

## Affordable Rental Housing for Older People: what do we think they want and what do they really want?

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## Definitions

- **Affordable Housing:** cost does not exceed 30% of income for people in bottom 40% of income earners; cost of housing leaves sufficient income for other basic needs such as food, clothing, transport, medical care and education.
- **Older People:** earliest age at which someone could claim an age pension has been 60 for women (until recently) and 65 for men. Research in Mid-North Coast NSW used 60 as a starting point. (Approx. 13% of people reach this age needing rental accommodation).

## Australian Housing 'Consumption'

- Australian population was 20.7 million people
- 7.1 million households
  - 2.4 million owned their homes
  - 2.4 million paying off a mortgage
  - 2 million households renting

ABS. Census of Population and Housing, 2006

## Among Persons 65 years and over:

- Approximately 80% outright home owners
- Asset rich but income poor
- Many 'trading down' their residence in order to fund retirement
- Numbers accessing rental accommodation increasing

ABS. Census 2006.

## Research in Mid-North Coast NSW

- By 2016 many LGAs in North Coast NSW will have 30% or more of their populations aged 60 and above.
- This region has a higher percentage of lone person dwellings than for NSW overall.
- In the study area over 4,000 Centrelink clients in private rental were paying more than 30% of income in housing costs.

## Pressure on Affordable Housing in Study Area

- **Shrinking Public Housing Stock**
  - given increased population, public housing has not kept pace
- **Market Responses**
  - Sea Changers/Tree Changers (often "well-heeled") come to the area & can afford higher rents. Most development has been larger houses for "top end" of the market
- **Gentrification**
  - Especially Coffs Harbour Jetty & Park Beach areas
- **Loss of Caravan Parks**
  - Often in prime locations, so attractive to developers; increased tourism for resort-style parks push long-term residents out

## Policy Context

- Adequacy of shelter and housing is a basic human right and an important component of government social policy in many countries
- Australian policy
  - actively promote home ownership (especially since 1920s)
  - Encourage investment in affordable housing at lower end of rental market (recent NRAS)
  - Direct housing provision (public housing)

## Housing Demand is Increasing

- Historically driven by population growth in Australia
- Now driven by growth in households, not only population
  - Separation and divorce
  - Ageing in place
  - Children leaving home to start own household
  - Increasing population size
- Currently 128 000 additional dwellings required/year in Australia – but focus for builders/ developers is the top end of the market

Olsberg D. AHURI 2005.

## Rental Demand is Increasing

- Population ageing
- Increasing rates of chronic disease / disability
- Unemployment
- Decreasing housing affordability
- Shortages in public, private and community housing sectors

McDonald P. AHURI 2004.

## Main Groups Accessing Low-Cost Rental Accommodation

- Older adults
- Families on low income;
- People with disabilities and / or chronic illness;
- People exiting prison;
- Women and children escaping domestic violence;
- Itinerant workers or unemployed people looking for work;
- People suffering from mental illness/ substance abuse

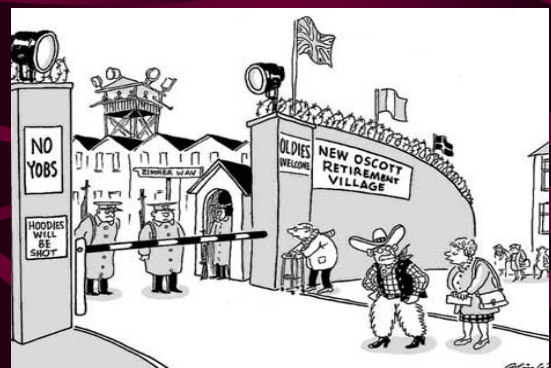
Risks in clustering these groups – create further marginalisation

Greenalgh E. 2003.

## Rental Accommodation Options

- Public rental – mostly government
- Private rental – individual investors
- Residential parks – commercial providers
- Rental retirement villages (assisted/unassisted) - NGOs?
- Independent Living Units - NGOs
- Small-scale communal housing (Abbeyfield) - NGOs
- New & Redeveloped unit complexes / hotels (Apartments for Life) – NGOs, some commercial

## What do Older People 'Want'?



## Primary 'Wants'

- Type of dwelling
- Physical layout of dwelling
- Safety and security
- Dwelling location
- Access to services
- Care and support
- Choice

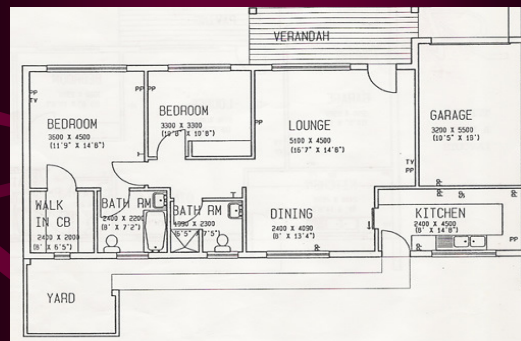
## Key Attributes of Housing Valued by Older People (from Jones et al, 2004)

- Independence – separate from family, control of ADL
- Privacy/autonomy – control of private space, lifestyle
- Affordability – current & future costs
- Safety – personal, within house & neighbourhood
- Adaptable for future care – e.g. for sensory/mobility changes
- Location – familiarity, convenience, access to services/transport, proximity to family/social ties, integration
- Suitability – life course, cultural, social, (dis)ability, lifestyle
- Companionship/avoid isolation – sense of community, social participation (links to gender, bereavement)
- Size – small scale, home-like environments
- Amenity & space – good design, space for possessions, visitors

## Type of Dwelling



## Physical Layout of Dwelling



## Results of Study: Physical Layout

- Assumptions: Most older people will want 2 bedrooms; a free-standing unit; on the ground floor
- Findings (for singles): Most preferred
  - 1 bedroom units with large living space rather than 2 bedrooms with small living space; To avoid unnecessary hospitalisation, units need capacity to accommodate a carer for a short period of time (e.g., in a living area large enough for a screened-off fold-out couch)
  - small clusters of units (6-8), with a carer's flat. Position and layout of units should maximise independence & privacy but allow for social interaction.
  - first floor "because people can't take the screen off and get in"

## Dwelling Location



### Results: Location

- Assumption: older people would prefer a quiet location near beach or bush
- Findings: Most preferred
  - unit in town so can walk to doctor, library, shops
  - noise not a problem, better than social isolation
  - if village/park is away from town centre, council approval should require demonstrated access to support services & adequate, suitable transport, taking into account the fact that many older people are unable to use public transport

### What about this?



### Or this?



### Or this?



### What do Older People 'Need'?

- All of the above PLUS
  - Security of tenure
  - Access to justice
  - Legislative protections
  - Management – having a say in how their village/park is managed – residents' group
  - Risk management and good governance is needed to protect investment/lifestyle

### Role of Councils

- Have good planning laws/regulations re: appropriate use of land for specific groups; + re: flood-prone land
- Develop/implement Affordable Housing policies, including projects developed under the Seniors Living SEPP; incorporate flexibility to allow for higher density to accommodate clusters of units for older people in low density areas
- Develop/enforce a s94 Contributions Plan to require a set % of **all** new development to be allocated to affordable housing (especially where developments reduce existing affordable housing stock)

### **For the Future**

- Increase housing options that are more responsive to the needs of older people
- Improve housing designs and locations appropriate to needs of older population
- 'Ageing in place' - ? is there an economic element to this
- Improved resident protections

### **Other Issues**

- Need research to investigate what "the baby boomers" think they will want/need in their future housing & what steps, if any, they are taking to prepare for that.
- The time to act is now – not wait until the situation reaches crisis point.