



Council to Homeless Persons pre-budget submission 2013 – 2014





## Contents

Introduction .....	3
Why—the evidence about what works .....	5
1.1 What we know about homelessness .....	5
1.2 What we know about ending homelessness .....	5
1.3 Ending homelessness benefits the whole community .....	6
Intervening early .....	8
2.1 Identify and divert households at first presentation to specialist homeless services and mainstream services. ....	8
Sustaining tenancies .....	8
2.2 Increase links with mainstream services .....	8
2.3 Link all responses with economic participation strategies and programs.....	8
2.4 Ensure no exits into homelessness .....	9
Leaving Care Housing Guarantee Fund.....	10
A service system to prevent and end homelessness .....	11
Acting quickly .....	12
3.1 Rapid re-housing: end homelessness fast.....	12
Accommodation Options for Families .....	12
3.2 Continue to evolve the transitional housing model to ensure it is used and targeted effectively.....	12
Ending long- term homelessness—dedicated housing and support .....	14
4.3 Services for social inclusion .....	14
Grow affordable housing stock.....	16
How – a service system based on the evidence of what works .....	17
6.1 Improve use of data and measurement within the specialist homelessness sector .....	17
6.2 Continue to develop an expert sector .....	17
6.3 Working together.....	18
6.4 Ensure strategies are linked to pending reforms.....	18

## Introduction

Homelessness is a serious problem in Victoria, and a growing one.

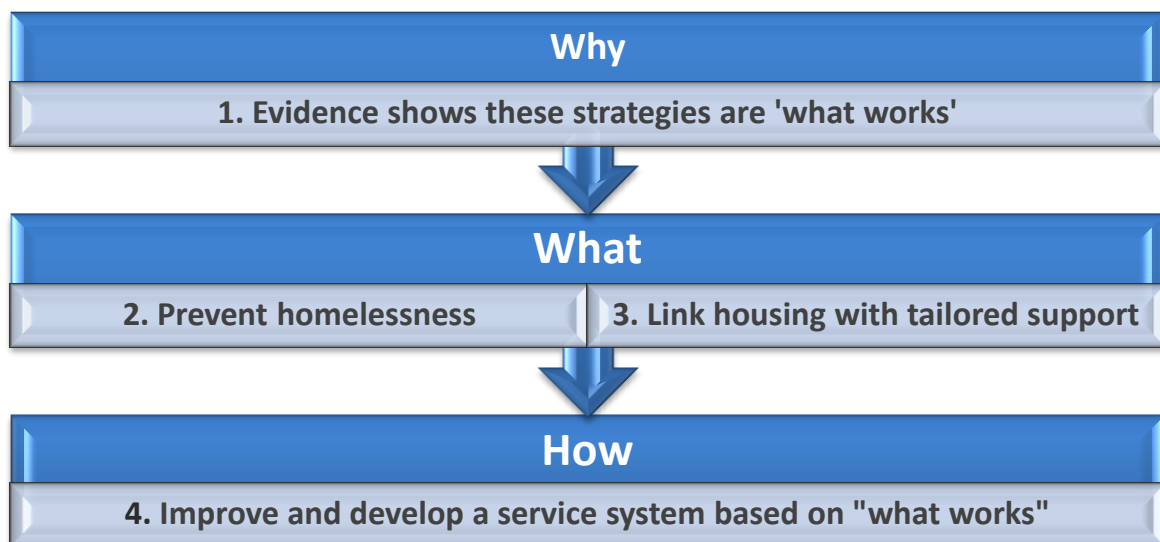
Homelessness brings with it enormous personal and social costs to individuals, their family and friends. It also incurs huge and sometimes unnecessary costs across the spectrum of welfare, health, education, employment and correctional services.

The aftermath of the Global Financial Crisis and the end of the Australian Government's economic stimulus package, has meant a tightening of the Victorian budget. However the impact of economic change is also being felt by those with the least resources to fall back on, and we have recently seen an alarming increase in the rate of homelessness in Victoria, rising 20 per cent in the last five years<sup>1</sup>.

In tight economic times it becomes even more important to ensure we are using our resources in the best possible way to assist the most vulnerable in our community.

The Council to Homeless Persons (CHP) is the peak body representing organisations and individuals with an interest in and commitment to ending homelessness in Victoria. CHP works closely with providers of homeless services and other sectors to understand the problem and identify effective strategies and services that will end homelessness. CHP is committed to the effective use of government funding and this submission is informed by local, national and international research about what works.

This submission is the product of CHP's ongoing consultations with the specialist homelessness sector (SHS) and other stakeholders around Victoria. In synthesising these inputs and the available research, CHP proposes the following focus to both reduce and avoid homelessness in Victoria:



<sup>1</sup> Australian Bureau of Statistics, 2011, *Census of Population and Housing: Estimating homelessness, 2011*, Commonwealth of Australia, Canberra.



Recent innovations in the Specialist Homelessness Service System, have been supported by the Victorian Homelessness Action Plan and the National Partnership Agreement on Homelessness. These innovations are paving the way towards a service system that intervenes early to stop homelessness occurring, and provides the right assistance to help people get housing and keep it.

These investments are just the start of a longer-term reform process and CHP congratulates the Victorian and Australian Governments for renewing negotiations about the future of the National Partnership Agreement on Homelessness. In the intervening year, continuation of existing funding will be critical. We urge the Victorian Government to commit to \$31.2 million in the 2013-14 Budget to maintain the existing level of funding to these programs, and encourage the Australian Government to do the same.

With the Victorian Homelessness Action Plan Sector Reform Project underway, significant additional funding for reform will be required in future budget years. In the context of these upcoming reforms, CHP is calling for small but targeted investments, to assist in further movement in the direction of an evidenced-based service system for ending homelessness.

These immediate investments include:

- a housing guarantee fund for young people leaving out-of-home care = \$7.5 million over three years
- tenancy early intervention and support services to help maintain tenancies at risk in public, community and private rental housing = \$9 million over three years
- the continuation of the successful Accommodation Options for Families (AOF) program and additional support for families = \$12.3 million over three years.

Jenny Smith  
Chief Executive Officer

## Why - the evidence about what works

### 1.1 What we know about homelessness

People who become homeless are often financially disadvantaged and have spent a lifetime paying too much for their housing. Homelessness typically occurs after a financial crisis, family crisis or family violence<sup>2</sup> and results in the loss of housing. Households have limited resources with which to find a suitable alternative.

Several structural factors have contributed to homelessness over time. Housing is less affordable in Australia than ever before for low income earners<sup>3</sup>. Incomes from employment and government benefits and pensions have not kept pace with housing costs<sup>4</sup>. The community supports that households need in order to remain well and stable, are under-resourced, have become harder to access and do not always focus on keeping people housed<sup>5</sup>.

### 1.2 What we know about ending homelessness

Over 22,000 Victorians experience homelessness on any given night<sup>6</sup>. They include families with children, young people, older people, single adults and people with disabilities; people in regional and rural Victoria and urban neighbourhoods.

From local and international research, and practical experience, we know that we can end homelessness through intervening early to prevent homelessness<sup>7</sup>, acting quickly to make sure people don't get stuck in a cycle of homelessness<sup>8</sup> and providing dedicated housing with tailored support for those who have experienced chronic homelessness<sup>9</sup>.

People experiencing homelessness have unique needs, which require the tailoring of different types of supports and responses. The Victorian Homelessness Action Plan identifies three broad expressions of homelessness:

- being at risk of homelessness or experiencing first episode of homelessness
- experiencing multiple episodes of short-term homelessness; history of housing instability
- having complex needs and experience of long-term homelessness.

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<sup>2</sup> Chamberlain C & MacKenzie D 2009. *Counting the homeless 2006 complete set*. Cat. no. HOU 213. Canberra: AIHW, p49.

<sup>3</sup> National Housing Supply Council, *State of Supply Report 2008*, Commonwealth of Australia 2009, p91.

<sup>4</sup> Ibid, p25.

<sup>5</sup> Australian Council of Social Service, 2012, *Australian Community Sector Survey National Report*, ACOSS, Sydney p.5

<sup>6</sup> Chamberlain C & MacKenzie D 2009. *Counting the homeless 2006: Victoria*. Cat. no. HOU 203. Canberra: AIHW.

<sup>7</sup> MacKenzie D, Desmond K & Steen A, 2007, *Household Organisational Management Expenses (HOME) Advice Program Evaluation Report 2007*, Department of Families, Community Services and Indigenous Affairs, Canberra.

<sup>8</sup> Homelessness Research Exchange, 2011, *Research on Homelessness Prevention and Rapid Re-Housing*, U.S. Department of Housing and Urban Development, Washington. Accessed at <<http://www.hudhre.info/documents/PreventionRRHResearch.pdf>>

<sup>9</sup> Mares A.S. & Rosenheck R.A., 2007, *Evaluation of the collaborative initiative to help end chronic homelessness: Preliminary client outcomes report*, U.S. Departments of Health and Human Services, Veterans Affairs and Housing and Urban Development, Washington

While each expression of homelessness—and the individual experiences within it—requires a different response, housing is the common need. Access to housing is essential to end homelessness.

While the specialist homelessness sector plays a key role in responding to homelessness, it cannot end homelessness on its own. Homelessness is often the result of households falling through the gaps in, and with early warning signs missed by, the mainstream service system. All government-funded programs must be equipped to prevent and work with people experiencing or at risk of homelessness.

The homelessness service system also helps to prevent homelessness by acting quickly to support tenancies at risk and connect people to support and employment opportunities in the community which promotes successful tenancies.

Where households do find themselves experiencing homelessness for the first time, a rapid response is needed to help them secure stable housing. The rapid response also needs to address the issues that have contributed homelessness occurring. This happens through connecting people with broad range of community and home-based supports including mental and physical healthcare, substance use counselling, employment and training support, and childcare.

For people who have experienced long-term or chronic homelessness more intensive housing and support is required, to address the chronic physical and mental health conditions that have developed or been exacerbated during this time.

### 1.3 Ending homelessness benefits the whole community

Homelessness often occurs after a family or financial crisis, but it doesn't have to be a consequence of these events. When people are assisted to move back into a safe and secure home, their mental and physical health improves, and people often reconnect with employment, health services, education and community. Young people reconnect with family and re-engage with school. Not only does this benefit the individual, but the community as a whole.

*Ending homelessness strengthens the health and wellbeing of our communities.*

Appropriate housing boosts recovery and keeps people safe and healthy, when making the transition from healthcare and mental health facilities<sup>10</sup>. It contributes to successful outcomes for young

people leaving care, and enhances community reintegration for people leaving prison, preventing re-offending and re-incarceration<sup>11</sup>.

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<sup>10</sup> Foster G, Gronda H, Mallett S, Bentley R, 2011, *Precarious housing and health: research synthesis*, Australian Housing and Urban Research Institute, Hanover Welfare Services, University of Melbourne, University of Adelaide & Melbourne Citymission, Australia.

<sup>11</sup> Willis M, 2004, *Ex-Prisoners, SAAP, Housing and Homelessness in Australia*, Australian Institute of Criminology, accessed at [http://www.fahcsia.gov.au/our-responsibilities/housing-support/publications-articles/homelessness-general/saap-evaluation-and-research-publications/ex-prisoners-saap-housing-and-homelessness-in-australia?HTML#p2\\_4](http://www.fahcsia.gov.au/our-responsibilities/housing-support/publications-articles/homelessness-general/saap-evaluation-and-research-publications/ex-prisoners-saap-housing-and-homelessness-in-australia?HTML#p2_4) >



*Ending homelessness reduces costs.*

People become healthier and more stable in a safe home, which results in declining costs of frequent admissions to health and crisis services, as well as the costs of correctional and mental health facilities<sup>12</sup>. Planned, coordinated and timely access to mainstream services, lightens pressure on already stressed emergency service systems, like hospital emergency departments, and crisis accommodation. It also minimises disruption to economic participation.

*Preventing homelessness is cheaper than responding to homelessness.*

Along the pathway to becoming homeless, there are always significant opportunities for well-targeted interventions to prevent homelessness occurring. Investing earlier can help reduce significant costs over the long term<sup>13</sup>.

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<sup>12</sup> Baldry E, Dowse L, McCausland R & Clarence M , 2012, *Lifecourse institutional costs of homelessness for vulnerable groups*, University of New South Wales, Sydney.

<sup>13</sup> Ibid

## Intervening early

### 2.1 Identify and divert households at first presentation to specialist homeless services and mainstream services.

Early intervention commonly refers to identifying people at the 'front door' of a homelessness service. But where we can, we also need to ensure mainstream services can and are identifying the risk of homelessness and taking action. This is vital, as research<sup>14</sup> shows this is often a critical opportunity to avoid homelessness. Intervention at this stage supports households to immediately resolve the crisis that threatens their housing.

#### Sustaining tenancies

The best way to end homelessness is to prevent it from happening. Intervening early stops households cycling in and out of the homelessness service system, and avoids the social and economic costs associated with this homelessness.

There are existing programs that are focussed towards preventing people from losing their housing and becoming homeless, in particular in public housing. However, tenancies at risk occur right across the housing system, through public housing, community housing and in the private rental market. Programs that have been proven to be effective for the public housing system should be consolidated and built upon to extend to all social housing and beyond.

**Cost:** \$9 million over three years to extend successful tenancy support services to the community housing sector and develop ways in which housing assistance for the private rental market (including housing establishment funds [HEF]) can be supplemented and targeted towards maintaining tenancies.

### 2.2 Increase links with mainstream services

Centrelink, ChildFirst, health, disability, education, employment, corrections, drug and alcohol, mental health and aged care all have the ability to identify and support people who are vulnerable to becoming homeless. Specialist homelessness services working with mainstream agencies have the capacity to stop homelessness before it starts. However, investments, both of time and money, are needed to make sure the mainstream service system is better equipped to respond to and prevent homelessness.

### 2.3 Link all responses with economic participation strategies and programs.

Economic participation, either through employment, training, volunteering or being part of community, is at the core of being able to effectively use the 'mainstream' service systems. These strategies reduce poverty, create the opportunity for living a fulfilled life and diminish the risk of homelessness.

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<sup>14</sup> Culhane D, Metraux S, & Byrne T. "A Prevention-Centered Approach to Homelessness Assistance: A Paradigm Shift?" *Housing Policy Debate* 21.2 (2011): 295-315.  
Available at: <[http://works.bepress.com/dennis\\_culhane/103](http://works.bepress.com/dennis_culhane/103)>



## 2.4 Ensure no exits into homelessness

It is vital to ensure that people being discharged from other service systems such as psychiatric inpatient units, hospitals, correctional facilities, are not discharged without secure housing. Often, people who have experienced homelessness will not have secure accommodation. Without targeted support and allocation of resources at point of discharge, they are likely to experience it again. At times, people can be discharged from a hospital admission to inappropriate accommodation, like boarding houses, that pose a barrier to their recovery. Cycling in and out of crisis accommodation, correctional facilities and inpatient beds is a costly, and ultimately ineffective, response to homelessness.

Young people leaving state care must be supported for a better start in life. Research confirms that a high number of people experiencing long-term homeless were in state care as young people<sup>15</sup>. The Australian Institute of Family Studies<sup>16</sup> has identified key steps in preventing young people leaving care from entering the homelessness system:

- start the planning for leaving-care process early, and well before the planned date of discharge.
- promote the active participation of young people in the preparation process.
- provide access to independent living skills training, with levels of support tailored to reflect individual needs, including additional support for those with behaviour or substance abuse problems.
- develop a detailed leaving-care plan that includes well-defined accommodation arrangements, and an ongoing process of assessment and monitoring.

Many of these activities are underway, and continue to be developed for young people leaving care in Victoria. However the high cost of housing in the private rental market, combined with low payment rates of Youth Allowance and Rent Assistance contribute to difficulties in securing accommodation for some young people.

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<sup>15</sup> Chamberlain C and Johnson G, 2011, 'Pathways into adult homelessness', *Journal of Sociology*, published online 7 Nov 2011.

<sup>16</sup> Mendes P, Johnson G, Moslehuddin B, 2011, 'Effectively preparing young people to transition from out-of-home care: An examination of three recent Australian studies', *Family Matters*, No 89, 2011.

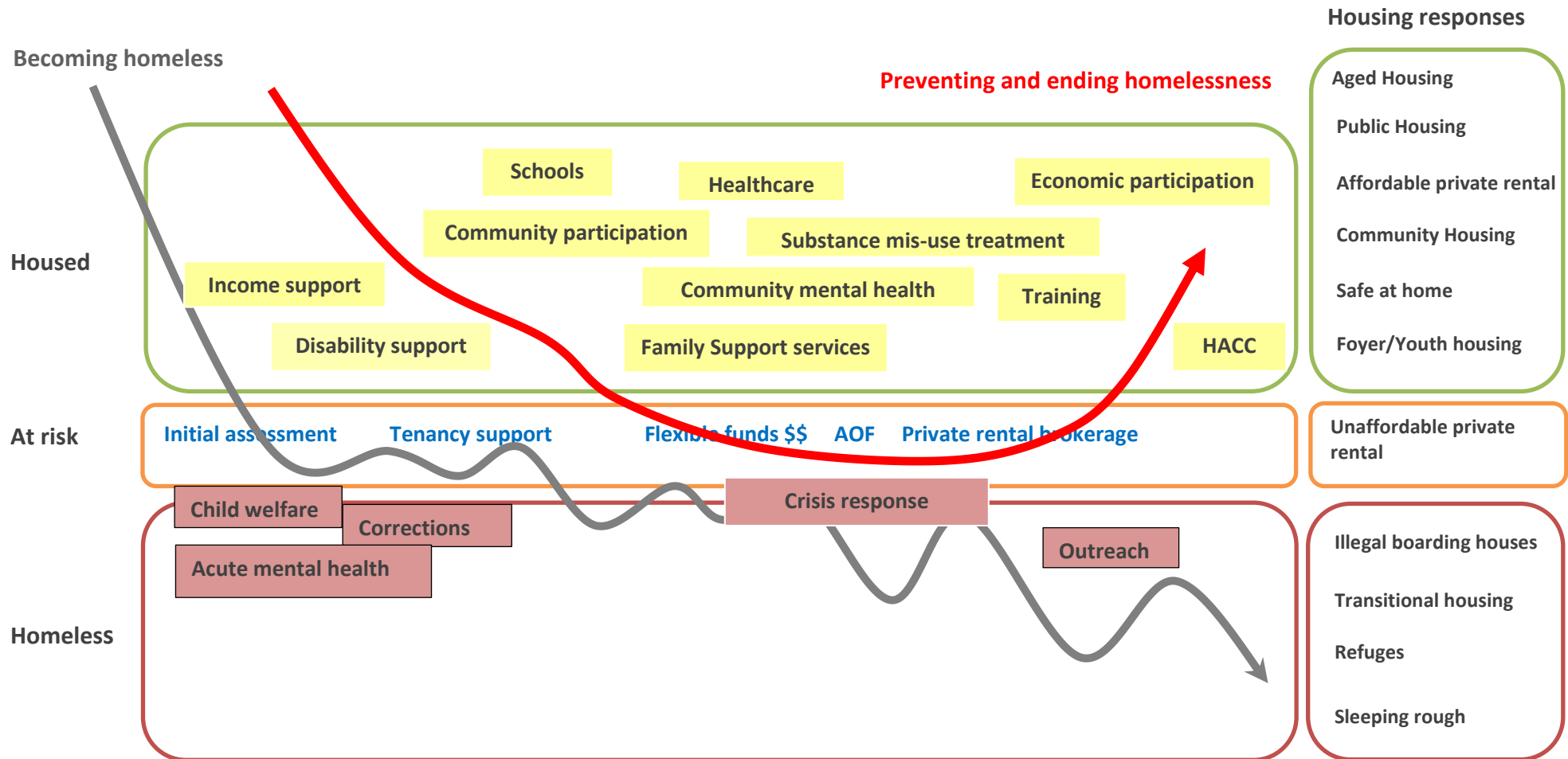
## Leaving Care Housing Guarantee Fund

In recent years it has become common for young people to continue to receive family support long after the age of 18, either through direct financial assistance, or as they remain living in the family home. For young people leaving state care this is not possible, as many leave care much earlier than 18 and lack wider family and community supports. These young people face the high costs of rental housing as yet another barrier to independent living.

CHP proposes that a 'Leaving Care Housing Guarantee Fund' be established as part of a leaving care guarantee, for young people leaving state care. The fund should be available to assist all young people leaving state care who wish to secure housing in the private rental market up to the age of 25. This flexible guarantee could provide a maximum rental supplement of \$60 per week for the duration, or be staggered over the life of the leaving care plan, as a flexible response to the young person's needs and their leaving care plan.

**Cost:** approximately \$7.5 million in the first three years based on 400 young people leaving care per year.

## A service system to prevent and end homelessness





## Acting quickly

The longer people are homeless, the more damage is likely to be done. The strategies outlined here are flexible in nature in order to be effective across the many different expressions of homelessness.

### 3.1 Rapid re-housing: end homelessness fast

Rapid re-housing is shown to be effective in getting people housed if they get the right assistance at the right time<sup>17</sup>. Rapid re-housing is a suite of strategies, which include, but are not limited to:

- *Housing relocation*: support to households to find housing, negotiate the lease, address credit issues/ barriers, life skills, etc. This includes the very specific skill set of negotiating with landlords and real estate agents in the private rental market.
- *Flexible financial and or rental assistance*: flexible types and amounts of financial assistance are available for whatever people need in order to return to housing and re-establish themselves successfully. This might include time-limited rental assistance, rent arrears, bonds, and utility payments.
- *Case management support*: assistance to connect to community-based or mainstream supports including, mediation support provided to families, and financial advisers.

All rapid re-housing strategies are underpinned by the principle of flexibility: different households need different responses in order to achieve and sustain stable housing. Uniform limits on worker time or financial support are not effective and risk embedding people in, rather than ending their homelessness.

### Accommodation Options for Families

Accommodation Options for Families (AOF) is a program that successfully links families experiencing homelessness back into housing through a 'rapid re-housing' approach. This program has been extremely successful in assisting families to secure and maintain housing in the private rental market. Funding for this program to continue should be allocated in this budget.

**Cost:** \$12.3 million over three years

### 3.2 Continue to evolve the transitional housing model to ensure it is used and targeted effectively

Transitional housing can provide a flexible response to people experiencing homelessness, however the effectiveness of the transitional housing model in Victoria is closely linked to an available supply of affordable housing. Long waiting lists for public housing, and the scarcity of affordable private rental properties have led to the transitional housing model not being as effective as it once was.

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<sup>17</sup>Homelessness Research Exchange, 2011, *op cit*.



Consideration should be given to increasing the flexibility of the transitional housing system, to better deliver a rapid re-housing response and allow transitioning in place for households who require long-term supportive housing.



## Ending long- term homelessness—dedicated housing and support

Often people who live on the streets have chronic physical and mental health issues that cause them to move between the streets, hospitals, correctional and emergency facilities. This exacerbates poor health and is an avoidable expense, particularly for the already strained health system.

### 4.1 Permanent supportive housing

Permanent supportive housing has been shown to be an effective solution for people who have experienced chronic homelessness. This model combines long- term affordable and secure housing with ongoing support services. This model, and others like it which combine dedicated long- term support with housing, reduces personal and taxpayer costs associated with frequent use of emergency services such as police and emergency hospital emergency departments<sup>18</sup> and reduces people ‘churning’ within the homelessness service system.

While permanent supportive housing is a relatively new model in Australia, organisations such as Wintringham Specialist Aged Care have been providing permanent supportive housing interventions for older people experiencing homelessness for some time. Using existing local and international evidence these successful interventions should be enhanced and expanded.

### 4.2 Expand specific responses for homeless youth

Disadvantaged youth are disproportionately at risk of becoming homeless. This is particularly the case for young people who have experienced state care during childhood. This group is over-represented in the adult homeless population, and this is a well-evidenced pathway into homelessness. Specific responses to youth homelessness have been particularly successful in recent years, and these successful approaches that combine housing with support and employment, education and training should be expanded.

The youth foyer model is one successful model targeted at disadvantaged young people that combines education, training and accommodation.

### 4.3 Services for social inclusion

Many people who have experienced long- term homelessness, but have subsequently secured housing may continue to access day and meal programs at homelessness services.

Day and meal programs provide an opportunity for social and service interaction in an informal setting. These programs allow people to access the appropriate level of service for them, and be

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<sup>18</sup> Mares A.S. & Rosenheck R.A., 2007, *op cit* and Johnson G, Kuehnl D, Parkinson S & Tseng Y, 2012, *Meeting the challenge? Transition out of long term homelessness. A randomised controlled trial examining the 24 month costs, benefits and social outcomes form the Journey to Social Inclusion pilot program*, Sacred Heart Mission, St Kilda and Mission Australia, 2012, *The Michael Project 2007-2010: New perspectives and possibilities for homeless men*, Mission Australia, Sydney.



engaged in the service system, at a time and in a way that meets their immediate needs. It is not only a doorway into ending homelessness for some people, but also an investment in homelessness prevention.

While social inclusion is the work of the entire community, dedicated services that reach out to the most socially excluded provide a pathway to belonging.



## Grow affordable housing stock

A greater focus on the provision of affordable housing is needed to both prevent homelessness for people on low incomes, and end homelessness for people who have experienced chronic homelessness.

CHP commends the State Government for its recent consultation process in relation to *Pathways to a fair and sustainable social housing system* and *Social Housing: a discussion paper on the options to improve the supply of quality housing*.

CHP urges the State Government to:

- grow the social housing sector by developing innovative finance models that include investments by the private and philanthropic sectors
- identify and fund the subsidy required to house highly disadvantaged households, either in the public or community housing system
- identify better tools and subsidies to support and sustain people in private rental
- establish a state wide affordable housing taskforce to forge solutions to the housing affordability crisis with the community and private sector.





## How – a service system based on the evidence of what works

### 6.1 Improve use of data and measurement within the specialist homelessness sector

Currently the performance parameters for the specialist homelessness sector restrict how many people are assisted, and for how long. The move away from an output- based service system towards a focus on an outcomes-based service system as outlined in the Victorian Homelessness Action Plan, is welcome.

In order for an outcomes-based framework to be effective, it is important to develop more useful indicators with which to measure and inform the specialist homelessness sector interventions. Analysis and feedback of administrative data should be used to understand who is becoming homeless, where, why, and what interventions provide the long-term solutions to end homelessness. If implemented effectively, an outcomes framework will allow services to flexibly package funding to increase positive and sustained results by delivering the right interventions at the right time.

The primary indicators of an ‘outcome’ in homelessness interventions must be housing secured and housing sustained<sup>19</sup>.

An outcomes framework enables services to have more flexibility to implement solution-focused responses to homelessness. Outcome measures can then be used to drive innovation and reward shared performance by homelessness and mainstream services.

### 6.2 Continue to develop an expert sector

Homeless is a complex problem and responses are most effective when delivered by a skilled and experienced workforce. To end homelessness the specialist homelessness sector workforce must be able to recruit, sustain and retain experienced and qualified staff.

To meet this challenge an ongoing workforce development strategy is needed .

The specialist homelessness sector industry currently struggles to retain staff and achieve the level of experience and expertise required for complex responses to homelessness. The State Government’s commitment of \$200m to fund community services workers pay equity is welcomed, and will help attract and retain a skilled workforce.

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<sup>19</sup> Gronda H (2009) *Case management and the road home*, Parity, Vol 22, No 1.



### 6.3 Working together

CHP and its members embrace opportunities to work with government in order to identify, implement and measure interventions to end homelessness in Victoria. The increasing involvement of business, philanthropy and community leaders will be critical to ensure effectiveness of effort and innovation.

The development of shared care service outcomes with mainstream services is vital. Centrelink, ChildFirst health, education, employment, corrections, drug and alcohol, disability, mental health, and aged care services are critical in identifying the risk of homelessness, intervening in a timely manner and working with the specialist homelessness sector where necessary. Relationships between the specialist homelessness sector and mainstream services, require resourcing and a focused endeavour in order to build active service partnerships which support the development and achievement of shared and measured service outcomes.

### 6.4 Ensure strategies are linked to pending reforms

At both state and federal levels, multiple reforms are occurring which will impact on the SHS and people at risk of and experiencing homelessness. These include, but are not limited to, reforms relating to:

- National Partnership Agreement-Homelessness
- National Disability Insurance Scheme
- Psychiatric Disability Rehabilitation and Support Services
- Drug and Alcohol Services
- One DHS and Services Connect
- Dental Reform Package.

Each reform provides an opportunity to articulate and advocate for people at risk of, or experiencing, homelessness.