



HOUSING FOR THE AGED ACTION GROUP INC.

Submission to National Housing and Homelessness Plan Bill 2024

For further information please contact:

Fiona York, Executive Officer

Email: haag@oldertenants.org.au

About Housing for the Aged Action Group (HAAG)

Housing for the Aged Action Group (HAAG) is a member-based, community organisation specialising in the housing needs of older people. The organisation has over 850 members across the country actively working towards achieving housing justice. Established over 40 years ago as a grassroots movement, the organisation has developed a robust service delivery arm in Victoria and has a strong presence in advocacy for older people experiencing housing and homelessness related issues across Australia. During the 2022-23 financial year, HAAG supported close to 1,550 older people in Victoria.¹

In 2016, HAAG was funded by the Wicking Trust (a philanthropic organisation) to conduct research in every state and territory to understand the depth and breadth of housing and homelessness issues of older people. In consultation and engagement with services, people with lived experience, advocates and peak advocacy bodies across Australia, the research project produced a number of reports on the housing issues of older people.² HAAG was funded in 2020 for a further four years to continue this work.

HAAG welcomes the opportunity to provide input into *National Housing and Homelessness Plan Bill 2024* (the Bill). We appreciate Senator David Pocock, Kylea Tink MP and other members for their efforts bring this Bill forward and echo the support from the community sector organisations including National Shelter, Homelessness Australia and Community Housing Industry Association. Among other things, the submission below outlines the housing and homelessness related challenges of older people and the need to specifically recognise their needs similar to other cohorts highlighted in the Bill.

Recommendations

- Ensure representation of older people in the National Housing Consumer Council along with other identified cohorts.
- Ensure the National Housing and Homelessness Plan include expansion of alternative housing options that are affordable for older people such as retirement villages, co-housing models and co-operative housing models.
- Incorporate a definition for *affordable housing* capped at 30% of household income into the *Housing Australia Future Fund Act 2023* for all Federal Government funded affordable housing properties for people in the lowest two income quintiles.
- Make homes climate safe for older people by prioritising retrofitting of public and community housing to withstand extreme weather events.
- Ensure Royal Commission into Aged Care Quality and Safety is part of the groundwork for the National Housing and Homelessness Plan Bill.
- Make provisions in the Bill to address parallel policy areas such as changes in Aged Care, domestic and family violence, elder abuse and as part of a broader framework to recognising housing as a human right.

¹ Housing for the Aged Action Group, Annual Report 2022-2023, accessible at: https://www.oldertenants.org.au/sites/default/files/annual_report_2021-22.pdf

² See further: Housing for the Aged Action Group, Ageing on the Edge National Action Project, accessible at: <https://www.oldertenants.org.au/ageing-edge-national-action-project>

Context

Having access to safe, affordable, accessible and long-term housing is fundamental to healthy ageing and wellbeing of older people. Cost of living pressures, mainly due to skyrocketing housing costs, coupled with the significant inadequacy of Age Pension and Jobseeker payment are pushing older people into severe housing stress and poverty. The rental market is particularly challenging for older people who are on low-incomes or relying on government income support payments as their main source of income. Even before the current rental crisis, Retirement Income Review Final Report found that renters and involuntary retirees experience higher levels of financial stress and poverty than the working-age population.³

According to census data, about 700,000 people aged 55 and older rented from a private landlord, a 73% increase in ten years. There are at least 220,000 older people over 55 renting privately in the lowest two income quintiles.⁴ Since the census, there was an 'unusually strong pace of growth in rent values nationally, where the estimated median weekly rent value across Australian dwellings increased by \$115 through to the end of April 2023'.⁵ Therefore, the majority of the older renters are now likely to be in severe rental stress, experiencing or at risk of homelessness.

For many single older people relying solely on income support payments such as Age Pension, the maximum payment they are eligible to receive is approximately 1,116.30 a fortnight.⁶ The maximum amount of Commonwealth Rent Assistance they are eligible for is about \$188.20 a fortnight⁷, bringing the total fortnightly income to approximately \$1,304.00. Based on this, the highest amount of rent they can pay is approximately \$400 a fortnight to avoid being in rental stress. There are very limited options in the private rental market that are affordable for older people who are less likely to find alternative income sources.

Comments specific to the Bill

As highlighted above, HAAG supports the objectives and the intention of the Bill including recognising housing as a human right. Developing the National Housing and Homelessness Plan based on a human rights framework including recognising adequate housing as a human right will underscore equitable access to affordable, safe and long-term housing. This will also have implications for healthcare, participation in society and equitable economic opportunities for all, especially those who are currently experiencing disadvantages in the housing market.

Membership of National Housing Consumer Council

As an organisation that is guided by a strong membership base of older people with lived experience of housing stress and homelessness, it is encouraging to see the proposal to establish a body representing interests of housing consumers recognised in the Bill. We support the clear references

³ The Department of Treasury, Retirement Income Review Final Report, 2020, accessible at: https://treasury.gov.au/sites/default/files/2020-11/p2020-100554-00bkey-observations_0.pdf

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/publications/ageing-in-a-housing-crisis-older-peoples-housing-insecurity-homelessness-in-australia>

⁵ Core Logic, Housing Affordability Report: Reflections on the Pandemic and the Rental Market, 2023, accessible at: <https://www.corelogic.com.au/news-research/reports/housing-affordability>

⁶ Typical total rates include Pension Supplement and Energy Supplement.

⁷ See further: Services Australia, Payment Guide, accessible at: <https://www.servicesaustralia.gov.au/sites/default/files/2024-06/co029-2407.pdf>

to representative groups such as Aboriginal and Torres Strait Islander people, youth, people with disability and others. Unfortunately, the Bill does not specifically identify older renters as a cohort. As discussed above, older people experience unique challenges in the housing market and are less likely to find alternative income streams to increase their household income.

There are housing types such as retirement housing options where older people own the dwelling and rent the land, caravan parks and other forms of housing that are largely unregulated in some States and Territories. Considering all these, HAAG recommends that older people are represented in the National Housing Consumer Council along with other identified cohorts.

Improving housing supply

There is a significant focus on increasing supply as a means of addressing the current housing crisis. Federal government's National Housing Accord aims to deliver 1.2 million well located homes over five years from mid-2024.⁸ There are numerous incentives for the State and Territory Governments to boost this supply. Although this may assist in addressing some of the issues, it is less likely to take pressure off people who are experiencing financial disadvantage.

There are no market-based rental solutions that are affordable for older people on the lowest incomes. According to a recent report 82% of households in the lowest quintile nationally were found to be paying unaffordable rents in 2021.⁹ The same research also reported that, about 40% of the bottom income quintile (Q1) private renter households were aged 55 years and over.¹⁰ Thus, measures to increase general or affordable housing supply to address the current housing shortages across the country will not increase supply for this cohort of the most vulnerable older people, unless it is dedicated public or community housing.

Housing affordability

The explanatory memorandum refers to declining housing affordability and as a result declining home ownership rates among young people. The Australian retirement system is built on the expectation that older people will own a home at the time of retirement. Our research demonstrates that this is not the reality for 42% or more older people over 55 years.¹¹ A considerable proportion of older people over 55 years in the lowest income groups (income quintiles 1 and 2) were paying off a mortgage on their primary residence at last census. The number of older people living in low income (Q2) households in homes with a mortgage nearly doubled in the decade to 2021 (increasing 99% compared to 52% in Q1 and 67% in Q3 and above households).¹²

Measures such as first home buyers grants and shared equity schemes may support some people with home ownership aspirations. However, these often do not apply to or work in favour of older people, particularly older women over 55 who may not have enough assets to purchase a property in the private housing market or secure a bank loan even with government incentives.

⁸ The Treasury (Cth), Delivering the National Housing Accord, accessible at: <https://treasury.gov.au/policy-topics/housing/accord>

⁹ M. Reynolds et al, Affordable private rental supply and demand: short term disruption (2016–2021) and longer-term structural change (1996–2021), 2024, accessible at: <https://www.ahuri.edu.au/research/final-reports/416>

¹⁰ Ibid

¹¹ W. Stone, et al, Ageing in a Housing Crisis: Older people's housing insecurity & homelessness in Australia, 2023, accessible at: <https://www.older tenants.org.au/publications/ageing-in-a-housing-crisis-older-peoples-housing-insecurity-homelessness-in-australia>

¹² Ibid

"I just thought I'd go and use what I got out of it [divorce] as a deposit on another house. I've never thought of myself as not owning my own home. And when I went to the bank, they virtually just laughed at me, because I was 58, even though I worked all my life. I had a good deposit but nobody will touch me. I was a single woman at 58, they told me if it was my former husband, they would have given him a loan but because I was a woman, I wouldn't get one."

Member of HAAG's NSW Lived Experience Advocacy Group

HAAG and National Shelter recently commissioned academics from Swinburne University of technology to conduct research to identify and quantify the 'missing middle' cohort. This includes older people who have a small amount of savings or superannuation and therefore, ineligible for public and community housing. Anecdotally, HAAG understands that most people that fall into this category are older women who have previously owned housing but due to relationship breakdown, ill-health or age/gender discrimination are unable to find appropriate work. This research is due to be finalised in October.

Addressing housing affordability require a multifaceted approach that include assisting young people to purchase a property, but it is equally important to support people who are currently over 55 years and paying off a mortgage to prevent them from falling out of home ownership, identifying alternative housing options that are affordable for older people such as retirement villages, co-housing models and co-operative housing models.

Affordable rental housing options

There is no clear and consistent definition of affordable housing in Australia. Different levels of government including State and Territory governments provide affordable housing and rely on different definitions. An AHURI research defined 'affordable housing' as housing provided subject to access and affordability requirements set by government. This included: rental housing priced at below market rents and earmarked for eligible low to moderate income households.¹³

Nearly a quarter of a million (227,565) older people were living in very-low (Q1) and low income (Q2) households that were paying unaffordable rents in the private rental sector in 2019-20. This number increased by 52% in the decade from 2009-10 to 2019-20, from a previous total of 149,528.¹⁴ It must be noted that the data is a few years old and collected before the rental crisis. From HAAG's service experience and member groups, it is clear that these numbers are a severe under representation.

According to Housing Australia Future Fund Facility and National Housing Accord Facility Program Fact Sheet, 'Affordable Housing' means dwellings that are provided at a rent that is 74.9% or less of

¹³ V. Milligan, et al, Profiling Australia's affordable housing industry, AHURI Final Report No. 268, 2016, accessible at: <http://www.ahuri.edu.au/research/final-reports/268>

¹⁴ W. Stone, et al, Ageing in a Housing Crisis: Older people's housing insecurity & homelessness in Australia, 2023, accessible at: <https://www.older tenants.org.au/publications/ageing-in-a-housing-crisis-older-peoples-housing-insecurity-homelessness-in-australia>

the market rent for each dwelling to households meeting the income eligibility limits.¹⁵ Given the current market rents, a 25% discount will not be a reasonable marker of affordability.

HAAG recommends incorporating a definition for *affordable housing* capped at 30% of household income into the *Housing Australia Future Fund Act 2023* for all Federal Government funded affordable housing properties for people in the lowest two income quintiles. The Federal Government through the National Housing and Homelessness Plan should also take initiative to create national consistency in relation to affordable housing for those on low to moderate incomes capped at 30% of household income.

Improving housing quality including the quality of existing and newly constructed houses

With limited housing options that are accessible and affordable across the country for people with disability and older people, there is stiff 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. About 50% of older people HAAG supported into public and community housing had accessibility needs, demonstrating the increasing demand for accessible housing as people age.

Climate change can have disproportionate impacts on the most vulnerable communities. Older people are at greater risk from storms, floods, heat waves, and other extreme events in part because they tend to be less mobile than younger adults and so find it more difficult to avoid hazardous situations.¹⁶ Older people are also more likely to suffer from health conditions that limit the body's ability to respond to stressors such as heat and air pollution.¹⁷

A recent AIHW report found that age increased hospitalisations and deaths as a result of weather-related injuries. The highest numbers and proportions of cases hospitalised with extreme weather-related injuries were aged 65 years or older accounting to over 35% of hospitalisations.¹⁸ Extreme weather-related injury deaths were predominantly among people aged 45 years and over with 77% of deaths accounting for those over 45 years and over half or 52% of deaths were people over 65 years.¹⁹ This demonstrates the significantly disproportionate impact of extreme weather events on older people.

Case Study

Baida* and her mother Fayruz* rent a small two-story townhouse in Victoria. Baida is the sole carer of Fayruz who needs full-time care as she has Dementia as well as mobility issues that

¹⁵ Housing Australia, Housing Australia Future Fund Facility and National Housing Accord Facility Program Fact Sheet, January 2024, accessible at: https://www.housingaustralia.gov.au/sites/default/files/2024-01/hafff_nhaf_fact_sheet_-_general.pdf

¹⁶ 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, pp. 709-754

¹⁷ Ibid

¹⁸ Australian Institute of Health and Welfare, Let's talk about the weather: injuries related to extreme weather, 2023, accessible at: <https://www.aihw.gov.au/reports/injury/extreme-weather-injuries/contents/about>

¹⁹ Ibid

require the use of a walking frame. Their rent increased to \$1,600 a month in October 2023 which is about \$150 more than what they were paying previously. As a result of this rent increase, they are now paying more than 50% of their combined household income on housing, leaving them with little money left for food, medication and utilities. They indicated that given Fayruz's high medical costs for her regular medications, they both find that food is lower on their list of priorities.

Due to Fayruz's mobility issues, she is unable to access the bedrooms upstairs and they have created a makeshift sleeping arrangement downstairs in the living room. The townhouse is not properly insulated with large windows and tiled floors. They find the property extremely cold in winter and unbearably hot in summer. Cold weather aggravates Fayruz's health issues. The only form of heating they have is an old heater that has very low energy ratings and is not working properly. They only use heating on extremely cold days to keep the living room area warm at night and still find the energy bills too high to manage on their limited income.

They have previously sought assistance from extended family members and friends in their community as they do not speak English. The language barrier is another challenge they experience as it is difficult for them to find food banks in their area or access government subsidies to supplement energy bills. They are unable to find alternative affordable rental housing options in the area close to their community, health services and other supports. They are currently receiving assistance to access Victorian Social Housing which can take up to 18 months to two years.

**Names and other identifiable information have been changed for privacy*

There is general consensus that climate change induced weather events are becoming more frequent and increasing severity.²⁰ A considerable number of older people who were in flood impacted properties are living transient lives or experiencing homelessness. Providing these individuals with urgent access to public housing should be a key priority for all levels of government as well as ensuring those in flood risk areas are relocated to safer properties.

Case Study

Gordon*, who is almost 70-years-old, 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 Seymour, 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.

²⁰ Intergovernmental Panel on Climate Change, Climate Change 2022: Impacts, Adaptation and Vulnerability, 2022, accessible at: https://report.ipcc.ch/ar6wg2/pdf/IPCC_AR6_WGII_FinalDraft_FullReport.pdf

He was linked in with the HAAG's service for support to reapply for public and community housing, as the only affordable and secure option.

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

The inconsistencies in relation to universal accessibility standards should be addressed by ensuring housing stock is appropriate for people with mobility needs. HAAG recommends the Bill has a focus on increasing accessible housing stock including climate adaptability. As a starting point, this could include making homes climate safe for older people by prioritising retrofitting of public and community housing to withstand extreme weather events.

National Housing and Homelessness Plan progress reports

HAAG agrees that the Plan needs to clearly define and include measurable targets and evaluable indicators. Currently, the Productivity Commission reports on housing indicators for all States and Territories. Unfortunately, this data set is out of date or incomplete.²¹ Thus, National Housing and Homelessness Plan should be accompanied by a framework to publish data and information publicly on an annual basis to increase transparency and accountability similar to the Australian Institute of Health and Welfare (AIHW) Specialist Homelessness Services annual report. This will ensure that strategic and high-level objectives are meaningful to meet the needs and ensure accountability from all levels of government.

Other parallel policy areas to consider

There is a clear need to end the siloed approach to different policy areas such as housing, aged care, disability, health and mental health. There are numerous intersections between these policy areas and better coordination and collaboration between different departments as well as different layers of government would result in better outcomes across all of these portfolios.

Federal, State and Territory Governments have conducted or commissioned various inquiries into the aforementioned areas including Royal Commission into Aged Care Quality and Safety, Royal Commission into Disability and Victorian Royal Commission into Mental Health. All these inquiries contain detailed information and findings in relation to housing along with practical recommendations. It is encouraging to see the references made in the exposure draft to Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and the parallels between different policy areas.

Royal Commission into Aged Care Quality and Safety

The Royal Commission into Aged Care Quality and Safety final report states that 'there is a need to increase the availability of accessible social housing throughout Australia, so that an increased number of older people, including people experiencing homelessness and those at risk of homelessness, can age and receive aged care services at home. Unsuitable and insecure housing

²¹ Productivity Commission, Performance Reporting Dashboard, accessible at: <https://performancedashboard.d61.io/housing>

poses greater risks of falls, injury and immobility, as well as the prospect of unanticipated or early entry into residential aged care.²²

Royal Commission into Aged Care Quality and Safety report further states ‘... there is currently no discernible connection between the Australian Government aged care program and any Australian Government or State or Territory Government housing program. This must change’.²³

Given the distinct nexus between housing policy and ability of older people to age in place in safe, affordable and accessible housing, HAAG encourages the committee to consider the Royal Commission into Aged Care Quality and Safety as part of the groundwork for the National Housing and Homelessness Plan Bill.

New Aged Care Act

The Federal Government is in the process of developing the new Aged Care Act to replace the 1996 Act. The new Act is expected to have a stronger focus on rights of individuals accessing aged care services. The Exposure Draft of the Aged Care Act²⁴ contains a Statement of Rights that recognise the needs of different cohorts of older people. However, housing as a human right is not part of the Statement of Rights.

Impact of domestic/family violence and elder abuse on housing

There is ample evidence highlighting the nexus between domestic and family violence and/or elder abuse on housing outcomes. Elder abuse related housing challenges are more pronounced among older people. It is particularly challenging in instances where the perpetrator is a family member and older people are reluctant to complain due to fear of repercussions for their children. Given that this Bill is framed around human rights and the intrinsic link between various forms of abuse and violence, it is critical to identify and address the impact of domestic and family violence and elder abuse through the Bill.

Considering the direct co-relationship between Aged Care, domestic and family violence, elder abuse and other policy areas, we recommend that the committee makes provision to address these as part of a broader framework to recognising housing as a human right.

²² Royal Commission into Aged Care Quality and Safety, Final Report: Care, Dignity and Respect, 2021, accessible at: https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-3a_0.pdf

²³ Ibid

²⁴ Aged Care Act: exposure draft – Consultation paper, accessible at: <https://www.health.gov.au/resources/publications/a-new-aged-care-act-exposure-draft-consultation-paper-no-2?language=en>