

# **Election Evidence Brief: Housing and Homelessness.**

This project was supported via the Collaborative Research Partnership of Uniting Vic.Tas with the Centre for Social Impact (CSI) Swinburne.

## Foreword by Bronwyn Pike, CEO Uniting Vic.Tas.

I am very proud to present the first evidence-based briefing by Uniting Vic.Tas and the Centre for Social Impact, Swinburne. This briefing seeks to bring key elements of the extensive evidence base and Uniting's practical experience together to enable Victorians to make informed choices on election day and to provide Victorian policymakers with realistic means of addressing homelessness in the next term of government.

As Victoria's homelessness crisis deepens, driven by chronic underinvestment in social and affordable housing and exacerbated by poverty and the rising cost of living, informed solutions are more important than ever before. Victoria is at a critical juncture with a unique, once-in-decades opportunity to effectively address homelessness and its devastating social and economic consequences. This will require new and substantial infrastructure investment by the incoming government to be matched with innovative and complementary service frameworks, along with other targeted initiatives.

Our collective response to the COVID-19 pandemic taught us that if we work together, we can make immediate and serious inroads in addressing homelessness. The lessons and achievements in driving down homelessness with a purposeful sense of urgency must not be forgotten. Having learned that collective and targeted action works (including supplementary benefits, suspension of evictions, rental reprieves, etc), we must make permanent changes to our responses to homelessness.

Homelessness can be turned around, but market forces and state housing investment cannot achieve this alone. Long-term strategy, evidence-based social policy settings such as Housing First principles, and well-funded holistic models of service coordination targeting the most vulnerable are also required.

Uniting Vic.Tas (Uniting) operates 13 dedicated homelessness programs across Victoria in both regional, rural and metropolitan areas. It is the intake and assessment point for government-funded homelessness services in Southeast Melbourne, Sale, Horsham, Stawell, and Ballarat. Uniting also operates multiple services that interact with people who are experiencing or at risk of homelessness. These include social, affordable and retirement housing, emergency relief, mental health, family violence, and alcohol and other drug programs. In partnership with Uniting Housing Victoria, Uniting manages 930 tenancies in Victoria. Uniting is committed to making housing a priority for Victoria and has pledged \$20M to help build 500 new affordable housing projects across Victoria by 2024.<sup>1</sup>

The Victorian Parliamentary Inquiry into Homelessness was delivered in March 2021. The Inquiry made a significant contribution to ending homelessness in Victoria. Unfortunately, we are yet to see the Victorian Government formally respond. The inquiry received 450 submissions (including from Uniting) and conducted 18 hearings, most of which occurred during COVID-19 lockdowns.<sup>2</sup>

The delayed government response not only breaks with the parliamentary convention of responding to Inquiry reports within six months but has also significantly eroded the confidence of the social service sector in the government's commitment to seriously address homelessness. The government and alternate government should remedy this by responding to the Inquiry report, including its 23 findings and 37 recommendations.<sup>3</sup>

We look forward to hearing from all candidates about their plans to end homelessness in Victoria and if they will support the recommendations of this briefing.

<sup>&</sup>lt;sup>1</sup> Uniting Vic.Tas., "Uniting Vic.Tas submission to Social Housing Regulation Review Consultation Papers 2 and 3," (Melbourne: Uniting Vic.Tas, 2021).

<sup>&</sup>lt;sup>2</sup> B. Kolovos, "Victorian government fails to respond to cannabis and homelessness inquiries before deadlines," *The Guardian*, 7 September 2022.

<sup>&</sup>lt;sup>3</sup> Victorian Parliament, Legislative Council Legal and Social Issues Committee Inquiry into homelessness in Victoria, (Melbourne: Parliament of Victoria, 2021).



# What the evidence is telling us.

# **Introduction by Professor Erin Wilson, Uniting Chair in Community Services Innovation Centre for Social Impact Swinburne.**

Victorian researchers have shown nationally and internationally the substantial costs of homelessness. There is also now an irrefutable evidence base for intervention design to deliver housing and wellbeing outcomes to people experiencing homelessness in the form of Housing First models.

In 2022, the Centre for Social Impact at Swinburne University of Technology partnered with Uniting Vic.Tas to add to this evidence base by measuring the outcomes experienced by consumers in the state government funded Homelessness to a Home program. Studies such as this one address the criticism of the Auditor General at the lack of outcomes data related to government investment in community services. The evidence is clear and underpins calls from civil society, economists, and researchers to invest in addressing homelessness. Not to do so runs counter to this evidence base.

## Homelessness is a deepening problem.

Census data from 2016 reported that 24,817 Victorians were homeless on Census night, an 11 per cent increase since the 2011 Census.<sup>4</sup> The situation is almost certainly far worse, given these figures are widely accepted as a significant understatement of the true scale of Victoria's homelessness problem, particularly as data collection is difficult for certain vulnerable groups (such as young people and Indigenous Victorians).

In 2020-21, some 105,500 consumers were provided specialist homelessness services (SHS) in Victoria – 38 per cent of the national SHS population.<sup>5</sup> After the Northern Territory, Victoria had the highest rate of consumers accessing SHS.<sup>6</sup> The long-term cost to Victoria's economy of this is in the billions; the intergenerational damage to the state's social fabric is beyond measure.

# Victoria has a chronic social housing deficit.

Victoria has experienced a steady decline in the proportion of dwellings available for social housing over recent decades, significantly deepening the state's homelessness crisis. In June 2021, there were 85,969 social housing dwellings in Victoria, of which 64,209 were public housing, 19,751 community housing, and 2,009 Aboriginal community housing.<sup>7</sup> In 2021, Victoria's proportion of social housing households was 30 per cent less than the national average of 4.2 per cent. This proportion has dwindled over time, dropping from 3.5 per cent in 2014 to 2.9 per cent in 2021.<sup>"8</sup> Over a third of Victorians seeking SHS in 2020-21 had experienced a housing crisis.<sup>9</sup>

Meanwhile, the waitlist for public and community housing in Victoria has grown steeply over the past five years, from 35,392 in June 2017 to 54,945 in March 2022 – an increase of 55 per cent. This increase is almost entirely comprised of people in priority need – 18,574 households were added to the priority list over this period.<sup>10</sup>

<sup>&</sup>lt;sup>4</sup> ABS, "Census of Population and Housing: Estimating Homelessness," (Canberra: ABS, 2016).

<sup>&</sup>lt;sup>5</sup> AIHW, "Specialist homelessness services annual report 2020–21: Victoria factsheet," (Canberra: AIHW, 2021).

<sup>&</sup>lt;sup>6</sup> AIHW, "Specialist homelessness services annual report 2020–21," (Canberra: AIHW, 8/12/2021 2021). The highest rate of SHS clients was in the Northern Territory where there were 411.5 clients per 10,000 population, followed by Victoria (157.6) and Tasmania (121.5).

<sup>&</sup>lt;sup>7</sup> Victorian Ombudsman, "Investigation into complaint handling in the Victorian social housing sector," (Melbourne: Victorian Ombudsman, 2022).

<sup>&</sup>lt;sup>8</sup> AIHW, "Housing Assistance in Australia: Housing assistance in Victoria," (Canberra: AIHW, 2022).

https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/state-and-territory-summarydata.

<sup>&</sup>lt;sup>9</sup> AIHW, "Specialist homelessness services annual report 2020–21: Victoria factsheet."

<sup>&</sup>lt;sup>10</sup> S. Convery, "Public housing waitlist in Victoria balloons by 55%: 'I'd never get anything, so why bother?'," *The Guardian*, 20 May 2022.



Uniting has welcomed the Victoria Government's Big Housing Build commitment to construct 12,000 new dwellings across metropolitan and regional Victoria over a four-year period.<sup>11</sup> The Big Housing Build, however, falls well short of the state's actual social housing need. A 2018 Melbourne University study, for example, found the state faced a shortage of at least 164,000 housing units that are affordable and available to very low and low-income households. The report recommended a target of 30,000 housing units by 2029.<sup>12</sup>

Uniting joins other service organisations and our Peak Body the Victorian Council of Social Services (VCOSS) in calling for the construction of **60,000 new public and community homes by 2031**.<sup>13</sup> Only such a significant and sustained investment can reverse the rising homelessness trend over coming decades. To best guide this investment, the Government must finalise and publish its work begun in February 2021 on a Ten-Year Social and Affordable Housing Strategy for Victoria.

# **RECOMMENDATION:** The next Victorian Government should commit to the construction of 60,000 new public and community homes by 2031 and finalise and release its 10-year Strategy for Social and Affordable Housing.

## Housing First works.

Mounting international and Australian experience strongly supports the adoption of a 'Housing First' model to tackling Victoria's homelessness crisis.<sup>14</sup> Housing First provides vulnerable people, at the outset, with safe, ongoing housing, after which wraparound support is offered by a multidisciplinary team. This has proven the most effective means of addressing risk and trigger factors contributing to consumer vulnerability.

During the COVID-19 pandemic, Victoria allocated \$150M to implementing the Homelessness to Home (H2H) program, which is based on Housing First principles and aims to provide medium to long-term housing and support for 1,845 households in regional and metropolitan areas. Uniting, as part of a consortium with CatholicCare, administers the H2H program in the Central Highlands, Wimmera, and southwest regions of the state.

As part of Uniting's consumer-focused model, we recently surveyed people receiving support in these homes. Respondents were asked to explain the 'biggest change' resulting from the program. Eleven people highlighted that the program had given them stability in many areas of their life including education and work. For all respondents the change in life had been transformative. Ninety per cent of respondents reported improvement to mental health and having meaning and purpose, while 86 per cent were managing their health better and 81 per cent reported improvement in their employment status. They consistently reported a greater sense of stability and security, improved health management (including mental health), addressing drug addiction, and an improved capacity to return to education and the workforce.<sup>15</sup>

Uniting has joined with other community service providers in expressing disappointment and frustration that the government declined to provide ongoing funding to the H2H program in its most recent budget.<sup>16</sup>

# **RECOMMENDATION:** The next Victorian Government should partner with the community services sector to develop Housing First accommodation with associated wrap-around supports available onsite and extend the successful H2H program.

<sup>&</sup>lt;sup>11</sup> Premier of Victoria, "Victoria's Big Housing Build, Media Release by Premier Hon. Daniel Andrews, 15 November," (Melbourne: Victorian Government, 15 November 2020).

<sup>&</sup>lt;sup>12</sup> M. Palm, K. Raynor, and C. Whitzman, "Project 30,000: Producing Social and Affordable Housing on Government Land," (Melbourne: Melbourne University, 2018).

<sup>&</sup>lt;sup>13</sup> VCOSS, "Build on the Big Housing Build: VCOSS Submission to Consultation Paper on the 10-Year Strategy for Social and Affordable Housing," (Melbourne: VCOSS, 2021).

<sup>&</sup>lt;sup>14</sup> C. Roggenbuck, "Housing First: An evidence review of implementation, effectiveness and outcomes, report prepared by AHURI," (Melbourne: Australian Housing and Urban Research Institute 2022).

<sup>&</sup>lt;sup>15</sup> E. Wilson et al., "Light at the end of the tunnel: Outcomes from the Homelessness to a Home program," *Parity* 35, no. 8 (2022).

<sup>&</sup>lt;sup>16</sup> Uniting Vic.Tas., "Victorian Budget a `missed opportunity' for our most vulnerable, Media Release by Uniting Vic.Tas," (4 May 2022).



## Targeted solutions are necessary.

While homelessness typically arises from a complex web of interrelated factors, it is consistently clear that those most vulnerable to experiencing homelessness are women and children experiencing family violence, youth, Indigenous Victorians, and those suffering mental illness.

In 2020-21, Victorian women and children experiencing family and domestic violence comprised 47 per cent of all those seeking SHS in the state, compared to 39 per cent nationally.<sup>17</sup> Since 2011-12, the number of SHS consumers nationally who have experienced family and domestic violence increased by an annual average of 4.2 per cent.<sup>18</sup> Only a targeted framework, incorporating evidencebased recommendations of research and recent key inquiries, will immediately address the link between family and domestic violence and homelessness. Notwithstanding the disproportionate impact on women, there remains limited research on women experiencing homelessness; this knowledge gap must be immediately addressed.<sup>19</sup>

#### **RECOMMENDATION:** The next Victorian Government should design and develop a family and domestic violence housing framework of targeted policy, housing design and integrated wraparound services and implement relevant recommendations of the Royal Commission into Family Violence.

While the ABS acknowledges difficulties in reliably estimating youth homelessness because of nonparticipation in the Census and lack of data on 'couch surfing', the 2016 Census did reveal that in Victoria there were some 6,370 children and young people (aged 12 to 24 years old) who were homeless. This is over a guarter of all homeless persons in the state and represents around 65 persons per 10,000 in the 12–24-year-old population.<sup>20</sup> Targeted planning is required to address the particular challenges faced by young people experiencing homelessness.

#### **RECOMMENDATION:** The next Victorian Government should develop a Youth Homelessness Action Plan that includes more targeted investment in youth interventions to ensure young people are receiving the specialist services they need, including access to safe, stable and affordable accommodation, help to engage in employment, education and training, and support to maintain connection to family.

In 2019, **Indigenous Victorians** made up less than 1 per cent of all Victorians but represented almost 10 per cent of homelessness service users.<sup>21</sup> In the 2017-18 financial year, 9,428 Indigenous Victorians used homelessness services. This figure had increased 22 per cent over a three-year period, compared to a 10 per cent increase in the general population.<sup>22</sup>

Although Indigenous Victorian SHS consumers represent a smaller proportion of SHS consumers in Victoria (10 per cent) compared to Australia (27 per cent), Indigenous Victorians are overrepresented in homelessness data. In 2020, Victoria had the highest rate of Indigenous consumers accessing homelessness services (1,679.6 per 10,000 Indigenous people) of any jurisdiction in Australia.<sup>23</sup>

The H2H program is an example of how targeted service delivery achieves better outcomes for Indigenous consumers. In April 2022, some 376 Indigenous Victorians were supported through the program. Of these, 264 moved into their new homes totalling 17 per cent of total program participants.24

<sup>&</sup>lt;sup>17</sup> AIHW, "Specialist homelessness services annual report 2020–21: Victoria factsheet."

<sup>&</sup>lt;sup>18</sup> AIHW, "Specialist homelessness services annual report 2020-21."

<sup>&</sup>lt;sup>19</sup> Emily Box, Paul Flatau, and Leanne Lester, "Women sleeping rough: The health, social and economic costs of homelessness," *Health & Social Care in the Community* (2022), https://doi.org/https://doi.org/10.1111/hsc.13811, https://onlinelibrary.wiley.com/doi/abs/10.1111/hsc.13811.

<sup>&</sup>lt;sup>20</sup> C. Roggenbuck and J. Davison, "Positioning Paper: Towards a Youth Homelessness Strategy for Victoria, prepared by AHURI, Australian Housing and Urban Research Institute Limited, Melbourne.," (Melbourne: Australian Housing and Urban Research Institute, 2021).

<sup>&</sup>lt;sup>21</sup> Uniting Vic.Tas., "Uniting Vic.Tas. submission to the Inquiry into Homelessness in Victoria," (Melbourne: Uniting Vic.Tas., January 2020).

<sup>&</sup>lt;sup>22</sup> Uniting Vic.Tas., "Uniting Vic.Tas. submission to the Inquiry into Homelessness in Victoria."

<sup>&</sup>lt;sup>23</sup> AIHW, "Specialist homelessness services annual report 2019-20," (Canberra: AIHW, 2020).

<sup>&</sup>lt;sup>24</sup> Victorian Government, Victorian Government Aboriginal Affairs Report 2021, (Melbourne: Victorian Government, 2021).



Another program found to be delivering better results for Indigenous Victorians are the Open Access Centres. These centres provide a safe and welcoming place for vulnerable people to socialise, shower and have meals. They are uniquely placed to support Indigenous Victorians facing homelessness. The centres play a significant role in reengaging people who are significantly marginalised and offer access to a 'one-stop shop' service coordination hub in an informal environment.

Uniting joins with other community service providers such as the Community Housing Industry Association of Victoria25 in calling on the government to genuinely engage with and adopt the Victorian Aboriginal Housing and Homelessness Framework Mana-na woorn-tyeen maar-takoort. The framework includes the target of providing more than 5,000 social housing properties dedicated to Indigenous Victorians by 2036 to meet rising demand.<sup>26</sup>

#### **RECOMMENDATION**: The next Victorian Government should act on the Objectives and Priority Actions of the 2020 Victorian Aboriginal Housing and Homelessness Framework Mana-na woorn-tyeen maar-takoort, including meeting its commitment that at least 10 per cent of all new social housing be allocated to Indigenous Victorians.

**People experiencing mental illness** are disproportionately affected by homelessness. Victorian mental health service providers report the number and complexity of homeless and mentally ill presentations is continuing to increase.<sup>27</sup>

Victoria's comprehensive Royal Commission into Victoria's Mental Health System specifically identified people with mental illness as a priority group. It made a range of recommendations aimed at providing additional specially designed housing and improved service delivery for people with mental illness.

People experiencing severe mental illness are frequently structurally disadvantaged and have difficulty navigating the housing system. They experience stigma and discrimination, which makes securing and maintaining housing difficult. People with mental illness also frequently lack the independent living skills necessary to access and maintain housing and optimise quality of life. In a positive step, the government has recently partnered with Uniting Prahran in a 12-month pilot program to expand capacity to provide emergency relief and upgrade facilities for those seeking mental health, employment, and family violence services.<sup>28</sup>

**RECOMMENDATION**: The next Victorian Government should adopt the recommendations of the Royal Commission into Victoria's Mental Health System relating to supported housing for adults and young people with mental illness. The government should also give further consideration to community mental health services that actively support housing and homelessness supports.

## Poverty and the cost of living.

Like other Australians, Victorians have experienced significant rises in the cost of living in recent years. This is most keenly felt with rental increases, which push greater numbers of Victorians into rental stress, where 30 per cent or more of household income is directed to rent. Rental increases have been especially steep in regional Victoria, where some towns have experienced hikes as high as 20 per cent over the past year.<sup>29</sup> Rental vacancy is below 1 per cent in every regional area in Victoria except one. Meanwhile, demand has increased rents in every council area outside Melbourne except one over the past year.<sup>30</sup>

<sup>&</sup>lt;sup>25</sup> Community Housing Industry Association Victoria, "Beyond the Big Housing Build: CHIA Vic State Election Platform 2022," (Melbourne: CHIA VIctoria, 2022).

<sup>&</sup>lt;sup>26</sup> Aboriginal Housing Victoria, Mana-na woorn-tyeen maar-takoort: Every Aboriginal Person Has A Home: The Victorian Aboriginal Housing and Homelessness Framework, (Melbourne: Aboriginal Housing Victoria, 2020).

<sup>&</sup>lt;sup>27</sup> Alfred Mental and Addiction Health – Housing Reference Group, "Submission to the Inquiry into Homelessness in Victoria," (Melbourne: Alfred Mental and Addiction Health – Housing Reference Group, 2020).

<sup>&</sup>lt;sup>28</sup> Victorian Government, "Boosting support for vulnerable Victorians, media release by Hon. Anthony Carbines MP," (6 May 2022).

<sup>&</sup>lt;sup>29</sup> E. Redman and T. Razaghi, "'Gone up astronomically': Rents spike in regional Victorian towns," *Sydney Morning Herald* (Sydney), 15 July 2022.

<sup>&</sup>lt;sup>30</sup> M. Heagney, "Leanne Gray has worked for 35 years. Now she can't find a rental and lives in an unheated 'tin can'," *The Age* (Melbourne), 11 August 2022.



The rising cost of living and housing affordability pressures have combined with Victoria's chronic social housing under-investment to create a perfect storm. Many Victorians are being pushed from rent stress toward homelessness, while those already homeless are seeing the likelihood of returning to a safe and stable home dwindle week by week.

In 2021, Uniting and Swinburne Centre for Social Impact surveyed the impact on lower income households of the withdrawal of the federal Coronavirus Supplement. The study supported numerous other studies in demonstrating the strong interconnection between adequate income and housing support and an individual's ability to meet basic needs for themselves, their family and children. Predictably, respondents reported significant negative impacts on their lives as a result of the withdrawal of the supplement. The impacts listed and their correlation to reduced income were, however, highly informative. Major negative impacts included the ability to eat well (affecting two-thirds of respondents), mental health impacts (63 per cent of respondents), financial insecurity (57 per cent), and housing situation (44 per cent).<sup>31</sup>

Uniting recently undertook further research in partnership with the Swinburne Centre for Social impact in order to better understand the impact of cost of living rises on consumers of community services. This research provides further evidence that the rising cost of living is deepening financial, housing and food insecurity, impacting mental and physical health, while also increasing social isolation for Victorians on low incomes. Pressure from rising cost of energy bills was reported by two thirds of respondents (66 per cent) with more than half (55 per cent) reporting pressure from rising costs of fuel and petrol. Likewise, cost increases related to housing were pressure points for more than 50 per cent of respondents (rental and mortgage rate increases).<sup>32</sup>

Uniting has previously called on the Victorian Government to increase funding to tenants under the Private Rent Assistance Program. This measure, to which Uniting remains committed, is necessary to keep more people with stable but low incomes in their homes during periods when they find themselves on the edge of homelessness.<sup>33</sup>

Recent increases to Commonwealth welfare payments, including JobSeeker, Parenting Payment, the Aged Pension and Rent Assistance, are extremely modest and mostly inflationary adjustments which fall well below what is required to seriously arrest the impacts of the rising cost of living.

Research by the Australian Housing and Urban Research Institute found that Commonwealth Rent Assistance simply does not go far enough in reducing housing stress for a significant share of low-income private renters. Over one-third (34 per cent) of low-income CRA recipients still carry a net housing cost burden of more than 30 per cent after CRA is deducted from their rents. Nearly one in five carry a net housing cost burden of over 40 per cent and nearly one in ten bear a severe housing cost burden of 50 per cent after deducting CRA from rents. <sup>34</sup>

**RECOMMENDATION**: The next Victorian Government should strongly appeal to Australian Government for an increase to the JobSeeker rate of at least \$70 a day, an increase of 50 per cent to Commonwealth Rent Assistance, and ensure parenting payments provide an adequate safety net for families reliant on them.

# Innovation.

Given its complexity and multifactorial nature, homelessness demands a concerted integration of both policy and data as well as joined-up service design and coordination. Policy coherence in such a multifaceted area is critical, as is establishing enduring data linkages to improve the evidence base for action on homelessness. It is only through such complementarity across the active service sector that the challenges of Victoria's homeless crisis can be effectively met.

<sup>&</sup>lt;sup>31</sup> Wilson, E., Sama, M., and Johnson, T. (2021), '*No fighting chance': Impact of the withdrawal of COVID-19 income and tenancy benefits*. Melbourne, Uniting (Victoria and Tasmania)

<sup>&</sup>lt;sup>32</sup> Wilson, E., Churchus, C. and Johnson, T. (2022), '*Can't afford to live'. The impact of the rising cost of living on Victorians and Tasmanians on low incomes*. Melbourne, Uniting (Victoria and Tasmania).

<sup>&</sup>lt;sup>33</sup> Uniting Vic.Tas., "Uniting Vic.Tas. submission to the Inquiry into Homelessness in Victoria."

<sup>&</sup>lt;sup>34</sup> Ong, R., Pawson, H., Singh, R., and Martin, C. (2020) Demand-side assistance in Australia's rental housing market: exploring reform options, AHURI Final Report No. 342, Australian Housing and Urban Research Institute Limited, Melbourne



It is positive, for example, that Victoria's Big Housing Build has been complemented with the work of the Social Housing Regulation Review.<sup>35</sup> The anticipated 10 per cent lift to the state's housing stock over four years must be matched with regulatory reform. A key reform the government must pursue is to place tenants at the centre of the state's housing strategy. The Social Housing Regulation Review identified a widespread sense of marginalisation by tenants and rightly proposed embedding tenant involvement in, "policy and regulatory development and decision-making".<sup>36</sup> The review made important findings about tenant disengagement and outlined possible pathways to reform.<sup>37</sup>

The final report of the Social Housing Regulation Review – and the government's response - remain outstanding. Given the report was delivered to the Minister in May 2022 and the substantial positive contribution it can possibly have on policy development, its publication should be expedited as a matter of priority.

# **RECOMMENDATION**: The next Victorian Government release and respond to the Social Housing Regulation Review and work with service organisations to develop and implement a tenant-centred housing regulation model.

There remains no consistently applied definition of 'homelessness' in either Australia or indeed across the Victorian social sector. Datasets collected and maintained by service providers, which are often particularly rich with client and service data, remain unintegrated. Consistent management of monitoring and reporting, coupled with a focus on reporting outcomes instead of focusing on activity, are important steps government and civil society must take to ensure a more collaborative approach to genuinely addressing homelessness in Victoria.

Recent studies in the field of family and domestic violence, flowing from the *National Plan to Reduce Violence against Women and their Children*, have shown the value in data integration (aka data linkage), particularly in relation to developing a consistent evidence base and holistic service planning in response.<sup>38</sup> Such data integration across homelessness service providers would be significantly valuable in preventing homelessness, shortening its duration, and wrapping coordinated services around tenants to keep them housed.

## Funding innovation and partnerships.

A welcome development in recent years has been the rethinking of financing social and affordable housing outside traditional and usually exclusively government funding models. The Adelaide-based Aspire program, for example, is Australia's first homelessness intervention financed by private investors through a social impact bond (SIB). Founded on the Housing First approach, key aspects of the Aspire program were unlikely to have been funded by a traditional government funding model with the level of resourcing provided by the SIB. The Aspire SIB met the social and financial expectations of all stakeholders – government, service provider, broker and investors – and provided consumers with person-centred, flexible, holistic and coordinated case management over a sustained period.<sup>39</sup>

Recent social impact investment initiatives, which typically allow service providers a greater and more effective degree of flexibility, include the Journey to Social Inclusion (J2SI) project of the Sacred Heart Mission. J2SI is funded by a consortium of government, philanthropy, and an investor. In accord with a social impact investment approach, payments are made to investors if the J2SI program achieves specific outcomes. Across 2020 and 2021, J2SI outperformed all payment targets for the first two cohorts of 60 participants, with 90% of J2SI clients in stable housing, and the use of 'hospital bed days' by clients was cut by 56% compared to before commencement of the program.<sup>40</sup>

# **RECOMMENDATION**: The next Victorian Government work with relevant mix of investors and the state's service sector to develop homelessness intervention funding for both social and

<sup>&</sup>lt;sup>35</sup> Victorian Government, Social housing in Victoria: Interim report of the Social Housing Regulation Review, (Melbourne: Victorian Government, 2021).

<sup>&</sup>lt;sup>36</sup> Victorian Government, Short Social housing in Victoria: Interim report of the Social Housing Regulation Review.

 <sup>&</sup>lt;sup>37</sup> Victorian Government, Social Housing Regulation Review Tenant Voice Project, (Melbourne: Victorian Government, 2022).
<sup>38</sup> AIHW, "Family, domestic and sexual violence: National data landscape 2022," (Canberra: AIHW, 2022).

<sup>&</sup>lt;sup>39</sup> V. Coram et al., *Evaluation of the Aspire Social Impact Bond: final report* (Centre for Social Impact, 2022), Evaluation. https://apo.org.au/node/318409.

<sup>&</sup>lt;sup>40</sup> Sacred Heart Mission, "Journey to Social Inclusion program outperforms its targets, Media Release 13 December," (Melbourne: Sacred Heart Mission, 13 December 2021).



# affordable housing and homelessness services from private investment, in partnership with government.

## Peer workers ensure effective engagement.

The challenges facing people who have been homeless for protracted periods are significant and last well beyond their homeless period. The social stigma of homelessness and associated complex trauma mean that in a great many cases only peer support workers can genuinely engage these consumers.

Uniting has found peer support workers especially effective in the early engagement and intervention with people experiencing homelessness. Peer support workers not only encourage program participation by people experiencing homelessness but also embody the transformative potential of this engagement with their own life histories. Their involvement has a positive impact on consumers experiencing homelessness by building relationships on shared experience and the ability to empathise and develop mutual trust and understanding.<sup>41</sup>

A small number of peer support workers are currently working across Victorian homelessness services. Scaling up these programs will build on this success and further strengthen the capacity to end homelessness in Victoria. Uniting agrees with the Council to Homeless Persons call for a funding stream dedicated to peer workers across the state.<sup>42</sup> This initiative should be accompanied by the development of appropriate guidelines to ensure peer workers are fully supported in their difficult work.<sup>43</sup>

# **RECOMMENDATION:** The next Victorian Government should fund a peer worker program in each of the Department of Families, Fairness and Housing's nine regions.

# The value in getting it right.

The value of action and the cost of inaction on homelessness are increasingly quantified and understood across civil society. In 2021, an average of 133 requests for specialist homelessness services went unmet each and every day in Victoria.<sup>44</sup> This represents both a worsening social crisis and a lost economic opportunity for the state economy given the economic windfall for acting effectively and early.

In Victoria, the J2SI program of the Sacred Heart Mission targeted people experiencing chronic homelessness, facilitating rapid access to housing and sustaining that housing. Additionally, the J2SI program sought improved health and wellbeing outcomes, increased social and economic participation, as well as increased capacity for independence. After three years (2016-19) of the program, studies found that for every \$1 invested in the program, \$1.84 was returned in health and justice cost savings compared to the control group. Mean health services costs were some \$6,000 lower for J2SI participants than the control group. Similarly, mean justice service costs were roughly \$2,000 lower for J2SI participants than the control group.<sup>45</sup> Overall, the program resulted in \$32,293 savings to the Victorian economy per participant.<sup>46</sup>

A recent study by the Swinburne University of Technology Centre for Urban Transitions has identified the cost of homelessness to the national economy in areas such as health, justice, and education to be \$676.5 million annually, rising to \$1.286 billion by 2036.<sup>47</sup> Simply, the cost of inaction far outweighs any of the spending measures recommended by Uniting and other service agencies to address the rising tide of homelessness.

<sup>&</sup>lt;sup>41</sup> S. L. Barker and N. Maguire, "Experts by Experience: Peer Support and its Use with the Homeless," *Community Ment Health J* 53, no. 5 (Jul 2017), https://doi.org/10.1007/s10597-017-0102-2.

 <sup>&</sup>lt;sup>42</sup> Council to Homeless Persons, "A plan to end homelessness in Victoria," (Melbourne: Council to Homeless Persons, 2022).
<sup>43</sup> J.A. Miler et al., "Provision of peer support at the intersection of homelessness and problem substance use services: A systematic 'state of the art' review," *BMC Public Health* 20 (05/07 2020), https://doi.org/10.1186/s12889-020-8407-4.
<sup>44</sup> AIHW, "Specialist homelessness services annual report 2020–21: Victoria factsheet."

<sup>&</sup>lt;sup>45</sup> A. Seivwright et al., "Chronic Homelessness in Melbourne: Third-Year Outcomes of Journey to Social Inclusion Phase 2 Study Participants," (St Kilda: Sacred Heart Mission, July 2020).

<sup>&</sup>lt;sup>46</sup> Sacred Heart Mission, "Ending chronic homelessness in Melbourne: outcomes of the Journey to Social Inclusion Phase 2 study - snapshot," (St Kilda: Sacred Hearth Mission, 2020).

<sup>&</sup>lt;sup>47</sup> C.A. Nygaard, "Cost of inaction: social and economic losses from the social and affordable housing shortage; The urgent case for social and affordable housing investment," (Melbourne: Swinburne University of Technology Centre for Urban Transitions, 31 March 2022 2022).



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