

Housing for Older Australians: Affordable, Well-located and Suitable?

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Homelessness is not an issue that is usually associated with older Australians, as they generally have high rates of home ownership. In 1999, 84 per cent of people over 65 years owned their home (ABS, 2000a).

The reality is that levels of home ownership are declining, and this includes those in older age. More significantly, the proportion of home owners aged over 65 years who still had a mortgage increased from four per cent in 1999 to 5.4 per cent in 2007/08 (ABS, 2010 and 2000b). There has also been a decline in the numbers of people in social housing. This has led to an increase in the number of older private rental tenants, as well as an increase in the number of older homeless Australians (National Housing Supply Council, 2010; Chamberlain and MacKenzie, 2003 and 2008).

In 2001 there were almost 14,000 homeless people over the age of 55 years in Australia (14 per cent of the total homeless population). By 2006 this had risen to over 18,000 (including 7,400 over 65), or 18 per cent of the total homeless population. The majority of older homeless individuals were men, but the proportion of older homeless women rose between 2001 and 2006 from 32 per cent to 36 per cent (Chamberlain and MacKenzie, 2003 and 2008).

We can expect this to worsen as Australia's ageing population, combined with increased life expectancy, declining housing affordability and falling rates of home ownership places greater pressure on already tight rental markets, especially for affordable properties. While older private rental tenants who have never owned a home are likely to be the hardest hit by declining housing affordability (Jones et al, 2008), former home owners are also particularly vulnerable, as they never expected to face a housing crisis in later life.

Between 2002 and 2006, 11 per cent of older home owners lost home ownership status (Wood et al, 2011). The reasons include relationship breakdown in later life and escaping from domestic and family violence; illness (including mental illness); unemployment and lack of family support (McFerran, 2010).

A report released last year indicated that, although there was 11 per cent growth in Australia's private rental market between 2001 and 2006, only 37 per cent of

households in the lowest two income groups were able to access affordable housing. Almost 300,000 households were spending more than 30 per cent of their income on rent (Wood et al, 2011). Almost one-third of private rental households in the lowest income group are older single people who live alone.

In general, older households have lower incomes than other age groups. Households with residents over 65 have the lowest mean weekly incomes, with those who live alone having a lower income than couples (ABS, 2009). Approximately two-thirds of older households rely on government pensions and allowances as their main source of income (National Housing Supply Council, 2010). For people aged over 65 years who are living alone, this proportion increases to more than three quarters, and older singles are also less likely than older couples to own their own home outright (ABS, 2009).

By 2026, demand for affordable accommodation by low income renters over 65 is likely to increase by 115 per cent, bringing total demand to 419,000 and placing significant pressure on both private and public rental markets (Jones et al, 2008). It is unlikely there will be adequate social housing to meet this need, given that in 2001 only 42 per cent of demand by eligible older people was met by public housing (McNeils and Neske, 2009).

While public housing provides affordability and security of tenure, it does not always meet the other two factors important for older people: being well located and suitable.

Maintaining community connections is essential to the well-being of older people and inappropriate housing can result in greatly reduced ability to take part in social activities outside the house, or can force older people to move. This often means leaving a familiar neighbourhood which in turn threatens the person's social networks, sources of informal support and access to familiar services, resulting in social isolation.

Isolation can affect people's ability to access resources such as timely health care and isolated people tend to engage in fewer health-promoting behaviours. Socially isolated people may have fewer sources of informal care (family and friends) to draw upon in later older age.

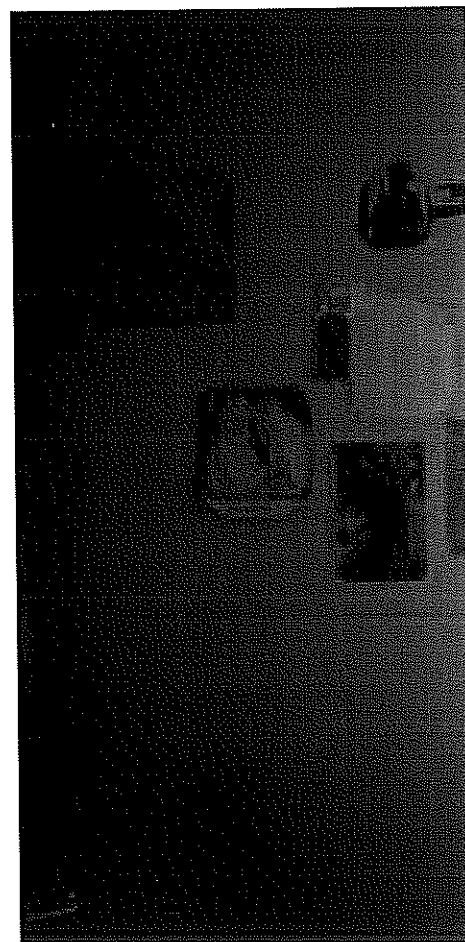
The vast majority of older people (92 per cent) live in private dwellings. The most common living arrangement is living in a private dwelling with a spouse. Contrary to popular view, even among those over 85, the majority live in private dwellings, although by this age almost half of them live alone.

The ageing of Australia's population means

that by 2050, 25 per cent of people will be over 65, compared to 14 per cent today. The numbers of those over 85, likely to be the most in need of support and care, will increase fourfold to five per cent of the population by 2050.

These dramatic changes will impact significantly on the type of housing stock required in the future. New homes intended for older residents will need to be located close to health services and other amenities, and specifically designed to be suitable for residents whose mobility is likely to be declining. Similarly, existing homes will need to be modified to better accommodate frailer residents. The National Housing Supply Council sums up the situation succinctly, as follows:

"Maintaining independent living for as long as possible is an important priority for most older people. Meeting the housing needs of older Australians is as much about health, mobility and maintaining connections with friends, family and support as it is about housing, income and housing costs. The solutions, therefore, need to be found in a 'joined up' approach that



views older households' housing needs as one element in a more holistic view of maximising their independence as and when their circumstances change and their need for support increases. This extends the challenge to society as a whole, including funders and providers of support services, health care agencies and families, to work in partnership with providers of housing and housing assistance to deliver high-quality and affordable outcomes"

(National Housing Supply Council, 2010).

To be effective, new models of support for people in later life will need to integrate housing with the provision of support. (Jones et al, 2010). A successful international model that combines housing and support for older people is The Humanitas Foundation's *Apartments for Life* initiative in Rotterdam, The Netherlands.

As its name suggests, a key feature of the *Apartments for Life* model is that it offers older people a chance to remain in their own home — in this case an apartment — throughout older age and to avoid having to move home when their health declines and they are likely to need increasing levels of care and support. *Apartments for Life* challenges the oft-held assumption of the inevitability of a move to a nursing home in later old age.

The Benevolent Society decided that the *Apartments for Life* model could provide a major new option in the housing, support and care of older people in Australia, and

has now developed a detailed proposal for an *Apartments for Life* project based on the successful Humanitas model to be located at Bondi in Sydney's east.

The key aims are:

- Residents are able to stay in the same apartment for the rest of their lives. Our goal is that 95 per cent will never need to face the disruption and cost of moving to a nursing home.
- Older people are able to stay living in their familiar community, close to their established networks of friends, family and services.
- A vibrant new social hub is created; connections between residents and the local community are built and strengthened; contacts with family and friends are promoted; social isolation is reduced.
- The apartments are affordable by local older people in a range of financial circumstances, reflecting the diversity of the local community.

These aims will be achieved through a combination of:

- the design of the apartments, buildings and external open space;
- inclusion of 40 per cent affordable housing;
- assisted access to support services and care;
- on-site services, facilities and social activities, and
- a philosophy of respect for residents' individuality and autonomy.

Affordable, well located and suitable housing is a major factor underpinning the quality of life and wellbeing of older Australians. With the projected growth in numbers of older people and affordability problems faced by a significant minority, it is imperative that greater public policy attention be given to older people's housing. ■

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From Wintringham and taken by Tania Jovanovic