
Health, Aged Care and Housing – A Vital Link Needed for Older People

Introduction

There is a developing emergency for many low-income elderly people who rent their accommodation. With the current trend in government policy towards providing health and aged care services in the home, the effect of these services can be futile if an older person's housing is in poor condition, or their costs and tenure insecurity are causing such stress, that it has a dramatic negative impact on their health. This fundamental gap in need is damaging to older people on low incomes in particular, at a time when the escalation of current and future needs of an ageing population is becoming increasingly critical. Similarly, as well as a need for a national approach to tackle the lack of affordable housing, action must begin now to develop a strategy specifically for older people. In only 30 years time one-quarter of Australians will be aged 65 years or more, approximately double the present proportion.

Aged Care in the Home

It is widely accepted that the concept of 'ageing-in-place' is important to the health and well-being of older people. We all want to live in a home that we are comfortable in and familiar with, to be close to family, to be connected into our own communities and near all necessary services such as medical centres, shopping facilities, public transport and social activities we might choose. We also like to think that we can live in our own home (whatever type and tenure we might have) for as long as we can manage. We hope our independence and personal dignity can be maintained much longer by arranging for domiciliary services such as home help, meals services, installation of personal aides, or other aged care supports that can increase our independence.

For the past two decades Commonwealth governments have increased their emphasis on the provision of aged care in the home. Expenditure on the Home and Community Care (HACC) Program has increased by 87% in the decade 1995-2005, with annual expenditure now over \$1.5 billion. Community Aged Care

Packages (CACP) that provide a comprehensive range of home based services, with case management, have increased ten-fold from \$33 million in 1995-96 to \$323 million in 2004-2005. Services now include a range of specialist assistance such as Extended Aged Care at Home (EACH) that provides a high level of care in the home for frail older people.¹

The changing emphasis from residential care to home based care is further demonstrated by the comparative increase in residential care from 2003-2004 to 2004-2005 of \$17 million compared with an increase of \$189 million for community care.²

Provision of home based aged care services are co-ordinated primarily by Aged Care Assessment Services (ACAS) who can make assessments with appropriate referrals and recommendations about what kind of care will best meet an older person's needs when they are no longer able to manage at home without assistance. ACAS services provide information on suitable care options such as personal care, social support, transport to appointments, home help, meals preparation and gardening.

In 2004-05, HACC services alone provided care and assistance to over 744,000 people, an increase of 36,800 compared with 2003-2004³ and an estimated 68.2 per cent of HACC clients in 2004-05 were aged 70 years or over.⁴

The importance of the housing component of aged care

The concept of housing stability is acknowledged by governments in Australia as being one of the fundamental benchmarks required to enable the effective provision of aged care services in the home. 'Ageing-in-Place' was a key part of the *Aged Care Act 1997* when it was introduced, which increased opportunities for people to remain in their home, regardless of their increasing care needs. As stated by the Commonwealth Senate Standing Committee on Community Affairs in 2006 "Ageing-in-Place' as a policy was designed to enable residents to remain in the same environment as their care needs increased, in facilities which could offer appropriate accommodation and care. The advantages of ageing-in-place for the elderly are significant and include less disruption to their lives and continuity of care in a familiar environment."

Housing for the Aged Action Group's Housing Options Service and Assistance with Care and Housing for the Aged (ACHA) Program have documented in detail the dramatic improvement in the health and wellbeing of vulnerable older people when they are able to access long term affordable housing and link into home based aged care. HAAG's report Older Australian's Experience Living in Insecure Tenancies (2003) provides graphic stories of a number of HAAG clients, highlighting the sense of euphoria when they reach the end of the long struggle to obtain public housing.

The Myth of Older Affluence

There is a general assumption in the Australian community that by the time we reach retirement age we expect to have resolved our housing needs. With 73% of Australians over 65 years of age owning their homes, populist rather than realistic government policy has been based on the needs and aspirations of this sector. Arising from this trend has been the rapid growth of retirement villages. Our newspapers often feature advertisements about the latest 'lifestyle' village that is about to open, with glossy images featuring the middle-class couple wandering along the beachfront before they meander across to the restaurant for an evening gourmet meal.

Regrettably, Government literature backs up this perception of older age affluence. A viewing of Commonwealth Government publications produced by the Department of Family and Community Services demonstrates this point. In "Home and Residence Choices for Older Australians" there is almost no reference at all to the needs of older renters. The publication has sections on moving to a smaller home, to a retirement village or buying a granny flat. Another government booklet entitled "Moving House-Your Choices" is described as "a practical guide to selling, buying and the actual move and how your aged pension might be affected".

Almost exclusively government housing and aged care policy has focused on home ownership providing a wide range of available choices when used as a convertible asset.

There is a significant minority of older renters whose ability to benefit from home based aged care services are severely affected by their housing tenure. About 8% of people over 65 years of age

are private renters, or about 35,000 people in Victoria. This is expected to increase as public housing stock declines, forcing a shift away from the public to the private sector. While this is a relatively small group, the difference between older private renters and homeowners has been described as “the great divide”.⁵ **While older people on average pay 6% of their income in housing costs, 71% of older private renters paid more than 30% of their income in housing costs, with almost a quarter paying 50% or more.**⁶ **Those older private renters living alone are paying an average of 49% of their income in rent.**⁷ This situation is expected to worsen as tight rental markets in Melbourne in 2006-2007 have created a situation where only 1% of private rental properties are ‘affordable’.⁸

The lack of affordability of private rental housing for older people is often exacerbated by poor physical housing conditions. Having to accept the lower cost private rental housing also often means housing that is in poor condition. Many older tenants are forced to accept housing that is damp and draughty, lacking carpets, insulation and even heating. **The lack of minimum housing standards in the Residential Tenancies Act** means there is little room for negotiating what is on offer, when dealing with a housing vacancy at the bottom end of the scale.

Further, the vital need for security of tenure and rental cost containment often means that older people will not ask for repairs to be done for fear of being served with a Notice to Vacate or a rent rise. The compounding effect of having to reduce expenditure on basic requirements such as heating and nourishing food and living in a cold and mouldy home can trigger a range of health problems to which older people are particularly prone, such as respiratory illness, heart disease and arthritis. The impact of personal stress in such an environment greatly compounds these difficulties.

Housing is a Health Issue

So the question arises: What is the value of providing a range of aged care services to older people in their own home, if the home may be a cause of a person’s deteriorating health? While governments see that they have a significant and growing responsibility to provide aged care services to assist older people to age-in-place, it is time for them to take responsibility and act to

ensure that older people on low incomes are housed adequately. An integrated approach to housing and aged care needs to be seen as a vital component of an overall strategy by governments to assist older people on low incomes.

Governments must also reintroduce a specific strategy to provide affordable housing for older people if we are to address the escalating needs of an ageing population. In the 1950's and 1960's the Commonwealth Government provided housing subsidies under the Aged Persons Housing Act that built up to 9000 dwellings for older people in Victoria alone. In the 1970's and 1980's state housing authorities built significant numbers of Elderly Persons Housing (EP's) that incorporated outstanding accessible design features that continue to enable tenants to adapt as they age. In Victoria the Ministry of Housing included an Older Persons Housing Unit. However, for the past 20 years affordable housing supply has diminished to vanishing point and many older people have endured the most severe consequences as a result. Unless you are a candidate for 'early housing' by having a chronic health problem or disability, waiting times are classed as 'indefinite'. A radical plan to boost public housing stock is urgently needed to fulfil the exponential need.

Governments must also consult with older people in the community and develop a range of housing options that suits the support needs of older people, depending on their circumstances. For example we need more cluster housing so older people can interact socially when mobility is reduced; there is a huge need for two-bedroom units to allow for carer support; accommodation with services such as meals and low level personal supports, and models of intergenerational housing must be explored. These forms of housing allow for complementary integration of community-based aged care services.

As Associate Professor Andrew Jones has stated: "While direct public expenditure on housing for older people is small in comparison with other areas such as aged care, income security and health, the costs of not addressing the housing needs and circumstances of older people are considerable....It is for these reasons that housing should move to centre-stage in ageing policy, rather than be neglected in the wings....**If Australians are to age well, they must be housed well**".⁹

¹ Health and Ageing Factbook 2006, Department of Health and Ageing

² Health and Ageing Factbook 2006, Department of Health and Ageing

³ *Submission 96*, Australian Government Senate Standing Committee on Community Affairs Chapter 5 - The ageing/disability interface Dec 2006

⁴ Hales C, Ross L & Ryan C, National Evaluation of the Aged Care Innovative Pool Disability Aged Care Interface Pilot, Australian Institute of Health and Welfare, 2006.

⁵ Housing an Older Australia: More of the same or something different? Howe 2003

⁶ Australian Institute of Health and Welfare, Australia's Health 2002

⁷ Australian Bureau of Statistics 1999, Older people, Australia: a social report

⁸ Rental Report, Office of Housing 2007

⁹ A. Jones, Director, Queensland Research Centre, Australian Housing and Urban Research Institute, Housing: the foundation for sustainable strategies to tackle the challenges of Australia's ageing population, presentation to Australia's Ageing Population Summit 2005 27-28 September 2005, Sydney