Public Housing Redevelopments Impact Older Persons’ Health and Wellbeing

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The Victorian State Government’s public housing renewal program is a plan to sell land on existing public housing estates to private developers with a return of a ten per cent increase in public housing. This plan includes the relocation of current tenants to other public housing properties. It is a major undertaking that will take many years and affect many hundreds of current public housing tenants.

The program posits a public-private partnership to meet its goals of redevelopment of ageing public housing estates across Melbourne; land sold to private developers will be turned into predominantly private housing with a ten per cent increase in public accommodation incorporated into it. However, the Housing for the Aged Action Group (HAAG) notes that a major draw-back to public-private housing partnerships is a significant loss of public housing dwellings.

That is, in order for developers to make good on their investment generally more properties are set aside for private sale.¹ The recent parliamentary committee report that came from the inquiry into the public housing renewal program showed exactly this and that public land in Kensington was sold to developers for much less than market value.²

The last major increase to public housing occurred in 2008 when, as a response to the Global Financial Crisis, the then Rudd Government budgeted $6.3 billion to construct 19,300 new public housing properties. There has been no significant investment since.³ However, since then there has been significant research conducted into the number of Australians experiencing homelessness or housing stress. This research shows in particular that older people are the highest growing cohort at risk of homelessness due to a perfect storm of lower home ownership, higher use of the increasingly unaffordable private rental market and low rates of age pension and Rent Assistance.

Rapidly increasing house prices and cost of private rental, low wage growth and limited increases to government payments has led to higher competition for rental properties, particularly for older people. This has effectively priced them out of the market leaving the public sector as the only viable option for suitable housing. In this regard, demand for public housing by older people is expected to increase dramatically, particularly as people live longer and healthier lives and require less institutionalisation in aged care facilities.⁴ Public housing is important in breaking the link between poor housing options for those on low incomes, and is also a stabilising factor in the lives of many older people.⁵

Home at Last, the housing service of HAAG sees around 1,000 new clients a year with the majority eligible for priority segment applications through the Victorian Housing Register. Public housing is the best option for older people who are on low incomes as it provides security of tenure, is affordable with rent set at 25 per cent of income, can be easily modified with disability aids as a person ages and their health needs change, and is well-located close by to services and public transport. Accessing the priority lists means that we would generally house people in public housing within a one to six-month period. However, since the introduction of the public housing

Image provided by HAAG
renewal program we have seen a marked decrease in the number of offers coming through, meaning that we are housing a lot less people than we usually would. This is because public housing properties that would usually be offered to those who are homeless, or at risk of homelessness, are now going to transfers from the properties marked for redevelopment.

This is placing significant stress on those we are assisting, as we are unable to provide them with a secure path to end their homelessness or housing stress. The impact on these older people has been increases in mental health issues such as anxiety and depression, hospitalisation due to illness resulting from sleeping in cars, and some even not being able to undergo much needed surgical procedures as they have no place following discharge that is safe and will allow them to heal properly.

Because of the public housing renewal program Home at Last (HAL) housing workers are now reliant on hard to let public housing properties such as bedsits, as well as social housing and independent living unit providers for accommodation for our clients. We find ourselves for the first time since our service began in 2012 needing to prioritise those who are most urgent. Access to affordable, secure and suitable housing is essential for the maintenance of good health and wellbeing, particularly as people age, and older people who are homeless or at risk of homelessness are some of the most vulnerable in our community.

Access to public housing is the best way to alleviate this problem. However, older people on our support list are living in highly unsuitable housing. They are sleeping in their cars and in situations of elder abuse. Where the public housing system would once help these people to regain their independence, safety and security, we can no longer rely on this outcome due to the ill-conceived nature of this policy. HAAG understands the importance of upgrading Victoria’s ageing housing estates, and especially the dire need for more public housing to be built. However, we call on the Victorian Government to find another way to achieve these aims as the health and lives of thousands of older people depends on it.

A Case Study

Sue, aged 60, came to our service in late 2017 for housing assistance as the private rental she was living in was sold and she was unable to find another in time due to low income and high rental prices. She had worked all her adult life but recently had to stop due to illness; Centrelink only approved her for Newstart Allowance, however, despite poor health. Sue was assisted to find accommodation in a private rooming house through her local crisis housing service. The property is expensive and she is paying $200 per week for a tiny room with shared facilities with seven other residents. Sue also feels unsafe in the rooming house because the other residents are much younger than her, and she reports drug and alcohol issues at the residence. Sue’s current housing has exacerbated her depression and anxiety, she is in significant financial hardship, and says she feels a loss of identity and purpose.

A HAL housing support worker assisted Sue to complete a Homeless with Support application through the Victorian Housing Register and she has been approved on this waiting list since November 2017. Up until the Victorian State Government’s Public Housing Renewal Program came into effect Sue could expect to receive a public housing property offer within one to six months. However, since the introduction of this program Sue, along with thousands of others, will continue to languish on this list while her physical and mental health deteriorates.