ATTITUDINAL SURVEY OF MATURE HOMEOWNERS

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Executive Summary

A potential avenue to improve society's use of the housing stock is to achieve greater efficiency by encouraging better matching of households to housing units. This Research Paper presents evidence from a survey of mature homeowners concerning their willingness to downsize and their responsiveness to potential measures which could encourage downsizing. This survey of homeowners aged 55 or more was conducted between May and September of 2019. A total of 1,213 households were surveyed. Just over four per cent of respondents indicated that they were extremely or very likely to move home in the future. More than half stated that their opposition to moving was due to an emotional attachment to the home. Factors that could be considered economic motivations, such as the transaction costs associated with moving, were relatively minor motivations.

We estimate that between 15 per cent and 20 per cent of mature homeowner households would be willing to move if the option to sell their home and purchase a smaller purpose built home in the same area for a lower price were available. Respondents were asked to consider a range of hypothetical scenarios which could encourage downsizing and were asked how likely they would be to downsize under each scenario. The hypothetical measures which seemed most likely to yield positive effects were "greater local availability of specifically designed homes"[1] and a "state-administered scheme to assist and advise", with 11 per cent of respondents indicating a high likelihood of downsizing under each of those circumstances.

The data from this survey has also been analysed to ascertain which characteristics could predict openness to downsizing under conditions in which a smaller, purpose-built home is available in the same area for a lower price. The notable results include:

- Older respondents are less open to downsizing under such conditions than younger respondents. A 70-year-old is estimated to be almost 58 per cent less likely to downsize than a 60-year-old.
- Households in Dublin and Leinster are estimated to be considerably more open to downsizing
- Where two or more bedrooms were not in regular use we estimate that mature homeowners are 56 per cent more likely to downsize.
- The longer people have lived in their current home the less likely they are to downsize.

Those surveyed were also asked if financial support had been given to adult children to support them in purchasing a home. Based on this survey this practice is somewhat prevalent with between 16 and 22 per cent of homeowners having done so. The most common value of gift reported is lower than €10,000, however there is considerable variation.

The policy implications of this survey are that:

- The majority of mature homeowners are unwilling to downsize;
- The strength of factors such as an emotional attachment to the home suggest that, for many mature homeowners, policy measures intended to encourage downsizing will be ineffective;
- We estimate that approximately four per cent of mature homeowners are extremely or very likely to move home in the future under current circumstances, which given the absolute number of households, approximately 600,000, is not inconsiderable;
- There are potential policy measures which could positively influence downsizing. However, to fully realise the potential for downsizing would require suitable housing, for downsizing

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[1] Note that this hypothetical measure did not specify a relative price.

households to move to, generally close to their current home. This housing may not be readily available; and,

- Potential policy measures could be targeted most effectively at those mature households which are relatively young and which have not lived in their current home for many years.

Introduction

For some years the supply of new housing has been below the level necessary to meet demand. For much of this period there has been considerable price inflation in housing purchase and rental markets such that for many households the affordability of their housing costs is a pressing concern. Aside from encouraging the supply of new residential units in the right locations, policy can respond by helping to ensure that the use of the existing national stock of almost two million housing units meets society's needs. The *Housing Options for our Ageing Population* policy statement states that there may be a considerable number of older people living in homes too large for their current needs.

One potential avenue to improve society's use of the housing stock is to achieve greater efficiency by encouraging better matching of households to housing units. A step toward doing so is to empirically identify the hindrances or frictions which are preventing households from downsizing which, in the absence of those hindrances or frictions, would strongly consider doing so.

Census 2016 data suggests that there were almost 600,000 private households in owner occupied homes in which the household reference person, or his or her partner, was aged 55 or over. At the time, this was a considerable proportion of the total housing stock[2], almost 30 per cent. The cohort aged 55 or over has increased considerably since 2016; CSO estimates indicate a 9 per cent growth in the cohort of individuals aged 55 or over since 2016.[3]

The purpose of this Research Paper is to present evidence concerning the willingness of mature homeowners to downsize, to describe those households and the homes they live in, and to explore the effectiveness of potential measures which could be deployed to encourage downsizing.

The definition of a mature homeowner household applied in this Research Paper is that of a household which owns the home in which they live, with or without an outstanding mortgage debt.[4] An owner of the home must have been aged 55 or over at the time they were interviewed; if several people jointly owned the home one of them must have been been aged 55 or over. The threshold of 55 years was chosen on the basis that many such households which have had children no longer live with those children as their children have formed their own households and it may be the case that such households have less space requirements than they have had in the past. Impending or actual retirement may also cause such households to re-evaluate their housing needs.

Survey Design

The findings of this Research Paper are based on a survey of households matching the definition of mature homeowners described above. The survey was carried out by a series of face-to-face interviews over May to September of 2019. The survey underwent a pilot run in advance of finalisation, to ensure survey questions were well-designed and that that potential respondents were comfortable with the flow and content of the survey. A total of 1,213 households were surveyed. The

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[2] That is, the 2,003,645 houses and apartments in the State which were enumerated in the 2016 Census.
[3] CSO annual population estimates. Statbank table available here.
[4] Just over 81% of such households did not have a mortgage outstanding.

sampling frame used was a list of all residential addresses in Ireland. An initial sample of 4,062 contact addresses in 677 clusters of six addresses was drawn; as such, the sample was a cluster sample. The response rate among mature homeowner households was 65 per cent. Weightings have been applied to help ensure that the survey is representative of the wider population of households of interest.[5] Annex II presents some of the principal survey questions.

Respondents' Characteristics

Just over 51 per cent of survey respondents were male. The median age of respondents was 69. 35 per cent of respondents were between the ages of 55 and 64, 37 per cent were between the ages of 65 and 74, 22 per cent were between the ages of 75 and 84, and the remaining six per cent were 85 or older.[6] The annualised age breakdown is illustrated in Figure 1.

Figure 1: Age of Respondents
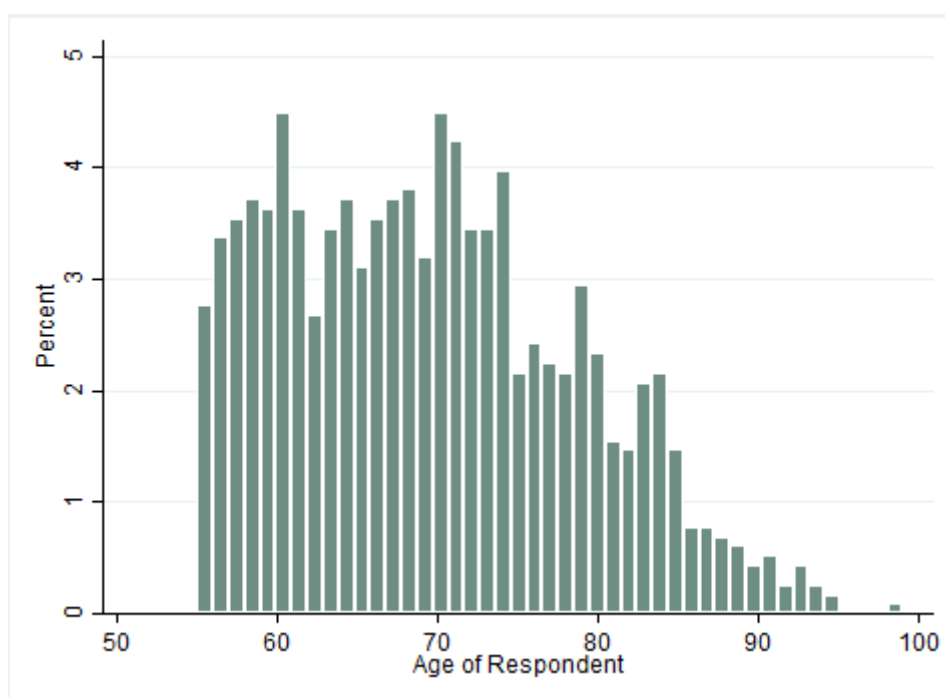
Note: Histogram uses unweighted responses.[7]

Table 1 sets out the marital status of respondents and provides the Census 2016 results for ease of comparison. 60 per cent of respondents were married, 20 per cent were widowed and 13 per cent were single. Notwithstanding minor differences in categorisation, the profile of survey respondents closely matches the Census 2016 results.

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[5] Unless otherwise stated, the estimates presented in this Research Paper are weighted and have been calculated to account for clustered sampling.
[6] CSO 2019 population projections by age are provided on an individualised basis, as opposed to household. As such, a comparison with the survey age profile is not straightforward.
[7] The use of weights has a marginal impact on the age profile of respondents.

Table 1: Marital Status of Respondents

Marital Status	2019 Survey %	2016 Census[8] %
Single	13.0	13.2
Married or Remarried	60.3	62.4
Cohabiting	2.2	-
Widowed	20.3	15.7
Separated/Divorced	4.1	8.6
Civil Partnership	0.1	0.1

Almost one-third of respondents reported having an adult child resident as part of the household.

Table 2: Households with Resident Children Aged 18 Years or Over, by Number of Such Children

Number of Adult Children in Household	%
0	67.2
1	19.3
2	10.3
3	2.7
4	0.3
5	0.2

The economic status of survey respondents is presented in Table 3.

Table 3: Economic Status of Respondents

Status	%
Retired from Full-time Employment	60.8
Never in Full-time Employment	3.3
Left Workforce for Reasons other than Retirement	4.5
1-5 Years to Retirement	11.0
6+ Years to Retirement	14.3
Other / Don't Know	6.2

Almost 70% of respondents were retired or had never been in the workforce. The level of educational attainment among respondents is presented in Table 4. 75 per cent of respondents had a maximum educational attainment of secondary level or lower.

Table 4: Educational Attainment of Respondents

| Level	%
No Formal Education	0.7
Primary	21.0
Secondary	53.3
Third level - Undergraduate	18.7
Third level - Postgraduate	7.0

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[8] Census 2016 results did not include cohabitation as a response category. See the CSO Statbank Table EZ004, available here.

51 per cent of respondents lived in an urban area; this result is similar to the Census 2016 count of 57 per cent of individuals aged 55 and over living in a town[9] area.

94 per cent of respondents were born in the Republic of Ireland or Northern Ireland; a further four per cent were born in Great Britain.

Respondents provided information on the duration they have lived in their current home. The median duration was 35 years. Figure 2 presents the full distribution.

Figure 2: Years Living in Current Home
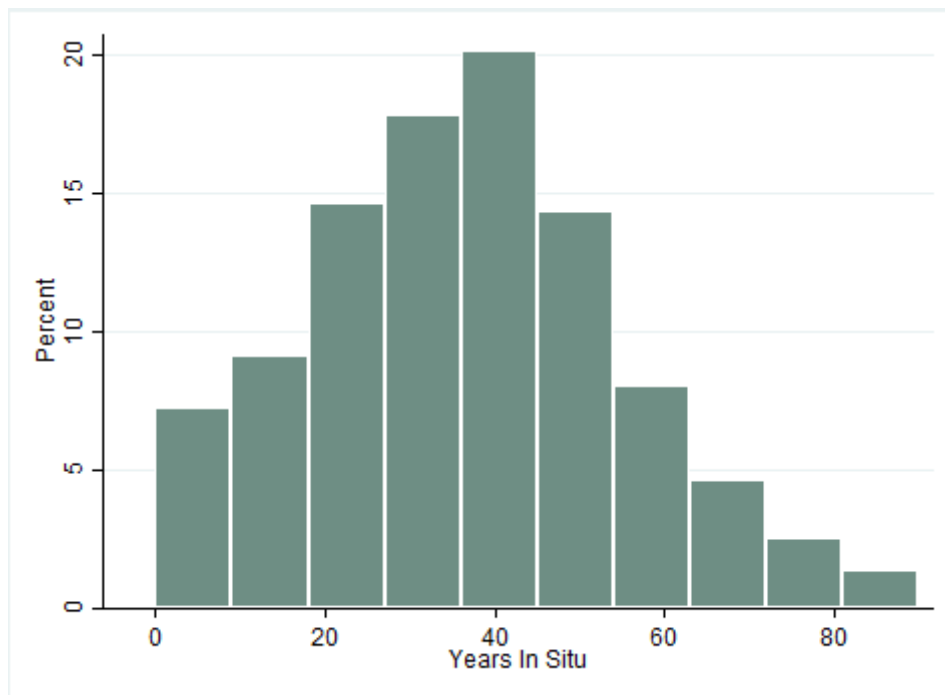
Note: Histogram uses unweighted responses.[10]

Respondents' Homes

Survey respondents provided information concerning their homes, as set out in the following table.

Table 5: Characteristics of Respondents' Homes

Characteristic	%
Home Type	
- Detached	63.3
- Semi-detached	21.9
- Terraced	12.6
- Apartment	1.8
- Other	0.5
Garden	
- Front and rear garden	80.6
- Front or rear garden	16.2

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[9] That is, non-rural.

[10] The use of weights has a marginal impact on the duration profile of respondents.

- No garden or shared garden	3.2	
Bedrooms		
- *One*	0.7	
- *Two*	10.4	
- *Three*	44.2	
- *Four*	35.4	
- *Five*	6.8	
- *Six or more*	2.5	
Physical Condition		
- Very good	26.3	
- Good	59.8	
- Satisfactory	12.3	
- Bad	1.6	
- Very bad	0.2	

Most respondents lived in detached or semi-detached homes with a front and rear garden.[11] A very small proportion of respondents lived in apartments. Almost 81 per cent of respondents had a front and rear garden, almost 80 per cent lived in homes with three or four bedrooms.

In excess of 86 per cent of respondents described the physical condition of their home as good or very good. A further 12 per cent described the condition as satisfactory. Less than two per cent considered their home to be in bad or very bad condition.

Respondents were asked how many of the bedrooms in their home are in regular use.[12] Figure 3 depicts the distribution of the numbers of bedrooms and the numbers of bedrooms in use. Subtracting the number of bedrooms in use from the number of bedrooms provides an indication of the distribution of the number of bedrooms not in regular use. Table 6 presents the distribution of the number bedrooms not in regular use, with estimates of the relevant proportions in the population at large. Table 6 suggests that there are a large number of bedrooms which are used irregularly, if at all, by the wider population of mature, homeowner households. The estimates presented in Table 6 suggest that, among the homes occupied by mature homeowners, there are between 198,000 and 234,000 homes with two bedrooms not in regular use, and between 74,000 and 99,000 homes with three bedrooms which are not in regular use.[13]

Table 6: No. of Bedrooms Not in Regular Use

Unused Bedrooms	Proportion	Population Proportion 95% Confidence Interval[14]
0	.18	.16 to .21
1	.27	.25 to .30

[11] The profile of home type is somewhat different to the national profile of stock. For instance, Census 2016 reports that approximately 42% of all private households live in a detached home.

[12] The term "regular use" was not further defined in the questionnaire put to respondents, however, survey testing indicated that respondents did not require further definition.

[13] Calculated using the 2016 Census estimate of the number of households which are mature homeowners. Note that Census 2016 did capture rooms, but did not ask respondents to specify the number of bedrooms.

[14] A confidence interval is used in recognition of the fact that the estimates presented in this paper are based on survey data. We cannot be certain that the survey responses are representative of the full population of mature homeowners. However, we can be fairly sure that the true proportion falls within a certain range or interval. We are 95% confident that the confidence interval covers the true proportion. The confidence interval is calculated using statistical techniques tailored to the size and type of survey used for this research paper.

2	.36	.33 to .39
3	.14	.12 to .16
4	.03	.02 to .05
5	.01	.00 to .01

Figure 3: Number of Bedrooms and Number of Bedrooms in Use
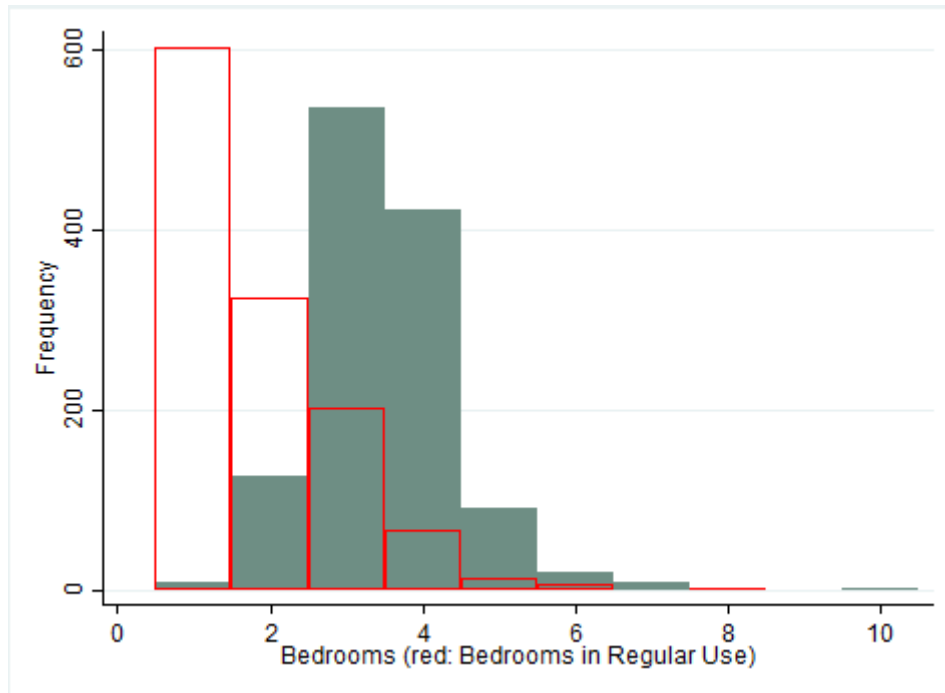
Notes: This graph presents two overlaid histograms. The teal histogram is of the distribution of bedrooms, the clear histogram with a red outline is of the distribution of bedrooms in regular use. Unweighted responses are used.[15]

Respondents were also asked to categorise the current market value of their home. Although one might expect that, as many respondents had not transacted in residential property markets for a considerable period of time, they may not have a strong platform for conducting an accurate valuation, it is also the case that respondents must base Local Property Tax returns on a valuation of their property. 16 per cent of respondents stated that they did not know.

Table 7: Home Valuations

Value Category, €k	%
<100	11.7
101-150	17.0
151-200	17.8
201-300	22.7
301-500	21.7
501-750	7.0
750+	2.1

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[15] The use of weights has a marginal impact on the profiles of bedroom and bedroom-usage of respondents.

The typical response was in the €201-300k range. About 29 per cent reported a valuation of less than €151k, about 9 per cent reported a valuation of €501k or more.

Respondents were asked whether they would consider renting spare bedrooms in their home. 90 per cent reported that they would not consider doing so, six per cent stated that they would, the remainder did not know. Of those who would not consider renting a spare room, the majority, when asked for a reason, reported that they would feel uncomfortable with having strangers in their home.

Attitudes to Downsizing

Respondents were asked a series of questions exploring their attitudes and intentions towards downsizing. The first question which survey respondents were asked was how likely they felt they would move from their current home to a different home at some stage in the future. Four per cent of respondents stated that they were extremely or very likely to move, as shown by Figure 4. Extrapolating to the wider population, between three and six per cent of mature homeowner households, that is between approximately 19,000 and 35,000 households, would be likely to move in the future.[16]

Figure 4: Stated Likelihood of Moving in the Future
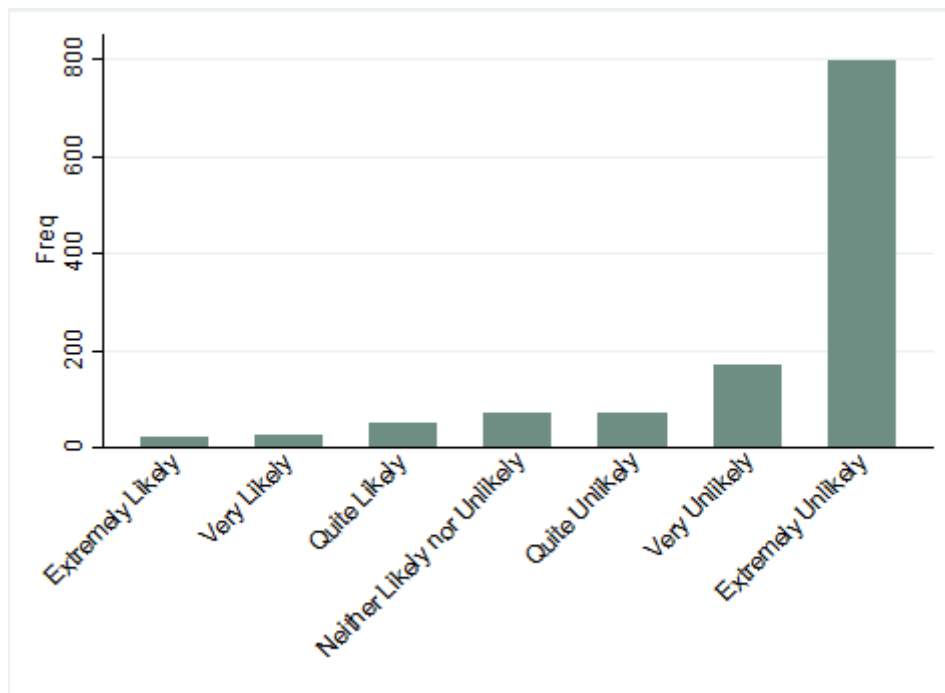
Note: Bar graph uses unweighted responses.

Table 8 sets out the first reason given by the 1,040 respondents who stated that they were quite, very or extremely unlikely to move in the future. Respondents' emotional attachments to their homes was the dominant motivation. Of note is that community-based motivations, that is, amenities and local friendships, were relatively weak when compared to the strength of attachment to the specific home of a given respondent. Also of note is that what might be termed 'economic' motivations, such as the transaction costs associated with moving, and a wish to bequeath the asset, are relatively minor motivations. This suggests that for a considerable proportion of households,

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[16] At a 95% level of confidence level.

moving is not an attractive proposition for reasons which any feasible policy measure is highly unlikely to overcome.

Table 8: Reasons Why Respondents Were Unlikely to Move

Reason	%
Emotional attachment/sentiment toward home	53.3
Wish to remain in locality due to friendships and other community ties	15.2
Wish to remain in locality due to good amenities (transport, shops, hospitals, etc.)	8.5
Wish to pass home to next generation	8.3
Other	4.4
Need home to accommodate guests/family/visitors	3.9
Transaction costs/costs of moving/financial barriers	3.8
Likely unavailability of suitable alterative properties	1.4
Wish to use home to help meet future healthcare costs	1.0

Respondents were then asked whether, if they could sell their home and purchase a smaller, purpose-built home for mature households in the same area for a lower price, would they do so? 18 per cent of respondents indicated that they would sell and move under those conditions, eight per cent stated they were unsure, and 74 per cent indicated that they would not. Extrapolating to the wider population, between 15 per cent and 20 per cent of mature homeowner households would be willing to move under those conditions.[17] There was a distinction between the responses of retired and non-retired respondents; 23 per cent of non-retired respondents indicated that they would sell and move under those conditions, as compared to 16 per cent of retired respondents.

Respondents were asked a third set of questions concerning five scenarios in which hypothetical incentives or disincentives to encourage downsizing were implemented; respondents were asked to describe their likelihood of downsizing under each of the five scenarios. The hypothetical measures were chosen on the basis that similar policies have been implemented elsewhere or based on commentary on downsizing. For the avoidance of doubt, with the exception of the first measure, these do not reflect specific policy proposals. The five hypothetical measures were:

- Greater availability of houses or apartments designed specifically for the over-55s or retirees in, or close to, the area in which the respondent lives;
- The availability of a free, personalised, State-administered scheme to advise and assist downsizing mature homeowners, helping to identify suitable properties to downsize or relocate to, providing financial advice, helping to meet any up-front costs, assisting with legal arrangements and so forth, all intended to greatly simplify the entire process and present options;
- A financial incentive or subsidy related to the value of the downsizing household's home;
- Greater availability from banks of financial packages intended to facilitate households trading down to a less expensive property, including bridging loans if required, and assistance investing or managing equity released;[18] and,
- A Government or local authority charge for homeowners who have excess or unused bedrooms.

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[17] At a 95% level of confidence level.

[18] Note that this hypothetical measure did not specify a relative price.

In respect of each hypothetical measure, respondents were asked to state their likelihood of downsizing on a range of one, 'highly unlikely', to seven, 'highly likely'. Table 9 presents the responsiveness of respondents to the hypothetical measures, with estimates of the relevant proportions in the population at large. Note that a positive response has been categorised as a respondent stating that their likelihood of downsizing would be a six or a seven.

Table 9: Responsiveness to Hypothetical Measures

Measure	Proportion with a '6' or '7' Response	Population Proportion 95% Confidence Interval
1. Greater local availability of specifically designed homes	.11	.10 to .13
2. State-administered scheme to assist, and advise	.11	.09 to .13
3. Financial incentive or subsidy	.09	.08 to .11
4. Provision by banks of financial packages and support	.05	.04 to .07
5. Charge on unused or excess bedrooms	.05	.04 to .06

The hierarchy revealed by the survey's results appears to demonstrate that measures which facilitate choice and agency among potential downsizing households may be most effective. A financial penalty on excess bedrooms did not engender a positive response and could be counterproductive. Provision by the credit industry of financial support also seems likely to be relatively ineffective, perhaps because for many potential downsizing households the financial implications are not the most pressing concern.

Responsiveness to the three other measures was statistically very similar. The response to each was considerably more positive than to the charge on excess bedrooms or credit industry support, in that approximately one-tenth of respondents had a much higher likelihood of downsizing under those conditions. Of note is that a State administered scheme could help activate a downsizing response. This seems to be in keeping with other results of this survey. The median respondent has lived in their current home for 35 years, therefore navigating a complex home sale and purchase could be a daunting prospect and assistance provided by a State-administered service could reduce costs, risks and uncertainties. A financial subsidy or incentive also elicited a relatively positive response.

Approximately 17 per cent of respondents stated that their likelihood of downsizing would be a six or a seven with respect to at least one of the options.

Respondents were also asked to indicate how likely they would be to consider exercising certain accommodation-related options at some stage in the future, the results of which are presented in Table 10. Respondents were asked to gauge their response on a scale of 1 to 7, with 1 signifying "would definitely not consider" and 7 signifying "would definitely consider"; Table 10 reports the results of those respondents which responded with a 6 or 7.

Table 10: Potential Housing Options

Measure	Proportion with a '6' or '7' Response	Population Proportion 95% Confidence Interval
1. Moving to a purpose-built retirement complex or village within the same area, when the time comes	.09	.08 to .11

2.	Living in an apartment in the same area	.04	.03 to .05
3.	Adapting home and leasing part of the home	.04	.03 to .06
4.	Equity release to help fund future needs	.02	.01 to .03

Of interest is the relatively high proportion which would consider moving to a purpose-built retirement complex and the relatively low proportions which would consider moving to an apartment, modifying their homes to part-lease the home, or releasing equity in their current home.

Characteristics which May Predict Openness to Downsizing

The survey dataset permits an analysis of the household characteristics which seem to indicate an increased stated likelihood of downsizing.

Respondents were asked to consider whether, if they could sell their home and purchase a smaller, purpose built home for mature households in the same area for a lower price, would they do so and about 18 per cent indicated that they would. Regression analysis of the 1,149 responses[19] indicates that there are certain household characteristics which are associated with a greater or lesser likelihood of downsizing under such conditions.

Annex I reports in detail the results of the regression. The notable results include several variables which are statistically significant:

- Older respondents are less likely to downsize under the previously stated conditions than younger respondents, which suggests that as people grow older they are less likely to downsize. For instance, a 70-year-old respondent is estimated to be almost 35 per cent less likely to downsize than a 60-year-old. An 80-year-old is estimated to be 57 per cent less likely to downsize than a 60-year-old;
- Households which live in Dublin are estimated to be almost twice as likely to downsize than a household in Connaught or Ulster;
- Households which live in Leinster, other than in Dublin, are estimated to be over 70 per cent more likely to downsize than a household in Connaught or Ulster;
- Households which have not moved home for a protracted period of time are less likely to downsize. For instance, a household which has not moved home for ten years is estimated to be 16 per cent less likely to downsize than a household which has moved within the last year. A household which has not moved home for 20 years is estimated to be 29 per cent less likely to downsize than a household which has moved within the last year; and,
- Households with two or more bedrooms which are not regularly in use are estimated to be over 50 per cent more likely to downsize.

Figure 5 (overleaf) presents the marginal impact of each of these factors; note that the values for age and for duration[20] are for five additional years.

There is an important distinction between the variables identified as being statistically significant, which is the probability of sampling error.[21] Table A2 in Annex I presents statistical results of the models used to explore the relationship between respondent characteristics and the likelihood of

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[19] That is, both positive and negative.
[20] That is, years lived in current home,
[21] In any study or experiment or observation involving drawing a sample from a population, there is the possibility that an observed effect could have occurred due to sampling error alone.

downsizing. The significance levels of the results in respect of age and duration are stronger than those for the Dublin, Leinster and excess bedroom variables. Put another way, the results in respect of age and duration are far less likely to be due to chance.

Also of interest are the household and property characteristics which do not appear to influence a willingness to downsize under the stated conditions. The gender of respondents was not significant, nor were factors such as whether the household was composed of a sole occupant or a couple. The distance of the respondent's home to the home(s) of adult children was not significant, nor was whether the household is dependent on the State pension for its income.[22] Aside from geography and unused bedrooms, the characteristics of the dependent's home were not relevant, such as the value or condition of the home, the presence or absence of gardens, or whether the home is in a rural or urban location.

Figure 5: Factors associated with a likelihood of downsizing under favourable conditions
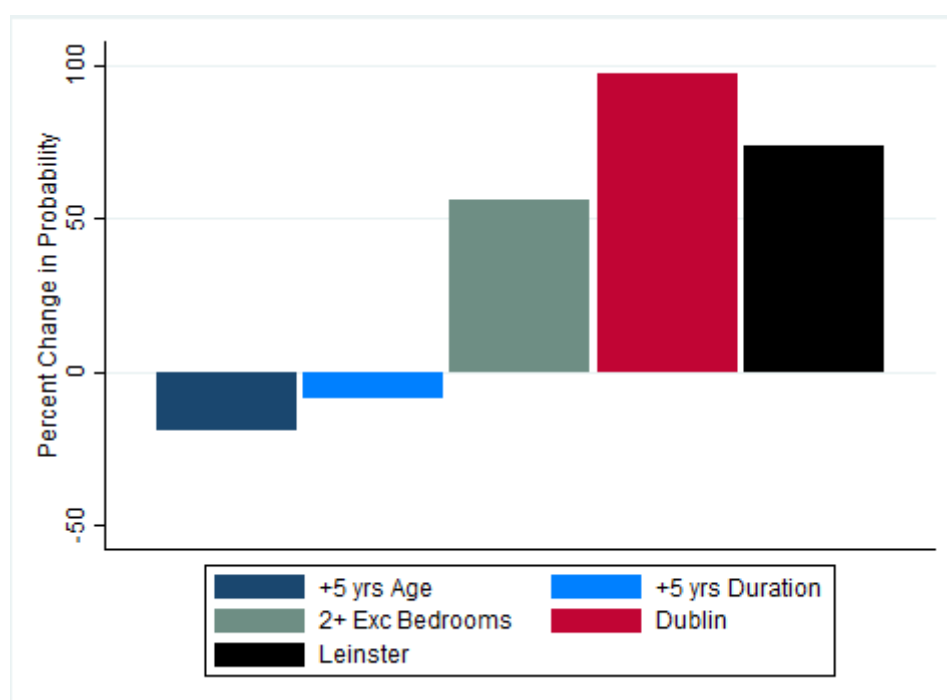
Note: '2+ Exc bedrooms' refers to excess bedrooms, as discussed on page 7.

A caveat is important when considering the results of the regression analysis. It seems likely that any given household's preferences regarding downsizing are primarily influenced by factors which are not captured by the regression analysis. These factors are likely to be highly idiosyncratic, in the sense that they are related to subjective perceptions and expectations of past, present and future quality of life and related associations to the respondent's home. Familiarity, the deep grooves of habit, and cherished memories seem likely to be important influences.

Inter-generational Gifting

The survey explored several additional topics related to housing, including whether respondents had provided their adult children with financial support to help them buy a home of their own. 752 respondents provided details of whether or not they provided gifts; the other respondents declined

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[22] Or will be, post retirement.

to provide any details. Therefore, the following estimates should be considered bearing in mind that sample selection bias may be present.

The responses suggest that gifting to children is somewhat prevalent, between 16 per cent and 22 per cent of mature homeowners having done so. The likelihood of receiving a first gift varies whether the recipient's rank among his or her siblings, as presented in Table 11, such that adult children ranked four and five have a lower likelihood of receiving a gift, compared to the first and second child. Our interpretation is that households with larger numbers of children may in some cases have a diminished capacity over their lifecycle to assemble liquid assets to use as a gift.

Table 11: Inter-generational gifting, by child

Child	Proportion in receipt of a gift	Population Proportion 95% Confidence Interval
One	.20	.17 to .23
Two	.19	.16 to .23
Three	.15	.12 to 20
Four	.11	.08 to 15
Five	.10	.06 to 16

The most common value of gift reported is lower than €10,000, but there is considerable variation. Between 5 per cent and 17 per cent of gifts to first children are for more than €100,000.

It is not possible to state with statistical certainty that the incidence and values of gifting was difference among different age cohorts within the sample of respondents.

Conclusions

The primary goal of this survey has been to generate policy-relevant information concerning the attitudes of mature households to downsizing. It is likely that more than 600,000 households are mature homeowners and this number seems certain to grow, such that a large proportion of the national housing stock will be occupied by this cohort. Survey results indicate that a large proportion of these households live in homes in which there are regularly unused bedrooms.

The primary policy implication of the survey is that most mature homeowner households prefer not to downsize and most feasible policy measures seem unlikely to considerably alter this preference for the majority of households. We estimate that the proportion of mature homeowner households which would be likely to move in the future under current circumstances lies between three per cent and six per cent, or between approximately 19,000 and 35,000. Respondents' emotional attachments to their homes was the dominant motivation for staying put; with community amenities and local friendships also notable albeit less so when compared to the strength of attachment to the specific home. The degree of aversion to moving among many households suggests that nudges[23] are unlikely to be effective.

However, the proportion of households open to downsizing could be increased by policy measures designed to promote agency, deliver choice and to assist households when navigating the

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[23] A nudge is a measure intended to influence choice without forbidding options or making considerable changes to economic incentives.

many risks and complexities of moving home. It seems important to bear in mind that while relative proportions may be low, the absolute numbers are large; 15 per cent of 600,000[24] is 90,000.

We estimate that between 15 per cent and 20 per cent of mature homeowner households, or between approximately 91,000 and 121,000 households, would be willing to move if they could sell their home and purchase a smaller, purpose-built home for mature households in the same area for a lower price. Older households and those which have been resident in the same home for many years are less likely to downsize under those conditions. Households in Dublin, those in the rest of Leinster, and those with two or more bedrooms which are not regularly in use are more likely to downsize under those conditions. These results could help with the targeting of potential policy measures intended to encourage downsizing.

Measures which could facilitate choice and agency among potential downsizing households may be most effective, such as a free, State-administered scheme to assist and advise, or greater local availability of specifically-designed homes. A subsidy also seems likely to be effective, although the wider distributional implications could be problematic; such an incentive could be regarded as inequitable by other members of society on grounds that subsidies should not be targeted toward relatively asset-rich households. A charge on excess bedrooms would likely be relatively ineffective and could be counterproductive. Financial industry support, in the form of bridging finance and investment advice could encourage some household to downsize, however likely not as many as alternative measures.

An important caveat is that the willingness of respondents to downsize is often predicated on the available of suitable housing, close to their current home. To activate a greater degree of downsizing among such households heightened investment in appropriate housing stock seems necessary.

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[24] 600,000 being the Census 2016 enumeration of private households in owner occupied homes in which the household reference person, or his or her partner, was aged 55 or over.

Annex I

Table A.2, overleaf, presents two regression models used to analyse the relationships between household and residential unit characteristics on the one hand, and the likelihood of downsizing, on the other. The table reports odds ratios. If the reported odds ratio exceeds 1.00, then the likelihood of experiencing housing quality problems is increased relative to the relevant reference group.

Only those results which are statistically significant (which are marked with an asterisk in the table) are reliable. Model 1, which is our preferred model, includes a set of variables which encompass household characteristics, residential unit characteristics and geographic variables. Model 2 is focused on household characteristics. Numerous alternative models were tested. Polynomial models did not provide superior results. Table A.1 presents the variables which were included in one or both models.

Table A1: Regression Model Variables

Variable	Description
Mortgage	Dummy variable indicating whether the respondent's home has a mortgage balance which is outstanding.
Age	Age of respondent in years.
Male	Dummy variable indicating whether the respondent is male.
Duration	The time in years the respondent has lived in the home.
Single-person household	Dummy variable indicating whether the household is composed of a single person.
Couple-only household	Dummy variable indicating whether the household is composed of a couple only.
Reliant on State pension	Dummy variable indicating whether the household is, or will be post-retirement, solely reliant on the State pension for income.
Distant child	Dummy variable indicating whether the respondent reports a nearest child living more than 9.66 km from the respondent's home.
High value home	Dummy variable indicating whether respondent reports home's value as greater than €500,000.
Low value home	Dummy variable indicating whether respondent reports home's value as lower than €200,000.
Two or more unused bedrooms	Dummy variable indicating whether the respondent reports having two or more bedrooms which are regularly not in use.
Home in good condition	Dummy variable indicating whether the respondent reports home being in 'good' or 'very good' condition.
One garden	Dummy variable indicating whether respondent's home has one garden, at front or rear.
No garden	Dummy variable indicating whether respondent's home has no garden.
Dublin Region	Respondent's home is in the Dublin Region.
Leinster Region	Respondent's home is in the Leinster Region, excluding Dublin.
Munster Region	Respondent's home is in the Munster Region.
Rural	Dummy variable indicating whether respondent's home is in a rural location.

Table A2: Downsizing in Favourable Circumstances

Dependent Variable: A willingness to downsize in favourable circumstances	Model 1 Logistic Regression (Combined characteristics of household and home)	Model 2 Logistic Regression (Household Characteristics only)
Household Characteristics		
Mortgage	1.244	1.295
	(0.251)	(0.257)
Age	0.958***	0.961***
	(0.010)	(0.009)
Male respondent	1.013	1.003
	(0.186)	(0.179)
Duration	0.983**	0.981***
	(0.006)	(0.005)
Single-person household	1.546	1.629*
	(0.385)	(0.362)
Couple-only household	1.188	1.313
	(0.274)	(0.262)
Reliant on State pension	0.917	0.817
	(0.182)	(0.157)
Distant child	1.038	1.149
	(0.204)	(0.201)
Housing Unit Characteristics		
High value home	0.812	-
	(0.183)	
Low value home	0.801	-
	(0.172)	
Two or more unused bedrooms	1.562*	-
	(0.332)	
Home in good condition	1.035	-
	(0.274)	
One garden	1.077	-
	(0.267)	
No garden	0.653	-
	(0.436)	
Geographic Variables		
Dublin Region	1.977*	-
	(0.613)	
Leinster (excl. Dublin) Region	1.737*	-
	(0.404)	
Munster Region	1.179	-
	(0.274)	
Rural	0.787	-
	(0.141)	
Constant	3.589	4.446
	(2.801)	(2.793)
McFadden Adjusted R^2	0.074	0.050
Hosmer-Lemeshow p-value (9 Groups)	-	0.847
Hosmer-Lemeshow p-value (19 Groups)	0.677	-
AIC	418.3	429.1
No. of observations	1,149	1,149

Notes: The dependent variable in both models is a willingness to move home if a purpose-built home for mature households were available in the same area, and at a lower price than the respondent's current home. Odds

ratios are reported with standard errors in parenthesis. Tests indicated no evidence of model multicollinearity. Due to software limitations, the McFadden Adjusted R^2 and Akaike Information Criterion (AIC) measures of goodness of fit have been calculated without accounting for the survey design but retaining probability weights, therefore assuming independent, identically distributed variables. Due to software limitations, the Hosmer-Lemeshow goodness of fit test has been calculated without accounting for survey design and using unweighted data. The number of groups has been selected on the basis of n+1, where n is the number of independent variables in the model. As sensitivity to the number of probability groups is a criticism of the Hosmer-Lemeshow test, the test has also been run with groups in the range 3 to n+10 for each model; the tests revealed no indication of poor model fit. * p<=.05; ** p<=.01; *** p<=.001.

Source: Weighted Survey Data 2019, analysis by authors.

Annex II

Some of the principal questions included in the survey questionnaire were:

- How likely do you feel you are to move from your current home to a different home at some stage in the future, using one of these phrases?
    - Extremely likely
    - Very likely
    - Quite likely
    - Neither likely nor unlikely
    - Quite unlikely
    - Very unlikely
    - Extremely unlikely

- On this screen is a list of possible reasons as to why you may feel you are unlikely to move to a different home at some stage in the future. Please rank the list from highest to lowest in terms of how important each one is as a reason for not moving, where 1 is the most important reason, 2 is the next most important reason, and so on. (CONTINUE UNTIL RESPONDENT HAS RANKED AS MANY REASONS AS APPLY.)
    - Emotional attachment/sentiment toward home;
    - Transaction costs/costs of moving/financial barriers;
    - Need home to accommodate guests/family/visitors;
    - Wish to remain in locality due to friendships and other community ties;
    - Likely unavailability of suitable alterative properties;
    - Wish to use home to help meet future healthcare costs;
    - Wish to pass home to next generation;
    - Wish to remain in locality due to good amenities (transport, shops, hospitals, etc.;
    - Other.

- If you could sell your home and purchase a smaller, purpose built home for mature households, in the same area for a lower price would you do so?
    - Yes
    - No
    - Don't know

- Under a completely hypothetical scenario in which different incentives and disincentives were available to help you move to a smaller home or to an area in lower demand at some stage in the future, how likely would you be to move on a 7 point scale where 7 is highly likely and 1 is highly unlikely, if each of the following initiatives was implemented (ORDER ROTATION IN EFFECT)
    - A financial incentive or subsidy related to the value of your current home;
    - A Government/Local Authority charge for homeowners who have excess/unused bedrooms;
    - Greater availability from banks of packages intended to facilitate households trading down to a less expensive property, including bridging loans if required, and investing or managing the equity released;

- Greater availability of houses or apartments designed specifically for the over-55s or retirees in, or close to, the area in which you live;
- The availability of a free, personalised State-administered scheme to advise and assist downsizing/mature homeowners by helping identify suitable properties to downsize or relocate to, provide financial advice, help to meet any up-front costs, assist with legal arrangements and so forth, all intended to greatly simplify the entire process and present options.