NOT CHEAP, REASONABLE
- the development of not-for-profit boarding houses

A DISCUSSION PAPER
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Some years ago I was in an op-shop in Smith Street, Fitzroy run by an order of monks. The monk on duty wore the classic cassock like Friar Tuck from Robin Hood. Somewhere in the cassock he kept his packet of Malboro Red and matches. He'd reach into his cassock every so often, get out a fag and light up.

On this occasion he was idly smoking when a woman came up to the counter with a number of items she wished to purchase. He tallied up the cost and told her the amount.
"That's very cheap," the woman said.
The monk smiled and replied, "Not cheap, madam, reasonable."

INTRODUCTION

Everyone needs a home to go home to, a place where they can be themselves, be secure and cater for their daily requirements. Yet there are many in our community who are either homeless or live in sub-standard accommodation. There are many reasons why this has occurred, but not least among them is the lack of affordable housing.

The housing market has failed to deliver for low-income people. This is a simple truth that fails to attract much attention. It is not 'economically correct' to blame the market for anything. But the reality is that in Australia we have over-valued land and housing to the point where thousands are excluded from having a home. Public and community housing in all States have long waiting lists and private rental often requires families and individuals to invest over 50% of their income each and every week.

Nowhere is the affordability problem felt more keenly than in metropolitan Sydney. As well as absurdly high prices for any property still standing, housing at the cheaper end of the market is quickly bought up for redevelopment purposes. In the inner-city areas this has also led to an enormous loss of reasonably priced accommodation such as boarding or rooming houses.[1] Unfortunately, those that continue to operate are often squalid. Whether they remain a better option than life on the street is a subject of debate.

While lack of affordable housing is not the sole cause of homelessness it is essential that a range of housing options is available to people who become homeless. Evidence from Supported Accommodation Assistance Program (SAAP) services indicates that homeless people are becoming trapped in crisis and medium term housing because there are few long term options available to homeless people and, in particular, those with a disability.

It is in this context that Shelter NSW decided to conduct some research into appropriate and sustainable boarding house models. This discussion paper highlights the issues raised through the process of consultation and research and presents possible solutions for on-going discussion and development.

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[1] The Inner Sydney Boarding House Report by Davidson, Phibbs and Cox (June 1998) found that boarding house stock was declining at around 7 –8% per annum. Premises have primarily been converted to flats (51%) or private residences (23%). In 10% of cases they have converted to back-packer style accommodation.

How we provide low cost accommodation in an expensive city is a question with no easy answers particularly given the decreasing amounts of funding available through the Commonwealth State Housing Agreement. The public or social provision of anything, let alone housing, has been under attack for the past two decades, yet it is difficult to see how we will be able to overcome problems like homelessness without a reversal of this trend. This discussion paper is not aimed to provide cheap solutions but to suggest innovative approaches that are reasonable and fair.

1. DIFFICULTIES WITH BOARDING HOUSES

Social exclusion, rather than inclusion, has generally been the result of congregate living models like boarding houses. A clear example in NSW is the licensed boarding house system that has been in place since 1973. Under this system premises that accommodate two or more people living with a disability have to meet certain standards of care. Unfortunately for most of the past 27 years standards have not been enforced. In fact, little attention was given by either government or the public to the plight of people living in the system, a private industry that has profited enormously from the frail and disabled.

Some facilities were of a poor physical standard with many residents expected to live in institution-like settings governed by the three R's: Routine, Rules, Rigidity. Larger boarding houses in particular provided services defined by their own organisational requirements rather than meet the needs of individual residents. Many residents lived extremely routinised lives with little opportunity for personal choice. This fostered a lifestyle of dependence and institutionalisation.

Many owner/operators were former employees of psychiatric institutions who saw an opportunity when the deinstitutionalisation process began in earnest. They knew that with the right medication ie. when residents were 'doped up', residents were generally passive and compliant. Medication became a way of life in some boarding houses. Some operators gave one resident's medication to another resident. These, and other issues relating to the use and abuse of psychotropic medication within boarding houses, were exposed in the Health Care Complaints Commission Report.(May 1996).

For the privilege of living in these 'poor houses' residents could be charged up to 100% of their pension for accommodation, food and 'other services'. Hence they were effectively restricted to the boarding house environment and segregated from the rest of the community.

As well as being able to charge each individual a high percentage of their income, many boarding houses shared out rooms to two, three and often more residents. Any quick calculation based on charging 80% of the pension for three people in a room in a 10 room house shows how extraordinarily profitable it could be.[2]

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[2] This is important to note when examining the financial viability of not-for-profit boarding houses or whether government incentives are really necessary to keep private owners involved given the profits they have amassed.

These boarding houses did not represent *de*-institutionaliation but rather *re*-institutionalised people. In many ways the standard of accommodation and care was worse than in the institutions. Some boarding houses, particularly in the Cooranbong and in the Blue Mountains accommodated over 100 people, and some premises were totally inaccessible except by car.

Geographic isolation created social isolation. Public services, recreational, health and information services were generally out of reach. Despite being isolated, social contact within these boarding houses was very public, providing little opportunity for privacy. There was, and remains, a drastic lack of appropriate day activities for residents.

Vigorous advocacy from a number of groups and individuals during the 90s led to action being taken. Licensing standards were more strictly enforced and a $66m package was provided by the Carr Government to relocate residents with high needs into more appropriate accommodation. Within a couple of years the population of licensed boarding houses has dwindled from a little over 3,000 to around 1,000 people today. Not all of those moved from boarding houses were relocated appropriately. Some fell through the net and are now either homeless or are living in unlicensed boarding or rooming houses.

There are a number of reasons why an examination of the licensed boarding house industry is relevant to this discussion paper. Firstly, it is an example of governments 'doing it on the cheap'. Deinstitutionalisation was a process that benefited many people but the resources that had previously been invested in institutions did not follow the people out into the community and those with few personal resources were the ones to suffer. Only in Northern Suburbs of Sydney was a comprehensive community mental health system resourced and developed. Private boarding house operators were encouraged to provide accommodation to the deinstitutionalised and, as noted earlier, were basically left alone to do what they liked.

Secondly, the experience of the licensed boarding house industry shows that without significant levels of support and external activities individuals can quickly become institutionalised and socially excluded. It is not the level of disability that creates social exclusion. It has been proven on numerous occasions that people with even high level disability are able to function in the

community with the right support and infrastructure.[3] If support is patchy and 'done on the cheap' then we are opening up the possibility for re-institutionalising people even if management is benign.

The third matter relates to the actual residents themselves. The licensed boarding houses accommodated people with a disability. One of the target groups suggested as appropriate for the development of not-for-profit boarding houses are single men and women currently residing in SAAP services who have either alcohol/drug related brain damage or another disability. These people are seen to be, by senior workers in the field, as being incapable of living independently in the community because their disability precludes them from gaining the necessary life skills to maintain a successful tenancy.

Another group is the chronic homeless who, through many years on the street and poor living conditions, have prematurely aged. They are not eligible for residential aged care but are seen, again by senior workers, as requiring the level of care provided in such facilities.

As was demonstrated in the *Down and Out in Sydney*[4] report, 75% of those either accommodated in or visiting inner city hostels have a mental disorder of one kind or another. Information from the Department of Housing's Homelessness Action Team (HAT) confirms that those most difficult to place in long-term housing are people with medium to high level support needs who are not aged.

The following profile of a single man on the streets is taken from the recent Tom Uren Place project[5] report.

- Male;
- Aged between 25 and 40;
- Of Anglo-Australian cultural descent
- With a very low standard of education, and lacking in skills (though there were some exceptions);
- With either a current chronic dependency (either substance abuse or gambling, or both), or a history of battling a dependency;

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[3] Recent experience of relocating people with an intellectual disability from a boarding house to shared and single unit housing shows that the people are happier and develop a greater sense of self worth as a result.
[4] Down and Out in Sydney – the prevalence of mental disorders among inner city homeless. Tracy Hodder, Neil Buhrich and Maree Teeson 1998.
[5] Tom Uren Place Report. Fred Jansohn and Colin Robinson 2000

- In less than satisfactory physical health;
- With little or no income and no assets;
- In receipt of either the Newstart benefit, or the Disability Support Pension;
- Whose family background was characterised by the experience of multiple trauma events, such as parental rejection or violence of one form or another.

Although this information concentrates on a sampling of inner city homeless, the situation is generally replicated in suburban and rural NSW. Are these the people that should be accommodated in not-for-profit boarding houses? In other words is the appropriate model for not-for-profit boarding houses residential aged care for younger people with disabilities. Is this appropriate given that even the best managed aged care facilities of this nature eg Charles Chambers Court and Frederic House are *institutions* non the less?

Another point that should be noted is the fact that removing the profit motive from boarding houses does not lessen the cost if quality accommodation and services are to be provided. The reason that boarding houses are relatively cheap and affordable (even if it means paying 100% of a pension) is because the accommodation and services provided are poor and so cost the operator little. Also, as noted above several people to a room is not uncommon. It needs to be emphasised again that boarding houses, particularly in the licensed industry made/make huge profits because of these reasons.

Similarly in the unlicensed sector companies are either purchasing or leasing houses and letting out rooms to a number of occupants. Local government is generally unable to monitor these developments and standards in these premises are usually low.

Organisations such as the Tenants Union are caught in a difficult dilemma as they attempt to enforce tenancy rights, which basically don't exist for boarders and lodgers, for people living in appalling conditions. But the argument they and other groups use is that it is better to keep the boarding houses open, however poor the conditions, because the alternative is the street.

Non-government organisations in the homelessness/housing and disability sectors have had a lot of experience managing group or shared housing. This is accommodation that houses up to six, non-related residents in a share situation. Usually residents have their own bedroom but cooking, bathroom and entertainment is generally communal. Group/share housing, while offering a better alternative to institutions, crisis accommodation or boarding houses,

has proven to be problematic for many residents and the organisations who manage the accommodation.

Support staff report that resolving conflicts in shared housing is the single most time consuming task they undertake. Problems with tenancy issues are second. Is this a useful deployment of support staff? Experience demonstrates that in smaller arrangements such as two sharing or individual units, less time is spent on conflict resolution and tenancy issues.

In summary the difficulties are many both with current and past congregate living models. There are the factors that lead to social exclusion such as the institutional nature of most licensed boarding houses and the congregating of people with disabilities in the one premises. There is the generally poor standard of accommodation and lack of appropriate support services.

Clearly a main part of the problem has been a lack of regulation and the failure to protect the rights of residents. However, even with higher standards and tenancy protection, questions about the suitability of the boarding house model remain.

2. PRINCIPLES & A MODEL

To overcome the difficulties highlighted in the previous section of this discussion paper, the following principles are suggested:

- Accommodation should be self-contained rather than communal although some communal areas for recreation/social purposes could be developed.

- A social mix of residents is of prime importance. Projects accommodating members of one group e.g. all chronic homeless or all mentally ill, should not be developed.

- Locational issues such as closeness to regular transport, shops and community facilities are primary considerations.

- Support and tenancy management should be considered separately. Housing Associations are well equipped to provide tenancy services whilst government and community agencies can provide support to individuals where and to the level required. Residents should be fully covered under the Residential Tenancies Act.

- Support should be co-coordinated and where necessary brokered by a designated non-government organisation. The organisation should be authorised to ensure appropriate services both government and non-government are responsive to the needs of the individual.

- Support services should be flexible, consumer driven and facilitate the development of living and employment skills. Employment is a key ingredient in sustainable tenancies and has often been overlooked.

- Of particular importance is providing appropriate levels of support with basic living skills with the overall aim to encourage all residents to become better skilled in these areas. This means that group dining rooms and the provision of meals should not be considered as part of the model/s as one example.

- Any development should be as close as possible to that which is available to the general population.

By applying these principles it is suggested that the most viable model is clusters of bed-sits be either purpose built or redeveloped. This would allow for self-contained units but with the possibility of some communal areas. A live-in manager could deal with tenancy and maintenance matters whilst other support services could be delivered at need. For those with disabilities that preclude them from taking care of their daily needs, home care and meals-on-wheels services could be provided. However, the principle of a social mix is imperative.

Private developers have been involved in converting old boarding houses and hotels to bed-sit developments. In some instances it would be preferable for the DOH to buy into these developments to ensure a social mix is achieved. The possibility of tenants housed in these developments gaining equity in the property, on the proviso of no sale for a certain number of years, should be explored. The co-op model could also be useful in this regard.

Some current outreach housing provided by SAAP services are already working with this bed-sit/small unit model. The Matthew Talbot Outreach for example manages a block of six units in the Campsie area. One of the units is used as a communal area and for use by the support worker. This has proven to be both cost effective and successful for the residents.

The Campus model for young people is another positive move in this direction. In fact, the youth housing sector is extremely keen to pursue this type of accommodation and have established their own research projects to examine feasibility.

The aim of this project was to:

…*work collaboratively with the DOH and NGOsw to develop models of boarding house type accommodation for people with limited support needs utilising DOH properties and the management skills of NGOs. It is envisaged that these models would then lead to pilot projects involving the DOH and NGOs in providing this type of accommodation.*

However, through the process of consultation, research and contemplation, it has become clear that it is not boarding house development that is required but self-contained clusters of bed-sits or small units with a social mix of

residents.[6] It is imperative that all the principles articulated above be taken into account.

The project has been conducted in the context of a rapidly shrinking affordable housing[7] market particularly in inner Sydney. But not only do we need to be seeking affordable housing options for those who have been homeless or who have lived in sub-standard accommodation, we must couple this with employment[8] and other support services[9] if we are to find reasonable and not merely cheap solutions.

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[6] Clearly the current DOH priority system needs a total overhaul if the social mix principle is to be achieved but without it we will only continue to foster social exclusion.
[7] The development of an Affordable Housing Strategy by the DOH is to be applauded and it is hoped this discussion paper and subsequent debate will assist in clarifying issues.
[8] It is also important to recognise that relocating people to the south- west and western suburbs of Sydney or to rural areas because housing is cheaper is ultimately self-defeating, as the employment prospects remain low despite the lower level of overall unemployment. Without opportunities for employment we only continue to marginalise the already marginalised.
[9] Health services are of particular importance.