



***Productivity Commission Inquiry into
Caring for Older Australians Submission***

March 21, 2011

Introduction

This document is Queensland Shelter's submission in response to the Productivity Commission's inquiry report: *Caring for Older Australians*, January 2011.

Queensland Shelter is a community organisation committed to working towards a fairer and more just housing system. We provide an independent voice on housing rights and act as a conduit between the community and government through consultation, research and policy advice. We are committed to improving housing access for all Queenslanders. Our funding mandate and social justice framework puts particular focus on the interests of low and moderate income housing consumers in Queensland.

Our members are both individuals and community organisations across the State. Queensland Shelter currently has a total of 18 active branches that are formed either around a geographical area, or represent specific housing needs. The special interest branches include Older Person's Speak Out (OPSO), the Indigenous Reference Group, and Agencies Supporting Housing for Asylum Seekers, Refugees and Migrants (ASHRAM).

To develop this submission Queensland Shelter referred to relevant academic and industry research and consulted with our seniors branch (OPSO). The views expressed in this submission are those of Queensland Shelter as an organisation and do not necessarily represent those of the organisations consulted.

Queensland Shelter would like to thank the Productivity Commission for this opportunity to comment on the wellbeing of older Australians and appreciates the forethought of the Commonwealth Government to plan for the future needs of our ageing population.

Queensland Shelter agrees with Andrew Jones' statement at the recent AHURi forum 'Future Housing for Older Australians', '[h]ousing should be at the centre of ageing policy because it is central to wellbeing and enjoyment of later life'. Adequate and appropriate housing can play a 'preventative' role in broader ageing policy, for example, by reducing reliance on health services and facilitating social inclusion¹.

In this submission we have responded to chapter 10, *Age-friendly housing and retirement villages*, in particular, sections 10.1 to 10.3. These sections focused on housing design, maintenance and modification, barriers to moving to more appropriate housing; age-friendliness of communities; and improving the supply and affordability of housing for older Australians.

Chapter 10: Age-friendly housing and retirement villages

Improving the ability of older Australians to age in their homes and communities

As discussed in the inquiry report, there are many benefits attributed to enhancing the ‘age-friendliness’ of housing and communities. Queensland Shelter supports the Productivity Commission draft inquiry recommendations 10.1 and 10.2. Further comments have been addressed under the following sub-points.

DRAFT RECOMMENDATION 10.1

The Australian, state and territory governments should develop a coordinated and integrated national policy approach to the provision of home maintenance and modification services, with a nominated lead agency in each jurisdiction.

To support this national approach, all governments should develop benchmarks for the levels of services to be provided, terms of eligibility and co-contributions, and the development of professional and technical expertise.

DRAFT RECOMMENDATION 10.2

For older people with functional limitations who want to adapt their housing, the Australian Government should develop building design standards for residential housing that meet their access needs. Those standards should be informed by an evidence base of the dimensions and capabilities of people aged 65 and older and of the dimensions and capabilities of contemporary disability aids.

10.1 Improving choice of age-friendly housing

Housing design

Queensland Shelter acknowledges as discussed in the inquiry that the housing market is already responding to the needs of older Australians with the provision of age-friendly housing increasingly embraced in social housing, the retirement village industry and other developments such as The Benevolent Society’s planned ‘Apartments for Life’. However, as the proportion of older Australians is forecasted to rise significantly in future years so too will demand. Although the market will adapt to accommodate these needs, there will be an associated time lag accompanied with greater costs.

Discussion in the inquiry in reference to mandated universal design, being either visitable dwellings or adaptable dwellings, does note the cost of incorporating these design features at the development stage as being substantially lower than the cost of retrofitting. The report also highlights uncertainty as to whether the additional costs of universal design, 'if applied to all dwellings, would be outweighed by the benefits'.

Queensland Shelter believes that the costs of meeting minimal universal design standards would be warranted given the forecasted increase in demand for such features in the future alongside consideration of the cost of adaption post construction. Not only will older Australian home owners and renters require these design inclusions, younger people purchasing homes have also shown an increasing interest in including universal design in new homes. Incorporating universal design will enable older and/or friends, parents and relatives with a disability to visit or stay for extended periods with dignityⁱⁱ. Additionally, in the context of an ageing population, 'a flexible and accessible home will become an increasingly valuable commodity' and as demand increases so will resale value 'as it will meet the needs of a greater range of people and therefore attract a larger market'ⁱⁱⁱ.

Mandating a minimal level of universal design will increase the initial building costs yet ensure significant savings for those who would require adaptation to their homes in the future. The Queensland Department of Public Works notes that '[a]ltering an existing home to accommodate changing needs can cost up to three times more than including the same features in the initial design and build stage'^{iv}. Queensland Shelter supports mandating the following four minimum, low-cost features of visitability for older and/or disabled Australians as proposed by Queensland Action for Universal Housing Design (QAUHD):

- A step-free entrance and pathway from the street or car parking;
- A toilet with turning space for mobility aids at entry level;
- Reinforced shower and toilet walls for optional grab rail installation;
- Doors and corridors wide enough to allow ease of movement between rooms;

Additional features that would make a dwelling liveable for everyone include:

- A bathroom with step-free shower;
- A bathroom, living and bed space on the entrance level;
- Kitchen access to allow for easy movement between benches;
- Installation of switches, power points and window controls at an accessible height; and
- Slip resistant floors in kitchens, bathrooms and laundries.

A comparative study conducted in Victoria revealed that the inclusion of the above first four features in the initial building stage which would enable a dwelling to be visitable would equate to a cost of less than \$900 per dwelling. To incorporate these features post construction, costs were 20 times greater at \$19,400^v. In consideration of the goal to enable an increasing number of older Australians to 'age in place', housing design must begin to reflect these objectives.

Other comments: suitable design for older Australian demographic groups

A diverse selection of affordable housing for older Australians is required.

The design of rental properties for older Australians must not only consider universal design features to cater for mobility concerns but also requirements specific to the following demographic groups.

Aboriginal and Torres Strait Islander Peoples

Housing needs of older Aboriginal and Torres Strait Islander peoples must be considered holistically. The living arrangements and requirements of older Aboriginal and Torres Strait Islander peoples will fluctuate, they may live independently at times and have extended family stay with them at other times.

A lack of culturally appropriate housing which meets the needs of large extended families of Indigenous peoples contributes to the problems of overcrowding and homelessness. An increase in diverse housing stock which can accommodate both large extended families and smaller ones to best suit their individual needs is required. Whilst a great deal of attention has focussed on remote housing, many issues are faced by Indigenous peoples in urban and regional centres where population growth is occurring and where the majority of Indigenous households reside.

Migrants, Refugees and Asylum Seekers

Many older migrants, refugees and asylum seekers are often used to sharing one house with extended family members; much of the housing in Australia does not cater for this. Larger houses which can accommodate families are rare and are often too expensive, which leads to overcrowding in smaller rental properties. Overcrowding could impact on the health and well-being of the older members in these families. A greater number of rental homes that cater for larger families are required.

People with a disability, chronic health condition and/or mental health issues

During Queensland Shelter's Health, Housing and Disability consultations (2009) participants cited that different housing options were needed relative to the type of disability or health issue. Full details of the findings and analysis of this research can be found in Queensland Shelter's report 'Health, Housing and Disability – A Queensland Perspective'.

Sole Households

A 2008 AHURi project found that the number of low-income, sole- older person households in Australia was projected to grow from 110,800 in 2001 to 243,600 in 2026, an increase of 120 per cent^{vi}.

Older sole households may prefer a reduction in space to reduce cleaning and maintenance requirements however their lifestyle and belongings must be considered. Although downsizing in

living space requires downsizing in belongs it would be difficult to contain a lifetime of memories in a studio apartment. Also, older Australians are likely to have family members visit and potentially stay for temporary periods, particularly if the older person is unwell. For this reason a spare room for visitors may suit many older households, especially sole households.

Home maintenance and modification

Queensland Shelter supports the recommendation from the AHURi report referred to in the Inquiry of creating an overarching approach which incorporates housing, health and community care outcomes. This approach would take form under a national strategy for housing older people and a whole of government ageing policy which could frame the development of recommendations 10.1 and 10.2.

The improved efficiency of this system alongside increased funding will improve waiting periods for assessments for older Australians to access services. Once established, time frames should be set and monitored to protect the safety and wellbeing of older Australians.

Additionally, expanded criteria to enable a greater number of older Australians to access home maintenance and modification will enable longer periods of 'ageing in place' and reduced costs on the broader health and housing system.

Barriers to moving to more appropriate housing

Queensland Shelter agrees with the Commission and supports the removal of stamp duty on the sale of homes for Australians aged 65 and above. We additionally support a relaxation of the aged pension assets test so that older Australians would be able to keep their pension or a portion of it after selling their home to help fund their aged care. Both of these actions would improve the liquidity of housing assets and encourage older Australians to relocate to more appropriate housing as needed.

Queensland Shelter recommends that the Commonwealth Government:

- Require that all new housing meet minimal universal design standards to ensure that all housing is accessible and appropriate for seniors, particularly those with mobility issues;
- Broaden housing design options for older Australians to cater for the diverse array of needs of different demographic groups;
- Develop set timeframes for assessing home maintenance and modification needs to ensure timely access to services; and
- Broaden eligibility criteria for home maintenance and modification to enable more seniors to access this support.

10.2 Improving the age friendliness of communities

Queensland Shelter supports the move to nationalise guidelines outlining age-friendly standards for infrastructure and community services and support. Aspects considered must include:

- Universal design in public spaces, for example, wider footpaths for wheelchair access, as recommended by the South Australian government;
- Safe and convenient access to public transport, shops and services and accessible and convenient public toilets, open spaces and benches as noted by the Brotherhood of St. Lawrence; and
- Strategies to reduce social isolation such as adequate means to connect in with the community through neighbourhood centres and activities, services to connect older Australians with the broader community and appropriate safety provisions such as reliable street lighting.

Queensland Shelter recommends that the Commonwealth Government:

- Ensure seniors housing is located close essential services to minimise social isolation; and
- Include age-friendly infrastructure in planning, for example: increased access to benches and public toilets and wider pathways for wheelchair access.

Improving the supply of affordable housing for older Australians

There are many impediments adding to housing stress including affordability and supply, with their own additional concerns older Australians are one of the most vulnerable groups facing the housing market today. More importantly, these concerns will continue to increase as the number of older Australians on low-incomes living in rental accommodation continue to rise, projections forecast increases of more than 100 percent by 2026 equating to 419,000^{vii}. Queensland Shelter supports recommendation 10.3 and adds comment to the following sub-points.

DRAFT RECOMMENDATION 10.3

The Council of Australian Governments should develop a strategic policy framework for ensuring that sufficient housing is available that would cost effectively meet the demands of an ageing population.

10.3 Improving rental choices for older Australians

Supply of rental accommodation for older Australians

Figure 10.1 referred to in the Inquiry created by the National Housing Supply Council highlights the significance of the current injection of funding into the development of additional housing stock. The graph also signifies the need to gain funding commitments post 2012, as shown in the graph as the current funding dissipates, population and demand for housing will continue to rise. Approaches to increase stock suitable for older Australian must include both unlocking and maintaining current stock and developing new, additional stock.

One avenue to 'free-up' underutilised stock is to develop seniors share housing where interest exists. External facilitation may aid these agreements in cases where assistance is required to initiate and risk manage such relationships. In 2009, Queensland Shelter in conjunction with our senior's branch (OPSO) conducted a research project into seniors share housing. Interest raised amongst the OPSO network prompted the investigation into the viability of creating such a plan. In 2010, the project was further expanded upon and developed into a detailed service plan including a potential model with projected budgeting.

Rejuvenation of current Independent Living Units (ILU) stock to ensure that it is maintained in the current social/community housing market should also be undertaken.

Additionally, the current stock must expand to meet the ever growing demand as population growth escalates. Facilitating growth providers to access funding and leverage where appropriate would assist to increase stock significantly. The National Rental Affordability Scheme (NRAS) in particular signifies a unique opportunity for community housing organisations to expand and for private investors to diversify and enter the affordable housing market. Queensland Shelter encourages the Commonwealth to promote the use of NRAS and recommend state and territory governments to lift their subsidies to motivate investors to deliver affordable housing for older Australians.

Affordability of rental accommodation for older Australians

The lack of housing available for older people hinders their ability to find well located, safe, and secure housing which suits their lifestyles, physical needs, encourages social inclusion and access to support at an affordable price.

Affordability is the most significant housing issue affecting seniors, particularly for older Australians living on fixed incomes. More than three quarters of people aged 65 and over are owner occupiers^{viii}, unfortunately a large proportion of those that are renters in this age range are on fixed incomes.

Most at risk in this age range are single people, with 19% of lone person households in this age range renting, compared to 6% of couple only households^{ix}. An additional concern is that pension rates for singles put them at a disadvantage compared to pensioner couples, although recent increases for singles have reduced some pressure.

Aside from increasing the supply of affordable housing for older Australians, pension rates need to be raised to increase their ability to access suitable housing.

Other comments: entering and sustaining tenancies

Barriers to entering the rental system

Many seniors also face entering the private rental market for the first time due to financial constraints or needing to relocate to a more suitable property. These seniors would face difficulties completing application forms having no documented rental history and requiring references.

In addition to this, Aboriginal and Torres Strait Islander peoples and refugees, migrants and asylum seekers continue to experience discrimination in the private rental market, and there continues to be a lack of cultural competency, understanding and training to assist in tenancy sustainability. Many have experiences of discrimination which must be acknowledged and addressed in housing policies.

Barriers to sustaining tenancies

Once tenancies are obtained adaptations may be required to support the older person's capacity to 'age in place.' There have been reports of seniors being afraid to approach their landlords about property maintenance for fear of a rent rise or being evicted, protection of their rights through standards and regulation must be incorporated into housing policy.

As recognised in the Federal Government's Whitepaper on Homelessness, *The Road Home*, support services play an integral role in preventing homelessness. The form support should take will depend on an individual's or households needs at that time and may include financial assistance for housing, education about tenancy rights and responsibilities, counselling, advocacy, life skills training, and/or linkages to other human services. Supporting households in their tenancies also helps create socially sustainable neighbourhoods.

Queensland Shelter recommends that the Commonwealth Government:

- Continue to increase the supply of affordable housing stock available for seniors;
- Support options to 'free-up' currently underutilised stock including:
 - Support innovative approaches to reduce demand on supply and improve affordability options such as seniors share housing;
 - Rejuvenate ILU stock;
- Continue to fund programs that increase the development of new affordable stock including:
 - Promote increased supplementation of NRAS incentives by the states and territory governments linked to the development of housing targeted at older Australians;
- Increase pension rates for older Australians;
- Develop and implement strategies including public awareness and education campaigns, to break down barriers of discrimination against seniors entering the private rental market; and
- Develop a strategy to assist vulnerable older people to sustain their tenancies.

Conclusion

Queensland Shelter would like to thank the Productivity Commission for the opportunity to respond to the *'Caring for Older Australians'* draft inquiry.

Queensland Shelter has taken particular interest in the area of seniors housing, recognising the need for innovative ways to improve the standard of living for older people in Australia. For example, in 2009, Queensland Shelter played a key role in the National Shelter Seniors Project and also conducted a research project into seniors share housing. In 2010, the seniors share housing project was further expanded upon and developed into a detailed service plan including a potential model with projected budgeting.

In the context of an ageing population in Australia, the discussed concerns and barriers will continue to become more pressing. Not only will housing stress be addressed by remedying these concerns, the flow-on effects will also be substantial.

The housing concerns faced by older Australians in response to this submission have been addressed under sections: 10.1: Improving choice of age friendly housing; 10.2: Improving the age-friendliness of communities; and 10.3: Improving rental choices for older Australians. Within this submission Queensland Shelter has recommended strategies and policy changes to address these concerns and plan for our ageing population.

Housing policy plays a central role in the wellbeing of older Australians and its significance should be reflected in policy design^x.

Should you have any queries, please do not hesitate to contact Tegan Richardson at Q Shelter on 3831 5900.

References

- ⁱ Andrew Jones. Presentation: Future housing for older Australians: the research evidence for innovative policy and provision. AHURi forum: Future Housing for Older Australians: Overcoming Barriers to Innovation. 25/02/11.
- ⁱⁱ Universal design a boon to resale value. Alan Cheshier. Aug 25, 2000. The (Oklahoma City). [http://findarticles.com/p/articles/mi_qn4182/is_20000825/ai_n10139596/].
- ⁱⁱⁱ Elements of Smart and Sustainable Housing. Department of Public Works. Queensland Government. Updated 05/08/2009. [http://www.works.qld.gov.au/tdd/enviro_build/ss_house/about/elements.asp].
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- ^v Queensland Action for Universal Housing Design. Our position. Accessed 14/03/11. [http://www.qauhd.org/sites/default/files/QAUHD_Our%20Position_3Mar11.pdf] and Victorian Government, 2010 Department of Planning and Community Development 'Visitable (not Victorian) and Adaptable Features in Housing Regulatory Impact Statement' P13.
- ^{vi} AHURi. Rental housing for lower-income older Australians. Issue 96 January 2008 · ISSN 1445-3428. [http://www.ahuri.edu.au/publications/projects/p20170].
- ^{vii} AHURi. Rental housing for lower-income older Australians. Issue 96 January 2008 · ISSN 1445-3428. [http://www.ahuri.edu.au/publications/projects/p20170].
- ^{viii} Australian Bureau of Statistics, '2005-06 Survey of Income and Housing'.
- ^{ix} Australian Bureau of Statistics, 'Australian Social Trends 2008', cat No. 4102.0.
- ^x Andrew Jones. Presentation: Future housing for older Australians: the research evidence for innovative policy and provision. AHURi forum: Future Housing for Older Australians: Overcoming Barriers to Innovation. 25/02/11.