AGEING IN PLACE

Home and Housing for Australia's Older Renters

AUSTRALIA FAIR SERIES

AUGUST 2022

AGEING IN PLACE

Home and Housing for Australia's Older Renters

AUSTRALIA FAIR SERIES

AUGUST 2022

Anglicare Australia

in every Community

Anglicare Australia is a network of independent local, state, national and international organisations that are linked to the Anglican Church and are joined by values of service, innovation, leadership and the Christian faith that every individual has intrinsic value. Our services are delivered in partnership with people, the communities in which they live, and other like-minded organisations in those areas.

This is Anglicare Australia's second release in the Australia Fair series, first published in August 2020. This year's release is an exploration of what a permanent basic income would mean for Australians.

The lead author of this report is Brooke McKail. This and previous reports are available on the Anglicare Australia website: www.anglicare.asn.au

McKail, B. (2022) Ageing in Place: Home and Housing for Australia's Older Renters. Australia Fair Series, Volume 3. Anglicare Australia: Canberra.

Anglicare Australia Ltd
1st Floor
11 Edgar St
Ainslie ACT 2602

PO Box 4093
Ainslie ACT 2602
Tel 02 6230 1775
Email anglicare@anglicare.asn.au
Web www.anglicare.asn.au

CONTENTS

About this report

This report is the third edition of Anglicare Australia's Australia Fair series. Projects released as part of the Australia Fair series are evidence-based, reflect the voices of Anglicare Australia clients, and are designed to set the policy agenda.

Ageing in Place: Home and Housing for Australia's Older Renters explores how Australians want to age and the barriers they face to staying at home, especially for renters. It presents the findings of a survey that looked at older people's preferences around ageing at home.

Part I explores explores the experiences of older people in the rental market and how they are preparing for ageing. Part II looks at the care that renters need to age healthily at home. In Part III, we look at the safety and security of housing and what this means for healthy ageing.

The survey featured in this report was conducted by Ipsos, commissioned by Anglicare Australia.

Any study is confined by its methodology. The method used in this study was a representative survey. This method cannot answer every question, and in some cases this research has generated important questions that this project cannot directly answer. We are contributing this study to a growing body of research in the hope of working with others to more fully answer these questions.

We hope we can use these findings to change the conversation about income security and improve people's lives.

Ageing in place

Most Australians want to age in their own home for as long as possible. But is ageing at home an option for everyone? It requires a home that is secure, affordable, and appropriate for an older, possibly frail, person. With Australia facing a housing affordability crisis, that is getting harder and harder to find.

Rising house prices mean home ownership is not an option for a growing number of Australians. More older Australians are lifelong renters or returning to renting after a relationship breakup or job loss. Renting is no longer a temporary situation, only for students or young people.

The experience of ageing in place as an older renter is different to a home-owner. Without the capital from owning a home, most renters are unable to buy into a retirement village. They have little left over from the Aged Pension after rent is paid, pushing many into poverty and hardship. For too many older Australians, the only option when they can't find a suitable rental is residential aged care. Residential aged care is a vital service for people who are ageing – especially people whose health is declining or need higher levels of care – but people shouldn't be pushed into it early, simply because the cost or quality of housing is preventing them ageing at home.

To better understand the hopes and experiences of older renters in Australia, we asked them about how they wanted to age and what they thought stood in their way. This research, part of Anglicare Australia's Australia Fair series, shows that the cost of housing is the major barrier that older renters face to ageing in place. 70 percent of renters identified housing costs as an issue, compared to just 11 percent of people with a mortgage.

We also found that many people's homes are simply not age-friendly. Few of our interviewees were in places they felt would meet their health and wellbeing needs as they got older. Much of our existing housing stock lacks the accessibility features that a frail older person might need, and moves to build new accessible housing are progressing very slowly. The houses that might be affordable for someone on the aged pension are often not adequately insulated against winter cold or the deadly heatwaves that will be more common as climate change warms our planet. Landlords have few incentives to upgrade or modify them.

The reality of renting means that many older people feel powerless. They are reluctant to "bother" their landlords. The people we interviewed spoke of being forced to move, accept changes to their lease, or be evicted. They all worried about the future.

The home care system supports older people to remain independent and age well in their homes. Reform to the home care system is desperately needed, but these reforms must consider the needs of older renters, people in poor quality housing and those with complex needs. In particular, the funding model must allow for the real cost and time of supporting people with complex needs, and allow for regular reassessment as people's needs change. It should not discourage providers from taking on older people as clients whose situation is too "difficult."

Anglicare Australia thanks our members who participated in this research, and especially the people who generously shared their stories.

Methodology

This research was guided by a detailed review of literature regarding renting and ageing in Australia and internationally. This was followed by a national survey of 500 people over the age of 50 across Australia. The breakdown of participants in each State and Territory, as well gender and living situation is presented at Table 1.

Table 1. Breakdown of survey participants

		Respondents
State	New South Wales	125
	Victoria	115
	Queensland	119
	South Australia	53
	Western Australia	55
	Tasmania	22
	Northern Territory	5
	Australian Capital Territory	6
Gender	Male	245
	Female	255
Living situation	Private rental	86
	Social housing property	22
	Mortgaged property	107
	Property owned outright	274
	Other	11
Total	500	

The survey was supplemented with in-depth interviews with six older people identified by Anglicare Australia Network members and stakeholders. The interviews were semi-structured, and modelled on an interview guide.

We note that there is no specific and agreed definition of an older person. The idea of someone being an 'older' person is a relative concept chronologically, medically and culturally. Some people, including Aboriginal and Torres Strait Islander people and people who have experienced homelessness are at risk of premature ageing. Preventable diseases, poor medical care, stress, and chronic disease all contribute to premature ageing and death among people who are homeless.

The Australian Bureau of Statistics (ABS) groups people into population age cohorts, and differentiates between 15-64, 65 years and over, and 85 years and over. People over 65 are generally classified as 'older' for ABS purposes.[1]

In this report, references to older people will similarly refer to people over the age of 65 unless otherwise specified.

The people we interviewed were over the age of 50. Our national survey also surveyed people over the age of 50. We chose to speak with people in this younger cohort to better understand their intentions around ageing, and learn how they were preparing for their older age.

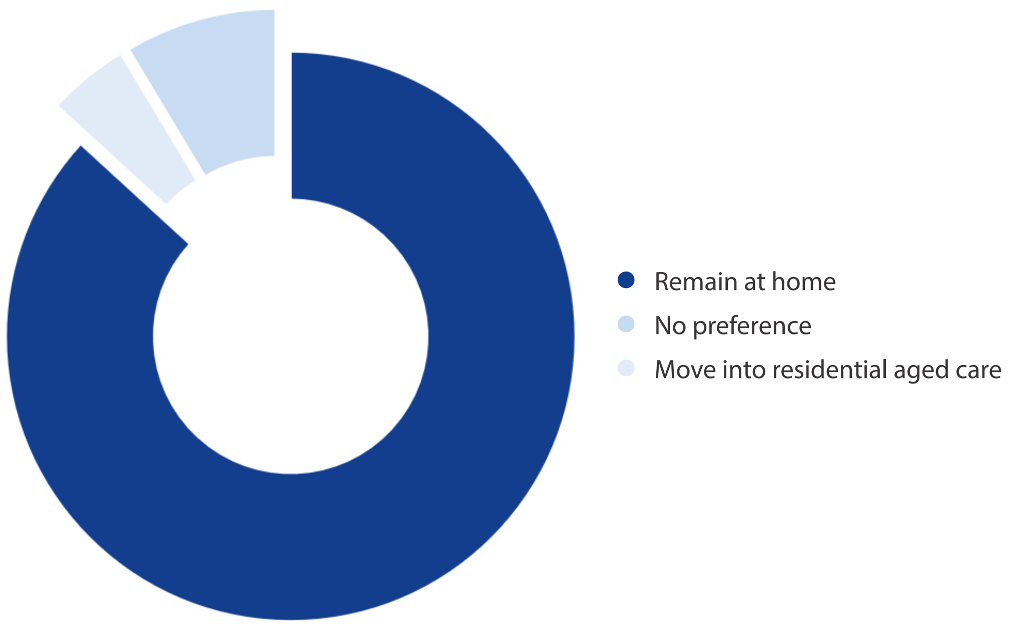
Renting as an older person

Surveys consistently show that the vast majority of older Australians want to live in their own home as they age. The main reason appears to be the desire to remain linked by proximity to the community and services with which people are familiar.

Ageing in place means giving older people the support they need to live safely, independently, and comfortably, in the place they want, for as long as possible. A prerequisite for ageing in place is a safe and secure home to do it in.

Our survey found that 87 percent of people wanted to remain at home. Similarly, the Australian Housing and Urban Research Institute recently found that between 78 and 81 percent of older Australians aged over 55 want to live in their own home as they age.[2]

Figure 1. Ageing preferences



This rate was slightly higher among people who own their home than those who rent, with a greater proportion of renters expressing no preference. Two interviewees expressed a preference for moving to a more communal form of housing, with more social interaction and company. One had recently moved from private rental into a social housing property, which she hoped to stay in as long as possible. A breakdown of these preferences by living situation is at Table 2.

Table 2. Ageing preferences, by living situation

	Remain at home	Move into aged care	No preference
Private rental	74.4%	7.0%	18.6%
Mortgaged property	91.6%	7.5%	0.9%
Owned outright	91.6%	2.6%	5.8%
Social housing	72.7%	4.5%	22.7%

More Australians are renting for longer

In the past, private renting was often regarded as a transitional housing option for young people, until they purchased their own homes. Today, the unaffordability of housing in Australia means home ownership is increasingly unlikely for many people. The average cost of buying a home increased 24 percent in just the last year, far outstripping income growth.[3] In the past two years, wages in New South Wales increased 3.5 percent while at the same time apartment prices grew 17 percent and house prices a stunning 40 percent.

Low- and middle-income people and families are increasingly living in private rental properties for longer. This means the number of older Australians renting is growing. While the majority of older Australians own their home outright, a sizeable minority do not. Trends suggest that by 2056 just two-thirds of retirees will own their homes, down from nearly 80 percent today.[4]

Disruptions in employment, lower paid jobs, health issues, relationship breakdown and the growing unaffordability of houses all contribute to the rise in the number of older people in the private rental market. This highlights the importance of security. People interviewed by Anglicare Australia spoke about the value of a secure home, their connection to the local community, and their hopes for the future. "I'd like to stay where I am now for a long time," one said. Another reflected that "a stable home is where people flourish."

Yet the reality of renting in later life is one of insecurity. Renters in the private market worry they will be forced to find and move to alternative accommodation. Many private renters expect to have to move in the near future, with less than one in three older private renters expecting to stay in their current home for the next five years.[5] Research has found that older renters hold concerns over the prospect of eviction, the inability to find an affordable property, being forced to move away from their community and support networks or settle for sub-standard quality or inappropriate housing.[6]

Our interviewees reflected these concerns. Most had experienced the realities of forced moves or rent increases. One told us:

> Prior to this house, I'd had a breakdown. I'd moved 11 moves in the [local] area. I was mentally and physically sick – worrying about how I'd cope with another move. It makes a huge difference to my health, and financial health. Every time I moved it cost up to $2000.

Several interviewees spoke of the house they lived in (either now or recently) being sold to a new owner, and the uncertainty of never knowing when you might be forced to leave. Even in the best case scenario, where they were allowed to remain as tenants, they were worried about a new, unknown, landlord. As one interviewee said:

> Within six months of me moving in, the previous owners decided to sell. I was absolutely devastated when I found out they were selling.

Another noted:

> When I moved in, the agent said "you can be here for the rest of your life. The owner won't sell." Well, the owner sold. I felt betrayed. The promise wasn't in writing. Now I have a new owner, I don't know who it is.

Many older renters live in poverty

Insecurity is not the only challenge facing older renters. Nearly half of older renters live in poverty. They spend a much higher amount on housing than people who own their home.[7] The typical homeowner aged over 65 spends just five percent of their income on housing, compared to nearly 30 percent for renters.[8] This trajectory is moving in the wrong direction – for people paying off a house, housing costs reduce as the debt is paid down, while for renters, the cost of rent keeps going up.

The cost of rental properties continues to rise. The most recent Anglicare Australia Rental Affordability Snapshot found that a person on the age pension can afford less than one percent of rentals.[9]

Many of the properties that are affordable are in share houses that may not actually be suitable for an older person.[10] One interviewee spoke of her experience renting rooms in other people's houses.

> I rented rooms in acquaintance's houses. But they were never stable. Never really a home.

Another said:

> I shared a house with a friend. But it didn't work out. That's a pretty common story for people who have to share house at our age.

Even if an older person can find an affordable property, in a competitive market they can be hard to secure. In the last year, the number of advertisements for rental homes has plummeted by over a third. The national vacancy rate has fallen to record lows, halving from two percent to one percent over the past year.[11] [12] This allows landlords and agents to be more selective. One interview observed that "real estate agents don't like renting to people on a pension."

Commonwealth Rent Assistance (CRA) helps some older renters, but with the cost of housing so high the rate of CRA is inadequate. CRA increases with consumer price index (CPI), but in recent decades, rents have increased much faster than CPI. The level of support provided by rent assistance has been far outstripped by recent increases in rents.

The Retirement Incomes Review assessed the implications of increasing the rate of Commonwealth Rent Assistance and found while it would help older renters already in poverty, it would not have a significant impact on the number of older renters in poverty.[13] For the typical renter, increasing the maximum rate by 40 percent would reduce retiree renters' housing expenditure and increase their disposable income after housing by a small amount; around $28 per week. However, it would only reduce the number of renting retirees in financial stress by about one percent.

To illustrate the financial stress impacting older renters, consider that median rent for a one-bedroom apartment in Australia is $401. Even with the maximum rate of CRA, a person on the aged pension paying this rent would be left with less than $160 per week to cover their food, transport, electricity bills, internet and phone, medical expenses and insurance.

Table 3. Income after housing

Income or expentidure	Cost per week
Age Pension payment	$486.75
Commonwealth Rent Assistance payment	$72.90
Fortnightly rent, one bedroom apartment	– $401
Weekly income after housing	$158.65

Interviewees reflected on the struggle to keep their heads above water, and the constant fear of a rent increase:

> My rent is $410 per week. My pension is $560 per week. I'm using my savings. The family have helped me make a budget. If rent goes up, which it probably will, it throws out my careful planning.

This can lead to difficult choices:

> Gas and electricity costs are rising too. I have to make choices. Like if I cook something in the oven, it has to be something that will last me for multiple days to justify using the electricity.

This was reinforced by the survey results, which found that a majority of renters identified the cost of housing as a barrier to ageing at home. Their major barriers to ageing at home were the cost of housing (72 percent of renters); the cost of living, including bills, food, and transport (51 percent of renters); and the inability to modify a home for accessibility and safety (28 percent of renters). Cost was a much more pronounced issue for renters than for owners, with 72 percent of renters describing cost as a barrier compared to 15 percent of owners.

Table 4. Cost as a barrier to ageing in place

Living situation	Cost as a barrier
Private rental	72%
Mortgaged property	11%
Social housing	18%
Property owned out-right	4%

For people who owned their home outright, the cost of housing was not a common barrier. The key barriers to remaining at home are physical and mental health (47 percent of outright owners); the inability to modify a home for accessibility and safety (20 percent of outright owners); and the cost of living (20 percent of outright owners). 31 percent of outright owners identified no barriers to remaining at home as they got older.

Social housing options are limited

Social housing is for people who are on very low incomes who need a home. This could include people who have recently experienced homelessness, family violence, have a disability, or simply can't get a home in the private rental market. Sometimes it's public housing that's managed by government, and sometimes it's managed by community organisations who have been funded by government.

Governments in Australia used to strongly invest in social housing to meet need. It was valued as a public asset for reducing poverty and inequality. But in recent years governments have withdrawn from this responsibility. Social housing stock has simply not kept pace with the growth in population.

The shortfall of social housing is rapidly growing, and the construction rate of non-private homes is the lowest it's ever been since the availability of data in 1955.[14] [15] Governments are contributing less than they ever have before to building housing for low-income earners, many of whom have been shown during the pandemic to be essential workers.

Interviewees spoke of the long wait for social housing, and the difficulties in securing a property. One told us "I applied for government housing. But without dependent children, it was impossible. I was told I'd be waiting [a decade]." The scarcity of social housing meant that only those in the most dire situations would get a home. "You need to be 65 or over before you have a hope of being offered anything," one told us." I couldn't get a part-time job, but if I had it would have put me over the limit for public housing," said another.

One interviewee spoke about wanting to move interstate to be near her family as she ages, but she has only just secured a social housing property in her current location. She would need to move to Victoria, where her family is, and live there before attempting to join the public housing list. That would mean returning to the insecure and costly private rental market.

The City Futures Research Centre at UNSW estimate the current national unmet need for social and affordable housing is 651,200 dwellings.[16] Just to maintain the current share of social housing as a proportion of Australia's housing stock will require construction of 15,000 new social housing properties a year.[17] Yet our current rate of new social housing construction is about 3,000 dwellings a year.[18] The Everybody's Home campaign, of which Anglicare Australia is a member, is calling for 500,000 additional social and affordable housing dwellings to be built.[19]

Looking for innovative solutions

A common theme of our interviews was the need for a different housing option for people who do not yet require the higher level of care offered in a residential facility, but are unable to afford or find appropriate private rental accommodation or retirement accommodation:

> There's a gap for people who are still have their marbles and are fairly fit, to live in a community home – with supervision, but not necessarily nursing, where you can go for the next step before you are frail enough for a nursing home.

> I will need living arrangement where there are other people, one of these days. [But] I know what nursing homes can be like.

Some interviewees spoke about being lonely, and wanting a housing situation where they had company and social interaction.

> What is the next step for me? I need company. You can join classes, clubs, exercise, but it doesn't feel like enough.

For older Australians in the private rental sector, retirement villages, for the most part, are not an available option. On average, a two-bedroom unit in a retirement village costs about 90 percent of the median house price in the area in which it's located.[20] Several Anglicare Australia Network members offer rental properties within retirement villages they manage. But they report demand for the small number of rental properties available far outstrips demand.

One interviewee had recently moved back to Australia, after her husband passed away. In the country she had been living, housing was cheaper. "Well, I can't look at a retirement village as such because I can't afford to buy into anything there," she said. Despite having owned her home for decades, the money she made on the sale will not be anywhere near enough to afford a retirement home.

This challenge is not exclusive to Australia. We can look to other countries for innovative ideas for low-income older people who do not own a home. Build-to-rent is a model attracting interest in Australia and internationally. Build-to-rent is a form of residential development involving apartment blocks or complexes purpose-built for rental occupation and held in single ownership as long-term revenue-generating assets. While there is likely merit in this form of housing for many Australians, UNSW found that it was unlikely to generate affordable housing, and therefore not a suitable option for most low-income renters.[21]

Japan is the most aged society in the world. By 2036, people aged 65 and over will represent a third of the population.[22] Demand for residential care far outstrips supply, with over 400,000 older Japanese people waiting for spaces in public facilities.[23] With such demand for aged care, Japan now has a wide variety of housing offering a spectrum of assistance and medical care.

One such private model is the group home for older people who are healthy or need minimal care services. These small-scale homes, accommodating about ten older people, are generally located within typical residential communities.[24] The intention is to allow the older people to continue to age in environments in which they are familiar and remain within the wider community instead of being in a separate age-specific environment. The older people in these homes enjoy a greater degree of freedom and independence than people in residential care, as they allow people to cook for themselves, and choose their own mealtimes, bedtimes and activities.

Denmark also has a strong and growing cohousing community. Models of cohousing differ, but they generally involve self-managing communities where residents have their own private, self-contained home, but communal facilities and spaces. This fosters social interaction and support. In 2012 there were 700 cohousing communities in Denmark, of which 250 were for seniors. A Danish survey found that cohousing is the preferred model for older people who cannot remain in their own home, with the key attraction being social connectedness and enrichment. In Australia, the cohousing model is rare. A University of Technology Sydney study into the potential for cohousing for older Australians found that although most focus group participants thought it was "a nice idea, but not for me" about 10-20 percent of participants in each group were enthusiastically interested.[25]

Our interviewees warned against models that perpetuated the insecurity already faced by older renters. One interviewee spoke of their experience living in a residential park, and the financial and mental hardship when the park was sold:

> I lived in a caravan park when I was no longer able to afford rental, even though I was working full time. I got access to my super and bought a park home. I was there for four years and then the owners decided to sell the park. There were about 10 people in the caravan park, most on the DSP or pension. A few on JobSeeker. They all lost their homes, and there was nowhere to move to. I just gave mine away, some others sold for a pittance.

Still in Denmark, the rental co-operative sector is deserving of more consideration in the Australian context. It now meets the housing rights of, and provides security of tenure and affordable housing for, one-fifth of the nation's population.[26] In rental co-operatives, tenants do not own their dwelling but instead rent it affordably from a non-profit housing organisation. Tenants are actively involved in decision-making and management of maintenance and outdoor areas. In Denmark, revenues from rents are kept within the sector and reinvested in new housing projects or upgrading older buildings. For older people, who may have owned their own home before a relationship breakdown or major life event, co-operative housing offers a degree of security control over and participation in decision-making that can be empowering and reassuring. Such models exist in most Australian states, as a form of community housing, but are not nearly as widespread as in many European countries. Those who had experiences of these models spoke positively about them:

> I lived in a cooperative housing model when I was younger. What I found was it gave me secure housing and it empowered me; I learnt how to be part of a not-for-profit organisation and manage meetings.

Case Study: Affordable housing for older people

Anglicare Sydney runs, and funds, an affordable housing program for older people. It now has five sites; including The Cecil, a one-time guesthouse in Katoomba. Most of the people who now live there are survivors of long-term homelessness and other traumas, and have lived in boarding houses, formal and informal.

The residents have found their way to The Cecil through referrals from social services or through direct discharge from hospital. There is a camaraderie among them and a strong sense they belong. It has become their home. Indeed, one resident let guests know she was expecting to spend the rest of her life there. Recognising this need, Anglicare Sydney has funded this housing program itself.

Government support and intervention is required to expand the model adopted by Anglicare Sydney, to ensure communal living that provides safe, secure and affordable long-term homes for those who need them.

Getting the right care at home

Home care helps keep people independent

Home or community care refers to care of people within their own home, in their own community, to assist with their activities of daily living. The amount and type of care people receive varies according to how much support they need to carry on with their activities of daily living. Low-level supports might include occasional help with shopping, attending appointments, cleaning and home maintenance while high-level supports might include nursing and daily help with things like getting out of bed, washing, dressing, walking and eating — the types of needs that may otherwise lead to a person being in residential aged care.

Home care has been associated with decreased mortality, reduced hospitalisations, delayed institutionalisation and improved quality of life.[27] Several interviewees spoke of the importance of home care to allow them to age at home. "My home care services make life bearable," one interviewee said. "They keep my independence."

In the past, wait times for home care in Australia have been long. Some interviewees not yet receiving home care were aware of past delays and worried about the impact that a wait for services might have on them. "The wait lists for home care are really, really long," one interviewee told us.

In fact, the wait times for home care packages have shrunk considerably in the last two years. The number of people waiting for packages was 44,600 in December last year, down from 100,000 two years ago.[28] However, it takes time for this information to trickle out to communities.

Availability of home care is also not consistent across the country. Rental housing is often more affordable in rural and regional areas. There can also be fewer services in these areas, making it harder to find availability, and workforce challenges in the sector exacerbate the difficulties.

Barriers for people with complex needs

For people on low-incomes living in poor quality housing, there can be further barriers to accessing home care services. Some older people may be reluctant to reach out for help, if they fear their housing situation is unsustainable or unsafe, and fear they will be forced to enter residential care prematurely. Others may have had negative past experiences with social service or health providers, that act as a deterrent to seeking home care assistance. It can take time to build relationships with home care providers.

Anglicare Tasmania interviewed Tasmanians with challenges maintaining a healthy home, and the workers that support them.[29] Service providers told Anglicare Tasmania that the additional time needed to work with people with complex behaviours was not recognised and invested in through the existing home care system.[30] They needed more time, as well as budget, to support clients living with hoarding and challenges maintaining a healthy home.

If the pricing of the new home care system is not adequate, and there is not additional funding to support people with complex needs, providers may be reluctant to accept people in these situations. The system risks creating disincentives for people with complex needs, or who are seen as "difficult."

The Assistance with Care and Housing Program (ACH) is part of the Commonwealth Home Support Program. ACH provides assistance to people in insecure housing, including links to aged care and community service organisations.

ACH workers are unique in that they straddle the aged care and homelessness sectors. Numerous reviews have called for the expansion of the ACH program. In October 2021, the Department of Health formally informed providers that ACH will transition to the new Care Finder program from 2023, and will no longer be a separate sub-program. Care finder organisations will be commissioned by Primary Health Networks (PHNs). After a transition period to 2024-25, PHNs will no longer be required to contract ACH providers, and existing providers will not be required to maintain their specialist focus on people who are homeless.

The sector is concerned the dedicated funding, staff and expertise of the ACH program may be lost in this program redesign.

Safe and secure housing for older renters

Few houses meet accessibility standards

People's housing needs can change as they age. For example, people may need houses with accessibility features, like ramps and wider doorways to accommodate a wheelchair or walking frame, handrails or grab bars to reduce the risk of falling, walk-in showers and toilet seat risers to help people remain independent for longer.

Unfortunately most homes do not meet accessibility standards that would enable more older Australians to age in place. A disappointing five percent of new housing stock built in recent years is appropriately accessible.[31]

One person we interviewed has a disability. She spoke of the difficulty finding affordable rental properties that enabled her to live safely:

> It's difficult to find safe and affordable housing… I rented rooms in acquaintance's houses… For a person with a disability, the bathrooms weren't accessible. I had a number of falls.
>
> I was horrified by the lack of choice... I ended up in a double story property with stairs. I thought it would be OK since I'm quite fit… I've suddenly been diagnosed with osteoarthritis. The stairs are going to be a problem.

Universal design principles ensure every home is accessible or easily adaptable for more people, regardless of age, disability or parenting status. Australia's building ministers have instructed the Australian Building Codes Board to include accessibility as a mandatory requirement in the upcoming National Construction Code 2022. However, not all states have adopted these new requirements.

Case Study: Great Northern Haven

Great Northern Haven in Ireland has been called the "gold standard" in age friendly housing design. A 16 apartment complex in Barrack Street combines innovative housing design, technology to monitor wellbeing with improved access to formal and informal social supports. The emphasis on adaptability of the building means the apartments can be altered to meet the needs of the older person as they age. For example, the inclusion of easily adaptable 'soft-spots' to allow internal walls to change from two-bedroom layout to one larger bedroom; and the provision of 'hard-spots' in ceiling construction for hoist tracks to be installed when required.' In allocating accommodation within the Great Northern Haven, ten of the apartments were filled from housing waiting lists. These residents were chosen as needing supported accommodation to avoid the risk of nursing home care.

Ireland offers a contrast to Australia, and demonstrates the need for cultural change at a broad society level. Age-friendly housing and the wider agenda of moving towards an age-friendly society have clearly gained momentum there. This is evident in the large amount of national and local support programmes in line with World Health Organisation guidelines, and the attention for Universal Design criteria in many planned projects. Age-friendly housing has been successfully positioned on the political agenda and innovative experiments have emerged as a consequence of this.

Difficulty making modifications

Large parts of the existing housing stock also don't meet accessibility standards. Modifications or adaptations can help make existing housing more accessible for people as they age. An estimated 60 percent of homes will be occupied by a person with a disability or injury at some point, and 90 percent will have a visitor with a disability or injury.[32] Yet modifications are fairly rare. Most older people and people with disability don't live in households with modifications, and if they do they are usually minor works like hand grab rails.[33]

Just 46 percent of renters we surveyed said their home would be suitable for an older person with limited mobility to live in. More than 70 percent of people who owned their own home (with or without a mortgage) felt their property would be suitable for an older person to live in. These fears about the appropriateness of housing as they get older was a common theme of our interviews. "There will be big challenges if I become frailer," one told us. Another interviewee spoke about stairs at her previous property being a part of her need to move:

> There were too many stairs. 12 or 14 to the bedroom and bathroom. It would have been quite a problem for me.

An inability to modify the home can push people prematurely into residential aged care.[34] In contrast, appropriate home modifications can actually reduce the need for care. An Australian study of home care recipients showed that home modifications reduced hours of care provided by 42 percent per week.[35] 97 percent of informal carers surveyed agreed that home design has a significant impact on the level of care required, and impacted their capacity to deliver services.

The process to secure modifications can be time consuming, confusing and misunderstood by tenants. Older people's needs can also change quickly, sometimes even before the assessment and installation process is complete. For example, one interviewee reflected on how stairs were not a problem when she moved in, but have become a problem after she developed a chronic condition.

For renters, there is an additional barrier. Rental laws vary across the country, but generally tenants must have permission from their landlord to make modifications. In most jurisdictions a landlord cannot unreasonably withhold consent, however the power imbalance between tenants and landlords can make older renters reluctant to even ask for modifications. Several interviewees talked about not wishing to bother their landlord, or make a fuss. They may also have to agree to remove the modifications at the end of their tenancy, which can be a worrying cost for older people on low-incomes.

Even where renters are able to get permission, it can be harder to justify the cost of modifications when they have no confidence they will be able to remain in their property for the long-term. One interview reflected on this:

> My landlord is amazing. When I fell over and it affected my balance and vision, he put a railing up immediately. But there is a sloping concrete path, not really suitable for someone ageing… I don't think there's anything I can do about that.

Climate change putting renters at higher risk

Older people are among those most vulnerable to the health impacts of climate change, including heat stress, exposure to natural disasters and vector-borne diseases. Australian houses in general are ill-prepared for the changing climate. The average energy efficiency of Australia's housing stock is only 1.8 stars, one of the lowest in the developed world.[36]

Being a renter can exacerbate these vulnerabilities. Affordable rental properties are often poorly insulated, have low energy efficiency, and are slow and expensive to cool. For example, in 2012 more than 80 percent of owner-occupied houses had insulation compared with less than 40 percent of rental properties owned by private landlords.[37] One interviewee said she eventually ended up living in what was advertised as "a miners cottage." It had no insulation and no heating," she said.

Better Renting surveyed renters about their experiences of the 2021-22 summer and found that rental homes routinely exceed safe temperature limits, with indoor temperatures above 30°C for about an hour a day on average. Night-time temperatures were hot enough to impair sleep almost 50 percent of the time.[38] No jurisdictions in Australia have explicit requirements for cooling devices in rental properties.

Housing affordability also leaves many older renters with no choice but to live in lower-costs suburbs, where air quality is lower and the effects of urban heat islands make it even hotter. For example, low- to middle-income suburbs host 90 percent of the facilities listed in the National Pollutant Inventory.[39]

The power dynamics of renting can make it difficult for older people to request upgrades or retrofits to make their homes healthier and more liveable. They may fear retaliatory eviction if they are seen as "difficult tenants" or that the upgrades will drive the price of rent up even higher. "I don't like to push it with the landlord," one interviewee said.

Some jurisdictions have minimum standards for rental properties. In some cases, these standards specify a requirement for heating infrastructure. For example, Tasmania requires a fixed heater in the main living area, and as of March 2022 Victoria now requires a fixed energy-efficient heater. However, no jurisdiction has an explicit requirement for cooling infrastructure, whether that be air conditioning, ceiling fans, or even simply fly screens on windows. No jurisdictions include energy efficiency standards either, like insulation and draught proofing. We understand the COAG Energy Council is working on a proposal to implement mandatory energy efficiency standards for rental properties.

During heatwaves and extreme weather events, it can also be harder for older people to get the in-home care they need. Almost half of the community service organisations who responded to a Victorian Council of Social Service survey on extreme heat reported that they had occupational health and safety procedures in place to protect employees when the forecast reaches a certain threshold.[40] More than three quarters of the survey respondents confirmed that services are disrupted on very hot days. Appointments can be postponed or cancelled, to protect staff health and wellbeing, especially when the older client lives in poor quality housing that could pose a heat risk to the staff member.

What can be done

Build social housing for older people

Anglicare Australia has been calling for an increased investment in social and affordable housing for many years, and we reiterate that call. The private market does not, and will never, provide an adequate supply of affordable and appropriate housing for all Australians. It is certainly not doing so for older people. Older women are now the fastest growing cohort of homeless people, with more than 400,000 women over 45 at risk of homelessness right now.[41]

As with many other areas of policy, whether it's building and maintaining roads, or funding hospitals, there is a role for Government to play in addressing market failure in housing supply and ensuring everyone has a decent place to live. The shortfall of affordable homes across Australia is massive. The City Futures Research Centre at UNSW estimate the current national unmet need for social and affordable housing is 651,200 dwellings.[42]

Anglicare Australia in an active partner in the Everybody's Home campaign, and we join them in calling for an additional 25,000 social housing dwellings per year to be built.[43]

Alternative rental models

Older renters generally lack the capital needed to buy into existing retirement home models or the private housing market. Even those with a deposit are unable to secure a mortgage as they have too few years left in the workforce.

There are a range of innovative housing models in other jurisdictions that would help meet the shortfall in affordable housing for older renters. Housing cooperatives, more rental options in retirement villages, and cohousing models are some of the options that should be considered for trial or expansion in Australia. They all take government investment and intervention to pilot, expand existing options, or create a positive policy environment in which to innovate.

Guarantee the rights to aged care services

The first recommendation of the Royal Commission into Aged Care Quality and Safety Final Report was a new Aged Care Act, specifically a rights-based Act. Placing this as the first recommendation highlighted the importance and centrality of this new Act to truly transforming the current aged care system. It also emphasised the importance of placing the older person, and their rights, as 'central' to aged care

Anglicare Australia supported a joint statement from the Older Person's Advocacy Network, that called for the inclusion of rights:

- to equitable access and outcomes,
- to exercise choice,
- to autonomy,
- to the presumption of legal capacity,
- to make decisions about their care and the quality of their lives
- to social participation and enjoyment
- to fair, equitable and non-discriminatory treatment in receiving care.[44]

During consultations for the development of the Aged Care Homelessness Action Plan, aged care consumers called for the inclusion of a right to aged care services wherever they live, and regardless of the tenure or temporary nature of the accommodation, or the quality of their housing.

Strengthen regional stewardship in home care

The home care system relies on market mechanisms to meet the needs of older people. But the needs of vulnerable people, in particular, are unlikely to be addressed through a reliance on market forces and mechanisms alone.

The proposed home care reforms do not have a robust enough regional and market stewardship approach, where government takes an active role in system planning, regional development and monitoring. An effective stewardship framework will require robust data and evidence and regional offices that can identify and develop local care network and support local innovation. Targeted, evidence-based funding to improve service access and availability for vulnerable groups, including First Nations people, people experiencing homelessness, and people in rural and remote areas will be needed.

Preventing market failure and providing equity of access to all older people requires a funding model that covers the true costs of delivering home care services, including to clients with complex needs, and to secure an adequate workforce and address worker safety. We support the calls by the Support at Home Alliance[45] to consider model based on the AN-ACC residential care model, that includes variable components that consider a person's complexity and level of need.

Assistance with Care and Housing program

The Assistance with Care and Housing (ACH) program of the Commonwealth Home Support Program supports older people who are homeless or at risk of homelessness, including through eviction from a rental property or inability to secure appropriate housing. It links people in to affordable and appropriate housing options, as well as assisting people to connect with home care services.

The sector is concerned that proposed reforms to the home care program, which include rolling the ACH program into the broader Care Finder program and removing the requirement for PHNs to commission specialist homelessness services, will mean the dedicated funding, staff and expertise of the ACH program will be lost. Dedicated, ongoing block funding for the ACH program is vital to maintaining this essential service. It also saves money on acute costs further down the line.

Even now, the ACH program is unable to meet demand for its services, or provide the depth of assistance needed to support its vulnerable older clients. A consistent message from ACH providers throughout Australia, including Anglicare Australia Network members, was that the current ACH funding covered approximately ten percent of their costs.[46]

Links between aged care and social services

Many older renters live in poverty. Some are also living with mental illness, poor physical health and experiences of trauma or abuse during their lifetimes. While a stable home is central to supporting older people to live a good life, some people will also need other support to maximise their wellbeing. Yet there are many barriers to accessing help including cost, not knowing where to go, distrust of the system or negative past experiences.

One way to encourage people to access support services is to strengthen relationships and referral pathways between the aged care system and social services, including mental health and wellbeing services, community health centres, financial counsellors and community legal centres.

One strategy could be co-locating trusted home care services, especially those offering Assistance with Care and Housing to clients vulnerable to homelessness, at community health centres, disability or other social services, to strengthen pathways and provide people easier access to financial counselling, legal assistance, healthcare and other community-based supports.

Reform and increase rent assistance

Commonwealth Rent Assistance (CRA) should be an important protection against poverty for older renters. Unfortunately, the cost of rents has increased so much faster than the indexing of CRA that it no longer makes the difference it once did. In the last 25 years, the cost of rent has increased by more than twice as much as the rate that the Commonwealth Rent Assistance payment has.[47] Australia needs an immediate restructure of CRA to help those in rental stress, and an increase in the payment.

Federal government spending on CRA now exceeds $4 billion per year.[48] This spending has doubled in the last fifteen years, up from $2.2 billion in 2006-07.[49] Yet the number of renters in financial hardship has not decreased.

Several major reviews have recommended that CRA be indexed to rental prices, rather than general inflation. The Harmer Review found that bi-annual increases to CRA had not kept pace with rental inflation in the private rental market, and recommended that CRA be indexed to a new measure based on the actual rents paid by income support recipients.[50] The Henry Tax Review also recommended that the maximum rent threshold be indexed in line with national rents.[51]

Anglicare Australia calls for an increase in Commonwealth Rent Assistance, coupled with a restructure of the payment so that it truly works for any people struggling to pay the rent. A one-off increase will not be enough. CRA payments need to be indexed to average rents by geographic location, to ensure they keep pace with rental increases.

Although it should not be mistaken for a systemic or long-term solution, boosting CRA is an important step for people who need urgent help.

Invest in retrofitting programs

Too many older renters are forced to live in buildings that are bad for their health, bad for the environment and leave them with expensive bills. Upgrading a home from a two star to five star energy rating can result in a 54 percent reduction in energy use,[52] saving on energy bills and making homes healthier. Yet many older renters are unable to afford or get approval to make modifications to their home that would improve energy efficiency and reduce indoor temperature, like insulation or window glazing.

The Energy National Cabinet Reform Committee has committed to the development of energy efficiency standards for rental properties. This is smart policy. As well as improving the health of Australian renters, energy efficiency standards will create jobs and boost the economy. Analysis by Deloitte for ACOSS found that a program improving energy efficiency of low-income households could create at least 22,000 jobs and contribute nearly $5 billion to Gross Domestic Product.[53]

In the meantime, to assist landlords to prepare for the implementation of the standards and encourage compliance, the Government can invest in energy efficiency audits and retrofits for low-income rental households.

Strengthen renters rights

Depending on which State or Territory they live in, renters are afforded very different levels and types of protections. In some states, renters can be evicted for no reason at all, are disempowered in disputes with landlords, and vulnerable to poor housing conditions that make people sick or send energy bills sky-high. Some states provide additional protections to older renters, including additional notice, others do not.

Older renters cannot feel secure in their home, or plan for their ageing, if they can be evicted with little notice and no cause, or if they can't ask for repairs or modify their housing to make it more accessible. There have been significant reforms in Victoria and the ACT, banning "no cause evictions," limiting the amount and regularity of rental increases, and requiring rental properties to meet minimum standards. Queensland has also embarked on reform of its residential tenancies legislation.

Nationally consistent protections and uniform tenancy legislation is required now across Australia, to protect the rights of all renters, by ending "no cause" evictions, allowing modifications, restricting unjustified or punitive rent increases and introducing minimum standards for rental properties, including energy efficiency standards to protect renters from the harshest impacts of climate change.

Trial secure, long-term leases for renters

Head leasing is a model of leasing which offers landlords the opportunity to offer longer-term leases, for example for five years, with a guaranteed rental income and a commitment to return the property in good condition at the end of the lease. These programs are usually operated by a government department or not-for-profit organisation, who ensure that the property goes to someone in need.

Head leasing can be particularly helpful for older tenants who require modifications like entry ramps, non-slip treatment in wet areas, or grab rails, as these can be installed and used for a period of years before returning the property with these modifications removed and made good. For example, Anglicare Sydney supports older people in this situation by providing long term affordable rental accommodation in converted old sites, like pubs, stations, old bank buildings, empty land and guest houses. It provides secure life tenancies to people who are homeless or at risk of homelessness.

Anglicare Australia supports an expansion of these specialised programs. Yet restricting this model only to people who need supported tenancies or low-cost housing lacks imagination. All renters would benefit from this model of leasing. Long-term leases, stable rents, and a removal of the investor from day-to-day property management would allow more renters to experience the benefits of a stable home.

The security provided by a long-term lease would reduce churn in the rental market and provide older people more security. Owners would be able to sell the property, and the new owner would take on the lease. In many countries, these features are not part of specialised programs. They are simply how the mainstream private rental market works.

This model has benefits for investors and property managers, as well as renters. Property managers would be empowered to manage the property to the satisfaction of the tenant, without having to seek permission for small actions, provided they return the property in good condition. Investors would be offered a much more secure and predictable income with fewer demands on their time and involvement. Older renters would have less fear or retaliatory evictions or discrimination based on their age.

The enormous popularity of Defence Housing Australia leases among investors is a testament to the appetite for this approach, which guarantees rent paid in advance regardless of whether the property is vacant.

Anglicare Australia calls for a trial of head leasing as a model for mainstream tenancies. We would work with any jurisdiction willing to enact such a trial, which could eventually represent a new model for Australia's private rental market over the long-term.

Mandatory minimum accessibility standards

On the 30th of April 2021, a majority of Building Ministers agreed to the inclusion of mandatory minimum accessibility standards in the National Construction Code. Unfortunately, NSW, South Australia and Western Australia have not yet committed to adopting the new mandatory minimum accessibility standards contained in the revised National Construction Code.

This means fragmented regulation in different States and Territories and some older Australians worse off than others, depending on where they live. The states refusing to adopt the minimum standards argue they will be expensive, impact housing affordability and limit choice of home builders. NSW, for example, is developing its own voluntary standards. However, relying on voluntary take up of accessibility standards has proven ineffective in creating more accessible housing in the past.

The States who have yet to commit to adopting the mandatory minimum accessibility standards should do so immediately.

Support at Home Program

Home modifications can reduce the need for other types of care, and help older people stay independent for longer.

Under the existing Commonwealth Home Support Program and Home Care Packages (CHSP), funding can be allocated to cover home modifications and assistive technology, but grants are limited under the CHSP. People with Home Care Packages can use their package funding to purchase equipment or make modifications, but it usually requires them to "save" enough funding to afford the modifications or make a personal contribution, if they have the money to do so.

The new Support at Home program proposes people will no longer need to save up funding, but their needs for modifications and equipment will be assessed through a new assessment process. While this is an overall positive, interviewees and aged care sector representatives expressed concern about how rapidly people's needs can change and their health decline. Reassessment will need to be promptly and regularly available if people's needs are to be met.

A way forward

Everybody deserves dignity and security in their old age. Yet for many older people who rent, every day brings with it a fear of eviction or a rent rise they can't meet. A fall that would make their current living situation impossible. A landlord who refuses to install the handrail that means they can shower safely. A heatwave that requires them to turn on an air conditioner they don't have or can't afford.

For the growing number of older Australians renting in the private market, finding a secure home to age in place is becoming more and more daunting. The people we interviewed spoke of being forced to move, accept changes to their lease, or be evicted. They are all worried about the future.

The structure and funding of our aged care system assumes that people own their own home or enjoy living in secure and affordable rental housing, while aged care itself is becoming more focussed on providing that care in the home. Without the right housing it is much harder for older people who rent to age in place.

Yet our research also shows that this is what most Australians want. Older people overwhelmingly told us that they to age in their own home as long as possible, regardless of whether they are renters or owners.

To make this a reality we need homes that are secure, affordable, and suitable for older people. Anglicare Australia is calling for action to make renting more secure and more affordable. We are calling for reforms to aged care and home care that consider the needs of people who rent. And we are calling an investment to end the undersupply of social housing.

Rental stress and insecurity does not have to be the way of the future for older renters. We can and we must create a system that works for everyone, and help more Australians to age at home.

Further information

This survey was conducted by Anglicare Australia as part of our Australia Fair series. It is the second report in the series.

Anglicare Australia has been producing a flagship annual research project since 2000. This was previously called the State of the Family report, and was renamed the Australia Fair series in 2020.

Projects released as part of the Australia Fair series are evidence-based, reflect the voices of Anglicare Australia clients, and are designed to set the policy agenda.

For more information about this survey, contact:

Brooke McKail
National Policy Director
Anglicare Australia
T 02 6230 1775
E brooke.mckail@anglicare.asn.au

REFERENCES

1 Australian Law Reform Commission (2017) Elder Abuse – A national legal response.

2 Australian Housing and Urban Research Institute (2019) What's needed to make ageing in place work for older Australians?

3 Australian Bureau of Statistics (2022) Residential Property Price Indexes: Eight Capital Cities.

4 Grattan Institute (2020) Unaffordable Housing is the biggest threat to a comfortable retirement.

5 Australian Institute of Health and Welfare (2013) The desire to age in place among older Australians.

6 Ibid.

7 Op cit: Grattan Institute (2020).

8 Ibid.

9 Anglicare Australia (2022) Rental Affordability Snapshot.

10 Ibid.

11 Domain (2022) Vacancy rates: March.

12 Australian Bureau of Statistics (2021) Lending Indicators February 2021.

13 Commonwealth of Australia (2020) Retirement Income Review.

14 Lawson et al (2018) Social housing as infrastructure: An investment pathway.

15 Nygaard, C. (2021) National program for construction of social and affordable rental housing.

16 Troy et al (2019) Estimating need and costs of social and affordable housing delivery.

17 SGS Economics (2021) Economic Impacts of Social Housing Construction.

18 Ibid.

19 Everybody's Home (2021) A national housing strategy.

20 CHOICE (2018) Retirement Villages.

21 Pawson et al (2019) Build-to-rent in Australia.

22 European Union Research Centre (2020) Japan's Ageing Society.

23 Soh, E. (2016) Social-sector led elderly housing in Japan and Denmark.

24 Ibid.

25 Ibid.

26 The Australia Institute (2022) Homes for People: How Nordic policies can improve Australia's housing affordability.

27 Mah et al (2021) Social factors influencing utilization of home care in community-dwelling older adults.

28 Department of Health (2022) Home Care Packages Data Report, Second Quarter 2021-22.

29 Anglicare Tasmania (2021) Treasured Lives: enabling independent ageing for older Tasmanians living with challenges related to hoarding or maintaining a healthy home.

30 Ibid.

31 The Centre for International Economics (2020) Proposal to include minimum accessibility standards for housing in the National Construction Code.
32 Australian Human Rights Commission (2021) Adaptable Housing for People with Disability in Australia.
33 Ibid.
34 Department of Social Services (2020) Younger people in residential aged care Strategy 2020-2025.
35 Carnemolla, P. and Bridge, C. (2019) Housing Design and Community Care: How Home Modifications Reduce Care Needs of Older People and People with Disability.
36 Wilkinson et al (2022) Here's our chance to relieve energy poverty through post COVID stimulus.
37 CHOICE (2021) Renters left to freeze in poorly insulated houses.
38 Better Renting (2022) Hot homes: Renter Researchers' experiences of summer 21-22.
39 Australian Conservation Foundation (2018) The dirty truth: Australia's most polluted postcodes.
40 Victorian Council of Social Service (2021) Feeling the Heat.
41 Australian Human Rights Commission (2019) Risk of Homelessness in Older Women.
42 Op cit: Troy et al (2019).
43 Everybody's Home (2022) Everybody's Home Budget position paper: A plan to fix Australia's Housing Crisis.
44 Older Persons Advocacy Network (2021) Joint Statement Supporting a Rights Based Aged Care Act.
45 Support at Home Alliance (2021) Seamless Aged Care: How to set up 'Support at Home' right the first time.
46 Housing for the Aged Action Group (2019) Aged Care Homelessness Action Plan.
47 Op cit: Commonwealth of Australia (2020).
48 Productivity Commission (2018) Report on Government Services.
49 Ibid.
50 Commonwealth of Australia (2009) The Pension Review Report.
51 Commonwealth of Australia (2010) Australia's Future Tax System.
52 Alternative Technology Association (2012) 2.5 Billion Reasons to Invest in Energy Efficiency, Modelling the impact of improving the energy efficiency of Victoria's homes on the Victorian Energy Concessions Budget.
53 Deloitte Access Economics (2021) The economic impacts of the National Low-income Energy Productivity Program.

Anglicare Australia
in every Community