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## Introduction

In 2019, Victoria is the economic success story of Australia. Hundreds of thousands of new jobs have been created, unemployment is at record lows<sup>1</sup> and our population continues to grow.

These successes mean that many Victorians are doing well. However, not every Victorian benefits equally. Those who have not seen their incomes grow face greater competition than ever in the rental market.

Soaring rental costs across all sections of the market have left 142,000 low-income households struggling to pay their rent.<sup>2</sup> Social housing continues to decline as a proportion of all housing stock, now representing just 3.2 per cent of all housing,<sup>3</sup> while 82,500 people sit on the social housing waiting list.<sup>4</sup> Victoria has a current shortfall of 102,800 social housing properties.<sup>5</sup> Family violence remains Victoria's most pressing crime issue, resulting in death, disability, trauma, and in at least 50,000 instances last year, in homelessness.<sup>6</sup> While these conditions prevail, homelessness will only continue to grow.

The Victorian Government responded to these challenges in the last term of government, with new investments in social housing under the *Homes for Victorians* strategy, the *Family Violence Housing Blitz*, and the *Homelessness and Rough Sleeping Action Plan*.

Yet as this submission details, these responses require renewed energy in 2018-22. Critical programs underpinning the Victorian Government's highly integrated social policy agenda do not have a budget allocation beyond this financial year. The Government's current program of growth for public and community housing, while positive, is not of a scale to deliver a fair housing system for those unable to afford to buy or to rent a home. And many Victorians who need support to find or sustain housing are not receiving it.

As Victoria's economy booms, housing costs remain at historic highs despite a recent correction. This continues to deliver land transfer (stamp) duty tax revenues at a level billions of dollars greater than seen by previous Governments.

Population growth and the concomitant increase in house prices have delivered an enormous windfall to the Victorian budget. This windfall needs to also mitigate the pain that housing price growth causes to those Victorians who haven't benefited from the boom times. It has never been more the case, that ending homelessness is within our means.

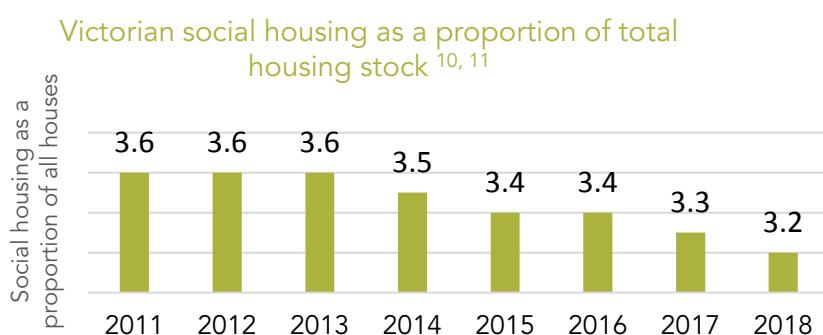
# Housing

The re-elected Victorian Government has committed to building 1,000 new public housing properties over the next three years. These homes complement commitments in *Homes for Victorians*, the *Family Violence Housing Blitz*, and the *Homelessness and Rough Sleeping Action Plan*, but are not adequate to meet the needs of our rapidly growing population.

Access to safe and affordable housing is critical to both end and prevent homelessness. Yet currently in Victoria, a lack of social housing is both increasing demand for homeless services, and reducing the capacity to end homelessness.

While the Victorian Government has made some investments in social housing, the reality is that Victoria's social housing stock was smaller in number in 2018 than it was in 2014,<sup>7</sup> and is at record low levels as a proportion of all housing.<sup>8</sup>

Recent research has identified the current shortfall in social housing in Victoria at 102,800 properties. Despite this need and being one of the wealthiest states, Victoria's spending on social housing is half the national average.<sup>9</sup> Increasing Victoria's investment to the national average would deliver desperately needed housing opportunities to vulnerable Victorians.



This investment would decrease pressure on mental health, justice, and child and family services. It would also enhance the effectiveness of recent investments to reduce rough sleeping; addressing the fact that more than 40 per cent of rough sleepers receiving outreach and case management support remain on the street, because they are waiting, often in excess of 8 months, for housing.<sup>12</sup>

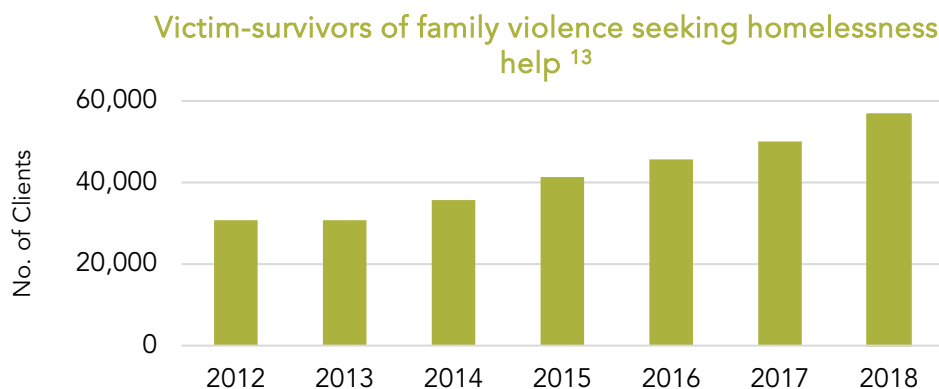
Council to Homeless Persons is calling for 3,000 new public and community owned homes each year as an urgent measure to make an immediate impact on homelessness.

	2019-20	2020-21	2021-22	2022-23
New social housing stock	3,000	3,000	3,000	3,000
Cost / year	\$1,200 M	\$1,236 M	\$1,273 M	\$1,311 M

# Preventing homelessness for women and children escaping family violence

The Victorian Government has significantly strengthened our State’s response to family violence. Yet now at risk is a critical program, which ensures that many women do not have to choose between remaining in a dangerous home or escaping with their children into homelessness.

The *Private Rental Assistance Program* was developed in response to [Recommendation 18](#) of the Royal Commission into Family Violence (RCFV), which called for action to ensure victims of family violence gain stable housing as quickly as possible. It has proved to be a highly effective way to rapidly re-house the increasing numbers of victim-survivors seeking homelessness assistance. It achieves results at the lowest cost to government per unit of accommodation of any aspect of the Family Violence Housing Blitz,<sup>13</sup> but is only funded to June 2019.



In addition to being central to achieving the Government’s commitment to deliver all RCFV Recommendations, PRAP is also embedded in many of the Government’s most important social policy responses across homelessness, housing, child protection, and disability.<sup>14</sup> If the *Private Rental Assistance Program* is to continue to prevent homelessness for women and children escaping family violence, it needs continued funding.

	2019-20	2020-21	2021-22	2022-23
Number of households assisted	4,000	4,000	4,000	4,000
Support costs	\$17.3 M	\$17.8 M	\$18.3 M	\$18.9 M

## Rooming house outreach

The lack of affordable rentals, particularly for singles, sees many Victorians forced to live in rooming houses. While reforms have introduced minimum standards,<sup>15</sup> and a fit and proper persons test for operators,<sup>16</sup> the reality is that many rooming houses are still damaging environments for people’s health and wellbeing.

Rooming house residents include many of Victoria’s most vulnerable citizens: 62 per cent of residents have health issues, 65 per cent are experiencing family breakdown and/or family violence, and 62 per cent have substance use issues.<sup>17</sup> While rooming houses provide a roof over a person’s head, the accommodation standard is often extremely poor. With many highly vulnerable people living in close proximity to each other, tenants are also often at risk from other tenants or visitors, or from unscrupulous operators.

Yet despite their vulnerability, this is an almost completely unserved population. Research reveals that most residents speak to only a few people each week – including fellow residents<sup>18</sup> and have no, or little contact with support services.<sup>19</sup>

Research also indicates that many people living in rooming houses are stuck in a cycle of entrenched rough sleeping: 25 per cent of rooming house residents come directly from rough sleeping,<sup>20</sup> and 25 per cent of rough sleepers were last housed in rooming houses.<sup>21</sup> Rough sleepers who were previously in a rooming house were also 8 per cent less likely to exit rough sleeping. This indicates that rooming houses entrench vulnerabilities that are associated with rough sleeping, such as mental illness and substance use.<sup>22</sup>

Yet despite the extreme vulnerability of tenants, several pilot programs delivering outreach support into rooming houses have achieved dramatic improvements in residents’ wellbeing. Approximately 10 per cent of residents moved into private rental, while almost a third were helped to improve their housing situation. Residents re-engaged with physical and mental healthcare, were supported to seek employment, accessed children’s support programs, and improved their nutrition.<sup>23,24</sup>

In order to support the wellbeing of this extremely vulnerable group, and more effectively break the cycle of homelessness, a comprehensive approach to outreach into rooming houses is needed. Outreach teams of homelessness workers and community health nurses should be established in each metropolitan Department of Health and Human Services area, and five regional cities.

	2019-20	2020-21	2021-22	2022-23
Rooming house residents reached	2,500	2,500	2,500	2,500
Cost	\$ 2.8 M	\$ 2.9 M	\$ 3.0 M	\$ 3.1 M

# Meeting young people's housing needs

We all want young people in Victoria to do well and to have opportunities to engage in education or to find a good job. We hope they are making supportive friends, trying new things, avoiding serious risks, and succeeding (or even thriving) in their newfound independence. It goes without saying that we hope young people have a safe place to live.

Yet today, young people account for nearly a fifth of those experiencing or at risk of homelessness in Victoria. Over 20,000 young people aged 15-24 years sought support for homelessness in 2017-18.<sup>25</sup> Young people are also more likely than other age groups to already be homeless when they come for help.<sup>26</sup> The longer it takes to resolve a young person's homelessness the greater the risk of destructive lifelong impacts including mental ill-health, disengagement from work and education, justice system involvement, and recurrent homelessness.<sup>27</sup>

Young people are least able to afford private rental, with both Youth Allowance and youth wages lower than their adult equivalents. Victoria has many strong youth homelessness programs in place, however the reality is that in 2017-18 more than 4,000 young people 15-24 were without a home after engaging with homeless services.

Victoria needs a comprehensive housing program for young people. This needs to include a suite of options to meet the spectrum of young people's needs, from those with high support needs, to those who are able to manage a home independently. Options are also required that provide supported pathways to independent living or accommodation close to family or support networks.

While some resources were committed in the last term of government for housing subsidies for young people leaving care, these are not adequate to meet the level of need. Many young people who are not leaving care are also not eligible to receive them. In order to make an immediate impact on the numbers of young Victorians who are homeless, a flexible fund for housing and support is needed.

	2019-20	2020-21	2021-22	2022-23
Housing and support packages	800 metro 200 regional	800 metro 200 regional	800 metro 200 regional	800 metro 200 regional
Housing subsidy cost	\$10.0 M	\$10.3 M	\$10.6 M	\$10.9 M
Youth support workers	\$1.3 M	\$1.3 M	\$1.4 M	\$1.4 M

## A more robust crisis response

Individuals and families without a home need a safe place to stay as soon as they seek help. But homelessness is rapidly increasing, social housing stock numbers are declining, and emergency accommodation costs skyrocketing. Providing effective help is getting harder every day. Last year one in four help seekers, almost 32,700 people, were turned away from homeless services without the assistance they needed.<sup>28</sup>

In 2017-18, 116,872 people sought homelessness assistance. This is over 26 per cent more people than sought help five years earlier.<sup>29</sup> The cost of the private accommodation options used for emergency accommodation has also risen astronomically over this time; up 79 per cent since 2013.<sup>30</sup> This means limited resources are inevitably being stretched far more thinly: more people are turned away and the quality of accommodation options is poor.<sup>31</sup>

Government's first homelessness priority needs to be provision of long-term safe and affordable housing options that will actually end homelessness for people without a home. However, the rising cost of failing to deliver these housing options cannot be ignored.

Homeless services need to be able to secure safe emergency accommodation options with basic amenities for the increased numbers of people who need this help. To achieve this, more emergency resources for flexible funding of accommodation are needed in the short-term, alongside additional staffing to assess and respond to the growing numbers of people seeking this support.

In the long term, the problem of increasing homelessness needs to be resolved at its core – by delivering the long-term safe and affordable housing options that will enable all Victorians to have a home.

	2019-20	2020-21	2021-22	2022-23
Households assisted with emergency accommodation	5,500	5,500	5,500	5,500
Emergency accommodation	\$ 4.4 M	\$ 4.5 M	\$ 4.6 M	\$ 4.7 M
Homelessness access point workers	\$1.9 M	\$1.9 M	\$2.0 M	\$2.0 M



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- <sup>8</sup> Australian Bureau of Statistics, 2017, *4130.0 Housing Occupancy and Costs 2015-16*
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- <sup>15</sup> *Public Health and Wellbeing Regulations (2009)* and *Residential Tenancies (Rooming House Standards) Regulations 2012*
- <sup>16</sup> *Rooming House Operators Act 2016*
- <sup>17</sup> The Salvation Army Adult Services, 2011, '*No room to move? Report of the Outer West Rooming House Project*', p.16
- <sup>18</sup> Ibid, p.17
- <sup>19</sup> Ibid
- <sup>20</sup> Ibid, p.15
- <sup>21</sup> Bevitt, A., et al., 2015, '*Journeys Home Research Report No.6; Complete findings from Waves 1 to 6*', p.19
- <sup>22</sup> Cobb-Clark, D., et al., '*A Journey Home: What Drives How Long People are Homeless?*', Melbourne Institute Working Paper Series No. 20/14, p.29
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<sup>26</sup> Ibid

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<sup>29</sup> Ibid

<sup>30</sup> Ibid

<sup>31</sup> Northern and Western Homelessness Networks, 2019, *A crisis in crisis*