

Thinkhouse early career researcher's prize application

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Individual budget service delivery models: do they consider housing poverty and tenure?

ABSTRACT

Based on a qualitative study that engaged low-income older renters and providers of housing and home-based aged care in Australia, this article describes the implications of individual budget models of home-based aged care for low-income older renters, exploring whether they are suitable for this cohort. Analysis of the findings emphasised the complex world of aged care service provision, particularly for low-income renters and their service providers. Societal, systemic and systematic change is required to ensure easier access to services. Policy and programming must be driven from both the bottom up and the top down, and not take a 'market-making by government' approach.

Key words

Housing, home care services, ageing in place

Impact Statement

Aged care service provision is complex, particularly for low-income renters and their service providers. Given the already evident change in housing situations of older people, with higher numbers of older people renting their homes, service provision models cannot be focused on home ownership and relative wealth in older age.

INTRODUCTION

Home-based aged care delivery models managed by the client via their own individual budget are increasingly becoming a feature of welfare policies and programmes around the world. These models aim to deliver increased service flexibility, choice, and control for consumers, and are largely

premised on the fact that older people's housing is stable and suitable [1, 2]. While individual budget style models of home-based aged care have been introduced internationally, little empirical research had been undertaken to explore the implications for older renters. The aim of the original study which informs this article was to explore whether the delivery and receipt of individual budget style models of home-based aged care services to older renters was effective, appropriate and equitable. Reflecting on the findings from that study, policy and programme recommendations are explored in detail in this article.

The original study was driven by three key issues. The first was the changing nature of housing for older people. Secondly, a drive, both in Australia and internationally, towards an individual budget or cash for care model of welfare provision whereby the recipient of care is allocated a budget to purchase and manage care and services. Finally, a longstanding disconnect between housing and other social welfare policies and programming that has led to an inadequate response to older people in the rental market, particularly those renting from private landlords [3]. These issues are summarised below.

Changing nature of housing for older people

It is well understood that housing is central to older people's health and wellbeing, and older people wish to remain in their own homes as they age [4]. For some older people to maintain their health and wellbeing and to remain in their homes as they age it is also necessary to assure the delivery of home-based aged care services [5], the effective delivery of which assumes that the recipient's housing is appropriate, stable and affordable.

A growing number of older people, however, are not living in such housing compared to in the past [6]. Outright home ownership rates among older Australians are falling [7], with an associated rise in older people living in rented accommodation [8]. Australia is not alone in seeing rising numbers of low income older people living in rented accommodation. In the United States, for example, where more than 6% of older renters (aged 62 years and above) live in independent public housing or federally subsidised rental properties, the demand for subsidised housing far outstripping the current supply [9].

The issue of older renters is becoming an area of policy interest [10] due to the unstable nature of the tenure [11, 12]. Short tenancy agreements, the need to move regularly at the request of a landlord or due to rising rents, and the inappropriate nature of many rental properties (for example poor access and design) all lead to emotional and financial burdens for older people [6].

In Australia, it has traditionally been assumed that older people will have purchased and will own their own home outright, by the time they retire. Indeed, the aged pension is based on such an

assumption [13]. There is little research, therefore, that has considered the delivery of home-based aged care to low-income older renters, specifically the ramifications of managing the budget and services, at the same time as struggling to survive on a daily basis.

Individual budget or cash for care models

An ongoing aged care reform agenda was enacted in Australia in 2013, following a 2011 review of the aged care system by the Australian Productivity Commission. Broad-ranging in scope, the element of the reforms of relevance to this paper is the delivery of home-based aged care, via a home care package. In 2015, an individual budget model – consumer-directed care – was mandated as the delivery mechanism for home care packages.

Policy and program disconnect

The challenges of providing services across two social service policy and program areas have been noted previously, for example providing housing services to those with disabilities [14], yet this challenge prevails. In Australia, as in other nations, this is exacerbated by the fact that some services are funded and managed by the Federal Government (e.g. aged care services) and others are funded and/ or managed by State and Territory Governments (e.g. housing assistance services) or community organisations.

STUDY DESIGN and RESULTS

This section briefly outlines the method and results of the study that informed this article, to enable understanding of the reflections and recommendations made.

Research approach and setting

The study took a phenomenological qualitative approach, ensuring an inductive exploration of the participants' life experiences, either as recipients or providers of housing and aged care services. Data was collected from three states of Australia – South Australia, New South Wales and Victoria - from both metropolitan and regional locations, between June and December 2016. Participation in the study was voluntary, and ethics approval was granted by the University of Adelaide Human Research Ethics Committee, number H-2015-273.

Participants were engaged in interviews, focus groups, or postal surveys depending on their preference, geographical location and transport options, and their physical abilities. Twenty-six low-income older (65 years or over) renters, and eleven employees and one Board member of service provider agencies, were engaged in the study. The small number of participants was part of the

study design, in order that in-depth discussions could be had, gaining rich data.

Results

Results from the original study are discussed in greater depth elsewhere [2]: a brief summary of the themes uncovered is provided in Table 1.

Table 1 Themes from original study

Older people	Service providers
Autonomy and independence - afforded by the home-based care services	Equity – of services for older people who are renting
Accessibility (within and around the home) and affordability (at the whim of a private landlord who may raise rents)	Sustainability – of government and community housing, which is generally more secure than private renting; need more government and community housing
Change and continuity – frustrations with having to move home, changing care workers	Suitability – of private rental homes for ageing, for adaptations and for access by care workers
Security (for those in government or community housing) and isolation (having to move further out of cities for affordability)	
Both older people and service providers - format of, and terminology used within, aged care and housing information: too much bureaucratic 'government speak'	

DISCUSSION

The research and evaluation on individual budgets for older people, and also those with disabilities, is lacking; and has focused predominantly on small pilot trials [15, 16]. Wider practice implications have not been considered, and broad-ranging policy reform often occurs following small-scale studies of individual budget models [17]. While the original study that informs the following discussion was small scale in its approach, it engaged both recipients and providers and was undertaken nationally. It has highlighted that, as with other social gerontology initiatives, for example age friendly cities [18], stakeholders from different sectors and disciplines need to be involved in design of programmes, and rigorous academic research is required to inform and evaluate service provision.

Aged care service provision is a challenging policy and programme area - for providers and especially for consumers. Engaging with the relevant systems and managing services is complex, especially for

low income older renters. Many older people are not concerned with being empowered independent citizens [15]; rather, they simply seek affordable and appropriate housing, that enables them to receive the care they require, and for that care to be delivered with respect and understanding.

The 'wrong door'

Both renter and service provider study participants illustrate how 'the system' does not have soft entry points, from either the aged care or the housing perspective. In this context, a soft entry point is a way of introducing a recipient to, or registering them for, services in several informal ways in their own terminology. Instead, it expects potential service recipients to access complex information from several providers, in multiple formats, particularly technical solutions such as online portals, that use bureaucratic terminology. While the services affect and influence each other significantly, it is all too easy to access a service system via the 'wrong door'. For example, being directed to aged care when one needs secure housing first, being directed to residential aged care before this is necessary, or unnecessarily being admitted to the emergency department of a hospital due to a minor accident at home. This can lead to frustration, disenchantment, and ultimately the deterioration of someone's health, wellbeing and ability to age in place.

The government online entry portal for aged care services 'myagedcare' was seen as particularly frustrating – for both the service provider and the older renters. For example, Service Provider Participant 8 stated '*myagedcare leaves people completely befuddled*'; while another stated that '*myagedcare has been difficult since day one...there's no consistency*' [Service Provider Participant 7]. Older renters were also confused, with one saying how '*Somebody helped me; I don't think I would have been able to navigate my way*' [Older Renter Participant 8]. Another advised she had not even tried seeking services, saying '*No – haven't really looked into it, as it seems hard work to try and find out what's what. Just dealing with Centrelink for my disability pension has been trying*' [Older Renter Participant 2].

'Market-making by government'

Findings from this study underscore that policy and programming must be driven from both the bottom up and the top down. 'Market-making by government' is riddled with pitfalls, as it cannot accommodate the needs of all the groups within a given cohort – in this case older people – who are not homogenous and have their own needs, desires, capabilities and capacities. The needs, for example, of low-income older people, those from culturally linguistic and diverse communities, those from lesbian, gay, bisexual, transgender, intersex or queer communities, or those living in rural

locations may differ greatly from the homogenous view of a heterosexual older person who has an affluent retirement, is respected and accepted in their community, has secure and well-located housing, and has the ability to access services. Service providers felt that despite its 'personalised care' mantra, the new reforms do not consider people as individual, with differing life situations. For example, a provider was of the opinion that *'The CDC approach seems to have removed the 'person' from the process, with lots of admin fees and income testing'* [Service Provider Participant 1].

There were also concerns regarding the bigger picture impact of the reforms, with respect to the aged care market. Concerns were raised particularly regarding the potential mergers of aged care providers, and also the entry by non-traditional providers into the aged care market. One provider felt that one of the key elements of the reforms – greater choice – might be compromised, saying *'Will the whole promise of choice be lost, if there are only four to five large providers, all providing very similar services'* [Service Provider Participant 6]. An older renter was vehemently opposed to non-traditional providers (for example health funds and housing providers) entering the market, and was worried that her housing provider will *'decide to join that market, and sort of insist that we [their tenants] who need care have to get it from them'* (Older Renter Participant 3). She believed that they would not have the relevant skills, experience and broader understanding.

Change at every level

This commentary discussion has implications for, and can guide, many developed nations around the world who are currently dealing with ageing populations and housing affordability challenges. It can also guide developing nations, and those developed nations whose populations are ageing more slowly. Given the rising numbers of older people worldwide, if the issue of effective and appropriate home-based aged care to low-income older renters is not addressed, the consequences could be dire. Greater numbers of older people may become isolated in suburbs further away from their community ties in search of more affordable housing or may move in with family when such moves are not widely expected, desired or supported. Since ageing in place is viewed positively by older people, in terms of attachment and connection, and feelings of security and familiarity [19] having to move away due to precarious housing will stymie the ability to effectively age in place and enjoy a fulfilled and engaged older age. Change is required at every level – societal, systemic and systematic.

Societal change

Societal change is required – to stop thinking of older people as one homogenous group, and to stop believing previous assumptions about this cohort of people. Baby boomers are often described as being more educated, occupying professional positions, and as wealthy knowledgeable consumers

as they head into retirement. This may be true for some but there are those who have divorced, lost businesses, been made redundant and never had children [20], who may find themselves struggling financially, and also in terms of community engagement, in later life.

Similarly, those who have struggled and coped with hardship all their lives should not be treated as ignorant and undeserving. Many may be ashamed to seek access to housing and aged care services, but like all people, when treated with respect, provided with the right information at the right time, in the right format, and with some initial support, they will then be able to manage effectively on their own. Building on rich life experiences, effective care provision and coordination, advocacy, and brokerage can be the lynchpins to wellbeing in later in life, and the ability to age in place.

Ageism has been the subject of research in several domains, including the labour force and healthcare [21]. What needs to be discussed more is ageism and housing. While there are options for older people to arrange reverse mortgages on existing home ownership, people find it harder to be granted a home loan in later life. Participants in the recent Australian study still aspired to home ownership but were aware that without access to a loan this simply would not happen. Some participants had also suspected that they had not been granted a tenancy in a rental property due to their age, although they were not able to articulate why they felt this was so.

The terms housing poverty and housing affordability are often used interchangeably. Housing poverty, however, is broader than housing affordability. While housing affordability – the basic ability to pay for a home to live in – is a pressing issue for some older people, the issue of housing poverty is more worrying. Housing poverty encompasses not only being able to afford to pay for a home to live in, but also to heat the home, to make modifications to the home, to be able to access other facilities and services easily from that home. Housing poverty includes the broader aspects of equity and inadequacy and may place an older person at greater risk of reduced service receipt, and a lack of access to opportunities that will help them age in place.

Systemic change

As suggested above, soft entry points to housing and aged care services are required, to help older people access through the 'right door' and the most appropriate service entry, not the 'wrong door'. This could be aided with the development of a national housing strategy, which fosters whole sector collaboration, including architects, planners, property developers and managers, state and territory governments, local councils, and real estate agents. Alternative models are needed that coordinate housing and aged care services to provide a more integrated approach to policy and programming, to be included in a national housing strategy. Any such strategy needs to look beyond the polar

opposites of viewing housing as either a sacrosanct class of investment that will rise in value over time, hopefully aiding a comfortable retirement; or viewed as welfare.

Opportunities must be taken to attract institutional investment into purpose-built private sector rented development. In Australia, for example, there are very few retirement villages that operate on a rental basis. Most villages operate on a buy-in basis, which is generally only available to people who have an existing home to sell and wish to move to a retirement village as they age. Only being able to access private rental accommodation, or if they are fortunate government and community housing, means that many older renters are not able to benefit from the facilities and feeling of community that village life offers to those who choose that option of housing in lifestyle in later life. The role that housing and the housing sector could play in addressing the wider determinants of health, health equity, and ageing in place, needs to be promoted. Similarly, promotion and advocacy for modification of existing homes needs to occur, ensuring that sufficiently funded systems are in place to enable older people to modify their homes, with the support of their landlords.

Local councils, as the planning authorities, need to support, encourage and enable the private sector to build more appropriate homes, and provide stable funding and policy support to increase the supply of specialised housing for more vulnerable older people and healthy lifetime homes (based on universal design principles), for both ownership and rental. This may provide attractive options that stimulate proactive moves among 'younger old people' in advance of a health crisis. Industrial designers should be encouraged and incentivised to manufacture more attractive home modifications. This may persuade landlords to install such modifications, reassured that future tenants will not be discouraged from moving in.

Finally, tenancy laws need to be strengthened, to give greater security of tenure, in line with rental properties provided by government and community organisations. Even if this occurs, the number and range of government and community provided affordable rented housing options for lower income older people must increase to provide affordable housing and reduce housing waitlists, particularly for the most vulnerable.

Systematic change

At the systematic level, change is also required. The aged care assessment that determines eligibility for a home-based aged care package needs to be smoother and most importantly more holistic. The housing situation of the person being assessed must be taken into account, otherwise any care plan will potentially be ignorant of key issues such as the general condition of the home (whether there is suitable heating and cooling, for example, or whether there are mould or damp issues); access, health and safety concerns for care workers; and the ability or not to have home modifications.

While systemic change is required to make soft entry points to welfare services broadly, to ensure that people do not knock on the wrong door for help, systematic change is required to the entry portals and the information provision. Both the older people and the service providers raised concern about the terminology used in information on services, the availability of that information to all in a suitable format, and the confusion navigating online systems.

Limitations and future research

The study on which this article is based engaged a small number of participants, located in three states of Australia. It is unlikely that participants in other states, or indeed similar developed countries, would have vastly diverging views, however this cannot be discounted. Participants self-selected, and this may have encouraged the most vocal and able people to take part.

While this paper has focused on low-income older renters who do not have the choice but to be housed in any other way, it must also be acknowledged that some older people are by choice rejecting the idea of home ownership. This may be for range of reasons including greater flexibility with location, to use equity from a potential house sale to fund their older age, or to reduce potential maintenance responsibilities. Nonetheless, these older renters are also seeking legislation that ensures safe and secure rental tenure; and may become more vocal in calling for construction of suitable rental accommodation at all price points. Research and action are required in this area. Another area of future research is low-income older home owners, those who are asset rich but income poor. During some of the interviews and focus groups, service providers raised concerns about older people who, apart from having a stable and secure home, were as disadvantaged as some low-income older renters. The older owners cannot afford to make modifications, or do not wish to do so because they fear it will affect the capital value of the home. This is of concern both in case they need to sell the home to pay for residential care, or if they wish to bequest the home to family.

Finally, service providers raised concerns about residential caravan parks – caravan parks in which a person purchases a transportable home and leases the plot on which it sits. Many older people find this idea attractive as the buy-in costs of a transportable home are relatively low, and caravan parks are often located in desirable areas in which to retire, such as by the coast. Several concerns were raised. While called a transportable home, it is not on wheels and therefore cannot be moved easily. This could be an issue as the caravan park plot leases are insecure, short term, and can be revoked quickly. If a tenant is given notice to leave, the cost and logistics of moving the home to an alternative site can be burdensome.

The transportable homes are generally not designed for people with access requirements, such as those with wheelchairs and walking aids, and are not structurally strong enough to support some home modifications. The caravan sites themselves might also be inaccessible, for example having steps to communal facilities such as laundries, and might only be accessible by car. This is an under-researched area.

CONCLUSION

This article contributes to the needed peer-reviewed literature on the implications of an individual budget model of home-based aged care provision for low-income older renters, and for providers servicing this client group. The research that informed this commentary provides a 'snapshot in time' in the preliminary stages of an individual budget service provision model for older people in Australia. Analysis of the results has underlined the complexities of aged care service provision, particularly for low-income renters and their service providers. When designing aged care policy and service programs, housing poverty must be considered, otherwise the outcomes will not be fit-for-purpose for *all* who require the care services.

It is increasingly being recognised that social gerontology initiatives and welfare services need to increase equity of access and participation [18]. However, many aged care services still predominantly serve the perceived homogenous majority - older people who have the stable foundation of their own home – those less privileged, who do not have a stable foundation in which to receive their care, will be disadvantaged. Given the ageing population, and the already evident change in housing situations of older people, this will significantly impact the ability of older people to age in place, and benefit from the community attachment and connection, and feelings of security and familiarity they desire.

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