



Media release

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Not housing rough sleepers is costing Victoria \$19 million p.a.

The Council to Homeless Persons has estimated that not permanently housing Victoria's rough sleeping problem is costing taxpayers over \$19 million every year because of the extra demand being placed on emergency, health and justice systems.

The calculations are based on a report by Sacred Heart Mission which estimated that for every rough sleeper who is housed and supported to get off the street, the cost savings to Government are \$17,591 per year per person. Taking into account Victoria's entire rough sleeping population of 1,092 (ABS, 2011), CHP estimates the additional burden on Victoria's health, justice and police systems is \$19.2 million annually.

CHP is advocating for a Housing First model to be applied to end homelessness, whereby clients are provided with a home (which they pay rent on at a rate of 25% of their income), and ongoing support to keep it. The Housing First approach reduced rough sleeping in Utah by 75%.

A lack of affordable housing stock sees homelessness services struggle to provide more than temporary lodgings for people experiencing homelessness, which can last anywhere from a night to weeks.

At 2011 Census, 1,092 rough sleepers were counted in Victoria, though it is widely acknowledged that this number has risen significantly in the last five years. A recent street count in Melbourne's CBD found that the number of rough sleepers had jumped from 142 to 247 in the last two years alone.

In July, the Victorian Government formed a homelessness taskforce to respond to Melbourne's rough sleeping problem, and injected \$850,000 into crisis responses. The majority of this money will be used to pay for emergency accommodation which can last for anywhere from one night to a few weeks.

In similar economic modelling, the University of WA's recently released research showing that providing stable housing to the homeless would [save the WA Health system \\$16 million each year](#).

Quotes to be attributed to Jenny Smith, CEO, CHP:

"There is a huge cost attached to homelessness, both the cost to human lives and a very real financial cost.

"When people are sleeping on the street, they get sick, they're victims of violence requiring police and ambulance, they get caught up in the justice system and their mental health issues get worse.

"Helping someone to get their life back on track is impossible if they are still sleeping under a bridge. Providing a week's crisis accommodation is just a band-aid, not a permanent solution. Providing a secure, affordable home to a rough sleeper ends their homelessness and saves taxpayers money.

"Making sure that we have enough affordable homes for vulnerable people is a responsibility of both the State and Federal Governments.

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