



BANKWEST CURTIN ECONOMICS CENTRE

OLDER RENTERS IN THE WESTERN AUSTRALIAN PRIVATE RENTAL SECTOR

Strategies to enhance housing security for WA's older renters

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Executive summary

More people are reaching retirement age without owning a home, and the number of older people residing in the private rental market is increasing. Fixed incomes, short leases, a lack of affordable housing options and limited capacity to modify a rental property see many older renters experiencing tenure insecurity.

This research draws on national legal, financial, planning and policy precedents, to explore interdisciplinary strategies to make housing more secure for older people in the private rental sector in metropolitan and regional WA.

Key findings

Private renter's survey – older renters

The first stage of the project utilised a private renter's survey to identify areas where older renters are experiencing housing insecurity. The survey showed that older renters are likely to have been long-term renters in the private rental sector, 67% of older renters had been home owners at some point in the past, and that overwhelming, they rent not by choice, but due to an absence of other preferences.

Older renters are financially vulnerable, 44% of older renters in housing stress indicated they were forced into the scenario because of a lack of other affordable options; 63% of older renters pay more than 30% of their income as rent, and, alarmingly, 21% of older renters pay more than 60% of their income towards rent. Commonwealth Rent Assistance (CRA) is very important to the 60% of renters who receive it.

However, the financial vulnerability of older renters is not primarily a function of age, but of being on a limited, fixed income.

The survey identified that older renters also feel insecure in the private rental market due to uncertainty over their tenure. The ability to choose whether to stay or leave their current home was extremely important to older renters, who largely indicated an intention to extend their current lease. However 41% of older renters were forced to leave their previous dwelling through circumstances outside their control, and 12% were not confident the lease would be renewed. Most leases were for 12 months, but half of all tenants would choose to sign a longer lease, if offered, as it would offer increased security.

Enhancing the legal framework

The findings from the survey were used to inform research into alternative legal and financial models. Tenure security emerged as a significant concern. Although the Residential Tenancies Act 1987 (WA) and Residential Parks (Long Stay Tenants) Act 2006 (WA) seek to balance traditional inequalities between landlords and tenants, lease terms remain short and it remains relatively easy to terminate a lease. Further, the legal framework in Western Australia does not provide adequate security of tenure for older renters.

Older renters also experience age and other forms of discrimination. Due to landlord resistance and the cost of 'making good' at the end of the lease older renters are often prevented from installing age-friendly modifications or keeping a pet. Although landlords are under statutory obligations to repair residential rental property, many older renters are reluctant to assert their rights due to concerns about retaliation.

Tenants should have enhanced rights to request modifications to a property to provide them the security to age in place, as the alternative may be premature admission into the aged care system. As much of the existing private rental stock does not meet liveable design standards, landlords should be encouraged to make necessary modifications through the provision of financial subsidies or tax incentives,

When disputes arise between a tenant and landlord, tenants need to have access to an improved, low cost avenue for resolution of issues, including unreasonable or excessive rent increases, the landlord's responsibility to keep a property in good repair, the ability to install age-appropriate alterations or to assist older people to keep their pets.

Key findings (continued)

Older renters need specialist advice to navigate the private rental sector. The role of the Seniors Housing Advisory Centre should be enhanced to allow the service to provide legal assistance; and specialist housing services, including a Private Rental Brokerage Service and specialist not-for-profit real estate agencies should be encouraged.

Legislative solutions to concerns around insecure tenure include introducing longer leases coupled with the elimination of “no-grounds” termination of leases. This would provide security to tenants while still ensuring that the landlord had the right to terminate a lease on prescribed grounds. Although out of scope of this project, boarders and lodgers enjoy little security of tenure as that sector is unregulated. As these are amongst the most vulnerable groups of tenants, legislative protection of boarders and lodgers should be a priority.

Financial models

There is a shortage of affordable housing available for older renters. Many older renters are only able to find accommodation in the private rental market, increasing housing stress. Rents in the private rental market are dependent on supply and demand, with prices fluctuating depending on market conditions. There is little a tenant can do to resist rental increases, even when excessive.

The gap between market and affordable rents for recipients of pensions and allowances could be addressed with increased subsidies payable, either to the renter or the owner of properties in the private rental market. Subsidies to tenants should be through increased levels of CRA, which should be urgently revised and indexed to local markets on an ongoing basis.

However, much of the existing affordable private housing stock is older and in need of upgrading to ensure it is suitable for older renters. Current policies around ageing in place are designed to provide services to older Australians in their home, which needs to be a suitable and stable environment. A similar scheme to the NRAS scheme, which was developed to build new accommodation, should be designed to improve the standard of existing rental stock through additional capital allowances on appropriate refurbishment, or land tax concessions. Such a scheme would need to target the affordable market through appropriate safeguards.

Unlike other countries, the build to rent market in Australia is underdeveloped. Current tax structures and capital raising requirements have favoured rental investment by small “mum and dad” investors. Innovative financial products should be supported to encourage the development of affordable, appropriate housing for older renters.

Alternative housing models

There is little research into the types and nature of age-specific housing for older renters, with too much reliance on traditional models that are inadequate in terms of accessibility and practicality. Boarders and lodgers need additional protection to ensure viable alternatives to traditional lease agreements.

Western Australia has, and is developing, some excellent strategies in relation to affordable housing. The Metronet Project and the Affordable Housing Action Plan (AHAP), together with the introduction of leasehold title and community title, provide a springboard for a variety of affordable housing projects, including accommodation for older renters. The existing R-Codes provide flexibility that

could be utilised to introduce more innovative housing models for older renters. Inclusionary zoning could also be utilised to encourage developments providing affordable, age-friendly housing.

In order to provide a sense of mutual support and community for older renters existing forms of accommodation can be utilised in innovative ways; for example, through share housing, co-housing, rental retirement villages, ancillary dwellings and purpose-built developments. While such projects are being explored in Western Australia, they do need to be integrated as a policy option in government planning and regulation.

Introduction

Australia's older renters

Australia is home to around 6.5 million people aged 55 years and over. This cohort is defined in our survey as 'older Australians', including those aged in their mid to late 50s who are still participating in the work force. Rather than indicating a level of productivity, labour force participation or physical capacity, the descriptor refers to a stage of life. That is, one of preparing for, or entering retirement, and the shifts in income structure, housing need and changing priorities that occur between mid-life (typically ages 35-54) and the next stage – later life. 'Older Australians' encompasses a large age range and, therefore, are often considered in smaller groups. As shown in Table 1, the largest proportion of older Australians are aged between 55 and 64 years, followed by those aged 64 to 74 years and lastly, the smaller cohort aged 75 years and over.

Almost 900,000 people aged 55 years and over live in rental accommodation in Australia (ABS, 2016c). Of the older population in Australia, 13.5 per cent are renters, with 12.4 per cent of Western Australia's older people renting. Rental dwellings include those rented through the private rental sector, a state or community housing organisation, an employer or a residential park. Of those Australians renting through a landlord, more than half (67.9%) live in the private rental sector (PRS), renting through a real estate agent or a private landlord. A similar proportion is seen in Western Australia (62.0%) (ABS, 2016c).

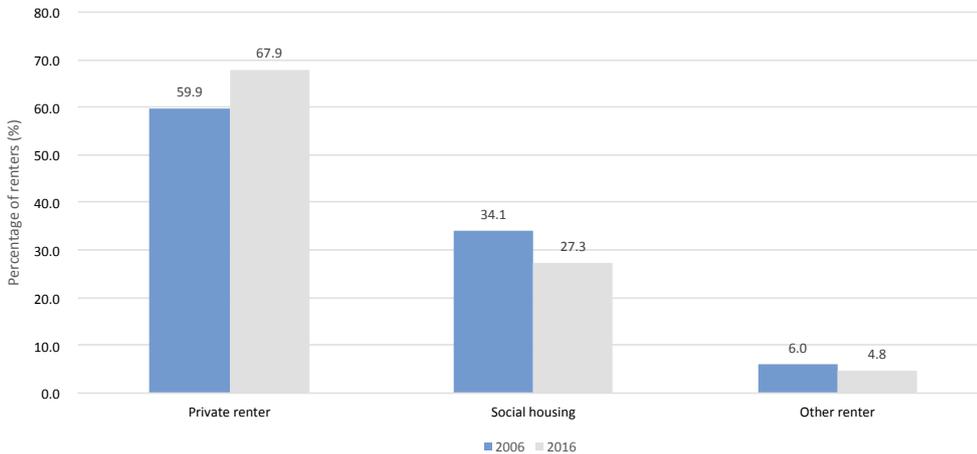
The proportion of older Australians in the private rental sector has grown over the last two decades, as seen in Figure 1. A similar trend can be seen in WA, where the proportion of older people renting from real estate agents or in private arrangements increased by 9.7 per cent, from 56.5 per cent in 2006 to 62.0 per cent, between 2006 and 2016. Those residing in the social housing sector, through a state provider or a community housing organisation are likely to be residing in stable, appropriate and affordable housing (Morris, 2016). By contrast, those in the private rental sector are in housing situations which are much more precarious. As shown in Table 2, the increase in the proportion of older renters occurs in the cohorts aged between 55 to 64 and 65 to 74 years, with fewer people over 75 years becoming renters.

Table 1 Older people in Australia and Western Australia, 2016

	Australia		Western Australia	
	<i>n</i>	%	<i>n</i>	%
55 to 64 years	2,803,242	43.0	290,847	45.1
65 to 74 years	2,106,817	32.3	206,647	32.0
75+ years	1,610,378	24.7	148,012	22.9
Total	6,520,437	100	645,506	100

Source: Bankwest Curtin Economics Centre | ABS Census 2016.

Figure 1 Older renters by rental sector, 2006 and 2016, Australia



Source: Bankwest Curtin Economics Centre | ABS Census 2016.

Table 2 Older renters in the private rental sector by age and geography, 2006 and 2016, Australia and Western Australia

	2006		2016	
	Australia	Western Australia	Australia	Western Australia
	%	%	%	%
55 to 64 years	56.3	56.2	57	58.9
65 to 74 years	26.9	27.5	29	27.5
75+ years	16.8	16.3	14	13.6
Total	100	100	100	100

Source: Bankwest Curtin Economics Centre | ABS Census 2006 and 2016.

Traditionally, as households enter retirement they have been very likely to own their homes outright (Ong *et al.*, 2015). However, there is a growing minority for whom this is not the case (Sharan *et al.*, 2016). Critical life events such as divorce (Sharan *et al.*, 2016), inequalities in relation to employment, wages and superannuation, particularly for women, (Travia and Webb, 2015), and shifts in affordable housing supply have resulted in individuals and households either falling out of home ownership and being unable to regain entry, or unable to ever achieve home ownership (Freilich *et al.*, 2014; Morris, 2013). As the Government continues the shift away from the supply of affordable housing and towards demand side supports, such as Commonwealth Rent Assistance, an increasing numbers of older people are unlikely to be housed by the public housing system (Jones *et al.*, 2007). It has been estimated that by 2036 a quarter of all Australian retirees will be renters (The Senate Economics References Committee, 2016). Recent research in Western Australia found that "...the rate of renting amongst older persons age 55 years and over is higher in this state than the rest of Australia" (Dockery *et al.*, 2015).

It has been well established that low income older renters face higher risks of poverty as a result of declines in housing affordability, accessibility, appropriateness and housing stress (The Senate Economics References Committee, 2016; Colic-Peisker *et al.*, 2015; Jones *et al.*, 2007). Secure and appropriate housing is fundamental to a higher quality of life in older age (Morris, 2011). This is particularly in terms of being able to adapt or change the dwelling as needs change, maintain social networks and social independence, a sense of security, and opportunities for social participation...” (Jones *et al.*, 2007). In essence, this cohort is disadvantaged in terms of tenure security. As Freilich *et al.* (2014) explain, “...in its simplest form, security of tenure is a legal concept that refers to a person’s right to occupy premises for a given time”. The interpretation of security of tenure in the context of housing research, however, has a broader definition incorporating the appropriateness of a housing financially, physically and the impact that it has on the residents’ quality of life (Freilich *et al.*, 2014).

Tenure insecurity amongst older renters

Rising home prices, the role of negative gearing, increasing gentrification of once affordable neighbourhoods and a tighter rental market have, in recent times, increased the cost of renting, especially for those on fixed incomes (Anglicare Australia, 2016; Jones *et al.*, 2007). The Housing Affordability report found that this vulnerable cohort is paying excessive proportions of their income in rent and are experiencing housing stress (Duncan *et al.*, 2016). Furthermore, older renters in the private sector have limited capacity to arrange longer term leases, face few restraints on rent increases and ‘no grounds’ termination (Freilich *et al.*, 2014; Travia and Webb, 2015), in an environment where there is a shift away from social housing and a shortage of age friendly affordable alternatives (Annard *et al.*, 2015). Furthermore, Seniors in rural and regional areas often experience different issues to older people in urban areas (Davies and James, 2011).

Antecedent research establishes that it is beyond doubt that older renters are a vulnerable cohort in Australia (Ong *et al.*, 2015, Colic-Peisker *et al.*, 2015), and Western Australia is no exception (Dockery *et al.*, 2015, Freilich *et al.*, 2014, Travia and Webb, 2015, Wood *et al.*, 2010a). This project seeks to contribute to the research area by focussing on strategies available through legal frameworks, financial incentives, policy and planning approaches to deliver housing security to older renters in Western Australia.

A man and a woman are walking on a beach, smiling and looking towards the right. The man is wearing a cap and glasses, and the woman is wearing a wide-brimmed hat. They are both wearing light-colored clothing. The background is a bright, sunny beach with waves crashing. A large, semi-transparent blue rectangle is overlaid on the image, containing the text 'Research project' in white. The word 'Research' is in a large, serif font, and 'project' is in a smaller, sans-serif font below it.

Research

project

Research project

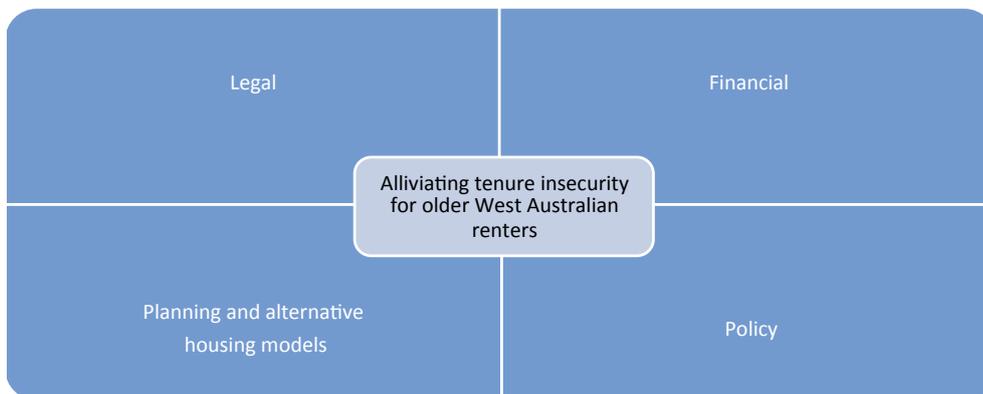
The overarching research question for this project was: *What strategies can be developed to enhance tenure security for older private renters in Western Australia?*

This question was informed by the following six research questions:

1. How do the perceptions of housing security between seniors renting in metropolitan Perth compare to those in regional Western Australia?
2. To what extent do those involved in the private rental sector (policy makers, not-for-profit organisations, investors, property managers) understand the impact of tenure security on older renters in Western Australia?
3. What role does the legal framework play in sustaining tenure security?
 - (a) What safeguards have been incorporated into legislation to assist older renters?
 - (b) What role can revised legal frameworks play in strengthening the security of tenure for this cohort in Western Australia?
4. What financial models and incentives could encourage investment into affordable housing for older renters in Western Australia?
 - (a) Is there a role for taxation, stamp duty and other incentives? What is that role?
 - (b) What alternative financing models are available, for example, social impact investment and corporate sector partnerships?
5. What alternative housing models exist specifically for older renters (co-housing schemes, community land trusts as well as more traditional models) and to what extent will current Western Australian planning law and policy have to be recalibrated to cater for these alternative models?
6. What can government and industry in Western Australia do to deliver housing security for older Western Australians in the private rental sector?

As shown in Figure 2, the research was divided into four sectors – legal, financial, planning for alternative housing models, and policy. For each sector, the research project was designed to assess the *status quo*; identifying potential strategies, including those which cross different sectors, to improve housing outcomes for older renters and looking at how these strategies interact with the other sectors. The research took a ‘helicopter view’ of the issues affecting older renters, the issue and its intersecting parts. To illustrate, in a discussion of the legal framework, the project examined the existing position regarding tenancy in WA, drew on existing and proposed models from other jurisdictions (for example, European precedents regarding safeguards for older renters and the 10 year lease proposals being considered in the current Victorian review of residential tenancy law) and used this as the basis to make recommendations for the Western Australian context.

Figure 2 Conceptual framework



Methodology

The methodology combined an online survey, a substantial and diverse literature review and industry workshops to understand which strategies can be drawn upon to deliver secure housing to older renters in Western Australian.

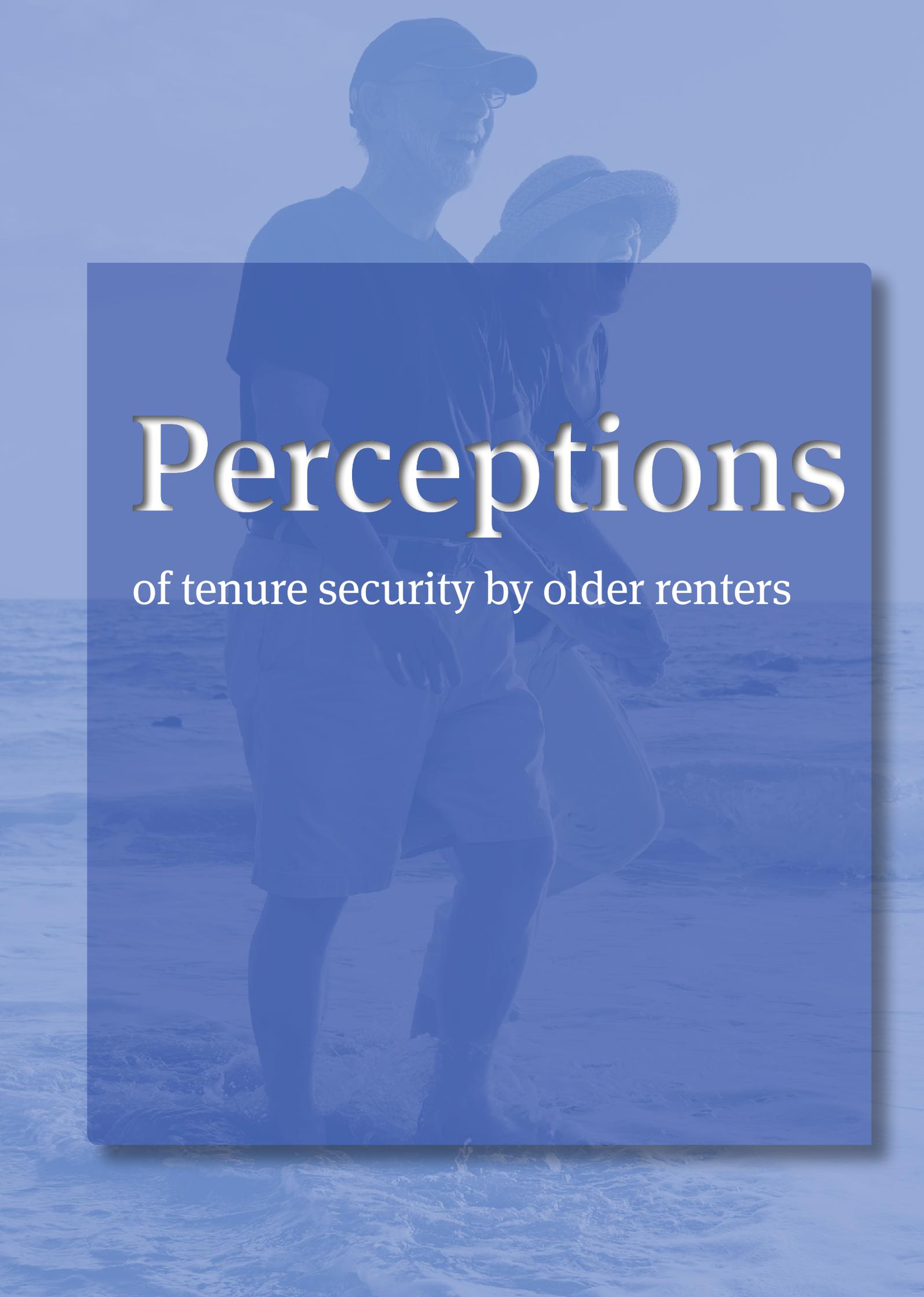
The Housing Affordability Survey 2017, funded by the BCEC over three years, was used as a vehicle to survey older renters. Specific questions were designed and included in the survey for the purpose of identifying the perceptions by older people in regional and metropolitan regions on their security of tenure. Questions considered the appropriateness of housing, cost, length of tenure, and ability to modify the environment, for example.

The literature review was designed to identify recent changes to policy, innovations in the private rental market and legislative frameworks. Following searches of legal databases for relevant legislation, legal articles and policy information; government websites for key policy documents; and database searches for academic and references, it examined strategies designed to support those in later life who do not own their own home. It also considered alternative models for financing affordable housing, including policy and taxation barriers to encouraging investment in affordable housing. The literature review was primarily focussed on Australian policy developments supported by some international evidence.

Two industry engagement workshops were held in early April 2018. Representatives of metropolitan based organisations attended a half-day workshop at 57 Murray Street, Perth. Participants represented TenancyWA, ShelterWA, Department of Communities, Western Australian Council of Social Service (WACOSS), GLBTI Rights in Ageing Inc (GRAI), Advocare, Department of Commerce WA, Northern Suburbs Community Legal Centre and LJ Hooker Victoria Park. Facilitated by the researchers, the metropolitan workshop was audio recorded and the discussion was transcribed.

The second workshop was conducted as a teleconference with representatives from regional organisations calling into a central number. On the day we had representatives from the Kimberley Community Legal Service, Department of Communities WA and Just Home, a housing advocacy service in the south west. There were a number of apologies on the day, and these people were contacted after the event for their input including representatives from Accord West, Centacare Kimberley, Community Housing Limited (CHL) and Geraldton Property Team.

All participants received a briefing document outlining the findings from Research questions 3, 4 and 5 prior to attending. The workshops enabled participants to share their understanding of the impact of tenure security on older renters in Western Australia, including the role that legal frameworks, financial models, policy, housing design and alternative housing models have on security of tenure for this cohort. It also offered an opportunity for them to comment on the findings from the literature review and to explore and discuss potential strategies to deliver housing security for older Western Australians in the private rental sector.



Perceptions

of tenure security by older renters

Perceptions of tenure security by older renters

This chapter draws on the findings from a unique survey of Australians in the private rental sector, conducted as part of the reoccurring BCEC Housing Affordability Survey Series. A module was designed for inclusion in the second wave of the survey to explore the perceptions of security of tenure by older renters in Australia. It considered past housing experiences, the length of leases and number of tenancies held by older renters, their reasons for moving in the past, and future intentions for the current dwelling and significantly, their of security of tenure. Nationally, 545 renters aged 55 years and over responded through a panel data company to the survey¹. While the survey provides a national perspective of tenure security for older renters, engagement with stakeholders in metropolitan and regional Western Australia through two workshops offered a nuanced understanding of the issues at a state level.

¹ The national population of older renters in the private rental sector at the 2016 census was around 600,000. The sample size of 545 therefore makes it difficult to draw representative conclusions for minority groups or specific geographic locations.

Who responded to the survey?

For the purpose of this research older Australian renters were defined as those aged 55 years and over, however respondents were more likely to be aged between 55 and 64 years (61%). Two thirds of respondents were renting through a real estate agent, while 36 per cent had private arrangements, such as with a friend or relative. The remaining 5 per cent were in other forms of accommodation, such as a mobile home, lifestyle village, boarder or lodgers. Those aged over 65 years were slightly more likely to be renting privately when compared to the younger cohort. Respondents often lived alone (38.3%) or in couples without children (29.9%), however, some households did have children living at home with them (12.7%). A small proportion of older renters were living in share house arrangements (10.5%), for example, one older person was renting together with four university graduate students. In some cases tenants were charged low rent in exchange for looking after pets or maintaining the property. Older renters also reported having their grandchildren live with them, or that they lived with their grandchildren. One respondent explained that they rented out spare rooms, with the consent of the landlord.

Table 3 Older renter household composition

Composition of household	%
One person	38.34
Couple, no children living at home	29.97
Couple or single person with children living at home	12.71
Living with a friend or relative in a group/shared house	10.55
Other	6.17
Multi-generational household (eg. a couple with children living with their parents)	2.26
Total	100

Source: Bankwest Curtin Economics Centre | ABS Census 2016.

Almost half of older renters surveyed (40.7%) had retired from the workforce, while a third indicated they were working in full or part-time positions. Others were employed in casual or volunteer roles. A small number of people describe themselves as being unemployed or looking for work. Those employed in a part-time position were asked if they would prefer to be working more hours each week. An important finding from the survey was that half of the respondents working part-time indicated that they would prefer to work for more hours a week, but the hours are not available. For a smaller proportion (9%), while they would prefer to work more hours other duties, such as caring for a relative, prevented them from doing so. These responses indicate that there is an unmet demand for additional employment by this cohort.

The average income of single households or those living with a friend was \$36,000 while couple households living with or without children, or multi-generational households earn slightly more, with an average annual gross income of \$59,000. Older renters' income was largely derived from the government aged pension (36%) paid employment, including self-employment (31%) or through Centrelink payments such as the Disability support pension, New Start allowance or a Parenting payment (25%). Very few received income from their superfund or investments. Those whose main source of income was the Government Aged pension were spending, on average, half of the pension on their rent. The majority of respondents received Commonwealth

Rent Assistance (60%), which they described as being either extremely important (80%) or very important (16%) to them. This is a significant finding for policy.

Almost a third of the respondents had an accumulation superannuation account, 12 per cent had a defined benefit superannuation pension, however over half the respondents did not have a superannuation account (57%). When asked about the approximate balance of their net assets, excluding superannuation, older renters had on average, \$179,000 worth of assets. Those with a defined benefit superannuation pension or accumulation superannuation account had, on average, a balance of \$75,000 and the majority were not drawing on this fund to pay rent (84%). Those drawing on their superannuation indicated that they were receiving an average of \$870 a month from their account, which was contributing to their rent.

Older renters in housing stress

The average rent being paid by older renters is \$305 a week. When considered in relation to their income, 63 per cent of older renters are paying more than 30 per cent of their income towards rent. Even more alarmingly, 21 per cent of older renters pay more than 60 per cent of their income towards rent. Older renters' situations are worse than for renters overall, with many more in housing stress at a time when their incomes are constrained (Rowley and James, 2018). When asked why they were spending such a large portion of their income on rent, older renters indicated that the primary reason was because they were forced as there were no other options available (44%). A smaller cohort has made the decision to place themselves in housing stress so that they could live in a particular location (20%). Overall, within this cohort of older renters in housing stress, the decision to pay such a high proportion of their income towards their rent has been forced upon them (66%), rather than being made by choice. Workshop participants agreed they have seen evidence of housing stress in the older rental community, including tenants accessing the foodbank or losing weight. Often proud, they describe older people as being quiet about their struggle and just wanting to maintain their tenancy. In the event that a tenancy is lost, older people have been known to live in swags or tents with no fixed address. This can become even more problematic if they leave hospital because care services cannot be accessed without a fixed address.

Table 4 Median rent as a proportion of income

Proportion of income paid to rent	%
0	3
Below 10%	6
10 to 19.9%	9
20 to 29.9%	19
30 to 39.9%	15
40 to 49.9%	15
50 to 59.9%	12
60% and over	21

Not always renters

Despite currently living in the rental sector, more than two thirds of older renters had purchased a property at some point in the past (67%). However, the vast majority of tenants with home ownership experience had sold their property (64%). As shown in Table 5, relationship break down was a primary reason for selling a property (39.1%) followed by difficulty in servicing the mortgage (19%). A similar proportion sold their homes because they were moving to another location (16.6%). Property sales were less frequently motivated by the need to release capital (14.3%), and a very small number of respondents had an investment property (3%).

Table 5 Reason for selling a purchased dwelling

Reason	%
It was sold as part of a relationship breakdown	39.18
I was forced to sell because I could no longer afford the mortgage	19.01
I chose to sell because I was moving to another location	16.67
I was forced to sell because I needed the capital	7.4
I chose to sell to release capital	6.94
I was forced to sell due to illness	5.5
I chose to sell because I wanted to rent instead	2.75
I was forced to sell due to family pressure	2.57
Forced	73.6
Choice	26.36

Older renters' current tenancies

Overall, 63 per cent of older renters were residing in separate dwellings and 30 per cent were living in apartments. The majority of respondents regard their dwelling as suitable (60%) or mostly suitable (29%) for their needs. A few considered it to be unsuitable (4%). When considered by the type of rental arrangement, those in 'other rental,' which includes employer accommodation, mobile homes, lifestyle villages or boarders and lodges, were less likely to find their current home suitable (Figure 3). The most cited reason for the rental not being suitable was because it was too expensive, followed by the quality and condition of the dwelling, being too small and design features not meeting their needs. For example, "This property is unsuitable for me at times as it has stairs, but it was what I could get at the time" with another respondent remarking that "If [the] shower could be modified to except (sic) [a] wheelchair [it] would be fantastic, but I know way too much money, haven't asked".

Those who had resided in the property for more than 10 years were less likely to describe the property as unsuitable (Figure 4). However, not all longer-term tenants did describe their dwelling as being suitable. This indicates that perhaps some tenants were trading stability of tenure for a home that was less suitable for older age, similar to findings by Morris (2011) in Sydney.

Figure 3 Dwelling suitability by type of rental

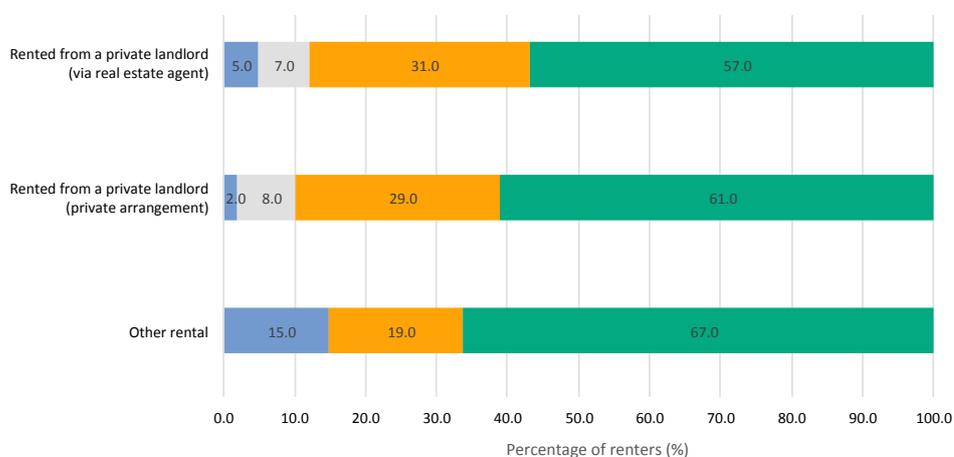
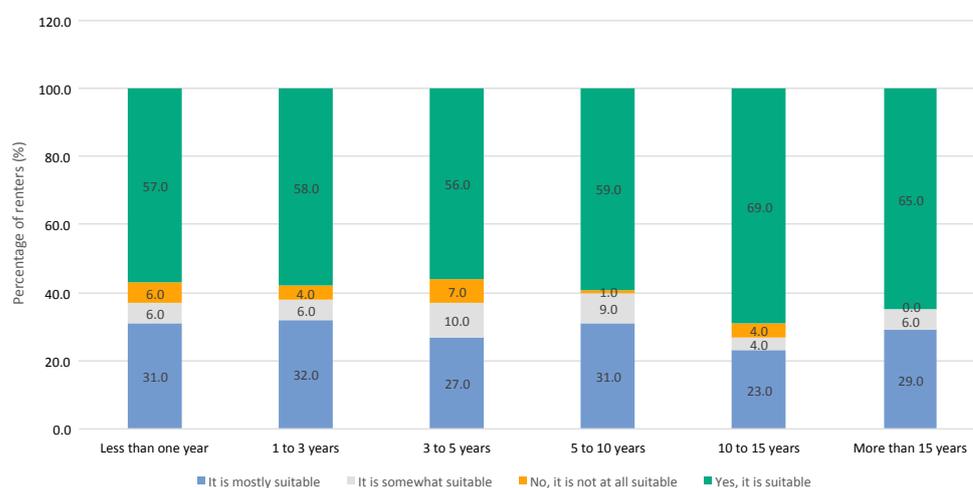


Figure 4 Dwelling suitability by length of current lease



Quality of dwellings

In a positive sign for older Australian renters, respondents were more likely to describe the quality of their current home as being excellent or good (65%), around a third felt their home was only average in quality and a small remainder described it as being poor or terrible. Smoke detectors have been a legislative requirement for rental properties since 2011, 92 per cent of respondents indicated that they were fitted in their home.

A sense of safety and security is important for all households. Among older renters, 70 per cent suggested that they had good locks on doors and windows in their current rental property and 40 per cent said their home was fitted with security features. With effect from 1 July 2015 the Residential Tenancies Act 1987 (s.45(a)) and Regulations (Residential Tenancies Regulations 1989, s.12B) have prescribed security devices required, including deadlocks, patio bolts and window locks that ensure that a property cannot be accessed from outside.

Less positive were the households who indicated the need for internal (30%) or external (26%) maintenance, and the houses affected by mould or damp (14%) or pest infestations (10%). The mould, damp or pest infestations were not just contained to those households renting privately through a landlord, rather many respondents who reported less desirable conditions were renting through a real estate agent.

When asked about the speed of maintenance requests, almost half of older renters indicated that they received a response in less than a week, while the response usually took more than a week for 19 per cent of renters. A smaller proportion found that they had to constantly remind the property manager or landlord about issues (14%). Unfortunately, there were a few older renters who indicated that they would not get a response and rather than requesting maintenance they either fixed the issue themselves or lived with the issue unresolved (7%). The remainder had never made a maintenance request.

Modifying a rental property for later life

The vast majority (86%) of older renters have not modified, or needed to modify, their homes. One respondent noted “everything was already in the house”. For the small proportion of respondents who required modifications, these were most often to the bathroom, for example grab rails near the shower or toilet, non-slip flooring or a shower seat. Other less frequently cited modifications included night lights, a flat, level walkway to the entrance and steps removed from showers. Property managers and landlords were reported to be very supportive when asked to modify a dwelling and did not increase the rent when works were undertaken (Table 6). Interestingly, some respondents explained that the requested changes were supported, however, either they, or another organisation, paid for the modifications to be made. For example, “They took several reminders, but were quite happy at not having to pay! I paid for some rails, the local council paid the rest” and “They were supportive if I made the changes and paid [for them] myself.”

A sizeable cohort of older renters have identified changes which are required but are yet to approach the property manager or landlord regarding the modifications (21%). A similar proportion of respondents have had a negative experience in trying to modify their dwelling, with landlords not supporting a request for change, or reluctant to do so and at the extreme made the changes but increased rent.

Table 6 Support of property managers and landlords in modifying rental properties

Responses	%
They were very supportive and did not increase my rent	45
I have not yet asked for modifications to be made OR I have not talked to them about the changes yet, but will in the future	21
Not supportive, changes have not been made	10
They made the changes, but increased my rent	7
They were very reluctant but made the changes	5
Other	11
Total	100

Renewing residential tenancy agreements

A lease or residential tenancy agreement is the primary mechanism available to ensure that a tenant’s rights are met, and also gives tenants an indication of stability of tenure. A third of older renters were on their first lease for their current property (33.7%) and less than 10 per cent have signed six or more leases for their current property. More than half the older renters had signed a 12-month lease (56.4%), 12.4 per cent of older tenants had signed other types of leases, and 10.6 per cent were on 6 month leases. Only 8.6 and 3.5 per cent of tenants were currently on two- or five-year leases, respectively.

The dominance of short leases highlights the insecurity of tenure experienced by this cohort. There is support among older renters for longer leases, with over half indicating that they would choose to sign a longer lease if it was offered to them, and 34 per cent indicating they might sign a longer lease. The primary reason for

supporting a longer lease would be the increased security that it would offer, followed by strengthening the feeling of the rental property being their home (Table 7). In the context of ageing in place, this is important from the perspective of the individual and the current policy direction enabling citizens to remain in their own homes for longer (Davies and James, 2011). Conversely, those not interested in signing a longer lease were concerned about other factors, such as the need for flexibility for work or changing family situations, and the cost of breaking a lease (Table 8).

Table 7 Benefits of signing a longer lease

Benefits of a longer lease	Rank
It would offer more security	1.00
It would offer a greater feeling of home	0.61
It might allow me to negotiate making changes to the property	0.32
It would allow the establishment of a better relationship with my landlord	0.21
Other	0.12

Table 8 Reasons for not signing a longer lease

Reasons for not signing a longer lease	Rank
Other	1.00
I would be too worried about the cost of breaking the lease	0.80
It would make me feel trapped	0.46
There would be too much pressure to remain in one place	0.40

Older renters largely indicated that they definitely intended to extend their current lease (41%), and a quarter said that they probably would extend (23%). A quarter of the older tenants were unsure if they wanted to extend their lease at this stage (23.6%) and the remainder indicated that they would move at the end of this lease.

Those tenants who intended to renew their current lease were overwhelmingly confident that they would be successful, with 53 per cent indicating they were very confident and 35 per cent saying they were quite confident. However, 11.7 per cent of those who would have liked to renew their lease responded that they were not confident, or unsure if their lease would be renewed. When asked for the reason for this lack of confidence, or being unsure if an application to extend the lease would be accepted, older renters indicated that no reason had been given, however, uncertainty around the extension of the lease had been indicated (Table 9). An older renter explained that they were unsure of whether they would have their lease renewed because the "...landlord has said he is unsure about his options for the future," while another was drawing on past experience, stating "I had a lease when I first moved in, but the landlord did not renew it even though I asked". Another comment included the "...landlord intends to build at some stage," that expressions of interest have been requested to develop the property or that the landlord might die. For those that are not confident, or unsure that their lease will be renewed, there is likely to be substantial emotional stress as a result of the uncertainty and insecurity of tenure.

Those wanting to move indicated that their next property would be either another private rental property (21%), home ownership (11%) or into state or community housing provider (11%). Others explained that, while they intended to move, they were unsure of where they would move because of the unaffordability of the rental market, with some proposing solutions such as house sitting or moving into a share house. When asked why they didn't want to extend their lease, the primary reason was to find somewhere which responded to their physical needs, followed by the cost of renting and the desire to move to a better location (Table 10). While this cohort would appear to be moving by choice, it is arguably a function of constraint.

Table 9 Reasons that lease may not be extended

Reasons	Rank
No reason given by the landlord	1.00
Other	0.88
The landlord has indicated he/she want to sell	0.56
I think they want me out so they can increase the rent	0.38
The landlord has indicated he/she want to move into the dwelling	0.06
The dwelling is going to be demolished or refurbished	0.05

Table 10 Reasons for not intending to extend the lease

Reasons	Rank
I want somewhere more suited to my physical needs	1.00
It is too expensive	0.82
I want to move to a better location	0.76
I can find somewhere better value	0.50
I want to find somewhere smaller	0.49
I am worried that the rent will become too expensive and I want to move before it does	0.31
I do not get on with my property manager/landlord	0.17
I want to get a pet and can't do so here	0.15
I don't get on with my neighbours	0.11

Older renters’ renting experiences

Why do older tenants rent?

In a majority of cases, survey respondents were not residing in the private rental sector by choice. When asked why they are renting over the more traditionally preferred tenure of owner occupation, the overwhelming response by older renters was that they had no other option. Table 11 describes these reasons by rank, where, for example, 0.5 means that the reason was considered half as important as a reason with a score of 1.00. It is clear the private rental sector is not the preferred choice of older tenants, being a solution in the absence of other preferences. This was underscored by a lack of affordable housing options for this cohort, further indicating that they have been forced into the private rental sector because they could not afford to buy anything appropriate.

Table 11 Reasons for living in the private rental sector

Reasons	Rank	
I have no other option	1.00	Forced
I can't afford to buy anything appropriate	0.72	Forced
I prefer renting at the moment	0.38	Choice
I want to own but do not have enough for a deposit (down payment)	0.36	Forced
I can afford to live in a better area if I rent	0.11	Choice
I can afford to buy but I am not ready to do so yet	0.10	Choice
I can afford a better quality dwelling if I rent	0.10	Choice
I want to retain the flexibility to move quickly	0.09	Choice
I am renting while building my own house	0.03	Choice

Despite the private rental sector not being the respondents’ preferred tenure, they indicated a degree of satisfaction with their experience in the private rental sector, giving the experience of renting an average of seven out of ten. Older renters generally described a positive relationship with their property manager or their landlord, with over 70 per cent describing it as excellent or good, and 23 per cent describing it as average (Table 12). Those who deal directly with their landlord, for example those renting privately, were more likely to describe the relationship as excellent or good (85%).

Less positive was the small proportion of older renters who described their relationship with their property manager or landlord as being adverse. Where they do exist, the reasons given for these poor relationships were largely reported as being due to older renters finding their requests for maintenance were ignored, followed closely by the fact that the property managers or landlords don’t seem to recognise that the rental property as the renter’s home. This experience is not confined to older renters, rather it is known to affect renters more generally (Rowley and James, 2018). Ranked third was that property managers or landlords were unreasonable when it came to inspections and, interestingly, less cited were unreasonable rent increases. While similar concerns were identified in a report by Choice *et al.* (2017) following a survey into the Australian private rental sector, the results from this survey produced a more far more positive picture.

Table 12 Relationship with property managers and landlords

	Property manager	Landlord
	%	%
Excellent	30	49
Good	43	36
Average	23	10
Poor	2	3
Terrible	0	1
Too early to tell	2	1

Over a third of older renters have pets, including dogs (20%), cats (16%) and other animals, including rabbits, birds, fish, sheep and one person had a horse. A very small proportion had combinations of these, mostly cats and dogs. Over half of these participants (58%) indicated that having a pet has affected their ability to find a rental property in some way. The most cited impact was that when changing between rental properties, their search was limited to those which would allow pets (41%). The remainder have been forced to compromise on their type of dwelling or the location (9%), and a few had not been upfront about having a pet (6%).

The issue of discrimination within the private rental sector was raised in the report by Choice et al. (2017). The survey found that older renters felt they had been discriminated against when applying for rental properties. 26 per cent of older renters reported experiencing age discrimination applying for a rental property, though the most common form of discrimination reported was in relation to income. Respondents described that they felt they were unsuccessful in applying for leases because of their low incomes. This included those on pensions, disability support and other forms of welfare. It was the view of one respondent that:

“Low income earners are down the list of what's acceptable. I have cats, which are like therapy to me. Many landlords don't like pets. In order to access help with bond I have to find a place no more than 25 per cent of my income. On the Tweed Coast that's extremely difficult. Some landlords only want people who are working.”

Similar portions of older renters who had experienced discrimination reported their age or pets as reasons for unsuccessful applications. Some older renters were discriminated against for more than one reason, making it more difficult to be accepted for a lease. These older renters explain their discrimination as being as result of:

“My age, 6,5 and being on the disability pension. They wanted cash only and no Centrelink tenants”

“[Be]cause we had animals, also on Centrelink, people who worked would get picked over us, we applied for 50 houses in 2016 and didn't get one of them”

“My age, not having utility bills in my name, being a female”

Other factors such as ethnicity, using Centrepay, being employed on a casual basis or unemployed were also mentioned as reasons for being discriminated against when applying for a lease. These reasons for discrimination mirror the findings of previous research (Choice *et al.*, 2017) and are not isolated to older people, rather, they are reported by renters more generally. Workshop participants reiterated this finding, suggesting that older people might be less able to compete with other households in the rental market, therefore their experience was less about discrimination, rather focussed on the ability to pay.

Negotiating tenants' rights

Tenants' rights are governed by state legislation and the knowledge of these rights contributes to the security of tenure. The majority of older renters (69%) were aware that there are laws in place to regulate the relationship between tenant and landlord. A smaller proportion did not know they existed (13%), with the remainder unsure if they knew of them. On average, older renters rated their knowledge of tenants' rights as a 7 out of 10, where 10 indicated that they fully understood their rights.

In each state legal or community services are available to provide advice to renters. Among the respondents, two thirds were aware of these services, however, a quarter did not know they existed. 78 per cent of responses indicated that, in their opinion, their legal rights had not been breached. Those who had experienced a breach either liaised with the property manager to resolve the issue, or did nothing for fear of being asked to move or have their rent increased (Table 13). Very few sought legal advice from a lawyer, preferring to speak with family and friends about the issue or consult a tenant advisory service. Unfortunately, many of those reporting a breach of rights were unsure of where to access assistance.

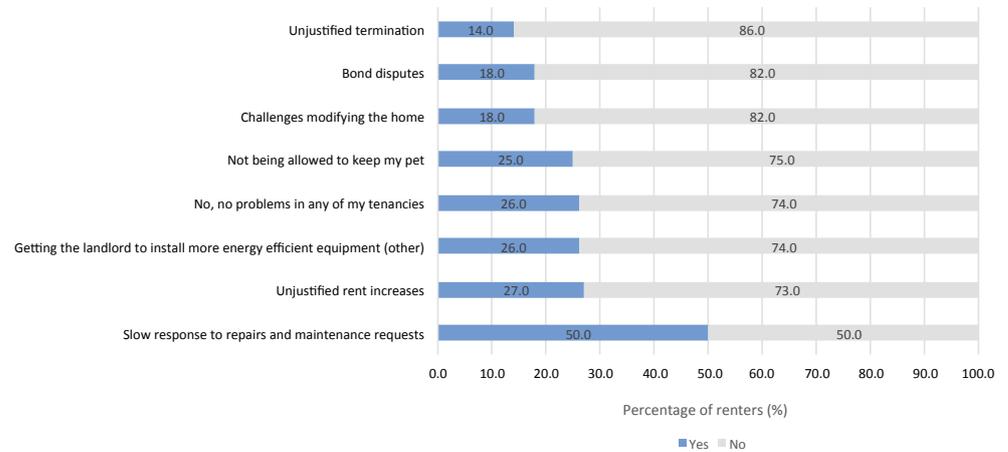
When asked of their response to a scenario where the landlord or property manager had breached legal rights, half reported they would consider taking legal action and a third indicated they would definitely do so. The remainder (19%) indicated they would not take legal action, with the primary reason being cost – it would be too expensive, followed by the fear that the landlord might evict them. Others noted that “[It] depends on what type of breach and I would prefer to keep my landlord happy because I like where I’m living” and “I would prefer to meet with the landlord and discuss the problem face to face” another was concerned that legal action may result in them being on a list on the TICA (national tenant database) tenancy data base.

Table 13 Responses to potential breaches of tenancy rights

Response	Rank
I liaised with the property manager to resolve the issue	1.00
I didn't do anything - I was worried I'd be made to move or my rent would be increased	0.80
I didn't do anything - I wasn't sure where to seek advice	0.39
I sought legal advice from a tenancy advisory service	0.39
I didn't do anything - at the time I was unaware of my tenant rights	0.34
I sought advice from family or friends	0.25
I took the matter to court by myself	0.11
I sought advice from a lawyer	0.06

While many had not experienced breaches of tenants' rights, few older renters indicated that they have had no problems in any of their tenancies (Figure 5). The most common problem for this cohort were slow responses to repairs and maintenance requests and unjustified rent increases. A small number of respondents noted harassment and intrusion of privacy by landlords as well as general disputes around payment of rent.

Figure 5 Problems experienced during tenancies



Understanding tenure (in)security experienced by older renters

Residential mobility in the private rental sector

Older renters who participated in this survey were more likely to have been in the private rental sector for a significant length of time, rather than recently becoming a tenant. 54 per cent of all respondents had been renting for more than 10 years with only 3 per cent renting for less than a year. As shown in Table 14, the cohort aged between 55 and 65 years were slightly more likely to have been renting for more than 10 years compared to the older cohort.

Most respondents had resided in their current home for between one and three years (Table 15), regardless of how long they had been in the private rental sector. Only a quarter of all longer-term renters had been in the same dwelling for 10 or more years – indicating they had only moved once or twice during that time. Similar security of housing is also seen in the 2 per cent of respondents who had been in their house for 10 years or less, and those in their current house for between 10 to 15 years – indicating that they had not moved. More concerning is the high proportion of renters who had been in their current house for 3 years or less.

The instability of housing becomes further evident when we consider the number of houses in which these household have lived (Table 16). When all older renters are considered, 44 per cent have lived in between 1 and 3 houses, 27 per cent have lived in between 7-10 houses and 15 per cent have lived in 11 or more houses, with 3 per cent unsure of how many they have rented during their time in the private rental sector.

A third of those who had rented for 30 years or more had lived in 15 or more houses, indicating that they moved every 2 years. A further 18 per cent had been in 7-10 houses, indicating a move potentially every 3 years, and a third had been renting between 6 and 10 years and had lived in 4 to 6 houses, suggesting a move every 2.5 years. These households may have been residentially mobile by choice, however, if these moves were forced, it highlights the lack of tenure security for this cohort.

Table 14 Number of years renting, by age

	Less than one year	1 to 10 years	More than 10 years	Total
	%	%	%	%
55 to 64 years	4	38	58	100
65+ years	3	42	54	100

Table 15 Number of years in current dwelling by length of renting

Number of years in the private rental sector	Years in current dwelling						Total
	Less than one year	1-3 years	3-5 years	5-10 years	10-15 years	More than 15 years	
	%	%	%	%	%	%	%
10 years or less	19	38	23	18	2	0	100
More than 10 years	16	25	16	17	14	11	100

Table 16 Number of dwellings rented in the private rental sector by number of years in the private rental sector

Number of years in the private rental sector	Years in current dwelling						Total
	1-3 houses	4-6 houses	7-10 houses	11-15 houses	15 or more	Unsure	
	%	%	%	%	%	%	
10 years or less	69	23	6	0	0	3	100
More than 10 years	24	30	16	6	17	7	100

Reasons for moving from one rental property to another

It would be expected that for most people aged 55 years and over that there would be a preference to remain in their home rather than embark on moves between dwellings. When asked why they moved from their previous dwelling, 41 per cent of older renters indicated they were forced, while for 38 per cent the move was by choice. When compared to the broader population of renters, however, they were more likely to have been forced from their previous dwelling than move by choice (Rowley and James, 2018). The most commonly reported reason for being forced to move from their rental property was that the owner was selling (Table 17) while respondents largely chose to move to access more affordable (17%) or appropriate (19%) dwellings. Other reasons included sale of the dwelling they were renting or owners moving in, moves interstate, moves to assist family, changes in employment, health or relationship status and difficulties managing the dwelling.

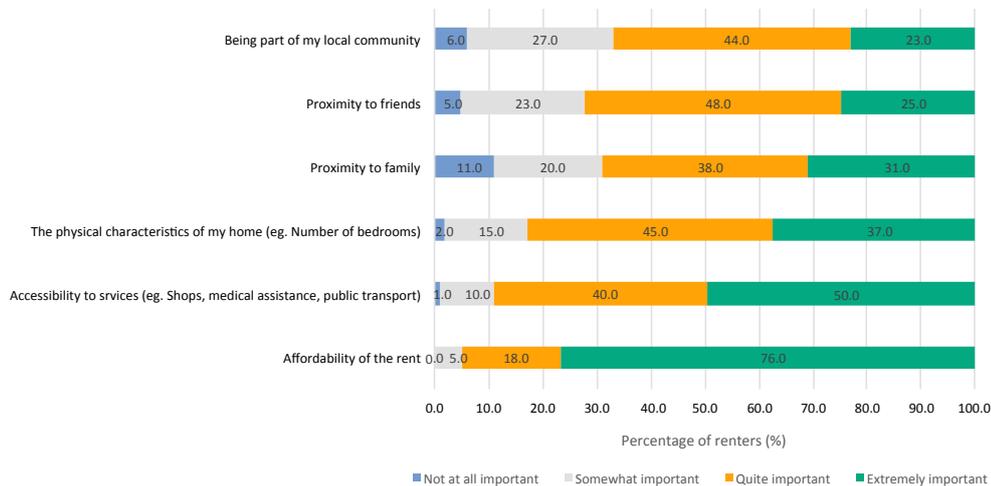
Table 17 Support of property managers and landlords in modifying rental properties

Reasons	%
Forced – Owner was selling	19
Forced – Owner did not renew lease as they wanted to move back in	7
Forced – Violence/other incident	5
Forced – I was given no reason why the lease was not renewed	1
Forced – Rental increase was unaffordable	9
By Choice – To access a more affordable dwelling	17
By Choice – To access a more appropriate dwelling for my household	19
By Choice – To access better services (Schools, Health services, employment)	2
Other	21
Forced	41
Choice	38

The importance of home for older renters

When asked the extent to which an older renter’s house felt like home they gave, on average, a score of 6.5 out of 10, where 0 indicated ‘it doesn’t feel like home’ and 10 indicated ‘it absolutely feels like home’. Older renters were asked to describe the importance of different elements of home on a scale of 0 to 10, where 10 was extremely important and 0 was not at all important. Unsurprisingly, the affordability of rent was regarded as being extremely important to older renters followed by the accessibility services afforded by the location of the house (Figure 6). Proximity to family or friends or being part of the community was considered to be much less important.

Figure 6 Importance of factors relating to home



Perceptions of tenure security

Security of tenure refers to the ability or autonomy to make decisions about one’s home. That is, being able to decide when to move, rather than not having a lease renewed or being forced to move to find more affordable accommodation; having the ability to modify the home and the capacity to move if that is the desire of the household.

Older renters were asked to rate the importance of being able to remain in their own home (Table 18). The majority responded that it was extremely important (58%) or quite important (33%). Less than 10 per cent of all respondents did not think that it was important to them.

Again, the ability to modify their home to meet their physical needs as they grow older was considered important with respondents indicating a 7 out of 10 on average. 41 per cent felt that their ability to modify the rental property to meet changing physical needs was quite important. Combined with those who regard it as extremely important, it is evident that this factor is of very high importance to the cohort.

Table 18 The importance of tenure security

	Not at all important	Somewhat important	Quite important	Extremely important
	%	%	%	%
The ability to modify my home to meet my physical needs	14	23	41	23
The ability to remain in my current home for as long as I wish	3	6	33	58

The survey asked older renters about their confidence in being able to undertake several aspects associated with moving house in the next two months. A majority reported having access to the internet at home (72%), being confident in being able to apply for a property (61%) and undertake a property inspection report for the new property (62%). Respondents were less confident about the process of finding a new property with a third saying that they might be able to do it. Almost two thirds were confident that they would be able to pack up their house (59%) and half could call on family for help, although 20 per cent said they couldn't get family help. Renters were less confident they could find the money to hire a moving company (33%) and raise the money for the bond (41%). The capacity to move is related to security of tenure and the ability to be able to confidently make decisions about one's home. While older renters appear confident in undertaking the tasks of finding a home, they are less secure physically and financially in their ability to move into that new home.

Intergenerational assistance

Older renters were asked if they anticipated that their adult children would have the capacity, or be willing, to assist them in the future. The highest rank response was that older renters have not discussed this issue with their children (Table 19), which may indicate that for this cohort a scenario prompting such a discussion has not yet arisen. However, this was very closely followed by the response that no assistance would be forthcoming from children, or that the respondents didn't have children, a finding which highlights the absence of a safety net should rents rise further or medical expenses start eating into income. A small proportion of older renters indicated that they anticipated future assistance with housing, health or physical care or finances from their adult children.

Table 19 Anticipation of future assistance by adult children

Future assistance	Rank
I'm not sure, it is not something we have discussed	1.00
No	0.90
I don't have any children	0.60
Yes - with housing	0.40
Yes - with health/physical care	0.40
Yes - financially	0.40
Other	0.10

Summary

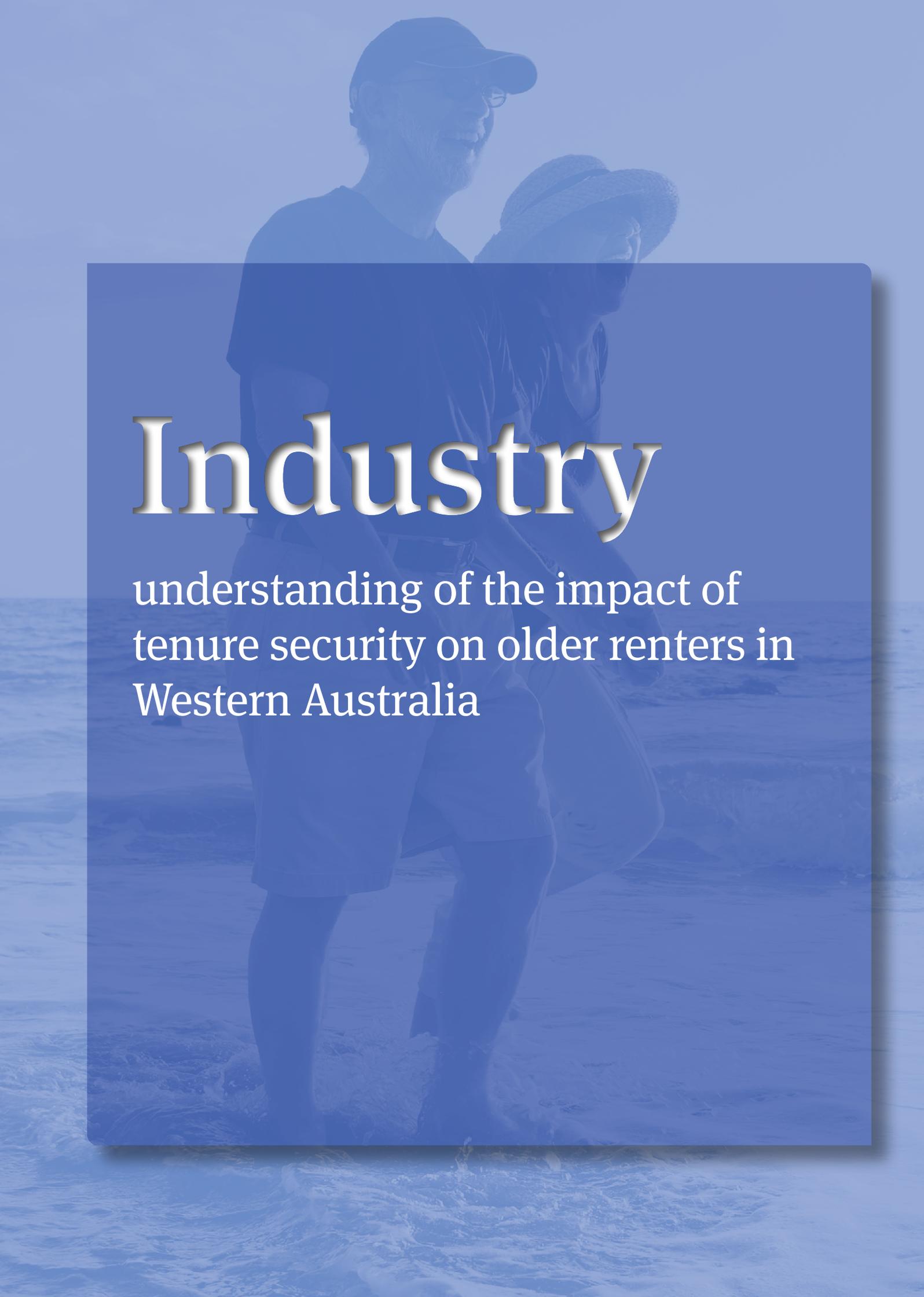
Historically, in Australia, households have entered retirement generally owning their homes outright; however, there is a growing minority for whom this is not the case. Those exiting the workforce without home ownership and relying on the pension are faced with unaffordable rents in a housing tenure designed to be a transitional, rather than long term.

The private rental sector is not a secure tenure for renters due to features including short leases, fast turnover of properties between investors and the limited interest or ability of some landlords to modify properties. It was reported that respondents were not residing in the private rental sector by choice, but because they had no other option. Being able to remain in their own home was either extremely important or quite important to older renters, followed by the affordability of rent and the location.

Older renters reported that their current tenancies didn't really feel like home. Given that more than two thirds had purchased a property at some point in the past, the contrast between having autonomy over one's home compared to the instability of the private rental sector must be stark.

The survey found that the situation for older renters is worse than for renters overall, with many more in housing stress at a time when their incomes are constrained. Older renters were more likely to have been in the private rental sector for a significant length of time, rather than recently becoming a tenant. Despite this, more than half were on 12 month lease while a small proportion were on 6 month leases, having only resided in their current home for between one and three years. The insecurity of tenure became further evident when the number of houses in which the respondents have lived was considered, indicating a high level of residential mobility. Such mobility is in contrast to the trends of older people where the preference is usually to remain in their home rather than moving between dwellings. Survey responses indicated that when compared to the broader population of renters, they were more likely to have been forced from their previous dwelling, due to the property being sold for example, than move by choice (Rowley and James, 2018). Two thirds of older renters indicated that they definitely intended to, or would probably, extend their current lease. They were generally quite confident that they would be successful with only a small proportion interested in renewing their lease not confident if it would be resigned.

Dwellings were considered to be suitable or mostly suitable for the households' needs, and the quality of current homes was often regarded as being excellent or good with only a small proportion experiencing mould, damp or pest infestations. There was support among older renters for longer leases because of the increased security that it would offer, followed by strengthening the feeling of the rental property being their home. In the context of ageing in place, this is important from the perspective of the individual and the current policy direction enabling citizens to remain in their own homes for longer.



Industry

understanding of the impact of
tenure security on older renters in
Western Australia

Industry understanding of the impact of tenure security on older renters in Western Australia

Industry engagement workshops were conducted with representatives of metropolitan based organisations, such as tenant advocacy organisations, government departments, and real estate agents. The regional workshop included representatives from legal services, government departments, a housing advocacy service and real estate agents. Informed by a briefing document, the workshops were designed to explore participants' understandings of the impact of tenure security on older renters in Western Australia, test the findings from earlier stages in the project and explore strategies which might deliver improved housing security for older renters in Western Australia.

Factors creating tenure insecurity for older renters in metropolitan WA

The industry workshops showed an acute understanding of the impact of tenure security on older renters in WA by policy makers, non for profit organisations and in some cases, by property managers and investors in the housing market. In the workshop, it became clear that most participants understood that security of tenure is exacerbated by the issue of housing affordability, which is underpinned by the inadequacy of the pension and CRA relative to changing rents and living costs. One participant referred to the Cost of Living Report 2017 (WACOSS, 2017), pointing out the “lack of buffer against financial hardship” that older people have “once their essential living costs have been met”. The combination of these factors results in the inability of older renters to access appropriate and affordable rental accommodation as they are unable to compete with those who are in financially better scenarios. Some participants argued that this is a form of elder discrimination; however others suggested that each application is assessed on its merits, with the capacity of a household to pay carrying significantly greater weight than the age(s) of the household. As one participant explained when considering potential tenants the assessment is “...not based on age but based on life circumstances and where they fit [in terms of being able to pay the rent and comply with what is expected of a tenant]”. Currently, older tenants unable to compete with younger households financially may be driven by affordability challenges to those properties which are in need of repair, held by landlords seeking capital value with little interest in maintaining the dwelling.

An issue shaping tenure security in Western Australia particularly is the lack of housing diversity. Separate housing forms the majority of the dwelling structures in the state (79.1%) and in the Greater Perth area (76.9%) (ABS, 2016a). Workshop attendees agreed that there is a need to increase the number of medium and higher density affordable housing options for older people, as well as the population in general. Participants pointed to an example of a local government area which has amended zoning to encourage the development of smaller lots to generate greater housing diversity. The market has not responded to this opportunity suggesting the need to open up a dialogue between older people and developers to understand their ‘right-sizing’ aspirations.

Workshop participants also explained how the issue of maintenance reflected older renters’ security of tenure. They highlighted the difference between the right to ask for maintenance to be undertaken and the confidence to do so without the fear of a lease not being renewed or the rent being increased. This issue may also be exacerbated in the case of longer term tenants, where an absence of regular maintenance results the dwelling deteriorating, sometimes to an unliveable standard. Service providers have previously found that a tenant’s call about one maintenance issue can uncover a series of problems which have been accruing over time. For example “guttering problems [which lead to] water leaks, that then link to mould infestations and rotting floorboards” which then become a hazard to tenants’ health. As one participant articulated “It’s one thing to have a right, it’s another thing to feel confident enough to try and enforce it.” Another provider had experiences where maintenance issues were noted as tenants signed a lease with property managers’ assurance that they would be fixed before or once a tenant moved in, and the work was not done. One of the issues raised was the need for property managers to be aware that older tenants may not raise maintenance issues when asked, recognising the need to be proactive during inspections to identify potential areas of disrepair which may not be immediately obvious to an older person with reduced abilities.

Researching and applying for private rental accommodation, paying rent and in some states water bills, organising inspections and notification of maintenance issues are increasingly done online. Such changes to technology are a barrier to older people successfully applying for a lease and also being able to maintain that lease in metropolitan and regional locations.

“...some of the older generation are missing out [on rental properties] because technology has moved to a point now where applications – we don’t hand out applications to fill in. They do it online and they pay online.”

- Metropolitan workshop participant

Without the skills to use online technology service providers are finding that older people who can’t drive, and rely on public transport to be able to research an area in which to rent, are finding it particularly difficult to work out if a new rental has good links to transport, has a doctor nearby, is suitable for care providers, and is close to the local shops.

Factors creating tenure insecurity for older renters in regional WA

The impact of, and reasons for, tenure insecurity in Regional WA are similar to those in the Metropolitan area. A lack of suitable housing alternatives, limited dwelling diversity, public housing or housing assistance outside urban areas, however, amplifies the challenges associated with tenure security. For example, in one regional location aged care facilities are limited to only a handful despite a population of around 10,000 people. Older people find themselves forced to leave their communities as the wait for public housing is too long, there is a lack of public housing more generally and there are no other affordable options to cater for those on low incomes. If they stay in community that they are connected to and reliant on, they risk homelessness, and yet if they move, to Perth or over 50km away, they sever the community ties and important social connections on which they rely. There is a perception in the regions that urban based policy makers expect such moves to occur without consideration for what is being lost.

Alternatively, some older people find themselves in a limbo between public housing and the private rental sector. On the one hand they earn too much to go on the public housing waitlist, and yet they don't have enough to purchase their own dwelling. The outcome of this scenario is that they rent for a period of time until their assets are low enough for them to be put on the list. This generates a precarious scenario. The absence of a physical public housing office in some parts of regional WA may obscure this reality from policy makers.

In addition, the seasonal nature of work and activity in some regional locations forces tenants into short term tenancy agreements, the end of which coincides with peak tourist season. The increases in rents during this time effectively force tenants to leave their current accommodation and find an alternative until the peak season is over. Moreover, a lack of rental stock more general makes tenants additionally hesitant to enforce their rights. In the mid-west, the need to educate landlords about the types of modifications to their homes that would make them suitable to older populations has been recognised. The seasonal nature of rentals was not experienced in this location and, as a result, older tenants were known to remain in tenancies for up to 5 years. The long term owners and lack of turnover of properties by landlords was attributed to the longer leases. If a landlord was motivated to hold onto their property for a long period of time, then the benefit of having a long term, stable and reliable tenant – not necessarily an older tenant – was realised.

Stakeholders from the Kimberley noted that public housing in the region does not offer the secure form of tenure for Aboriginal communities that it does in other parts of the country. There are regular threats to their security of tenure from damage to the property or from overcrowding. A clash between what is culturally appropriate (for example hosting family members in need resulting in overcrowding) or a migratory lifestyle and what is expected from the Department results in 'strikes' being recorded and threats of eviction. A police report is required to demonstrate that property damage is not the fault of the tenant; however the poor relationship between tenants and the police force impedes the reporting of such incidents. In addition, tenants often do not have the knowledge or understand the expectations associated with maintaining a residential property.

The insecurity of tenure affects not only older people. Under kinship care arrangements grandparents may be looking after grandchildren, therefore it affects two of the more vulnerable cohorts of the population. The issues are not necessarily age specific for older people as they tend to be for lower income renters more generally. Stakeholders from the Kimberley report a distortion in the housing market where purchase prices for dwellings have fallen, yet the cost of rentals remain out of reach for those on low incomes.

Summary

The industry workshops clarified and expanded on a number of the issues that emerged in the survey. The themes identified are explored further in the following sections.

Stakeholders from government departments noted that a range of legislative reviews are currently underway to address some of the issues raised in the workshop. These will be discussed in later chapters of this report.



The legal

framework and security of tenure
in the private rental sector

The legal framework and security of tenure in the private rental sector

This section will consider the legal framework that regulates the private rental sector (PRS), that is, where tenants rent their dwelling through a real estate agent or a private landlord, a definition which also includes residential parks. The law and legislation which apply to the PRS are, for the most part, relevant to all tenants, however older people residing in the sector face specific issues that are not adequately addressed under the existing regulation.

In Australia, the regulation of property, including tenancy laws, is a matter for the states. In this chapter the relevant Western Australian law and legislation is examined, taking into account developments in other states and other jurisdictions, particularly in the context of the issues faced by older tenants. Discussion is focused on the PRS; however, the scope of the chapter also considers the rights of boarders and lodgers who experience insecurity of tenure but do not currently receive legislative protection.

The role of the legal framework in sustaining tenure security for older tenants

A number of issues emerged in the survey and workshop that affect the perception of security for older renters, being:

1. The lack of availability of longer, fixed term leases;
2. The ease with which tenancies can be terminated;
3. The difficulty in sourcing affordable rental properties;
4. Discrimination against older tenants;
5. Concerns regarding the amenity of the premises, for example, a lack of minimum standards, barriers to making age-appropriate alterations to the property, and whether a tenant can keep a pet; and
6. The inaccessibility of dispute resolution procedures.

Before the 1970s residential tenancies were subject to the common law of landlord and tenant (Higley, 1985). Residential rental accommodation was rarely distinguished from other forms of tenancy, therefore there was little regulation of premises used for residential purposes. (Bradbrook, 1976). The Commonwealth Commission of Enquiry into Poverty (Sackville, 1975) advocated for revision of residential tenancies law, leading to residential tenancies legislation being enacted throughout Australia, including Western Australia.

Today, residential tenancies law seeks to prescribe certain rights and responsibilities upon the landlord and tenant while recalibrating the inequalities in bargaining power often inherent in such transactions (Sackville, 1975) with the legal framework playing a significant role in the regulation of tenure security (Freilich *et al.*, 2014). Although laws are but one part of the security of tenure conundrum (United Nations, 1976), it is important to assess whether existing laws provide a workable springboard balancing the rights of the landlord and tenant while addressing the needs of older tenants (Travia and Webb, 2015).

Legislation relevant to private rental agreements

The pivotal Western Australian law and legislation affecting residential rental properties are the Residential Tenancies Act 1987 (WA) (RTA) and the Residential Parks (Long Stay Tenants) Act 2006 (WA) (RPLSTA).

The Residential Tenancies Act 1987, (WA) supported by the Residential Tenancies Regulations 1989 (The Regulations), regulate the relationship between residential landlords and tenants. The legislation is applicable to parties who have agreed to enter into agreements to rent private residential properties, including some tenants who rent in the public housing system, subject to certain exceptions. An assortment of matters pertaining to the residential landlord-tenant relationship is addressed by the legislation such as the nature and content of a residential tenancy agreement and the processes regulating rental payments, repair, termination and dispute resolution. A major review of the Residential Tenancies Act is expected in 2019.

The RTA does not extend to residential parks (as defined in the Residential Parks (Long Stay Tenants) Act 2006 (WA)), rentals in retirement villages (as defined in the Retirement Villages Act 1992 (WA)), or to boarders and lodgers. Residential parks provide residential dwellings as well as land upon which a relocatable or manufactured home can be situated. Subject to a rental arrangement, tenants may rent a home and a site, or may rent a site only and own the home on the site (Department of Mines Industry Regulation and Safety, 2011). The RPLSTA and supporting regulations apply to traditional park home accommodation (although not holiday rentals) and lifestyle villages, extending to caravans and motor homes onsite. While the RPLSTA addresses matters similar to the RTA, it also provides for comprehensive pre-contractual disclosure and a cooling off period. It is relevant to note that, after a lengthy period of review, several significant amendments are expected to be made to the legislation this year.

The RTA does not regulate rental contracts in a retirement village which are regulated by the Retirement Villages Act 1992 (RVA), with supporting regulations being the Retirement Villages Regulations 1992 (Regulations) and the Fair Trading (Retirement Villages Code) Regulations 2015 that contains the Code of Fair Practice for Retirement Villages 2015 (Code). Some retirement villages offer rental options through, for example, short term residence contracts of less than 12 months. (Reg 4A RVR), although this is not typical in Western Australia.

Boarders and lodgers are excluded from the operation of the RTA, and this sector of the market is currently unregulated in Western Australia. As discussed on page 33, boarders and lodgers are in a particularly vulnerable position in relation to their security of tenure.

The availability of longer, fixed term leases

Tenure security is enhanced where the tenant has an ability to exercise choice over the length of the tenancy and can remain in the property for a substantial period if they so choose (Victoria State Government, 2017). Nevertheless, there is robust debate about the desirability of making longer, fixed term leases available with arguments in favour of lengthier terms countered by those emphasising the desirability of flexibility for both lessors and tenants (Minnery *et al.*, 2003, Victoria State Government, 2017). It should be noted that the perceived benefit of a longer lease may be undermined when the lease can be terminated with relative ease (National Shelter, 2010).

The issue of longer leases for tenants, including older renters, arose in the survey and workshops with enthusiasm from tenants for the opportunity to enter into a longer lease, with over half the respondents to the survey noting that they would sign a longer lease if this option was available. A significant number of respondents intended to extend (41%) or probably extend (23%) their current lease if they were permitted to do so. During the workshops there was a lot of discussion around longer leases for older tenants with Property Managers identifying a number of advantages or benefits to longer leases, including reduced administration and costs involved in finding a new tenant. In response to concerns of tenants being 'churned through' rental properties one opinion from Western Australia was that it was not the norm...

"...especially in this market at the moment with the vacancy rates where they are, an agency to then show that property five or six times [to prospective tenants], do the paperwork, do the vetting, take the risk that they're losing a good tenant to get a bad tenant, they wouldn't do it."

- Metropolitan workshop participant

As found in the workshops, attitudes towards longer leases appear to be favourable among older tenants and some landlords:

"in my experience with older people in long-term tenancies, we have tenants that have been moved out after 20 years, and most owners are not [churning] so if they're good and they paid their rent and they maintained the property, the owner would always prefer that there's long-term tenancy thing."

- Metropolitan workshop participant

Longer leases also financially benefit the landlord, however, there may be a period of probation to confirm that the household are reliable tenants. For example,

"the first term is probably six or 12 months but then after that they prefer the long term lease because it's actually less expensive for them to have and they're not paying the fees or renewals and everything else."

- Metropolitan workshop participant

However some challenges arise that would need to be addressed.

"if somebody has entered a five-year lease and then their partner passes away and they need to change their living arrangements ... potential liability for paying out a long term lease is very large and puts them at great risks. ... (we) definitely agree that people need to have reasonable flexibility to get out of longer term leases because break lease is still the number one issues that tenants call us about."

- Metropolitan workshop participant

Such comments indicate that there is some appetite for longer leases from both tenants and landlords. Although shorter fixed term agreements are still regarded as the most preferred by both tenants and landlords, it is recognised that some groups, including older people, prefer the certainty of a long-term lease (Victoria State Government, 2017). The issue then becomes how to achieve this.

The RTA does not place a limit upon the length of a residential tenancy. In Western Australia, 6- or 12-month terms are the most common fixed term arrangements (Groves, 2017) with over 56 per cent of respondents to the survey stating they had signed a 12 month lease. This is a matter of practice, however, and neither the RTA nor the Regulations prevent parties from entering into a longer-term tenancy if desired.

Residential tenancies legislation in most other Australian states and territories does not nominate a maximum length for residential leases. The Residential Tenancies Act 1997 (Vic) (RTAV) is not applicable to residential leases exceeding 5 years (Section 6(1)(a) RTAV). Parties may agree to enter into a lease for period exceeding 5 years, however such tenancies do not attract the protections of the RTAV, including access to VCAT in the event of a dispute. Section 20 of the Residential Tenancies Act 2010 (NSW) (RTANSW) provides for 'long term' tenancies of 20 years or more allowing that in such cases, certain mandatory terms in the tenancy agreement may be varied to accommodate contingencies arising over the longer term. It is significant that, even where available, it seems few residential fixed term leases exceed 12 months (Martin, 2017).

Under the RPLSTA, a long stay agreement must exceed 3 months but there is no limitation on the length of the term. (S 5 RPLSTA). There are two issues of concern regarding the term of RPLSTA leases. The first is that, at present, landlords can avoid the legislation if tenants enter into leases of less than three months, although it is anticipated that the upcoming amendments address this issue. The second is that, as is the case throughout Australia, 'long-stay' agreements vary in length from periodic or shorter-term tenancies to terms of 30 or even 60 years (Department of Commerce, 2017). The Statutory Review of the RPLSTA (Department of Commerce, 2017) determined that mandating minimum lease periods in the legislation was not a viable option and other measures such as increased notice periods and compensation were preferred options. Residential tenancy agreements in retirement villages may be for a short term of under 12 months or a longer term, including a lease for life.

Longer term leases are common in several overseas jurisdictions due to their ongoing nature. This option could be introduced in WA by either extending the term of the initial lease or by incorporating an option to renew into the terms of residential leases and will be discussed below with respect to 'Termination.'

Options for legislative reform

The introduction of a category of long-term leases could provide for greater security of tenure – subject to termination requirements discussed below.

In the Western Australian context, it is suggested that the most appropriate standard term for a residential tenancy, based on protections already incorporated in the Transfer of Land Act 1893 (WA) (TLA) would be a term of 3 or 5 years, with a shorter duration available by negotiation between the parties. This shift from existing practice could modify behaviour and expectations of both landlords and tenants, providing for a considerably longer tenancy than existing practice without

requiring registration of the lease. Registration of a lease provides security to the lessee through ensuring that the lessee's rights are protected however, registration is expensive and is uncommon in a residential leasing context.

The TLA provides that certain leases have the benefits of indefeasibility, providing a person with a registered interest in land immune to claims against the title, with some exceptions. Leases exceeding 3 years can be registered (S91 TLA), attracting the benefits of indefeasibility of title, including against third parties (*Chan v Cresdon Pty Ltd* (1989) 168 CLR 242). Unregistered leases of less than 3 years receive the benefits of indefeasibility under s.68 TLA despite the lack of registration, however failure to register will not protect an option to renew contained in the lease in the event of a sale of the land to a third party (*Friedman v Barrett* [1962] Qld R 498).

This approach would:

- Provide for two distinct categories of leases made available to lessors and tenants; one providing for shorter, more flexible terms and the other catering for a longer tenancy if desired; and
- Provide the option of registration to the parties entering into longer term leases. Although registration would not be mandatory, it is a prudent safeguard, especially when the lease contains an option to renew.

A longer form of lease may require amendment to the standard form residential tenancy agreement which currently caters to leases predominantly of 6 to 12 months in duration to ensure that it caters for the contingencies of a longer-term lease. A standard form lease is recommended as in other jurisdictions, such as NSW, longer leases are subject to negotiation around key terms; a potential disadvantage for a vulnerable tenant (Martin, 2017).

Such an approach has already been considered elsewhere in Australia. Residential leases of five years duration are already available under the Victorian residential tenancy legislation and, in Western Australia, the Commercial Tenancies (Retail Shops Agreements) Act 1985 (WA) (CTRSAA) provides for a minimum initial 5-year term for retail tenants. Pursuant to s13 CTRSAA a retail tenant has a right to at least five years' tenancy where the term, including any option to renew, is less than six months but less than five years, providing an option to renew the lease from expiry of the term up to but no later than five years from the commencement of the term. Although the CTRSAA has a commercial rather than residential focus, the origins of s13 were to provide a significant minimum term and enhance security of tenure for often vulnerable tenants.

Nevertheless, whether there would be a significant uptake of longer-term leases is debateable. Victoria already has lease terms of up to five years available and the average length of a fixed term lease remains at 12 months (Robb and Zhou, 2017); and recent announcements in Victoria regarding the extension of the RTAV to leases of more than five years were viewed with caution by both landlord and tenant representatives who cited an unwillingness to commit to lengthy periods, preferring several provisions for renewal (Victoria State Government, 2017).

The incorporation of a mandatory option to renew a lease could also be adapted for inclusion in residential leases such a term can already be included as a special condition. This is a straightforward approach that could be achieved by utilising a provision similar to s 13 CTRSAA, discussed above, by renewal subject to the landlord's consent or, potentially, a combined option.

Grounds for termination of lease

The other aspect of security of tenure under a lease is the circumstances under which a tenancy can be terminated as a lengthy term is meaningless if the tenancy can be terminated with ease. Indeed, it has been noted that, rather than longer terms, the most efficient way to enhance tenure security would be to repeal provisions allowing no grounds terminations and increase protection from unfair and unnecessary evictions rather than longer terms (Tenants Union of Victoria, 2017).

In Western Australia both the RTA and the RPLSTA provide for fixed term or periodic leases. Similarly, rental arrangements in retirement villages may be fixed term or periodic.

Fixed term tenancies are those where a tenant rents premises for a defined period, with a specific start and end date. A fixed term residential tenancy does not automatically end upon expiry; rather, it is terminated when one party serves a notice of termination on the other party and nominates the day upon which possession of the premises is required. In both the RTA and the RPLSTA, fixed term leases may only be terminated prior to the expiry of the term in limited circumstances, in particular, the un-remedied breach of a term of the lease. The tenancy cannot be terminated without grounds during the fixed term lease although no grounds are required when the fixed term expires and a notice of termination is served.

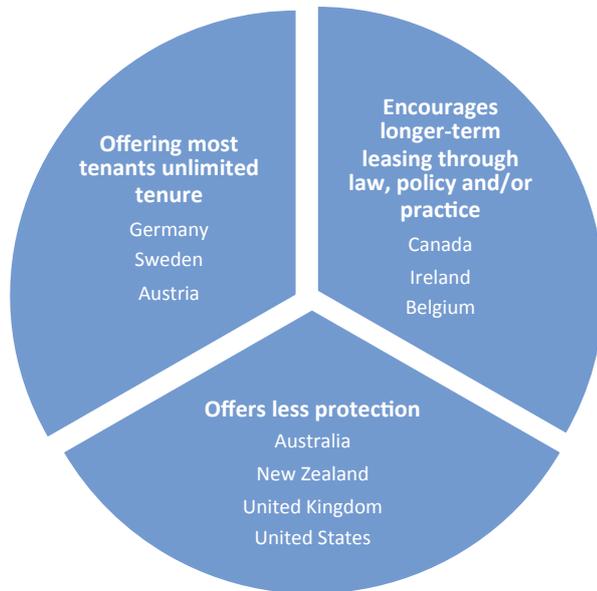
Periodic tenancies are agreements where there is no pre-determined end date. Rather, the tenancy continues with the same terms and conditions until either the tenant or lessor terminates the agreement. Periodic tenancies in relation to residential premises commonly arise in two ways. First, the parties may agree to enter into a periodic lease for a stipulated length of time, for example one month, and the lease continues to 'roll over' until such time as one party serves notice on the other party. Second, at the conclusion of a fixed term lease, the lease will revert to a periodic tenancy until such time as either party serves notice to terminate the lease.

Under the RTA periodic tenancies can be terminated without grounds with a minimum of 60 days' written notice. The availability of without grounds termination may compromise a tenants' willingness to assert their rights for fear of receiving a retaliatory eviction notice (Victoria State Government, 2017), which may be particularly difficult for older tenants due to difficulties associated with moving and finding another affordable property.

In relation to residential parks, without grounds termination is, at present, available in WA in relation to periodic leases. In contrast, in Queensland and NSW, without grounds termination is not permitted where the park resident owns the park home, even in relation to periodic tenancies; and in Victoria the park operator must provide 365 days' notice to a park home owner. Tenants in retirement villages have additional protection, as grounds for termination are limited to the grounds set out in s.17 RVA.

In other jurisdictions, three general models are adopted in relation to private residential tenancies (Figure 7). Countries offering tenants unlimited tenure include Germany, Sweden and Austria, and the law, policy and practise provide a framework in Canada, Ireland and Belgium which encourages longer term leasing. It is worth noting that, although some jurisdictions may have shorter terms, there are barriers to termination that have the practical effect of providing security of tenure. By contrast, tenants in Australia, New Zealand and the UK have the least protection (Martin *et al.*, 2018).

Figure 7 Tenant protection in other jurisdictions



Source: Martin *et al.*, 2018.

Ideally, without grounds termination should be removed with leases only being able to be terminated on prescribed grounds, with some degree of flexibility for landlords provided by incorporating a greater number of prescribed grounds for termination of leases (Hulse *et al.*, 2011, Martin, 2017).

In some jurisdictions residential tenancy laws provide additional protections for older tenants (Travia and Webb, 2015a). These instances provide tenants with the choice to live in the house for multiple years or indefinitely, except where a limited ground for termination by the landlord is available, for example, where a landlord wishes to live in the property or conduct major renovations (Wharton, 2011, Whitehead *et al.*, 2012). In France there are special conditions for aged persons in the case of a notice to vacate. Where the landlord serves a notice to vacate, the notice is ineffective where the tenant is aged over 70 years and has an annual income less than one and one half times the amount of the minimum salary unless the landlord offers the tenant housing corresponding to the tenant's needs within a prescribed geographic range (Bradbrook, 1997). The exception to this provision is where the landlord is aged over 60 years or where his or her annual income is less than one- and one-half times the amount of the minimum salary.

In Germany, notice requirements differ according to how long the tenant has lived in a property. In the case of elderly long term tenants a landlord has to make a very strong case for their eviction and is required to pay compensation and/or assist with their relocation. Tenants remain in possession even when the property is sold (Martin *et al.*, 2018).

Options for legislative reform

As discussed, tenure security around termination of leases requires removing without grounds evictions and replacing it with prescribed grounds for termination. Landlords would be required to provide a reason for terminating a lease by reference to the statutory grounds and in some cases provide evidence. Any reform needs to balance the interests of the lessor and tenant, and the desirability of longer more secure terms, in a residential rental situation.

The first alternative is to remove the ability to evict a tenant on a periodic lease and at the end of a fixed term lease with no grounds as the availability of no grounds evictions undermine security of tenure and often result in tenants being reluctant to enforce their rights for fear of eviction. The Victorian reforms have recommended removing the 'no specified reason' notice to vacate, the equivalent of the no grounds termination in Western Australia, with landlords required to provide a reason to end a tenancy. At the time of writing, *the Residential Tenancies Amendment (Review) Bill 2018 (NSW) (RTARB)* does not include the removal of no-grounds termination however proposed amendments to that Bill (that have yet to be debated) recommend that eviction be limited to prescribed factors (RTARB – Proposed Amendments).

Another proposal would ensure that lease terminations are subject to prescribed grounds only with the landlord required to provide a reason to terminate the lease. A list of 'reasonable grounds' for ending a tenancy should be developed through consultation with landlord and tenant representatives and other stakeholders to ensure an appropriate balance; for example to address requirements for vacant possession where a landlord sells a property. There is precedent for this already, and a good starting point would be the list of grounds in the RTA and the RPLSTA.

This was considered in the recent statutory review into residential parks in Western Australia which currently provides that the park operator must not require vacant possession before 60 days for renters and 180 days for park home owners (s.42 RPLSTA). The review considered an option whereby a park operator could not terminate without grounds but the legislation would 'include additional specific provisions under which the parties can terminate a periodic tenancy' (Department of Commerce, 2017:76). This was the favoured option in the review as it was said to strike a reasonable balance between the rights of the park owner and park home owners. It was noted that additional grounds would need to be inserted including interference with quiet enjoyment and redevelopment plans. It is noteworthy however that the provisions will not apply to residents who rent a park home as, it was thought, there were lower costs for renters to move than park home owners. This is of concern regarding more vulnerable tenants, such as lower income seniors renting premises in a residential park.

Regulation of rent increases

High and increased rents can cause considerable angst for older people on lower fixed incomes such as the pension. As noted above, two thirds of the older renters surveyed were in housing stress, which is exacerbated when rents increase.

Section 30 of the RTA regulates increases in rent, providing that in the case of a periodic tenancy, rent can be increased only 60 days after notice to the tenant stipulating the new rent and the day from which the rent will increase. The increase must be at least 6 months after the agreement commenced or since the last rent increase (ss 30(1)(a),(b)). Rent cannot be increased under fixed term tenancies unless there is specific provision for increases in the residential tenancy agreement (S. RTA s 30(2) (a)) specifying the amount that rent will increase by, or the method of calculating the increase (e.g. CPI). Furthermore, rent cannot be increased within the first 30 days of a new agreement in the same premises.

For the most part, the procedure and notice periods are the same under the RPLSTA (S 30 RPLSTA) although there is some variation where it is the practice of a park operator to review the rent payable in accordance with a set review date schedule (S 30(3) RPLSTA). In the case of a fixed term agreement the procedure can commence after the last day of the fixed term, unless the agreement provides that the rent may increase or be increased during the fixed term (S 30(2)(d) RPLSTA).

Under the RTA a tenant can apply to the court to have their rent declared excessive on certain grounds. (s 32 (1) and (2) RTA). In making a determination, the court must have regard to factors elicited in section 32(3) of the RTA, including the general level of rents for comparable premises in the locality or a similar locality and the estimated capital value of the premises. After considering these factors, if the court determines the rent is excessive, it may order that rent not exceed a specified amount.

In other jurisdictions, three basic approaches to the regulation of rent increases have been identified:

- Rent increases are benchmarked against CPI or market rent, for example in Belgium, Ireland, Spain and Canada.
- Caps can be imposed: in Germany this is combined with reference rents, Sweden has a collective bargaining system and in the United Kingdom excessive rent increases can be disputed.
- No regulation: for example in Australia and the United States, although some historic rent controls remain in the some parts of the US (Martin *et al.*, 2018).

The reality is the private rental sector is driven by the market, so the prospect of limiting or capping rental for older tenants would be counter-productive as it is likely such a measure would deter landlords from renting to older tenants in the first place. However, it could be considered that rental increases should be capped at one per year and that increases in rent be linked to the market with the landlord bearing the onus of establishing that the increase is reasonable in relation to contentions about excessive rental increases. This could also be utilised in relation to residents in residential parks.

Discrimination and domestic violence

Age discrimination in the private rental sector was revealed by Choice *et al.* (2017) with 26 per cent of older renters indicating that they had been discriminated against when applying for a rental property on the basis of age, or in combination with factors such as lower income, the need for age-friendly alterations to the premises and wanting to keep a pet. The most common form of discrimination noted in the survey and workshops was in relation to income, particularly for those on pensions, disability support and other forms of welfare, with several respondents feeling that they were unsuccessful in applying for leases because of their low incomes.

“But I think in terms of the application process, the income levels of people that they are writing on there [the application] are not enough to demonstrate that they can sustain the rent.”

- Metropolitan workshop participant

In Western Australia, it is unlawful for a lessor or agent to discriminate against a person seeking accommodation on the basis of inter alia age (EOA s 66V, 66ZG; Age Discrimination Act 2004 (Cth) s29) and impairment or disability (EOA s 66A; Disability Discrimination Act 1992 (Cth) s 25), in private residential rental and premises, residential parks and retirement villages. To date, however, the Equal Opportunity Commission has not heard any matters involving older renters. The reality is that the likelihood of a matter being pursued is small and issues of proof complex (Freilich *et al.*, 2014).

The proposed amendments to the Victorian RTA include an explicit prohibition on discrimination against a tenant on a variety of grounds, including age. Upcoming amendments to the RTA to protect victims of domestic violence in relation to tenancies are relevant to older renters, as well as younger women with children, as the provisions will also be applicable in cases where an older person is affected by domestic violence from a partner or adult child. The Residential Tenancies Legislation Amendment (Family Violence) Bill 2018 has passed the WA Legislative Assembly (Lower House) and is to be debated in the WA Legislative Council in August 2018. The Bill proposes changes for victims including allowing tenants experiencing domestic violence to deal directly with the landlord or property manager, without the perpetrator's consent; being able to terminate a tenancy agreement by providing the landlord with evidence of domestic violence, such as a restraining order or a letter from a medical professional, removing the need to go to Court; and provisions relating to property damage, unpaid rent and security bonds (Government of Western Australia, 2017).

Repairs and alterations

General amenity can impact on an older person's quiet enjoyment of the premises. Some provisions of the RTA that are particularly significant for older renters include:

- The premises must be maintained in a reasonable state of repair (s.42 RTA).
- Urgent repairs must be attended to within prescribed time periods (s.43 RTA).
- The premises must be reasonably secure (s.45 RTA), which requires deadlocks, patio door bolts or security screens to doors, lockable windows and external lighting (Reg 12B *Residential Tenancy Regulations 1989*).
- The tenancy agreement may specify whether the tenant can make any modifications to the property, subject to the consent of the lessor, and if permitted, the consent cannot be unreasonably withheld (s.47 RTA).

Workshop participants reiterated that the condition of some rental properties can be very poor, especially those homes regarded as 'affordable'. The RTA requires that rental premises, must be maintained in a reasonable state of repair (s.42 RTA) but it is uncertain what this means and the RTA does not specify minimum standards of leased premises. There are specific provisions for urgent repairs, including the tenant's right to organise the repairs if the landlord fails to do so (S. 43 RTA), and security on the premises must be provided and maintained to a prescribed standard (S 45 RTA). However older tenants may be reluctant to ask for repairs to be done because of concerns regarding tenure security.

Minimum standards for rental properties have been introduced in Queensland, Tasmania and the Northern Territory, and it is likely that Victoria will introduce minimum standards following the recent review of the RTAV. For example, s.17A of the Residential Tenancies and Rooming Accommodation Act 2008 (Qld) refers to matters such as sanitation, drainage, cleanliness and repair of the premises, inclusions or park facilities; privacy and security and laundry and cooking facilities. Many overseas jurisdictions have adopted minimum standards, in particular, the Irish Housing (Standards for Rented Houses) Regulations 2017 require the landlord to maintain the property inside and out to certain minimum standards, ensuring that the rental property is in a proper state of structural report. This includes the safety of electricity or gas supplies, ventilation, protection from dampness and the provision of both natural and artificial lighting.

Some workshop participants raised the issue of tenants remaining in the private rental sector beyond the capacity of the individual. It was also noted in the workshops that it would be remiss to assume that older tenants were necessarily better than those in other age ranges. With age, faculties can be reduced, the ability to clean or maintain a property to the same standard as previously may therefore be compromised. As one workshop participant explained:

"When you think about older tenants as being better tenants, as they get older, their capacity to maintain a property really does decline quite a lot and they're not necessarily seeing, or necessarily smelling - and I do wonder about how we can support older people to maintain their properties better and incorporate that in with a bit of tenancy support."

- Metropolitan workshop participant

The experience within the workshop was from a Residential Park perspective, but it was recognised that this could easily be an issue associated with long term leases in the private rental sector with increasingly complex scenarios then falling on property managers. It was agreed that government support to assist older renters to remain in the sector, if not in the house and duration that they choose, was one way to support a housing model that didn't involve the construction of more public housing.

Home modifications

Home modification to promote ageing in place was another theme associated with longer leases and older renters more generally. Some respondents to the survey were concerned that the landlord can reject a request for age appropriate alterations, for example handrails or support to improve mobility. In the workshop, comparisons were made with the recent discussions emerging from the coroner's court where tenancy legislation needs to allow parents with young children the ability to fix furniture to the walls from a safety perspective.

"At the other end of the age spectrum [there] is the desire to put in hand rails and things like that is the tendency, and not having landlords say 'No, you can't do that.'"

- Metropolitan workshop participant

Currently, the tenant must request these changes and the landlord has right to say no. The experience of workshop participants was that there was reluctance by landlords to allow their properties to be modified, with the landlord response thought to be a function of how the asset is viewed. In Australia

"...landlords tend to see it as their home, and that they are graciously leasing out to a tenant, whereas it's a [small] business... it's no different to running a deli or a newsagency. It's a business which comes with risks and costs and gains."

- Metropolitan workshop participant

Participants explained that the landlord's right to reject a request for handrails or support to improve mobility will be explored in the next round of tenancy reforms, notwithstanding the requirement of the tenant to restore the property at the end of the tenancy if that is the desire of the landlord. After all,

"...what's a patch on a wall compared to a broken hip if a person falls over and things like that?"

- Metropolitan workshop participant

Both the landlord and tenant have certain rights in relation to attaching fixtures to the premises. The residential tenancy agreement can either prohibit or permit any renovation, alteration or addition to the premises subject to the lessors consent (S 47 RTA), but in the latter case, the lessor shall not unreasonably withhold such consent (S 42(2)(a)). The tenant may remove any fixture that the tenant has affixed to the premises, with the lessor's consent, during the period that the tenant has continued in possession of the premises under the agreement, unless the removal of the fixture would cause irreparable damage to the premises (S 47(2)(b)). Likewise, the lessor may affix any fixture or make any renovation, alteration or addition to the premises, but only with the tenant's consent and the landlord must not unreasonably withhold such consent (S. 47(3)).

If the tenant causes any damage to the premises by removing any fixture, the tenant must notify the lessor and, at the option of the lessor, repair the damage or compensate the lessor for any reasonable expenses incurred by the lessor in repairing the damage (S47(2)(c)).

At present, no Australian state or territory has specifically addressed the issue of age appropriate alterations in legislation. Arguably, the refusal to permit such alterations could be regarded as age or even disability discrimination under the EO legislation. Internationally, an interesting comparator is the provisions of the Ontario Human Rights Code (The Code). The Code recognises:

“Older persons may require accommodation so that they can enjoy housing on an equal basis with other residents. The person responsible for the housing, such as the landlord or the condominium corporation, can be asked to make changes to accommodate such needs, unless it would be an undue hardship”

- Ontario Human Rights Commission, 1990

The Code then goes on to elaborate that the types of renovations could include changes to an older person’s apartment (except where owned by the person him or herself), building entrance, sidewalks, parking facilities and common areas. There is also reference to physical modifications such as installing elevators, ramps, visual fire alarms and doorbells for the hearing impaired.

Older tenants should be able to assume that age friendly alterations are permitted unless there are reasonable grounds for the landlord to refuse, for example the alterations could cause hardship or required significant structural modification.

Pets

It has been noted by National Shelter (2010) that keeping a companion animal was ‘something of a touchstone for autonomy and secure occupancy; for many persons, keeping a companion animal is an important part of their home life, and restrictions on their ability to do so are felt keenly’.

Survey respondents were in favour of being able to keep pets. Indeed, the social attachment that pets provide (Power, 2017), make it desirable for older tenants to more easily keep pets.

“I never understood the barrier to pets when it’s a requirement to return the property (to its) original condition at the end anyway? Why stop people having pets?”

- Metropolitan workshop participant

“It’s incredibly popular among renters at the tenancy conference we had ... and talked about those kind of top five reforms that we seek at the Residential Tenancies Act and that’s security of tenure, reasonable rent costs, minimum standards, and modifications and that it was around pets and that was the most popular that (received) stand up cheers and things because for so many people their pets are part of their family and they want to be able to have that and they want to be able to keep their pets.”

- Metropolitan workshop participant

“...and it’s a huge barrier when they’re trying to find somewhere to leave as rental, the options for places that you can move with a pet is non-existent.”

- Metropolitan workshop participant

The RTA does not prevent a tenant from having a pet although the residential tenancy agreement has the provision to state that pets are prohibited. A pet bond may be required which is allocated to the costs of fumigation at the end of the lease (s29(1)(b)(ii) RTA) and is not to be used for general cleanliness or damages issues caused by the pet with such expenses deducted from the security bond.

Throughout Australia there are no provisions in legislation preventing tenants in the private rental sector from keeping a pet although residential tenancy agreements may specify that the landlord’s consent is required, with nothing to prevent a landlord from including a term in the lease prohibiting pets in all circumstances. Pet bonds are payable in Victoria as in WA, but are not permitted elsewhere.

The Victorian review has recommended that tenants should be able to keep a pet with the consent of the landlord (such consent not to be unreasonably refused) or through obtaining a Tribunal order.

Dispute resolution

Access to justice in relation to residential tenancy matters is problematic. Older renters in Western Australia are disadvantaged by the lack of general and legal advice regarding entering into tenancies, rights and obligations during the tenancy and termination. In 2006, a collaboration between Council on the Ageing Western Australia (COTAWA) and the then Department of Commerce established the Seniors Housing Centre (SHC) which provided comprehensive advice about housing options in older age through written information, community outreach and electronic means. Unfortunately, the SHC could not give legal advice where there was an issue with a tenancy, and although in some cases issues were referred to the Department of Commerce, resource limitations prevented much assistance. The community legal centre network in WA assists with tenancy advice; in particular the flagship, TenancyWA, which provides legal assistance to aggrieved tenants; however, its resources are also limited.

Disputes between landlords and tenants under the RTA are dealt with by the Magistrates Court of Western Australia under a special minor case category (disputes of not more than \$10,000). Disputes involving the RPLSTA and RVA can proceed through the State Administrative Tribunal. Although some provision is made to make the process straightforward, the court and tribunal process remains difficult for people to negotiate, and it can also be expensive for low income plaintiffs. Furthermore, there are disincentives for tenants to dispute a matter through the legal process as short fixed term leases, the availability of without grounds termination in periodic leases and concerns regarding being ‘black-listed’ if a tenant complains or takes a matter to the Tribunal increase vulnerability of the tenant.

Boarders and lodgers

A boarder or lodger is a licensee who has merely contracted to occupy part of residential premises in return for the payment of rent. Where the landlord retains control of the building the occupier will be a lodger. Boarders are provided with additional domestic services (Legal Services Commission of South Australia, 2017) Boarders and lodgers are among the most vulnerable 'tenants', yet are excluded from the operation of the RTA and, to date, Western Australia does not have legislation nor occupancy principles providing protection for boarders and lodgers.

At the time of writing, boarders and lodgers are not regulated by the RTA although boarding premises accommodating six or more people need to be registered with local government and comply with planning, health and other regulations. Tenancy disputes involving boarders and lodgers in Western Australia are addressed under the common law in the Magistrates Court, and dispute resolution is virtually non-existent. Elsewhere in Australia, different regulatory approaches have been taken.

In Western Australia boarding and lodging establishments can be grouped into three categories being:

- Not for profit operators, for example community housing providers;
- Traditional 'for profit' operators; and
- Non-traditional arrangements, including arrangements where residential properties are divided into rooms and rented.

Regulation of boarding and lodging accommodation requires consideration of several pieces of state legislation including the Health Act 1911 and the Local Government Act 1995. Establishments with six or less lodgers, including many non-traditional arrangements, are problematic as they are not required to be registered and are outside regulations establishing building standards, fire prevention and control, room occupancy, cleaning and maintenance, health standards, registers of lodgers and responsibilities of the owner.

The lack of legislative protections for people living in boarding and lodging accommodation places renters at risk of eviction without notice, rent increases with little or no notice and inability to obtain repairs.

Other Australian jurisdictions have introduced Occupancy Principles or legislation (either stand alone or within the relevant RTA) to regulate boarders and lodgers (Table 20). It must be said, however, that these measures contain minimal protections and safeguards.

Table 20 Regulation of boarders and lodgers

State or territory	Legislation	Applies to boarders and lodgers	Applies to rooming houses	Mode of regulation
Qld	Residential Tenancies and Rooming Accommodation Act 2008	No	Yes	Legislation
NSW	Boarding Houses Act 2012	Yes	No	Occupancy principles
Vic	Residential Tenancies Act 1997	No	Yes	Legislation
ACT	Residential Tenancies Act 1997	Yes	Yes	Occupancy principles
Tas	Residential Tenancies Act 1997	Yes	Yes	Legislation
NT	Residential Tenancies Act	Yes	No	Legislation
SA	Residential Tenancies Act 1995	No	Yes	Legislation
WA	N/A	N/A	N/A	N/A

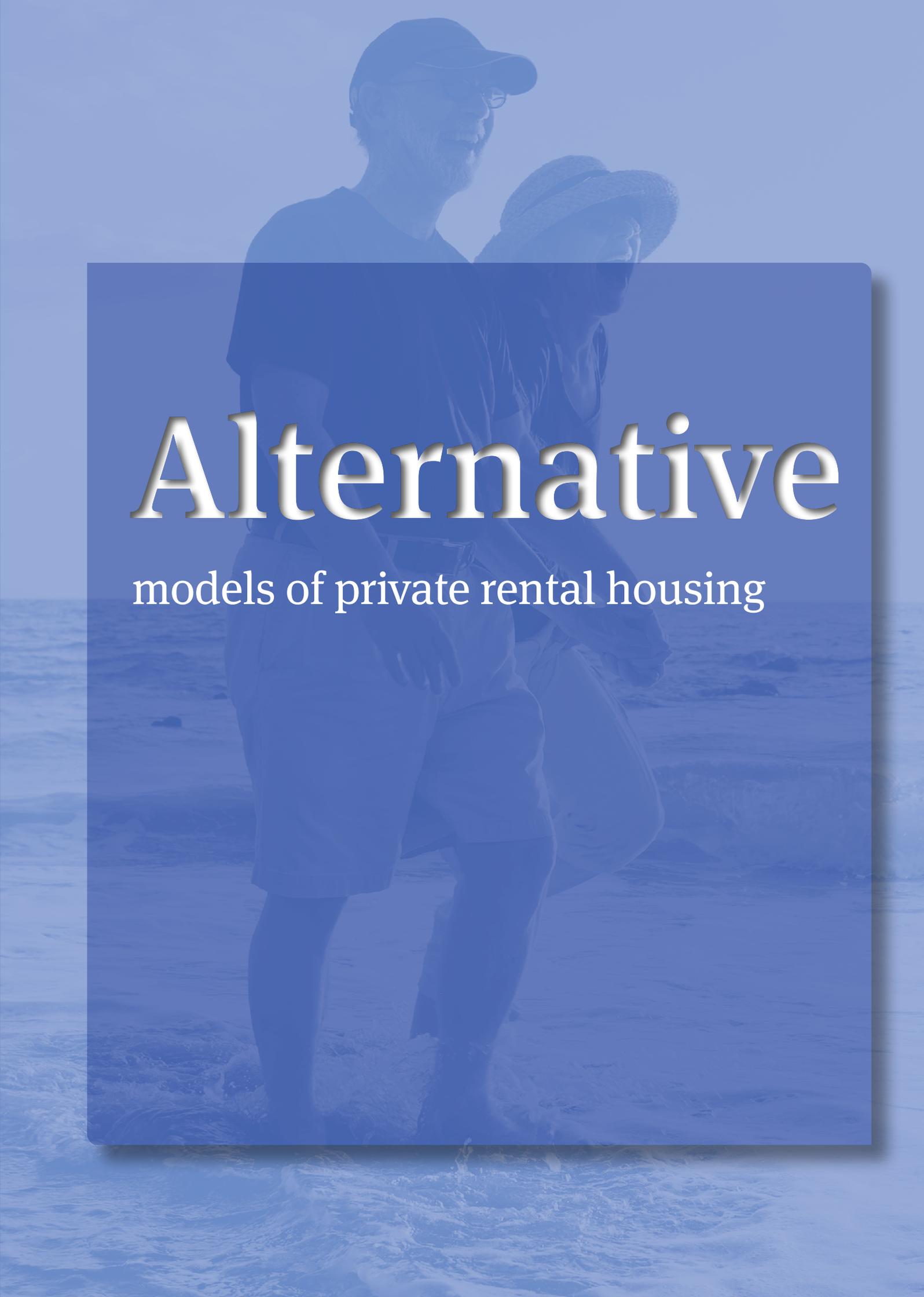
The source of most concern is boarding arrangements that are operating without any regulation or oversight to protect tenants. In other jurisdictions, measures have been introduced to encourage landlords to ‘reveal’ themselves and come within some sections of the regulatory umbrella. In the United Kingdom homes in multiple occupation have been regulated through measures such as mandatory licencing (Ss 254,255 Housing Act 2004 (UK)) or by appealing to the landlord’s finances through taxation benefits such as the Rent a Room Scheme (HM Revenue and Customs, 2018).

Summary

It is important that all older people in the PRS have adequate legal protection in relation to their tenancies. The legal framework regulating tenancies in Western Australia is, of necessity, generic and seeks to provide varying degrees of protection to renters of several forms of accommodation. While the legislation is practical in its operation, the discrete circumstances of many older people could benefit from some legislative refinement.

Many older people would like to have a longer, fixed term lease, but this option is rarely available due to the traditional preference for 6 or 12 month residential tenancies; and the ease with which leases can be terminated means that many older tenants do not seek to enforce their rights for fear of eviction. Stipulating a standard term of 3 or even 5 years could be considered as an option for reform but any such proposal must be balanced by abolishing without grounds terminations in all tenancies ensuring that both fixed and periodic leases can only be terminated on prescribed grounds. There are no concessions for older renters with regard to rent and there is little a tenant can do to contest rental increases, even when excessive. Instances of discrimination against older renters, including with regard to age or a disability, can be addressed through equal opportunity legislation but there has been no appetite to do so amongst older tenants. While on the face of the legislation protections are there, the reality is that the RTA is inadequate in relation to repair obligations and the ability to install age- appropriate alterations and the keeping of pets remains a case by case proposition.

Similar concerns arise regarding the RPLSTA although it is to be hoped that the anticipated amendments provide for enhanced security of tenure and greater amenity for older people residing in residential parks. The amendments to the RTA and RPLSTA with regard to domestic violence are welcome and could be utilised by older people experiencing domestic violence, including those involving adult children.

A man and a woman are walking on a beach, smiling. The man is wearing a cap and glasses, and the woman is wearing a hat. They are both wearing shorts and are walking through shallow water. The image is overlaid with a semi-transparent blue rectangle.

Alternative

models of private rental housing

Alternative models of private rental housing

Despite the importance of secure housing for well-being and to enable older tenants to age in place, there is little research into the types or nature of age-specific housing for older renters. In 2007, Jones *et al.* (2007) noted: “An important focus for future research is critical analysis of emerging ‘age-specific’ rental housing types in Australia including rental retirement villages, assisted-living rental villages, Abbeyfield housing, housing cooperatives, and other models ...”.

The statement is prophetic but, in over a decade, many of the housing models referred to remain undeveloped in Western Australia. One of the challenges associated with developing alternative models of housing for this cohort is the lack of institutional investment into affordable housing in Australia more generally, a reality which impacts those who require this type of accommodation significantly.

There are various reasons for this, including the social and economic expectation of home ownership that shapes government policy in relation to retirement, a decrease in investment in spending on public and social housing and a focus on traditional housing models (Productivity Commission, 2011). Nevertheless, there has been some recognition of changes in the retirement housing landscape, including the increasing number of older people retiring without home ownership (Ong *et al.*, 2015), the financial and health benefits of ageing in place to both older people, the government purse (Freilich *et al.*, 2014) and the changing expectations of many older people regarding retirement housing (Bosman, 2012).

Discussions about accommodation for older renters rarely distinguish between housing types. Private rental accommodation, like the broader housing market, is generic with attached and semi-detached houses, villas and apartments dominating supply. Apart from some forms of accommodation targeted at older people, for example residential park homes and to a lesser extent, retirement villages, rental properties differ little from those available to owner occupiers or tenants of any age. This includes cases where an older tenant needs not just housing but also support (Heaney *et al.*, 2017).

There is increasing demand for age-appropriate accommodation linked to the community, existing networks and the availability of companionship and older renters must not be excluded from this (Annard *et al.*, 2015, Howe *et al.*, 2013). Housing and planning strategies must be developed that enhance supply, quality and accessibility of age appropriate rental housing. In so doing, it is necessary to consider ways to maximise the potential of existing stock and also consider a number of alternative housing models suitable for older renters. Indeed, the WA Affordable Housing Action Plan (AHAP) recommends pursuing:

“...innovative ideas to reinvigorate under-used housing types that would increase choice and assist more people on low incomes (e.g. shared facility accommodation, micro homes, park homes, laneway housing, garage apartments, granny flats etc)”

(Department of Communities, 2018).

Who invests in private rental properties in Australia?

Investors in private residential rentals tend to be small scale, for example 'mum and dad' investors taking advantage of negative gearing concessions (Blunden, 2016, Duncan *et al.*, 2018). There is an absence of the large private institutional investors that invest in private rental elsewhere, particularly Europe. Investment in larger scale affordable housing is traditionally left to state governments, often collaborating with community housing providers or not for profit organisations to oversee operations. (Heaney *et al.*, 2017).

At issue is whether more private investment – by both large and small investors – can be encouraged into the provision of affordable rental accommodation for older people. This includes maximising the use of existing stock as well as models for future development.

It is important to note that this discussion does not exclude reference to social housing nor the role of government in the process. The reality is that government at all levels, but particularly the state government, will remain heavily involved in the provision of affordable housing – the issue is how much uptake/contribution can be encouraged from the private sector. Indeed, most of the models that will be discussed in this section can be utilised by both public and/or private entities (small and large); for example, a share house model could better utilise both existing private rentals and larger houses in the public housing system (Zuckerman, 2018) while various types of ancillary dwellings can be provided through government or private homeowners (Housing Vic, 2017).

State government housing strategies affecting older renters

The Western Australian government provides support for seniors housing needs through practical and policy based strategies. The applicability of these initiatives for older people, including older renters, are described below, and will be referred to throughout this section.

- The Seniors Housing Advisory Centre based in the Department of Mines, Industry Regulation and Safety provides free advice to older people about housing options. It is important to note that the service does not provide financial or legal advice;
- The State government's *Affordable Housing Strategy 2010–2020* seeks to increase the supply of affordable housing throughout Western Australia, by inter alia encouraging low cost rental options for low-to-moderate income tenants;
- The related AHAP is a comprehensive proposal to provide inclusive, diverse and affordable housing for persons of low to moderate incomes and enhance the responsiveness of the housing system (Department of Communities, 2018). Carriage of the plan rests primarily with the Department of Local Government and Communities with input from an array of state government departments, including the Department of Housing identifying eight areas of focus, which reflect the multiple roles of the Department. (Department of Communities, 2018).

The AHAP emphasises a broader housing strategy and proposes *inter alia* affordable rental housing together with consideration of age-appropriate dwellings supported by innovative design, flexible legal and planning considerations and financing models.

- The Affordable Housing Strategy 2010-2020 and the Aiming Higher 2015-2020 Action Plan. The strategy aims to improve access to affordable and appropriate housing for seniors who are on low to moderate incomes considering five themes including the necessity for better design and affordability in all seniors housing, including the private rental sector (Housing Authority, 2016).
- The Seniors Strategic Planning Framework 2017 is a companion piece to the Affordable Housing Strategy and focusses on age appropriate and affordable housing. The Framework, which is overseen by the Department of Local Government and Communities, aims to provide a cohesive response to the needs of Western Australia's ageing population through strategies and programs within, and in collaboration with, various state government departments (including health, planning, housing, sport and recreation, disability services and the office of multicultural interests) and local authorities.

The role of planning and policy in developing alternative models of private rental housing

The planning system has a vital role in ensuring an adequate supply of housing that is well designed and located in relation to current and projected community needs (Gurran *et al.*, 2008). In relation to older renters, there must be opportunities to adapt existing properties and ensure the on-going supply of age friendly and affordable rentals. This requires planners to be mindful of development opportunities within areas that are already well serviced, and also, where appropriate, land with potential for development.

Planning laws direct the use and development of land within districts and regions (EDO, 2009) and must balance land use with economic, social and environmental issues (Department of Planning Lands and Heritage, 2018). In Western Australia the Planning and Development Act 2005 (WA PD Act) is the primary piece of legislation governing planning. State Planning Policy 3.1 Residential Design Codes or R-Codes are prepared under s 26 PD and provide an extensive blueprint for residential development in Western Australia. There has been some disquiet with the capacity of planning systems generally to respond to the necessity to increase density and adopt innovative housing models (Annand *et al.*, 2015), however, there is a considerable amount of inbuilt flexibility in the existing R-Codes, especially in relation to accommodation for older people and the encouragement of alternative accommodation models (Department of Planning Lands and Heritage, 2018). Specifically, Part 5 of the R-Codes addresses Special Purpose Dwellings, a category that includes ancillary dwellings, aged or dependent persons dwellings and single persons dwellings (Department of Planning Lands and Heritage, 2018). Although there are safeguards within the R-Codes to prevent concessions being abused (Department of Planning, 2015), it would seem the existing R-Codes would cater for a variety of age-friendly and affordable accommodation types, including many of the affordable accommodation types suggested in the AHAP, for example ancillary dwellings such as studios above garages can already be actioned under existing R-Codes (Department of Planning Lands and Heritage, 2018, Department of Communities, 2018).

Given the pre-existing framework that facilitates the development of more flexible accommodation arrangements for older people, other measures could also be introduced to encourage such development, in particular, inclusionary zoning. Inclusionary zoning is 'land use planning intervention by government that either mandates or creates incentives so that a proportion of a residential development includes a number of affordable housing dwellings' (AHURI Research, 2017). This zoning can be mandatory or voluntary with incentives for developers such as increasing the yield, relaxation of development controls and planning process incentives. Developmental approvals in Western Australia are not unfamiliar with an allocation of affordable housing in building approvals so a focus on inclusionary zoning and incentives for affordable housing for older people could be contemplated.

When planning alternative housing developments, planners need to consider the form of title under which the property will be held and whether such a use is within existing town planning schemes. Such communities may be authorised under existing regulations however proposed strata reforms, especially the availability of community and leasehold title should reduce the cost of land to developers and encourage more such developments.

The Western Australian parliament is about to consider significant amendments to strata title legislation and the introduction of a Community Title Bill (2018) with proposed amendments to the Strata Titles Act 1985 (WA) to update the legislation and, inter alia, introduce leasehold strata, which is expected to facilitate financing arrangements through the issue of a leasehold title. Although leasehold strata schemes operate in other Australian states, to date, Western Australia has not adopted this form of tenure. Such schemes will be for a fixed term of between 20 and 99 years, with the scheme, all lots and strata leases for the lots expiring on the expiry day (Landgate, 2018).

The leasehold model could be used to develop government land, for example around railway stations, especially in light of the Metronet development (Department of Communities, 2018). Crown land could be converted to freehold, transferred to the Housing Authority which, in turn sells leasehold strata interests to housing providers ensuring that the Crown retains an, albeit delayed, reversion in the land and facilitating the construction of affordable housing around transport hubs (Landgate, 2018). The new leasehold strata title laws would also facilitate the development of new residential parks on public land providing opportunities for public/private partnerships; for example, the state government is already working towards a modular park home living project on government land in Ascot that is targeted to seniors living (Department of Communities, 2018).

Community titles schemes under the Community Title Bill (2018) propose large-scale, planned land developments with shared infrastructure and services as community titles (building) schemes will facilitate a mix of uses in one or more buildings on a parcel of land, for example, a single high-rise building that has residential, retail and commercial lots (Landgate, 2018).

Implementation, however, may be a matter of community acceptance and political will. While the benefits of greater infill in urban areas are acknowledged (Rowley and Phibbs, 2012) local authorities still have to contend with the concerns of existing residents over increased infill, incorporation of affordable housing in developments and perceptions regarding property values. Unfortunately, there are some adverse perceptions about incorporating affordable housing into established neighbourhoods, even for older people, due to concerns about neighbourhood amenity and property prices (Davison *et al.*, 2013).

Universal or liveable design for ageing in place in the private rental sector

To age in place, older renters will require housing which is appropriate to their needs. Much existing private rental stock is generic and, for the foreseeable future, many older tenants will be renting homes which were not designed to cater for those in later life. Therefore it is important to ensure that such properties are age-friendly in that they can be modified to the needs of the household. This might include new fixtures or modifications to enable the delivery of support services if required and energy efficiency measures to address the energy poverty experienced by many low income renters, particularly those who spend more time in their homes.

Although the proportion of new housing stock being built in WA is small compared to the existing stock, there is a need to consider how the design might be tailored to support an ageing population, including older renters. It is instructive to examine features that address not only shelter but companionship, mutual support and the provision of services. Ideally, properties should be built to comply with universal or liveable design principles. Universal, or liveable, design refers to ‘...the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialised design’ (Local Government NSW, 2014). The benefits of universal design to support ageing in place are well documented (Carr *et al.*, 2013, Mustaquim, 2015), indeed, in some jurisdictions, for example Japan and the UK, universal design is enforced by regulation, due to resultant savings in health and social services expenditure (Bringolf, 2011, Kose, 2008).

With the exception of a limited number of rental retirement village units, there is little age-specific rental housing in Western Australia’s, and Australia’s, private rental market with most seniors renting generic properties, few of which comply with universal, or liveable, design (Housing Authority, 2016). This need to be addressed because, as more people rent in older age, much existing housing stock will be unsuitable especially if age-appropriate modifications are required. As discussed on page 32 of this report, the RTA necessitates that tenants obtain consent from the landlord to make modifications to premises and must ‘make good’ at the end of the tenancy, but many landlords do not permit age-friendly modifications to rental properties because of concern regarding damage or (perceived) devaluation of the premises.

The National Disability Strategy 2010-2020 and the WA Liveable Homes Initiative seek to incorporate liveable design features that cater for inter alia seniors and people with disabilities into new social and community housing builds, an intention echoed in Focus Area 6 of the WA AHAP where design appropriate dwellings for persons living with dementia are also under consideration (Department of Communities, 2018).

The Seniors Housing Strategy Discussion paper refers to the Office of Land and Housing Supply 2016 in relation to rental properties in WA and notes that:

“The majority of housing stock is made with non-level entrances, steps into showers and narrow doors and passages which restrict wheelchair and equipment access”

(Housing Authority, 2016)

The expense and disruption of retro-fitting is unlikely to be entertained by private landlords, especially given figures that it is 22 times more expensive to retrofit a property than to build it from scratch (Housing Authority, 2016).

Implementation of liveable design is likely to encounter barriers in the form of areas such as housing delivery, cost, perceived disruption and resistance from local government, the construction industry and builders (Bringolf, 2011), and it seems little progress will be achieved towards the National Dialogue on Universal Housing Design Strategic Plan to incorporate universal design into all new builds by 2020 (Department of Social Services [DSS], 2010). Indeed, it has been suggested that, without legislation requiring universal design, there is no incentive to change existing practices (Ward, 2013). This does not seem to be a viable response in Western Australia at present so consideration could be given to incentives to encourage the building industry to utilise universal design.

Accessing appropriate accommodation

One of the key issues faced by older renters is finding and accessing suitable accommodation. Low income renters, including older renters, enter the private rental sector via formal (real estate agents), informal (direct liaison with private landlords) and supported pathways (Parkinson *et al.*, 2018). Older people who have been renting for a long time may be more experienced with navigating the processes and procedures necessary to secure rental accommodation but for tenants entering the private rental sector in older age, the experience of dealing with agents, negotiating the tenancy and so on can be difficult and intimidating.

Given that there is an increasing number of older renters who exhibit diverse experiences and competencies, it would be useful to introduce a housing service in Western Australia that assists with housing advice and liaison for older people on low to medium incomes. Private rental does not align with the needs of many older people (Tually *et al.*, 2016), who may be on Centrelink benefits and are looking for security of tenure, and it is critical to introduce supports to ensure this group are housed appropriately and for the longer term (Australian Institute of Health and Welfare, 2012).

The Commonwealth Government funds the Assistance with Care and Housing (ACH) Sub-Programme, which is targeted toward frail, older people 65 years and over (or 'prematurely aged people' from Aboriginal and Torres Strait Islander backgrounds) who are on a low income and who are homeless or at risk of homelessness as a result of experiencing housing stress or not having secure accommodation. The programme seeks to access appropriate housing for older people, including in the private market, and ensure the provision of appropriate services (Department of Health, 2017b). Furthermore, older people who are homeless or at risk of becoming homeless may also access services through the Commonwealth Home Support Programme. The service links older people to suitable housing and community support services (Department of Health, 2017b).

In Western Australia, the Seniors Housing Advisory Centre provides information as to modes of housing only; it does not provide advice or 'leads' about available homes or provide assistance navigating the process. The Housing Authority provides a loan assistance bond scheme to assist with provisions of a bond and two weeks rent in advance to facilitate a private tenancy.

Private Rental Brokerage Programs

Across Australia, Private Rental Brokerage Programs (PRBP) 'work with vulnerable households to access and sustain private rental tenancies' (AHURI Research, 2018) providing an 'all of tenancy' service and assisting with sourcing private rental, provide early intervention and sustain tenancies (Tually *et al.*, 2016). Such services require a considerable amount of relationship building 'on the ground' and may be unsuitable for tenants with high or complex needs (Tually *et al.*, 2016).

PRBPs may be provided by government, through the auspices of the National Affordable Housing Agreement (NAHA) or by not for profit organisations. At present, Western Australia does not have a state government service although Queensland, NSW, Victoria, South Australia and Tasmania provide such a service, and the Housing

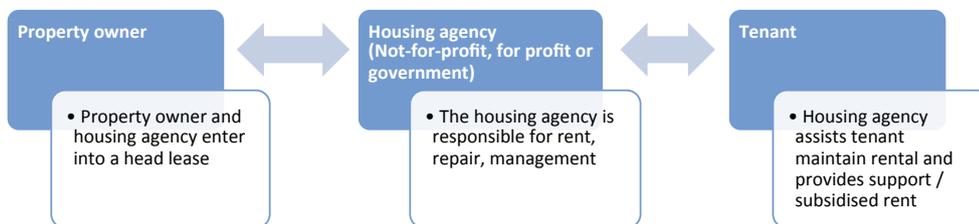
for the Aged Action Group (HAAG) has operated in Victoria for over 30 years with one of its functions to assist older people to find suitable rental properties. Although the homes are sourced primarily in the community housing area, some private rentals are sourced.

Another approach is a focussed real estate agency assisting vulnerable people who are at risk of, or experiencing, homelessness due to being priced out of the private rental market. In Victoria, HomeGround Real Estate, a social enterprise operated by Launch Housing, is a not-for-profit real estate agency committed to providing landlords and tenants with a professional property management service, while reinvesting revenue back into the community (HomeGround Real Estate, 2018).

Head leasing for older renters

Another form of assistance for older renters, especially for more vulnerable seniors, is the use of a head leasing program (Figure 8), which addresses the difficulties some older renters encounter when dealing with agents and owners. Under a head leasing arrangement an intermediary (for example a not for profit (NFP), for profit, or government agency) enters into a lease with a property owner (thus bearing the responsibility to pay rent, make repairs and maintain the property) and then sub-leases to a tenant.

Figure 8 Head leasing model



In addition to serving a targeted sector of the rental market, this model assists investors as the owners of rental properties by guaranteeing a regular income flow that is administered by the agency.

This model, which has been adapted from the long-running Defence Housing Australia model developed to house members of the defence force, has been successfully applied in the Northern Territory and in Victoria. Independent Melbourne based community organisation, Launch Housing, has developed a Head Lease Program that housed 70 clients in 62 private rentals in 2016–17 (Parkinson *et al.*, 2018).

This could be extended to other forms of accommodation such as manufactured homes and rental retirement villages.

Existing models of alternative private rental housing

Alternative models for residential housing are increasingly being considered as a way to provide affordable housing to all renters, including older tenants. In the workshop, participants spoke of alternative models which exist for the private rental sector including room rentals, the build to rent model, the practise of renting out older units at retirement villages, multi-generational housing and the importance of universal or liveable design standards. The following discussion describes and comments on those alternative models which currently exist or could be explored in the WA context.

Shared living arrangements for older people are popular overseas but the concept does not seem to have gained traction in WA. The idea is a simple one and, so long as some legal issues are addressed, the model can be successful in providing affordable housing and maintain companionship and support.

There are many forms of housing arrangements that involve sharing or cohabitating. Terms such as share-houses, co-housing, cooperatives and community land trusts for example, are used liberally and often used interchangeably. It is important to note at this stage the differences between the various forms of arrangements and different financial models to sustain them. For the purposes of this discussion:

Share housing is a simple model involving a number of unrelated older people sharing one traditional dwelling. The residents share common areas such as kitchens, living areas but have a room of their own. Common expenses, such as those for utilities, are shared. Such arrangements can involve renting or purchasing a property.

Co-housing, or a housing co-operative is both an accommodation and financial model. For the purposes of this section, co-housing will refer to several homes that share common spaces such as entertainment areas. The Council on Federal Financial Relations (2016) has noted that housing co-operatives are:

“...not-for-profit legal associations formed for the purpose of providing a housing product for members and are usually owned and controlled by members. Many housing co-operatives are organised and managed on principles of participatory democracy and a common purpose.”

Some projects provide for mixed tenures with private ownership, shared equity and market and affordable rental, (Institute for Sustainable Futures, 2018), with low income tenants of cooperative housing potentially eligible for CRA.

The structure of the arrangements may vary depending on the nature and scale of the co-operative but in most cases ownership of the property will rest with a community housing provider and residents enter into a rental agreement, as is the case in other such tenancies in traditional premises (Institute for Sustainable Futures, 2018). Financial models for such developments would include social impact investment models and tax concessions, which will be discussed in Financial models to support security of tenure for older renters.

Private share housing

Share housing arrangements may arise in a number of circumstances:

1. All parties are named on the lease and those parties all bear responsibility for complying with the terms of the lease;
2. One or more of the residents owns the property or is named on the lease as the tenant (sub)leases rooms to the other residents in a formal or informal arrangement;
3. One person owns or leases the property but does not live in the property. The person then (sub) leases rooms to one or more people living in the property.

All the arrangements provide for a communal environment with affordable rental (Zuckerman, 2018), and in circumstances where an owner of the property is directly involved, the arrangement is a source of income for the owner.

This model could be used in private rental situations and also could be utilised by the public sector. Often it is suggested that older people should leave larger public housing homes to make room for families. Instead, one larger public housing property could become a share-house for older people thus maximising the space and freeing up several other homes. The main issues with this model are that such arrangements are legally uncertain, are likely to be unregulated and may leave tenants vulnerable in the event of unpaid bills or a dispute. With the exception of the situation where all the occupants are on the lease, it may be difficult to establish whether an occupant who is not named on the lease or is not the owner of the property is a merely a boarder or lodger who, as discussed on page 44, is a licensee who has merely contracted to occupy part of residential premises in return for the payment of rent. In the absence of legislation or occupancy principles providing protection for boarders and lodgers such residents are excluded from the operation of the RTA.

It is possible that in some cases the occupants can be determined to be tenants, and thus protected by the provisions of the RTA. For example, in *Commissioner for Fair Trading v Voulon* [2005] WASC 229, the occupiers were held to be tenants, not lodgers because the owner's right of access and entry was for the purposes of security, repair and dispute mediation – not for "domestic" purposes, even though the agreement under which they were occupying the premises was called a "lodging accommodation licence" and they shared toilet, bathroom, kitchen and laundry facilities. However, the most likely scenario for those persons not on the lease is that they will be regarded merely as boarders. Therefore, such persons have few legal rights and recourse in the event of a dispute is to the Magistrates Court.

Co-housing

As noted above, co-housing refers to several self-contained homes that share common spaces. As noted by the Institute for Sustainable Futures (2018: 3):

Cohousing often costs less to build or rent than more conventional property. Small-scale cohousing and deliberative development provide opportunities to reduce the costs of housing, while cooperative rental is focused on providing affordable rental properties to residents.

Some co-housing developments grow organically while others may be deliberately planned by the residents themselves, or a housing provider that designs and builds a co-housing development. The schemes can be very small with just two or three households, up to much larger configurations, and may be made up of home owners, shared equity models or renters, or a combination thereof. Some projects are multi-generational while others may be limited to older people (Institute for Sustainable Futures, 2018) but ideally, the development is located close to services and amenities (Ruiu, 2015). Due to spatial limitations in urban areas, co-housing can be achieved by utilising mid and high-rise buildings (Barnes, 2015).

Co-housing provides opportunities that may not be available to lower income seniors, including renters, as it provides the opportunity for engagement with a community thus reducing the undermining health effects of social isolation (Williams, 2005). Furthermore, there are opportunities to share costs, for example, by the appointment of a live-in-carer shared among residents (Institute for Sustainable Futures, 2018) or in the provision of community aged care services (Regional Development Council, 2017).

The concept is popular in the United States where seniors co-housing communities are commonplace. For example, Silver Sage Village offers some units that are managed by the Boulder Housing Authority and are included in the Permanently Affordable Housing Program by the City of Boulder (Silver Sage Village, 2018). The model provides affordable housing for seniors in certain jurisdictions, indeed it has been a popular accommodation choice for older renters throughout Scandinavia (Choi, 2004).

There are examples of housing co-operatives in Australia. Co-operation Housing is a non-profit organisation that specialises in community housing projects in WA, the only registered housing provider to do so in the state. It provides services to housing co-operatives located in Fremantle and the inner city. The houses range from being co-located to stand alone homes within a broad geographic area. In Australia, the Herbert Street Community Managed Co-operative (CMC) is comprised of 92 dwellings of one and two bedroom properties and serves a culturally diverse, over 55s community. The project is managed by Common Equity Housing and rental is capped with residents paying 25 per cent of their income plus 100 per cent of National Rental Assistance (CEHL, 2018).

Apartments/Multi-unit/Mixed-use developments

While apartments are certainly not a recent phenomenon, some developers have reconsidered the configuration and facilities available in developments in accordance with the preferences of older people (Annard *et al.*, 2015). This is no easy task given the diversity in the cohort with, for example, some seniors preferring to live with other seniors while other older people may prefer to live amongst other residents of a range of ages. What is certain is that many older people wish to remain in close proximity to urban areas with access to transport and services.

Current developments include:

- 'Vertical villages' are becoming more common in the eastern states (Tuffley, 2018, Zuckerman, 2018) They tend to be built close to the CBD and cater for older people but may also be multigenerational.
- Multi-unit/mixed-use developments that combine residential accommodation with mixed uses, such as leisure and common areas, retail space and restaurants. In other cases, such facilities may be located close by.
- The Apartments for Life model, developed by Humanitas, allows older people to stay living in their own homes, no matter what level of care they require as they can stay in the same apartment for life with formal community support provided when required (Glass, 2014). Such projects can be developed and funded by the larger proportion of the units being sold at market value with the remainder allocated as affordable properties for older people who do not own a home or who have a lower value home. Onsite facilities are available to residents and there is public access to the premises. High hopes for the development of a facility adopting this model were dashed after a proposed development by the Benevolent Society in Bondi, New South Wales, was unsuccessful because of local concerns regarding amenity and the effect on property prices (Annard *et al.*, 2015).

Rental retirement villages

At present, commercially operated retirement villages are in a state of flux. As a model, retirement villages are a small portion of the housing market for older people with only around 6 per cent of older people residing in retirement villages as retirement village contracts and fees dissuade many older people from buying into retirement villages. Furthermore, with underwhelming demand and more new retirement villages being constructed, demand for older stock will decline.

Currently, very few periodic rentals are available in owner-occupier retirement villages as the model is based on older people buying into the villages or entering into long term or lifetime leases. However in some owner-occupier retirement villages there is provision for rental options in the governing contracts, which could facilitate periodic rentals:

"[currently] some of the older retirement villages that are beyond their good sale opportunities are being rented out at approximately 25 per cent of their pension for people..."

- Metropolitan workshop participant

Rental retirement villages, not surprisingly, involve older people renting accommodation in a retirement village which may be operated by not for profit entities or the private sector. In these arrangements, rent is charged for residing in a unit, usually at 75 to 85 per cent of the aged pension plus Commonwealth Rent Assistance (HAAG, 2018), with some also offering support services and Home Care Packages in accordance with the Aged Care Act (1997) (Cth) (HAAG, 2018). Therefore, it is worth considering whether older retirement villages and manufactured homes could be utilised as affordable units for rental or even purchase on a shared equity arrangement. The survey showed that most respondents had some superannuation savings, which could be applied to access a shared equity scheme.

For example, Abbeyfield Australia is a national not-for-profit community housing provider and the peak body representing 26 independent Abbeyfield Societies in towns and suburb across Australia which currently provide, among other things, 'low care' (Hostel) aged care accommodation and assisted independent living for those aged 55+.

Ancillary dwellings

Ancillary dwellings may refer to granny flats, garages or involve placing small homes on private properties to provide affordable rental accommodation. The WA AHAP aims to 'investigate and pilot the use of ancillary dwellings (e.g. 'granny flats') for social housing purposes.' (Department of Communities, 2018), however, it could apply equally as well to the private rental sector.

As discussed above, the existing R-Codes provide flexibility in relation to the dwellings of aged or dependent persons, including ancillary dwellings such as a granny-flat which may be associated with a family arrangement where the older person contributes to the construction of, or the household of, a relative in return for care (Webb and Somes, 2015). Zoning in many local authorities required a familial relationship in order to obtain permission to build a granny flat however this has recently been revised in NSW and in WA. Under Part 5 R-Codes, there is no longer a restriction requiring that family members of the occupants of the primary dwelling reside in the ancillary dwellings, recognising the shortage of affordable housing (Western Australian Planning Commission 2018).

While ancillary dwellings do provide an affordable alternative option to rental housing, there is an upfront financial cost to build the dwelling in addition to the issue of finding land on which to construct it outside the family dynamic. In 2009, NSW simplified the planning requirements to build a granny flat to encourage urban infill and affordable housing, and the minimum requirements to build a granny flat on a property are now:

- The property must be at least 450m²;
- It must be zoned residential
- There must be at least 12m width at the building line of the existing building
- The granny flat must be at least 60m² (external area)
- Setbacks are 3m from rear and 0.9m from side boundaries; and 3m from trees over 4m in height (Department of Planning and Environment, 2009)

In Victoria, the public housing system supports a moveable units scheme, the provision of self-contained units that focusses enable independent living for older people and people with a disability. The homes are usually placed in the backyard of a friend or a relative but larger areas of unused public land can also be utilised and when the unit is no longer required it can be moved to another location. (Department of Human Services, Victoria, 2017)

In Canada 'pocket' developments of two or more stories on narrow infill lots in existing residential areas have been utilised to construct multi-level homes suitable for older people, particularly older singles (Socha, 2011 in Annand *et al.*, 2015). Similarly, brownfields areas or public space can be populated with, for example, factory-built dwellings. For example, the City of London has invested 25 million pounds into factory built one- and two-bedroom homes directed at first home buyers, although such a scheme could be adapted for older people (Collinson, 2017) and could be funded through a public/private partnership.

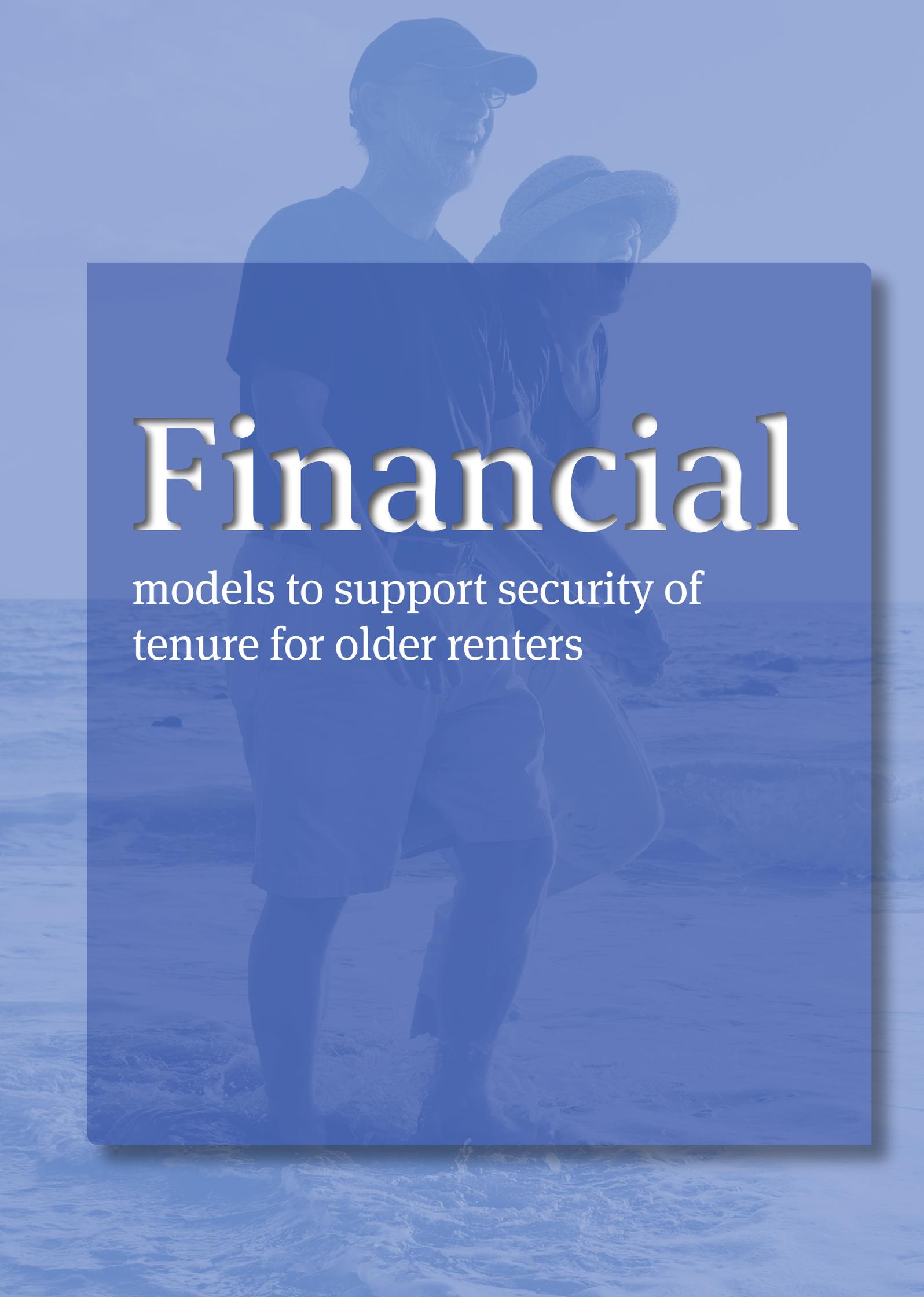
Summary

The prospect for more affordable housing generally, including affordable housing for older renters, is favourable with aspirations set out in the WA government's AHAP largely able to be accommodated under existing frameworks. Furthermore, adoption of strategies such as inclusionary zoning and embracing the enhanced flexibility promised by the strata title reforms would stimulate development.

It is important to incorporate universal design in both new and existing rental stock to enable older tenants to age in place. The benefits of legal reforms to leases, as discussed in 'The legal framework and security of tenure in the private rental sector', will be limited if tenants are forced to relocate as the property is no longer suitable for their needs, and is an essential element of current aged care policies that subsidise services to allow a person to remain in their home.

Increasing the availability of traditional and more contemporary housing will require flexibility in relation to planning, particularly regarding density, zoning and other developmental requirements, including the views of local residents. It seems that the present framework would suffice to enhance accommodation offering for older renters, so long as there is the necessary will to do so. Indeed, NIMBY (Not In My Back Yard) may have to give way to YIMBY (Yes In My Back Yard) (Wolter Consulting Group, 2017). It will also necessitate maximising opportunities, such as the imminent strata title and community title regime and the Metronet project, which facilitates housing development along new transport corridors.

Finally, there are many different accommodation options that can be utilised in relation to older renters. Such options, particularly share housing and co-housing offer the promise of not only accommodation but ensure older people maintain social contact and provide for mutual support. Providing older tenants, particularly those entering the PRS for the first time in later life, with a housing service to assist them in navigating the housing options and rental processes would aid lower to middle income older households to access rental properties which are appropriate to their needs.



Financial

models to support security of
tenure for older renters

Financial models to support security of tenure for older renters

Affordable housing is regarded as one of the pillars of a retirement income system (The World Bank, 2008). 85.5 per cent of Australians over the age of 65 owned their home ownership was in 2014 (ABS, 2016b), however 13.5 per cent of older Australians are in rental accommodation, with more than half (61.5%) of these in the private rental market (Figure 1).

Recent research has found that, overall, income and wealth inequality among older Australians is stable or decreasing (Hodgson *et al.*, 2018). The most significant asset owned by older Australians is the home, acting as a stabiliser against wealth inequality, however the level of home ownership among younger age groups is decreasing. This change in home ownership rates presents policy challenges to ensure that affordable housing is available for Australians of all ages who are not homeowners.

The most widely used indicator of housing stress is the 30:40 rule, where a household is defined as being in housing stress if its housing costs exceed 30 per cent of income and the household is in the bottom 40 per cent of the income distribution (Yates, 2007). Our survey has indicated that older renters are likely to fall into this definition, largely due to the high proportion of older respondents living on the Age Pension.

The Housing Authority WA maintains public housing waiting lists, containing 13,953 applicants at March 2018 (Housing, 2018), with priority assistance available in circumstances that include medical conditions that are exacerbated by an applicant's existing housing. Clearly the public housing sector cannot satisfy the demand for affordable housing, forcing low income earners into the private rental sector.

The survey and workshops

Over half (55%) of the survey respondents aged between 55 and 64 did not have a superannuation account. This is lower than the rate in the total Australian population, in which 79 per cent of men and 66 per cent of women aged 60 to 64 hold a superannuation account (Association of Superannuation Funds of Australia [ASFA], 2018b); although this proportion declines from age 65 onwards. The lack of a superannuation accounts among the survey respondents may be a result of not being covered by the superannuation guarantee scheme, which does not cover unemployed, self-employed or employees earning less than \$450 per month; or it could be a result of having withdrawn accumulated superannuation after reaching a condition of release - for example to pay debt or for medical reasons, or ceasing employment.

As discussed in chapter 3, a substantial majority of survey respondents who have superannuation indicated that they were not reliant on that superannuation to pay rent. In 2015-16 the average weekly income received by Australians receiving regular superannuation income varied depending on the type of pension (Table 21):

Table 21 Persons receiving regular superannuation income 2015-16

	Account based	Defined Benefit	Term Annuity
Number	1,027,000	339,000	61,000
Average weekly income (\$)	496	616	328

Source: ASFA, 2018b.

As noted at page older renters who participated in our survey reported an average income of \$36,000 for single households or those living with a friend, while couple or multi-generational households had an average annual gross income of \$59,000. This is more than the generally accepted modest lifestyle standard for income in retirement (ASFA, 2018a); however that standard assumes home ownership. Table 22 shows the ASFA retirement standard for the September quarter 2017, isolating the annual housing cost included in that budget. The mean rent paid by the respondents to our survey is \$305 per week, or \$15,860 pa. The median is \$300 per week, or \$15,600.

Table 22 Budgets for various households and living standards for those aged around 65 (September quarter 2017, national)

	Modest lifestyle		Comfortable lifestyle	
	Single (Female)	Couple	Single (Female)	Couple
Total per year	\$24,506	\$35,189	\$44,011	\$60,457
Housing costs	\$4,007	\$3,846	\$4,644	\$5,383

Source: ASFA, 2018a.

Financial assistance

Commonwealth Rent Assistance (CRA) is available to a person receiving a pension or allowance, including Family Tax Benefit Part A at more than the base rate, and renting in the private rental sector. CRA is 75 per cent of the rent payable, subject to the fortnightly thresholds and caps set out in Table 23.

Table 23 Fortnightly rates of rent assistance under the *Social Security Act 1991* at 20 March 2018

	Single (no children)	Single (sharer)	Couple (no children)
Rent Threshold	120.2	120.2	194.6
Maximum CRA	134.8	89.87	127
Minimum rent to get Maximum CRA	299.93	240.02	363.93

Source: Department of Social Services.

The data in Table 24 is available in relation to CRA payments:

Table 24 Commonwealth Rent Assistance (CRA) by primary payment type, December 2017

Primary payment type	Income units*		Fortnightly rent paid		Fortnightly CRA	
	Number	Per cent	Average	Median	Average	Median
Age Pension	270,718	20.3	\$420.48	\$370.00	\$112.67	\$125.40

Source: DSS, 2017a.

The mean and median rents reported are considerably lower than that reported by to the survey. This may relate to tenure types that were not included in our survey, including certain payments for services under residential lease agreements and rental payments for a site in a caravan or mobile home park.

Based on the median rent of \$600 per fortnight paid by survey respondents, the gap between CRA and the rent payable that respondents needs to pay from other income sources is shown in Table 25.

Table 25 Fortnightly rent expenses at average rent of \$600 per fortnight

	Single (no children)	Couple (no children)
Maximum CRA	134.8	127
Balance of rent	465.2	473
Proportion of pension + CRA	45%	32%

Source: Survey and Department of Social Services.

The Productivity Commission (2017) has noted the maximum CRA payment would need to be increased by 15 per cent to catch up with increases in rent since 2007, however it did not recommend indexation or an increase in the rate. There is some concern that an increase in CRA would result in increased rents or changes in tenant expectations, however the alternate view is that rents in the private rental market are driven by demand, and that the level of assistance would not be material in setting the price (AHURI, 2018).

Tenants who are in receipt of a payment from Centrelink may elect to use Centrepay for direct payment of their rent. This does not cost the tenant, but the rental manager is charged, and is prohibited from passing on the fee.

“We had an instance with an NRAS property where one of the NRAS tenantsPreviously had a property manager that had done Centrepay and the new property manager wouldn’t do the Centrepay and she wasn’t able to maintain her budget. She didn’t have good budgeting capacities so Centrepay enabled her to always stay on top of her rent and because the property manager would have had to pay the additional fees to be part of Centrepay, there was really no way of saying this person has to do this. It’s a voluntary uptake. It works for the tenants but there is a fee to participate as a business owner.”

- Metropolitan Workshop Participant

The workshop participants indicated that use of Centrepay is not popular among managing agents as the contract imposes constraints and costs on the managing agent, and there is no additional security for payment through this arrangement.

“But it’s mainly the fact that it just amount to the red tape in actually processing and setting up and doing all those things is just nightmare.”

- Metropolitan Workshop Participant

Security bonds must not be more than four weeks rent unless the weekly rent is \$1,200 or more, plus the cost of fumigating the property if a pet is permitted (s.29 RTA), with letting fees prohibited in WA since 2007 (s.27 RTA). The WA state Housing Authority can also provide assistance with loans for the rental bond and up to two weeks rent in advance to assist a person establishing a new rental.

The annual Anglicare Australia rental affordability survey (Anglicare Australia, 2018) highlights the lack of affordable private rental properties. The survey found that on 24 March 2018 there were 67,365 properties available across Australia. Of these properties, 4.43 per cent were affordable for a couple on the age pension, and this dropped to 1.24 per cent for a single person on the age pension. Affordability is based on 30 per cent of the full pension including CRA, and suitability was assessed based on the number of people or family type but did not take account of specific requirements that an individual might have, for example based on health conditions.

This is a national survey, and markets in different parts of the country vary according to prevailing economic conditions. However increased supply in the rental market assists low paid workers rather than people on government benefits:

“Similarly, Perth has seen a significant improvement in the quantity of affordable and suitable private rental properties for people on the minimum wage. It is notable however, that these improvements have not flowed through for people on government income. Despite the much softer market in Perth for example, just six per cent of properties were available for people on government income support.”

- Anglicare Australia, 2018

Workshop participants indicated that they have observed signs of tenants in financial distress, and this can be seen in the tenant having less money to buy food. Tenants may stop taking medications, lose weight or need to access Foodbank or obtain food vouchers for food after paying their rent.

“Often times, they don’t take their medications. They might try and string that out a little bit. They will shop and eat less, they eat less and then they’ll maybe not – they’ll decide not to have care services come in because of the cost implication and then we end up moving into self-neglect because they’re so fearful.”

- Metropolitan Workshop Participant

“Accessing the foodbank, proud, quiet, losing weight and just want to keep their house Living in swags, tents with no fixed address - which is problematic if they leave hospital because they cannot access care without an address. There is a need for hospice care in the south west.”

- Regional Workshop Participant

Energy retailers also report increasing numbers of residential customers on hardship plans (Australian Energy Regulator, n.d.).

Aged Care

The lack of secure housing for older people places additional stress on the aged care system.

The aged care system provides facilities for people to age in place by providing home care services, and also subsidises residential aged care. The lack of secure housing can limit the ability for a person to access home care services. Stakeholders advised that in non-metropolitan areas medical and home care services can be difficult to access, and this may require a person to leave their community.

"If older people lose their license or become unwell, they may be required to move into town to be able to access services for their daily lives. ...The consequences of moves to Perth or over 50km which break community ties and social connections are not considered – rather the move is expected."

- Regional Workshop Participant

If an older person is not in appropriate accommodation this could accelerate admission to residential aged care. Funding for residential aged care is heavily subsidised, and in cases where a pensioner has limited assets, the cost to the pensioner is capped at 85 per cent of the full aged pension. The aged care provider receives a subsidy of up to \$110 for daily care, and a further supplement of up to \$56 per day for accommodation if the resident does not have the resources to contribute to accommodation through a lump sum deposit or daily payment (Department of Health, 2017a).

This survey showed that the average superannuation balance was \$75,000, but 84 per cent of those with superannuation were not drawing on these balances to pay ongoing rent. This balance is not sufficient to fund the required deposit in an aged care facility, so applicants would need to obtain a Commonwealth funded place.

"So, if you think about all those stressors that you go and at this stage, you could be anywhere between 65 and 90 because we cover such a huge age range with people with their own individual problems and nothing will be for you, look at just the basics of technology and actually looking for somewhere, research an area. Can you get just the transport? Can you get to the doctor? Can a care provider come to you? Could you get to the hospital if you needed to? Where are your local shops? They're all practical considerations. Close, is it on the flat? How far do I have to walk <inaudible> in my front door? Is that shower accessible for me? Do I have to go in and have to have renovations done straight away? And for us all who are able-bodied, they can go out there, we can do all that. Drive there, research, go in, go on the internet, do it all. If you try and do that and you're not a driver, you haven't got any money and you've got a try and get around areas, it's almost insurmountable. So, you understand why people go into – the first time when you say to them, "Do you want to look at a property?" "Have you looked if that <inaudible> and they go, "I can't afford a private rental. I won't get a Department of Housing one, I may just as well go into aged care." It's almost like there are no other options and place anyway so just shove me in there. So, that's my option now. Because everything else is too hard."

- Metropolitan Workshop Participant

Premature transition to aged care incurs additional cost to the taxpayer and carries significant social costs (Productivity Commission, 2013).

Subsidies to owners of private rental properties

Taxation incentives

The interaction of the taxation system with the housing market is currently an active policy debate. Specifically, where investors and home owners are in competition for a limited supply of affordable dwellings, the market response is to increase the purchase price of those dwellings. However it has also been noted that the owner-occupier market is linked to the rental market as new home buyers exit the rental market (Eccleston *et al.*, 2017).

The taxation measures that affect housing prices can be divided into tax concessions for owner-occupiers and those available to investors.

Home owners receive a range of tax concessions on their main residence. Tax expenditures on home ownership have been estimated at \$6,100 pa for each home-owning household in 2012, compared to \$4,500 for each investor household. Commonwealth rent assistance is around \$2,900 pa per household (Kelly, 2013:Figure 22). A person's residence is exempt from capital gains tax (Division 118 Income Tax Assessment Act 1997 (ITAA97)) and land tax. Stamp duty is payable, but a first home buyer may be eligible for lower rates of stamp duty and first home owner grants.

Stamp duty and land tax are state taxes. Land tax currently has a very narrow base with a wide range of exemptions. Owners of investment properties will be liable for land tax where the unimproved value of the property exceeds the tax threshold, which varies in different states. In WA currently the threshold is \$300,000, with a progressive rate over that level. Land tax is not paid by a range of organisations including retirement villages, certain long-term dwelling parks and non-profit associations established for philanthropic purposes (Land Tax Assessment Act, 2002 (WA)). Most social housing would be exempt from land tax under one of these provisions.

Other than first home buyers, the rate of stamp duty is linked to the property being a residential dwelling rather than whether the property is a main residence or an investment property (Duties Act 2002 (WA), Schedule 2).

Note that the Henry Review of Taxation (Henry *et al.*, 2010) recommended that state governments move away from reliance on stamp duty, which is payable on transfer of property, to land tax, which is payable on property holdings. Transfer reform is unlikely to have significant impacts in the rental housing market (Eccleston *et al.*, 2017), but is more likely to affect decisions about the location and size of property investments (Wood *et al.*, 2012)

Negative Gearing refers to the ability to deduct a loss from an investment against income from other sources, thus reducing the tax payable on that income.

Contrary to popular perception, negative gearing is not a specific tax concession for taxpayers with investment properties — it is simply the operation of Australia's tax system allowing deductions for expenses incurred in producing assessable income. (Australian Treasury, 2015)

As the common name infers, the usual reason for the loss is that interest payments on money borrowed for the investment exceeds the income received. It is important to note that there is no specific legislation that authorises negative gearing. The general deduction provision of the ITAA97 (s.8-1) allows an expense to be deducted if it is incurred in gaining or producing assessable income. Rental income is assessable; accordingly any costs incurred in earning that income are also tax deductible to the extent that the money is used in respect of that property.

Negative gearing as a tax minimisation strategy is based on the interaction of annual tax deductions with the availability of capital gains tax (CGT) concessions on sale of the property. There is a clear asymmetry as the deductions are allowed in full but currently 50 per cent of the capital gains on realisation of an investment asset are exempt from tax (ITAA97 Div 115). Generally a negatively geared property results in a negative cash flow as the outgoings exceed the revenue on a regular basis, and the owner carries the risk that they will not be able to meet this expenditure.

Although the total cost of acquiring and maintaining the property can be deducted against other income the tax benefit does not fully offset the cash outlay as the tax benefit is based on the owner's marginal tax rate. The shortfall may be further reduced by the availability of capital write-offs for the building and fittings, which are tax deductible without a cash outlay.

As house prices increase, it also places pressure on rent costs as investors seek an appropriate rental yield for their property. The relationship between house prices, interest rates and rental prices is complex, but while interest rates remain low, investors can pay more to purchase the property and obtain an appropriate yield without increasing rents to tenants. However as interest rates increase, the cost of servicing loans is likely to be passed on to tenants through increased rents.

Research into the motivations of investors highlight the expectation of capital gains, rather than rental returns, in deciding to invest in property. Significantly, Seelig (2009) notes that:

"The expectation of rental income exceeding costs was a secondary consideration. In this context, tax relief has not represented a deliberate investment strategy for most investors and has not been a crucial factor in their investment decisions. However, nearly all regard tax incentives as a welcome and generous tool or added bonus, which they willingly make use of as much as they can, and clearly factor into their ongoing financial thinking."

Further research shows that the two most significant factors in landlords turning over investment properties are retirement decisions and financial cost (Wood and Ong, 2010). This study was based on HILDA data from 2002 to 2006, which identified that about 25 per cent of landlords sold the property within 12 months, particularly landlords who were negatively geared or had lower income from other sources. About half of the negatively geared landlords sold the investment within 12 months, compared with 4 years for non-negatively geared investments. This suggests that these landlords find the regular cash outlay difficult to sustain, even with the prospect of tax deductibility. It also has consequences for the security of tenure for tenants who may need to find alternative accommodation more frequently.

Although the reason for the relatively short holding period for negatively geared property could be driven by cash flow considerations, these studies suggest that negatively geared properties may be “churned” by investors who sell the property quickly, seeking a quick capital gain then repeat the strategy (Wood *et al.*, 2010b).

This could reduce the security of tenure of tenants, who may be displaced when the owner of the property sells the property to realise their investment.

Currently the tax benefits from owning an investment property are skewed toward more affluent taxpayers, who have the resources to access and service the purchase of the rental property. Policy reforms currently under consideration to address the resulting inequities include reviewing the extent to which the investor can claim the expenses of owning the property and the level of the CGT discount available when the property is sold. Duncan *et al.* (2018) found that the level of both tax concessions, negative gearing and CGT discount, could be phased out to minimise the effect of the change on the housing market.

In 2015 the Senate Economics Committee inquiry into affordable housing discussed whether negative gearing reforms could be used to support affordable housing through targeted tax reform, allowing negative gearing to remain where the property is rented within an affordable housing scheme framework (Senate Economics Committee, 2015). The committee recommended that Treasury review the application of negative gearing, including the option that negative gearing be restricted to new housing stock, or designated affordable housing stock (Senate Economics Committee, 2015: Recommendation 9.70).

National Rental Affordability Scheme

The National Rental Affordability Scheme commenced in 2008 as a partnership between the State and Federal governments to increase the supply of affordable rental dwellings for low and middle income earners. Under the NRAS owners of new dwellings in the private rental sector are entitled to tax concessions and subsidies on condition that the property is rented to eligible tenants at market rates at least 20 per cent lower than the market rent. Property managers are integral to the scheme, as they are responsible for verifying the eligibility of the tenant and that the rent charged complies with the regulations.

The subsidy is provided through two sources: 25 per cent is a cash subsidy from State Government budgets, with the remaining 75 per cent being paid through the tax system by the Federal Government.

There are currently 4,205 rental dwellings available in Western Australia under NRAS incentives. A further 1,100 have been allocated but not yet delivered. Of these 29.6 per cent are held by endorsed charities, with the remaining 70.4 per cent held by for profit/other investors (DSS, 2017b).

The tenancy profile of NRAS dwellings indicates that 12.18 per cent are over the age of 55. The main source of income for 43.56 per cent of tenants was government pensions and allowances, and Superannuation for 0.25 per cent of tenants (DSS 2017b).

It is important to note that the NRAS was limited to new dwellings. Refurbished premises were only eligible if they were previously uninhabitable, or if converted to multiple dwellings.

The NRAS scheme was closed to new allocations in 2014.

Social Impact Investment

Social Impact Investments (SIIs) are seen as a potential pool of funds to assist in the provision of affordable housing. SIIs are those that intentionally target specific social objectives along with a financial return and measure the achievement of both (Social Impact Investment Taskforce, 2014). Three key features that are integral to the definition are that the investment intentionally targets certain investments to obtain social benefits; investors expect a financial return in that investment; and the outcomes of the investment are measured against social, financial and environmental benchmarks (Sharam *et al.*, 2017).

The SII market is more developed in the UK and US than in Australia, however arrangements between major banks and community housing providers have been constructed within a SII framework. The major barriers to further take-up are the lower financial returns mandated by the lower rents paid by community housing tenants, and capacity constraints on community housing providers (Sharam *et al.*, 2017). Government policy is seen as both a risk and an opportunity: as a partner in SII initiatives the Government can help to bridge the gaps in cash flow and capacity, but there is also risk that the Government could implement adverse reforms to welfare and housing assistance (Sharam *et al.*, 2017).

The Federal Government initiative to support a bond aggregator finance model is a good initiative to increase the supply of housing but is directed at the social housing sector rather than the private rental market.

Build to rent

Build to rent developments are housing developments that are specifically designed and built for the rental market. As this type of development is most attractive to institutional investors the dominance of “mum and dad” investors in the Australian market has led to a lack of development in this area.

There has been a recent surge of interest in build to rent developments, with developers such as Mirvac entering the market. A build to rent development can be operated by a social housing operator, or a commercial provider; but will often provide a range of facilities that a smaller project cannot deliver (Jones Lang LaSalle Incorporated, Australia, 2017).

Older renters may find the facilities in a build to rent development are attractive:

“(She) said “No, I want to live in an apartment. I want to have a lift to go to that apartment,” because for her, it’s about security. She says “I don’t want to go to a retirement village. I don’t want to go 55.” She said, “Check out Beaufort Street where there’s apartments there.” She wants to be able to walk downstairs to go to the cafe. She wants to have a balcony to look out.”

- Metropolitan workshop participant

Summary

The scope of this project is limited to the private rental market, but clearly there is a shortage of affordable housing available for older renters. Many older renters are only able to find accommodation in the private rental market, increasing housing stress.

Both the rental survey and the stakeholder workshops reported that the financial issues faced by older renters are not primarily related to the age of the renter, but are a function of the person being on a limited, fixed income. Many younger renters on fixed incomes, for example Newstart payments, face the same issues; and long term recipients may be in more housing stress than pensioners as the rate of benefit paid is lower (Anglicare Australia, 2018).

However, for older renters the opportunities to secure an additional income source is limited, and the lack of indexation of Commonwealth Rent Assistance increases the rental stress experienced by low income earners.

Given the gap between market rents and income levels for recipients of pensions and allowances, clearly there is a need for increased levels of subsidy payable either to the renter or the owner of properties in the private rental market. Such subsidies, whether direct or through the taxation system, should be targeted at affordable rental properties.

NRAS was focussed on building more properties, but there is scope for initiatives by state and local government which provide incentives to private landlords to encourage greater suitability of affordable rental properties with liveable design, or even to encourage retrofitting of existing stock. Landlords could access a form of targeted tax incentive for existing housing stock, for example negative gearing benefits, land tax exemptions or accelerated depreciation measures, to motivate the provision of affordable long term housing to older tenants. Tenants would benefit from secure tenure, the ability to request needed modifications, and would not be subject to unjustified rent increases or without grounds eviction. The Assisted Rental Pathways programs could be used as a model to develop a scheme that is geared specifically to older people with the aim of providing a more secure tenure, ensuring that the dwelling is appropriated designed and catering to the need of the tenant household. This could form a tier of housing which is partly government funded but is less costly than public housing.



Discussion

and conclusion

Discussion and conclusion

This project aimed to discover the extent of housing insecurity among older Australians renting in the private sector, and to identify reforms that will address the issue. The project focussed on the legal system as it applies to residential reforms; alternative housing models, and how they would operate in the Western Australian market; and financial reforms. All were assessed through a policy lens to identify strategies that could be developed to enhance tenure security for older private renters in Western Australia.

Insecurity of tenure in the private rental sector

The older renter module in the BCEC Housing Affordability Survey found that nationally, this cohort largely do not rent by choice, they do so in the absence of an alternative option. More than half of the survey respondents were in housing stress (63%) and were paying more than 30 per cent of their income towards their housing costs due to a lack of options. Security of tenure, the ability to be able to control when they had to leave their current home, was overwhelmingly important with many older renters found to have only been in their current home for between one and three years. This mobility was not necessarily by choice, with 41 per cent being forced to move from their previous dwelling. What then can government and industry in WA do to deliver security for older Western Australian tenants in the private rental sector?

The impact of tenure security on older renters in metropolitan WA is acutely understood by policy makers, not for profit organisations and in some cases, by property managers and investors in the housing market. In the workshops it was argued that insecurity of tenure was intensified by a lack of affordable housing for older renters and the inadequacy of the pension and CRA relative to increases in rents and living costs. Unable to compete with the financial capacity of households in the workforce, older renters find themselves seeking affordable options which are often inappropriate for their age or in need of repair. In Western Australia particularly, this is compounded by a lack of housing diversity both metropolitan and regional locations.

Workshop participants described how the issue of maintenance was related to older renters' security of tenure by highlighting a difference between the right to ask for maintenance to be undertaken and the confidence to do so without the fear of a lease not being renewed or the rent being increased. It was noted that there is a need for property managers to be aware that older tenants may not raise maintenance issues when asked, and property managers may need to be proactive in identifying areas which need disrepair. With all aspects of renting a property now being done online, some older renters' were observed to be at a potential disadvantage.

Tenure insecurity in Regional WA is similar to that experienced in the metropolitan region, including a lack of suitable housing alternatives, limited dwelling diversity, public housing or housing assistance, however, they were thought to be amplified by the regional setting. There is a need for a greater understanding by policy makers of what is lost when older people are forced to move out of their community in the absence of affordable accommodation. It was found that the limited number of aged care facilities means that some older renters are forced to leave their communities in search of affordable options. It was described that older renters find themselves being forced to choose between staying in the community to which they are connected to and reliant on and risk homelessness, or moving to another location where they might find affordable accommodation and sever their community ties and important social connections. Tenure security is perhaps more precarious outside the metropolitan area as a function of the lack of housing alternatives, physical department of housing office in some cases and the seasonal nature of work. In many locations renters, including older renters, are forced into short term tenancy agreements, the end of which coincide with peak tourist season and the subsequent inability for low income tenants to pay the increased rent, requiring them to find alternative accommodation until the peak season is over. There was also a stated

need to educate landlords about the types of modifications to their homes that would make them suitable to older populations. Insecurity of tenure was also found to be experienced by older public housing tenants in the Kimberley. This is fuelled by a clash between what is culturally appropriate and what is expected from the Department. The poor relationship between tenants and the police exacerbate this lack of security of tenure. The issues are not necessarily age specific for older people, they tend to be for lower income renters more generally.

The legislative framework

The project highlighted the limitations of the legislative framework in providing secure tenure for private rental tenants. The provision of longer leases is one of the avenues available to improve security of tenure, with the survey results indicating that there is an appetite for longer leases among older renters, although under the current legal provisions this alternative is rarely available. However, even if longer lease terms are provided for under the legislation, this is only a limited solution while landlords are able to terminate a lease with ease. Therefore, legislative reform to improve tenure security for older people must address both aspects. For example a three or five year fixed term lease could be introduced, in conjunction with the elimination of no grounds terminations in all tenancies and termination available only under prescribed grounds with appropriate notice requirements.

Tenants need to have access to an improved, low cost avenue for resolution of issues, including unreasonable or excessive rent increases, the landlord's responsibility to keep a property in good repair, the ability to install age-appropriate alterations or to assist older people to keep their pets. In conjunction with reforms to the grounds for termination, this would ensure that tenants do not have their lease terminated for requesting alterations or permission to keep a pet.

The recent domestic violence amendments to the RTA and the RPLSTA can be utilised by older people experiencing violence, including abuse involving adult children. Forthcoming amendments to the RPLSTA promise enhancement regarding the security of tenure in residential parks, with similar expectations for the proposed review of the RTA. But WA should enact protection for boarders and lodgers, who do not currently have legislative protection in WA, as has been done in the other states.

Planning and policy responses to enhance security of tenure for older renters

The need for alternative affordable housing models for the private rental sector is well known and recognised in the WA Affordable Housing Action Plan. A number of alternative options have already grown through public private partnerships, the not-for-profit sector, and grass roots actions of individuals as well as forward thinking Local Governments.

As policy settings have reduced the availability of public housing older tenants, as well as other income support recipients, are in housing stress when paying rents in the PRS. The move across to the PRS must be adequately financed, and the rate of Commonwealth Rent Assistance payable to all eligible income support

recipients should be benchmarked against current rental rates and indexed according to movements in the rents component of the Housing Group Consumer Price Index.

The research found there is a role to be played by Government in enhancing the security of tenure for older renters. On the one hand, planning should further facilitate the development of more age-appropriate housing, built to address not only the shelter component of housing, but also cater for companionship, mutual support and the provision of services.

To assist older renters to age in place state planning and local governments need to continue to encourage the greater adoption of universal or liveable design (LD) standards. This can be facilitated by the continued targets for the construction of affordable housing incorporating LD by the Department of Planning, the encouragement of building, construction and planning sectors to establish targets towards LD and promoting greater acceptance of the concept in the industry and wider market. In addition, there is a need to create greater public awareness of the benefits of LD when older Australians are looking for accommodation.

Older tenants need to be supported to ensure that they can exercise their rights to request modifications without fear of their lease not being renewed or rents being increased. It is in this space that a one-stop-shop could be beneficial. This resource could also help to support those who are in the private rental sector but are at risk of becoming homeless and therefore address the gap between needing public housing and those that are only just coping.

This research has found that there is a need to expand the functions of the Seniors Housing Advisory Centre (SHAC). It is suggested that the SHAC could become a 'one-stop shop' to assist older people negotiate the housing market. Although such a service could be available to all older people, a special focus could be on older, more vulnerable persons. The service could include an information function similar to the successful SHC model but also provide free legal advice regarding legal issues associated with tenancies. The object of this is to keep tenancies on foot so much as possible within the legal framework to avoid, where possible, the need for the older person to move.

The SHAC could include a government Private Rental Brokerage Service similar to the HAAG model in Victoria. This service could provide a broad range of functions, including identifying appropriate housing options, providing assistance in navigating the private market and dealings with agents, assistance in completing paperwork and making applications for loans to cover a bond or for rent assistance. There is also a market for not for profit real estate agencies, such as HomeGround Real Estate, to operate in Western Australia to connect landlords with low income households.

Conclusion

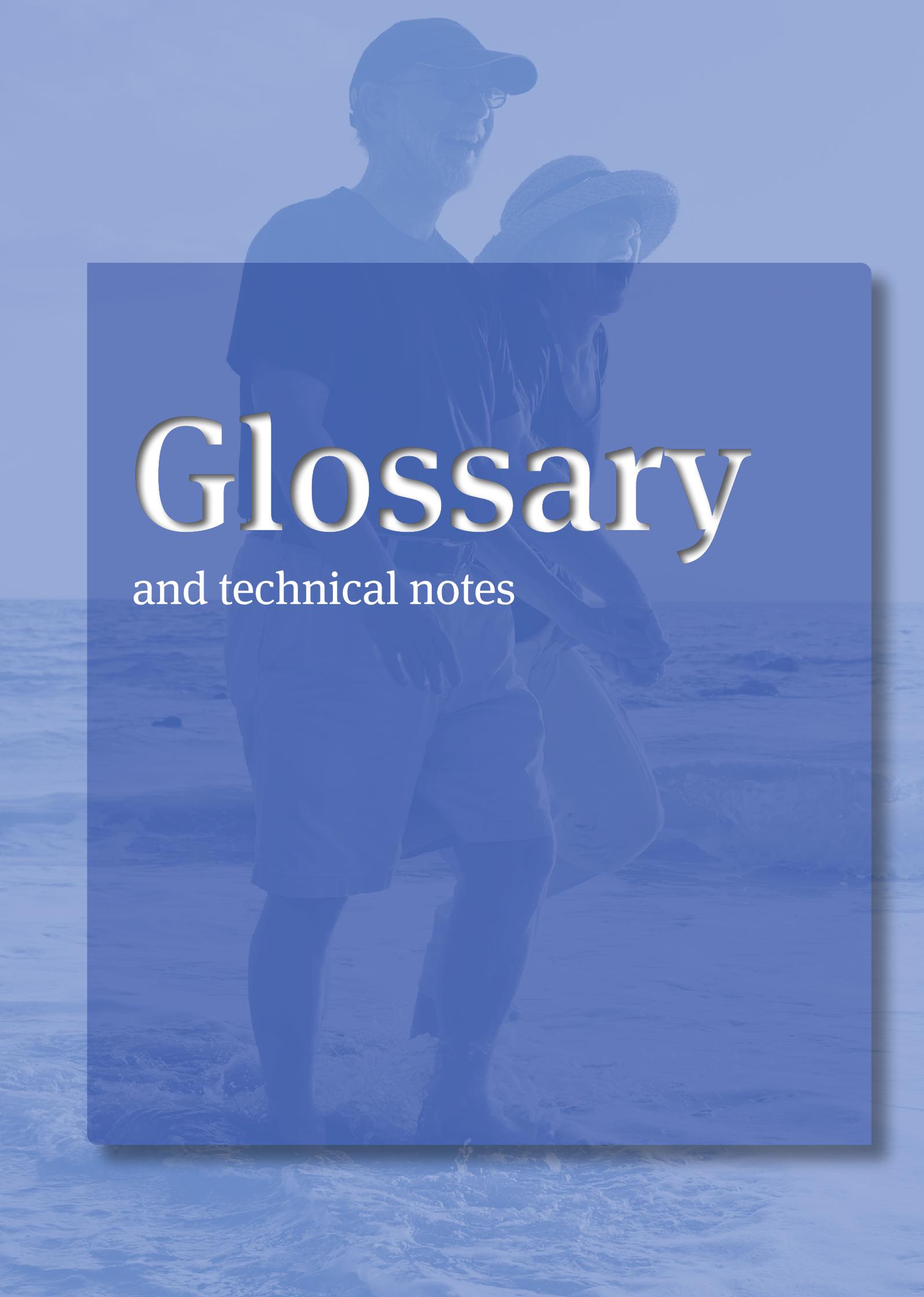
Tenure insecurity remains a significant issue for older renters in WA despite the current downturn in the rental market. There are similarities between the experiences of those renting in metropolitan and regional locations, however those in the latter areas often face a greater sense of insecurity. The issues are well understood by those working in the sector from service providers to real estate agents. This report has identified strategies that build on the existing legal, planning and policy frameworks which could assist in providing security of tenure for older WA renters.

The legal framework regulating tenancies in Western Australia provides varying degrees of protection to private sector tenants, including older renters. Although it generally functions well, the circumstances of many older renters could benefit from some legislative refinement, particularly in regard to the length of leases and reduced grounds for termination.

Current planning and affordable housing policy frameworks in WA offer many opportunities for housing strategies to increase the tenure security, appropriateness and access to housing for older renters. A range of alternative housing models which have emerged were described, and prospects for collaboration between government, the not-for-profit sector and public-private partnerships were identified, including the expansion of the Seniors Housing Advisory Centre (SHAC), head leasing and brokerage programs.

The financial issues faced by older renters are a function of the person being on a limited, fixed income, rather than the age of the renter. An inadequate, non-indexed Commonwealth Rent Assistance combined with limited opportunities to secure additional income have contributed to the housing stress experienced by many older renters. Innovative government solutions using tax incentives or direct subsidies to landlords to improve the quality and affordability of the existing housing stock by using models which already exist such as the Assisted Rental Pathways Scheme, have been proposed. Lack of support can accelerate admission to aged care, at a substantial financial and social cost to the community.

Older renters are a vulnerable cohort within the community. Despite the shift away from social housing and a current shortage of age friendly affordable alternatives, there are opportunities within the existing legal, planning and policy frameworks to assist this cohort and improve the security of tenure for older renters in WA.



Glossary

and technical notes

Acronyms

AHAP	Affordable Housing Program
ASFA	The Association of Superannuation Funds of Australia
BCEC	Bankwest Curtin Economics Centre
CGT	Capital gains tax
CHL	Community Housing Limited
COAG	Council of Australian Governments
COTAWA	Council on the Ageing Western Australia
CPI	Consumer price index
CRA	Commonwealth Rent Assistance
CTH	Commonwealth
DSS	Department of Social Services, Australian Government
GRAI	GLBTI Rights in Ageing Inc
HAAG	Housing for the Aged Action Group
HILDA	Household, Income and Labour Dynamics in Australia Survey
LD	Liveable Design
NAHA	National Affordable Housing Agreement
NFP	Not for profit
NRAS	National Rental Affordability Scheme
PRBP	Private Rental Brokerage Programs
PRS	Private rental sector
QLD	Queensland
SHC	Western Australian Seniors Housing Centre
SII	Social Impact Investments
TICA	National tenant database
WACOSS	Western Australian Council of Social Services

List of legislation

Age Discrimination Act 2004 (Cth)

Aged Care Act 1997 (Cth)

Commercial Tenancies (Retail Shops) Agreements Act 1985 (WA)

Community Title Bill 2018 (WA)

Disability Discrimination Act 1992 (Cth)

Duties Act 2002 (WA)

Equal Opportunities Act 1984 (WA)

Health Act 1911 (WA)

Housing Act 2004 (UK)

Housing (Standards for Rented Houses) Regulations 2017 (Act of the Irish Parliament)

Income Tax Assessment Act 1997 (Cth) (ITAA97)

Land Tax Assessment Act, 2002 (WA)

Local Government Act 1995 (WA)

Planning and Development Act 2005 (WA) (PD Act)

Residential Parks (Long Stay Tenants) Act 2006 (WA) (RPLSTA)

Residential Tenancies Act 1987 (WA) (RTA)

Residential Tenancies Act 1997 (Vic) (RTAV)

Residential Tenancies Legislation Amendment (Family Violence) Bill 2018 (WA)

Residential Tenancy Regulations 1989 (WA)

Residential Tenancies Act 2010 (NSW) (RTANSW)

Residential Tenancies Amendment (Review) Bill 2018 (NSW) (RTARB)

Residential Tenancies Amendment (Review) Bill (NSW) – Proposed Amendments (RTARB – Proposed Amendments)

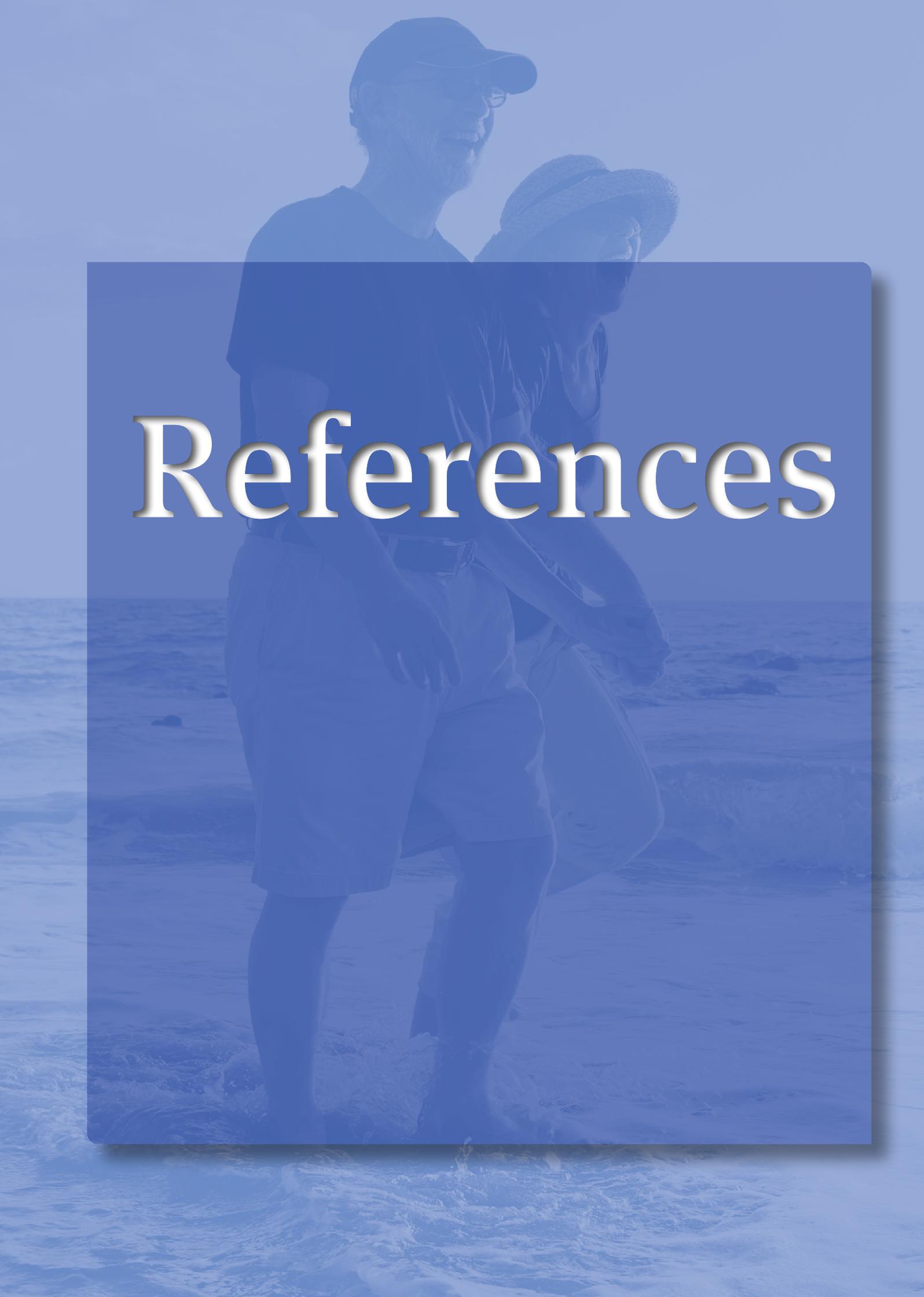
Residential Tenancies and Rooming Accommodation Act 2008 (Qld)

Retirement Villages Act 1992 (WA) (RVA)

Social Security Act 1991 (Cth)

Strata Titles Act (1985) (WA)

Transfer of Land Act 1893 (WA).

A man and a woman are walking on a beach, smiling and laughing. The man is wearing a cap and glasses, and the woman is wearing a wide-brimmed hat. They are both wearing shorts and are walking through shallow water. The word "References" is overlaid in large white text on a dark blue rectangular background.

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