# Response to National Housing and Homelessness Agreement Review – Issues Paper

**Productivity Commission** 

March 2022



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#### 1.0 INTRODUCTION

St Bart's is a Western Australian not-for-profit organisation founded in 1963 by the Anglican Church as a small homeless shelter for men. For nearly 60 years, we have been standing by the side of vulnerable Western Australians experiencing, or at risk of, homelessness, mental health challenges, trauma and hardship. Since our foundation, we have evolved into a larger organisation that provides progressive, person-centred and trauma-informed recovery support to people in need, regardless of background, age, gender or ethnicity.

#### 1.1 What We Do

We are committed to empowering people to rebuild their lives and achieve their goals through supported accommodation and services.

Our person-centred services are based on the understanding that many of our consumers have experienced trauma of some kind.

We work collaboratively with our consumers to build trust and identify the goals they want to achieve. We then set about supporting them to achieve those goals and connect them with external services, such as alcohol and drug counselling, the National Disability Insurance Scheme (NDIS) and medical, dental and mental health support services.

For consumers in our transitional accommodation programs, we support them to secure and maintain long-term housing in the community.

# 1.2 Our Vision

A community where everyone has a safe and secure place to call home.

#### 1.3 Our Mission

To provide opportunities, pathways and care to vulnerable people who find themselves without a home.

#### 1.4 Our Services

# Future Homes Men's Service [Capacity – 45 single men]

This is short-term, transitional accommodation in East Perth for single, adult men who are experiencing, or are at risk of, homelessness. Single room accommodation within a shared living environment is available for up to three months. Residents also have access to 24/7 support.

#### Women's Service [Capacity – 20 single women]

This is short-term, transitional accommodation in East Perth for single, adult women who are experiencing, or are at risk of, homelessness. Single room accommodation (some with an ensuite and others with shared bathroom facilities) within a shared living environment is available for up to three months. Residents also have access to 24/7 support.

# Bart's Plus Family Service [Capacity – 9 families]

This is community-based transitional accommodation for small families and single parents who are experiencing, or are at risk of, homelessness. Accommodation is provided for up to 12 months and support is available 9am-5pm Monday to Friday.



#### **Community Recovery Villages**

We have four Community Recovery Villages located across Perth that accommodate up to 25 people per site. These villages provide medium-term residential accommodation for adults living with a mental illness who need two to four hours of support per day to live independently in the community. This service is recovery based, meaning staff partner with the residents to develop a plan to assist with their recovery journey. This service has 24/7 support available.

# **Transitional / Respite Accommodation Units**

We have three Accommodation Units located across Perth that accommodate up to six people per site. These units provide short-term, community-based transitional or respite accommodation for adults living with a mental illness who need two to four hours of support per day to live independently in the community. This program supports consumers to find long-term accommodation in the community and they can stay for up to 12 months.

#### **Independent Living Program Properties [Capacity – 75 people]**

We provide a supportive landlord service to consumers with a long-term mental illness to live independently in the community. Limited personalised support is provided to tenants to assist them to sustain their tenancy.

# **Community Housing Properties [Capacity – 72 people]**

We provide social housing to those on the WA Department of Communities (Housing) wait list. This is a standard tenant / landlord relationship.

# **Reset Partnership**

We are part of a consortium – partnering with Wungening Aboriginal Corporation, Centrecare and Waalitj Foundation – that provides case management support to people leaving prison. Collectively, we assist with the identification of accommodation and wrap around support services to assist program participants to maintain their tenancies.

#### **Reconnecting Lives Program**

Thanks to funding from program supporter BHP, we are able to provide wrap around outreach support services to our consumers living in the community to help them maintain their tenancies and not regress into homelessness.

# James Watson Centre [Capacity – 40 men]

James Watson Centre is a residential aged care facility in East Perth for men who have experienced chronic homelessness in their lives.

# **Home Care**

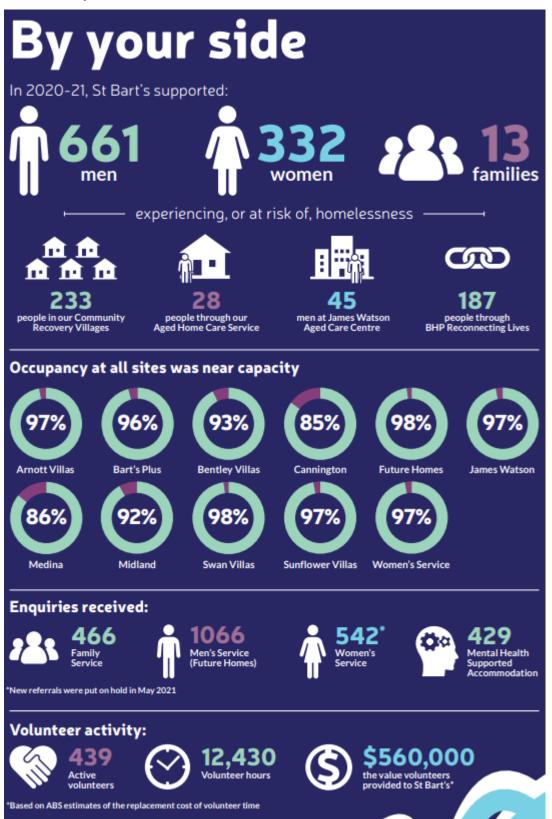
This is a service providing packages of care and support to older adults in their homes to assist them to remain living independently in the community.

#### **Assistance with Care and Housing**

This service provides support to seniors who are homeless or at risk of homelessness. We provide individual support to seniors experiencing accommodation challenges and assist with their engagement with broader health and social supports.



# 1.5 Who we helped in FY2020/21





# 2.0 RESPONSE TO ISSUES PAPER

As a provider of services to those experiencing, or at risk of, homelessness, St Bart's has focussed its response to address questions posed within the issues paper that relate to homelessness and/or social housing.

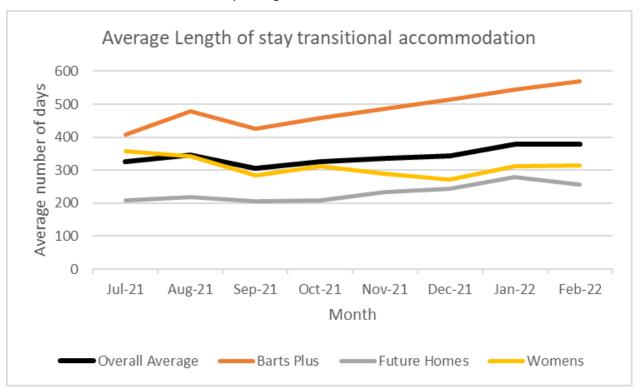
#### 2.1 Homelessness

#### Question

How effective is the homelessness service system at improving housing and non-housing outcomes for people who are homeless or at risk of homelessness?

# St Bart's response

The key goal of our transitional accommodation services is to support our residents to secure long-term housing. Although our *Future Homes* contract with the WA Department of Communities stipulates consumers can stay in our men's transitional housing service for three months, the reality is they stay much longer due to there simply not being enough available social or affordable private rental housing for them to transition into. Similar challenges are present within our Women's Service (which receives no Government funding) and our Family Service (Bart's Plus), where the waitlist for suitable, family friendly accommodation within the community is longer still.



On average across our transitional accommodation services, people are staying in the services for approximately 380 days.

With affordable private rental options essentially non-existent in metropolitan Western Australia, the only viable option for long-term housing in the community for our transitional housing consumers is social housing. The current average wait time for social housing in WA is approximately two years. Currently, more than 30,000 people / 17,000 households are on the waitlist for housing in WA.



Outcomes can only be successful if the transitional service has access to longer-term housing options for those in their service who are looking to progress along the housing continuum into secure, sustainable and affordable accommodation. In addition, long-term success requires the provision of ongoing outreach support to assist people to sustain their tenancies.

Once our transitional housing service consumers secure long-term accommodation, outcomes are enhanced with our provision of recovery focused and person-centred outreach support. The purpose of our outreach service is to assist our consumers with the transition and settling into their new home. Without this type of support, our experience has shown that people will often regress into homelessness. This support is a key component of our Reconnecting Lives Program, which has supported 258 consumers since its inception in September 2018.

Table 1: Number of consumers supported by our Reconnecting Lives Program (RLP)

Timeframe	Number of consumers who engaged in RLP
As at 30 Sep 2019 (12mths)	87
As at 31 May 2020	126
As at 30 Jun 2020	134
As at 31 Dec 2020	194
As at 30 Jun 2021	223
As at 31 Dec 2021	258

In order for the homelessness system to be effective, increasing the supply of affordable and available housing stock, coupled with funding homelessness support services like St Bart's Reconnecting Lives Program, will achieve significantly better, more sustainable outcomes.

#### **Consumers in Reconnecting Lives Program: Goals achieved**

All consumers engaged in the program set personal goals, in conjunction with their Case Manager, as part of their individual care plan. This is a key activity of the case management framework under which the program operates and goals that are set align to the intended outcomes of the program as outlined in the program logic model.

Since the inception of the program, a total of 977 goals have been set by program participants. Of those goals, 46% have been closed (meaning they were partially, mostly or fully achieved or deemed to be no longer relevant by the consumer) and 69% of all closed goals were fully achieved. The percentage of fully achieved goals is an indicator of the quality of case management and the value of the program.

The top three primary outcomes achieved through these goals were:

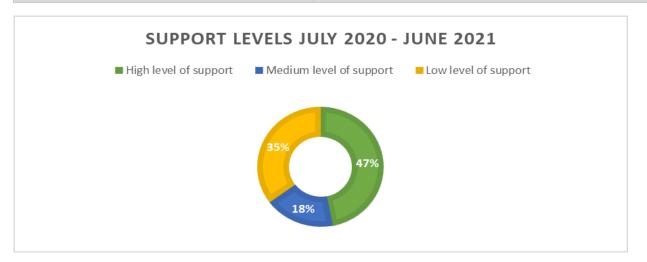
- 28% of participants increased life skills and their ability to live independently
- 19% of participants increased their quality of life
- 10% of participants improved or stabilised their physical/mental health and wellbeing



# **Reconnecting Lives Program Consumer Support**

The level of support provided by the Case Manager is tailored to the needs of each consumer. At various stages of a consumer's journey, the level of support will vary weekly, fortnightly and monthly. The level and type of support is negotiated by the Case Manager and the consumers themselves.

Level of Support	Contact touchpoints by Case Managers
High level support (Proactive support)	>2 hours contact (face to face / phone / text)  per week
Medium level support (Light touch support)	1-2 hours contact per week / fortnight (face to face / phone / text)
Low level support (Preventative support)	Monthly contact (face to face / phone / text)



The program's flexible and agile service model ensures we can provide a rapid response to crises and intervene early. In addition, we can act before a consumer's situation deteriorates to the point where they are at risk of homelessness.

The regular contact post-exit from St Bart's transitional housing services ensures consumers are connected to their communities, aligned with additional support organisations and staff can identify any deterioration in the presentation, health, wellbeing or personal circumstances of the consumer.

This innovative service was something St Bart's did not have the capacity to deliver prior to the inception of our Reconnecting Lives Program. The program has proven life changing for consumers who have engaged after being in a cycle of homelessness for many years.



#### Question

Has the NHHA contributed to improved outcomes for people who are homeless or at risk of homelessness?

#### St Bart's response

It has, but the complexity of having two funding bodies to provide support to the homelessness services sector has generated uncertainty about sustainable long-term investments into the sector and to service providers directly. For example, the delay in approval of the Social and Community Sector funding created uncertainty and pushed risk onto service providers who have limited other funding options and avenues. Equally, as we move forward, we need to align contracts both at the State and Federal level to provide that long-term security to service providers to ensure staff and consumers have certainty about the support that can be provided. In addition, a greater volume and range of new social housing properties are required to really achieve positive and sustainable outcomes, given the current waitlists for social housing, particularly in WA.

#### Question

How has COVID-19 affected people who are homeless or at risk of homelessness? Are there lessons from the responses to COVID-19 for addressing homelessness over the longer-term?

#### St Bart's response

In Western Australia, low vacancy rates meant people experiencing homelessness had reduced access to accommodation throughout the pandemic, ultimately forcing many to remain on the streets or in transitional accommodation.

Hotels were used in the early stages of the pandemic when concerns of rough sleeping escalated, but concerns associated with paying for the use of rooms meant these options created false expectations about 'free' accommodation.

The importance of outreach support to help sustain accommodation was also identified to be essential, especially when there is a crisis, to prevent the move back into homelessness. This is demonstrated through the success of our Reconnecting Lives Program detailed above.

#### Question

What changes should be made to homelessness services to improve outcomes?

#### St Bart's response

The success of our Reconnecting Lives Program exemplifies the criticality of 'housing first' support. Increased outreach support to maintain tenancies once consumers secure long-term accommodation is crucial to improve outcomes and prevent regression into homelessness.

In order to improve homelessness services, the NHHA should include significantly increased funding to address the increased demand for homelessness support services, including funding for Equal Remuneration Order (ERO) supplementation.

It is also vitally important that revenue increases for CPI are matched to the FairWork wage award. Currently, the CPI does not adequately represent true underlying costs of the business where 70-80% of costs are wages. For example, FairWork awarded a 2.5% pay increase, but the CPI revenue growth in our funding contracts was 1.3%, leaving a gap of \$150,000. As a service provider, the only solution to this shortfall will be to cut services.



When services are retendered, funding provisions also need to be made to account for the cost of staff training and development to enable quality worker outcomes and to ensure the psychological safety of staff through supervision.

#### Question

What changes should be made to homelessness-related governance and funding arrangements to improve outcomes?

# St Bart's response

Funding security for service providers is critical. A shift needs to be made to long-term contracts (minimum five years), rather than the industry standard of commissioning short-term or rolling contracts. Contracts must also reflect real costs of delivering services. For example, given recent equal remuneration orders for our staff, the current awards are now linked to their remuneration. FairWork awarded a 2.5% pay increase, but the CPI revenue growth in our funding contracts was 1.3%, leaving a gap of \$150,000 in our men's transitional accommodation staffing expenses.

As also mentioned above, when services are retendered, funding provisions also need to be made to account for the cost of staff training and development to enable quality worker outcomes and to ensure the psychological safety of staff through supervision.

# Question

How could the next national agreement be designed to better address homelessness in Australia?

#### St Bart's response

- The next NHHA needs to ensure there is long-term investment in social and affordable housing to maintain growth and the quality of existing stock. This will assist with reducing waitlist times.
- Increase funding security for service providers within the sector to ensure funding is in line with cost increases and enables long-term investments to be made in infrastructure and staff.
- Invest in upskilling the sector. Allocate funding so staff can complete training and qualifications to better support, and provide needed expertise to, service consumers.
- Invest in 'housing first' wrap around service support for people who have moved into stable accommodation to prevent regression into homelessness.
- For the NHHA to be effective, it needs to sit within the context of overarching national strategies
  on housing and homelessness (ie: a 10-year national housing strategy and 10-year homelessness
  strategy, complementing the strategies in place across States and Territories and created in
  consultation with States and Territories). The strategies need to set robust targets to end
  homelessness, provide social and affordable housing and provide funding to adequately and
  appropriately support services and programs to sustain people at risk of homelessness in their
  tenancies.



# 2.2 Social Housing

#### Question

What are tenants' experiences moving into, within and out of social housing (including time on waiting lists)?

# St Bart's response

Finances are often an issue for new tenants at the commencement of their tenancy. Tasks like sorting bonds, paying two weeks rent in advance, organising furniture purchase and removal, setting up bills etc through Centrelink take time and can be quite stressful. Fortunately, St Bart's Reconnecting Lives Program provides support and brokerage to assist new tenants with these requirements.

Waitlists for the WA Mental Health Commission-funded Independent Living Program are lengthy, as there is minimal tenancy turnover. The waitlist for social housing is longer still and creates a bottleneck, certainly within St Bart's with consumers in our transitional housing programs not able to move on from the service and into longer-term housing.

#### Question

What changes could be made to make the social housing system more equitable for tenants and better targeted to people in greatest housing need?

#### St Bart's response

To achieve more positive outcomes in the lives of social housing tenants, there needs to be a consistent approach to property and tenancy management by factoring in a supportive approach. Funding should be made available to assist providers to directly co-ordinate supports for tenants.

To be more equitable, assessable income limits for Community Housing eligibility need to be broadened to better reflect the current housing market. They are currently at a level where someone in 'sheltered employment' is ineligible for Band A housing and, if they have a part time job at full wage, their earnings put them well over eligibility limits for social and affordable housing but, at the same time, they do not earn enough to secure housing in the competitive private rental market.

Referral documentation requires review to consider those most vulnerable and in greatest need. Having a better overview and understanding of context and circumstances will enable better priority assessments and allocations.

#### Question

Does the social housing system provide tenants with opportunities for economic and social participation?

# St Bart's response

Community Housing provides more opportunity for waitlist applicants in terms of housing access and contributes to better outcomes for tenants thanks to the supportive landlord approach commonly applied by Community Housing providers. Having said that, Community Housing providers are not funded to deliver wraparound support to tenants (including signposting or brokering opportunities for economic and social participation) as is provided when a supportive landlord approach is applied. This means housing providers ultimately must understand their financial capacity, organisational capabilities and apply their own discretion as to whether they can/will provide this level of service to tenants when contractually they are not required to.

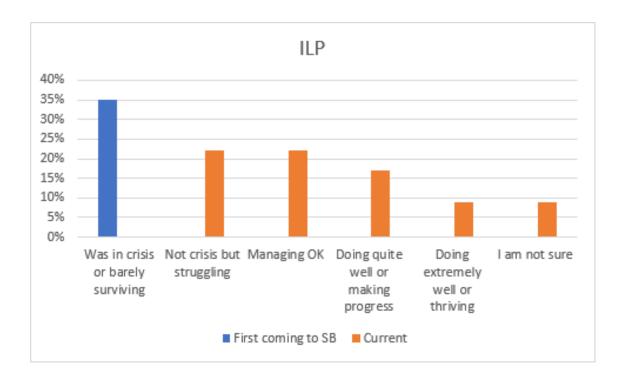
With the supportive landlord model being recognised as best practice within the sector, additional funding to Community Housing providers is required so they can enhance services beyond the levels to which they are contractually bound so tenants can be supported with social and economic participation opportunities.



St Bart's promotes opportunities for social and economic participation to our social housing tenants (eg: volunteering opportunities and pathways to employment).

As an example of how effective the direct delivery of wraparound support services to tenants can be when managed by the housing provider, our Mental Health Commission-funded Independent Living Program receives funding for a designated staff member to provide additional support to our ILP tenants living in the community who have a clinical mental health diagnosis and are linked to mental health support. This is an equivalent to the supportive landlord model and is comparable to our Reconnecting Lives Program (as detailed above), which has proven very successful.

To illustrate the positive impact of wraparound support provision to tenants within our ILP, in the table below it can be seen how personal circumstances improved from when they linked with St Bart's compared to how they felt they were going at the time of our 2021 Consumer Survey:



#### Question

#### Do the non-housing services provided to social housing tenants meet their needs?

# St Bart's response

Social Housing tenants are like any other renter and Community Housing providers are not funded to provide other services. In our experience, non-housing support services are critical to ensuring tenants move forward in their recovery journeys and do not fall back into homelessness. As outlined previously, our tenants who engage with our BHP-funded Reconnecting Lives Program have experienced life-changing outcomes. However, additional staff and funding would enable an enhanced service delivery for tenants with complex needs to assist them to build capacity and explore opportunities for economic and social participation. This is particularly important with regards to our management of Independent Living Program tenancies, which sees us provide a supportive landlord service to consumers with a long-term mental illness to live independently in the community.



#### Question

How effective are the regulatory arrangements for community housing?

# St Bart's response

The Regulatory Framework is still in its infancy in WA and requires legislating, as frameworks in other States have been. Clear direction from the WA Department of Communities (Housing) is required on matters such as how to deal with tenant absences and incarcerations, particularly with regards to the reletting of properties instead of them sitting empty. There is currently no consistency.

#### Question

What challenges do community housing providers face obtaining finance and expertise?

#### St Bart's response

There are challenges obtaining financing from the private sector for the capital build as, by the very nature of social housing, the income received cannot pay back the cost of construction i.e. it does not have the same returns as affordable or full market housing.

The low-cost finance options available through NHFIC have reduced interest payments. However, the savings only go a short way towards addressing the funding gap in building new social housing i.e. the difference between the cost of developing and managing social housing and the rent received.

The provision of social housing requires financial assistance to be viable in commercial terms. This is particularly pertinent for Community Housing providers who are predominantly assisting and working with the most vulnerable people at risk of homelessness where ongoing rental income is pegged to a proportion of Centrelink payments.

The NHFIC has helped to unlock social and affordable housing supply as a channel for cost-effective private finance. What is now needed are complementary reforms through the NHHA review including funding and policy settings, all of which need to be articulated in a national housing plan to meet current and future challenges. Funding in the form of readily accessible grants, annual subsidies, tax breaks for investors or mechanisms such as the Housing Boost Aggregator (CHIA and partners) are also required.

#### Question

Are there issues relating to COVID-19 that social housing providers will need to build into future development and maintenance plans?

#### St Bart's response

- Ventilation requirements could increase build costs, especially in high-rise builds
- Easy-clean materials
- Independent units (move away from congregate living areas like laundry rooms)