

## National Housing and Homelessness Agreement Review

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**Submission by Uniting Vic.Tas, 17 March 2022**

**This submission is a response from Uniting Vic.Tas (Uniting) to the Productivity Commission's issues paper for its review of the National Housing and Homelessness Agreement (NHHA).**

### Overview

#### Key points

Uniting believes that affordable, safe and secure housing is an essential human right that underpins a person's capacity to live a dignified, healthy and meaningful life within their community. In our view, the fundamental solution to the challenge of housing stress and homelessness is long-term commitment and investment to build and provide a wide range of affordable, safe and secure housing options that allow all Australians to lead a dignified life in stable housing communities.

We are a member of Victoria's peak body for community housing providers, CHIA Victoria. We endorse the submission of its national organisation, Community Housing Industry Association (CHIA), to this important review.

Our submission builds on this shared position by including additional information from our direct service delivery experience. Uniting provides a range of services and supports to people experiencing financial and other disadvantage, which gives us a broad picture of the barriers and complexity faced by people in insecure housing or experiencing homelessness.

We make the following recommendations for the Productivity Commission's consideration:

- The next NHHA must contain specific, measurable targets about:
  - » Reducing homelessness, including effective service delivery approaches such as Housing First
  - » Appropriate and sufficient housing options for First Nations communities
  - » Net increases in available and affordable long-term housing options
  - » Annual increases in social housing stock, including accessible dwellings.
- There must be performance indicators and a formal performance reporting framework to go alongside this. Performance should be reported publicly.
- The NHHA should be accompanied by a 10 Year National Housing Strategy, with the two documents working towards a shared vision and outcomes and performance framework.
- The NHHA must reflect contemporary best practice around achieving long-term housing outcomes for people experiencing disadvantage and homelessness, specifically, including investment in Housing First programs.

#### Our experience

Uniting Vic.Tas (Uniting) is the community services organisation of the Uniting Church in Victoria and Tasmania. We have worked alongside local communities in both states since 1881. We work across the full spectrum of community services, intervening early to help people avoid crisis, as well as supporting those who live life at the margins.

Our submission draws from our practice experience operating 13 dedicated homelessness programs across Victoria in rural and metropolitan areas, and our services for people experiencing or at risk of

homelessness (including emergency relief, mental health, family violence and alcohol and other drug programs).

Uniting manages (on behalf of Uniting Housing (Vic) Ltd, a registered provider) hundreds of social and affordable homes across Victoria as well as retirement villages in southern and eastern Melbourne and Gippsland. Uniting is also working hard on its ambition to Make Housing a Priority with construction hundreds of new social housing homes planned, which we hope will be supported with government funding.

## Performance and suitability of the NHHA

Uniting shares the view of many in the community sector that there is little to show for the current NHHA. As a country, our housing system is becoming increasingly unaffordable and inequitable for owners and renters. In different states and territories there are different pressures and investment levels, but the picture across the nation is largely grim, with hundreds of thousands of people waiting for social housing, and purchase and rental prices increasing enormously. Interest rates are also likely to rise within the next 12 months, placing additional pressure on households.

In Victoria and Tasmania, where we operate, there are some unique housing pressures. The Victorian social and public housing system is under stress, and the growth rate of new social housing dwellings has been under the national average. Tourism and lifestyle trends, along with lower average income levels, are causing significant impacts in the Tasmanian housing market.

We support sector calls for a National Housing Strategy to be developed alongside the new NHHA. Without a national strategy, which Australia has not had since the 1990s, state and territory governments have pursued their own strategies, and the federal government has retreated from social and affordable housing policy leadership. There are also limited accountability mechanisms and opportunities for policy and program innovation and coordination.

We believe it is crucial these documents are developed alongside each other and lay the foundations for a strong 10-year investment in housing access and equity from both a policy and funding perspective.

Additionally, Uniting looks to the Productivity Commission's 2018-19 review of the National Disability Agreement to provide insights into redesigning national policy architecture for complex social issues.<sup>1</sup> The Commission's report makes a range of findings and recommendations about coordinated national disability policy that we believe are similarly relevant for national housing policy. In particular, we support the following recommendations and believe they should be applied to the NHHA review (these have been paraphrased):

- There should be a single set of outcomes across the NHHA and the National Housing Strategy, with performance reporting for both being undertaken through a common performance framework
- The new NHHA should be a 'living document' and make use of schedules to set out more detailed arrangements or operational matters, with the schedules amended as required.
- The National Housing Strategy should be a schedule to the NHHA
- The NHHA should include an explicit commitment to independently review the agreement as a whole every five years
- A comprehensive set of performance indicators and associated targets should be developed to measure progress on the NHHA. They should be included as a schedule so they can be updated when new data becomes available. The selection process for the targets and indicators should be based on transparent criteria and draw on advice from policy and data experts, as well as people with lived experience of housing insecurity and homelessness.
- The NHHA should include a clear strategy for the collection, funding, and reporting of data required for its performance reporting framework

<sup>1</sup> Productivity Commission. (2019). *Review of the National Disability Agreement: Productivity Commission Study Report – Overview*. Available: <https://www.pc.gov.au/inquiries/completed/disability-agreement/report/disability-agreement-overview.pdf>.

- The NHHA should include a commitment to undertake policy and program evaluation, in addition to performance reporting
- Progress against the NHHA and the National Housing Strategy should be publicly reported by the relevant federal minister.

Finally, regarding priority cohorts for the new NHHA – we agree with the list included in the current NHHA, with some additions. Uniting provides frontline services to many people who fit into the listed cohorts, and we see firsthand the impacts of housing insecurity and other compounding complexities and challenges people face. For example, we are currently leading the national Escaping Violence Payment initiative for the federal government, which supports victim survivors of family violence to find safety. We provide a range of services for children and families, including in out-of-home care, and we observe high rates of homelessness for young people exiting the care system.

However, we would like to recommend the addition of the following groups facing housing challenges that we observe through our practice experience:

- People with disability
- Single people with no children
- Mature working age people on low incomes.

The rate of presentation of these cohorts tends to be higher at services as it can be more difficult to find appropriate and available housing, which is often allocated to families, or physically inaccessible. This is especially the case for young single men.

## Addressing homelessness

Poverty, housing insecurity, and homelessness are inextricably linked. The severe shortage of social housing, and limited affordable housing options, mean people on low incomes must pay a higher proportion of their income on rent, placing these households under rental housing stress (paying more than 30 per cent of household income on housing costs). People who are unemployed or otherwise rely on income support also face substantial housing challenges.

Households on low income, who live week-to-week, are unable to absorb the financial repercussion that result from disruptive life events such as illness, injury, family violence, relationship breakdown, job loss or a death in the family. The Victorian Housing Peaks Alliance estimates that around one million Victorians live in housing stress (based on the ABS Housing Occupancy and Costs release).<sup>2</sup> Recent research also indicates there are considerable wellbeing implications from precarious housing.<sup>3</sup>

The current Jobseeker rate of around \$45 a day for a single person is simply not enough for people to live on.<sup>4</sup> The first increase in income support payments in real terms in over 25 years was finally brought in under the *Social Services Legislation Amendment Act 2021*. However, at a meagre \$25 per week increase, it is not enough to enable individuals and families to cover the essentials of life,<sup>5</sup> let alone additional costs including looking for work, living with a disability, or being an unpaid carer.

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<sup>2</sup> Victorian Housing Peaks Alliance. (2018). *Make Social Housing Work: A Framework for Victoria's Public and Community Housing 2020-2030*. Available: <https://chiavivic.com.au/wp-content/uploads/2021/09/Make-Social-Housing-Work.pdf>.

<sup>3</sup> Ong ViforJ, R., Singh, R., Baker, E., Bentley, R. and Hewton, J. (2022) *Precarious housing and wellbeing: a multi-dimensional investigation*, AHURI Final Report No. 373, Australian Housing and Urban Research Institute Limited, Melbourne. Available: <https://www.ahuri.edu.au/research/final-reports/373>.

<sup>4</sup> Services Australia. (2021). *JobSeeker Payment: How much you can get*, webpage. Accessed 15 March 2022. Available: <https://www.servicesaustralia.gov.au/how-much-jobseeker-payment-you-can-get?context=51411>.

<sup>5</sup> Saunders, P., & Bedford, M. (2017). *New Minimum Income for Healthy Living Budget Standards for Low-Paid and Unemployed Australians*. (SPRC Report 11/17). Sydney: Social Policy Research Centre, UNSW Sydney. Available: <https://cssa.org.au/wp-content/uploads/2019/05/budget-standards-final-report.pdf>.

The Australian Council of Social Service (ACOSS) is leading a broad coalition of organisations, including Uniting, calling for a minimum income floor across the working age payments system to be introduced, set at the current pension rate and indexed in line with wages and prices.<sup>6</sup>

The current Commonwealth Rental Assistance rate is also inadequate, leaving around a third of people experiencing moderate to very severe housing stress despite receiving the assistance.<sup>7</sup> We join ACOSS and the Raise the Rate campaign in calling for an increase to Commonwealth Rental Assistance by 50 per cent.

In October 2021, Uniting released a joint report with Swinburne University's Centre for Social Impact, *No fighting chance: Impact of the withdrawal of COVID-19 income and tenancy benefits*. This report, which surveyed over 100 Uniting emergency relief clients, found 14 per cent of the clients identified housing and rent assistance as their number one support need.<sup>8</sup> Respondents reported receiving significant wellbeing benefits from coronavirus income supplements, including being able to purchase sufficient food for their households, but these benefits were lost when the supplements were withdrawn.

Without a permanent increase to income support and rental assistance payment rates, housing stress will undoubtedly increase as rental prices continue to increase across the nation.<sup>9</sup> This issue is exacerbated by the lack of social and affordable housing, which we address later in this submission.

Uniting's preferred approach to housing and homelessness supports – in line with international best practice – is the "Housing First" model, which provides vulnerable people with safe, ongoing housing, after which support is offered by a multidisciplinary team to address the risk and trigger factors contributing to the vulnerability. While there is a relatively high financial cost compared to other programs, Housing First is ideal for people who have experienced long-term homelessness, mental health or significant trauma. International evidence demonstrates the effectiveness of this model.<sup>10</sup>

Uniting has experience delivering two programs based on the Housing First model, (i) Homelessness to a Home (H2H) and (ii) Street to Home (S2H). Both programs provide multidisciplinary support to consumers experiencing significant complexity, however the way these supports are accessed is different – H2H uses a referral model to external services, while S2H involves an integrated multidisciplinary team which can provide wraparound supports within the team. This involves two sub-teams:

- *Supportive housing* teams consist of staff with a range of complementary skills and relevant disciplines, who coordinate with assertive outreach teams to provide wrap around support to maintain tenancies once rough sleepers or homeless people have access to housing<sup>2</sup>
- *Assertive outreach* is an active and persistent approach by workers to find and engage with rough sleepers or homeless people where they sleep or frequent in order to establish a relationship of trust and provide the information and practical support necessary for them to transition from homelessness to stable housing and social reconnection.<sup>3</sup>

Consistent feedback from our practitioners is that these programs and the Housing First model are effective and tenant centred. While we do not have substantial service data to draw on yet (as the programs are relatively new), outcomes data to date supports this.

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<sup>6</sup> Raise the Rate Campaign. (2021). *Raise the Rate for Good FAQ (January 2021)*. Australian Council of Social Service (ACOSS). Available: <https://raisetherate.org.au/wp-content/uploads/2021/02/Raise-The-Rate-for-Good-FAQ-Feb-2021.pdf>.

<sup>7</sup> Ong, R., Pawson, H., Singh, R. and Martin, C. (2020). *Demand-side assistance in Australia's rental housing market: exploring reform option*, AHURI Final Report No. 342, Australian Housing and Urban Research Institute Limited, Melbourne. Available: <https://www.ahuri.edu.au/research/final-reports/342>.

<sup>8</sup> Wilson, E., Sama, M., & Johnson, T. (2021) *No fighting chance: Impact of the withdrawal of COVID-19 income and tenancy benefits*, Melbourne, Uniting (Victoria and Tasmania). Available: <https://www.unitingvictas.org.au/wp-content/uploads/No-Fighting-Chance-Final-Report.pdf>.

<sup>9</sup> Pawson, H., Martin, C., Thompson, S., Aminpour, F. (2021). 'COVID-19: Rental housing and homelessness policy impacts' ACOSS/UNSW Poverty and Inequality Partnership Report No. 12, Sydney. Available: <https://povertyandinequality.acoss.org.au/covid-19-rental-housing-and-homelessness-impacts-2/>.

<sup>10</sup> See, for example, Housing First Europe Hub's research database. Available: <https://housingfirsteurope.eu/research/>.

Most of our supported tenancies are successful. Housing First services are deemed to be a success if they meet or exceed a tenancy success/maintenance rate of 80 per cent. H2H, with the support of our case coordinators, is currently on a rate of over 97 per cent successful. This includes one consumer who was incarcerated and signed the exit form to relinquish his property, so if we exclude this individual, the current success rate is over 98 per cent. In our experience, the cost to government of homeless people accessing housing entry points for emergency housing – as well as their higher engagement with police, hospitals, etc. – is far higher than a continued investment in a supported housing model that works, such as S2H and H2H. Our practitioners report that the S2H program has only experienced 3 tenancy failures in its five years.

One of our practitioners says:

*"Having worked with [both] programs with Uniting I've seen how effective the Housing First model is. We've housed a great many complex consumers facing extraordinary challenges and complexities, and yet – with support to maintain housing - there's an incredibly low rate of tenancy failures.*

*These numbers speak volumes about how effective Housing First is as a model when coupled with adequate support, so I would strongly support the recommendation that the Victorian Government expands programs like these across Victoria."*

However, it is important to note that this model works best when there is flexibility in the type of support that can be offered and when there is no fixed end date for the support. This creates barriers for program funding and time commitment. Every consumer is different, and for some – after a year – we are only scratching the surface, working through the trauma of homelessness, distrust of services, willingness to confront barriers (mental health, substance use etc.). At Uniting, we have case coordinators in H2H who will be completing the 18 months of support for some consumers later this year. Unfortunately, some consumers will need longer than this, and it is concerning that in some cases Uniting will have no option but to 'step away' before our consumers are ready for us to do so.

On the other hand, S2H model incorporates flexible brokerage and long-term case management without a fixed end date. While the level of intensity of support and frequency of contact may vary for each client, flexibility within the program allows workers to case managers to tailor support to the individual needs and preferences of the person.

Another difference between the two programs is in the way that wraparound supports are sourced. Through the S2H program Uniting employs an internal multidisciplinary team, and feedback from our practitioners suggests this is more effective than the external referral approach in H2H. A practitioner remarks:

*"Street to Home's multi-disciplinary team is amazing and a similar team would be of tremendous benefit to H2H consumers rather than relying on external referrals. H2H have particularly struggled to make any inroads with Mental Health, find that a lot of attempted referrals – depending on the triage worker – can be pushed back or even met with disdain!*

*We realise that mental health is an area that is over-subscribed and under-resourced, but our attempts to refer even extreme cases of mental health decline are usually met with a nonchalance that we're often surprised by. Having a mental health clinician, with their associated experience and contacts, can streamline this process greatly. In addition, their contributions to team meetings, interventions during home visits or consumer drop-ins is invaluable.*

*Another incredible resource to the H2H team would be an Occupational Therapist, being able to complete multiple functional assessments, supporting NDIS applications, etc. Finally, a Case Coordinator with AOD background for counselling, and referrals to detox/rehab facilities, would be of huge benefit."*



We strongly recommend targets and indicators for addressing homelessness in the NHHa and a future National Housing Strategy are built around the Housing First model and explicitly recognise the need for ongoing access to wraparound, flexible supports. We recommend the Street 2 Home program be explored for expansion across Australia.

## Delivering adequate social and affordable housing

Access to affordable housing is a key issue for all Australians, particularly those on low incomes. Yet decades of under-investment and lack of a clear strategy or national accountability have placed Australia's housing system under severe strain. Policies that favour investors over home buyers with less access to capital only compound the problem.

Uniting supports CHIA's recommendations that the next NHHa focuses on net increases in social and affordable housing supply and ensuring the current social and affordable housing supply remains fit-for-purpose.

There are multiple policy options available to achieve these goals. We believe the funding and jurisdictional arrangements, as well as the outcomes framework, should be covered by the new NHHa, while a new 10 Year National Housing Strategy could set out the shared objectives and political commitments.

The first step is increased investment from state governments in social housing. We support calls from across the sector that 8+ per cent of Australia's total housing stock must be social housing (and an additional 3 per cent affordable housing) if we are to meet the needs of people on low and moderate incomes.<sup>11</sup>

State planning reform and policies that increase social and affordable housing supply in new developments should form the critical starting point of this strategy. This could include inclusionary zoning policies for new developments of over 30 dwellings, when land is up-zoned for residential development, when planning rules are varied resulting in value gain, or following significant infrastructure investment. Inclusionary zoning policies, requiring or incentivising new developments to include a percentage of affordable housing, have helped to increase affordable housing stock in South Australia, New South Wales and many places overseas.<sup>12</sup>

Uniting practitioners noted the challenge of restrictive and inconsistent zoning rules used by local councils across the Victoria which lock certain suburbs and restrict large areas of land from being developed for housing. Lack of uniformity across the state limits the ability of the housing market to respond to increasing demand and consequently increasing housing prices.<sup>13</sup> It also has the negative flow-on effect of creating limited diversity in select suburbs.

The largest expense for community housing providers seeking to address the housing affordability challenge in Victoria is the price of land. Improving land access can include measures to increase land release for new housing in line with population growth. In addition, providing longer lease arrangements for community housing providers through government departments, Crown land leases, or land trust arrangements will allow housing providers to make long-term investments and absorb costs.

The federal government has responsibility for several key areas; including tax treatment of investment properties, and short-term policies such as HomeBuilder that serve to support people who can already afford to purchase property. These policy levers should be reviewed so that all governments are working together and taking a long-term approach and shared responsibility for improving equity and access in our housing market.

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<sup>11</sup> See CHIA's submission to this review.

<sup>12</sup> Gurran, N., Gilbert, C., Gibb, K., Nouwelant, R., James, A., and Phibbs, P. (2018) *Supporting affordable housing supply: inclusionary planning in new and renewing communities*, AHURI Final Report No. 297, Australian Housing and Urban Research Institute Limited, Melbourne. Available: <https://www.ahuri.edu.au/research/final-reports/297>.

<sup>13</sup> Daley, J., Coates, B., and Wiltshire, T. (2018). *Housing affordability: re-imagining the Australian dream*. Grattan Institute. Available: <https://grattan.edu.au/wp-content/uploads/2018/03/901-Housing-affordability.pdf>.