

**INQUIRY INTO HOMELESSNESS AND LOW-COST
RENTAL ACCOMMODATION**

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Standing Committee on Social Issues

Inquiry into homelessness and

low-cost rental accommodation

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1. Introduction

The Benevolent Society is Australia's oldest charity. Established in 1813 we have been caring for Australians and their communities for nearly 200 years. We are a secular, non-profit, independent organisation working to bring about positive social change in response to community needs.

We deliver leading edge programs and services, find innovative solutions to complex social challenges and advocate for a more just society. Currently, our 800 staff and 900 volunteers support more than 16,000 children and adults each year in New South Wales and in Queensland. We deliver 82 programs from 42 locations to support people from all backgrounds including Indigenous Australians and people from culturally and linguistically diverse communities.

One of our strengths lies in our expertise in working with people at all stages of life – delivering services to children and families, older people, carers, running social leadership programs and working in disadvantaged communities. Our programs are supported by government grants, private and corporate donors, volunteers and investment income.

2. Impact of inadequate access to housing

The Benevolent Society strongly supports the need for new approaches to increasing the supply of low cost rental housing, and commends the Social Issues Committee's Inquiry.

The Benevolent Society recognises that a place to call home is an essential part of life. It provides a secure environment where we can grow and develop, go to school, maintain employment and be part of a community. An increasing number of Australians, however, are struggling to find or stay in affordable and adequate housing. An unacceptable number of women and men, children and families are homeless.

The Benevolent Society has recently developed series of Issues Papers on critical social issues that contribute to social inclusion. In recognition of the critical importance of housing, one of these focuses on access to affordable and secure housing. This submission draws on that Issues Paper.

Lack of access to affordable and secure housing has the greatest impact on vulnerable members of the community: individuals and families living in poverty, Indigenous people, young people, older renters, people with disabilities and mental health problems, new migrants and refugees.

Inadequate or temporary housing can compound existing social disadvantage. It can make it much harder for people who are already on the margins to find and retain work, access education or training, get the health care they need, develop and maintain supportive relationships and be involved in community life.

This sets up a cycle that can entrench poverty and insecure living arrangements and can be a significant contributing factor in eviction and homelessness.

According to census data, around 1.2 million Australian households – or one in seven – are facing ‘housing stress’, which occurs when more than 30 per cent of gross income is spent on recurrent housing costs. This is a rise of 20 per cent over the past ten years.

Many others live in unsuitable housing – inadequate or poorly maintained dwellings, properties which are unsuitable for frail older people or those with disabilities, or in locations with limited access to jobs, services, transport or supportive social networks – in order to avoid unaffordable rent or mortgages.

These ‘hidden’ victims may out-number those individuals and families living in housing stress.

Families and young children

When children are homeless or living in inadequate housing the effects can be far-reaching. Poor social and economic circumstances impact on children’s lives in a number of ways, including the quality of their family relationships and their educational, developmental and health outcomes.

The high cost of housing in metropolitan areas is pushing low and middle income families into the fringes, to ‘satellite towns’ and regional areas where the cost of buying and renting a place to live is more affordable.

The Benevolent Society’s own research on young families re-locating to non-metropolitan areas highlights that there are often significant costs associated with re-locating. While more affordable housing was cited by

most participants as a reason for moving, dislocation from informal networks, inadequate local transport systems and inadequate services were a fact of life in all four study sites.

Women experiencing domestic violence

Domestic violence is a major factor contributing to homelessness in Australia, especially for women. Lack of affordable housing and timely access to public housing, and the inadequate provision of long-term housing, particularly in rural areas, can force women to either remain in, or return to, situations of domestic violence.

While legal provisions mean that violent men can be excluded from the home, most women are unaware of this option and police and magistrates can be reluctant to recommend it. As a result, women are often forced to leave violent situations without financial support or safe, alternative accommodation.

The impact of homelessness on children leaving violent households can also be profound, with negative impacts on their physical and mental health, schooling and friendships. Further, being homeless as a child makes homelessness as an adult more likely.

Older people

Older people who rent are particularly vulnerable to social exclusion. The combination of low income, high rents and lack of secure tenure contribute to higher rates of social isolation – as frequent moves can disrupt social networks – as well as poorer health and sometimes homelessness.

The number of older people who rent privately is projected to rise sharply in the coming years, as a result of a combination of

- the increasing numbers of older people,
- limited availability of public and social housing for seniors,
- the increasing numbers of older people retiring without owning a home and
- residential aged care being targeted to higher needs older people.

The Australian Housing and Urban Research Institute estimates that the number of people aged 65 years or over living in low-income rental households will more than double from 195,000 in 2001 to 419,000 in 2026 9.

The Benevolent Society supports the position of the Housing Affordability for Seniors Alliance¹ on the need for National Older Persons Housing Strategy that would focus on enabling older people to make housing adjustments and choices that enhance ageing in place, wellbeing and lifestyle. Such a strategy should involve federal, state and territory governments and be aimed at :

- Increasing the supply of affordable rental housing;
- Promoting the development of adaptable housing, including a change to building standards;
- Addressing the changing support needs of older public housing tenants;
- Expanding home maintenance and modification programs;
- Maintaining or creating supportive local communities that enhance older people's capacity for independence; and
- Planning for the redevelopment and support of the more than 32,000 'independent living units' that currently provide affordable rent for older people but many are in need of refurbishment.

The independent living units referred to were primarily built with the support of capital funding under the *Aged and Disabled Homes Act* in the 1960s and 1970s. It is important that this stock is able to be refurbished so this valuable housing stock is not lost to low income older people.

3. The Apartments for Life model

It is widely recognised that current approaches to the housing (and care) of older people will not be adequate in the context of a rapidly ageing population.

The Benevolent Society is currently working on an innovative project (Apartments for Life at Ocean Street) in Bondi, which aims to be a new concept in retirement living and aged care. The Benevolent Society's proposal is a response to the challenges of social inclusion, an ageing population, affordable housing and better use of aged care dollars.

¹ Formed by Aged and Community Services Australia (ACSA), the Brotherhood of St Laurence (BSL) and the Council on the Ageing (COTA)
http://www.agedcare.org.au/AGED-CARE-NEWS/media-releases-pdfs/2008_July_housing_forum_media_release.pdf

The key aims of Apartments for Life at Ocean Street are that:

- Residents are able to stay in the same apartment for the rest of their lives. The Society's goal is that 95 percent 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 'community 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.

The key elements of the concept will be:

- apartments that are carefully designed to encourage self reliance and allow for changes in residents' health over time
- residents are able to stay living in their own apartment until the end of life (in 95 percent of cases)
- an affordable housing component so that older people in varying financial circumstances are able to stay in their familiar community
- on-site services, facilities and social activities, for residents' and the local community's use
- assisted access to support services and care, so that residents can obtain appropriate support when needed
- a philosophy of respect for residents' individuality and autonomy, and
- a program of evaluation and research, so that others can learn from and build on the model.

The Society is committed to including a substantial proportion of the apartments as affordable housing for older people on lower and middle incomes who may not otherwise be able to afford to stay in a rapidly gentrifying area.

As in many other parts of New South Wales, Waverley LGA has a very limited supply of housing that is appropriate for older people *and* affordable. This can create major difficulties for older residents - both renters and owners - when health problems make their housing no longer suitable. When this happens older people on low or moderate incomes typically have to move away from the area because there are limited other options for older homeowners – and extremely few for renters. In some cases it may mean they are forced to move prematurely to a

nursing home or hostel. This situation is repeated in many parts of the metropolitan area.

Strong social networks and familiarity with local resources contribute greatly to health and wellbeing in later life and are not easily rebuilt if older people are forced to move to a new area. Moving away puts older people at risk of social isolation.

The Benevolent Society is committed to providing 10% of the Apartments for Life at Ocean Street project as social housing, available for rent by older people on low incomes who do not own a home.

In addition, The Society plans to provide another 30% of apartments at below market rates for older people with low to modest incomes whose home (unit or house) is of insufficient value to allow them to trade down to appropriate housing and stay in the same area. Apart from the 10% for rent, the apartments will be offered on a loan-licence basis, a common arrangement in retirement villages.

The inclusion of a substantial affordable housing component is made possible in part because The Benevolent Society already owns the land on which the project is to be located and has not factored in a return on the value of the land into its financial modeling. We recognise however this may be difficult for other providers to replicate without some form of government assistance.

The Society envisages that savings and efficiencies will be generated through the project in a number of ways, of benefit to individuals, governments and the general community:

- Overall, aged care costs to the community and individuals are less when recipients have secure and appropriately designed housing.
- There will be greater efficiencies and flexibility in the use of community care workers' time and reduced transport costs.
- Appropriately designed housing and social support will enable residents to be more self reliant for longer, thus reducing or delaying their use of formal care services.
- The project is expected to significantly reduce the costs of hospitalisation, by reducing avoidable admissions and length of stay and admissions caused by falls. Persons over 65 account for 45% of acute bed days in NSW public hospitals.
- By offering older people a local housing option that is both suitable and affordable, under-occupied housing will be freed up for younger families.

Detailed information about the Apartments for Life at ocean Street
Project proposal is available on the Society's website at
www.bensoc.org.au