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C/ - Committee Secretary
House of Representatives
Standing Committee on Social Policy and Legal Affairs
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Dear Mr Wallace, MP

RE: FEDERAL PARLIAMENTARY INQUIRY INTO HOMELESSNESS

Thank you for the opportunity to provide advice to the Standing Committee on Social Policy and Legal Affairs about homelessness in Australia and especially the adverse effect of the current COVID-19 pandemic.

[Launch Housing](#) is an independent Melbourne-based community organisation working with people at risk of or experiencing homelessness. We believe housing is a basic human right that affords people dignity, and it is our job to make this happen. Our mission is to end homelessness. We provide flexible, specialist services that directly assist thousands of individuals, couples and families every year.

Prior to the COVID-19 pandemic homelessness in Australia was already at troubling levels.

Homelessness has its roots in a flawed housing market and inadequate incomes. The inaugural [Australian Homelessness Monitor](#), commissioned by Launch Housing, highlighted the broader drivers of homelessness nationally. For example, poverty is a key contributor. Poverty underpins the risk of homelessness and can lead to an increase in factors that influence pathways into homelessness. Housing costs can impact poverty levels for low income households, and exacerbate the risk of becoming homeless. Further, housing demand has outstripped supply. Changes in housing market conditions have a stronger and more immediate impact on homelessness rates than other economic trends. Lower income renters have particularly experienced increased pressure in the past decade.

The pandemic has had a particular effect on people experiencing homelessness including those sleeping rough.

Homelessness is not only a serious housing issue, it is also a serious health inequity. This is reflected in the overall level and pattern of morbidity with many health issues are interconnected. For example, people experiencing homelessness are at increased risk of a range of health problems including mental illness, substance use, chronic disease, musculoskeletal disorders, skin and foot problems, poor nutrition, poor oral health, hepatitis C, cirrhosis and tuberculosis.

Tri-morbidity is pervasive for people who have been sleeping rough for long periods of time. Many have significant mental health difficulties (consistent with childhood trauma) and substance abuse problems as well as acute and chronic physical health difficulties. People experiencing homelessness typically also experience other forms of disadvantage, such as alcohol or substance dependence, mental health problems, cognitive impairments, poverty, low educational attainment and histories of trauma and victimisation.

Immediate response to the pandemic

With the onset of the crisis, Launch Housing took immediate steps to provide assistance to rough sleepers to ensure their safety and to reduce the risk of infection for people experiencing homelessness and to ensure safety for the general public. We have been on the front line as first responders during the COVID-19 outbreak. Our mobile outreach teams, crisis centres and other services remained open and continue to assist people experiencing homelessness and rough sleeping in Melbourne.

Since early April over 1,000 people have been directly assisted by Launch Housing into purchased emergency accommodation in the form of hotels and motels.

Such a response has been replicated in other capital cities nationally and internationally. For example, [Scotland](#) has mandated that safe and suitable temporary accommodation should be provided to those who are homeless, in unsuitable accommodation or at risk within their current accommodation and are bringing void properties back into use will help meet the anticipated increased need for housing. In the [UK](#), more than 5,400 rough sleepers – over 90% of those on the streets at the beginning of the crisis and known to local authorities – have been offered safe accommodation in just under a month

In [NZ](#), the Ministry of Housing and Urban Development (HUD) is increasing the supply of emergency and transitional housing for the homeless and rough sleepers, working with CHPs and commercial hotels to secure more places. Other examples include [France](#) and [Germany](#) and Denmark that has established new emergency shelters and a care centre receiving those who test positive to COVID-19 and need to be isolated.

People staying in in emergency accommodation have high levels of need.

Formal assessments of people now placed in emergency accommodation reveals an alarming picture. For example:

- 72% assessed as high housing need (i.e. were previously sleeping rough, in a car, or squatting)
- 50% assessed as high support needs (i.e. needs multiple supports for major physical or mental health issues)
- 46% assessed as high vulnerability (i.e. is experiencing a significant level of crisis, at risk of standover/abuse, is at high risk of harm to self or others)
- A further 40% have medium vulnerability (no access to support safety net and the situation is unlikely to improve without support and will likely escalate)

This high level of complexity in the clients we work with is not new for Launch Housing, however the scale of people we are holding in a small number of locations is unprecedented. In some instances, we are managing 30, 40, 50 and over 100 people in the various hotels around the city and inner suburbs.

Our staff are working tirelessly to keep clients engaged, to make referrals to appropriate support services and to address any issues of anti-social behaviour where this occurs. We know from the experience from other jurisdictions, such as NSW and WA, how poor engagement and a lack of appropriate support services will unfortunately lead to people returning to the streets – unsupervised and disengaged.

Of particular significance is the presence of trauma. We know from our own practice that homelessness and trauma are intertwined, and one perpetuates the other. Complex trauma leaves individuals highly vulnerable to mental illness, substance abuse, isolation, unemployment and poverty, which can lead to homelessness. In turn, homelessness can expose people to traumatic events, regardless of whether they are sleeping rough, residing in expensive or unsafe temporary accommodation or living with the uncertainty of transitional housing.

In our response to the recent inquiry into mental health by the [Productivity Commission](#), we noted that housing and supports are provided for people experiencing mental illness to prevent and respond to homelessness and accommodation instability. Homelessness can have a devastating effect on mental health and wellbeing, and consequently, have an adverse effect on the social and economic impact on individuals and the broader community.

We strongly encourage the Federal and State Governments to stay the course and implement plans to provide ongoing housing for the many Australians currently in short-stay emergency accommodation.

There is an immediate opportunity to solve homelessness for the over 1,000 people currently in hotels and motels. It is not acceptable that people are returned to the streets. Many of these people already have a long history of homelessness and rough sleeping. We know from our practice experience that their experience of rough sleeping is episodic and interspersed with bursts of temporary stays in crisis accommodation and/or short-term emergency accommodation, such as hotels, motels or rooming houses. For some, here has been no respite from rough sleeping until now, having experiencing it as an ongoing ordeal.

The challenges to find homes for rough sleepers is not unique to Melbourne or other capital cities around Australia. Internationally, many countries are looking to develop responses. For example, [NZ](#) will spend more than \$100 million on housing the homeless in motels until it can put them up in more long-term housing. [British Columbia](#) has promised that temporary accommodation will be used until it can provide more permanent housing options to keep people supported beyond the pandemic. [Lyon](#), France, is looking to plan “zero return to the post-containment street” in order to shelter the most fragile people currently living on the territory of the Metropolis of Lyon.

In Denmark, social agencies are still waiting for public announcements regarding emergency accommodation but there is a sense that agencies will return to normal operations. The UK has established a [specialist taskforce](#) to ensure rough sleepers can move into long-term, safe accommodation once the immediate crisis is over – ensuring as few people as possible return to life on the street. However, there are emerging trends in cities such as [Manchester](#) that those people put up in hotels during the coronavirus pandemic must now be moved out.

There is a need to prepare for a ‘second wave’ due to economic after-effect of the pandemic

At the height of the pandemic additional support through the Private Rental Assistance Program (PRAP) was instigated by the Victorian Department of Health and Human Services. The COVID-19 Omnibus (Emergency Measures) Act 2020 was passed by the Victorian Parliament, giving effect to a moratorium on residential tenancy evictions (for rent arrears incurred due to COVID-19) for six-months from 29 March 2020 to 26 September 2020.

However, of concern for Launch Housing is a second wave of demand on services due to possible eviction from the private rented sector because of rent arrears, as well as increased family breakdown and domestic abuse, particularly in situations where people are currently ‘hidden homeless’ as they are, for example, living in overcrowded accommodation or couch-surfing. This combined with the [cessation of the moratorium](#) combined with a reduction in the level of JobSeeker payments is likely to have a devastating effect for many low and very low-income households.

We already know that a strong contributing cause of homelessness is the persistence of crushing poverty. This is reflected in the [inadequacy of income support payments](#) with the majority of Launch Housing clients hardly surviving financially. A review of our client records for the past three years showed that 42% of people presenting for assistance were receiving the equivalent of Job Seeker and had experienced high levels of housing stress and the heightened risk of homelessness.

There is also a need to invest adequately in the supply of affordable and social housing across Australia.

The Federal Government must lead the urgent investment in affordable and social housing. Launch Housing supports measures that deliver short, medium- and-long term solutions for new supply of social and affordable housing that leverages the strengths of the community housing and homelessness sector, private industry and government. Each party brings a unique set of skills and expertise.

We bring to the attention of the Committee the following policy proposals that would be highly effective in stimulating housing supply growth. For example, the Community Housing Industry Association (CHIA), along with Homelessness Australia (HA), National Shelter and Everybody’s Home announced the Social Housing Acceleration and Renovation Program (SHARP). This proposal calls for an investment to expand urgently needed social housing by 30,000 homes as the country experiences a wave of job losses due to COVID-19. Launch Housing supports [SHARP](#) proposal.

The establishment of the National Housing Finance and Investment Corporation (NHFIC) is an important reform that should increase affordable housing. On its own, however, it will not provide a sufficient subsidy to increase the level of social housing and affordable housing at the very low end of the market. A social housing rent is charged proportionate to household income (usually set at 30%) leaving a 60-80% and 20-40% funding gap for social and affordable housing respectively. To ensure financial viability, a [subsidy](#) either on the supply side in the production of dwellings or the demand side via rent allowances.

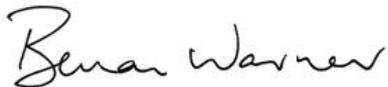
One approach for consideration by the Committee is the [Affordable Housing Infrastructure Booster](#). This is a tax credit blueprint designed by Swinburne University on behalf of CHIA NSW, which affordable housing developers could use to raise capital from investors and form equity partnerships. The tax credit would be variable and responsive to project-specific financial characteristics such as land value, rent revenue, borrowings and related factors.

The COVID-19 pandemic has reminded us that housing is good health care and that is impossible to socially distance when you have no-where to stay.

Housing is the front line defence against the COVID-19 outbreak and that any failure to address COVID-19 outbreak among people experiencing homelessness can contribute to broader health challenges). The persistence and continued growth of homelessness is unacceptable and unforgivable but it is eminently solvable, given the right policies, programs and attendant political leadership to make this happen.

I look forward to the deliberations of the Standing Committee on Social Policy and Legal Affairs and can provide further information as required.

Yours sincerely



BEVAN WARNER
Chief Executive Officer