



## **Housing for the Aged Action Group submission to the Legislative Assembly Environment and Planning Committee inquiry into the supply of homes in regional Victoria**

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## About Housing for the Aged Action Group

Housing for the Aged Action Group (HAAG) is a member-based, community organisation specialising in the housing needs of older people. Based in Melbourne, HAAG has over 900 members across Australia actively working towards achieving housing justice. Established more than 40 years ago as a grassroots movement, HAAG has developed a robust service delivery arm in Victoria and has a strong advocacy presence for older people experiencing housing and homelessness related issues across Victoria and the country. During the 2023-24 financial year, HAAG supported over 1,800 older Victorians.

HAAG's *Home at Last* service provides a statewide phone line providing tenancy advice and support to older people across Victoria, including regional areas. Through the philanthropic support of the Ian Rollo Currie Foundation and the Federally funded [Care Finder program](#), HAAG provides outreach support to older people in the Goulburn-Hume region, the Barwon region and the Mornington Peninsula.

HAAG welcomes the opportunity to provide input into the Legislative Assembly Environment and Planning Committee [inquiry into the supply of homes in regional Victoria](#). HAAG hears every day from older people living in regional Victoria about the serious lack of homes for older people in regional Victoria, particularly affordable homes that provide the security older people need to age in place. The lack of homes has a serious impact on the health and wellbeing of older Victorians.

This submission is based on our experience delivering housing and related support services to older people, research and lived experiences of older people experiencing housing stress or homelessness in regional Victoria. We especially acknowledge the contributions to this submission made by HAAGs regional workers.

## Recommendations

- i. **Increase public and community housing to 10% of all housing stock by 2040. At minimum, 20% of all public and community housing should be ringfenced for older people over 55**
- ii. **That revenue generated from the Short Stay Levy be earmarked for public, community and affordable housing in regional areas**
- iii. **The Victorian government invest in HAAG's *Home at Last Service* to ensure older people across all regional Victoria can receive housing advice and support**
- iv. **Accelerate incorporating accessibility standards including installing ramps, handrails, accessible bathrooms in all Victorian homes including in private rental properties and rooming houses**
- v. **Ensure that all public, community and private rental homes are climate resilient**
- vi. **The Victorian government invest in a shared equity scheme for older people**
- vii. **Ensure disaster preparedness and recovery planning incorporates support for low-income older people, and enables them to remain in their communities**
- viii. **Ensure that access to community supports and services is incorporated into the development of new housing projects**

- ix. Ensure that small second dwellings on existing properties are used for long-term housing as opposed to temporary housing such as Airbnb or holiday homes**

## Context

Having safe, affordable, accessible and long-term housing is fundamental to healthy ageing and the wellbeing of older people. However, an increasing number of older people are experiencing homelessness, at risk of homelessness, or in housing stress. These older Victorians are retiring into insecure and unstable housing, and the number experiencing this is only continuing to grow.

The current housing crisis facing Victorians is well recognised. While many older Victorians own their home, increasing numbers of older people are experiencing extreme housing stress and homelessness. The needs and experiences of these older people is too often overlooked as a result of assumptions that they own their own homes.

HAAG research examining the housing circumstances of people aged 55 years and over, based on Census analysis and Homelessness Estimates, over a ten-year period between 2011-2021 found that:

- The population is ageing
- Fewer older people live in homes that are owned outright
- The proportion of older people living with a mortgage is increasing
- There are decreasing proportions of older people living in social housing
- There are more older people living in private rental, the least secure housing tenure
- Private rental is increasingly unaffordable, especially for the lowest income households
- More older people are experiencing homelessness or are marginally housed.<sup>1</sup>

Older people are being pushed into severe housing stress and poverty due to the combined impact of skyrocketing housing costs and costs of living, along with the significant inadequacy of Age Pension and Jobseeker payment. These are in addition to a lack of affordable housing from decades of underinvestment by governments in social and affordable housing, a retirement system that assumes home ownership, and structural gender inequality. And yet, we know that as people age their need for secure, affordable and appropriate housing grows in importance.

Over the last decade there has been a 77% increase in older people renting privately in Victoria, and this number will continue to rise without significant government action. In Victoria, there are at least 85,000 older people over 55 renting privately in the lowest two income quintiles, nearly 29,000 of whom live in

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<sup>1</sup> Housing for the Aged Action Group, Ageing in a Housing Crisis: Older People's housing insecurity and Homelessness in Australia <https://www.older tenants.org.au/publications/ageing-in-a-housing-crisis-older-peoples-housing-insecurity-homelessness-in-australia> Swinburne University, University of Western Sydney, Curtin University.

regional areas.<sup>2</sup> At the same time, rental prices have escalated, to the point where the 2024 Anglicare Rental Affordability Snapshot (RAS) for Victorian notes that ‘As in previous years, the data from the 2024 RAS has revealed the extent to which private rentals are out of reach for Victorians on income support and low wages, particularly job seekers, students and those living with a disability. Rent continues to stretch the household budgets of families and individuals, at a time when prices of other household essentials such as groceries, utilities and petrol are also rising.’<sup>3</sup> Median weekly rent in regional Victoria increased from \$370 to \$460 between 2021 and 2024 – a 24% rise.<sup>4</sup> Income support payments have not kept pace with rental increases, placing the majority of the older renters at risk of severe rental stress, experiencing, or at risk of, homelessness.

Current rental legislation also does not provide renters in the private market with housing that has security of tenure and that is affordable and safe.

Despite the general perception that housing is more affordable in regional areas, this is often not the case. Anglicare’s Rental Affordability Snapshot 2024 confirmed that only a small number of rental properties in regional Victoria are affordable for older people on JobSeeker payment or the Age Pension.<sup>5</sup>

The 2021 Census revealed that there’s been a rapid increase in homelessness in regional Victoria, with the total number of homeless people in regional local government areas increasing by 52% between the 2016 and 2021 census, compared to a 17% rise in the metropolitan area.<sup>6</sup>

HAAG research has also shown that between the years 2011 and 2021 in regional Victoria there was an increase in the proportion of Victorians aged over 55 years who rent privately, or who still have a mortgage. At the same time there was a decrease in the proportion of regional Victorians over 55 years living in social housing.<sup>7</sup>

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<sup>2</sup> 4 W. Stone et al, Ageing in a Housing Crisis: Older people’s housing insecurity & homelessness in Australia (Commissioned by Housing for the Aged Action Group), 2023, accessible at:

[https://www.olderrenters.org.au/sites/default/files/decades\\_of\\_decline\\_2011-21\\_victoria.pdf](https://www.olderrenters.org.au/sites/default/files/decades_of_decline_2011-21_victoria.pdf)

<sup>3</sup> <https://www.anglicare.asn.au/wp-content/uploads/2024/04/Rental-Affordability-Snapshot-Regional-Reports.pdf>

<sup>4</sup> <https://www.anglicare.asn.au/wp-content/uploads/2024/04/Rental-Affordability-Snapshot-Regional-Reports.pdf>

<sup>5</sup> <https://www.anglicare.asn.au/wp-content/uploads/2024/04/Rental-Affordability-Snapshot-Regional-Reports.pdf>

<sup>6</sup> <https://www.abc.net.au/news/2023-07-16/homelessness-regional-victoria-squatting-geelong/102596558>

<sup>7</sup> Reynolds, R, Veeroja, P, Perugia, F, Stone, W, R. Power, E.R, James, A (2023), Older people’s housing and housing precariousness in Victoria (2011-2021), Research Insights Report Series, Swinburne University of Technology, Housing for the Aged Action Group. <https://doi.org/10.26185/v77z-2m88>

## Issues with the supply of homes in regional Victoria

The most significant issue with the supply of homes in regional Victoria for older people on low incomes is the extreme shortage of homes that are affordable to them. Decades of under investment in housing, and policies that distort the housing market, have led to an acute shortage of both social housing and affordable private rental properties. As a result, older people are increasingly experiencing housing precarity and homelessness, with the many accompanying effects on their health and wellbeing.<sup>8</sup> Key issues identified by HAAG's regional workers include:

- Lack of public, social and affordable housing stock
- Short stay accommodation is depriving regional areas of housing
- More support is needed for older people in regional Victoria experiencing housing crisis
- Accessibility and environment standards need to support people to age in place
- Disaster preparation and response
- Housing solutions are needed for older people with assets who are not eligible for public and community housing
- Need to ensure services such as health, transport, shopping, etc, are provided to regional areas when homes are built
- Secondary dwellings to increase affordable housing stock

The following case study illustrates the challenges faced by older people finding housing in regional Victoria.

### **Gordon\***

Gordon\*, in his early 70's, had previously lived in public housing, but was relocated after the site was marked for redevelopment. The property that he relocated to became unsuitable for his needs and he was forced to find a rental property. He experienced homelessness after his private rental in regional Victoria was impacted by the October 2022 floods.

Since then, he has stayed temporarily with family and friends from time to time. Despite actively searching for private rentals and approaching multiple real estate agents, he has been unable to find any properties that were affordable on the Age Pension, reporting high level of competition for properties at the 'lower' end of the private market. He believes he did not receive compensation or housing support after the floods as he is not a homeowner.

\*Name and other identifiable information have been changed for privacy

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<sup>8</sup> Ong ViforJ, R., et al (2022) Precarious housing and wellbeing: a multidimensional investigation, AHURI Final Report No. 373, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/373>, doi: 10.18408/ahuri8123801

## 1. Lack of public, social and affordable housing stock

Increasing the number of public, community and affordable homes is essential to address the housing crisis facing Victoria. Victoria has the lowest rates of social housing in the country. In 2023, the proportion of social housing households in Victoria was 2.8% (a decline from 3.5% from 2014) compared to 4.1% nationally.<sup>9</sup> Given the scale of the issue, Victorian government should urgently increase public and community housing stock to bring the housing level to the national average.

Measures to increase the supply of general or affordable housing to address current housing shortages will not increase supply for the most vulnerable older people unless it is dedicated public or community housing. While Victorian and Federal programs designed to increase social housing, such as the Big Housing Build, are providing important increases in homes, these are not enough to meet the needs of low- and middle-income Victorians.

The Big Housing Build earmarked 25% investment in regional areas<sup>10</sup>, and a Regional Housing Fund, however, regional areas report that the levels of investment from these programs is insufficient to meet demand in the area, and the Municipal Association of Victoria has observed that ‘there is very limited evidence that building more private market housing alone can address the housing affordability crisis affecting so many residents.’<sup>11</sup>

With growing demand and the unprecedented housing crisis, more government investment in public and community housing is urgently needed. This should include community education by all levels of Government, about the value of this type of housing to build support amongst the community for these developments.<sup>12</sup>

HAAG supports calls from the sector for increasing public and community housing to 10% of all housing stock by 2040.

### Recommendation

- i. **Increase public and community housing to 10% of all housing stock by 2040. At minimum, 20% of all public and community housing should be ringfenced for older people over 55**

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<sup>9</sup> Australian Institute of Health and Welfare, Housing assistance in Australia, 2024, accessible at: <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/households-and-waiting-lists>

<sup>10</sup> <https://www.vic.gov.au/victorias-housing-statement-0/new-homes-regional-victoria>

<sup>11</sup> SGS Economics and Planning for the Municipal Association of Victoria, 2023 [https://www.mav.asn.au/\\_data/assets/pdf\\_file/0019/35056/Shaping-regional-and-rural-Victoria-A-discussion-paper-SGS-and-MAV-21dec23.pdf](https://www.mav.asn.au/_data/assets/pdf_file/0019/35056/Shaping-regional-and-rural-Victoria-A-discussion-paper-SGS-and-MAV-21dec23.pdf)

<sup>12</sup> <https://www.abc.net.au/news/2022-06-22/shepparton-council-votes-down-social-housing-proposal/101170804>

## 2. Short stay accommodation is depriving regional areas of housing

In regional areas that are popular tourist destinations, short stay accommodation takes housing out of the market, pushing up rental prices and preventing people on low incomes from gaining housing.<sup>13</sup> Workers providing essential services in these areas, including those providing aged care supports and health care, are also unable to find rentals, making it harder for older people to access the supports they need to age in place.

HAAG welcomes the introduction of the Short Stay Levy. Revenue collected from the levy should be earmarked for public, community and affordable housing in regional areas where the levy applies. However, the Housing Statement provided that only 25% of the funds raised by the levy is invested in regional areas.<sup>14</sup> For example, the Mornington Peninsula has a large amount of short-stay accommodation, however, only received five new homes under Big Housing build.<sup>15</sup>

### Recommendation

- ii. **That revenue generated from the Short Stay Levy be earmarked for public, community and affordable housing in regional areas**

## 3. Support for older people in regional Victoria experiencing housing crisis

*'The demand for HAAG services just keeps increasing. Older people in housing crisis don't have any idea where to go, the system, what's out there. So they think their only options are to live with family, in their car, or in the bush...You see the devastation on their face when someone is homeless for the first time. Once they're housed there's an instant difference'.* HAAG regional worker

Many older people experiencing homelessness for the first time have worked all their lives, owned homes or rented a property for a long time. They have previously not needed to access housing supports, and are unfamiliar with the service system. At the same time, they have specific needs that are not well understood by the generalist homelessness service system.

HAAG's *Home at Last* service fills this gap, by providing vital support to older Victorians experiencing housing crisis, particularly in the private rental market. This is particularly challenging for older people who are on low-incomes or relying on government income support payments as their main source of income. This crisis is exacerbated by the lack of supply of public, community and affordable housing targeted to older people.

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<sup>13</sup> T. Burke, Short term rental accommodation: new directions, new debates, 2023, accessible at: <https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2022/12/byron-shire-short-term-rental-pp/ahuri-report/ahuri-report.pdf>

<sup>14</sup> [https://www.vic.gov.au/sites/default/files/2023-09/DTP0424\\_Housing\\_Statement\\_v6\\_FA\\_WEB.pdf](https://www.vic.gov.au/sites/default/files/2023-09/DTP0424_Housing_Statement_v6_FA_WEB.pdf)

<sup>15</sup> <https://www.homes.vic.gov.au/strategic-partnership-projects>

The HAAG *Home at Last* service model demonstrates that better housing outcomes can be achieved for older people experiencing financial disadvantage. *Home at Last* provides accessible, equitable and appropriate support and housing information for older people who are experiencing homelessness or at risk of homelessness. Services include:

- tailored housing information
- assistance with housing applications
- support during the move, and establishing a new home
- referrals into aged care and other relevant supports.

A key component of the service is its focus on early intervention. This occurs through engagement with communities directly and through peer educators who can reach people at risk of homelessness before they get to a crisis point.

However, despite the value and success of *Home at Last*, the current funding level only allows us to provide outreach and one-to-one support in the northern and western metropolitan areas. It is only through the generosity of philanthropic funding that we can provide outreach support in the Goulburn-Hume region.

With the rapidly growing demand for services in regional Victoria, HAAG proposes the government urgently increase investment in *Home at Last's* capacity to enable it to meet demand across the full metropolitan and regional areas.

## **Recommendation**

- iii. The Victorian government invest in HAAG's *Home at Last* Service to ensure older people across all regional Victoria can receive housing advice and support**

## **4. Accessibility and environment standards need to support people to age in place**

Numerous government policies have identified the importance of supporting older people to age in place. As a result of ageing and pre-existing health issues, a considerable proportion of older people need housing that is accessible. Often this can be achieved by small to medium modifications to existing properties.

During 2023/24 financial year, approximately 50% of HAAG's clients had mobility issues that impacted on their housing and so needed accessible housing. Although mandatory minimum accessibility standards have been included in the National Construction Code, due to supply delays and other challenges, there is a significant lack of accessible housing in the private rental market. A lack of accessible housing, and a lack of funds to modify homes to make them more accessible means that mobility issues can push people into homelessness.

With limited housing options that are accessible and affordable for people with disability and older people, there is intense competition for the small number of houses that are accessible, close to amenities and are affordable. Many older people are struggling to find housing that meets their growing



accessibility needs in the private rental market. For those who are already in private rentals, there are significant challenges with improving the conditions to ensure properties are accessible for those with mobility issues. Although rental providers can no longer refuse reasonable requests for home modifications from tenants, many older renters are afraid of asking for home modifications due to the fear that it may result in rent increases or that they may be asked to vacate the home.

*“Older people are worried about asking for simple modifications or renovations that would make their housing more liveable because they don’t want to ‘rock the boat’. They already know how tight the rental market is and how difficult it would be for them to re-enter and compete when there are hardly any rental properties that are truly affordable.”*

HAAG reference group member

In addition to accessibility requirements, it is vital that properties have the heating, cooling and ventilation necessary for older people to have liveable homes. Too many HAAG clients talk about not being able to heat or cool their properties either because the appliances are not installed, or because they cannot afford to operate them. However, renters have little control over improvements that make the biggest difference to costs, such as insulation and heating and cooling appliances. Older renters on low incomes may not have the financial capacity to purchase heating or cooling equipment to make their housing habitable where landlords fail to do so. Others are reluctant to request improvements, fearing it might jeopardise their tenancy and put them at risk of homelessness.

Regional Victorians experience these challenges most acutely, with hotter temperatures along with the impacts of fires and floods. Climate change, which has a disproportionate impact on the most vulnerable communities, will only exacerbate this. Older people are at greater risk from heat waves, storms, floods, and other extreme events due to low income, health conditions, reduced mobility, or from living alone.<sup>16</sup>

Ensuring that older people across Australia have liveable homes and have subsidies to cover increased utility costs, especially during extreme weather events, is a key responsibility of government.

Minimum energy standards would ensure that renters can have a home that keeps them healthy. It is vital that rental energy performance standards are implemented and that the needs of low-income renters are a priority.

## Recommendations

- iv. Accelerate incorporating accessibility standards including installing ramps, handrails, accessible bathrooms in all Victorian homes including in private rental properties and rooming houses**
- v. Ensure that all public, community and private rental homes are climate resilient**

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<sup>16</sup> K. R. Smith, et al, [Human health: impacts, adaptation, and co-benefits. In: Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part A: Global and Sectoral Aspects](#), Cambridge University Press, 2014

## **5. Housing solutions are needed for older people with assets who are not eligible for public and community housing**

More than 100,000 Victorians aged 55+ have modest assets<sup>17</sup>, which means they cannot afford to purchase a home, yet are ineligible for public or community housing and are therefore subject to the uncertainties and expense of renting privately. These older people have no option but to run down their savings until they can join the lengthy waiting lists for public or community housing, placing them at risk of homelessness. There are also increasing numbers of older people with very low to moderate household wealth, on low incomes, who are paying off their mortgages close to retirement.

Solutions are required to enable these older people to have the secure and stable housing they need. A shared equity housing scheme is an example of this type of solution, by enabling older people to use existing assets to purchase a home, or remain in a home with a mortgage. Shared equity housing shares the value of a dwelling between more than one legal entity, such as the purchaser and government. However, existing schemes are unavailable to, or do not work in favour of older people, particularly older women, who may be denied a bank loan by commercial banks, or be ineligible due to previous home ownership.

Studies have shown that shared equity housing models have potential to address rising housing precarity and prevent homelessness among people over 55.

### **Recommendation**

- vi. The Victorian government invest in a shared equity scheme for older people**

## **6. Disaster preparation and response**

HAAG has provided assistance and support to people affected by natural disasters, such as the 2022 floods in regional Victoria and the 2019-20 bushfires. Despite the time elapsed since these disasters, many households are still without homes and require support so they can return home and remain in their communities. However, a constellation of factors have combined to make this particularly difficult. Escalating rents and building costs and a lack of trades people have made it particularly hard for people who are living on income support payments or in low paying jobs. In regional areas rental properties are scarce as much housing stock was destroyed by disasters, and other properties are unavailable for long term rental by local residents, as landlords have moved them to Airbnb.

Long term support to assist people with housing to remain in their communities is vital for wellbeing. This should include a focus on rebuilding rental housing, and ensuring that temporary responses, such as modular homes, are available for as long as they're required.

At the same time, planning for future disasters must recognise the impact on housing, and ensure that adequate provisions are made to enable people on low incomes, including older people, are able to

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<sup>17</sup> [https://www.older tenants.org.au/sites/default/files/not\\_poor\\_enough\\_not\\_rich\\_enough.pdf](https://www.older tenants.org.au/sites/default/files/not_poor_enough_not_rich_enough.pdf)

remain in their communities – or return as soon as possible – after natural disasters.

#### **Recommendation**

- vii. Ensure disaster preparedness and recovery planning incorporates support for low-income older people, and enables them to remain in their communities**

### **7. Provision of services such as health, transport and shopping**

In seeking affordable rental housing, some older people move to regional areas in the hope of cheaper rents. While their rental costs may improve, they can find themselves away from family and friends, in areas with fewer formal services and supports, and with limited transport to access services in larger regional centres. As a result, they can become isolated and struggle to have their health needs met.

Similarly, housing providers can find that building social or affordable housing in small communities is more affordable. Any increase in housing is warmly welcomed, however, these communities may have limited or no essential services such as doctors, hospitals, allied health care, transport or shops. It is vital that housing developments also ensure that community supports and services are available for the population.

#### **Recommendation**

- viii. Ensure that access to community supports and services is incorporated into the development of new housing projects**

### **8. Secondary dwellings to increase affordable housing stock**

Small second dwellings on existing properties have the potential to increase affordable housing stock, and HAAG welcome Victorian Government initiatives to facilitate planning approvals for them.<sup>18</sup> The intention of the policy is ‘giving families more housing choice and boosting housing supply.’<sup>19</sup> This initiative has the potential to provide an affordable housing option for older people live in the community, close to their families and children. However, it is imperative to ensure that legislation covers rental protections for these small dwellings. This should include provisions to ensure that these units are used for long-term housing as opposed to temporary or holiday accommodation such as Airbnb.

#### **Recommendation**

- ix. Ensure that small second dwellings on existing properties are used for long-term housing as opposed to temporary housing such as Airbnb or holiday homes**

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<sup>18</sup> <https://www.planning.vic.gov.au/guides-and-resources/strategies-and-initiatives/small-second-dwellings>

<sup>19</sup> <https://www.planning.vic.gov.au/guides-and-resources/strategies-and-initiatives/small-second-dwellings>