

ACT Affordable Housing Action Plan

PHASE II

**Homelessness and affordable accommodation
options for older Canberrans**

**Report by Affordable Housing Steering Group
August 2009**

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1 Executive summary

1.1 Addressing homelessness and providing affordable housing options for older Canberrans

In addressing the terms of reference, a number of issues impacting on homelessness and affordable housing for older Canberrans have been identified. An effective response to homelessness in the ACT needs to focus not only on the provision of housing for people “sleeping rough”, but must also include mechanisms to assist people to maintain stable tenancies. The provision of support and services appropriate to addressing some of the causal factors that can lead to homelessness, such as mental health, drug and alcohol abuse problems, domestic violence, and the availability of employment opportunities is equally important in breaking the cycle of homelessness.

There is currently a shortage in affordable housing options for older people in Canberra, and an ageing population means that demand for this housing will increase significantly over the next 20 years. Addressing the demand for affordable housing for older Canberrans will require increasing the supply and diversity of appropriate accommodation, while also taking into account the need for care and support, and for continued independence of occupants.

To respond to the issues raised above a strategy outlining initiatives to address homelessness, and another which presents opportunities to provide more affordable housing options for older Canberrans has been developed, incorporating a number of innovative features. The strategy is designed to provide practical responses by the ACT Government to the issues raised. Both strategies incorporate outreach services. The homelessness approach actively seeks out homeless people and encourages them to begin using services. The older persons accommodation strategy uses existing service networks to identify older people who may benefit from these services or from more appropriate forms of housing.

The strategies also recommend tailored responses for specific groups for the two major areas under consideration.

The homelessness strategy targets people in different age groups by recommending tailored solutions for the young and the old, and for those in particularly vulnerable circumstances, such as people exiting custodial institutions.

The strategy to address issues of homelessness in Canberra has been structured as follows:

Intensive engagement with people becoming homeless

- Provide active outreach services to engage chronically homeless people and rough sleepers who do not utilise mainstream services (*Recommendation 1*)
- Facilitate easy access to homelessness services through centralised intake and a common waiting list for public and community housing (*Recommendation 2*)

Support at risk groups maintain their housing

- Implement measures to assist people to maintain tenancies through active coordination of mental health and housing services (*Recommendation 3*)
- Link housing with employment and training opportunities to assist younger homeless people to maintain stable tenancies (*Recommendation 4*)
- Assess legal barriers to maintenance of tenancies by women and families escaping domestic violence (*Recommendation 5*)
- Facilitate the housing of families by providing public housing that is flexible to the changing needs of tenants (*Recommendation 6*)
- Add to accommodation options for the elderly homeless, catering to their specific accommodation and support needs (*Recommendation 7*)

Provide housing and support at critical points of need

- Provide stable accommodation options and expand existing transitional housing programs to provide support for people exiting institutions, emergency or crisis accommodation (*Recommendations 8 and 9*)

A whole of Government framework

- Initiate a whole of government response to addressing homelessness, coordinating existing services, and sharing knowledge to facilitate effective outcomes (*Recommendation 10*)

The strategy for affordable housing for older Canberrans seeks to assist older Canberrans across tenures and income groups. It will assist lower income groups through provision of a range of accommodation options by Housing ACT and community housing providers. The strategy aims to assist middle income groups by mainstreaming the provision of residential villages as well as continuing to work with charitable non-profit providers. Middle and upper incomes will be assisted by being able to 'age in place' through the purchase of services otherwise available in aged accommodation and by increasing the provision of accessible housing.

The strategy to address affordable housing options for older Canberrans includes the following three broad elements:

Increase supply and diversity

- Increase the number of public and community housing properties appropriate to the needs of ageing tenants thereby assisting public housing tenants and low income renters who cannot afford entry to the private rental market and have changing support requirements (*Recommendations 11 and 12*)
- Remove the barriers to enable a more flexible market response to the demand for affordable aged accommodation to assist middle income older Canberrans, including renters (*Recommendation 13*)
- Facilitate greater diversity and choice of affordable housing for all older Canberrans within existing suburbs and greenfield developments (*Recommendations 14 and 15*)

Enable ageing in place

- Ensure that universal design becomes mainstream to increase the stock of housing, both new and existing, that is flexible and responsive to the changing needs of occupants as they age (*Recommendations 16, 17 and 18*)
- Promote and encourage home modification to reduce the incidence of falls in the home (*Recommendation 19*)
- Create links within existing communities to provide support for a range of older Canberrans who are living independently (*Recommendation 20*)
- Increase the diversity of affordable options for ageing in place that provide a range of universally designed dwelling types to cater for occupants in a variety of social and income situations (*Recommendation 21*)

1.2 Summary of recommendations

Addressing homelessness

Intensive engagement with people becoming homeless

Recommendation 1

Provide active outreach to engage chronically homeless people and rough sleepers who do not utilise mainstream services through the implementation of a “Street to Home” program, and a “who’s new on the streets” committee.

Recommendation 2

Facilitate easy access to homelessness services through centralised intake, a common waiting list for public and community housing, and collocating Housing ACT’s Gateway Services and crisis accommodation advice service.

Support at risk groups maintain their housing

Recommendation 3

Develop options to implement a program to increase tenancy and clinical support for tenants with a mental illness similar to the Housing Accommodation and Support Initiative (HASI) in NSW.

Recommendation 4

Introduce a youth Foyer model in the Territory linking youth housing with opportunities for employment and training for people aged 16 to 25.

Recommendation 5

Investigate residential tenancy options to support victims of domestic violence to remain housed through a partnership between Housing ACT, the Domestic Violence Crisis Service and appropriate legal services.

Recommendation 6

Focus the program of capital upgrades to social housing dwellings through inclusion of accessibility modifications, extensions, and temporary structures where appropriate and permitted under planning laws, to address changing family composition and overcrowding thus allowing tenants to remain housed in place.

Recommendation 7

Introduce support and accommodation services for the elderly or frail homeless or older people at risk of homelessness (including the Wintringham model) through provision of an appropriate site for development.

Provide housing and support at critical points of need

Recommendation 8

Provide stable long term housing with transitional support for people exiting the Alexander MacConochie Centre, and other institutional or care settings.

Recommendation 9

Build on the stairwell model of accommodation and support used as part of Housing ACT’s Transitional Housing Program to provide transitional housing for people requiring short term assistance.

A whole of government framework

Recommendation 10

ACT Government housing and human service agencies to develop and sign protocols similar to the NSW Housing and Human Services Accord to ensure that responsibility for homelessness and housing is effectively shared and managed on a whole of government basis.

Affordable housing options for older Canberrans

Increase supply and diversity

Recommendation 11

Expand the program for redevelopment of Housing ACT properties to provide more appropriate housing for older tenants, and explore partnership opportunities between Housing ACT and community care providers for the flexible provision of care to tenants.

Recommendation 12

Engage with CHC Affordable Housing, and other community housing providers to develop a strategy for their contribution to the provision of affordable housing for older Canberrans.

Recommendation 13

Mainstream provision of affordable aged accommodation villages through pilot schemes and land releases that better enable private investment.

Recommendation 14

Encourage and enable the affordable provision of granny flats, demountables / prefabricated dwellings and extensions, and for dual occupancies, in existing and new suburbs.

Recommendation 15

Support the development of an exhibition home in the University of Canberra Innovation Centre to test the use of pre-fabricated dwellings in the provision of affordable accommodation for older people, by seeking expressions of interest from the market.

Enable ageing in place

Recommendation 16

Work with industry to develop Universal Design Guidelines for the Territory.

Recommendation 17

Introduce a requirement that by the end of 2010, 20 per cent of all new detached housing comply with the universal design guidelines, with a target of 50 per cent by 2015, and 100 per cent by the end of 2020.

Recommendation 18

Develop a checklist for voluntary disclosure of universal design and sustainability features on sale or rent of properties.

Recommendation 19

Expand promotion of the falls prevention program and investigate options for a program that encourages appropriate home modification (eg. rebates for home modification for eligible home owners, such as those eligible for a Seniors Card).

Recommendation 20

Engage with the not-for-profit sector and service providers on the scope for a Community Access Network pilot project.

Recommendation 21

Seek private investment, including not-for-profit providers, for an older persons' accommodation development, combining universal design and external services to facilitate ageing in place (such as the 'Apartments for Life' model). Subject to a successful EOI, release a suitable site for such a development.

2 Background

2.1 Context for Phase II: Affordable Housing Action Plan

On 14 August 2008 the Chief Minister announced that the Affordable Housing Steering Group would be reconvened to advise the Government on options to increase the supply of affordable housing for older Canberrans and further initiatives to address homelessness.

Terms of reference

Building on the success and work of the first Affordable Housing Steering Group, which reported to Government in March 2007, the reformed Steering Group is to examine and report to Government on options to increase the supply of affordable housing for older Canberrans and further initiatives to address homelessness and sleeping rough in the ACT.

In relation to affordable housing for the aged, the Group will examine options for all forms of housing, including considering the needs of those:

- entering or planning to enter aged care facilities;
- renting properties in the private market;
- needing to relocate to more accessible or appropriate accommodation;
- wishing to 'age in place';
- wishing to share accommodation or services; and
- seeking or planning to enter public or social housing.

The Group should also build on the actions of the "Building for our Ageing Community" strategy.

In addressing homelessness, the Group is to have regard to policies under development by the Commonwealth Government, including through the Council of Australian Government's Housing Working Group.

The Steering Group will be chaired by the Chief Minister's Department and will include membership from the Department of Treasury, and the Department of Disability, Housing and Community Services. Other agencies will be involved on specific issues as necessary.

The Steering Group will consult with an advisory group made up of representatives of peak housing bodies, welfare organisations and social services.

The Steering Group will provide an interim report to the Government by February 2009, with a final report to be provided by April 2009.

2.2 Steering group's approach

Two Advisory Groups, Homelessness and Affordable Aged Accommodation, were formed to assist the Steering Group. The advisory groups were made up of key industry representatives who provided knowledge and insight into the priority areas of concern and issues impacting on homelessness and affordable housing options for older Canberrans. The membership of the Advisory Groups is outlined at **Attachment A**.

The strategy and specific recommendations developed by the Steering Group reflect a response to issues raised in discussion with the Advisory Groups, and also through consultation with relevant stakeholders.

2.2.1 Consultation

In addition to consultation with the Advisory Groups, the Steering Group sought public submissions on the terms of reference. A total of 16 public submissions were received, and a summary of these submissions is available at **Attachment B**.

Public forums on homelessness and affordable accommodation options for older Canberrans were also held in December 2008 and January 2009 as a mechanism to present to the public a summary of the priority issues, and potential responses to those issues. Speakers included academics, representatives from other jurisdictions, and industry specialists. The forums were warmly received, with constructive discussion between speakers and attendees.

2.2.2 Exploration of other jurisdiction responses

The Steering Group investigated strategies used in other jurisdictions to address the issues of homelessness and accommodation options for older people. In particular, the following programs in South Australia, New South Wales and Queensland were examined:

- Street to Home;
- Common Ground;
- Foyer;
- Royal Adelaide Hospital homelessness strategy;
- Housing Accommodation Support Initiative (HASI); and
- Retirement options for older people of different ethnic origins.

A number of these programs were valuable in assisting the Steering Group frame the recommendations on specific measures.

The Australian Housing and Urban Research Institute (AHURI) was also engaged to undertake research into the proposed strategies for addressing the areas outlined in the terms of reference. A copy of the AHURI report is provided at **Attachment C**.

3 A new framework for homelessness

3.1 Context

3.1.1 Defining the homeless

The Steering Group has adopted the Australian Bureau of Statistics (ABS) definition of homelessness used on Census night, which includes primary, secondary and tertiary categories of homelessness.

Primary homelessness includes all people without conventional accommodation, such as people living on the streets, sleeping in parks, squatting in derelict buildings, or using cars or railway carriages for temporary shelter.

Secondary homelessness includes people who move frequently from one form of temporary shelter to another. On Census night, it includes all people staying in emergency or transitional accommodation provided under the Supported Accommodation Assistance Program (SAAP). Secondary homelessness also includes people residing temporarily with other households because they have no accommodation of their own, and people staying in boarding houses on a short-term basis, operationally defined as 12 weeks or less.

Tertiary homelessness refers to people who live in boarding houses on a medium to long-term basis, operationally defined as 13 weeks or longer. They are homeless because their accommodation situation is below the minimum community standard of a small, self-contained flat.¹

3.1.2 The extent of homelessness in the ACT

The *Counting the Homeless 2006* report indicates that in 2006, there were 1,364 homeless people in the ACT, (increasing from 1,229 in 2001), with 307 of these aged between 12 and 18 years. In addition, the report recorded 42 people as marginal residents in caravan parks (a decrease from 110 people in 2001).

Of the 1,364 homeless in 2006, 6 per cent were in improvised dwellings, 8 per cent were in boarding houses, 39 per cent in SAAP accommodation, and 47 per cent were with friends or relatives.

The ACT has the lowest rate of homelessness per 10,000 of the population of any Australian jurisdiction, recording 42.1 per 10,000 in 2006 and 39.6 per 10,000 in 2001. On Census night 2006, the ACT had 1.3 per cent of the total Australian homeless population, a slight increase from 1.2 per cent in 2001.

The main source of data in *Counting the Homeless* is Census data (Census count or point of prevalence count – that is, the number of people on a given night) supplemented by data from the SAAP National Data Collection (annual count or annual prevalence – estimates of the number of people who become homeless over a year).

¹ ABS, *Counting the Homeless 2006*, Catalogue No 2050.0

The report indicates that an annual count will be higher than a Census count if most people are homeless for a short period of time. In all States the enumeration of the primary homeless population took place over a week, but over 24 hours in the ACT and NT.

Recent data trends indicate an increase in primary homelessness nationally, and would suggest there has been little to no improvement in the numbers of people sleeping rough in the ACT since the 2001 *Counting the Homeless Report*. It is noted however that even using consistent definitions, accurately counting the homeless is difficult.

3.1.3 The ACT Government response to date

The ACT Government's previous homelessness strategy, *Breaking the Cycle of Homelessness*, was released in April 2004. The strategy had four strategic themes including a focus on: integrated and effective service responses; client focus and outcomes; access to appropriate housing and housing assistance; and supporting and driving innovation and excellence.

An evaluation conducted in 2007 concluded that the strategy had achieved positive outcomes. In particular, it delivered a more targeted response and enhanced support for people who are homeless or at risk of homelessness, including decreasing the number of people "turned away" from services, improving support for children and young people, streamlining assessment processes, and introducing the Transitional Housing Program. The strategy was also found to have improved short term crisis management for women and children escaping domestic violence at Christmas.

The strategy was also successful in laying the foundation for a longer term approach to addressing homelessness, including through the introduction of 'any door is the right door' policy, changes to public housing stock to improve the ability to match client needs with appropriate housing, and early intervention and prevention initiatives to minimise the likelihood that people will lose tenancies.

3.1.4 The national response to homelessness

At the Council of Australian Governments (COAG) meeting on 29 November 2008, the Commonwealth Government and States and Territories agreed to the National Affordable Housing Agreement (NAHA) and associated National Partnership (NP) Agreements relevant to the ACT, for Social Housing and for Homelessness. The ACT has subsequently become a signatory to each of the agreements.

The NAHA and NPs articulate a range of service delivery and policy reforms aimed at improving housing affordability and homelessness outcomes, and more broadly at addressing the issue of social inclusion.

Many of the proposed reforms in the NAHA and NPs are measures which the ACT already has in place following the successful implementation of *Breaking the Cycle of Homelessness – the ACT Homelessness Strategy*, recent reform of public housing under of the *Housing Assistance Act (2007)* and the revised *Public Rental Housing Assistance Program*, and through the *Affordable Housing Action Plan*.

The Social Housing and Homelessness NP provides the Territory with a further opportunity to implement a targeted response to homelessness in partnership with the Australian Government, including establishing new dwellings and service responses to underpin the reform agenda identified in the Commonwealth Government's Homelessness White Paper – *The Road Home*.

In particular, the Steering Group has had reference to the following core outputs under the Homelessness National Partnership Agreement in developing a strategy for homelessness for the ACT:

- implementation of the “A Place to Call Home” initiative;
- “Street to Home” initiatives for chronic homeless people (rough sleepers);
- support for private and public tenants to help sustain their tenancies, including through tenancy support, advocacy, case management, financial counselling and referral services; and
- assistance for people leaving child protection services, and correctional and health facilities to access and maintain stable and affordable housing.

3.2 Emerging issues

The Steering Group notes that while the Government has implemented a successful homelessness strategy, and continues to make addressing homelessness a priority, there still exists a problem with homelessness in the ACT, albeit at a lower rate than the rest of the nation.

The costs to the community of not breaking the homelessness cycle are high. Chronically homeless people who continually use crisis health and homeless services increase demand on these high cost crucial services, and are unlikely to achieve stable, long-term support and accommodation. It has been anecdotally estimated that a homeless person requiring continual crisis accommodation and emergency health responses over a period of twenty years may cost as much as \$1 million in support and assistance². Recent work by AHURI suggests that quality homelessness programs that normalise service use in line with the mainstream population can have potential savings to government of more than double the cost of providing the homelessness assistance³.

The Steering Group maintains that there needs to be a focus on breaking the cycle of homelessness and assisting people to maintain tenancies. Addressing homelessness not only requires the provision of housing, but involves engaging with the homeless, encouraging them into tenancy, and providing appropriate, responsive and timely services to prevent the reoccurrence of homelessness.

The following causal factors have been identified as needing to be addressed in breaking the cycle of homelessness:

- mental health issues;

² *Death of our Homeless Pal, Million Dollar Man*. Adele Honn. Sydney Morning Herald, 4 October 2008

³ *AHURI Research Synthesis: Evidence on new models for homelessness and aged accommodation*. Australian Housing and Urban Research Institute, January 2009

- drug and alcohol abuse and dependency;
- domestic violence;
- employment and training opportunities;
- access to affordable public and private housing;
- stable tenancies; and
- private rental market pressures.

A response to homelessness will require a strong focus on provision of health services, in particular mental health, and drug and alcohol services. Such a response should not only be clinical, but should be based on building an ongoing relationship with the client individual.

A response to homelessness in the ACT needs to be appropriate to the different levels of homelessness, in particular primary (rough sleepers), secondary (people in crisis accommodation) and tertiary homelessness (people in medium term accommodation). The strategy should respond to the varying needs of the specific homeless groups, including the indigenous, the elderly, women and children escaping domestic violence, and homeless youth.

3.3 Strategy to reduce homelessness

The Steering group recommends a strategy that addresses the identified needs of homeless people through outreach services and assistance for 'at risk' groups. The strategy builds on the work of the previous ACT homelessness strategy, and recommends specific interventions and tailored solutions to target identified groups including rough sleepers, people with mental illness, families escaping domestic violence, unemployed youth, and people exiting custodial institutions.

3.4 Recommendations on specific measures

3.4.1 Intensive engagement with people becoming homeless

Street to Home program

The Steering Group recommends the introduction of a "Street to Home" program providing active outreach for rough sleepers. *Street to Home* will provide services to people on the streets, rather than requiring them to attend appointments in offices. This active outreach model used in South Australia has resulted in benefits by engaging with people who do not respond to mainstream service delivery methods. The aim of the service is to reengage clients with services, and to move people off the street into appropriate accommodation, including existing homelessness accommodation services and public housing. Appropriate outreach support is then provided to enable a tenancy to be established and sustained over time. The Service will be required to work with a "who's new on the streets" committee to help identify and monitor people who are homeless.

Recommendation 1

Provide active outreach to engage chronically homeless people and rough sleepers who do not utilise mainstream services through the implementation of a “Street to Home” program, and a “who’s new on the streets” committee.

Centralised intake and assessment for public and community housing, and homelessness services

It is critical that homeless people do not have to be continually re-assessed in order to gain access to the varying services that they require. The Department of Disability Housing and Community Services (DHCS) will co-locate their Gateway Services Centre with two existing community services to provide entry information and assessment for homeless people. The Gateway Services Centre will also maintain a waiting list for the ACT’s main community housing providers Havelock Housing Association, ECHO, TAS Housing, and Billabong Aboriginal Corporation.

Recommendation 2

Facilitate easy access to homelessness services through centralised intake, a common waiting list for public and community housing, and collocating Housing ACT’s Gateway Services and crisis accommodation advice.

3.4.2 Support at risk groups maintain their housing

The Steering Group has identified responses to assist the following groups at high risk of homelessness.

Support for tenants with mental illness – the HASI model

The *Housing Accommodation and Support Initiative* (HASI) is a highly successful model operating in New South Wales (NSW), underpinned by an overarching agreement between human service agencies. The program provides support for people with moderate to severe mental illness to maintain their tenancies. Costs per client vary between \$10,000 per annum for low needs tenants, and up to \$50,000 to \$70,000 per annum for tenants with high needs. Evaluations of the program in NSW have identified reductions in hospital admissions of up to 90 per cent of clients after 12 months of support, resulting in significant health and economic benefits.

Operation of the HASI model in the ACT would require a three-way partnership in service delivery between ACT Health, Housing ACT, and community service providers to deliver the following:

- Accommodation support and rehabilitation associated with disability provided by non-government organisations;
- Clinical care and rehabilitation provided by specialist mental health services; and
- Long-term secure and affordable housing, and property and tenancy management services provided by public and community housing.

Recommendation 3

Develop options to implement a program to increase tenancy and clinical support for tenants with a mental illness similar to the Housing Accommodation and Support Initiative (HASI) in NSW.

Linking housing for at risk youth with employment and training – the Foyer Model

The Foyer Model is new to Australia with only a few projects that have been trialled. In an Australian context, Foyers provide a link between SAAP funded crisis accommodation and independent living.

The one major Australian example is the Miller Live N Learn campus located in South Western Sydney which opened in 2003. Adapted for Australian application from the UK 'Foyer' Model, the Live N Learn campus offers skills, learning, and stable accommodation in self-contained campus style units for around 30 people. The project was initiated by the Department of Housing NSW as a way to offer better solutions for youth at risk of homelessness, care-leavers, or youth exiting shorter-term accommodation.

Live N Learn relies upon a combination of government and non-government sources in order to run the variety of programs available to young people. The programs are designed to support their study goals, obtain their desired job or assist them to live independently.

Local Rotary clubs of the ACT have indicated their support for the establishment of a Foyer model in the ACT.

Recommendation 4

Introduce a youth Foyer model in the Territory linking youth housing with opportunities for employment and training for people aged 16 to 25.

Support for victims of domestic violence to remain housed

In 2006-07, the main reasons for seeking homelessness assistance in the ACT were domestic violence (16 per cent of support periods), relationship or family breakdown (16 per cent), and eviction or being asked to leave (9 per cent). It is crucial that maximum support be provided during times of family crisis, particularly in circumstances of domestic violence where women and children are often displaced while the perpetrators remain in the home. The Residential Tenancies Tribunal is developing a scheme that will allow a family to remain in the home, and have the perpetrator removed from the tenancy agreement. As part of this program, and in the interests of keeping abused women and children safe, it is recommended that the program also include providing perpetrators with access to appropriate accommodation and support.

Recommendation 5

Investigate residential tenancy options to support victims of domestic violence to remain housed through a partnership between Housing ACT, the Domestic Violence Crisis Service and appropriate legal services.

Vulnerable public housing tenants prone to overcrowding

The ability to adapt to changing family circumstances is a critical point of risk for people transitioning throughout the homelessness continuum. Maintaining stability is an important factor in the provision of ongoing support for families. A major cause of stress for some large families in public housing is overcrowding, which can in turn lead to homelessness due to pressures on family groups. While these families can apply for larger properties, the waiting times for such allocations can be long, and a move can disrupt vulnerable families who have invested effort in building linkages to their communities. It is proposed that the capital works program in public housing focus on modifications and alterations to help these family groups stay together and support each other.

Recommendation 6

Focus the program of capital upgrades to social housing dwellings through inclusion of accessibility modifications, extensions, and temporary structures where appropriate and permitted under planning laws, to address changing family composition and overcrowding thus allowing tenants to remain housed in place.

Accommodation for older people

The Steering Group recognises the particular needs of the homeless aged, sometimes referred to as the “forgotten” homeless.

The Commonwealth White Paper on Homelessness – *The Road Home*, includes a commitment that the Australian Government will allocate aged care places and capital for at least one new specialist facility for ageing people who are homeless in an area of need in each of the next four years, and will continue to fund Assistance for Care and Housing for the Aged (ACHA).

The White Paper particularly recognises the services provided by Wintringham in Victoria. Wintringham is a not-for-profit, highly specialised welfare organisation that provides housing and care to elderly men and women who are homeless or at risk of becoming homeless. Wintringham currently manages and provides support through a number of facilities in Melbourne, including low and high care facilities, transitional housing, rooming houses, and independent living units.

The Steering Committee has had informal discussions with Wintringham who have expressed interest in establishing an ACT based facility.

Recommendation 7

Introduce support and accommodation services for the elderly or frail homeless or older people at risk of homelessness (including the Wintringham model) through provision of an appropriate site for development.

3.4.3 Provide housing and support at critical points of need

Stable accommodation is key to enabling a person to take advantage of educational and employment opportunities and to address health issues, including those related to substance abuse and mental health.

The ACT rental housing market has experienced vacancy rates of 2 per cent or less and is also one of the most expensive in the country. This situation considerably reduces the availability of private affordable housing for people who are homeless and increases the demand for public housing.

The ACT Government's *Affordable Housing Action Plan* includes a range of initiatives to increase the supply of affordable private rental accommodation. However, for people leaving homeless services there is still a shortage in the supply of transitional housing and crisis accommodation. The SAAP National Data Collection Annual Report Data 2006-07 identifies that the mean length of accommodation in ACT SAAP services was the second longest nationally at 71 days, compared with a national average of 50 days. The primary reason is the lack of exit points for SAAP clients. This trend is expected to be amplified with people returning to the community from correctional institutions.

The Transitional Housing Program has provided an additional 3,043 supported bed nights between January 2008 and June 2008, saving at least \$194,752 (using national data) over a six month period that would otherwise have needed to be provided by crisis accommodation.

The Steering Committee notes the success of Housing ACT's transitional housing program and in particular the stairwell model of support (where tenants with complementary backgrounds and skills are collocated to support each other), and recommends that they be expanded to meet both current and future projected demand.

Recommendation 8

Provide stable long term housing with transitional support for people exiting the Alexander MacConochie Centre and other institutional or care settings.

Recommendation 9

Build on the stairwell model of accommodation and support used as part of Housing ACT's Transitional Housing Program to provide transitional housing for people requiring short term assistance.

3.4.4 A whole of Government framework

A whole of government, whole of sector approach is required to establish accurate street population estimates, and to ensure an effective response to primary homelessness in the ACT. This necessitates:

- regular and open communication through the development of protocols between government agencies, and with non-government service providers, including the sharing of client information, while maintaining the autonomy of non-government service providers; and
- improved coordination of responses by government agencies and non-government service providers.

The ACT as a small jurisdiction is well placed to ensure that this concept is realised, and already homelessness services, public housing, juvenile justice, and family and children's services are located in the same agency (Disability, Housing and Community Services). A Homeless Service Charter has already been developed.

Housing ACT has also established close links with Centrelink with the establishment of joint service provision at shop fronts.

The success of joint agency programs such as HASI which require close cooperation between agencies responsible for public housing, community housing and mental health is seen as attributable to the development of high level agreements across all human service agencies in NSW, committing to achieving common goals.

It is considered that a similar agreement or series of protocols across ACT Government human service agencies will underpin the development of this strategy.

Recommendation 10

ACT Government housing and human service agencies to develop and sign protocols similar to the NSW Housing and Human Services Accord to ensure that responsibility for homelessness and housing is effectively shared and managed on a whole of government basis.

4 Options to increase the supply of affordable accommodation for older Canberrans

4.1 Context

4.1.1 Strategies for housing ageing Canberrans

An ageing population and limited supply of affordable accommodation for older Canberrans has led to the introduction of a number of strategies to increase the supply of housing options for older people in the ACT. The Affordable Housing Action Plan, released in April 2007, built on the previous success of the *Building for our Ageing Community* strategy in removing some of the obstacles to the supply of residential aged care accommodation in the ACT. *Building for our Ageing Community* placed an emphasis on establishing a rolling program of aged persons' accommodation sites, and on identifying and removing unnecessary delays in projects for aged accommodation by streamlining planning approval process. The Affordable Housing Action Plan recommended the continuation of the strategy by identifying appropriate development sites throughout Canberra to facilitate a mix of housing developments that enhance the provision of affordable aged housing.

The *Building for our Ageing Community* strategy was also referenced in the ACT Policy Framework for Ageing 2007 to 2009, 'A Society for all Ages'. The policy framework included a focus on the provision of land for residential aged care, supportive housing and other residential developments aimed at the seniors market, and regulating development to ensure that a proportion of housing meets the needs of older Canberrans through requirements for accessible and adaptable housing.

These strategies have been successful in so far that there has been ongoing identification of appropriate sites for aged care developments, and improvement in the responsiveness of the planning processes for this type of accommodation. However, the current supply of affordable housing options for older Canberrans, either through rent or purchase, remain limited. This next phase of the Affordable Housing Action Plan provides an opportunity to explore the varying needs for affordable accommodation for older Canberrans, and the barriers to the market's capacity to meet the diverse demand. As demand for this type of accommodation increases, there will be a need for government action to ensure that there is an adequate supply of affordable housing options.

4.1.2 An ageing community

Recent Census data indicated that there were 59,291 Canberrans aged over 55 years in 2006. Of these, 12 per cent were renting their home, 19 per cent were purchasing their residence, and 64 per cent fully owned their own home.

The proportion of Canberrans aged 55 years and over who were living in a dwelling that was still being purchased increased from 13 per cent to 19 per cent between 2001 and 2006. Of those, 611 were in housing stress as at the time of the 2006 Census. This

equates to a 154 per cent increase from the 2001 to 2006 Census in the number of older Canberrans purchasing their home who were in housing stress⁴.

Of those renting in 2006, around 930 people were in housing stress. This represents a 66 per cent increase in numbers (from 560 people in 2001) in the number of Canberrans aged 55 years and over who were experiencing housing stress in rented residences between 2001 and 2006. It is expected that if no action is taken to supply more affordable housing options, the proportion of older Canberrans in housing stress will continue to grow.

In a report on rental housing provision for lower income older Australians⁵, the Australian Housing and Urban Research Institute (AHURI) noted that the projected growth in the numbers of low income renting households, aged between 65 to 74, over the next 20 years (2001-2026) is 103 per cent (the same for households of all tenure types in this age group); 114 per cent for ages 75 to 84 (compared to 109 per cent for all tenure type households in this age group); and 194 per cent for those aged 85 and above (compared to 156 per cent for all tenure types).

There will be a significant increase in the numbers of older people in the ACT over the next 20 years, which will impact on demand for appropriate housing. Population projections prepared by the ACT Government estimate that the total number of people aged over 55 years will increase by 62 per cent (to 112,064 people) over the next 20 years. Over the same period, the population of Canberrans over the age of 80 years is estimated to increase by 111 per cent to 18,019 people. Of those people, it is estimated that around one quarter (around 4,500) will elect, where possible, to move to accommodation which provides a level of care, including to retirement villages or age specific accommodation, while approximately 75 per cent (around 13,500 people) will elect to “age in place” (remain in their existing dwelling, or relocate to more appropriate housing within the existing suburb / community).

The figures demonstrate that there is a current shortage in affordable housing options for a significant number of older Canberrans. There are currently less than 2,000 aged person units available in Canberra. The number of older Canberrans in housing stress indicates that there is already a shortage of affordable housing options appropriate to the needs of our ageing community.

Without appropriate policy action to address the shortage, the increase in demand for affordable housing for the growing demographic of older Canberrans, including those 13,500 wishing to age in place, will bring with it significant challenges for the ACT Government, the building and construction industry, and aged care service providers. The Territory currently has an opportunity to take preventative action, and to lead other Australian jurisdictions in its approach to provision of affordable aged accommodation.

4 The term *housing stress* has been used to describe those ACT persons who are in deciles 2 through 4 for their weekly household income and spend 30 per cent or more of that income on housing costs.

5 *Rental Housing Provision for Lower-Income Older Australians*, A Jones, M Bell, C Tilse and G Earl, May 2007, AHURI.

4.2 Emerging issues

It is generally accepted that housing stress for older people is most often caused by accommodation that is inappropriate for their changing needs, including needs of costs (affordability of purchase and maintenance), physical needs, dwelling design, or location. The successful provision of affordable accommodation for older Canberrans will require policies for the integration of housing with care and support, while managing the tension between the desire for independence and the growing need for support. This tension becomes even more acute when affordability is a constraint.

The Productivity Commission has suggested that the aged care sector will face new challenges as the demand profile for aged care services also diversifies with increases in the numbers of baby boomers with higher incomes and wealth. Future housing and services will need to have the flexibility to respond to the needs of a wide array of clients, from the wealthiest to those reliant on government income support.⁶

A study into demand and supply commissioned by the ACT Government in 2006⁷ found that there are three broad groups of older people facing housing affordability constraints: low-income renters; homeowners who are asset rich but income poor; and those with limited assets and limited income. The Steering Group has also identified a fourth group, those with no assets and no income, or the elderly homeless.

For low-income older renters, or for older people with limited income and assets, there is a limited choice of appropriate and affordable housing. Public housing is only available to those on extremely low or no incomes. Many older people fall outside of the criteria, but still cannot afford access to the general rental or retirement housing market. Those rental properties that are affordable generally do not have common facilities available, and there is limited or no support or care for older tenants.

Older Canberrans who own their own home (asset rich) but who have limited income face a different range of issues impacting on affordability. If they wish to 'age in place', maintenance and other living costs often make staying in the existing residence unsustainable. In addition, sale of the family home may not produce enough cash surplus to allow relocation to more suitable accommodation. While a number of ACT Government programs have been established to help reduce the living costs for this group, such as the ability to defer rates payments, there are limited or no affordable housing options available elsewhere within the existing community to enable these older Canberrans to move to more appropriate accommodation.

While some of the issues for these groups may differ, there are also elements common to the majority of older Canberrans. It is generally acknowledged that housing is important to 'ageing well'. As noted by Jones et al (AHURI rental housing report):

*For many older people, housing provides security and independence, a valuable asset in later life, proximity to friends and familiar places, access to services, and a site for the delivery of services. Housing is an important resource for older people, as well as being a symbol of independence and a link with personal history and identity.*⁸

6 Productivity Commission (2008) *Trends in Aged Care Services: some implications*, Commission Research Paper. Canberra, page xviii

7 Retirement Accommodation and Residential Aged Care in the ACT 2006-2026. Demand and Supply Study: A Report prepared for the Chief Minister's Department of the ACT Government by Dr Anna Howe, July 2006

8 AHURI report, p42

For older Canberrans on low or moderate incomes, declining affordability and a limited supply of housing appropriate to their needs reduces the capacity of their residence to provide them with security and social connection.

Any response by the Territory to the demand for affordable housing for older Canberrans needs to include increasing the supply and diversity of accommodation options to suit a range of older Canberrans on a variety of incomes / asset bases, including affordable rental options. The response should take into account the type and level of external support or care required by the resident, and the resident's desire for independence (or at least a perception of independence).

The supply of affordable aged accommodation should be sensitive to a person's wish to stay within their existing community (ageing in place) to avoid social isolation, while allowing for flexibility to move between different housing and care packages to suit changing needs. Accommodation should be adaptable to the needs of an ageing population.

The Steering Group has identified a number of factors that impact on the capacity of the market to respond to the demand for appropriate and affordable accommodation for older Canberrans. While there is an ongoing commitment by the ACT Government to increase supply and address planning constraints that impact on the industry's capacity to meet demand, the current approach to facilitating aged accommodation in existing suburbs has not been successful in encouraging a significant increase in the supply of affordable residential aged care (retirement villages).

For those older Canberrans currently maintaining their own residences (owned or rented), there is a need for additional coordinated general support for those who do not have access to existing support services, while options to move to more appropriate, smaller or adaptable housing options within existing communities are limited.

4.3 Strategy to provide affordable housing options for older Canberrans

The Steering Group recommends a strategy that addresses the identified needs of older Canberrans across a range of income groups. The strategy recognises and builds on the work of Housing ACT and community housing providers in responding to demand for affordable housing from lower income groups, including older renters. For middle income earners, the strategy aims to increase the supply of retirement village or cluster housing options, including affordable independent living units.

The strategy also recognises the desirability of ageing in place, and recommends measures to ensure the supply across Canberra of housing that includes flexible design features to meet the changing needs of an ageing occupant. Complementing this, the strategy also supports the establishment of a community based support network for the provision of care and services.

4.4 Recommendations on specific measures

4.4.1 Increase supply and diversity

Increase supply and flexibility of public and community housing

Public and community housing should be able to flexibly respond to ensure that a percentage of housing stock is reflective of current and developing demand from the older demographic. There is a need to increase the number of public and community housing properties that are appropriate to the needs of ageing tenants who cannot afford entry to the private rental market and have changing support requirements.

Housing ACT provides the majority of aged persons units or flats (APUs) in the Territory, operating a total of 1,475 APUs, with all tenants in the lowest income quintile. Almost 30 per cent of Housing ACT tenants are aged over 50 years, and more than half of those are over 70 years of age. More than 50 per cent of public housing APUs in Canberra are more than 20 years old, and 62 per cent of the APUs are 1 bedroom or studio accommodation. In addition to moving to an APU, public housing tenants can remain in their dwelling (modified by Housing ACT if necessary) as the tenant ages.

Changes to the Public Rental Housing Assistance Program in 2006 provide for the highest priority assistance to be given to frail aged applicants where natural supports have broken down, or are at serious risk of breaking down. This priority status for public housing APUs suggests that provision of affordable housing for the lowest income quintile is currently being appropriately addressed. The Steering Group further notes that Housing ACT is identifying opportunities, as part of its asset management strategy, for redevelopment of public housing sites to provide accommodation that is more suitable to the needs of ageing tenants, including 2 and 2½ bedroom properties in existing communities.

The Steering Group recommends that the existing public housing redevelopment strategy be enhanced to increase the flexibility of housing provided to older tenants. Through exploring partnerships with community care providers, Housing ACT tenants could have access not only to newly developed appropriate housing, but also to a level of care appropriate to an individual resident's needs.

Recommendation 11

Expand the program for redevelopment of Housing ACT properties to provide more appropriate housing for older tenants, and explore partnership opportunities between Housing ACT and community care providers for the flexible provision of care to tenants.

The Steering Group notes the likely increase in demand for affordable housing options by older Canberrans whose income precludes them from public housing eligibility, but who cannot afford to access the private housing market.

Community housing providers, such as CHC Affordable Housing, and other aged care service providers, should be encouraged to supply affordable housing options for older Canberrans as part of their response to affordable housing generally.

CHC Affordable Housing currently has a mandate to increase the supply of affordable housing by 1,000 dwellings and affordable rental by 500 dwellings within 10 years.

The Steering Group recommends that the Government work with community housing providers, including CHC Affordable Housing, to deliver a targeted number of affordable homes suitable to older tenants as part of their broader commitment to the delivery of affordable housing.

Recommendation 12

Engage with CHC Affordable Housing, and other community housing providers to develop a strategy for their contribution to the provision of affordable housing for older Canberrans.

Encourage investment in affordable retirement villages

Not-for-profit service providers currently provide more than 400 APUs / independent living units (ILU) , most often originally developed under the former Commonwealth *Aged and Disabled Housing Program*. Their age and condition makes them difficult to sell under loan and license arrangements and so they have previously been made available for affordable rental accommodation, or increasingly, they have been redeveloped. When existing older rental APUs are replaced by new units, providers will generally need to sell the new units to finance the redevelopment costs, rather than retaining them as rental properties. Sale prices of new products have not generally been considered affordable and the result has been the provision of aged person housing for higher income groups.

While there is no breakdown available on the number of rental units available of the 400 APUs, the Steering Group notes the increasing numbers of older Canberrans in rental stress, which suggest that this supply is not sufficient to meet current or expected demand. To combat this problem, there is a need to remove the barriers that inhibit the market responding to the demand for affordable aged accommodation by middle income older Canberrans, including renters.

Investment from a range of providers in the housing and aged care sector is required to increase the amount of affordable housing stock for older people in Canberra. The Steering Group is seeking independent advice to investigate new options for Government support of private investment in affordable aged accommodation.

Recommendation 13

Mainstream provision of affordable aged accommodation villages through pilot schemes and land releases that better enable private investment.

Increase options for affordable housing in existing suburbs

The provision of affordable housing options for older people in existing suburbs can be difficult as there are few vacant sites available. Large scale development costs may also be prohibitive. To facilitate affordable ageing in place there should be greater diversity and choice of housing options for older people in existing suburbs and greenfields developments.

Affordable housing such as granny flats, pre-fabricated small housing, and dual occupancies represent a viable affordable alternative to independent living units in retirement complexes, and may also provide the opportunity for families to provide a level of low care to an older relative.

While the Territory Plan currently includes provision for a range of housing types that meet the description of 'granny flat/ extensions/ demountable/ pre fabricated', in practice it can be difficult to obtain approval for this type of dwelling. Dual occupancies are also significantly restricted under the current planning requirements.

A review of the current Territory Plan requirements, and consultation with industry is required to determine the parameters of the regulations and the barriers that may impede this type of affordable development. The Steering Group also recommends that the development of an exhibition of affordable prefabricated accommodation to demonstrate innovative construction responses to affordable housing for older Canberrans.

Recommendation 14

Encourage and enable the affordable provision of granny flats, demountables / prefabricated dwellings and extensions, and for dual occupancies, in existing and new suburbs.

Recommendation 15

Support the development of an exhibition home in the University of Canberra Innovation Centre to test the use of pre-fabricated dwellings in the provision of affordable accommodation for older people, by seeking expressions of interest from the market.

4.4.2 Enable ageing in place

It is estimated that by 2026 around 13,500 Canberrans aged over the age of 80 will elect to 'age in place' (that is, continue living in their existing home, or move to more appropriate accommodation within the same suburb or community). Increasing the supply of housing stock, both new and in existing suburbs, that is flexible and responsive to the changing needs of occupants as they age will be crucial in meeting this demand.

Mainstream universal design to meet future demand

Existing planning codes require that 10 per cent of multi-unit residential developments in the ACT with ten or more units must be adaptable and accessible. The relevant code relies on Australian Standards for accessibility, mobility and adaptability. While this requirement assists in providing a certain number of accessible dwellings in new larger developments for both older people and people with disabilities, there remains a limited supply of housing that is flexible enough in design to adapt to the needs of older occupants.

Discussion with the aged care sector suggests that requiring a percentage of new housing to be "universally" designed would assist in meeting the growing need for appropriate housing for older people. Universal design as it relates to the built environment is based on the principle that it is more cost-effective and beneficial to

design and build a home that it is flexible to the changing needs of its occupants. Universally designed homes are easily adaptable as occupants age.

Introducing a requirement for universal design features in new housing would assist in mainstreaming flexible homes to support ageing in place. Consultation with the building industry has indicated that the incorporation of basic universal design features is unlikely to have a significant impact on construction costs. Disclosure of those features at sale or rent would also encourage Canberrans to consider the value of these features, and to find a home which will suit their needs on an ongoing basis.

Recommendation 16

Work with industry to develop Universal Design Guidelines for the Territory.

Recommendation 17

Introduce a requirement that by the end of 2010, 20 per cent of all new detached housing comply with the universal design guidelines, with a target of 50 per cent by 2015, and 100 per cent by the end of 2020.

Recommendation 18

Develop a checklist for voluntary disclosure of universal design and sustainability features on sale or rent of properties.

Home assessments and modifications

Falls at home are common for older people, and can be a significant problem. It has been estimated that around 30 per cent of people aged 70 and over who live in the community will fall each year. That figure rises to 40 per cent for people aged over 80 years.⁹ Approximately one in five of those will require medical attention. While the costs of falls to the community can be significant (the annual lifetime costs of falls in older people has been estimated to exceed \$1 billion nationally¹⁰), the result of a fall may also lead to a loss of confidence for the older person and an inability to remain living independently.

ACT Health currently provides a free falls injury prevention assessment through the Aged Care and Rehabilitation Service. Assessments are available for anyone at risk of a fall who is over the age of 60 years. The assessments identify specific areas of falls risk due to a person's physical capabilities, and can also determine the safety of the home. Although such assessments are known to be a cost effective way to help people age in place, older people can often be reticent to take on the advice, either from fear of loss of independence, or sometimes due to a perception that the modifications will devalue their home.

An extension of the falls prevention program to encourage people to assess their home and prepare for ageing, would assist in encouraging ageing in place. Such a program (similar to the existing WaterSmart and GardenSmart initiatives) could be targeted not only to the over 70's demographic, but could also be marketed to appeal to the baby boomer generation, to encourage modification and limit the potential for falls in the future.

9 "A prospective study of the costs of falls in older adults living in the community", S. Hall and D Hendrie, Australian and New Zealand Journal of Public Health; 2003 Volume 27, no. 3, p343

10 "Hospitalisation due to falls in older people, Australia, 2003-04", C Bradley and J Harrison; Australian Institute of Health and Welfare (AIHW), Injury Research and Statistics Series No. 32, June 2007, p.ix

Recommendation 19

Expand promotion of the falls prevention program and investigate options for a program that encourages appropriate home modification (eg. rebates for home modification for eligible home owners, such as those eligible for a Seniors Card).

Better support for older Canberrans living independently - Community Access Network

Many older Canberrans living independently require assistance from home and community care providers in order to age in place. Subsidised community care packages are available to people who are at risk of premature or inappropriate long term residential care. However, for older Canberrans who are not eligible for those services there are limited affordable options for home assistance. Older people who age in place may also suffer from reduced mobility, impacting on their capacity to engage in the community and maintain a positive social role.

A “virtual” retirement village or “Community Access Network” would enable older Canberrans (either renting or in their own home) to access a variety of services to assist them to stay in their own home. Such a network could draw on existing local services. Students from local universities and apprentices from the CIT could also assist in service provision, reinforcing community links and reducing costs for participants. The key benefit of this sort of Community Access Network would be that older Canberrans could retain the positive aspects of remaining in the community while the negatives of social isolation, difficulty in maintaining property and wellness would be alleviated.

A virtual village model (Beacon Hill) has been successfully established in the United States. The village provides a number of services to its members – older people living independently in the Beacon Hill community – to enable them to age in place while maintaining important social links within the community. Services provided by the virtual village include cultural events, transportation services, health and wellness programs, vetted and supervised handyman and cleaning services, meals on wheels, catering, pet sitting, and computer support, as well as short and long term assisted living services. Some services made available to members are included as part of a membership fee, while others are provided on a user-pays basis. Membership is available to those aged 50 and over, thus enabling working people and “empty-nesters” to use and support the service, and to cross-subsidise some of the less affluent participants.

Recommendation 20

Engage with the not-for-profit sector and service providers on the scope for a Community Access Network pilot project.

Private investment in flexible housing options - Apartments for Life

There is a need to increase the diversity of affordable options for ageing in place that provide a range of universally designed dwelling types to cater for occupants in a variety of social and income situations.

There is strong anecdotal evidence that some multi-unit developments, eg. Sky Plaza in Woden, have a considerable proportion of residents over 55 years, and that “vertical”

apartment style living appeals to a number of older people. In circumstances where a desirable multi-unit housing product is made available for older people, then retirement communities can occur naturally as part of the overall market response.

The Humanitas model for *Apartments for Life* seeks to address this need. Designed in the Netherlands in response to older people demanding an alternative to old style nursing homes and hostels, *Apartments for Life* allows people to maintain their independence, accessing services (including medical, recreational, educational and social) on an as needs basis. This model is being pioneered in Australia by the Benevolent Society on a site in Bondi, Sydney. The project will create a new form of housing and services for older people that, unlike many retirement complexes, is very much part of the local community. The apartment complex proposed is specifically designed for older people, and includes public space and other community facilities for use by the surrounding community as well as residents. It is designed to be a place where older people can live for the rest of their lives in the same apartment with the support of health, community and other services as required.

Apartments for Life include a blend of housing arrangements, catering for people requiring low rent social housing, through to renting or buying large and expensive apartments at market prices.

The Steering Group considers that the *Apartments for Life* model would be attractive to many ageing Canberrans, and would be particularly suited to a development in an existing suburb with good access to local amenities and community facilities.

Recommendation 21

Seek private investment, including not-for-profit providers, for an older persons' accommodation development, combining universal design and external services to facilitate ageing in place (such as the 'Apartments for Life' model). Subject to a successful EOI, release a suitable site for such a development.

Attachment A: Advisory Group Membership

Membership of Aged Accommodation Advisory Group

- Mr Michael O'Neill, Chief Executive, National Seniors Australia
- Ms Marion Reilly, former Chair of the ACT Aged Care Advisory Council
- Ms Maureen Cane, member of the current ACT Ministerial Advisory Council on the Ageing and Chief Executive Officer of Communities@Work
- Mr Paul Flint, Executive Director, COTA ACT
- Mr Richard Spencer, Chief Executive Officer, The Benevolent Society (proxy - Ms Barbara Squires, General Manager, The Benevolent Society)
- Ms Nikki Van Diemen, Chief Executive Officer, Morshead Homes for Veterans and Chair, ACT and Southern Tablelands Regional Committee, Aged Care Services Australia

Membership of Homelessness Advisory Group

- Mr Jeffery Dalton, Executive Director ACT Shelter
- Mr Reece Coleman, Chair ACT Youth Advisory Council
- Mr Barry Petrovski, Executive Officer, ACT Mental Health Foundation
- Mr Bob Wilson, Chief Executive Officer, St Vincent de Paul Society
- Ms Winsome Willow, Manager, Inanna Women's Refuge

Attachment B: Summary of public submissions

On 12 September 2008, members of the public, community and business organisations were invited to make submissions to the Affordable Housing Steering Group. Submissions were due by 7 November 2008.

Submissions were received from:

- Royal Society for the Protection against Cruelty to Animals (RSPCA)
- Mr Barry White
- Mr Peter Goerman
- Mr Don Allan
- Mr Jack Kershaw
- Mr Joseph Clark
- The Aged and Community Services Association of NSW and ACT
- Council on the Ageing (COTA) ACT
- Joint Champions Group
- Anglicare (Canberra and Goulburn)
- Havelock Housing Association Inc
- ACT Shelter
- ACT Council of Social Service Inc (ACTCOSS)
- Housing Industry Association (HIA)
- Tenants Union ACT Inc

Issues relating to homelessness

The submissions noted the issues impacting on homelessness, pointing to causal factors that impact on homelessness, and recommending ways that homelessness services can be improved.

ACT Shelter commented on the need for shared responsibility for homelessness at a whole of Government level, with measures required to sustain tenancies at risk, including outreach programs and assistance with rental payments. The *Joint Champions Group* suggested that new programs be established to assist Housing ACT tenants, including review of the Sales to Tenants program, and establishing a permanent homelessness advisory committee.

The Tenants Union indicated concern about the level of rental increases for existing as well as new tenants, and advocated more secure tenures through changes to the *Residential Tenancies Act*.

A number of submissions expressed the view that an increase in appropriate exit points from SAAP services is needed to assist people to achieve stable accommodation. *ACTCOSS* commented on the level of turnaways from crisis refuges in the ACT. The

submission noted that the NSW Housing Accommodation and Support Initiative was a good example of a way to create pathways out of homelessness.

The *Joint Champions Group* suggested an Ainslie Village type model of accommodation for women with children who are homeless; and offering tenants suffering from domestic violence stable tenancies.

Submissions also suggested utilising surplus property to meet future housing needs, and use of a range of accommodation types, including prefabricated and kit homes to increase the supply of affordable accommodation. The *Housing Industry Association* proposed a joint equity model between Governments and the private sector to develop housing supply, including utilisation of surplus property.

Mr Don Allan submitted the benefits of prefabricated dwellings, and associated villages, noting opportunities for independence and their friendly atmosphere. The *Joint Champions Group* also advocated expanding the use of kit homes.

Issues relating to accommodation for older Canberrans

The submissions noted the importance of maintaining autonomy and independence in considering the provision of affordable housing options for older people. General comment was made about the need to include accommodation options that would suit a range of income and tenancy types for older Canberrans.

The *Joint Champions Group* submitted a number of recommendations to address issues for elderly tenants, including reviewing tenancy management and specialised support from Housing ACT, appropriate maintenance, consideration of safety, and improved contact with Community Services.

ACT Shelter expressed the view that National Rental Affordability Scheme (NRAS) incentives based on market rent are unlikely to provide affordable housing for pensioners. *COTA* expressed a similar view, although noted that there is still scope for NRAS to assist in encouraging private investment in aged care accommodation.

The submissions noted the need to consider urban consolidation and redevelopment in existing Canberra suburbs, including amendment to current planning restrictions to create diversity of affordable housing options. *COTA* recommended that aged accommodation is taken into consideration in planning new land releases. *Mr Barry White* noted the effect of planning constraints on achieving small scale housing such as self contained units on existing residential sites.

Anglicare noted the need for urban consolidation in existing Canberra suburbs, advocating a mix of medium and high density housing to meet demand. *Mr Jack Kershaw* commented on the effects of the Garden City variations on the Territory Plan, submitting that owner occupiers should be able to develop their properties with access to community design studies. *Havelock Housing Association* suggested the possibility of using a surplus school site for development of an older person's residential village.

A range of tenancy types were also suggested by the submissions, including Abbeyfield style share accommodation, hostels and boarding houses. *COTA* noted that these styles of accommodation may be appropriate for older people needing minimal care,

provided some exit points are available. *Mr Peter Goerman* supported the availability of more hostel and boarding house style of accommodation, noting the useful role it has provided in the past in housing single people on low incomes.

ACTCOSS indicated their support for a number of initiatives to support accommodation for lower income elderly people including longer term leases, assisted living rental villages, small scale cluster housing such as Abbeyfield, more public housing, and more drop in and support centres.

The *Aged and Community Services Association of NSW and ACT* submitted that universal design principles should be mandated for residential housing in Australia to encourage aging in place. The Association further recommended Government support for retrofitting and refurbishment of existing ILUs, and aged care facilities. *COTA* raised the need for increased support for aged persons' accommodation in public housing, including updating vacant housing to universal design standards.

The submissions referred to the need to increase available support services for older Canberrans. *Mr Joseph Clark* commented on the lack of availability of HACC services for new clients who are not assessed as eligible, despite their need for home help. ACTCOSS noted the challenges with aging in place, including the lack of resource for HACC and ACAT, and the limitations of the ACT Home modifications program.

The special considerations of older tenants were also raised, in particular with regard to accommodation of pets, and assistance with energy costs. The *RSPCA* and *Anglicare* noted the importance of elderly and homeless people being able to keep their pets when moving to appropriate accommodation. *ACT Shelter* suggested that more Government support is needed to enable aging in place, including support for home energy costs.

Anglicare (Canberra and Goulburn) advocated the need for linkages between community service and mental health providers and aged accommodation services, as well as additional support services for carers and the aged care sector. *COTA* also noted the need for increased support for workers in the aged care sector, including a targeted program of recruitment and training.

Attachment C: AHURI Research



RESEARCH SYNTHESIS SERVICE

Synthesis title: Evidence on new models for homelessness and aged accommodation.

Policy concern

To make a business case for proposed new homelessness and accommodation for the aged program/policy initiatives.

Background

In April 2007, the ACT Government released its *Affordable Housing Action Plan*, with 62 initiatives. Progress was reported in *Steps in the right direction 2008*.

The second wave involves a focus on affordable accommodation for older Canberrans and homelessness. The second wave action plan interim report is due in February and a final report is due in April 2009.

Work commenced on the second wave of the action plan in August 2008. Guided by a steering group and an advisory group of broader stakeholders, the department has identified the main issues and a range of new service responses. These are:

Homelessness

- Centralised intake system
- Street to Home model
- 'Who's new on the street' monitoring meetings
- Foyer model
- HASI model
- Transitional support programs
- NAHA

Affordable accommodation for older Canberrans

- Virtual retirement village
- HomeShare
- Apartments for Life model
- Planning reform
- Greater access to low cost, appropriate housing

Synthesis response

This synthesis covers the two areas of focus and is designed to provide evidence to be used by the ACT Chief Ministers Department to assist in preparation of the second wave action plan interim report for the ACT's *Affordable Housing Action Plan*.

It provides a targeted synthesis of empirical evidence from national and international research publications on the effectiveness of these proposed service delivery programs (if that evidence exists) or of what is known about the principles which underlie them.

Scope

Targeted sample of post 2000 national and international peer-reviewed research publications, cost-benefit analysis to be prioritised in the time-frame.

In house evaluations and policy/program documentation are excluded from the synthesis. The department has already conducted its own policy and program level research in identifying the proposed programs.

Evidence on new models for homelessness and aged accommodation

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1 SYNTHESIS ON HOMELESSNESS ASSISTANCE PROGRAMS

1.1 Overview

The wide scope of proposed programs and the time frame of the work required an overview approach. In summary, the key findings relevant to these proposed reforms:

1. There is consistent evidence that providing effective assistance to homeless people reduces the overall cost to government.
2. There is evidence that 'effective assistance' includes:
 - a. Persistent, reliable, practical case management support
 - b. Access to affordable housing
 - c. Permanent housing combined with access to multi-disciplinary support for people experiencing chronic homelessness and complex needs

1.1.1 Quality of the evidence base

There are significant gaps in the evidence base on homelessness assistance program delivery in Australia. There is very little high-quality evaluative research on program delivery, and only one significant cost-effectiveness study. Firm conclusions can be drawn however on the major elements of effective practice from a synthesis of international research and Australian findings.

1.2 Costs and benefits of assisting people out of homelessness

AHURI has recently published the only significant Australian primary study on this topic, *The cost-effectiveness of homelessness programs: a first assessment* (Flatau et al., 2008). Flatau et al find potential savings to government of more than double the cost of providing the homelessness assistance (Flatau et al., 2008 146). While the study is 'a first assessment,' the evidence confirms international findings which are also presented below.

Flatau et al calculate a cost offset by costing the difference between the average service use by the general population and the average service use of homeless people prior to receiving support (as empirically determined by the study). This 'cost offset' is the potential savings if a homelessness program can normalize service use in line with the mainstream population.

The study finds that across all the programs considered, this potential cost offset is more than double the cost of delivering the programs (Flatau et al., 2008 146). For example, the cost per client for SAAP-Single Men clients is \$4,625, and the associated population offset is \$10,212, resulting in a net cost saving of \$5,587 per person per year (Flatau et al., 2008 145).

A nuance to this overall finding is that in fact, at least for the small sample of clients who were able to be followed up after 12 months (35 compared to 179 in the initial wave), justice costs declined but health service use rose compared to the year prior to receiving support. The result was driven by hospital stays for clients with pre-existing significant mental health issues and suggests that support programs delivered increased access to needed services (Flatau et al., 2008 142-3).

The study also finds evidence of positive outcomes across a range of dimensions including better housing, employment (slight improvement), feelings of safety and better quality of life (Flatau et al., 2008 3-6).

The study finds that assistance programs are effective and demonstrates their potential to generate significant savings, however enumeration of actual cost reductions to government will require longitudinal research with assertive follow-up.

A significant Australian review of research into the costs and benefits of responding to homelessness finds sufficient evidence to conclude that programs to assist homeless people can result in direct cost-savings to government, and provide broader benefits to the individual and the community (Berry et al., 2003 12-13).

Berry et al identify a number of quantitative studies worth highlighting here. They caution that all studies necessarily assess a limited set of costs and are therefore likely to have under-estimated cost-savings or benefits. In particular the use of drop in centres, soup kitchens, employment services especially non-government funded services tend to be excluded (Berry et al., 2003 10).

- Culhane et al (2002) find a net cost to government of \$995 per year to provide a supportive housing unit, due to savings in other services. This influential US study tracked around four and half thousand homeless people over four years, pre and post placement in a supportive housing program. Using administrative data from multiple agencies, they find a reduction of \$16,281 in the costs of shelter use, incarceration and hospitalisation for people with severe mental illness. This saving nearly covered the cost of providing the supportive housing, as indicated in the net cost cited above (Culhane et al., 2002, cited by Berry et al., 2003 30-2).
- A Canadian study (Eberle et al., 2001) assessed service-provider data over five years and finds that housing the homeless can provide potential cost savings in the order of 30% in the areas of criminal justice, social services and health care (cited by Berry et al., 2003 32-4).
- (Salit et al., 1998) identified the hospitalization costs associated with homelessness in New York City. This study found that homeless patients stayed an average of 4.1 days or 36% longer than other patients after controlling for diagnosis, higher rates of substance abuse and mental illness and other characteristics. The extra costs ranged from \$4,094 - \$2,414 per patient. The sample compared data on 13,690 homeless people, 255,870 low income public and private hospital patients, excluding pregnant women (cited by Berry et al., 2003 38-40).

Cost-effectiveness seeks to measure the costs to government against outcomes, or against non-provision of services. Cost-benefit analysis seeks to measure and incorporate broader benefits across a range of potential dimensions including, for example, increased employment, better health, reduced crime, or increased property and income tax revenues.¹

Categorical enumeration of either cost-effectiveness or cost-benefit is difficult not least because homelessness is a multi-faceted social phenomenon and both costs and outcomes occur in a range of dimensions (Berry et al., 2003 9-12, Pinkney and Ewing, 2006 115-118). Berry et al note that costs and benefits relate to the individual, to government and to society and occur across the domains of housing, health/welfare, justice and education, training, employment (Berry et al., 2003 3).

¹ For a comprehensive review of the issues, concepts and promising methodologies for estimating the costs of homelessness, see Pinkney, S. & Ewing, S. (2006) *The Costs and Pathways of Homelessness: Developing policy-relevant economic analyses for the Australian homelessness service system*. Melbourne, Institute for Social Research, Swinburne University of Technology.

1.3 What we know about what works

1.3.1 Different types of people require different responses

National and international best practice responses to homelessness identify the significance of understanding pathways into homelessness (Greenhalgh et al., 2004 133-141).

Recent Australian research confirms this approach and finds, broadly speaking, two clusters of people experiencing homelessness, and hence two types of responses to assist them getting out of homelessness (Johnson et al., 2008 173).

One cluster includes people who first become homeless due to mental illness or substance abuse, and young people who leave home to escape violence and abuse, or are taken from home by the care and protection system.

- This cluster has typically the longest duration of homelessness and require significant, persistent supports and secure housing, to overcome multiple difficulties (Johnson et al., 2008 182-188).

The other cluster typically includes women and families who become homeless through domestic violence or financial disadvantage and young people who left home due to conflict with family rules.

- This group tend to have a shorter duration of homelessness, and the critical factor for ending their homelessness is affordable, well located housing. Keeping this group out of the 'homelessness service system' is vital for preventing further harms such as the development of mental illness or substance use issues (Johnson et al., 2008 174-182).

A general finding from this research was that social housing reduced the reoccurrence of homelessness. After nine months, 90% of people who exited transitional accommodation to public housing remained housed, compared to 67 per cent of those who took up private rental housing (Johnson et al., 2008 172).

1.3.2 Persistent, reliable, practical case management support reduces homelessness

Recent AHURI synthesis of 53 empirical sources finds that homelessness case management is a time- and resource-intensive intervention which nonetheless can prove to be cost-effective because it increases a person's self-care capacity and consequently reduces other service system expenditure (Gronda, 2009 9).

The synthesis finds that the capacity to determine the duration and intensity of the support on an individual basis is critical. Note that the evidence does not show that case management must be ongoing or extremely long-term for *all* people, but that the duration must be negotiated on an individual basis (Gronda, 2009 138).

Differentiated responses are important because people experiencing homelessness are not a homogenous group, and careful assessment and tailored interventions can therefore produce more cost-effective services (Gronda, 2009 90-1).

In Australia, Rayner *et al.* find that persistent and reliable case management was successful in engaging and retaining a chronically homeless drug-using population. Median drug-use treatment duration by the end of the Trial's third year was thirteen months, well above previous reported results that found two-thirds of homeless clients stayed less than thirty-five days (Rayner et al., 2005 16).

Multi-disciplinary, non-time limited support has proved most effective and most cost-effective for chronically homeless clients with complex needs. Assertive Community Treatment (ACT) is an extensively evaluated assertive community mental health case management

model using a multidisciplinary team, low client/staff caseloads that enable frequent service contacts, a high proportion of directly provided practical assistance, and unlimited support duration.

Cost-effectiveness analysis by Wolff *et al.* found that ACT produced better client outcomes at no greater total cost over a period of eighteen months, due to reductions in use of other service system areas (Wolff *et al.*, 1997 347).

Coldwell and Bender reviewed ten experimental trials and found that on average, ACT subjects experienced a 37% greater reduction in homelessness compared to the control group (Coldwell and Bender, 2007 396).

(Morse *et al.*, 2006) found that integrated substance treatment plus ACT was more cost-effective than either conventional ACT or standard care as it produced better outcomes at no extra cost than standard care. Clients were more satisfied with their treatment program and reported more days in stable housing. There were no significant differences between treatment groups on psychiatric symptoms and substance use.

Krupa *et al.*'s qualitative study of ACT clients finds that they valued a reliable relationship with 'a genuine, caring attitude' that 'filled a social void,' had enough time to develop, and an intensity and quality determined on an individual and responsive basis (Krupa *et al.*, 2005 20). These qualities were supported by elements of the ACT model including 'continuity, individualization, the flexibility of round the clock services and assertive follow-along activities' (Krupa *et al.*, 2005 23). They also find that a key worker was important within the ACT team context to provide continuity and a personal knowledge of the individual (Krupa *et al.*, 2005 20).

The evidence confirms that time is required for a support relationship to become effective, and there is a minimum duration threshold for relationship establishment, though there are too many contingencies to specify a fixed period.

Mental health research has developed a body of evidence showing a modest positive correlation between a measurable relationship construct (variously called the 'therapeutic alliance,' 'working alliance' or 'helping relationship') and better treatment outcomes (McCabe and Priebe, 2004, Howgego *et al.*, 2003).

- (Howgego *et al.*, 2003) and (Coffey, 2003) both find that six months is a minimum duration threshold for a relationship correlated with better client outcomes.
- Evidence from the UK Foyer sample finds a minimum effective duration of 8-12 months (Smith *et al.*, 2006 10).

1.3.3 Permanent housing combined with inter-disciplinary support is most effective for people with complex needs

The evidence is consistent that housing makes a significant difference to the client outcomes achieved by homelessness assistance programs, and that it matters more for people experiencing homelessness combined with mental illness and/or substance use issues, especially for men.

Nelson *et al.* (2007) find that combined housing and support is significantly more effective than support alone after reviewing sixteen evaluations of housing and support interventions for people experiencing homelessness and a severe mental illness, including ten controlled studies. The effect size for combined interventions was 0.67 compared to 0.47 and 0.28 for support alone, measured for two different case management models respectively (Nelson *et al.*, 2007 358).

(Clark and Rich, 2003) analysed data on 152 people and found that individuals with a high level of impairment due to psychiatric conditions and/or substance use did more than twice

as well in an integrated housing and support program than in case management alone. Housing outcomes for low-impairment individuals were equally as good with case management only (Clark and Rich, 2003 82).

Rich and Clark also find that gender is significant. Men did much better in programs that combined housing and support, and it seemed that structured social interactions were of benefit (Rich and Clark, 2005 78). Men in a combined program increased their time in stable housing by nearly forty days on average more than men in case management alone (Rich and Clark, 2005 77). This effect was not apparent for women.

(McHugo et al., 2004) find that housing stability outcomes improve if the housing provider shares the goal of maintaining housing for the group of people for whom challenging behaviours and substance use often leads to homelessness, incarceration, poor health and early death. This is particularly important for men because they experience less public tolerance for their behaviours and are consequently at higher risk of severe sanctions such as eviction and arrest (McHugo et al., 2004 979).

Australian evidence from an evaluation of the NSW mental health program, Housing and Accommodation Support Initiative (HASI) confirms these findings and demonstrates the cost-effectiveness of combined housing and support programs for homeless adults with mental illness (Muir et al., 2007).

The HASI program provided combined housing and mental health support to 100 adults from marginal housing situations. Participants were predominantly Australian born men under 35 years of age (Muir et al., 2007 38). For an average recurrent cost of \$57,530 per person per year, (not including the initial capital and set up costs) the program achieved significant improvements across all the measured outcome domains.

- More than two thirds of participants retained their tenancy in the same home (70%) for 12 months or more, and almost all participants remained with the same housing provider (85%) (Muir et al., 2007 34).
- Time spent in hospital in psychiatric units and emergency departments decreased by 81 per cent for 84 per cent of participants, an average of 70 days per person per year. (Muir et al., 2007 vii).
- Other measured outcomes included improved health and social networks, a 77 per cent decrease in imprisonment, a tenfold increase in education and training participation, and a threefold increase in paid or voluntary work (Muir et al., 2007 34).

1.3.4 'From street to home' or 'Housing first' models have higher retention rates than treatment contingent accommodation programs and perform just as well as on reducing substance use and improving psychiatric symptoms

'Streets to home' or 'housing first' has come to broadly refer to programs that target chronically homeless people with complex needs² by providing them with immediate access to permanent housing (rather than transitional or emergency accommodation) along with access to support. Atherton and Nicholls (2008) conclude that the evidence on this approach overturns the assumption that a homeless person must be judged 'housing ready' before they can maintain a tenancy (Atherton and Nichols, 2008).

The approach was been comparatively evaluated against 'treatment compliance' accommodation program models and found to be more effective at reducing homelessness. Tsemberis (1999) compares retention rates in two different housing programs designed to meet the needs of people experiencing homelessness and mental illness. He finds that immediate access to permanent housing with non-compulsory support achieved more than

² Typically including substance abuse and mental health issues.

80% retention over three years, while the standard treatment-contingent program achieved less than 60% retention over two years (Tsemberis, 1999 231-2).

The 'housing first' approach has been evaluated in a major randomised and controlled study which followed more than 200 adults over four years, The New York Housing Study. Tsemberis et al (2004) reports that at 24 months the 'housing first' group had reduced their homelessness significantly faster, and spent less time homeless and more time stably housed than the control group at each of the time points (Tsemberis et al., 2004 654). The findings at 48 months extend and confirm these findings (Padgett et al., 2006). A retention rate of 87% was achieved over the four years for the 'housing first' group. No significant differences were found between the groups in either alcohol or other drug use, though there appeared to be a small trend for 'housing first' participants to use less alcohol. 'Housing first' participants also had significantly higher housing stability rates. In the previous six months, 'housing first' clients were stably housed 75% of the time compared to 50% of the treatment-first clients (Padgett et al., 2006 79-80).

This evidence demonstrates that provision of immediate permanent housing is more effective than treatment linked temporary accommodation. It shows that neither severe mental illness nor substance use precludes formerly homeless people from maintaining housing.

1.3.5 *Respect is a key service delivery principle*

There was no evidence found on the effectiveness of a common entry point, however the following evidence of the importance of demonstrating respect is relevant to designing program reforms to the 'front end' of the service system.

Research with people experiencing homelessness consistently identifies the importance of being treated with respect. The evidence from the following studies challenges the assumption that a person experiencing homelessness is a passive victim or unable to take care of themselves, and emphasises the importance of respecting a person's strengths while delivering access to needed resources and services.

Ethnographic studies of homeless people's experience with service providers shows that patronising or dismissive treatment, while it may result simply from a high workload rather than disrespect, has damaging and humiliating effects. A study of 65 homeless drug users by Dickson-Gomez *et al.* finds how administrative compliance requirements or procedural hurdles can be a source of humiliation and disrespect in the context of extreme resource scarcity: 'She...act like...she giving it to me out of her pockets, which she is, which you all are, but she make you feel like you beneath' (Dickson-Gomez et al., 2007 6). Others described the feeling of shame at being required to provide personal documents like a police record.

Research with young homeless people in Toronto and New York finds that the consistent lack of resources experienced by young people on the streets intensifies the importance of any source of self-respect and support: 'we hang on so tightly to every little shred of anything we get' (Kidd and Davidson, 2007 223). Another young person commented: 'I'm not proud that I'm homeless, but I'm proud that I can actually go through the day without constantly taking things from people' (Kidd and Davidson, 2007 230). The research finds that adapting to street life required developing strength and the capacity to look after yourself without the help of family or the police, and this was a source of pride and self-respect (Kidd and Davidson, 2007 225-6). The data from over 200 young people living on the streets reveals a group of resilient survivors with a high level of self-care ability.

Analysis of a database of 515 interviews with homeless people in the city of Portland, Oregon USA found that 44% of comments relating to 'conditions of service' and 'staff

interactions' reported disrespect, rude treatment, lack of compassion, incompetence and unethical behaviour.

- Dehumanisation and/or infantilisation were specifically and commonly identified experiences in which homeless people were made to feel either less valuable than everyone else, or less capable and specifically that the service provider 'knew best' (Hoffman and Coffey, 2008 213).
- An example of positive, respectful treatment was a service which provides a café where 'people are treated as customers would be at any public restaurant'; the meals are provided for a fee, however people are able to exchange their labour for a meal if they do not have any money (Hoffman and Coffey, 2008 218).

1.3.6 Evidence is mixed about supported accommodation for young people

In the UK, 'Foyers' are a particular model of providing transitional housing integrated with support for young people, with an emphasis on education and training. After initial pilot programs proved successful (Lovatt et al., 2006 159), 'Foyers' have grown widely and developed strong popular appeal.³ However there is limited quantitative evidence on their effectiveness in part because research has not overcome the methodological difficulties of using a large enough sample to control for the individual characteristics of the young people, nor been able to assertively track at risk young people over an adequate time frame.

A study of 126 young people who had left Foyers from across the UK found that

- 59 per cent of young people in the study reported symptoms indicating high levels of mental distress prior to entering the Foyer (Smith et al., 2006 28).
- Average length of Foyer stay was 13 months, and minimum effective duration was 8-12 months (Smith et al., 2006 10). Some types of young people seem to need longer including those aged 16-17 and those with a disability.
- On exiting the Foyer, 90% reported that they could not go home.
- Over half of the sample left and maintained tenancies in social housing (Smith et al., 2006 7).
- One quarter reported that foyer staff encouragement to go to work or college had made a difference to their lives (Smith et al., 2006 59).
- Two-thirds of the sample were in full or part-time work, training or education at the first follow up interview, and just over half by the second follow up interview (Smith et al., 2006 61-2).

The researchers note that outcomes for young people are constrained by the housing and employment opportunities in the local area, and secondly by the complex issues facing the young person to begin with.

Nonetheless, a review of Foyers in the UK notes that they are generally considered highly successful in housing terms (Lovatt et al., 2006 161). It is notable that both client needs and funding arrangements have caused Foyers to concentrate on young people with higher support needs, and this has reduced the focus on education and training (Lovatt et al., 2006 161).

New South Wales established Australia's first Foyer based on the UK model in 2003.⁴ Live 'n' Learn's Miller Campus provides accommodation for 29 young people. AHURI research finds that initial outcomes from the first year of accommodation appeared promising, with

³ The Foyer Federation website claims international growth of one new Foyer every month. See <http://www.foyer.net>

⁴ See <http://www.livenlearn.com.au/index.html>

indications that the program prevented young people from leaving school. The research found a high level of tertiary aspirations amongst residents (Randolph and Wood, 2005 7). The key attraction of the Campus to young people was the secure accommodation and the opportunity for independent living (Randolph and Wood, 2005 7).

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2 SYNTHESIS ON MEETING OLDER CANBERRANS' NEED FOR AFFORDABLE ACCOMMODATION

2.1 Overview

In summary, the synthesis finds that successful affordable accommodation for older Canberrans will require policies for the integration of housing with care and support:

- In Australia, the demand for integrated housing has produced a retirement village industry trying to meet this need with mixed success, in the absence of policy direction or sponsorship (Jones et al., 2008b 23-5)
- In the United States, retirement communities without health or social services appealed to a very small market and went into decline (Fairchild, Higgins and Folts, 1991 cited by Jones et al., 2008b 35)

The most significant issue in housing for older people is managing the tension between the desire for independence and the growing need for support as we age. This tension becomes more acute when affordability is a constraint.

Experience in Australia, the US and the UK shows a fundamental tension between the cost-efficiencies of providing support through clustered and/or communal housing and support models and the negative implications of increasing institutionalisation for residents' quality of life.

Consequently meeting the need for affordable accommodation for older Canberrans requires a coordinated policy framework to bridge the historical divide between housing policies for older people, and the aged care sector (Jones et al., 2008b 29). It requires harnessing emerging partnership and market solutions for housing supply and linking the two already well-established arms of Australian aged care (the residential aged care sector, and community care services).⁵

2.1.1 Quality of the evidence base

The available evidence on affordable housing for older Australians is largely descriptive rather than evaluative. In Australia and the United States, comparative evaluations are hampered not least by the lack of a coherent policy framework which has resulted in a fragmented diversity of service delivery models and funding approaches (Jones et al., 2007 114-126, Golant, 2008 40). The poor state of the evidence is indicated for example by a US academic discussing affordable 'cluster housing-care.' Golant (2008) comments on 'the lack of a coherent and compelling body of scientific evidence regarding their residents' quality of life and care' (Golant, 2008 6). Recent and current AHURI research particularly by the Queensland Research Centre is building the foundations of an evidence base for this critical policy area.

Note that this synthesis does not include baseline contemporary data as this was already included in the Department's background documents.

2.2 Australian evidence

2.2.1 What older Australians want from housing

In brief, the evidence presented below finds two broad groups, distinguished by their housing situation:

⁵ For a current assessment of the situation in Australian aged care, see Productivity Commission (2008) *Trends in Aged Care Services: some implications*, Commission Research Paper. Canberra.

- Households with home equity
 - May need financial innovation coupled with government regulation to ensure diversity and security of products to access housing equity.⁶
 - A choice of integrated housing, support and care options as they age and require increased care
- Renter households with no other significant assets
 - Accommodated about evenly by public and private landlords
 - Demand project to increase proportionately higher than other tenure groups.

AHURI research by Olsberg and Winters (2005) conducted a national survey of 7,000 men and women over 50 years of age. The survey targeted people with home equity, although the sample included almost 600 non-home owners. They find that (Olsberg and Winters, 2005):

- More than one third of older Australians live alone (37%); including 57 per cent of those aged over 75 years (viii).
- Women are twice as likely as men to live alone (46% compared to 22%) (viii)
- Only 7 per cent of respondents lived with extended family, and this was not a valued goal by the majority, though there was evidence that cultural differences impacted on this choice (45-7, 82-3)⁷
- One in three had moved in the last five years, and one in three intended to move in the future (ix)
- Homeowners were more likely to want to age-in-place (64%) though the attachment for the majority (83%) was to the local area more than the home (viii)
- The youngest cohort (aged 50-59), the first of the Baby Boomers, expressed the least interest in ageing in place, seeing it as a negative idea (ix).

Homeownership is known to significantly reduce the level of after-housing cost poverty in retirement and this was reflected in the survey responses (Olsberg and Winters, 2005):

- The majority (83%) saw their home as an investment for the future (viii – ix)
 - 86 per cent attributed increased freedom to owning a home
 - three quarters identified that they could sell or borrow against it to meet their needs in old age
- People in private rental expressed the most fear about being forced to move due to financial difficulties as they aged (viii).

The research finds that the values of older Australians are significantly changing (Olsberg and Winters, 2005 87-94). The goal of securing family inheritance is being replaced with priorities for independence, flexibility, consumer and lifestyle choices. This change is captured in the commonly used acronyms: OWLS – Oldies Withdrawing Loot Sensibly and SKI – Spending the Kids Inheritance (Olsberg and Winters, 2005 vii-viii). The study finds that:

⁶ The AHURI project (60512) *Reverse mortgages and older people: growth factors and implications for retirement decisions* currently underway will provide further evidence in this area.

⁷ Similarly, Jones et al cite ABS statistics indicating that overseas born older Australians show a higher likelihood to be married and to live with other family members Jones, A., Bell, M., Tilse, C. & Earl, G. (2007) *Rental housing provision for lower-income older Australians*, AHURI Final Report No. 98. Melbourne, Australian Housing and Urban Research Institute, Queensland Research Centre.

- One quarter of all respondents expected to use all their assets in their lifetime, and
- Only 7 per cent had made provision for a charitable bequest in their will (Olsberg and Winters, 2005 xii).

These changes are generating a source of inter-generational family conflict in the background of family interactions (Olsberg and Winters, 2005 99-100).

2.2.2 Needs and demand from non-home-owners

To assess older people's needs and satisfaction with a range of accommodation options, Jones et al conducted a consumer survey of 130 older renters targeted to provide evidence not covered in the existing literature (Jones et al., 2007 40)8.

The research identified four groups of older renters: long term renters, those forced to move to rental accommodation in old age due to financial necessity, those marginally housed, and those choosing voluntarily to move into age-specific rental housing (Jones et al., 2007 76).

Like all people, older renters have a diversity of needs and preferences however the research identified a set of common core values that can be used as criteria for evaluating present and future housing developments for this group:

Affordability, security and stability, accessible locations, amenity of the dwelling and the living environment, adaptability to changing needs, opportunities for autonomy and independence as well as sociability, safety and suitability to individual needs (Jones et al., 2007 76).

In communal or shared types of rental accommodation, the room and freedom to have visitors was important, and adequate storage was also a common concern (Jones et al., 2007 56, 71)

The consumer survey found a marked contrast between generally positive evaluations of public housing and generally high dissatisfaction with private (non-age specific) rental housing (Jones et al., 2007 51-2, 76).

A third significant accommodation type was age-specific rental housing, which was valued by a significant number of older renters (Jones et al., 2007 76). More information on this important source of new supply is provided below.

Affordability concerns had two aspects (Jones et al., 2007 76-7):

- loss of affordability in inner city private rental markets, compounded by higher living costs driven by gentrification, and
- lack of affordability in age-specific rental accommodation (for example 85% of pension plus CRA), leaving welfare reliant residents with insufficient after-housing income.

AHURI research by Jones et al (2007) focused on the demand trends and supply responses for rental housing for Australians aged 65 and over (Jones et al., 2007). A key finding from this research is that there will be increased demand from older, low-income households for rental in older age and this demand cannot be met by the social housing sector alone.

Sole person households will be the greatest demand, then couples with no children; and there will be significant increase in the demand for housing suited to those aged over 85, with associated care and support requirements.

Findings on a national level⁹ indicate that:

⁸ The sample was drawn from two states, and inner-city, outer suburban, regional and outer regional locations.

- In 2001, just under 14 per cent of persons aged 65 and over were renting, split roughly even between public and private landlords (Jones et al., 2007 19,23).¹⁰
- Women are over-represented in rental housing at all ages, and comprise 70 per cent of rental householders over the age of 85 (Jones et al., 2007 27).
- Women are concentrated in public and community housing (Jones et al., 2007 27) while men are over-represented in private rental housing in the older age groups (Jones et al., 2007 29).

Notwithstanding inevitable uncertainties and assumptions in population predictions, Jones et al generate a rigorous baseline projection of demand from elderly low-income renters to 2026. They find that (Jones et al., 2007 37-39):

- the number of people aged 65 and over will more than double (37)
- the proportional increase in rental tenure will be highest for those aged 85 and over (194 per cent, compared to 156 per cent for all household types of this age) (39)
- More than half (58%) of renters will be sole person households, and nearly two thirds of these will be women (37).
- Furthermore, there is evidence in Australia of a long term trend toward lower rates of home-ownership (Yates, 2002, Wood and Stoakes, 2006) and if continued, this will increase the significance of rental tenures for older Australians.

2.2.3 *Current affordable options for older Australians*

Public housing is and will remain an important affordable tenure for Australians as they age. Data available for public housing in the ACT, shows that at 30 June 2006 (Jones et al., 2007 95-6):

- 23 per cent of all public tenancies were headed by a tenant aged 65 or older
- Half of these were aged 65-74 and 2.5 per cent were over 85 years.

Overall 13.8 per cent of public housing occupants were aged over 65, reflecting the generally smaller size of older households.

Allocation policy determines the accessibility of public housing for older Australians. The ACT is one of a few jurisdictions to have age-designated public housing which means that older people are not simply competing with all other special needs groups, resulting in reportedly short waiting periods. Approximately 13 per cent of ACT public housing stock is designated 'older persons' units' (Jones et al., 2007 101). The ACT also includes 'frail aged' as an explicit priority category (Jones et al., 2007 97). In 2005-06 people aged 65 and over comprised 3.6% of all ACT public housing applicants but made up 7.6% of allocations (Jones et al., 2007 100).

Jones et al judge that without such provisions, in a context of increased targeting at high needs groups, older people between 50 and 75 are likely to be excluded from public housing (Jones et al., 2007 103).

Stock quality and composition is a second key to providing for the ageing population. In the ACT (as elsewhere) older 'bed-sitter' stock has become hard to let as expectations have

⁹ Specific data for the ACT was not provided.

¹⁰ This figure is higher than most published estimates because Jones et al attempt to compensate for a number of limitations in Census data for enumerating the number of older Australians renting and in differentiating the range of current accommodation models Jones, A., Bell, M., Tilse, C. & Earl, G. (2007) *Rental housing provision for lower-income older Australians*, AHURI Final Report No. 98. Melbourne, Australian Housing and Urban Research Institute, Queensland Research Centre.

changed, and these holdings have been reduced. Accommodation now, including new stock, tends to be 1-2 bedroom units in located in age designated complexes (Jones et al., 2007 101).

An emerging policy concern for public housing as the tenant population ages is the capacity to link tenants with appropriate support services (Jones et al., 2007 102-3). Support is not generally considered the responsibility of state or territory housing authorities, however tenants are often encouraged to seek support from other sectors. In the ACT, links to service providers can be made at a pre-allocation case conference (Jones et al., 2007 102). It will be increasingly critical to ensure that Housing ACT staff has adequate skills and capacity to provide service linkage for ageing public tenants.¹¹

The research also identifies the community housing sector as a small but important provider of housing for the aged. Jones et al find the sector has significant potential for growth because of its existing experience and innovation in providing both housing and support.¹² They note that more research is needed to document the range of existing models (Jones et al., 2007 104). Subsequently this work has been funded by AHURI and is currently underway (Jones et al., 2008b).

Preliminary work by Jones et al (2008) find that ILUs, while considered a 'forgotten' or residual sector (McNelis, 2004), are a potential platform for developing an explicitly integrated housing and care model because existing providers are often experienced in aged support and care services (Jones et al., 2008b 22).

The private and community sectors have responded to a need for integrated housing, support and care accommodation options, most prominently in the retirement village industry (Jones et al., 2008b 26). This rapidly diversifying industry has grown largely in the absence of government policy and studies have shown mixed evidence of resident satisfaction (Jones et al., 2007 55-61, Jones et al., 2008b 24).

AHURI's study of rental housing for low income elderly already cited finds the industry has responded to the market for affordable integrated housing support and care, but identifies a need for policy direction and regulatory frameworks (Jones et al., 2007 114-126).

Jones et al (2007) examine four private companies that have emerged in the field of older persons age-specific rental over the past decade (Jones et al., 2007 114-121). They conclude that 'assisted-living rental villages' meet a market demand however there is a need for greater clarity about the level of independence permitted by the facilities and the affordability for residents solely relying on the aged pension. Importantly, this recent experience highlights the importance of effective on-site management which requires investment in multi-skilled, well trained staff (Jones et al., 2007 120).

An important but little understood aspect of affordability and ageing in place is access to home maintenance and modifications when required. Recent AHURI research on home maintenance and modification (HMM) services in Australia finds HMM services have three objectives: safety, independence, and 'identity and lifestyle' (Jones et al., 2008a 12). This last objective refers to the impact of HMM in facilitating housing choices for older people as they age, and how this impacts on their sense of self and freedom. Accordingly, and contributing to the complexity *and the benefit* of HMM services, is that they exist at the intersection of health, community care and housing concerns (Jones et al., 2008a 12).

¹¹ Further evidence on the management of older people in public housing, see McNelis, S., Neske, C., with Andrew Jones & Phillips, R. (2008) *Older persons in public housing: the policy and management issues*, AHURI Final Report No. 121. Melbourne, Australian Housing and Urban Research Institute, Swinburne-Monash Research Centre.

¹² For example the two Abbeyfield Houses in Garran and Ainslie, http://www.abbeyfield.org.au/houses_act.aspx

The research finds that service users who participated in the research were highly satisfied with the service. The service helped them stay in their homes and provided a range of benefits including increased ease of doing daily activities, enhanced security, confidence and well-being, and prevention of falls (Jones et al., 2008a 4).

It also identifies that the lack of a national systematic approach to service funding and delivery reduces the potential positive impact of home maintenance and modification services. Two key areas for further research in this area are an assessment of demand and the evaluation of the cost-effectiveness of home maintenance and modification services (Jones et al., 2008a 6-7).

2.2.4 Increasing supply

Jones et al (2007) find that the emerging private market in age-specific rental is a promising and efficient way to increase the supply of aged accommodation but that new governance models are required to ensure equitable outcomes and resident satisfaction (Jones et al., 2007 119-21).

Consequently along with direct provision through public housing stock, state and territory housing authorities have an important regulatory and strategic role in working with the private sector to increase supply, and ensure quality care provision. A range of processes and initiatives are underway, though Jones et al find that overall public housing authorities could improve their response by developing a coordinated, strategic approach to collaboration with the private sector in increasing supply, and adapting regulatory policies to keep up with private sector innovation in this area (Jones et al., 2007 113). The ACT is notably for having taken a proactive role in providing sites for older persons housing.

Investment in affordable housing for older people has a number of attractions including the certainty of the age pension and CRA and the perception of the elderly as 'good tenants'. However currently used investment parameters present a barrier. Jones et al highlight a possible solution by replacing domestic residential investment model with commercial models that calculate returns over a longer term.¹³ They judge that a shift in these investment parameters would enable new developments to exceed affordability benchmarks without compromising on location accessibility or housing management standards (Jones et al., 2007 124-5).

In developing and guiding new developments, policy needs to monitor emerging evidence about the impact of housing choices on the involvement of family in elder care. Australian research finds that, older people living in retirement villages were twice as likely to receive paid help than those living in the community, and community residents were five times more likely to receive help from their family (Buys et al., 2006 38).¹⁴ Retirement village residents reported less contact with their families, though there was no difference between the groups in the level of satisfaction with family contact (Buys et al., 2006 37).¹⁵ The research finds that for both groups, dissatisfaction with the amount of time spent with family was a predictor of receiving paid help (Buys et al., 2006 40).

More attention to these kinds of 'housing-effects' are warranted because they have implications for the long-term viability of aged care, currently reliant on informal, family involvement.

¹³ See Earl, G. (2002) 'An asset management model for retirement villages,' in R. Stimson (ed.), *The Retirement Village in Australia – Evolution, Prospects and Challenges*, Brisbane: University of Queensland Press.

¹⁴ The total amount of assistance required did not vary between older people living in retirement villages and those living in community.

¹⁵ Just over half of respondents in both groups reported seeing their family 'as often as I want to.'

2.3 International experience

2.3.1 Models of housing delivery for older people

Jones et al (2008) compare international models of integrated housing, support and care and show how the continuum of care requirements have produced broadly equivalent products differing mainly by funding and governance arrangements (Jones et al., 2008b 61-2). For example, Denmark's Apartments for Life model can be paralleled by the Australian trend in Home and Community Care to provide increasingly high-care at home through CACP and EACH packages (Jones et al., 2008b 58).

Jones et al provide two examples of US models for providing care and support in non-congregate housing environments.

The first is by the provision of supportive home care services to a 'naturally occurring retirement community' (known as a NORC) – a geographical area where a high proportion of residents happen to be ageing in place. The NORC model is understood to allow cost-efficiencies of scale and location, while allowing older people to remain in their home (Colello, 2007), however the evidence is only descriptive. A process evaluation did find that while the concept was strong, implementation had failed to adapt to change in the communities, and outcome measures needed refinement (Ormond et al., 2004, cited by Jones et al., 2008b 34).

The NORC model originated in self-organising communities, and a recent prominent example is Boston's Beacon Hill Village 'virtual retirement' model. The village arose from a community of mid- to high socio-economic status, although they offer a community-subsidised rate for people of 'moderate means.' Residents pay a membership fee for access to a range of practical and social services including information, grocery shopping, exercise groups, events, discounts, and rides home from doctor-prescribed procedures.¹⁶

For public housing estates, a popular and successful strategy has been the employment of a 'service coordinator' in older persons' public housing estates to coordinate linkages between residents and service providers. The program grew rapidly from its inception in the 1990s, as it was found to produce early identification of frail and at-risk residents, and improve support provision (Schulman, 1996, cited by Jones et al., 2008b 37).

Integrated housing and care in the US is dominated by the 'assisted living sector.' In the US, 'assisted living' is a significant sector estimated to account for 75 per cent of all new growth in senior housing (Jones et al., 2008b 40). It is a residential model that provides low-level care and socially supportive services to maintain independence in a physically modified but home-like environment. While the product is claimed to promote ageing-in-place, industry research finds that average length of stay is 27 months. Other studies find that the main reason for moving is the need for higher level care (Jones et al., 2008b 41). Jones et al cite research identifying the physical and social environment as critical factors in the success of assisted living, including the 'goodness of fit' with the resident; the quality of social support is found to be key in the psychological well-being of the residents (Jones et al., 2008b 40-1).

Research has shown that assisted living is largely unaffordable for moderate and low-income households, and recent years have seen efforts to extend the model to lower-income groups by drawing on the complex and fragmented funding sources for housing and services in the US (Jones et al., 2008b 41).

In contrast to the market driven US aged care and housing options, the UK has been led and dominated by social housing provision. The UK equivalent of non-congregate housing support and care is called 'extra care housing' which broadly speaking provides individual independent units with 'your own front door' along with congregate facilities such as laundry,

¹⁶ See <http://www.beaconhillvillage.org/index.html>

guest suite, lounge and on site health care and administrative staff. Evaluations of these models are generally positive for resident satisfaction, however a recent review finds no evidence that it is cost effective relative to care provided at home or residential care, though the costs of providing services may be less than in ordinary housing (Croucher et al., 2006) (cited by Jones et al., 2008b 51). The significant complexities of comparing costs across these services make the evaluation difficult.

Lack of conclusive evidence about the best solution from national and international experience highlights the need for active policy intervention to create a coherent framework for the further necessary growth in the sector, and ensure concurrent comparative evaluations to ensure an evidence-base for the future.

2.3.2 References

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