



Council
to Homeless
Persons

Report

Housing Insecurity Index 2024

SEPTEMBER 2024

Executive Summary

Council to Homeless Persons' (CHP) inaugural Housing Insecurity Index is designed to present the key indicators of housing insecurity in Victoria alongside the availability of social housing. The index looks at the latest available data on rent prices, the public housing waiting list, access to specialist homelessness services, housing stress and social housing stock to get a picture of housing affordability.

Its release coincides with the one-year anniversary of the Victorian Government's Housing Statement. This report finds the key indicators of housing insecurity have worsened in the 12 months since the State Government announced the plan under then premier Daniel Andrews. While the centrepiece of the statement is an ambitious target to build 800,000 homes statewide, the detail for social housing is relatively absent.

The findings of this report show rents are continuing to grow at unsustainable rates alongside a stagnation in the proportion of public housing available in Victoria.

As a result, CHP recommends three clear responses from the government: amend the Housing Statement, commit to building at least 6000 public and community dwellings each year for a decade, and increase funding for under-pressure homelessness services.

The Index

The Council to Homeless Persons Housing Insecurity Index for 2024 is presented below. Further details are provided elaborating on these measure in the following pages of this Report.

Measure		Result
Annual rents*	Victoria	+13.3%
	Melbourne	+14.6%
	Regional Victoria	+5.3%
Victorian public housing waiting list [!]	Total	61,587
	Priority	34,804
People receiving support from Specialist Homelessness Services in Victoria [!]		32,496 (+6.5% since July 2017)
People accessing Specialist Homelessness Services because of housing stress [!]		above 10,000 every month since Jan 2023
Proportion of social housing in Victoria's total housing stock [#]		2.8%

* As at March quarter 2024

! As at June 2024

As at 30 June 2023

Rising rents

Victorian rents, especially in Melbourne and its surrounding suburbs, have skyrocketed over the past year, with median rents rising by hundreds of dollars per week and tenants facing intense competition and pressure to keep up with the increases.

Table: Victorian rental trends, as at March quarter 2024

Locality	Median weekly rent	Annual per cent change
Victoria	\$550	+13.3%
Melbourne	\$560	+14.6%
Regional Victoria	\$445	+5.3%

Source: Department of Families, Fairness and Housing Rental Report statistics – March quarter 2024

The Victorian Government's latest rental report showed in the March quarter statewide rents rose 13.3 per cent annually¹. In Melbourne the annual increase was 14.6 per cent, and 5.3 per cent in regional Victoria. In dollar terms, this means the median weekly rent in Melbourne is \$560. In regional Victoria it is \$445. The statewide median weekly rent is \$550.

This is broadly consistent with other data sources.

PropTrack's latest Rental Report² shows annual rents in Melbourne are up 10.6 per cent, while prices in regional Victoria increased by 4.7 per cent in the June quarter.

¹ <https://www.dffh.vic.gov.au/publications/rental-report>

² <https://cdn.rea-group.com/wp-content/uploads/2024/07/23005601/PropTrack-Rental-Report-June-2024.pdf>

While the rate of growth may be slowing from record high rises, it remains well above inflation and wages growth. Stabilisation from an unsustainable base doesn't mean people are finding it easier to put a roof over their heads. Rental tenants are feeling the brunt of the cost-of-living crisis and under enormous pressure to afford the basics like housing and food.

Another key factor is people being forced to share housing, living in smaller or more inappropriate properties, and compromising on location. These can have serious social and economic consequences including relationship breakdowns, problems with unsuitable accommodation for children and elderly people, and a lack of access to services and employment.

Vacancy rates are also creating significant housing insecurity across the state.

Public housing waiting list

The public housing waiting list is now at 61,587³.

A sold-out Marvel Stadium wouldn't be anywhere near big enough to accommodate every person on Victoria's public housing waiting list. The figure is stubbornly high.

Table: Victorian Housing Register as at June 2024 (compared to past reporting period)

Victorian Housing Register		March 2024	June 2024
Applications	Total	48,620	51,602
	Priority	26,449	27,983
Transfers	Total	9839	9985
	Priority	6806	6821

Source: <https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr>

With almost 3000 new requests to join the list in the past three months, it is clear competition for social housing is intensifying with the rate of demand far outstripping supply. Of the total figure, 51,602 applications are considered 'new' – made by people who are not currently living in public or community housing. The other 9985 are from households who need to move to another social housing property because of a change in circumstances. Almost 35,000 either new or transfer applications are on the priority wait list.

As CHP's Chief Executive Officer Deborah Di Natale said earlier this year:

“What we have is people who need public housing but can't get it. What that looks like is a mum with children waiting 18 months to be able to get a house – and during that 18 months, making some really difficult decisions about safety.”⁴

³ <https://www.homes.vic.gov.au/applications-victorian-housing-register-vhr>

⁴ <https://www.abc.net.au/news/2024-02-25/victoria-public-social-housing-sector-waitlist-strained/103489974>

There is also a significant cohort of people who opt not to join the public housing waiting list because of long wait times and uncertainty.

Homelessness services under crushing pressure

More than 32,000 people accessed Victorian homelessness services in the latest monthly data, with about a third doing so because of housing stress.⁵

The number of people who received support from Specialist Homelessness Services in Victoria increased from 30,510 in July 2017 to 32,496 in June 2024. Of those, 19,906 were female and 12,590 were male. 4,439 were Aboriginal or Torres Strait Islander people.

A total of 58,806 nights of short term/emergency accommodation were provided to 3,999 specialist homelessness services clients in June 2024.

The number of people accessing specialist homelessness services because of housing affordability stress has been above 10,000 for every month since January 2023.

Table: Number of people seeking support from Victorian specialist homelessness services for housing affordability stress

Month	People seeking assistance for housing stress	Month	People seeking assistance for housing stress
June 2024	10,342	Sept 2023	10,264
May 2024	10,859	Aug 2023	10,737
April 2024	10,773	July 2023	10,370
Mar 2024	10,762	June 2023	10,718
Feb 2024	10,825	May 2023	10,971
Jan 2024	10,649	April 2023	10,180
Dec 2023	10,019	Mar 2023	10,621
Nov 2023	10,481	Feb 2023	10,290
Oct 2023	10,483	Jan 2023	9966

Source: Australian Institute of Health and Welfare, Specialist Homelessness Services: monthly data

⁵ <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-monthly-data/contents/monthly-data>

The top 10 months on record for people in housing stress visiting specialist homelessness services all belong to Victoria. Five of the last six reported months were in the top 10, making it clear the housing crisis is worsening.

Table: Highest monthly incidences, by state, of people seeking support from specialist homelessness services for housing affordability stress

Ranking	Number seeking assistance	State/Territory	Month
1	10,971	Victoria	May 2023
2	10,859	Victoria	May 2024
3	10,825	Victoria	Feb 2024
4	10,773	Victoria	April 2024
5	10,762	Victoria	March 2024
6	10,737	Victoria	August 2023
7	10,718	Victoria	June 2023
8	10,649	Victoria	Jan 2024
9	10,621	Victoria	March 2023
10	10,481	Victoria	Nov 2023

Source: Australian Institute of Health and Welfare, Specialist Homelessness Services: monthly data

About one third of all Australians who access specialist homelessness services because of housing affordability stress reside in Victoria, which is by far the national leader on this indicator. Victoria has about 30 per cent more people in housing stress seeking help from homelessness services than NSW or Queensland.

The demographic profile of this cohort has shifted in recent years.

CHP's April *Employed and at Risk* report⁶ showed homelessness service use among employed people increased in 61 of Victoria's 80 local government areas between 2020-21 and 2022-23. Employed people account for one in eight homelessness service users in Victoria – some 12,146 employed people sought homelessness assistance last year, 14 per cent more than the year prior.

All this puts enormous pressure on services, which are struggling to keep up with demand.

A CHP survey from earlier this year found more than half of frontline workers are considering quitting as workloads soar and social housing supply stagnates.⁷ About 70 per cent said their workload had become busier over the past 12 months, while 55 per cent said they had considered leaving the sector in the past six months.

⁶ <https://chp.org.au/wp-content/uploads/2024/04/Employed-and-at-risk-FINAL.pdf>

⁷ <https://chp.org.au/article/victorias-homelessness-sector-in-crisis-facing-workforce-exodus>

Social housing stagnation

The number of social housing dwellings in Victoria has largely remained steady from 86,418 in June 2017 to 88,189 in June 2023.⁸

Victoria has consistently had the lowest proportion of social housing as part of the total housing stock when compared with every other state and territory.

The Productivity Commission's most recent Report on Government Services⁹ reveals public and community housing residents make up just 2.8 per cent of Victoria's households. This is the lowest percentage of any state or territory in Australia.

Table: Social housing as a proportion of total housing stock, by state



Source: Productivity Commission Report on Government Services 2024

The national average is 4.1 per cent. Queensland (3.6 per cent) and WA (4.1 per cent) are the only other states below the national average, while NSW (4.6 per cent), SA (6 per cent) and Tasmania (6.2 per cent) are above average. The ACT is at 6.5 per cent and NT at 14.4 per cent.

⁸ https://www.audit.vic.gov.au/sites/default/files/2024-06/20240619_Planning-Social-Housing.pdf

⁹ <https://www.pc.gov.au/ongoing/report-on-government-services/2024/housing-and-homelessness/housing>

There is solid public support behind doing more. Recent polling from Redbridge for Everybody's Home showed seven in 10 Australians want more spent on social housing.¹⁰ Governments are likely to be rewarded by voters for tackling the housing crisis. The acknowledgement of the problem is one thing, but the political will to fix it is the critical part of the puzzle that remains elusive.

¹⁰ <https://au.news.yahoo.com/tired-trope-most-voters-open-173000416.html>

Recommendations

Recommendation 1: Amend the Housing Statement.

Former premier Daniel Andrews hailed the Housing Statement as “bold and decisive action”¹¹ but the lack of detail around social housing must be urgently addressed. After succeeding Mr Andrews, Premier Jacinta Allan acknowledged housing was the number one issue confronting the state.¹²

As the findings of CHP’s Housing Insecurity Index clearly show, the Statement’s measures are inadequate for the worsening crisis that is having devastating consequences for tens of thousands of Victorians. CHP calls on the Victorian Government to revisit and amend the Housing Statement to include ambitious changes to social housing, including by announcing mandatory inclusionary zoning for social housing.

Recommendation 2: Build at least 6000 public and community homes each year for a decade.

In November, a bipartisan parliamentary committee recommended the Victorian Government commit to building 60,000 new social housing dwellings by 2034, with 40,000 completed by 2028.¹³

The final report expressed a belief this figure may actually be less than required but still retained the number as an important commitment:

“The Committee notes that although the Housing Statement makes several commitments to build new social housing it does not include an overall target.”

Recommendation 3: Increase support for homelessness services.

As the housing crisis worsens, specialist homelessness services have effectively been forced to do more with less, often leading to heartbreaking decisions about who can be helped. Investing in service delivery relieves pressure on other sections of the budget like justice and health.

¹¹ <https://www.premier.vic.gov.au/site-4/affordability-partnership-build-152000-regional-homes>

¹² <https://www.theage.com.au/politics/victoria/jacinta-allan-names-her-new-cabinet-including-her-big-build-replacement-20231002-p5e90p.html>

¹³ <https://www.parliament.vic.gov.au/4a5e1a/contentassets/90eeac3a41ca4c498ca4e1cffe125eb/committee-final-report.pdf>