



Housing for the Aged Action Group
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To: The Secretary Legal and Social Issues Committee
Legislative Council Parliament House
Spring Street East Melbourne VIC 3002
Via email: phrp@parliament.vic.gov.au

Background- Housing for the Aged Action Group

Housing for the Aged Action Group (HAAG) was founded in 1983 as a small grass-roots community group. Today HAAG is the only Australian organisation specialised in the housing needs of older people with a low income.

HAAG is committed to finding long term solutions to the housing crisis facing older Australians. We have partnered with organisations such as the Ethnic Communities Council of Victoria (ECCV), Council on the Ageing (COTA), the University of Queensland Institute for Social Science Research and the University of Adelaide Centre for Housing, Urban and Regional Planning on research and service based projects.

As well as being a community organisation, HAAG runs two state and federally funded services. The Home at Last (HAL) program provides practical support to those seeking an appropriate, affordable home. HAAG also have a Retirement Housing Advice Service (RHAS) to assist financially disadvantaged people in all forms of retirement housing. The programs have housed over 600 older people since 2012 into public and social housing. In addition, the services produce service data which informs our policy work and submissions such as this one.

1. HAAG is Opposed to the Loss of Public Housing Stock

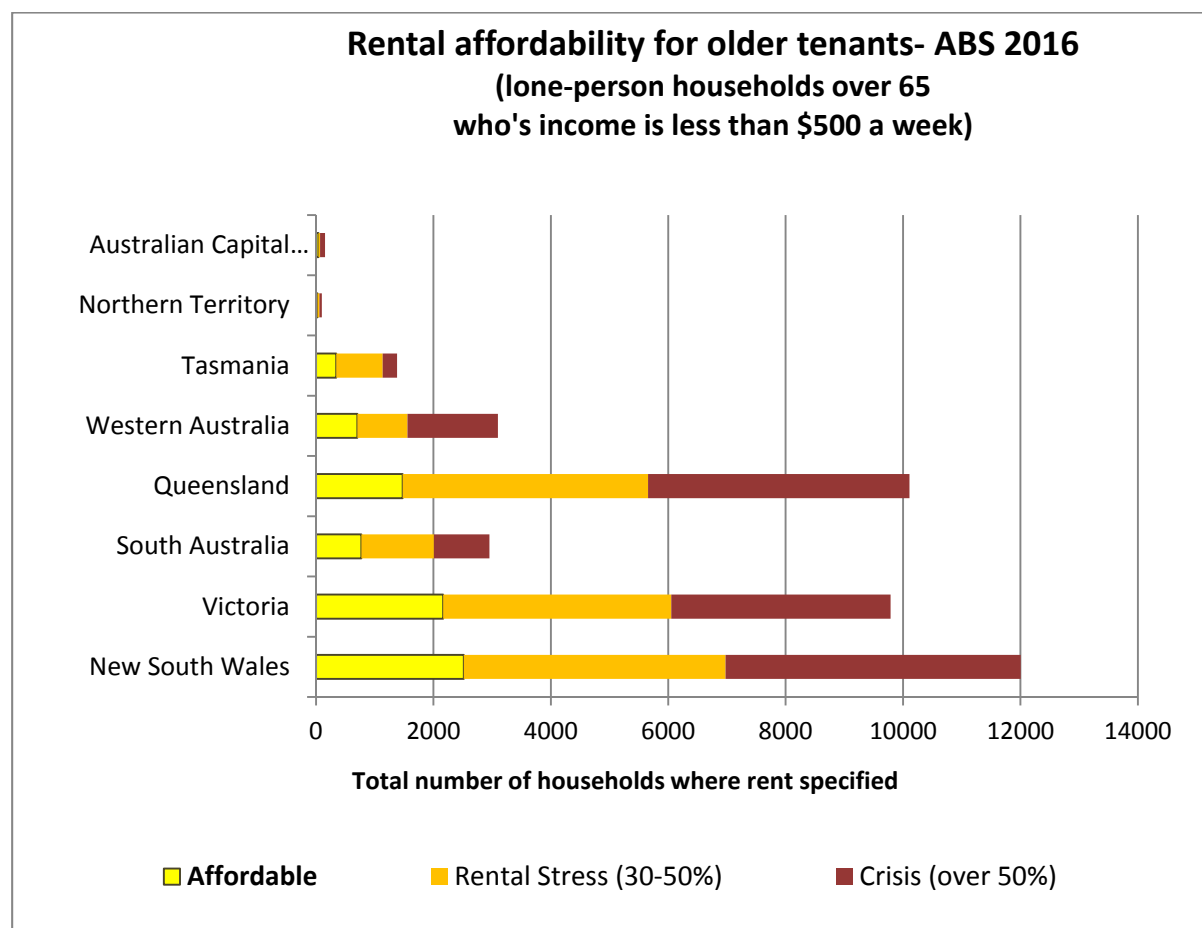
Housing for the Aged Action Group is opposed to the sell-off of public land to private developers. With 35,000 public housing applications on Victoria's wait-list we demand a better response to the state's affordable housing crisis.

The proposed increase of a few thousand dwellings as part of the public housing renewal program does nothing to address the state's public housing shortfall. Infrastructure Victoria (2016) estimates that 75-100,000 households are currently 'at risk' and do not have access to affordable housing. It recommends a target of 30,000 new affordable homes in 0-10 years to merely counter the current un-met demand for housing.

If all 9 proposed re-development sites were developed into 100% public housing we would see a significant movement towards this target and the only justified use of public land for the public good. Instead the proposed re-development has developers making great profits off the back of major public assets with just a 10% increase in the housing stock that this state really needs.

2. Housing Stock Considerations- More Older Persons' Stock Needed

The number of older people needing public housing is set to rise exponentially as private rental becomes less and less affordable for people on the aged pension. There are 12, 138 people over the age of 65 in the private rental market in Victoria (ABS 2016). Due to the limited aged pension, most of these people are already in housing stress. 82% of older tenants in greater Melbourne are paying more than 30% of their income in rent (71% in regional and rural Victoria) and half in greater Melbourne are paying 50% or more of their income in rent. This is an issue that affects predominantly women (60% of Home at Last's clients are women) and single people (75% of 65+ private renters are single). Below is a graph of rental affordability for single people who are over 65. Source- ABS 2016



The increasing number of older people at risk of homelessness has been acknowledged by the Victorian Government, who recently introduced public housing priority for those who are over 55 and struggling with housing affordability.

Any new public housing development needs to take the increasing need for older persons' stock into consideration. The proposed re-developed sites should include a proportion of housing stock reserved specifically for older people.

Case Study 1

Robert-(81) at risk of homelessness

Robert, 81, referred himself into HAAG / HAL for housing assistance in January 2016. Robert is privately renting his house and is paying \$300 rent per week, which does not leave him much to live on. Robert states that his rent was manageable when his wife was alive and sharing the cost with him. Robert further states that he is being forced to make choices between paying his rent, buying groceries and using his heater, He says:

" My aged pension is already so far below what it costs for the basics, and the gap between my rental cost and my aged pension is getting smaller and smaller and its becoming harder every month just to maintain a basic standard of living. My rent is most of my income; I live with the constant fear of being in rent arrears, being evicted and becoming homeless".

As the house was recently sold to a new owner, Robert is expecting another increase in his rent which he won't be able to afford and he will be in rent arrears. Robert will continue enduring financial difficulties due to high rent and he will be making choices between paying for his rent and other living essentials such as food, heating and medication.

Case Study 2

Don- (58) now in public housing after being homeless

Don (58) self- referred into the service after looking on the internet for help. Don was on a pension (DSP) and found himself living in temporary accommodation after his marriage ended. As he also suffered from bi-polar disorder, the stress of his situation had sent him into manic episodes and he was finding himself unable to maintain a tenancy in the private market.

This resulted in him jumping around from hotel to hotel, selling his belongings to pay the room charges. The stress of his situation compounded his health issues and Don eventually found himself homeless.

"Due to my ill health I could not access any form of permanent and less expensive accommodation than the bed & breakfast. It was so expensive and took up practically all of my income. I was terrified of ending up on the streets if I could not keep paying. It was all so unrealistic."

HAAG assisted Don to make an application for Public Housing under (what was at the time) the priority Segment One. After 10 months Don was found a home that gave him security and enabled him to take charge of his health.

"I can't really believe I am here and this is on two fronts; the first is, I couldn't have imagined my life would spiral out of control to the point where I was homeless and would have ever ended up in public housing. But the second is, I have been so pleasantly surprised at the standard of accommodation and I am really pleased to be living here. The flat is spacious enough for me to make it a home, and even though I live in a hi-rise the environment is really nice, all the people I have met here are friendly and helpful. There is another resident here who has taken it upon himself to create the most beautiful garden. It gives me and the other tenants a real sense of peace sitting down there. It gives me peace of mind knowing that I have a place I can afford and a home that supports me, particularly when I am unwell."

3. Social Mix- Unnecessary and unsuccessful

There is evidence from the renewal project in Carlton, which this plan is largely based on, that the public/private housing development did nothing to improve the 'social mix' in this estate. Dr Kate Shaw's Melbourne University report (2017) notes that in the Carlton re-development, public and private tenants are physically separated by a wall and separate entrances. There was no documented improvement in social cohesion amongst the interviewed public and private tenants.

4. Loss of community through re-location

The sense of community that exists in high-rise apartments, especially for older people who may have lived there long-term has been documented throughout HAAG's 30 year history. Many of HAAG's members have been living on the same estate for many, many years and would find any re-location to have an immense impact on their health, both physical and mental. As well as being separated from Doctors, hospitals and other health care providers, re-location often means moving away from essential social supports such as neighbors, friends and community/ neighborhood houses. To prevent this, building can begin on the estate and tenants who wish to stay can be moved over to that housing (instead of being re-located elsewhere) so they do not have to leave the estate.

Case Study 3

Jane (82) Loss of Community after Public Housing re-development

HAL assisted an 82 year old public housing tenant who had lived on the Carlton estate for some 40 years. The client had lived in a three bedroom walk up and raised her four children on the estate. The estate was an old walk up and had been ear marked for re-development forcing all the tenants to be moved. The re-development has occurred and the estate is now a mix of private and public housing.

Under the Department's relocation policy she was only entitled to move to a one bedroom property, the only available one-bedrooms were in the older person's hi-rise, a considerable distance from her neighbourhood and supports.

"I grew up in High St Carlton near the Clare Castle Hotel. My mum said there were 12 or 13 of us kids but I only remember 9. My grandmother and mother were both barmaids at the Clare St Castle. My dad was from Geelong. I moved there to 1018 Lygon St and in 1974 into the walk-up at 41 Palmerston St with my four kids. They were the best years of my life. People undermine the flats but I'll never be so happy as I was there. I'd go back tomorrow if they'd let me".

The Department did work co-operatively with the tenant and us during both re-locations and suitable properties were found for her both times, she has since returned to a new public housing property that is in a mixed tenure building. However, the problem for this long term tenant is the new property is at the far end of Carlton removing her from her immediate neighbourhood. Whilst grateful to still live in Carlton she has been very unhappy after being displaced through continuing housing and amenity gentrification.

5. Families at risk

One of HAAG's major concerns is that families will be separated and displaced as part of this re-development, leading to an increase in homelessness. It is well known amongst tenants and support services that many of the proposed re-development sites contain large families in overcrowded living situations. Some of these family members are not listed on the lease but are sharing bedrooms out of necessity, due the lack of available affordable housing elsewhere. Many of these tenants are public housing eligible but have not applied due to impossibly long wait lists or in the case of very large families, the lack of suitable public housing to apply for.

It is HAAG's concern that without proper consultation and the inclusion of these families in planning for the re-development, they will not be able to move back into to the estate and will be cycling through private rental, housing crisis and homelessness for the long term.

6. The need for real consultation

If the minister intends to honor his promise that all current tenants of re-development sites can move back into their units, the 'true' demographics of the housing estates have to be garnered. If the DHHS 'Re-location teams' attempt to gather this information alone, it is likely to produce misinformation as tenants will be afraid to speak up and lose their tenancy. If however this information is sought through advocacy programs, DHHS will get more accurate results and prevent overcrowding in the re-developed sites. Tenants should also be involved in the process of designing their new units. This would ensure that tenants would return to the property after the re-development.

7. The need for tenant advocates

Advocacy workers should be employed to provide day to day coordination of tenant support. Advocacy workers would provide individual support for tenants through the negotiation of relocation offers and agreements. There needs to be a trusted, on-site, daily face for all tenants to consult when they are concerned. This also helps to reduce misinformation from spreading around the estate and means that tenants will be able to participate in group consultations with the confidence that they know the facts.

These funds could be made available to local services that tenants choose themselves and/or HAAG. HAAG has extensive experience in advocating for tenants through upgrading and redevelopment projects (for instance the Roberts Street re-development and the Northcote redevelopment). This support and co-ordination is different to the Community Legal Centres' work on these projects but is complimentary to the suite of support tenants need.

8. Rent and Regulations

It is important that if DHHS insists on transferring management of Public Housing over to Community Housing Providers that tenants are not in any way disadvantaged by loss of security of tenure, rent increases or access to maintenance. HAAG regularly encounters community/social housing tenants who are facing steep rent increases following the death of a spouse (where the tenant is then expected to cover the cost of the spouse's rent). Issues with difficult and non-existent procedures relating to maintenance and modifications are also reported.

The same rent and regulations must be offered to tenants of social housing following the re-development:

- Rent must remain at 25% of a tenant's income rather than the 30% that many community housing providers choose to set.
- Tenants should always pay 25% of their income in rent and this should not increase if a co-tenant passes away or ends their lease (which is what often occurs in community housing)
- Tenants should have access to the same maintenance procedures that they have in public housing
- Tenants should be guaranteed security of tenure under the same conditions that exist in public housing

Presenting reasons for clients living in Community Housing1/07/2016 - 31/06/2017 Home at Last Service Data

Presenting reasons	Community housing	Percentage
Housing affordability stress	5	7%
Housing crisis (e.g. eviction)	11	16%
Financial difficulties	19	27%
Inadequate or inappropriate dwelling conditions	31	44%
Sum of Other	4	6%
Total	70	100%

Case Study 4

Couple (unnamed) – Social Housing Provider – Rent reduction issue

A couple were assisted by HAL to move out of the derelict private rental property they were living in. The couple were DSP recipients and both had serious multiple health problems, the wife has an intellectual disability. The condition of the property was severely impacting on their health and they had continual hospital admissions as a result.

The HAL service managed to secure them an appropriately designed 2 bedroom social housing property and they signed up paying rent of 30% of each pension, and 100% CRA. The couple were delighted with their new home as it met all of their requirements such as proximity to the hospital, adaptable to meet their physical needs, also located near to the support services that were assisting them to remain living independently.

Sadly though, after only living in their home for a couple of months, the husband passed away on Boxing Day. When we contacted the housing provider about his passing we were told that the property was leased on the basis there would be two incomes, when asked what that meant for the wife in practical terms, we were told the current rent would need to be paid, pointing out the obvious that she could not pay we were told she would need to move out.

We commenced advocating for her to remain living there and asked what was the process that would enable us to put forward her case to remain living there. We never received anything in writing on their rent policy and were told we needed to write to the Board. We did that and our request was rejected but we did find out through that process the client could apply for hardship which would reduce her rent but only for a period of six months, this was not something that was said to us at the first approach. We also explored with the provider the possibility of transferring her to a 1 bedroom if bedroom eligibility was an issue, we were told there were no 1 bedrooms available and no point being on the list as there was virtually no turn over.

The HAL service continued to fight the decision which included representation from local MP's, letters of support from four health and aged care providers, and information to the Minister of Housing over our concerns about the social housing system. Finally just as the hardship period was about to end the provider agreed to her staying.

Apart from the uncertainty of her tenure, the process the client was put through, particularly just after losing her husband, was harrowing and further exacerbated both her physical and mental health.

Case Study 5

Social Housing Provider – Rent reduction issue

A Woman who had been housed in social housing came to us for assistance to find alternate housing; she was facing eviction for rental arrears and could no longer afford to pay the rent

charge. The woman's rent had been calculated on her husband's DSP payment and her Carers benefit.

The woman's husband had been admitted to a nursing home and she therefore lost her Carers payment and was forced onto Newstart. Her husband's pension was paying for his nursing home costs.

The woman contacted the provider when her income changed and they said she needed to continue to pay her current rent and that it couldn't be adjusted. Given this was impossible to do the woman paid some rent but fell into arrears quickly. The provider commenced legal action almost immediately, to further impact on her financial and emotional stress the woman's husband passed away during this time and she incurred more debt due to funeral costs.

Inevitably the housing provider took the woman to VCAT for rental arrears and requested an Order of Possession; they did this on the basis they believed the woman would never be able to pay the rent charge. The HAL service represented the woman at VCAT and requested their rent calculation policy and the formula they were using to calculate their rent. Extraordinarily, the Housing Officer stated to the VCAT member that the Government would not allow them to provide that information as it was confidential. As VCAT had no jurisdiction over rent calculations and the rent charge, the rent arrears were deemed to be correct and the Order of Possession was granted. We have since assisted the woman into public housing where the rent policy is clear and fair.

9. Suggested Plan

It is possible to re-develop the 9 housing estates without major disturbance to tenants and at the same time significantly increasing public housing stock. To prevent displacement, HAAG believes strongly that any public housing redevelopment needs to occur with the local tenant community fully engaged in the process. Below is a suggested plan;

- Tenants must be consulted meaningfully. Each tenant should receive a letter inviting them to consultation about the process. Given that many tenants may speak languages other than English or have low level literacy, these letters should be delivered by an individual who can then sit down with the tenant and a telephone interpreter if necessary to explain its content. Translated letters are not enough.
- Advocates (non-DHHS) are employed to work with every tenant about their housing and relocation needs, including planning for the type of housing stock and the design of their new homes.
- Tenants are moved into new stock that is **built on the property**- reducing disturbance such as having to re-locate schools, find new health care providers etc.
- Representatives of an independent advocacy service should be on-site on a daily basis and available to answer any questions tenants have
- All new stock will be public housing.

Above is the process that was described to HAAG by tenants who have gone through similar processes in the past. It has been done before and with the political will can be done again.

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