

# **Accessible Housing in Australia**

**A Research Report**

**Consultation Paper**

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**In association with Alan Moran and Associates Pty Ltd**

# 1. Overview

## 1.1. General

Jaguar Consulting, in conjunction with Alan Moran and Associates, have been contracted by the Victorian Building Commission to prepare a research report which can assist any future policy development that governments consider appropriate in relation to accessible housing. The Building Commission is managing this contract in conjunction with the Australian Building Codes Board. This reflects the national focus of the project.

The term “policy” in this document is used in a broad sense and is intended to include a wide variety of options, ranging from no government intervention through to a high level of government intervention. It is important for the reader to remember that this document is part of a research project. It is not intended to imply that any particular policy action will result.

The research report will provide information to assist policy-makers in determining whether additional policy action is required to support the development of accessible housing stock and in determining what policy tools are likely to be most effective and efficient in achieving this.

### ***Defining “Accessible Housing”***

The term “accessible housing” is used in a generic sense throughout this document and should be read as including concepts of *accessible*, *visitable*, *adaptable* and *universal* housing, as appropriate. The purpose of the report is to consider the broad issues of making appropriate housing available to the widest range of people. Hence, its concerns embrace all of these concepts.

The essential elements of the report are to:

- Provide an overview of the current situation in Australia with regard to the supply of, and demand for, accessible housing;
- Identify and describe relevant policy initiatives in relation to accessible housing being pursued in Australia and overseas;
- Develop a clear theoretical framework for the assessment of accessible housing policy options, including identification of the public policy objectives potentially sought via action in this area;
- Develop an appropriate list of policy options for government consideration in relation to accessible housing that is consistent with the theoretical framework developed and draws, at least in part, on the data collected on current policy initiatives; and
- Assess each type of initiative in terms of its key characteristics and benefits and costs, as well as an assessment of the practical performance of such initiatives to date, where possible.

The report will also need to be cognisant of the legislative, regulatory and institutional framework applicable to building in Australia, as well as key institutional, legal and other environmental factors affecting the use of non-building related initiatives to achieve accessible housing goals.

## **1.2. *Achieving adequate accessible housing***

The demand for accessible housing has risen over an extended period and can be expected to increase further into the future. Key drivers of this increasing demand have been the growing proportion of people with disabilities within the population – driven by demographic and other factors – and the increased tendency for people with disabilities to live in the community, rather than in institutional settings. The majority of the existing stock of housing was constructed in times when significantly fewer people with disabilities were living in the community, whereas, more recently, government policies focusing on “care in the community” and “ageing in place” have recognised the positive influence of living in the community on quality of life.

Recognising these issues, significant policy initiatives have already been taken in areas including direct provision by governments of accessible public housing, provision of subsidies for improving the accessibility of private housing and adoption of a range of planning-law based requirements aimed at encouraging or requiring provision of more accessible housing. However, many of these steps have been fragmented and inconsistent. For example, planning provisions have been used to introduce accessible housing provisions at state, territory and even local government levels. More broadly, there is little consistency in the policy approaches adopted in different jurisdictions.

The appropriate scope of accessible housing policy is also an issue on which divergent views appear to exist. For example, some parties believe that the current Australian Standard (*AS4299 Adaptable Housing*) fails to address the needs of ageing Australians, being based on the requirements of people aged between 19-65 years only. More broadly, some recent state and territory initiatives view accessibility as part of a broader “community sustainability” concept, which also embraces energy efficiency, healthy housing construction and community living aspects.

Any potential policies that promote accessible housing must balance the need for equity objectives to be achieved – i.e. ensuring a high availability to those who have need of accessible housing, without imposing undue costs on those without such needs. Important in this respect is cost-effectiveness – i.e. maximising the amount of accessible housing that can be delivered within budget constraints<sup>1</sup>.

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<sup>1</sup> Budget constraints are not limited to the governmental context but also include the amount that the community is prepared to pay.

In this context, it is also necessary to recognise that some elements of accessibility have nil or minimal marginal costs – a perspective underlying some concepts of “universal housing” – while in many cases being equally functional for people with and without disabilities which impact on their daily life. In this context, a focus on the conceptual differences between notions of “visitable”, “adaptable”, “accessible” and “universal” design will be an important part of the analytical task.

The complexities of the requirements involved may suggest that an optimal approach is to combine a range of policy initiatives.

### ***Effectiveness and efficiency of policy initiatives***

Regulatory best practice principles require that, in order to establish that new government policy action is required in any field, a three-part “threshold test” must be satisfied. This involves:

- Identifying a problem and showing that its size is sufficient to warrant government action;
- Demonstrating that government action is the most appropriate means of dealing with the problem; and
- Demonstrating that government action can address the problem effectively at a cost that is proportionate to the benefits being sought, taking into account the risks of unanticipated effects due to policy interventions.

If these conditions cannot be shown to be met, the status quo will be preferred to the adoption of new policy initiatives. The study will, therefore, seek to determine whether government policy actions can be identified that appear to pass the threshold test and thus merit consideration in the accessible housing context.

### ***1.3. Stakeholder consultation***

Stakeholder input is being sought at the outset of the project and is expected to inform the development of the research report in the following key ways:

- Clarifying the nature and extent of demand for accessible housing;
- Specifying the broad nature of housing design and features that improve accessibility and visitability of housing;
- Identifying the range of current and potentially usable policy instruments to respond to any possible need for increased provision of accessible housing;
- Identifying the range of benefits associated with improved provision of accessible housing;

- Identifying stakeholder views on the benefits and costs of different policy instruments;
- Identifying possible long term issues for government and stakeholders if an accessible housing focus is not adopted; and
- Identifying required or desirable collaborations between federal, state, territory and local levels of government in support of accessible housing policy.

In addition, the consultants are working closely with Building Commission staff on the identification and collection of a range of relevant data, including statistical and research materials. Building Commission staff have already provided significant material on current policy initiatives and other research in this area.

Sources of information on policy issues and relevant data being pursued at present include disability advocacy groups, public housing authorities, planning authorities, officials responsible for relevant social welfare programs, as well as building industry groups. Distribution of the current consultation document is being co-ordinated by Building Commission staff and draws on their extensive knowledge of relevant stakeholder groups. The document attempts to identify data needs for the conduct of the research and analysis, while also indicating the proposed scope of the project. In this respect, it also provides the opportunity for stakeholder groups to identify to the consultants additional issues that they believe should be considered.

### ***Consultation processes***

Stakeholders are requested to respond to the current document in writing in the first instance. They are also requested to indicate:

- A primary contact point for use by the consultants in following up issues raised; and
- Whether they wish to be involved in direct consultations with the consultants.

Following the receipt of written comments from stakeholders, it is expected that the consultation process will include:

- Targeted telephone follow-ups, focusing in particular on state and territory housing authorities and peak bodies in the building, disability and aged sectors but also enabling follow-up of specific issues of high importance identified through written submissions;
- Focus group meetings with key stakeholders, comprising those that have indicated a desire for face-to-face meetings in their written consultation responses; and
- Active follow-up by Jaguar Consulting of key stakeholders, as required.

## **2. Identification of key data requirements**

As noted above, the demand for accessible housing has risen significantly in recent decades, while substantial policy action has also been taken to increase supply. In determining whether there is a need for significant additional policy action and, if so, what forms it should take, a detailed understanding of these supply and demand conditions is required. Given these requirements, key information sought from stakeholders includes data on:

- The size, characteristics and needs of relevant groups;
- The level of unfulfilled need, if any, that is evident;
- The range of actual and potential policy responses to any needs; and
- A clear identification of the potential benefits and costs that should be weighed in determining the performance of different potential policy responses available for government consideration.

The following sets out an initial, non-exhaustive list of policy tools and benefit and cost types. Stakeholders are requested to identify other policy options (whether in use or potentially able to be employed) and other relevant benefits and costs.

A key requirement is for stakeholders to indicate, as far as possible, their views on the relative importance of different types of benefit and cost and the relative performance of different potential policy responses. We also seek information on the relative size of the benefits and costs that are likely to be attained by different groups if governments consider that policy action is appropriate. That is, we seek assistance in identifying which groups will be most substantially advantaged and disadvantaged.

Finally, we seek assistance in establishing, as accurately as possible, the current situation in terms of the quantity, quality and distribution of the supply of accessible housing.

### ***2.1. Establish the existing supply of housing with accessibility features***

A starting point for the research must be to establish, as precisely as possible, the supply of accessible housing. This is fundamental to establishing the extent, if any, of unmet demand as well as the likely future extent of any unmet demand in the absence of further policy action. This task, therefore, has both static and dynamic elements.

***a. Estimate numbers of homes of given accessibility functionalities that are available***

The current supply of accessible housing is the result of a range of factors including private investments, subsidies for conversion work provided under a range of government programs, investments by public housing authorities, investment by other welfare groups in provision and/or in funding conversions, and action by planning authorities to require provision in new housing developments.

The supply will include housing that contains accessibility features to different degrees, as well as housing that spans various price ranges and geographic locations. As well, separate consideration must be given to the supply of rental housing.

We seek information on sources of data describing the current supply of accessible housing including data that distinguishes supply in terms of the characteristics cited above.

***b. Estimate trends in new home developments and hence in projected numbers of each category***

Projection of trends in the supply of accessible housing provides the dynamic element in the supply analysis. Many of the policy interventions that have contributed to the current supply are relatively recent. Some will, as yet, have had little, if any, discernible impact on supply but can be expected to be significant in the medium term. Taking proper account of these elements is essential to produce an accurate and relevant “base case” for the study.

We seek stakeholder views and any available analysis of the likely impact of recent policy developments on medium-term supply trends. A particular issue is that of trends in the provision of a range of supported accommodation services specifically geared toward the elderly, and the impact of the growth of this sector on the supply of accessible housing.

***2.2 Beneficiaries of increasing supply of accessible housing***

The following is a preliminary list of groups that would benefit if additional policy action were taken to expand accessible housing. We seek views on whether any additional groups should be identified, as well as information on the relative extent of the benefits accrued by each group from accessibility measures. This latter point is an essential element in helping to target and focus potential policy measures effectively.

**a. Key disability groups**

- People who use wheelchairs
- People with other ambulant disabilities
- People who have low vision
- People who are hearing-impaired
- People who have an intellectual impairment
- People with disabilities wishing to visit friends and family

**b. The aged**

- Recognising the different capabilities of aged people, ranging from fully active and able-bodied to those living in the community with functional limitations, which affect their daily lives.

**c. Families with young children**

- Improved ease of circulation due to wider circulation spaces, lack of steps, wider doorways, wider parking spaces, etc.

**d. The general population**

- As for c. above, but presumably a less substantial benefit.

**2.3. *Potential policy instruments for increasing the supply of accessible housing***

As with Section 2.2, the following represents a preliminary list of potential policy responses that could be presented to governments for consideration. We seek stakeholder views on any other potential policy responses that are considered to have merit. In addition, we seek views on the relative merits of the different potential policy responses set out below, particularly their specific characteristics in terms of ability to meet identified needs.

## **a. Regulatory requirements**

### *a(i). Building regulation*

Identifying existing accessible housing sub-types:

- Accessible housing (degrees of accessibility within this – e.g. ground floor only versus all levels);
- Visitable housing;
- Flexibility of design:
  - Adaptable housing;
  - Universal design - is there any regulatory attempt to adopt this concept?

Identifying existing and expected coverage of accessible housing regulations:

- New build only (with exemptions for certain housing types – e.g. houses/units below a certain floor space size);
- Multi-unit and apartment developments only;
- Renovations (with or without a cost or other threshold for application); and
- Public housing developments.

Identification of current major “accessible” housing initiative across Australia (e.g. Smart Housing QLD, Universal Housing SA, Home for Life ACT, Adaptable Housing NSW)

### *a(ii) Planning requirements*

- Requirements for a proportion of houses in a given development to meet accessibility/adaptability/visitability standards;
- Requirements for accessibility standards within single family dwellings, ranging from basic visitability to adaptable and accessible design;
- Planning provisions to encourage sustainable, accessible living i.e. support of dual occupancy to accommodate ageing parents or home office development;
- Planning initiatives, which include accessibility as a measurable housing quality index; and
- Existing planning controls that support accessibility in housing construction.

## **b. Direct provision**

- Increasing supply of accessible housing through increased investment in accessible public housing.

## **c. Economic incentives**

- Benefits for developers (e.g. increases in plot ratios, partial exemptions or derogations from other planning controls) as an incentive to include certain accessible design elements (on either some or all housing in a given development);
- Grants/subsidies to homebuyers who include certain adaptability/visitability/accessibility elements (similar to solar energy rebates/subsidies);
- Adopting more targeted approaches to the provision of specific requirements (e.g. direct grants to cover installation of rails or other fittings);
- Other funding support, such as financing options, to facilitate voluntary uptake of accessibility/adaptability etc features;
- Regarding rental housing, incentives for landlords to expand supply could include land tax reductions, tax deductions on rental income, accelerated depreciation of expenditures on accessibility, etc; and
- Direct housing subsidies for people with accessibility needs to assist in meeting costs of conversion of existing housing or provide assistance for new construction. Possible mechanisms include direct grants, low-interest loans and equity sharing arrangements.

## **d. Market based solutions**

- Accessible housing registry – i.e. a “clearinghouse” arrangement facilitating purchase and sale of accessible housing;
- Home builder certification programs to encourage voluntary uptake of accessible housing construction by, for example, builders introducing accessibility features to existing home designs through development of a standard “inclusive” home model;
- Offer specifications of accessible home types: decide how many to have built each year in each of a given number of geographic regions and invite tenders for the provision of building subsidies; and
- Accessible housing design awards.

## **e. Awareness and Education**

- Develop a range of initiatives that would aim to increase awareness of the issues of accessible housing, educate industry participants, policy-makers and others on accessible housing issues and policy solutions and provide a range of resources;
- Examples of initiatives could include:
  - An accessible housing information online resource (e.g. [www.home-access.org](http://www.home-access.org));
  - Making technical advice/resources more widely available to assist those seeking to incorporate accessibility measures to do so at minimum cost with maximum utility;
  - Production of public education materials (including advocacy of the benefits of adopting accessible housing options);
  - Developing and implementing education programs focusing on skills development on accessible housing (e.g. disseminating knowledge on “best practices” in relation to design, and/or policy options and implementation issues) for designers, policy-makers and others; and
  - Broader research/advocacy functions, involving identification of needs and proposal of solutions.
- Education of real estate agents and property managers on the positive market benefits of accessible home design for the broader population, including baby boomers, retirees etc.
- Education of building, design and health professionals on the features of inclusive home design at tertiary and continuing professional development (CPD) levels.

### **2.4. Possible benefits of increasing the supply of accessible housing**

Sound policy analysis depends on a full understanding of the benefits that can be achieved by each potential policy instrument, so that all benefits are weighted appropriately against identified costs. Stakeholders are requested to review the list of benefits set out below and to identify any other benefits due to potential accessible housing initiatives. Stakeholders are also requested to comment on the relative importance, in practice, of the different types of benefits.

**a. Direct utility benefits**

- More suitable housing improves lifestyle by increasing the range of feasible activities and reducing the effort involved in completing activities;
- Increased visitability improves social contact;
- Cost reductions due to diminished need for assistance from paid carers; and
- Non-cash benefits due to diminished need for assistance from unpaid carers.

**b. Reduced injuries**

- Accessibility features yield improved safety, thus reduced injuries from falls, etc;
- Reductions in medical costs resulting; and
- Benefits apply to some degree to people without disabilities.

**c. Reduced institutionalisation**

- Utility benefits due to ability to remain in the home;
- Benefits accrue also to those who acquire a disability due to ageing etc, if accessible housing features are available; and
- Cost reductions to state, territory and federal governments due to reduced institutionalisation.

**d. Equity dimensions**

- Provision of accessible housing at no or subsidised cost involves positive income redistribution;
- Intangible benefits, such as living with greater dignity as well as with reduced physical inconvenience, in addition to monetary savings<sup>2</sup>; and
- Equity demands the provision of suitable housing to all.

**e. Other?**

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<sup>2</sup> Bearing in mind that if the intangible benefits arise as a result of a tax or regulatory measure, the net benefit must also take into account other intangible benefits foregone as a result of the gain from the tax/regulatory measure.

## **2.5. Possible costs of increasing the supply of accessible housing**

### **a. Direct costs**

These are the incremental costs of building accessible housing, vis-à-vis the “base case” of non-accessible housing built to existing industry norms. Key issues include:

- The relationship between different degrees of accessibility and costs per habitation; and
- The incidence of the costs for different potential policy options (e.g. all homebuyers pay the cost of building regulation-based accessibility requirements, while taxpayers pay the cost of direct government subsidies and the cost of planning-based requirements may be borne by developers and home-buyers in different proportions).

### **b. Indirect costs**

- Impacts on housing affordability (for example, the recent Productivity Commission inquiry into this issue);
- Impacts on the availability of different housing types (e.g. certain design forms may become uneconomic to build, leading to some consumer preferences being unmet); and
- Any negative impacts on perceived utility/acceptability of housing due to adoption of accessibility requirements (e.g. some research suggests that accessible houses are in some circumstances less acceptable to people without disabilities due to intrusive design elements).

### **c. Other?**

## **3. Reporting**

### **3.1. Overview**

The final report to be produced as the output of the current project will seek to meet a range of objectives. In particular, it will:

- Provide a sufficient dataset to inform discussions regarding the nature and extent of any problems identified and provide a sound basis for assessing the appropriateness of different potential policy responses. This would include a glossary of terms commonly used to define improved access, including “accessible”, “visitable”, “adaptable” and “universal design”;
- Include a full accounting of major policy initiatives in relation to accessible housing being pursued in Australia and, as far as possible, in other comparable countries;

- Include a theoretical discussion of the different potential policy options available for government consideration, their key characteristics and their likely effectiveness in relation to a range of accessible housing policy goals also available for government consideration;
- Include an identification and discussion of the goals and priorities apparently being pursued already in relation to accessible housing by relevant authorities;
- Provide conclusions in relation to effectiveness, targeting and cost issues; and
- Include recommendations on future directions in relation to accessible housing.

### **3.2. Contextual elements**

Key contextual elements within which the above elements would need to be located include:

- “Ageing in place” and related policies, which highlight the interdependence of accessible housing policy with other social policy initiatives and also indicate the multi-faceted nature of the benefits – many intangible – that must be taken into account;
- The potential impact of anti-discrimination legislation, such as the Disability Discrimination Act 1992 (Cth), in relation to potential policy choices and government and other stakeholder obligations in this area;
- Links between potential accessible housing policy actions and other policy actions that focus on improving the ability of people with disabilities to participate in society, including possible inter-dependencies and synergies between these policies; and
- The need to account, as far as possible, for relevant demographic trends, such as the ageing of the population, and to determine the likely impact of these on demand for accessible housing.

## **4. Proposed report outline**

This section provides an indicative report outline. We note, however, that the final shape of the report will, in some respects, depend on the results of the research and the need to present our findings in the most cogent fashion, within the context of the project's terms of reference.

### **1. *Introduction***

Overview of the purpose of the report, definition of major terms and scope of the report.

### **2. *Overview of the supply and demand of accessible housing***

This section will present data on the current extent and types of disability, including predictions of future trends in numbers of people with disabilities. It will attempt to identify, as closely as possible, the size of the groups that would need accessible housing. Data on numbers of people currently experiencing unsuitable housing will be summarised.

This section will then include discussion of the nature of the policy objectives underlying moves to increase accessible housing.

### **3. *Identification of the range of potential solutions***

The measures that could potentially be adopted to enhance the liveability of dwellings for people with disabilities, the aged and the other beneficiary groups identified above and others are almost infinite in number and degree. These include access to the home, appropriate design of kitchens, bathrooms, hallways, bedrooms, bathrooms/toilets, entry, landings, car parking and other facets of the home.

The specification of a small number of standard designs would facilitate analysis of the expected cost impacts of different combinations of design elements with different accessibility implications. The paper will thereby seek to provide data on the range of costs likely to be associated with different potential policy options and on the incidence of those costs. The purpose will be to provide information that will assist in identifying the likely cost-effectiveness of different potential policy tools and the distributional implications of each.

#### **4. List of policy instruments available for government consideration**

A discussion, in general terms, of the key characteristics of different types of potential policy responses to any problems identified, which will facilitate the analysis of the identified policies in the following section.

This will include a discussion of potential policies with respect to characteristics such as:

- Establishing the different levels of requirements that are to be set.
  - i. Is the focus all buildings, or parts of them?
  - ii. Should there be different levels of requirements (e.g. should it be a requirement that a given percentage of new houses be accessible or visitable and should this requirement be accompanied by measures to promote this)?
- Different degrees of compulsion versus incentive-based regimes.
  - i. Taxes or fees for non-compliance;
  - ii. Regulatory requirements and their incidence on builders, house owners, renters etc; and
  - iii. Incentive payments for providing accessibility, perhaps graduated for different levels of accessibility.
- Researching public empathy and understanding of the issues involved and establishing likely points of resistance, which could potentially be used to devise promotional approaches if considered appropriate.
  - i. Use of advertising campaigns;
  - ii. Employing public relations campaigns using press articles and ministerial addresses;
  - iii. Use of the internet and direct mail (perhaps accompanying other material like rates notices and utility bills); and
  - iv. Tapping the resources and coverage of the philanthropic sector to facilitate the achievement of greater public awareness and knowledge of the issue.

## **5. *Policy landscape***

This section will describe the range of policies currently in place, or under development, in Australia and elsewhere. It will be arranged according to the list discussed in Section 2, above, in order to provide an appropriate structure for comparison of the different potential policy tools. It will be supplemented by inclusion of any other potential policy approaches identified via literature research or the application of general policy principles.

This section would also include a benefit/cost assessment for each potential policy instrument discussed. This would need to combine qualitative and quantitative elements. The focus would be on providing generic guidance on the benefits and costs of that policy tool, rather than the performance of the tool as implemented in particular. That said, a critical discussion of the performance in practice of different tools would also be included.

## **6. *Critical/comparative discussion***

This section will focus on the “scope” and effectiveness of the different potential tools and focus, in particular, on the links between potential policy tools and the issue of compatibility of different instruments.

## **5. Contact details**

The primary consultants for this project are:

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Responses to this document are requested by 23 May 2005. They should be mailed to the following address:

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