

PARLIAMENTARY INQUIRY INTO HOMELESSNESS IN AUSTRALIA



Community Housing
INDUSTRY ASSOCIATION



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Executive Summary

CHIA is the peak body representing not for profit community housing providers (CHPs) across Australia. Our 170+ members manage a \$40 billion-plus portfolio of more than 100,000 homes, housing people on low and moderate incomes who find it hard to access affordable and appropriate tenancies in the private market.

The Community Housing Industry Association (CHIA) welcomes the opportunity to make a submission to the Parliamentary Inquiry into Homelessness in Australia. In this submission we have drawn on both our direct experience of managing housing for low income households and also existing research to focus on solutions that will reduce homelessness rather than simply improve how homelessness is managed.

Our submission was largely completed before the onset of the COVID-19 crisis, but we have included a section that explains the impact from the perspective of our members providing services and accommodation to formerly homeless people.

The pandemic has forced (mainly state and territory) governments to take action to address both rough sleeping and overcrowded shelters and boarding houses where residents share facilities. We have always known the public health risks both pose; the pandemic has shown that governments are able work collaboratively with other housing and service providers to secure resources and take rapid and effective action to provide temporary accommodation for at least 5000 people¹ using hotels, pop up shelters and under occupied student accommodation. We acknowledge this achievement while questioning how permanent homes for these people will be secured. It also raises another question of whether this achievement of virtually removing street homelessness can be maintained into the future. COVID-19 has brought into sharp relief the consequences from not investing in social housing but also an opportunity to make a start to address the shortfalls through a recovery stimulus program.

We have proposed a number of solutions which are consistent with those set out in CHIA's [2020 pre-budget submission](#) but have also included actions in response to the current crisis.

We acknowledge the assistance from the City Futures Research Centre (CFRC) UNSW; allowing us to quote analysis conducted for their own Inquiry submission and also contributions from our members who provided service examples that illustrate points made in our submission.

¹ Heagney, M. (2020) More housing needed for the several thousand rough sleepers across Australia; Domain, 12 May <https://www.domain.com.au/news/more-housing-needed-for-the-several-thousand-rough-sleepers-across-australia-955241/>

Key recommendations for more effective action in tackling homelessness

1. Allocate resources to develop a **10-year National Housing Strategy** that incorporates a separate plan to prevent and address homelessness
2. As a matter of urgency the Commonwealth, state and territory governments should be planning the housing response to meet the anticipated rise in homelessness as temporary income and job support programs are wound down and the eviction moratoriums are lifted.
3. Undertake research to fill gaps in understanding including:
 - a. **comprehensive research into overcrowding in Australia**
 - b. **into older women's homelessness**
 - c. **students housing experiences**
4. **Support state and territory initiatives to rehouse formerly homeless households temporarily housed during the pandemic** by introducing a fund to encourage head leasing of private rental units. CHIA and Homeless Australia's rapid housing response provides a blueprint for such a scheme.²
5. Invest in **social and affordable housing**:
 - a. Kickstart our country's post COVID-19 recovery through a social housing acceleration program (SHARP)³ to deliver 30,000 social rental housing units.
 - b. Dedicate resources in 2020 -21 to developing and establishing a **recurrent Federal social and affordable program** for implementation in 2021-22 that incentivises State and Territory co-investment and attracts private equity, via a funding framework such as that provided by the **Affordable Housing Infrastructure Booster**.
6. Support the community housing industry to deliver services that will support tenants to sustain tenancies:
 - a. contributing annually to a **National Industry Development Strategy** that will develop tools and resources to enhance and improve tenancy management practice ,
 - b. Using the **National Housing and Homelessness Agreement (NHHA) to encourage states and territories to fund tenancy support services**.
7. Set up a **\$20M grant program to support innovative housing first accommodation options for veterans** who are homeless or at risk of becoming homeless.

² <https://www.communityhousing.com.au/wp-content/uploads/2020/04/200422-CHIA-HA-RHR-FINAL.pdf?x59559>

³ <https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Program.pdf?x59559>

Introduction

The Community Housing Industry Association (CHIA) welcomes the opportunity to make a submission to the Parliamentary Inquiry into Homelessness in Australia.

CHIA is the peak body representing not for profit community housing organisations (CHOs) across Australia. The industry provides one in five of Australia's social rental properties, complementing public housing. CHOs manage a \$40 billion-plus portfolio of more than 100,000 homes, housing people on low and moderate incomes who find it hard to access affordable and appropriate tenancies in the private market. Our 170 plus CHO members include the largest (managing over 10,000 dwellings) to those with less than 100 homes. Our members provide a diverse range of housing for Aboriginal people, people with disabilities and the formerly homeless. In recent years allocations to community housing tenancies have predominantly been to households classified as 'priority need'⁴. While priority need is not synonymous with homelessness, the overlap is considerable.

CHIA's submission focuses on solutions that will reduce homelessness rather than simply improve how homelessness is managed. For this reason, the submission considers the broader issue of housing stress which feeds into the growing numbers of homeless households in Australia.

We have drawn on our direct experience of delivering housing and tenancy management services to formerly homeless households together with existing high quality research and analysis. Our solutions are largely those we set out in our 2020 pre-budget submission⁵ and concern actions to address housing stress amongst lower income households and also ensure tenancies are 'successful'. By successful we mean that tenancies are sustained long term or until a household transitions to alternative secure and appropriate housing.

CHIA acknowledges that there are broader economic and regulatory policies (including tax settings) and social and welfare policies (especially social security programs) that impact on homelessness. CHIA's National Plan for Affordable Housing⁶ sets out our position on a number of these issues and the recent publication *Housing Policy in Australia*⁷ provides a more in-depth analysis of broader housing market issues. We anticipate many of these issues will be addressed by other respondents.

Before responding to the Inquiry questions, we have reflected on the current COVID-19 crisis and its homeless impacts and briefly considered the broader question of housing stress and its relationship to homelessness. Throughout the submission we have illustrated our points using case study examples drawn from our members.

⁴Report on Government Services 2020. Note that figures for 2018/19 were distorted by NSW where tenancies transferred to community housing providers were classified as new allocations. In the previous three years allocations to priority need households ran at over 80% - higher than for public housing.

⁵ <https://www.communityhousing.com.au/wp-content/uploads/2020/01/2020-CHIA-Federal-Budget-submission-FINAL-.pdf?x38490>

⁶ <https://www.communityhousing.com.au/national-plan/>

⁷ Pawson, H; Milligan, V. and Yates J: 2020 Housing Policy in Australia: A case for system reform, Singapore: Palgrave Macmillan

COVID-19 CRISIS

The COVID-19 outbreak has not substantively changed our Inquiry submission, nor our recommendations. The outbreak has, however, triggered public health concerns around infection and transmission from people who are rough sleeping or living in accommodation with shared facilities. These concerns led to state and territory governments mobilizing resources to rapidly rehouse around 5000 individuals considered to be at risk. We acknowledge this was a significant achievement.

Rapid Response to Unsafe Accommodation

Boundary Street, Brisbane, a centrally located accommodation for single men that also provides training opportunities to help residents secure employment, is one example of this rapid rehousing. While the 70 plus residents have their own room, kitchen and bathroom facilities are shared – thus increasing the risk that a COVID-19 outbreak could quickly spread.

Recognising the sudden emergence of this risk in March 2020, the Queensland state government response was rapid and effective. The Dept of Housing and Public Works collaborated with the community housing provider, BRIC, to secure a newly-built under-occupied 500 unit student housing block in Toowong. Three other specialist homelessness services managing accommodation with shared facilities were also involved. The state government has taken a lease until January 2021 and is taking care of the lease charges as well as repairs and maintenance. Security and service costs are shared between the four providers.

Moving 300 residents was achieved without incident & has also clearly demonstrated that government, accommodation and service providers can respond quickly and flexibly when required.

BRIC Housing, QLD

Moving 300 residents was achieved without incident and the feedback from residents who are now living in self-contained studios has been generally positive. It has also clearly demonstrated that government, accommodation and service providers can respond quickly and flexibly when required.

There are some challenges - student accommodation isn't designed to facilitate a supportive housing model, with little space to hold programs and residents missing the opportunities to socialise. The rooms and fittings are also designed with study, not general living in mind. Clearly, congregating many residents with complex conditions in one location isn't ideal.

Perhaps the biggest challenge will be securing move on accommodation before the lease comes to an end. With several hundred former homeless people temporarily accommodated in hotels in the Brisbane area the pressure on scarce social housing will be acute.

The Value of Supportive Housing

The pandemic has also illustrated the strengths of supportive living models such as Common Ground Queensland (CGQ) where the CEO noted that ‘I have been so pleasantly surprised by how uneventful it has been during the pandemic response, however, it is fairly logical when I think about it in hindsight. The supportive housing model is perfectly positioned to support people to stay home and keep safe’.

Many CGQ tenants are highly vulnerable due to age, poor health or disability. Together with the onsite support staff CGQ was able to put plans in place and communicate with tenants very quickly to minimise and respond to the emerging risks.

Due to the single point of entry and 24/7 concierge CGQ was able to engage with tenants regularly, to reinforce hygiene and social distancing messages, to identify people who may have been unwell, to monitor tenants who were self-isolating, and to provide hand gel at entrance and exits. Most importantly CGQ was able to put in place and enforce the recommended visitor restrictions. Feedback from tenants (both formerly homeless and affordable housing) regarding these measures was overwhelmingly positive as they felt protected. Benchmarked against a typical monthly visitor throughput of 2,500, CGQ recorded just 600 in April, most of whom were people providing care or support to tenants.

Tenants have been advised to stay in their home if they are feeling unwell and to call the concierge desk. The onsite Nurse is able to visit them in their home and organise for medical assessment if necessary. Where appropriate, tenants can be supported to safely exit and enter the building, attend testing, and self-isolate with any needs being looked after by support services. CGQ is able to immediately deep clean floors or touch points where tenants who are unwell live or have travelled.

In addition, CGQ has been able to put in place hand sanitiser throughout the common areas, hourly cleaning of foyer and lifts, regular cleaning of touch points throughout the building. They have been able to offer paid work to tenants to do some of this additional cleaning.

To date they have not had a confirmed case in the building, they have had several tenants who have been unwell and been tested.

I have been so pleasantly surprised by how uneventful it has been during the pandemic response, however, it is fairly logical when I think about it in hindsight. The supportive housing model is perfectly positioned to support people to stay home and keep safe’
CEO, Common Ground, QLD

Exit Strategies

While, acknowledging that over 5,000 people sleeping rough and in unsafe accommodation have been temporarily housed, we now face the looming problem of how to provide for their rehousing into more permanent homes. As we prepare this submission there appear to be no comprehensive exit strategies in place in any jurisdiction.

Existing social housing will be unable to accommodate any urgent need to evacuate this cohort from hotels. The amount of social housing has reduced to just 4% of all dwellings and ‘the annual number of lettings made by social landlords relative to population has halved since 1991’.⁸ Moreover, dwindling supply has meant that even in normal times virtually all of those being housed by CHOs and public housing agencies are ‘greatest need applicants’. Even to the extent that such applicants could be deferred in favour of former rough sleepers being moved out of hotels, the social housing system would be incapable of absorbing all of the latter in any short time period.

Furthermore, as temporary income supports (e.g. JobKeeper payments) are reduced and job protections withdrawn, we can anticipate more people will be pushed into housing stress and homelessness. While there will be some businesses that ‘snap back’ there will be many for whom the recovery process will be far longer and are therefore unable to retain all their employees.⁹ Large sections of the workforce were also ineligible for the JobKeeper program and some may already be in precarious housing situations, but temporarily protected by the eviction moratorium. With these being lifted at the same time as the stimulus payments are withdrawn Australia faces a probable major spike in homelessness. Estimating the numbers involved, mitigating the risk and planning and co-ordinating the response is urgently needed. The Federal Government should take the leadership role.

The Future of Accommodation with Shared Facilities

The pandemic has also demonstrated the urgent need to plan for the renovation and in some cases the replacement of shared accommodation where despite high quality services the public health risks are not easily mitigated. Servants Community Housing in Melbourne provides accommodation for single men and women in a mix of properties some with shared bathrooms and kitchen / dining rooms and others which have en-suite facilities. A manager, living on site is there to ensure the residents needs are met and the house runs smoothly. In the current environment having this presence has been invaluable. Not only does it minimise the infection risk associated with staff coming and going but the manager is alert to issues when they arise.

Most residents have severe mental health issues and many have underlying medical conditions too making them especially vulnerable to the virus’s effects. Servants needed to take action to minimise both the risk of an outbreak and the risk to their residents longer term wellbeing.

⁸ Taking into account both public housing and community housing, the gross number of social rental lettings dropped from 52,000 in 1991 to 35,000 in 2017 – an absolute decline of a third (for sources see p106 in: Pawson, H., Milligan, V. & Yates, J. (2020) *Housing Policy in Australia: A case for system reform*; Singapore: Palgrave Macmillan). Pro rata to population, this represents an effective reduction in social housing supply of some 50%.

⁹ <https://grattan.edu.au/news/beware-the-fiscal-cliff-why-australia-urgently-needs-an-economic-transition-plan/>

A more frequent cleaning regime, a rota for meal times, and arrangements for offsite isolation have been introduced, but residents still have the opportunity to socialise. Vacancies in the homes with shared facilities are not being filled - a difficult decision given the rising demand for accommodation. However, the pandemic has led to a much reduced turnover in rooms and hence vacancies - with residents not wanting to move out of a safe place.

The service response has been a success with the vast majority of residents managing well. It illustrates the benefits of a supportive housing model focused around residents' needs. That said, the impact on staff living on site, on high alert and unable to take a break is significant and Servants want to collaborate with others on solutions.

A house manager on site has helped mitigate the risk of an outbreak and reassured vulnerable residents, but going forward getting the resources to put in en-suite facilities is a priority.

Servants Community Housing, Melbourne

Questions are inevitably raised about the appropriateness of shared facilities. While shared kitchens / dining areas can reduce the risk of social isolation, the case for providing ensuite bathrooms is unarguable. The reality, however, is that the scope for making these changes (or developing alternative accommodation) is limited without government investment.

Planning for the Recovery

It raises the question of whether this achievement of virtually eliminating street homelessness can be maintained into the future. COVID-19 has brought into sharp relief the consequences from not investing in social housing but also an opportunity to make a start to address the shortfalls through a recovery stimulus investment program.

In our recommendations we have proposed a short and a medium-term solution to address these issues. A **rapid housing response fund** to enable community housing organisations to head lease private rental accommodation and specialist homelessness services to provide support for former rough sleepers. Many CHOs already operate long standing head leasing schemes and in a position to respond quickly and take advantage of an anticipated oversupply of homes in the private rental market¹⁰

In the medium term secondly a recovery stimulus program to renovate and build new social housing - **the Social Housing and Renovation Program (SHARP)**.

¹⁰ Johanson, S. (2020) Renters win as owners face short-stay apocalypse; Sydney Morning Herald, 12 May <https://www.smh.com.au/business/companies/renters-win-as-owners-face-short-stay-apocalypse-20200512-p54s7z.html>

Homelessness and Housing Stress

In the questions posed for respondent submissions to this Inquiry it is implicit that the prime focus is on how Australia can better respond to this growing problem. However, it is crucial that ‘the problem’ is not defined too narrowly. As the most visible and extreme manifestation of homelessness rough sleeping naturally tends to attract most attention from state and territory governments, sometimes to the exclusion of other aspects of the issue. Given the public health risks posed by rough sleeping and the impossibility of individuals complying with social distancing and hygiene advice we understand attention on this group will be particularly acute in current circumstances.

However, it is important that this Inquiry is framed by an understanding that homelessness is much broader than rough sleeping, and also that all forms of homelessness are part of a much wider housing market problem. Unless this is tackled, then while we may devise better ways of assisting affected individuals, the fundamental causes of rising homelessness will remain unaddressed. Not only will the flow of newly homeless households continue to grow, but many of those assisted will once again find themselves in need of help.

While many households experiencing, or at risk of, homelessness require some form of additional support service, all require a home – and for many, support needs may be minor and/or shortlived. The focus in state and territory homelessness strategies has been on crisis management and specialist homelessness services and not on taking a prevention-led approach. While in some cases recognised as necessary, affordable housing supply solutions tend to be seen as beyond the remit of such documents. And while this would be less problematic if such solutions were central to state/territory housing strategies, this is sadly not the case. Even where such plans acknowledge this issue, they typically fail to squarely address it¹¹.

There is mounting evidence of Australia’s shortfall of housing affordable to households in the bottom two income quintiles. Research commissioned by CHIA NSW and Homelessness NSW in 2016, which built on prior AHURI research, identified a shortfall of over 650,000 homes across Australia affordable to households in the bottom two income quintiles. Accounting for projected household growth to 2036 more than one million additional social/affordable rental homes will be needed to meet the needs of these lower income households over the next 20 years¹². The result of this failure to supply sufficient homes compounds housing stress, again amply demonstrated by other robust research and analysis. We draw on a few examples below:

¹¹ The NSW Homelessness Strategy 2018-23, for example, acknowledges affordable housing shortfalls (without specifying what these are) but considers these as covered by its Futures Directions for social housing (FD) plan. However, while creditably naming expanded social housing supply as a key objective, the FD document omits all mention of housing need and its supply commitments fail to distinguish between replacement and additional new homes. A best guess is that the policy may deliver an additional 10,000 social housing dwellings over 10-20 years, far below the scale of provision needed even to keep pace with the growth of need, let alone to absorb need that exists today – see: CFRC, UNSW ‘Filling the Gap’ – report text.

¹² Troy L, van den Nouweland R, Randolph W (2018) Filling the Gap - Estimating need and costs of social and affordable housing delivery http://communityhousing.org.au/wp-content/uploads/2019/03/Modelling_costs_of_housing_provision_FINAL.pdf

- More than half of the of low-income households in rental housing – some 1.3 million people – face housing costs exceeding 30% of their income, leaving them without enough remaining funds for basic essentials like food and clothing¹³.
- The private rental market has not supplied a sufficient number of dwellings at rents (i.e. \$202 or less per week) affordable to households in the bottom income quintile. By 2016 the national deficit of such dwellings had risen to 212,000. While the situation for private renters in the second lowest quintile is less extreme, the availability of homes affordable to this group (i.e. rented at below \$355 per week) is substantially compromised by such homes being occupied by higher income earners.¹⁴
- Using the projected number of households in Australia (ABS 2015) the number of social housing dwellings per 100 households has declined from 5.1 per 100 households in 2007–08 to 4.6 in 2017–18¹⁵. No reliable figures exist on the additional new social and affordable homes currently planned but even on optimistic assumptions it is highly unlikely to exceed 10% of what is required. Factoring in the loss of affordable homes through the expiry of incentives awarded under the National Rental Affordability Scheme (NRAS) and other time limited schemes, as well as continued public housing sales and demolitions, the prospective net increase in social and affordable homes over the next five years is likely to be barely above zero. Unless there is a change of course by Australian governments, social and affordable housing provision per capita will continue to contract, just as it has for the past 25 years.
- A more meaningful measure of the decline in social housing supply is the reduction in the annual number of such properties being let to new tenants. This results from the decline of gross provision (see above), from the reduced number of newly built homes coming onstream, and from the contracting availability of affordable ‘move on’ accommodation (meaning fewer existing tenants have the capacity to transition into the private market). Therefore, as CFRC quote in their Inquiry submission, *‘Taking into account both public housing and community housing, the gross number of social rental lettings dropped from 52,000 in 1997 to 35,000 in 2017 – an absolute decline of a third¹⁶. Pro rata to population, this represents an effective reduction in social housing supply of some 50%’.*

At the Federal level the government’s Infrastructure agency Infrastructure Australia in its 2019 Audit¹⁷ has recognised that *‘access to safe, adequate and affordable housing is a crucial foundation for enabling a person’s physical and mental health and wellbeing. Without access to appropriate housing, people are unable to focus on other aspects of their lives (such as health, education and employment) and are unable to contribute productively to society’* and that many Australians currently do not have their housing needs met by the market. The audit clearly outlines the problem - i.e. that *‘the social housing system suffers from a lack of funding, an ageing housing stock with high maintenance needs, increased demand due to housing affordability issues, insufficient funding to increase the supply of dwellings in the system, and tenants with increasingly diverse needs’.*

¹³ Productivity Commission (2019) Vulnerable Private Renters: Evidence and Options

¹⁴ Hulse, K., Reynolds, M., Nygaard, C., Parkinson, S. and Yates, J. (2019) *The supply of affordable private rental housing in Australian cities: short-term and longer-term changes*, AHURI Final Report No. 323, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/323>, doi:10.18408/ahuri-5120101.

¹⁵ <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia-2019/contents/social-housing-dwellings#sh1>

¹⁶ Pawson, H., Milligan, V. & Yates, J. (2020) *Housing Policy in Australia: A case for system reform*; Singapore: Palgrave Macmillan

¹⁷ <https://www.infrastructureaustralia.gov.au/publications/australian-infrastructure-audit-2019>

The absence of a national housing strategy with an integrated homelessness plan is a major impediment to ensuring the co-ordinated approach that is necessary to reducing homelessness. It is the Federal Government that has the central responsibility to lead policy in matters of national significance such as this, notwithstanding that many of the levers around planning and land administration lie with the states and territories.

Among our recommendations, we call on the Federal government to **develop a national social and affordable housing supply program, underpinned by recurrent funding, for implementation in 2021-22.** The program should be sensitive to variable needs as well as to development costs. It should also incentivise other state and council contributions and attract private institutional capital. CHIA's blueprint scheme, the Affordable Housing Infrastructure Booster (AHIB)¹⁸ aims to generate dwellings to be let at least 20% below local market rents for 20 years, targeted to low and moderate-income households. The AHIB mechanism lets the desired housing outcomes and locations determine the financial boost allocated so as to enable affordability, rather than the financial boost conditioning the type and location of housing that can be provided. AHIB is responsive to variation in construction cost, land cost and local rent levels.

Ending this section positively, we would stress that major opportunities will flow from tackling housing unaffordability. Traditionally, housing developed and managed by CHIA members has been valued for meeting social needs by providing safe, secure and affordable homes to vulnerable and low waged households who cannot access suitable market housing. More recently, research evidence has demonstrated that government investment in social housing produces savings for other public service budgets.¹⁹ More broadly still, provision of more affordable housing can enhance human capital and hence economic productivity²⁰. In addition, investing in social and affordable housing has positive outcomes for the residential construction industry, a key part of the Australian economy and one of the country's major employers.

Inquiry Questions

Incidence of homelessness and factors affecting the incidence of homelessness

The likelihood of an individual becoming homeless is increased by personal risk factors such as whether they suffer from mental ill health, are disabled or have a drug or alcohol dependency. At the same time, however, the chances that any such affected person will experience homelessness as a result are crucially dependent on their financial resources and social capital. While domestic violence or mental ill health can affect anyone, whether that individual becomes homeless is very much influenced by their economic position and support network.

¹⁸ Affordable Housing Infrastructure Booster: A report and policy blueprint for the Community Housing Industry Association NSW, 22 March 2019 <https://www.communityhousing.com.au/our-advocacy/#tab-id-2>

¹⁹ Nygaard, C (2019) Social and Affordable Housing as Infrastructure <https://www.communityhousing.com.au/wp-content/uploads/2019/11/Social-and-affordable-housing-as-social-infrastructure-FINAL.pdf?x33467>

²⁰ MacLennan, D. with Randolph, B., Crommelin L., Witte, E., Klestov, P., Scealy, B. and Brown, S. (2019) Strengthening Economic Cases for Housing Policies [Internet], City Futures Research Report. Sydney: UNSW https://cityfutures.be.unsw.edu.au/documents/515/Full_Report_Final_edited_logos.pdf

Homelessness is not only experienced by individuals with particular health conditions or other personal risk factors. Rising house prices, the reduction in availability of low cost private rentals and the failure to make sufficient investment in new subsidised housing - as explained in the submission introduction - mean that, for many, an unexpected life event can result in homelessness where the problem is entirely a housing problem - i.e. no support need exists. Many among the growing cohort of older women experiencing homelessness are likely to fall into this category.

There are also particular groups that research and analysis shows are disproportionately represented in the homelessness population. Indigenous Australians are ten times as likely to be homeless as the Australian norm, they make up 3.2% of the Australian population (ABS 2019), yet they made up 26% of the those using specialist homelessness services (SHS) in 2018–19., Indigenous people using SHS increased by an average of 7% each year since 2011²¹ – a rate faster than that for the general population.

Veterans are also significantly overrepresented in the homeless population. Research²² for the Department of Veterans' Affairs found that 5.3% of the recently transitioned ADF population (equating to 5767 individuals) experienced homelessness in a 12-month period²³. This compares to 1.9% in the general population. Half are estimated to be homeless for over four weeks in any one homeless 'episode'. A quarter are described as chronically homeless. Overall, the strongest risk factors for veteran homelessness were: higher levels of psychological distress during service; and relationship breakdown and unemployment following transition.

People with mental health issues are also disproportionately represented amongst users of SHS services. In 2018–19, AIHW reported there were 86,500 SHS clients who said they had a current mental health issue, a 7% increase from the previous year. Not only were they one of the largest users of SHS services they were also one of the fastest growing user groups - increasing by 38% in the 5 years to 2018–19. As demonstrated by recent research, safe, secure and affordable housing is the foundation for mental health recovery.

The research also explains how poor mental health also impacts on housing stability. *'People with a diagnosed mental health condition had a 39% increased likelihood of experiencing a forced move within one year.'*²⁴

In recent years there has been a focus on the increasing numbers of older women at risk of and experiencing homelessness. The estimate of older women experiencing homelessness in the 2016 census was 6,866, a 31% increase from 2011 (ABS, 2018). it seems that this is largely explained by the rising numbers of older single women renting in a private market subject to intensifying stress. The National Older Women's Housing and Homelessness Working Group noted in its recent publication that the

²¹ <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-collection-data-c/contents/client-groups-of-interest/indigenous-clients>

²² Hilferty, F., Katz, I., Van Hooff, M., Lawrence-Wood, E., Zmudzki, F., Searle, A., Evans, G. (2019) *Homelessness amongst Australian veterans*, AHURI Research Paper, Australian Housing and Urban Research Institute Limited, Melbourne, [gh https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans](https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans) .

²³ Note that data for older veterans - Vietnam era and before was unavailable so these numbers may underestimate the true total.

²⁴ Brackertz, N., Borrowman, L., Roggenbuck, C., Pollock, S. and Davis, E. (2020) *Trajectories: the interplay between mental health and housing pathways*, AHURI Research Paper, Mind Australia, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/trajectories-report>.

numbers of such renters had doubled from 91,000 in 2006 to 180,000 in 2016²⁵. Behind all this the Group note the *'root cause of all homelessness is poverty. Older women are more likely to be living in poverty than older men due to a lifetime of discrimination that included unpaid or under paid work'*.

Little in-depth research has however been carried out and the authors of one of the few substantial reports specifically addressing older women's housing²⁶ suggested the issues require further investigation. They noted: *'A disparity exists in Australia of our enumerations of older women's homelessness and the trends identified by service providers who work with older women. There is international recognition that (older) women's homelessness is hidden and researchers need to engage innovatively with this social problem to examine the extent and nature so that they can, like the wider population, age in their communities'*.

The latest report²⁷ considering older Australian's experience of homelessness, adds to the already accepted reasons for increased rates amongst older women by also identifying that *'older women who are homeless struggle with a lack of confidence as they transition through strong hormonal changes brought on by menopause. Anxiety can ensue at a time they consider they need to be on 'top form' in order to comply with Newstart, and to convince landlords that they are viable tenants.'*

The Australian Homelessness Monitor 2018²⁸ comprehensively analyses the factors contributing to homelessness and underlying its recent increase. In addition to the housing market factors discussed above, these are identified as also including rising numbers being discharged from institutions, as well as the inadequate indexation of key social security benefits. As is also well known increasing rates of domestic and family violence are translating into rising homelessness affecting (mainly) women and children.

The causes of, and contributing factors to, housing overcrowding

CHIA, the peak body for community housing does not have original insights into the definitional debate. We concur with the points made in the CFRC submission and in particular that homelessness should not be narrowly defined so as to exclude anything other than rough sleeping.

CHIA recognises there is debate around the inclusion of overcrowding in the homelessness definition. We also recognise that the definition adopted by the ABS for inclusion in the homelessness figures includes crowding only at extreme levels - where available bedrooms in a dwelling are four less than required.

CHIA's submission to Infrastructure Australia's 2019 Audit authored by A/Prof Christian Nygaard at Swinburne University²⁹ reviewed national and international literature on the topic and noted that overcrowding has been found to *'coincide with a greater risk of infectious disease and higher blood pressure, detrimental to mental health outcomes and negative impact on ability to complete school work,*

²⁵ <https://www.mercyfoundation.com.au/wp-content/uploads/2018/08/Retiring-into-Poverty-National-Plan-for-Change-Increasing-Housing-Security-for-Older-Women-23-August-2018.pdf>

²⁶ <http://mercyfoundation.com.au/wp-content/uploads/2017/07/FINAL-Feb-2014-Petersen-Parsell-Older-womens-pathways-out-of-homelessness.pdf>

²⁷ Thredgold, C., Beer, A., Zufferey, C., Peters, A. and Spinney, A. (2019) *An effective homelessness services system for older Australians*, AHURI Final Report No. 322, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/322>, doi:10.18408/ahuri-3219301.

²⁸ Pawson, H., Parsell, C., Saunders, P., Hill, P. & Liu, E. (2018) *Australian Homelessness Monitor 2018*; Melbourne: Launch Housing <https://www.launchhousing.org.au/australianhomelessnessmonitor/>

²⁹ (Nygaard 2019) (ibid)

learning progression and school attendance. There is also a growing body of research that documents the impact of housing outcomes and perceived housing outcomes (e.g. perceptions of crowding) on family functioning, punitive parenting practices and parental stress chaotic home lives (noisy or overcrowded) is also found to correlate with behavioural problems, cognitive development and school attainment.'

References to the research are cited in the report.

Clearly crowding at this level is injurious to health and the severity of the impacts will only increase with the level. Irrespective of its inclusion within the official definition of homelessness, severe overcrowding should be a priority for governments to address.

In NSW the state government convened a ministerial roundtable on homelessness³⁰ to explore what it called 'the new face of homelessness'. Amongst the households disproportionately affected were young students. Little in-depth research into student housing experiences has been undertaken.

Private rental was also really difficult; it was hard to find a place that was close to university, close to public transport, and liveable. I lived in some really bad private rental dwellings. I lived in one house that didn't have a window in my room

Student, UTS (unpublished research)

While the pandemic may have led to a temporary reduction in international students and thus a perception this issue may be of less concern CHIA recommends that more analysis is carried out. Unpublished work³¹ by a student from the University of Technology, Sydney (UTS) surveyed 200 students in inner Sydney in late 2018 and found two thirds in the private rental sector were paying more than 30% of very low incomes in housing costs and more than 25% skipped meals to economise. The housing experiences described by the students interviewed illustrate both the precariousness and safety issues faced by low income students.

We are also not aware that there has been **any in-depth and comprehensive research into overcrowding in Australia and this should be undertaken before any decision is on any associated change in the official homelessness definition.**

³⁰ <https://www.facs.nsw.gov.au/about/media/releases/archive/crowded-house-government-and-experts-tackle-new-face-of-homelessness>

³¹ Rodrigo, A in collaboration w Community Housing Industry Association NSW; Getting By: The Housing Experiences of University Students in the Sydney Housing Market (unpublished)

Services and support to prevent and address homelessness

A number of CHOs run services that assist people who are experiencing, or are at risk of, homelessness to get back on their feet and achieve sustainable housing. Orange Homelessness and Housing Support Service run by Housing Plus is one example. The aim is to combine a person-centred trauma-informed approach with practical assistance to enable an individual or household find permanent accommodation. Simon, who features in the case study is but one example of how the program works.

When Simon was referred to the Orange Homelessness and Housing Support Service, he was at risk of being evicted from his public housing property. He was unable to care for and maintain his property and, as a result, was caught up in disputes with angry neighbours

Simon disclosed that he had mental health issues that had not been treated by his GP, due to his inability to leave the house. His caseworker immediately arranged an appointment with his GP and assisted him in getting to his appointment.

Simon was placed on a mental health care plan and the caseworker arranged for a payment plan to be put in place with his housing provider to pay for the cost of repairing the damage to the property. Simon was also referred to a financial counsellor.

With the assistance of these services, Simon was able to maintain the tenancy at his existing property. He was later referred on to a case management service that specialises in working with clients with a diagnosed mental illness.

Simon is now thriving and is looking to move out of public housing into the private rental market.

Orange Homelessness and Housing Support Service, Housing Plus

As housing managers our primary concern is to reduce the incidence of homelessness arising from undesirable tenancy exits from homes under our management. Community housing organisations (CHOs) frequently find themselves required to balance an expectation (from governments) that tenants in social housing are on some form of 'pathway' to market housing with the reality that sustainable move-on options do not exist in sufficient numbers and / or that household incomes and circumstances make long term social housing the best and most appropriate option. Social Housing outcomes frameworks that some states have adopted to measure landlord performance need to acknowledge that tenancy

sustainment is equally as critical an indicator as 'move on' rates.

The latest of many research reports on the issue (*AHURI Final Report No. 326: Social housing exit points, outcomes and future pathways: an administrative data analysis*) clearly outlines this reality for many of those exiting. Using HILDA data from 2000-01 to 2015-16 the researchers found that circa 43% of households had moved in and out of social housing at least twice. They also found that *'there is a gap in policy for the households who have the potential to exit the social rented sector on a positive (successful) pathway. These are the 5-10 per cent of households who appear to improve their employment prospects and incomes during their tenure. Yet, if there are no viable or secure follow-on tenure options for them, many in this group are destined to fail and return to the social rented sector as applicants and/or tenants.'* In many cases this may involve a period of homelessness given that access to social housing is generally conditional nowadays on being in priority need.

State/territory governments' attention and resources have traditionally focused on specialist homelessness services to a much greater extent than on long term tenancy support and responsive, sensitive tenancy management in social housing. Given the high rates of allocations – noted above - to households in priority need, the numbers requiring more intensive tenancy support than can typically be provided via tenancy management services is increasing. While the NSW and QLD governments in particular have funded industry development [projects](#) to build CHO capacity in responding to domestic and family violence and people with complex conditions, the resources required to run high quality services has to be 'found' from existing income streams - i.e. tenants' rents.

CHIA believes there is an **opportunity for the Federal government to support production of a National Community Housing Development Strategy**. This could improve the capacity of mainstream CHOs to engage with tenants with special needs, including those with disabilities, as well as in the delivery of culturally-appropriate services to tenants from culturally and linguistically diverse backgrounds, including Indigenous Australians and the 'nationalisation' of state / territory led initiatives.

Research³² published in 2015 found that CHOs under scrutiny '*had progressively refined housing management activities and procedures to better support their tenants with a primary aim of preventing rent arrears and tenancy complaints. All ... were [however] facing cost pressures associated with this growing service challenge*'. The research also showed that typical CHOs spend roughly '10 per cent on 'individual tenant support' and 9 per cent on 'additional tenant and community services'.

The community housing industry successfully manages various supported housing models, including the [STEP to home](#) program in NSW. In 2017–18, Bridge Housing successfully tendered for the \$10 million Supported Transitional Engagement Program (STEP), which is funded by the NSW Department of Communities and Justice. Commencing in July 2019, the program, now known as STEP to Home, will house 90 rough sleepers over four years in properties sourced from the private rental market. STEP to Home is a rapid rehousing response, premised on a Housing First philosophy, whereby people are housed as quickly as possible to address the issues that contributed to their homelessness.

We are very pleased to see the program (STEP to Home) exceeding targets and expectations in addressing the housing needs of rough sleepers and others with long-term homelessness less than 12 months into its three-year funding cycle – *John Nicolades, CEO Bridge Housing Limited*

As the lead agency Bridge Housing has partnered with Women's Housing Company and Metro Community Housing to provide housing. The three housing providers identify private rental properties that meet

³² Pawson, H., Milligan, V., Liu, E., Phibbs, P., Rowley, S. (2015) *Assessing management costs and tenant outcomes in social housing: recommended methods and future directions*, AHURI Final Report No. 257, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/final-reports/257>

individual needs and provide a safe and secure home. Neami National is responsible for providing specialist support services, including community-based health and support services, to assist people to sustain their tenancy and avoid homelessness.

Step to Home has a 97% tenancy sustainment rate with various positive outcomes including access to culturally appropriate health, mental health and wellbeing services, the development of daily living and self-management skills as well as engagement with positive structured activities.

Intervening early to connect social housing tenants with services can prevent the escalation of domestic violence, family breakdown, health problems or legal and financial issues. These same staff would also be tasked with identifying tenants ready to move towards greater social and financial independence, and support them to exit social or affordable housing where this is a sustainable option.

Projects such as STEP to home are made possible through additional government support. There is significant pressure on resources available from tenant rents to support or refer all vulnerable and at-risk tenants to required health, family and community, legal, employment and training services. Many CHOs do provide these services, Evolve Housing's [Housing for Youth](#) (EHY) being one example. EHY provides services to meet the growing needs of at risk young people in Western Sydney.

EHY currently manages a minimum of 75 young people at any given time in transitional housing in the City of Parramatta and Cumberland Local Government Areas for young men, women, couples, siblings, pregnant young women and families aged 16-24 and their accompanying children, who are homeless or at risk of homelessness, in partnership with a range of Community Housing providers. EHY is funded under a partnership with Parramatta Mission. This partnership provides access to crisis and medium term accommodation, early intervention and prevention, outreach and brokerage services.

However, there is currently insufficient income or subsidy to enable CHOs to focus on all the needs of tenants with complex and challenging issues. What is spent is essentially a transfer payment from disadvantaged tenants to those who are even more disadvantaged. Spending funds on support also means there is less money that can be spent delivering new homes for people.

At 16 Betty dropped out of high school. With no support network to fall back on she spent the next few years couch surfing and living in and out of refuges; sometimes in dangerous places because she didn't know where else to go.

When she was 18, Betty made the brave decision to go back and finish year 10. Back at school she was connected with Evolve Housing for Youth (EHY). She met with one of the caseworkers and moved into an EHY property. Having a permanent roof over her head was the stability Betty needed to help her finish school.

With no parents or friends to encourage her to keep studying, EHY provided Betty with practical support helping her enrol into senior school and, over a 3-year period, seeing her achieve her HSC.

Inspired by her EHY caseworker, Betty went on to complete a Certificate, then Diploma in Community Services at TAFE. EHY helped Betty source suitable work experience and work placements. After a great deal of hard work and dedication, Betty is now proud to be helping others as a youth worker.

EHY

Among our recommendations we urge **states and territories to use a proportion of homelessness funding to enhance landlord capacity to provide intensive tenancy support to their most vulnerable tenants, and to ensure that tenants are joined to the services and opportunities that they need.**

In addition to a greater focus on tenancy sustainment, an obvious place to make improvements is to reduce the numbers leaving institutions who become homeless. Or 2018-19 the AIHW SHS data indicates that 9,600 service users had exited a custodial facility. Given over half of people leaving a custodial facility anticipate becoming homeless in release this will come as no surprise. For people leaving the care the AIHW data for 2018-19 shows that most i.e. 2 in 3 (64%) SHS users leaving care had received assistance from a SHS agency at some point since the collection began in 2011–12.

Research undertaken by CHIA NSW and Homelessness NSW in 2018³³ provided a snapshot of the complex relationships between public, not for-profit and occasionally private organisations that help NSW people exit from prison with an aim to minimise both homelessness and re-offending. Improvements in data collection, collaborative working and Housing First approaches were all recommended. A further project to develop place based approaches, involving support and accommodation providers and corrective services in two NSW regions is currently underway.

There is obvious scope for state and territory governments to work with CHOs and other accommodation providers to assist people leaving institutions find secure accommodation.

Notwithstanding the overall shortage of social and affordable housing, there are ways improve the way individuals are assisted to explore their housing options. This includes making information more accessible. Most information about affordable housing is divided between multiple sites with little in the way of linkages. One example of how it might work is the centralised and independently managed website - The Home Hub , launched in November 2019 in Western Australia. An international example are the housing options services³⁴ common in Scotland aimed at preventing homelessness and the need for crisis interventions. The process starts with housing advice, looking at an individual’s options and choices in the widest sense. This approach features early intervention and explores all possible tenure options. The advice can also cover personal circumstances which may not necessarily be housing related, such as debt advice, mediation and mental health issues.

The Home Hub offers a hand up, not a handout. It’s a place to find or advertise social and affordable housing, allowing landlords to list properties easily, and people to apply for safe, secure homes quickly.

The Home Hub by Hygge Community Living, WA

³³ <http://communityhousing.org.au/wp-content/uploads/2018/12/Pathways-Home-NSW-community-housings-role-delivering-better-outcomes-for-people-exiting-corrective-services.pdf>

³⁴ <https://www.gov.scot/publications/housing-options-guidance/pages/10/>

The suitability of mainstream services for people who are homeless or at risk of homelessness

There are two particular groups that research indicates may be poorly served by mainstream services. The research into veterans' homelessness found that only 39 per cent of recently transitioned ADF members who reported experiencing homelessness had sought assistance from mainstream homelessness service organisations, citing a number of barriers to access. Those who had sought help reported high rates of dissatisfaction with the help received.³⁵ Positive outcomes from the few specialist housing and support services that exist suggest that an increase in targeted provision is needed.

One such project is the RSL Victoria Veteran's accommodation in City of Yarra. A research project undertaken by SGS Economics and Consulting Pty Ltd on behalf of the Victorian Veterans Council identified a need for accommodation for young veterans. Based on these findings, CHO, Housing Choices was awarded a grant of \$1.35m from the Victorian Property Fund to deliver veterans accommodation in the City of Yarra. The objective of the project was to deliver short to medium-term accommodation to veterans experiencing personal issues due to financial, health or family matters. Five units have been built for the exclusive use of the veteran community. The tenants are nominated by the RSL Victorian Branch, an ex-Service Organisation. In partnership with other ex-service organisations in Victoria, the RSL tailor support for each veteran based on their circumstances – this could include assistance with temporary accommodation, paying bills, home maintenance, medical expenses, transport needs or just a bit of regular company and someone to talk to.

Since opening in 2015 a total of 20 veterans have participated in what is in essence an exemplar project. Most participants are ex-army servicemen between the ages of 31 and 50 with diagnosed mental health issues and addictions to one or more harmful substances. A recent unpublished independent evaluation found it had met many of its objectives and was much in demand. The report offered a number of suggestions for improvements, many of which demonstrate the relative novelty of this approach and thus the absence of established processes and resources. Positively CHIA has recently signed a contract with the Department of Veterans Affairs to develop resources and support collaborative work between housing and specialist veteran support services.

In recognition of the lack of specific specialised accommodation options for veterans, the CHIA pre-budget submission has called for the Federal government to **set up a \$20M grant program to support innovative Housing First accommodation options for veterans who are homeless or at risk of becoming homeless**. Similarly, advocates for older women believe that many of those concerned are reluctant to approach mainstream SHS. Of the 1,518 homelessness service agencies across Australia only three funded as specialist services for older people.³⁶ The National Older Women's Housing and Homelessness Working Group have noted that *'the one program that is specifically funded to help this group, the Assistance with Care and Housing (ACH) Program funded by the Commonwealth Department of Health is poorly resourced and has a low profile. Aged care services are in an excellent position to assist high risk older people but assessments do not identify housing problems and they are generally not well connected to housing services.*

³⁵ Hilferty, F., et al ibid

³⁶ <https://www.mercyfoundation.com.au/wp-content/uploads/2018/08/Retiring-into-Poverty-National-Plan-for-Change-Increasing-Housing-Security-for-Older-Women-23-August-2018.pdf>

Examples of best-practice approaches in Australia and internationally for preventing and addressing homelessness

Consistent with our pre-budget submission CHIA believes that correcting the sub-optimal performance of Australia's housing system which underpins rising homelessness is critical. We have called for the Federal Government to commit resources to developing a 10-year National Housing Strategy to tackle the supply and demand drivers of housing affordability in a coordinated way across all levels of government.

The establishment of the NHFIC and the City Deals program are excellent examples of Commonwealth leadership with a bearing on this issue. Through agreements with the states and territories - the National Housing and Homeless Agreement (NAHA) - the Federal government has the scope to incentivise positive change in state/territory government practice. However, in the absence of a coherent, coordinated National Housing Strategy, it is unlikely that these measures will have the enduring impact, at scale, which is required.

A National Housing Strategy should contain clear targets for overall housing supply, and for homes that are affordable to households in all income quintiles.

The development of a national housing strategy will require dedicated resource, whether that is through an existing agency or department or through the creation of a new purpose-designed body. Using the National Cabinet's housing committee to promote intergovernmental coordination and cooperation and mechanisms to enable wider stakeholder participation are also recommended.

The housing strategy should contain a separate but fully integrated plan to tackle homelessness. This needs to be prevention-driven and have clear homelessness targets that are not restricted to rough sleeping reduction (necessary though this is).

International examples are summarised in the CFRC inquiry submission and include *'the 'interventionist' strategy of active homelessness prevention instituted in England by the UK Government during the 2000s*³⁷ and Housing First approaches as exemplified by Finland.

Housing First has been introduced to resolve long term rough sleepers' homelessness and essentially provides permanent accommodation together with non-compulsory support. In Australia there are a number of successful examples, some community led such as Heading Home - a collective impact project led by Wentworth Community Housing which brought together specialist homelessness services, local businesses, real estate agents, volunteer groups and government to identify the most vulnerable people in local communities, and work together to provide the housing and support that people need to maintain a home.

The purpose of the project was to identify people experiencing homelessness in local communities (Penrith, Blue Mountains and Hawkesbury Local Government Areas), learn their health and housing needs and

³⁷ Pawson, H., Netto, G. & Jones, C. (2006) *Homelessness Prevention: A Guide to Good Practice*; London: Department for Communities & Local Government <https://www.homelesshub.ca/resource/homelessness-prevention-guide-good-practice>

profile homelessness in the local communities through conducting a Registry Week one-off snapshot. The project used a Housing First approach to respond to the housing and other needs of those identified through the snapshot.

At a community level, people in the Nepean region, including influencers such as MPs, Councillors, community, and business leaders are now more informed about local homelessness.

Stephen McIntyre, CEO Wentworth Housing

As a result of Registry Week, 26 people and nine families were rehoused in Penrith, the Blue Mountains and Hawkesbury. This is in addition to existing housing and supporting services in the area. At follow up after six months, the study found 24 people and eight families remained housed and over 92% reported improved wellbeing.

Once housed, 71% of people had more support to call on in time of a crisis and 50% had started using a new health or community service.

However, the scope to expand Housing First approaches is constrained by the shortage of affordable housing. Its introduction therefore needs to be accompanied by the housing program we recommended earlier.

The adequacy of the collection and publication of housing, homelessness, and housing affordability related data

There is considerable scope for improvements in housing data. The absence of data on housing needs across Australia is one that we hope the National Housing Finance and Investment Corporation (NHFIC) will prioritise both establishing a clear methodology for carrying out assessments and leading the publication of information. Australia has much to learn in this respect from the UK where both Scotland and England have published methodologies³⁸. A publication akin to the annual UK Housing Review³⁹ is an example of what Australia (using NHFIC) should be working towards.

We have not made comment on the specific collection of homelessness data but the five year Census seems to have serious shortcomings as the only source of homelessness incidence. Use of specialist homelessness services is at best a proxy. The forthcoming ABS led data improvement group seems to be the obvious forum to discuss improvements.

The pandemic has illustrated that data on tenant evictions by social (as well as private) landlords is hard to come by. The availability of such data would assist in preparing and monitoring the success of preventative strategies. We support the CFRC suggestion that *'the basis for such statistics would be the case records held by the tenancy tribunals that govern tenancy repossession cases across Australia. This Committee of Inquiry could importantly assist here by recommending that state/territory governments ensure that the tribunal for their jurisdiction routinely publishes rental property repossession casework statistics. Ideally, these*

³⁸ <https://www.gov.scot/publications/centre-for-housing-market-analysis-index/>

³⁹ <https://www.ukhousingreview.org.uk/>

would be configured according to a common framework determined and administered by the Australian Institute for Health and Welfare (AIHW)'.

Governance and funding arrangements on housing and homelessness

Federal Government funding for housing and homelessness services delivered at the state / territory level is primarily administered via the recently updated National Housing and Homelessness Agreement (NHHA). In 2018-19 this amounted to \$117million⁴⁰. Recently the Federal Government launched its Safe Places program that has provided capital funding for crisis accommodation (but not services) for households experiencing DFV.

Because the cost of providing homelessness services has been rising much more rapidly than the NHHA funding allocation for this purpose, the Federal government's contribution to homelessness expenditure has been declining proportionately. CFRC in their submission note that '*NHHA homelessness-designated funding underwrites only a small (and diminishing) proportion of state/territory homelessness services expenditure. Having risen by 27% in real terms in only four years, such outlays are set to top \$1billion in 2019-20⁴¹. Notably, the average annual real terms increase in state/territory spending has been running at 7% while the Commonwealth's pledged NHHA contributions going forward increase by only the predicted rate of inflation – i.e. zero in real terms.*

As noted, earlier funding for tenancy sustainment services is not built into state or territory budgets. This should be addressed.

As outlined earlier in our submission we have made a number of recommendations that the Commonwealth Government increase the investment they make in social and affordable housing; both in the short to medium term to address the issues from the pandemic and over the long term to ensure not only the current shortfalls in social and affordable housing are reduced but that we also plan for our future needs.

⁴⁰ Australian Government (2018) National Housing and Homelessness Agreement
http://federalfinancialrelations.gov.au/content/npa/other/other/NHHA_Final.pdf

⁴¹ Table A19.1 in: Steering Committee for the Review of Government Service Provision (2020) Report on Government Services 2020: Part G Housing and Homelessness <https://www.pc.gov.au/research/ongoing/report-on-government-services/2020/housing-and-homelessness/homelessness-services/rogs-2020-partg-section19-data-tables.xlsx>