chp

council
to homeless
persons

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What's needed to end homelessness?

More people than ever are seeking help from Victorian Homelessness Services. In 2013-14 almost 100,000 Victorians sought help, which is an increase of eight per cent, on top of a seven per cent increase the year before (AIHW). Across the state, in Metropolitan Melbourne, regional centres and towns there are people without a safe place to sleep.

Homelessness services in Victoria work to provide:
- access to safe, secure and affordable housing
- the support needed to help people overcome the barriers to getting and keeping a home; and
- connections to the physical, personal and community resources that foster a sense of belonging.

Increasing demand, a prolonged period of poor housing affordability, a shortage of social housing, and mainstream services that often fail to assist, make it harder for services to meet the needs of those experiencing and at-risk of homelessness.

Compounding these pressures is the fact that the Victorian Homelessness Service System was designed to meet the needs of people in housing crisis, at a time when housing was more easily accessible, and people could move through a series of services into stable housing. Now, with fewer exit points and new evidence about what works to end homelessness, new approaches are needed.

In recent years, both in Australia and internationally, services to improve the lives of people experiencing homelessness have changed. Increasingly, services need the flexibility to work with people longer as the complexity of need increases and affordable housing becomes even more scarce. Services have shifted their sights from providing a stepped approach to services, where people progress through crisis and temporary accommodation to a Housing First approach, which provides long term housing and the assistance needed to keep it.

In order to meet these changing needs and new challenges, Victoria needs a long-term commitment and a visionary approach that seeks to end homelessness, not just manage it.

The Victorian Government should develop a framework to guide the development of the homelessness service system in Victoria towards preventing and ending homelessness. Based on both the evidence from Australian and international research, and on the expertise of organisations working in the Victorian service system, CHP recommends that this framework include the following service elements:

- Streamlined access – to make sure people can find the assistance they need when they need it, online, through mainstream services as well as established Access Points.
- Targeted prevention – to help maintain tenancies and avoid evictions
- Crisis responses – to meet to immediate needs when people are homeless or about to become homeless
- Rapid rehousing - to get people back into housing fast and build the supports they need to stay housed
- Permanent supportive housing – to secure long term affordable housing for people who have experienced long term homelessness or are likely to need long term support to maintain housing.
- Mobilisation of mainstream services – to ensure that mainstream services are meeting the needs of people experiencing homelessness to prevented homelessness from occurring and recurring.

These service elements are interlinked, and together form a service *system* designed to end homelessness. Investment across all of these areas, using new and existing resources, is required to make that system work.

Homelessness services have established strong local networks to deliver the services that consumers need. Recent reforms to the Community Mental Health and Alcohol and Other Drug services have highlighted the disruption, loss of local networks and unintended consequences of retendering processes. CHP recommends that the Government instead establish a framework for service development including the elements above and implement changes over time, in consultation with consumers and the homelessness service sector.

Affordable housing strategy
While the changes outlined above will improve the service system, these services alone cannot end homelessness in Victoria. The shortage of affordable housing both creates and sustains people's experience of homelessness.

Ending homelessness requires an increase in the supply of affordable housing across the housing system - from opportunities for low income home ownership, through to private renting and public and community housing. An affordable housing strategy that aims to improve housing affordability across the housing system in the medium to long term is needed.

CHP has worked with a number of other peak bodies to outline a plan to increase the supply of social housing in Victoria. The strategies outlined in the document 'Making Social Housing Work', provide an excellent starting point for a comprehensive affordable housing strategy.

With over 34,000 Victorians waiting for social housing, the need for affordable housing is urgent. CHP recommends that the State Government immediately increase the number of affordable housing properties available by using the homes acquired for the construction of the, now cancelled, EastWest Link project for social housing.

A down payment on the future service system

Establishing a framework and program for reform will take time, however there are some small and immediate investments that could make a dramatic difference to those at risk of and experiencing homelessness. CHP believes that investments in the 2015-16 Budget should be made as a part of a down payment on a longer term reform project.

2015-2016 initiatives

The following section outlines CHP's proposals for the 2015-16 Victorian State Budget

Continue to fund innovation

A number of services are trialling new approaches to intervening early and preventing homelessness altogether. These *Innovation Action Projects* were a key part of the yet to be completed *Victorian Homelessness Action Plan.* The intention of these projects was to inform future service design, and they are delivering promising results.

- **Star Housing**: run by Rural Housing Network together with 14 health and welfare partners is working with individuals and families who are in the private rental market. So far 95 per cent of the households assisted have remained in their tenancies three months after assistance.
- **Detour:** run by Melbourne City Mission, with project partners Kids Under Cover and Uniting Care Cutting Edge is assisting young people at newly homeless or at risk of homelessness. Eighty two per cent of those assisted by the Detour program are now in stable accommodation
- **HomeConnect Hub** is run by Vincent Care Victoria with Anglicare Victoria and Australian Community Services Organisation. This project is working to intervene early and prevent homelessness with 58 per cent of the clients assisted now in accommodation that is financially sustainable, the majority in the private rental market.
- **Home at Last** run by Housing for the Aged Action Group has assisted 2734 older Victorians who are at risk of or experiencing homelessness by providing a one stop information centre for housing and assistance.
- **Next Steps** lead by Jesuit Social Services is supporting vulnerable young people who have had involvement with the justice system. With 40 participants; 29 of whom had been in youth detention or prison in the past 12 months; 78% of participants are housed, with the majority in secure accommodation.
- **Families at Home** is run by Kildonan UnitingCare and partner agencies Salvation Army Crossroads and HomeGround. This project identifies families with escalating signs of risk associated with family violence and focuses on the safety of women and children with interventions that enable more women and children to remain safely at home.
- **Regional Outreach for the Elderly Homeless** is run by Wintringham and has assisted 521 older Victorians in regional centres into safe accommodation with the support services they need.

These projects provide valuable insights into new ways of working. It is important that these programs continue, in order to inform future service development.

Program costs	2015-16	2016-17	2017-18	2018-19
Continue Innovation Action Projects	$10,900,000	$11,316,266	$11,655,754	$12,005,427

A housing guarantee for young people leaving out of home care

Between one half and one third of all young people exiting state care will experience homelessness in the first two years after leaving care. In later life, people who have been in out of home care are over represented among those who experience homelessness long term. Improving the safety net for young people leaving care, can prevent homelessness immediately and in the longer term.

Young people who have had multiple and disrupted care placements, and those who leave care early (from 15 years onwards) are more likely to experience homelessness than those with stable and/or longer care placements. Aboriginal young people are more likely to experience negative aspects of leaving care, including homelessness.

CHP proposes that the Victorian Government invest in a 'housing guarantee' to offer all young people leaving care a package of housing and support services up to the age of 25 years. Like the help offered to many young people by their families, this support and financial assistance will reflect their individual needs and taper down as they transition to independence.

CHP's plan would deliver a maximum annual payment of $4,160 per young person to secure their housing, by providing a rent top up, combined with support services to help them navigate the housing market and set up plans for the future. As part of their leaving care plan, the funds could be used to guarantee the rent for a period so that landlords are more likely to rent to young people, provide a supplement to meet the rent while they're finishing training or study and unable to work, be a payment to call on at times of financial stress; or a combination of all three.

	2015-16	`2016-17	2017-18	2018-19
Number of young people	398	797	1195	1593
Housing supplement	$2,037,331	$ 4,074,663	$5,923,319	$7,622,365
Support costs**	$2,521,991	$5,043,982	$7,224,186	$9,133,371
TOTAL*	**$4,559,322**	**$9,118,644**	**$13,147,505**	**$16,755,736**

*These costs do not include indexation

A rapid rehousing program

The longer individuals or households are without a home, the harder it is to end their homelessness. As existing health and financial conditions worsen the connections and supports that help people sustain housing fall away. For this reason, rapid rehousing programs that get people back into housing quickly and build the supports that people need to remain housed, should be a priority in this budget.

CHP proposes that the Victorian Government establish a Rapid Rehousing Program to assist 1,000 individuals and families a year to find and pay for accommodation in the private rental market. This would include: assistance to search for suitable properties, incentives for landlords to participate and medium term rental subsidies (of up to six months) to ensure the rent remains affordable.

These kinds of programs can provide an alternative to long stays in crisis accommodation, freeing up crisis beds. They can also be used to provide an alternative housing option for women and children fleeing family violence.

Program costs	2015-16	2016-17	2017-18	2018-19
Annual number of households assisted	1,000	1,000	1,000	1,000
Annual rental subsidy	$2,274,406	$2,365,382	$2,459,997	$2,558,397
Annual support costs	$7,250,000	$7,431,250	$7,617,031	$7,807,457
TOTAL	**$9,524,406**	**$9,796,632**	**$10,077,029**	**$10,365,854**
Estimated savings possible from realigning existing support resources	$1,800,000	$1,845,000	$1,891,125	$1,938,403

Permanent supportive housing

Use surplus homes to end rough sleeping

Over 1,000 people in Victoria were counted sleeping rough in the 2011 Census. With the right kinds of assistance, we can reduce this number, and eventually eliminate rough sleeping altogether.

Targeted services that provide long term, affordable housing combined with flexible, proactive and ongoing support services, have been proven to end homelessness for people who have been sleeping rough, and prevent them from becoming homeless again. This approach is known as Permanent Supportive Housing. Some examples include:

- New York: 80 per cent of people who participated in a Permanent Supportive Housing program spent an average of two years stably housed, compared to 30 per cent receiving a standard response.

- Canada: After 12 months, participants had spent an average of 73 per cent of their time in stable housing compared to 30 per cent in the control group.

- Melbourne: After 12 months, 77 per cent of people in the Street to Home program were in independent secure accommodation.

All of these studies show that Permanent Supportive Housing creates savings for Governments as it reduces the demand on hospitals, emergency services and the justice system from people sleeping rough.

CHP proposes that a small number of suitable (one to two bedroom) properties acquired as part of the East West Link project be used to establish a Permanent Supportive Housing Program. By using the homes no longer needed for the East West Link tunnel, the Victorian Government could establish a Permanent Supportive Housing program this financial year with little capital outlay.

The costs of the initiative using only houses purchased and no longer needed for the East West link would include an initial property set up cost, ongoing support and an annual property maintenance allowance as outlined below.

Program costs for 40 consumers over 4 years	2015-16	2016-17	2017-18	2018-19
Number of new consumers each year	40	-	-	-
Total consumers in program this year	40	40	40	40
Initial set up costs	$292,382			
Annual costs minus rental income	$19,646	$26,605	$33,737	$41,047
Support cost	$672,622	$689,438	$706,674	$724,341
TOTAL	**$984,651**	**$716,042**	**$740,410**	**$765,388**
Estimated savings from reduced uses of emergency services, health and justice system	$488,000	$500,200	$512,705	$525,522

A one off program will not end homelessness for all of the 1,092 people sleeping rough in Victoria. CHP recommends that an ongoing Permanent Supportive Housing be funded. The proposal below outlines a modest Permanent Supportive Housing Program that would grow over time. This can be achieved by initially using homes no longer needed for the East West Link project, building new properties as well as using some existing Transitional Housing Properties for long term housing.

Program costs for 190 consumers over 4 years	2014-15	2015-16	2016-17	2017-18
Number of new consumers each year	40	50	50	50
Total consumers in program this year	40	90	140	190
Capital establishment (one-off)x 25 properties p/a	-	$6,508,750	$6,671,469	$6,838,255
Transitional conversions x 25 properties p/a	$252,120	$161,514	$165,552	$169,691
Annual costs minus rental income	$6,680	$10,170	$7,805	$-1,075
Support cost	$580,000	$1,337,625	$2,132,769	$2,966,834
Less savings from converted transitional properties		$516,011	$822,751	$1,144,505
TOTAL	**$838,800**	**$7,502,048**	**$8,154,844**	**$8,829,200**

An affordable housing strategy

A State wide affordable housing taskforce

The affordable housing shortage facing Victoria is simply too big to be filled by the social housing system alone. Indeed the private rental market houses almost twice the number of low income households than social housing. In order to improve housing affordability across the board, the Victorian governments should seek solutions from across the community and the private sectors.

In order to develop a comprehensive affordable housing strategy CHP recommends that the government convene a statewide affordable housing taskforce. Representatives could include peak bodies, tenant representatives, housing and planning experts, community housing providers, financial experts and potential housing investors.

The taskforce should consider ways to improve housing affordability and security across the housing system from the *Residential Tenancies Act*, to social housing investment vehicles, planning strategies and low income home purchase initiatives.

A common waiting list

There are over 77,000 social housing properties in Victoria that are used for long term housing. Of these, just over 63,000 are public housing, and the remaining 14,000 are community housing properties. While people seeking to access public housing fill in one form, the 42 community housing providers all have separate access procedures and systems. This system can be complicated, opaque and frustrating for people experiencing homelessness.

The community housing sector offers one of the best opportunities to grow the number of social housing properties available in Victoria. However, clearer, simpler methods of accessing and allocating that housing are needed.

A single common register for all public and community housing applications would provide a clearer and simpler method of access for consumers and a transparent system of allocating vacancies when they arise. In 2015-16 the Victorian Government should allocate funding to develop a Common Housing Register for all social housing in Victoria. This register should allow for future innovation, such as choice based letting.

Housing and homelessness commitments

CHP welcomes the Government's commitment to a rooming house upgrade program outlined in the Labor Financial Statement. Improving community rooming house accommodation is an important part of retaining these low cost housing options. Unfortunately many people also reside long term in sub-standard private rooming houses, with little security and exorbitant rents.

A number of initiatives are needed to improve rooming house conditions across the state, such as licensing of operators, enforcement of standards and more affordable housing for single people to reduce demand for this kind of accommodation. As an immediate measure the Government should re-establish a rooming house purchase program, to expand the accommodation provided by not for profit housing operators and improve the housing options available to vulnerable households.