulty managing there.

Relationships between older home-owners and their children

Adult children had considerable contact with their parents' current home: some lived there, many had lived there before moving away, or they visited daily or weekly. It was rare to find an older home-owner whose children were not thoroughly familiar with the home. Therefore it is not surprising that the vast majority of the parents (as well as the children interviewed) described their adult children as having rights over the use of the home: they had a key, could enter without knocking, use the kitchen, etc. without asking, bring a friend with them, stay the night, and so on. The same was said of grandchildren, many of whom had lived, stayed, visited or been cared for at their grandparents' home.

Parents often spoke of having something to leave their children as one of the benefits of home-ownership, even though they did not generally see their children as needing the money. (Nor did the adult children interviewed; they often stated forcibly that they did not see their parents' home in that light.) There were only a few step-children among the sample, but the study suggests that they may feel very differently, particularly if their parent has died leaving a widowed step-parent who may be seen as 'hanging on' to a property which would otherwise be theirs.

The extent to which adult children were involved in decisions about the home varied widely. Most parents took their own decisions, though they said they might discuss them with their children first. Children tended not to help with any of the financial burdens of owning, but often relieved some of the burdens of responsibility by assisting with repairs and maintenance.

Policy implications

Several of the study's findings have implications for policy:

- some older home-owners who might find renting financially or otherwise advantageous may be deterred by misconceptions about renting;
- still paying off a mortgage in later life causes some people considerable financial difficulty;
- older home-owners - particularly widows or divorced people - may have serious worries about how to get repairs and maintenance carried out, if they cannot find or do not know about available

schemes of support (or would not accept them if they thought that such schemes would lessen their own control);

- older people may still need to accommodate, at one time or another, both adult children and grandchildren, so cannot be assumed to need smaller homes;
- home-owners on reduced incomes may perceive them as insufficient to allow for regular repairs and maintenance, but are unaware of or sceptical about schemes to generate additional income from the home equity;
- only when they experience significant changes in their circumstances do older home-owners willingly give up the identity of owner-occupier and accept a need to move to a different form of accommodation;
- older home-owners are incensed by the thought that they may not be able to hand their hard-won asset on to their children because of what they see as the policy requiring them to sell their home to pay for institutional care.

About the study

This study is one of two projects on the benefits and burdens of owner-occupation in later life carried out at the Age Concern Institute of Gerontology, King's College London. The companion study examines whether owning one's own home is a financial burden or benefit in later life. This study uses depth interview data obtained from a quota sample of 102 older people (and 17 of their adult children). The sample was achieved using a preliminary screening questionnaire sent to people selected at random from the Register of Electors. Quotas were set to ensure that the sample approximately reflected the older population in gender, marital status and age. Interviews, which were carried out by researchers from the Institute of Gerontology in Hampshire, West Yorkshire and London, were tape-recorded and fully transcribed so that qualitative analysis could be undertaken. The great majority of the sample now owned their homes outright; most lived in a house rather than a bungalow or flat; and the average length of time they had lived in their present home was 25 years.

How to get further information

The full report, **To have and to hold: The bond between older people and the homes they own** by Janet Askham, Helen Nelson, Anthea Tinker and Ruth Hancock is published for the Foundation by YPS (ISBN 1 902633 15 6, price £12.95 plus £2 p&p).