



Housing justice for older people in NSW – Pre-Budget Submission 2021-22

The Ageing on the Edge NSW Forum is a coalition of people and organisations working together towards housing justice for older people on low incomes. The Forum was originally convened as a Reference Group for the Ageing on the Edge Project that launched a report in 2017, *'The Older I Get the Scariest It Becomes – Older People at Risk of Homelessness in NSW'*.¹ Based on widespread consultation with older people and the community sector in NSW, the Forum has adopted policy recommendations that are critical to addressing the needs of older people facing housing stress and homelessness.

Summary of recommendations

The Ageing on the Edge NSW Forum calls on the New South Wales Government to:

1. Provide 5,000 additional social housing dwellings in 2021-22 (as part of a long-term plan to increase social housing stock).
2. Improve access of older people to appropriate social and affordable housing by:
 - a. lowering the qualifying age for priority social housing; and,
 - b. increasing supply of social and affordable housing tailored to the needs of older people in terms of design, size and location.
3. Establish a state-wide housing information and support service for older people to provide a central point of contact for older people at immediate risk of homelessness and to engage with and provide early support for others to plan for their housing futures (based on the Victorian *Home at Last* model).
4. Increase security of tenure for renters.
5. Extend the eviction moratorium during the COVID-19 pandemic and expand rent support to 'impacted' tenants through products, such as 'Rent Choice Assist COVID-19 Response'.

Why focus on affordable and secure housing for older people?

Housing stress and homelessness is a growing problem for older people in NSW and is expected to increase over time as a product of an unaffordable and insecure private rental system and a retirement system that does not meet the needs of renters and people who involuntarily retire before the Age Pension eligibility age. The economic impacts COVID-19 pandemic are expected to exacerbate the issue. Equity Economics project a 24 per cent increase in homelessness in NSW by mid-2021, including a 40.5 per cent increase in some regions.² We anticipate a large proportion of this increase to include older people.³

The COVID-19 pandemic has highlighted the fundamental link between housing and wellbeing, particularly for older people. The relationship between better health outcomes for older people who live in secure housing is strongly supported by research in Australia and internationally.⁴ Conversely, those who have insecure housing circumstances are more likely to experience adverse health outcomes. The cumulative effect of homelessness, poverty and disadvantage over long periods may result in people experiencing age-related health conditions from as early as 45 years of age.⁵ The importance of 'ageing-in-place' is also well established, with the opportunity for older people to remain socially connected and use a range of services – such as healthcare, home support and transport – in neighbourhoods that they know and feel comfortable in.

From 2011 to 2016, the number of people aged 55 and over experiencing homelessness in NSW increased by 42 per cent. The increase among women experiencing homelessness aged 65 to 75 was even more startling at 78 per cent.⁶ Of the 46,087 people on the NSW waiting list as at 30 June 2020, we estimate at least 12,904 or 28 per cent are aged 55 and over (based on the June 2018 figures).⁷

Older people are the fastest growing subpopulation of people using homelessness services in Australia. During 2019-20, people aged 55 or older comprised 8 per cent (24,421 clients) of all Specialist Homelessness Services (SHS), including 5,000 older people in NSW.⁸ These figures represent the tip of the iceberg. Many older people at risk of homelessness have 'conventional' housing histories. They have not previously interacted with the social service system and find it complicated and difficult to navigate. They tend to get bumped around and referred on. Older people often opt for a range of precarious coping mechanisms, such as going without food or medication, in preference to approaching homelessness services, which are crisis oriented. Recent analysis estimates 110,000 women aged 45 and over are at risk of homelessness in New South Wales.⁹

The Ageing on the Edge NSW Forum acknowledges the Premier's Priority of reducing rough sleeping by 50 per cent across NSW. However, homelessness of older people is often hidden. Older people experiencing homelessness, especially older women, are more likely to be found sleeping on a friend's lounge or in their cars rather than rough sleeping. Policies and investment should also place priority on addressing this form of homelessness.

Investment priorities for the NSW Budget 2021-22

Deliver 5,000 additional social housing dwellings

Social housing investment is the most effective way to reduce homelessness, due to affordable rents and security of tenure that are not available to people in the private rental market. Financially vulnerable people in social housing are less than half as likely to become homeless as a similar group renting privately.¹⁰

A long-term, sustainable plan is needed with targets to increase supply of social and affordable housing. As of June 2020, there were 46,087 households in NSW on the social housing waiting list, with waiting periods between two and 10 years or more.¹¹ The Social and Affordable Housing Fund (SAHF) is a welcome initiative but will only deliver 3,400 dwellings over several years – this is clearly inadequate to meet the rising need for social and affordable housing.

Modelling conducted for the NSW Community Housing Industry Association (CHIA) found that NSW needs 12,500 new social and affordable homes per year until 2026 to keep up

with population growth and reduce the backlog.¹² This includes 5,000 new social housing homes a year until 2026 for low-income households. This would return the proportion of social housing to 6 per cent of all NSW housing, the same level as 20 years ago.

A proportion of this new stock should be dedicated to older people experiencing or at risk of homelessness. Anglicare Australia's most recent Rental Affordability Snapshot found that less than one percent of properties were affordable for a single person on the Age Pension.¹³

Improve access of older people to appropriate social and affordable housing

Targeted policy measures are also required to increase access of older people to appropriate social and affordable housing (within the context of an overall increase in supply).

Older people are recognised as one of six priority groups in the National Housing and Homelessness Agreement. In the context of homelessness, the population of older people is commonly defined as those aged 55 and over.¹⁴ Yet, in NSW, older people on the waiting list for social housing need to be aged 80 or over to be placed on the priority list. In contrast, the Victorian Government has changed their policies to ensure that people aged over 55 are eligible for priority social housing. This approach recognises the severe impact that homelessness has on older people. For example, homelessness can contribute to premature ageing through earlier onset of health problems more commonly associated with later life.

Urgent steps are also needed to increase the supply of social and affordable housing which is tailored to the needs of older people in terms of design, location and size (including stock suitable for single people). Housing construction policies should incorporate universal design principles to new social and affordable housing constructions and renovations of older buildings to ensure they meet accessibility standards. Policy approaches should focus on providing secure and accessible housing in locations close to supports and services to promote independence and community participation.

Establish a state-wide housing information and support service for older people

Many older people at risk of, or experiencing, homelessness have not previously engaged with the social service system. They have 'conventional' housing histories and are experiencing homelessness for the first time. Older people speak of a combination of shame and fear in approaching homelessness services. In their contact with service providers, they have experienced a lack of understanding of their situation and their housing options. In many cases, they are referred on, or told that they are not eligible for help. In addition, many low-income older people have limited access to the internet. For those that do use technology, the available information is overwhelming. Eligibility criteria for access and support is often unclear.

A new and innovative solution is needed for NSW to solve this growing issue.

The *Home at Last* service model in Victoria demonstrates that better housing outcomes can be achieved for financially disadvantaged older people. Those in a housing crisis are provided with one-on-one support to access appropriate and affordable housing. Older people are also helped to access support earlier and plan for their future before reaching a crisis point. Evaluation of the *Home at Last* service by KPMG found it to be a cost-effective

way to help older people secure housing and divert demand from specialist homelessness services.

We already have specialist homelessness services for other groups of people, but older people at risk need early support to avoid a housing crisis. For those already in a housing crisis, information and support is needed to gain appropriate long-term housing, from workers with strong knowledge of the housing and aged care systems.

The Ageing on the Edge NSW Forum is interested in working with the NSW Government to adapt *the Home at Last* model for NSW.

Increase security of tenure for renters

For older people reliant on the JobSeeker Payment, Age or Disability Pension, the type of rental tenure that they can secure is crucial to their ability to 'age well'. Older people who rent in the private market often experience high levels of rental stress, income poverty and housing insecurity.¹⁵ These factors negatively impact on their health and wellbeing and significantly increase their risk of experiencing homelessness.

Some older people refrain from requesting home modifications or renovations or complaining because they fear losing their rental property. This can result in older people living in unsuitable accommodation which can heighten health and safety risks. Even when tenants do complain, landlords may not make the necessary repairs for long periods of time. The Productivity Commission found that when older renters, people with a disability, and long-term renters move, this is more likely to be involuntary (compared to other renters).¹⁶

The Ageing on the Edge Forum supports the Make Renting Fair campaign's call for legislative reform to replace 'no grounds' evictions with agreed reasonable grounds. Under current laws in NSW, a landlord can evict a tenant without reason with just 30 days' notice at the end of their fixed-term lease, or with just 90 days' notice during an on-going lease.

Under these reforms, landlords would still be able to end a lease when there is a genuine reason, or 'reasonable grounds' to do so, such as: when the landlord wants to move in; when substantial repairs or renovations need to happen; or when the property has become unsafe. The law already includes grounds for evicting a tenant who does the wrong thing, for example, if they do not pay their rent, if they seriously damage the property, if they use the property for illegal purposes, or if they breach their lease in any way. These grounds would all remain.

Notably, the Productivity Commission released a report on vulnerable renters in the private rental market, concluding that removing no grounds evictions from our renting laws (and replacing with reasonable grounds) is needed to better protect low income and other vulnerable renters.¹⁷

Other jurisdictions are moving on this issue. On 11 February 2021, New Zealand abolished 'no-grounds' evictions.¹⁸ The United Kingdom government is moving in this direction.¹⁹ From 29 March 2021, Victoria will disallow 'no-grounds' evictions after the fixed term expires and the tenancy becomes a periodic one.²⁰ Queensland is also moving in a similar direction.²¹

Extend the eviction moratorium during the COVID-19 pandemic and expand rent support to 'impacted' tenants

The COVID-19 pandemic has affected everyone across our community. Renting households, including older renters, have been particularly vulnerable during this time. There has been significant disruption within private rental markets, principally due to the financial hardship being experienced by tenants and landlords. In early April 2020, the NSW Government implemented measures that included an eviction moratorium. Here, there was a 6-month restriction on landlords evicting 'impacted' tenants for rent arrears. 'Impacted' tenants were those who had lost 25 per cent or more in their weekly household income due to COVID-19 pandemic. Evictions were restricted to situations where formal rent reduction negotiations between landlord and tenant had failed and the NSW Civil and Administrative Tribunal (NCAT) decided it was 'fair and reasonable' to evict in the specific circumstances of the case. In this initial period, other measures were implemented to support renters, including the extension of notice periods for some other evictions. The provision relating to termination for rent arrears has been extended twice: initially to 15 October 2020 and then again to 26 March 2021.

Unfortunately, landlords have been able to get around the moratorium protections by using 'no grounds' terminations. Even if the issue of rent arrears comes before the NSW Civil and Administrative Tribunal, the rent reduction negotiation framework is flawed.²²

However, as we draw close to 26 March 2021, a 'fiscal cliff' or 'storm' looms for distressed older renters, which advocates warn could see thousands evicted or unable to pay for basics like food and power.²³

A very positive measure taken by the NSW Government in the first half of 2020 was the provision of financial support to renters struggling as a result of the COVID-19 pandemic. This took the form of a Department of Communities and Justice's product called 'Rent Choice Assist COVID-19 Response', but applications closed on 31 July 2020. Eligibility for the program was based on a 'low income' band with a slightly higher cut off than generally used for social housing eligibility. However, it excluded temporary residents, such as refugees, asylum seekers and overseas students. This scheme provided a rent subsidy for 6 – 12 months to ensure the recipient is not in rental stress. The subsidy was calculated as the difference between a reasonable market rent and 25 per cent of the tenant's current gross assessable household income.

A further extension of the eviction moratorium, together with re-opening and expanding products such as 'Rent Choice Assist COVID-19 Response' and including temporary residents under the eligibility criteria, will lessen homelessness and reduce numbers of older renters facing the 'fiscal cliff'.

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- ²² For critique of the moratorium provisions implemented in New South Wales, see Tenants' Union of NSW, Supporting renters through the pandemic (2 September 2020), which may be viewed at: TUNSW_Supporting_renters_through_pandemic.pdf
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