Where to From Here?: Homeless Policy, the NAHA and NPAH

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Are we there yet?
It is the inevitable question on any long trip. Those working tirelessly to reduce homelessness could be forgiven for asking the same question.

Unfortunately in this case the answer is emphatic ‘no, not yet’. There are some glimpses of success on the horizon but they will fade quickly if we don’t redouble our efforts. We are also fast approaching some critical junctures so action is needed.

The reviews and re-negotiations of the National Affordable Housing Agreement (NAHA) and National Partnership Agreement Homelessness (NPAH) are pivotal to keeping us on track. They will also determine if we meet the ambitious goals of halving homelessness by 2020 and offering accommodation to all rough sleepers who seek it.

While the sweeping goal of the NAHA was to ensure ‘all Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation’, my comments are principally confined to the impact of these agreements on reducing the number of people who are homeless or at risk of homelessness and how subsequent agreements might help us get closer to those goals.

The NAHA and NPAH need to be viewed through the same lens used to create them — federal/state financial relations. In essence they are primarily financial instruments and therefore no substitute for effective national housing and homelessness policy.

There is currently a gap between the goals of the NAHA particularly, and the programs that are actually funded. Interest rates, for example, have a huge bearing on housing affordability but are (appropriately) set independently of both governments and the NAHA.

If you look at similar agreements on education, measuring numeracy and literacy levels makes sense when state governments have significant control over education policy. The same cannot be said for housing.

We need to consider very carefully if a future NAHA and partnership agreement(s) should or could extend to other related areas of policy — incorporating other affordable housing instruments like the National Rental Affordability Scheme (NRAS), or linking to planning and infrastructure decisions, which impact on the true costs of housing.

While a much more integrated approach is desirable at a policy and a practice level, I am not sure that the current structure of federal financial relations allows these Council of Australian Governments (COAG) agreements to drive that process. Regardless, the NAHA and NPAH represent the largest portion of ongoing funding for homeless services in Australia and extending and reshaping them will have a profound effect.

Across the country the $1.1 billion from NPAH has funded around 180 new or improved services. It has driven innovation within the sector, produced new service models and built our capacity. We need to make sure that not only do these services survive through renegotiations, but we learn from them, replicate their success and embed them in the system.

Services like Mission Australia’s Going Places program in Cairns have been created thanks to this investment. Going Places is a street-to-home service that has assisted more than 160 people and families to find housing since November 2010, and achieved a remarkable rate of 85 per cent maintained tenancies. Some 95 per cent of those accessing the service have identified as Aboriginal or Torres Strait Islander, and so the cultural competence of the service is absolutely paramount.

At the other end of the spectrum, the NPAH funds a series of tenancy support programs across the country designed to identify people in financial stress and offer them support before they run up huge rental arrears and lose their homes. These kinds of preventative programs stem the tide of people into homelessness, and are much more efficient than trying to help when lives have already spiralled out of control.

Another type of service, Community Connections in the south east of New South Wales, has shown the true value of tight local network of agencies working together. It is another which Mission Australia leads.

So far it has assisted more than four hundred people — over four times the original projected service figures, yet remains within budget.

In Community Connections, an interagency case plan is created for clients and funding is allocated to services based on that person or family’s individual needs. It is more person-centric than other approaches, and not reliant on the person navigating the system themselves. Finding a house for a single mother trying to escape an abusive partner is precisely the kind of work this services has been so successful at delivering.

And the network is not exclusively made up of community services — relationships with local real estate agents to identify tenants at risk of eviction, for example, is critical. It leverages the community’s social capital as well as the resources within different agencies.

The Inner City Drift Project in western Sydney — which we believe is the new heartland of homelessness — is yet another effective program. It works by identifying people at risk of homelessness and those who are...
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homeless for the first time but who also have roots and ties within the community. The program helps people foster relationships, links them with services and keeps them in safe, stable accommodation before they become cut off and ‘drift’ to the crisis services in the inner city.

With 42 per cent of those who were homeless on census night in 2011 aged 24 or under, youth specific services will also continue to be a necessity if we are to have any hope of reaching the 2020 goals. Foyer services funded under the NPAH have shown great promise.

Smart, local responses that focus on early intervention and prevention where possible, and provide tailored intensive support when it’s not, are required.

This new generation of services create the stepping stones to our ultimate goals. By striking another partnership agreement, we can create a process of rolling improvement and reform in the sector which will build momentum over time.

That is why we have pushed so hard for a new NPAH and welcomed the recent commitments by the state and Commonwealth governments to fund a transitional agreement while a new NPAH is negotiated.

While the NAHA provides ongoing service funding including for the Specialist Homelessness Services and which is absolutely crucial, the purpose of the partnership agreements has been to provide a catalyst for reform and for the knowledge gained to be embedded within the broader service architecture.

We may not like it when it happens because it can threaten the viability of service providers, but part of engendering change is surely about accepting that some programs will fail and recognising that one of the benefits of separate agreements is the ability to fail safely. We need to encourage more innovation, not less, and that requires political courage, leadership and intent to continue to try new things. It also means that individual service failures should not be used to justify widespread funding cuts.

Innovations are not confined to the NPAH—and any new agreement has to strive to encourage the best practice available, both domestic and overseas. Common Ground is a classic example of a New York initiative that is taking root in Australia.

Through a multi-million dollar private donation we were able to create the Michael Project, a service targeting homeless men in crisis. It also included a significant longitudinal research project and a cost benefit analysis, which are still quite rare in the field.

The Michael Project demonstrated that with the right combination of intensive support, it is possible to improve housing, social participation, employment, and health and wellbeing for men who are chronically homeless.

By guaranteeing these men access to medical and psychological services, dentistry, fitness, cultural, education and training programs when they needed them, we saw a profound improvement in their lives.

It also proved that it costs more to leave these men homeless than to help them, to the tune of $3600 more per person in just one year. Why? Because the cost of emergency department visits and being picked up by police is so high. Reduce these, and there are significant savings.

It also put pay to the argument that we can’t afford to tackle homelessness in tight economic times. We can’t afford not to deal with the problem.

Michael’s successor, MISHA, is already underway with the assistance of the same donor and we hope it will push the boundaries even further.

Thanks to the collective efforts of the community sector, and state and federal governments over the last four years, homeless services have become more effective; we have deepened our
then new funding agreements should have:

- A stronger focus on ending homelessness.
- Greater investment in prevention and early intervention services — such as expanding the youth program Reconnect, and mental health services such as the Personal Helpers and Mentors Scheme.
- Increased case management services for chronic homelessness; and providing expanded brokerage funds for wraparound services when they are needed, as supported by the Michael Project findings.
- Expanding investment in housing first models for the chronically homeless, similar to the Going Places service in Cairns, Common Ground and our own MISHA service (which includes a scattered model of accommodation rather than co-location).
- Implementing regional planning for homelessness responses that was begun under the NPAH and includes ‘first-contact’ agencies and those institutions likely to exit people into homelessness (prisons, mental health services, for example), as well as existing homeless service providers.

The most recent census data on homelessness from the Australian Bureau of Statistics (ABS) is disappointing, no question. A 17 per cent rise in the number of homeless people from 2006–2011 and an eight per cent rise in the overall rate of homelessness is bad news. But the data does indicate progress in some areas. And we cannot ignore that it takes time to turn trends around in the wake of the Global Financial Crisis and after a generation of neglect in homelessness policy. If anything it reinforces the need for the approach outlined above.

We’ve seen a reduction in rough sleepers both in rate and overall number. We are also getting better at breaking the cycle of chronic homelessness. More people are accessing services; which suggests there may be better engagement with Australia’s most vulnerable.

We have also begun shifting towards prevention and early intervention, but it takes time for this to reduce the demand in crisis services. What is quite clear from these figures is that a lot more work is required on prevention and early intervention, certain groups are still significantly overrepresented in homelessness services, and we still have a very acute housing affordability and availability problem.

Overcrowding accounts for the bulk of the increase in homelessness between 2006 and 2011. We know that a lack of social and affordable housing is creating a bottleneck in the service system as people have nowhere to move to. Housing is also at the heart of preventing homelessness.

This is perhaps where the NAHA has failed us most, despite its over-arching goal. The biggest injection of funding into social and affordable housing in recent years did not come through the NAHA; it came through the government’s economic stimulus program in the form of the $5.638 billion Social Housing Initiative (SHI).

The money allocated through the A Place to Call Home program and the National Partnership Agreement on Social Housing, both outside the NAHA, was dwarfed by the SHI, though the National Partnership Agreement on Indigenous Housing has greater scope and size than either the NPASH or A Place to Call Home.

While the SHI investment was very welcome, we cannot rely on a counter-cyclical stimulus program to fund growth in social and affordable housing.

We have seen this before. In the mid-nineties there was a big injection of capital funding during the recession followed by a huge drop in such funding. We are effectively facing that drop now, and we cannot afford to repeat this mistake; it is how 105,000 people ended up homeless and many more people at risk of it.

Whether it’s an extension of the NAHA, a new partnership agreement, a designated growth fund or some other mechanism, there has to be a significant ongoing investment in housing.

We know the money is not all going to come from government, far from it, but governments do have to lead it. We also know that whatever mechanism is used needs to be effectively linked to related areas of policy and affordable housing instruments. Housing and homelessness cannot be viewed or responded to separately; one is fundamentally reliant on the other for a meaningful solution.

Quick wins would include an expansion of the National Rental Affordability Scheme (NRAS) that would bring additional private capital over time and investigating a social bond for housing. To have the impact required, and to encourage large scale investment, these will need to operate on significant scale to provide the requisite level of confidence in the market. A vibrant community housing sector is also vital as is the stock transfer that was promised but is not yet complete.

It may be political poison, but in a tight economic environment surely it is time to consider the role that expensive subsidies in the private housing market like the first home buyers grant have on affordability and whether they have actually met their goals. Could this money be more effectively directed to an incentive for institutional investors to attract them into affordable housing?

The other piece of the NAHA and NPAH architecture which deserves some serious scrutiny is the way in which their goals were set, plans drawn and targets measured. This is clearly creating tension between the states and the Commonwealth about whether money has been spent appropriately. Others who are looking at the available data are bewildered.

The COAG Reform Council has made it clear we simply cannot tell if the money invested is helping to achieve the majority of the goals that were set. That is not because the programs are not working, clearly they are, it is just impossible to show whether or not they are affecting the things we decided to measure. Think again about that broad goal for the NAHA and the impact of interest rates.

Even the ABS census data is at best a year behind; it is only available every five years, and it does not match the time frames for the interim targets (which are for 2013). Specialist Homelessness Services Data, now reported quarterly by the Australian Institute of Health and Welfare, is providing a more regular gauge of homelessness, but it is still only one part of the system.

We clearly need a better framework for measuring the outcomes of different kinds of services across the country, one that can be linked to the goals of any future agreements. This will also hopefully inject some transparency into the process.

I am not advocating that the Commonwealth determine how the states spend their money. We need the flexibility to do different things in different places depending on local need. But we also need to be able to compare outcomes to work out what is successful and what is not and to aggregate that data to measure total impact. In this regard the NPAH is probably more prescriptive than the NAHA, for better and for worse.

If we are smart, we also need to develop an effective early warning measure or index, to help us better respond before problems emerge. Homelessness is a dynamic process. A proxy measure of national or state rentals stress, for example, is more likely an indicator of risk of homelessness than some affordability measures. It would also give us a better indication of whether some of the housing interventions were having an effect.

Building this kind of measure into the system will not solve the problem, but it would be a signal for quick examination of the causes and a swift response.

Where does that leave us?

Solving homelessness was never going to be easy, and while we still do not know all the answers there are some reasons for hope and some clear directions. It is a long road still ahead but we have definitely come so far to go back now.