

**OPTIONS TO IMPROVE ACCESS TO EXISTING AND ALTERNATE  
ACCOMMODATION TO ADDRESS THE SOCIAL HOUSING SHORTAGE**

**Organisation:** Homelessness NSW

**Date Received:** 12 August 2021



**Homelessness NSW**

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**Date:** 12 August 2021

**Wendy Lindsay, MP**

Chair, Legislative Assembly Committee for Community services  
NSW Legislative Assembly  
Parliament House, Macquarie Street  
Sydney NSW 2000

Dear Ms Wendy Lindsay MP,

Homelessness NSW welcomes the opportunity to provide a submission to the *Inquiry into options to improve access to existing and alternate accommodation to address the social housing shortage*.

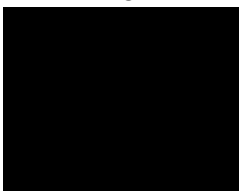
Homelessness NSW is a not-for-profit organisation that operates as a peak agency for its member organisations to end homelessness across NSW. Our members include small, locally based community organisations, multiservice agencies with a regional reach and large state-wide service providers.

As the Committee would appreciate our member services are currently managing the front-line impacts of the COVID-19 lockdowns and daily changing COVID-safe restrictions.

This has impacted the ability of services to participate in comprehensive consultation for this Inquiry. We welcome the opportunity to seek further feedback to this Inquiry from our members when the impact of COVID-19 restrictions on Specialist Homelessness Services is less severe.

We also welcome the opportunity to provide any further evidence on the submission during the Inquiry.

Kind regards,



Digby Hughes,  
Acting CEO  
Homelessness NSW

# Submission to the Legislative Assembly Committee on Community Services

Inquiry into options to improve access to existing and alternate accommodation to address the social housing shortage



Homelessness NSW (HNSW) is a not for profit organisation that operates as a peak agency for its member organisations to end homelessness across NSW. Our members include small, locally based community organisations, multiservice agencies with a regional reach and large state-wide service providers.

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## Definitions

Temporary Accommodation (TA): Temporary Accommodation is a specific form of short-term accommodation funded by the NSW Government/Department of Communities and Justice. People facing homelessness are usually eligible for 1-2 days of TA and use capped at 28 days a year for each person. However, the average length of stay is 14.5 nights.<sup>1</sup> Services tell us that this is due to the lack of exit options. TA is largely provided in the form of motels, caravan parks and other low-cost commercial accommodation options.<sup>2</sup>

Crisis accommodation: Crisis accommodation is short term accommodation for up to three months. This often includes domestic and family violence refuges or youth refuges with shared common areas or congregate care.

Transitional accommodation: Transitional accommodation offers medium term accommodation for a maximum of 12-18 months for people facing homelessness. This can be in a congregate care or independent living.

Meanwhile Use: The Inquiry has defined 'meanwhile use' as supportive temporary accommodation which is a specific temporary accommodation policy defined by the NSW Department of Communities and Justice. Supportive Temporary Accommodation provides medium term accommodation with a range of supports, in distinction to the temporary accommodation model.

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<sup>1</sup> Parliament of NSW, 2021, 'Examination of propose expenditure for the portfolio area Families, Communities and Disability Services', accessed online:

<https://www.parliament.nsw.gov.au/lcdocs/transcripts/2521/Transcript%20-%20Friday%2026%20February%202021%20-%20CORRECTED.pdf>

<sup>2</sup> Department of Family and Community Services, 2018, 'Temporary Accommodation Program Framework', p.12

## Executive summary

This submission is focused on Terms of Reference which fall under the Homelessness NSW areas of expertise as the peak body for Specialist Homelessness Services (SHSs). SHSs provide crisis accommodation but in situations of accommodation provided by Community Housing Providers, deliver support not accommodation to people experiencing homelessness.

We have provided feedback on the meanwhile use model; however, the foremost urgent need is for funding for long-term social housing to assist people experiencing homelessness.

### Key recommendations

**Homelessness NSW recommends that the Federal and State Government enact the following key recommendations.**

1. Fund 5000 extra social housing dwellings per year for the next 10 years in NSW.
2. Mitigate the needs of urgent housing shortages by purchasing existing dwellings and repurpose into safe and appropriate social housing.
3. Implement a targeted strategy to address the homelessness crisis and housing shortages across regional areas.
4. Review Link2Home and enact a strategy to address barriers to the accessibility of the hotline, including access to Aboriginal workers, and inappropriate referrals to Specialist Homelessness Services.
5. Permanently extend housing and homelessness supports to non-residents of Australia.
6. Review and reduce barriers to accessing temporary accommodation.
7. Work with local government to enact zoning laws and Development Application changes to prioritise social and emergency housing.
8. Fund Aboriginal controlled organisations to meet current demands including prioritising support for funding Aboriginal Community Controlled Organisations and Aboriginal assertive outreach programs.
9. Reinstate Aboriginal controlled hostels to address the crisis of Aboriginal homelessness and urban drift into regional and urban areas.
10. Consult with the trauma-informed practice and local homelessness services when funding meanwhile use properties for safety and appropriateness.
11. Create a large-scale strategy to address the homelessness crisis including funding of long-term housing stock and SHSs to meet the current levels of demand in services.

## Drivers of homelessness

The options for people seeking long-term accommodation are the private rental market, social housing or purchasing a home. Without feasible housing options, an increasing number of people are forced into homelessness in NSW.

In NSW, the homeless rate was 50.4 persons for every 10,000 persons in the 2016 Census, up 27% from the 39.7 persons in 2011.<sup>3</sup>

Equity Economics calculations estimated that at least 9,000 more people in NSW will be homeless from February 2020 to June 2021— an increase of 24.0 percent in the homeless population.<sup>4</sup> Some regions in NSW will experience a 40.5 percent increase in homelessness. The number of NSW families experiencing housing stress will increase by over 88,000 or 24.3 percent.<sup>5</sup>

### Unaffordability of the private rental market

The private rental market across NSW is increasingly unaffordable for those on lower incomes, and even those on moderate incomes attempting to find affordable housing.

The unaffordability of the Sydney rental market has been a medium-term trend. However, we also saw the trend during the COVID-19 pandemic of rising rental prices in regional areas.

Without a proportionate growth in Centrelink payments or wages of those on lower incomes, a growing number of people are forced into homelessness in regional areas, alongside the unaffordability of housing in Sydney.

The closure of Australian borders and movement of people from city centres to outer suburbs or regional or rural areas during the COVID-19 pandemic gave a slight reprieve to the rental market in the inner-city Sydney.<sup>6</sup> However, this was negligible for those on lower incomes such as those relying on Centrelink payments for income. This also placed increasing stress on the rental market on regional and rural areas, exacerbating the homelessness crisis in these areas.

The Anglicare Australian Rental Affordability index examines whether those on lower incomes such as those relying on Centrelink payments for income can afford to live in private rentals. They found in their 2021 Rental Affordability Snapshot that close to 0% of properties were affordable to people on low incomes across Australia.<sup>7</sup> Of all the households featured in the Snapshot, families with two parents in full-time work had the best chance of finding an affordable home. Even they were locked out of 85 per cent of rentals, a drop of 8 percentage points from the year before.<sup>8</sup>

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<sup>3</sup> Homelessness NSW, no date, 'Homelessness in New South Wales', <https://homelessnessnsw.org.au/wp-content/uploads/2021/03/Homelessness-in-New-South-Wales-.pdf>, p.1

<sup>4</sup> Equity Economics, 2021, 'A wave of disadvantage across NSW: Impact of the COVID-19 recession', [https://www.ncoss.org.au/wp-content/uploads/2020/10/A-WAVE-OF-DISADVANTAGE- -COVID-19\\_Final.pdf](https://www.ncoss.org.au/wp-content/uploads/2020/10/A-WAVE-OF-DISADVANTAGE- -COVID-19_Final.pdf), p. 23

<sup>5</sup> Ibid. p.4

<sup>6</sup> Buckle et al. 2020; Pawson et al. 2021 in AIHW, 2021, 'Housing affordability', <https://www.aihw.gov.au/reports/australias-welfare/housing-affordability>

<sup>7</sup> Anglicare Care Australia, 2021, 'Rental Affordability Snapshot', <https://www.anglicare.asn.au/wp-content/uploads/2021/05/rental-affordability-snapshot-national-report.pdf>, p.9

<sup>8</sup> Ibid. p.9

In 2021, 48% of low-income households in NSW were in housing stress.<sup>9</sup>

Recent research by the Everybody's Home campaign cross-referenced rent data with the hourly wage of workers in disability support, aged care, childcare, hospitality, and supermarkets.

The analysis found regions in NSW where an essential care or service worker would need to spend between one third to up to over two thirds of normal working week's wages, to rent an apartment. These include the Sydney and regional areas below:

**NSW:** Sydney Sydney CBD, Lower North Shore, Northern Beaches, Eastern Suburbs, Upper North Shore, Sutherland Shire, Inner West, Hills District, North Coast St George, Central Coast, Wollongong, Hunter, Parramatta, South Coast, Western Sydney, Canterbury Bankstown, Southwestern Sydney, Liverpool, Blue Mountains, Central Tablelands<sup>10</sup>

## Regional NSW

In the above areas across NSW, renting is now increasingly unaffordable. Regional unaffordability worsened with the COVID-19 pandemic as an increase in demand for housing due to people moving from urban areas and returning residents increased demand without increasing supply. This has pushed down rental vacancy rates and increased median rental prices.

Housing Industry Association (HIA) have calculated those regional areas experienced a larger fall in affordability than the capital cities, with the regional index falling by 3.7 per cent in the December 2020 quarter. This has seen it return to the level it was in December 2019.<sup>11</sup>

HIA's figures on regional Australia have reflected those released by property research group CoreLogic, which recently said that regional markets were up 2.1 per cent over February 2021, while continuing to show a higher rate of capital gain relative to the capital cities, which rose by 2.0 per cent.<sup>12</sup>

The unaffordability of the Sydney rental market has meant that regional areas are often the only option for those on low incomes.

However, Figure 1 below, shows 2021 rental prices in the Byron Bay, Ballina and Tweed council areas on the state's north coast, Wingecarribee council area in the Southern Highlands and Kiama having outstripped Sydney's median rent price of \$550 a week for a house.<sup>13</sup>

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<sup>9</sup> ABS Census 2017-18, in SHS Economics and Planning, 2020, 'Rental Affordability Index', [https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning\\_RAI-2020-FINAL.pdf](https://www.sgsep.com.au/assets/main/Projects/SGS-Economics-and-Planning_RAI-2020-FINAL.pdf), p. 40

<sup>10</sup> Everybody's Home, 2021, 'National homelessness week: Rental crisis hits COVID-essential workforce', <https://everybodyshome.com.au/national-homelessness-week-rental-crisis-hits-covid-essential-workforce/>

<sup>11</sup> Mortgage Business, 2021, 'Housing affordability declines sharply in regions', <https://www.mortgagebusiness.com.au/breaking-news/15461-housing-affordability-declines-sharply-in-regions>

<sup>12</sup> Ibid.

<sup>13</sup> Burke Kate, 'Soaring rental prices creating housing crisis in regional NSW', Domain, July 20 2021, <https://www.domain.com.au/news/soaring-rental-prices-creating-housing-crisis-in-regional-nsw-1070834/>



**Figure 1**

Top 10 regional house rent rises		
LGA	Median asking rent	Year-on-year change
Snowy Monaro Regional	\$450	28.6%
Bellingen	\$520	26.8%
Byron	\$880	26.2%
Wingecarribee	\$600	20.0%
Ballina	\$620	19.2%
Eurobodalla	\$520	18.2%
Forbes	\$330	16.8%
Coffs Harbour	\$525	16.7%
Parkes	\$350	16.7%
Tweed	\$640	16.4%

Source: Burke Kate, 'Soaring rental prices creating housing crisis in regional NSW', Domain, July 20 2021, <https://www.domain.com.au/news/soaring-rental-prices-creating-housing-crisis-in-regional-nsw-1070834/>

A recent Everybody's Home Campaign report also highlights regional areas that are reaching the unaffordability of Sydney.

When calculating the number of hours worked to pay to afford rents using a disability support worker wage, hours required for Sydney are 20 hours. For other areas the hours of work required are now:

South coast 17.9

North coast 20.2

Hunter region 18.4

Central coast 18.9

This section of the submission uses these four areas as examples of regional rental unaffordability and explain the issues pushing people to homelessness in regional areas. Homelessness NSW acknowledges that this a crisis across many different regional areas

and particular towns but will use these areas as examples of an acute trend across a geographical area.

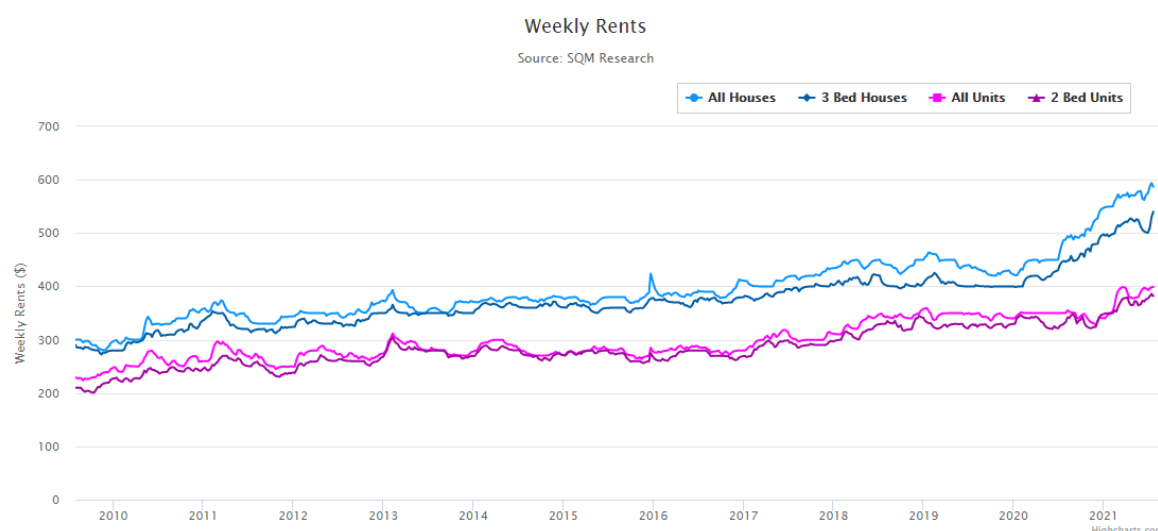
## Southern NSW including South Coast

Figure 2 below indicates that weekly rents in the South Coast have increased from \$300 for all houses in August 2009, to \$583 in August 2021.

Figure 2

## WEEKLY RENTS

### REGION: SOUTH COAST NSW



SQM Research Weekly Rents Index								
Week ending			Change	Rolling	Rolling	3 year	7 year	10 year
28 Jul 2021			on	month	quarter	12 month	3 year	7 year
			prev week	% change	% change	% change	change	change
South Coast NSW	All Houses	586.9	-6.9 ▼	2.8% ▲	2.7% ▲	20.7% ▲	9.9% ▲	6.4% ▲
	3 br Houses	540.1	9.9 ▲	7.7% ▲	2.4% ▲	20.7% ▲	10.1% ▲	6.0% ▲
	All Units	399.1	0.9 ▲	0.7% ▲	5.1% ▲	14.0% ▲	5.0% ▲	5.2% ▲
	2 br Units	381.9	-3.9 ▼	1.6% ▲	4.7% ▲	16.1% ▲	5.0% ▲	4.9% ▲

Source: SQM Research, 'Weekly rents region: South Coast NSW, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=&region=nsw%3A%3ASouth+Coast+NSW&t=1>

Another calculation estimates that the price of rental properties along the NSW South Coast has increased by 25.7% in the last year.<sup>14</sup>

<sup>14</sup> Bailey Ellouise, 'South Coast rental crisis, price hikes push youth into homelessness', Bega District News, 21 April 2021, <https://www.begadistrictnews.com.au/story/7218829/south-coast-rental-crisis-price-hikes-push-youth-into-homelessness/>

A real estate agent reported that when he posted information on short-term rentals available, he heard extreme stories of people facing homelessness on the South Coast town of Ulladulla:

"People who had just had babies and were living in their cars, people with a disability living on couches — there were 80 inquiries in four days,".<sup>15</sup>

Domain's 2021 June Quarter report found rental prices rose the most in the Snowy Mountains region — up by more than 28 per cent since last year.<sup>16</sup>

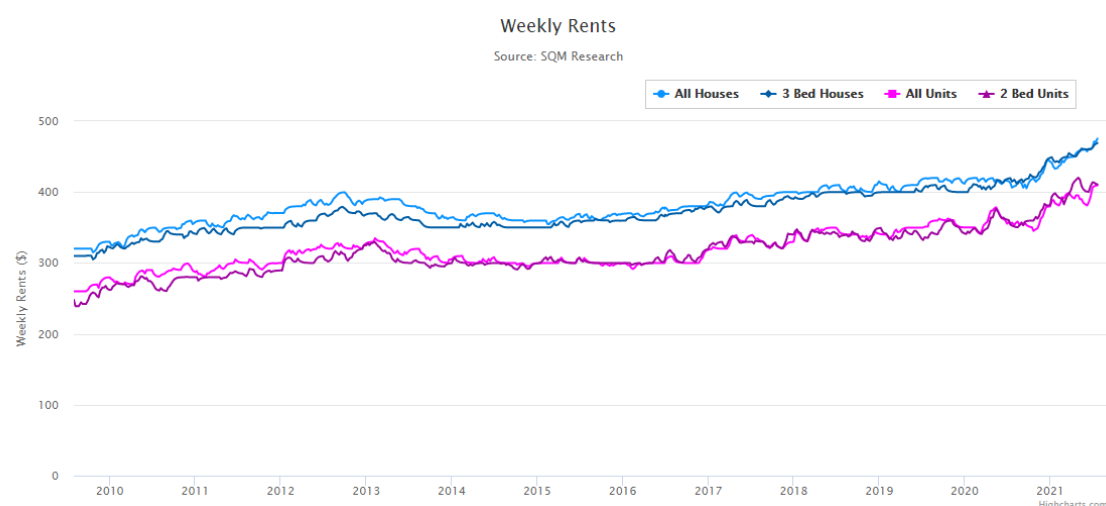
## Hunter region

Figure 3 below indicates that weekly rents in the Hunter region of NSW have increased from \$320 for all houses in August 2009, to \$478 in August 2021.

Figure 3

### WEEKLY RENTS

REGION: HUNTER REGION



SQM Research Weekly Rents Index								
Week ending 28 Jul 2021		Change on prev week	Rolling month % change	Rolling quarter % change	12 month % change	3 year %(pa) change	7 year %(pa) change	10 year %(pa) change
Hunter Region	All Houses 475.4	4.6 ▲	3.2% ▲	4.5% ▲	17.0% ▲	5.5% ▲	3.7% ▲	2.7% ▲
	3 br Houses 469.1	0.9 ▲	2.0% ▲	4.2% ▲	13.1% ▲	5.5% ▲	4.1% ▲	3.0% ▲
	All Units 409.6	0.4 ▲	4.3% ▲	3.5% ▲	14.7% ▲	6.2% ▲	4.5% ▲	3.2% ▲
	2 br Units 410.9	-0.9 ▼	0.8% ▲	-1.6% ▼	16.5% ▲	6.7% ▲	4.6% ▲	3.7% ▲

<sup>15</sup> Clifford, Jessica and James, Melinda, 'Homeless crisis looms beneath the surface in holiday town on NSW South Coast', ABC News, 17 June 2021, <https://www.abc.net.au/news/2021-06-17/a-homelessness-crisis-hidden-in-a-beachside-holiday-town/100220558>

<sup>16</sup> Proust, Keira and Lauda, Simon, 'Extravagant' rental prices push more renters into temporary accommodation, accelerating homelessness', ABC News, 16 July 2021, <https://www.abc.net.au/news/2021-07-16/extravagant-rental-prices-nsw-south-coast/100295700>

Source: SQM Research, 'Weekly rents region: Hunter Region, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=&region=nsw%3A%3AHunter+Region&t=1>

Charleston State MP Melissa Harrison described the emergency unfolding in Lake Macquarie and Newcastle, where rental vacancy rates are the lowest in the state and rents have climbed as much as 30% over one year in some parts of her electorate.<sup>17</sup>

In October 2020, Equity Economics Report predicted that homelessness in Newcastle and Lake Macquarie could increase by 40 per cent by June 2021.

Local crisis services are reporting calls for help 26 per cent above their capacity, which indicates that this increase is occurring.<sup>18</sup>

In Newcastle and Lake Macquarie, homelessness is projected to increase by 40.5 per cent and housing stress to increase by 33.8 per cent.<sup>19</sup>

Kirsten Adam from Compass Housing told ABC news "As we know, housing is a human right and we have 3,600 on the social housing wait list. That is households in Cessnock alone," Ms Adam said.<sup>20</sup>

Most of the clientele I work with are between 16 and 24, and about 80 per cent of those are experiencing homelessness," said Will Doran, the youth services manager at the Kurri Kurri Community Centre.<sup>21</sup>

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<sup>18</sup> Francis-Coan, Sinead, 'Renting in Newcastle: Tenant tells of a brutal market for renters', Newcastle Herald, 18 May 2021, <https://www.newcastleherald.com.au/story/7255298/negotiating-newcastles-brutal-rental-maze/>

<sup>19</sup> Op. Cit, Equity Economics, 'A Wave', p. 14

<sup>20</sup> Wakatama, Giselle, 'Rental crisis gives rise to motel nomads as families struggle to stay off the streets', ABC News, 10 May 2021, <https://www.abc.net.au/news/2021-05-10/motel-nomads-fighting-to-stay-off-the-streets/100112752>

<sup>21</sup> Ibid.

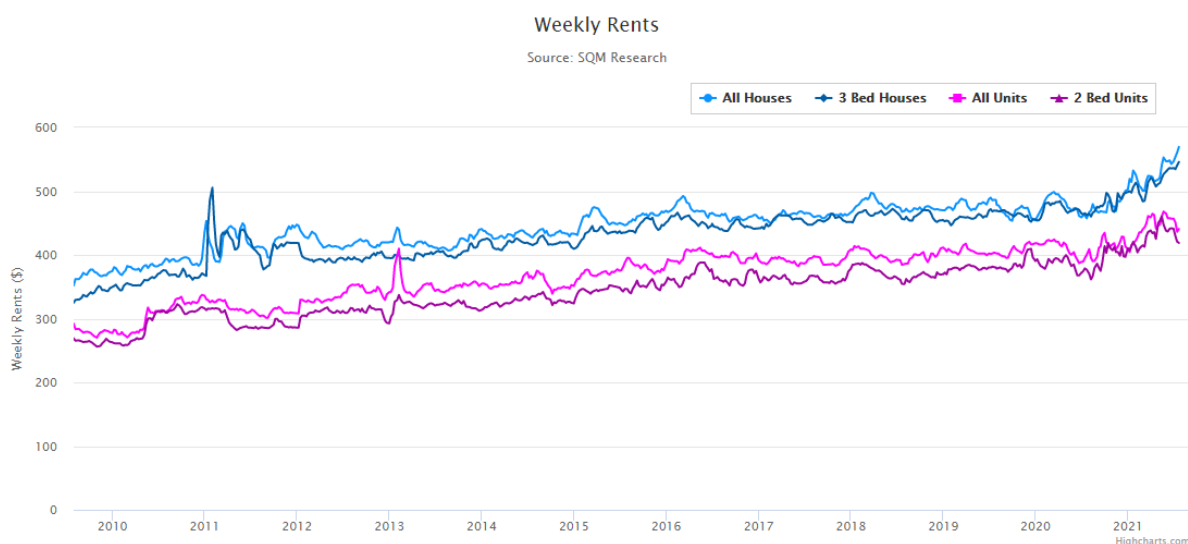
## Central coast

Figure 4 indicates that weekly rents in the Central Coast of NSW have increased from \$352 for all houses in August 2009, to \$575 in August 2021.

Figure 4

### WEEKLY RENTS

REGION: CENTRAL COAST



SQM Research Weekly Rents Index								
Week ending 28 Jul 2021		Change on prev week	Rolling month % change	Rolling quarter % change	12 month % change	3 year %(pa) change	7 year %(pa) change	10 year %(pa) change
Central Coast	All Houses 569.5	8.5 ▲	4.9% ▲	10.2% ▲	24.5% ▲	6.8% ▲	4.2% ▲	3.3% ▲
	3 br Houses 545.9	5.1 ▲	1.9% ▲	7.6% ▲	18.0% ▲	6.1% ▲	4.0% ▲	3.0% ▲
	All Units 440.7	4.3 ▲	-3.5% ▼	-0.1% ▼	10.1% ▲	4.7% ▲	2.8% ▲	3.6% ▲
	2 br Units 418.9	-1.9 ▼	-5.2% ▼	-1.5% ▼	11.1% ▲	5.7% ▲	3.2% ▲	3.8% ▲

Source: SQM Research, 'Weekly rents region: Central Coast, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=&region=nsw%3A%3ACentral+Coast&t=1>

Analysis of SQM data revealed ongoing issues causing increasing rents in Central Coast. "All of these locations have had undersupplied rental markets for some time, with vacancy rates currently sitting at just one per cent or below," Plohl said. "Also, with areas like these seeing the lion's share of internal migration from Sydney, this situation is not likely to change anytime soon."<sup>22</sup>

<sup>22</sup> Collins, Terry, 'Central Coast rents up 23 per cent over past year', Central Coast News, 23 July, 2021, <https://coastcommunitynews.com.au/central-coast/news/2021/07/central-coast-rents-up-23-per-cent-over-past-year/>

The Central Coast was listed as one of the top five regional areas for rent increases, with average weekly rents now around \$564, pushing thousands of Australians to the brink of homelessness and housing stress.<sup>23</sup>

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<sup>23</sup> Ibid.

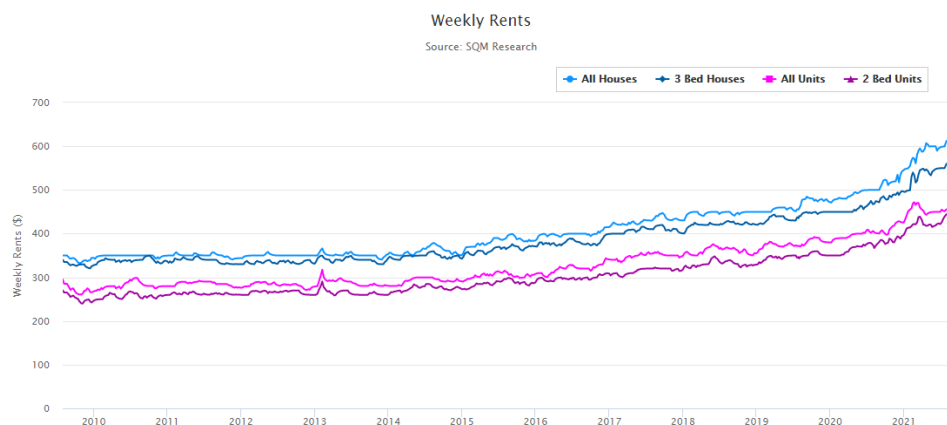
## North coast

Figure 5 indicates that weekly rents in the North Coast of NSW have increased from \$350 for all houses in August 2009, to \$612 in August 2021.

Figure 5

### WEEKLY RENTS

REGION: NORTH COAST NSW



SQM Research Weekly Rents Index								
Week ending 4 Aug 2021		Change on prev week	Rolling month % change	Rolling quarter % change	12 month % change	3 year %(pa) change	7 year %(pa) change	10 year %(pa) change
North Coast NSW	All Houses 612.3	12.7 ▲	2.5% ▲	1.4% ▲	22.5% ▲	10.8% ▲	7.3% ▲	5.8% ▲
	3 br Houses 560.0	10.0 ▲	1.9% ▲	3.0% ▲	19.8% ▲	9.5% ▲	6.6% ▲	5.1% ▲
	All Units 455.6	4.4 ▲	1.3% ▲	2.0% ▲	12.2% ▲	7.5% ▲	6.2% ▲	4.6% ▲
	2 br Units 444.5	5.5 ▲	5.4% ▲	6.1% ▲	18.8% ▲	9.7% ▲	6.7% ▲	5.5% ▲

Source: SQM Research, 'Weekly rents region: North Coast NSW, no date, <https://sqmresearch.com.au/weekly-rents.php?sfx=&region=nsw%3A%3ANorth+Coast+NSW&t=1>

Rental prices on the North Coast have climbed over 22 per cent in the past 12 months, surpassing those in all of Australia's capital cities.

Figures from CoreLogic's latest quarterly review show the median rent for houses in the Richmond/Tweed region is now \$699 per week. In comparison, Sydney houses are \$646pw, and the national median for house rentals is just under \$500pw.<sup>24</sup>

Data from the Department of Communities and Justice shows the median rent for the Port Macquarie-Hastings area increased about 15 per cent in the 12 months to March 2021, from

<sup>24</sup> White, Leah, 'NSW North Coast rent prices "off the charts" as they surpass capital cities', ABC News, 20 July 2021, <https://www.abc.net.au/news/2021-07-20/north-coast-rent-prices-off-the-charts/100303728>

\$395 to \$450. A real estate agency reported that the number of available properties in Port Macquarie decreased drastically in the last 18 months.

Roughly 350 rental properties used to be available before the pandemic, Ms Higgins said. "Statistically October last year was the worst time. "We had a low of 41 properties available across Port Macquarie in total, across all the real estate agents. "One of my worst [the most in-demand] ones had about 120 people enquire on the one property."<sup>25</sup>

The head of Northern Rivers advocacy group and homelessness organisation Social Futures, Tony Davies, told ABCS that skyrocketing rents were damaging the "social fabric" of the region by pricing out long-term locals and modestly-paid workers in industries like retail, hospitality, social services, and the creative arts. "It will absolutely disrupt the fabric of our community if we lose all of these vital parts of our community," he said. "That's why we have hundreds of women now sleeping in cars to keep their children in schools."<sup>26</sup>

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<sup>25</sup> Sati, Wiriya, 'Paying \$500 rent for a "glorified tent" as regional NSW housing shortage prices people out', ABC News, 8 July 2021, <https://www.abc.net.au/news/2021-07-08/housing-shortage-regional-nsw-port-macquarie-rental-market/100245346>

<sup>26</sup> Ibid.



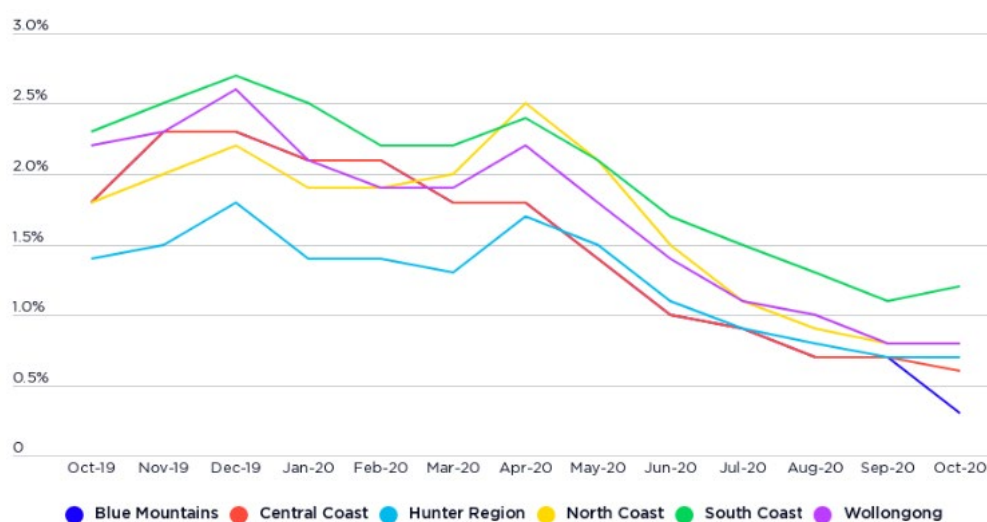
## Residential vacancy rates

Residential vacancy rates are an important indicator of the supply of rental housing stock and competition for housing that disproportionately affects people on lower incomes.

Residential vacancy rates have plummeted in regional NSW and there is simply not enough housing, nor enough alternatives, for people to live in. This is not only a problem for those trying to escape homelessness or for those on the lowest incomes, but some evidence shows it is also pricing out modestly paid workers, such as those in retail, hospitality, and social service.<sup>27</sup>

**Figure 6**

**Figure 4.24: Residential vacancy rates, select regions NSW, Oct 2019-Oct 2020**



Source: SQM Research

Source: SQM Research, 2020, in Pawson, H., Martin, C., Sisson, A., Thompson, S., Fitzpatrick, S. and Marsh, A., 2021, 'COVID-19: Rental housing and homelessness impacts – an initial analysis'; ACOSS/UNSW Poverty and Inequality Partnership Report No. 7, Sydney [http://povertyandinequality.acoss.org.au/wp-content/uploads/2021/02/COVID19\\_Rental-housing-and-homelessness-impacts\\_report-1.pdf](http://povertyandinequality.acoss.org.au/wp-content/uploads/2021/02/COVID19_Rental-housing-and-homelessness-impacts_report-1.pdf)

The initial shock to the rental market, resulting in higher vacancy rates and downward pressure on rents, is long gone as the ABS reports net migration to the regions is currently the highest on record.<sup>28</sup> As a result, alarmingly, vacancy rates in regional NSW are at an historical low while rents continue to rise.

It is well established that 3% vacancy rate provides a certain level of equilibrium between landlords and renters. A low vacancy rate below 2% demonstrates high rental demand, requiring new properties to meet tenancy requirements.<sup>29</sup> Currently, in 100% of the NSW regions – even in commuter cities such as Newcastle and Wollongong - the vacancy rate is

<sup>27</sup> Op cit. White, Leah, 'NSW prices'

<sup>28</sup> ABS, 2021, 'Net migration to regions highest on record', <https://www.abs.gov.au/media-centre/media-releases/net-migration-regions-highest-record>

<sup>29</sup> Brewsters Property Group, 'The value of vacancy rates', <https://brewsters.com.au/vacancy-rates/>

2 per cent or lower, and on average, is 1 per cent or lower in 66% percent of the NSW regions.<sup>30</sup> This is near enough to be non-existent. And with so much demand and so little supply, where is upward pressure on prices.<sup>31</sup>

**Figure 7**

Residential vacancy rate %

	June 2021	May 2021	Apr 2021	Mar 2021	Feb 2021	Jan 2021	Dec 2020	Nov 2020	Oct 2020	Sep 2020	Aug 2020	July2020
Albury	0.7	1.1	0.4	0.7	0.7	0.8	0.5	0.3	0.9	0.8	0.4	1.1
Central Coast	0.9	1.3	0.7	0.9	0.6	0.6	0.5	0.8	0.8	0.7	2.0	1.5
Central West	0.5	0.5	0.8	0.6	0.8	0.9	0.6	0.3	0.3	0.4	0.6	1.1
Coffs Harbour	1.4	0.9	0.9	1.3	0.5	0.5	0.5	0.5	0.7	0.9	0.8	2.1
Far West	-	1.1	-	-	-	-	-	-	-	-	-	-
Mid-North Coast	0.6	0.6	1.0	0.6	0.9	0.8	0.4	0.5	0.5	0.8	1.1	1.2
Murrumbidgee	1.4	1.8	0.9	0.9	0.9	1.5	1.1	1.0	1.0	0.6	0.7	0.9
New England	2.0	1.4	1.3	2.3	2.0	2.7	2.3	1.8	2.3	1.3	1.6	2.8
Northern Rivers	1.0	0.3	0.5	0.3	0.6	1.4	1.5	0.6	1.7	0.9	1.5	1.1
Orana	1.4	3.0	1.3	0.8	1.4	1.2	1.1	1.0	0.7	0.6	1.5	1.0
Riverina	0.7	0.6	0.9	0.7	1.0	1.0	0.8	0.6	0.6	0.8	0.9	0.6
South Coast	0.4	0.6	0.7	0.8	0.5	0.3	0.3	0.4	0.3	0.7	0.9	1.4
South Eastern *	0.5	0.6	1.7	0.6	1.5	2.0	0.4	0.4	0.9	0.8	0.8	-

Source: REINSW, 2021, 'Vacancy Rate Survey',  
[https://www.reinsw.com.au/REINSW\\_Docs/Vacancy%20Rates/2021/REINSW-Vacancy-Rate-Result-June-2021.pdf](https://www.reinsw.com.au/REINSW_Docs/Vacancy%20Rates/2021/REINSW-Vacancy-Rate-Result-June-2021.pdf))

At the same time, vacancy trends in Sydney seem to be returning to pre-pandemic levels and rents are now lifting once again, by as much as 2.2 per cent.<sup>32</sup> This is bad news for affordability across the state.

Looking to the regions, and taking North Coast NSW as an example, Figure 8 shows vacancy rates are at an all-time low, while rents continue to rise, by up as much as 20% in the last 12 months alone.<sup>33</sup>

<sup>30</sup> REIW, 'Vacancy rate survey results', June 2021,  
[https://www.reinsw.com.au/REINSW\\_Docs/Vacancy%20Rates/2021/REINSW-Vacancy-Rate-Result-June-2021.pdf](https://www.reinsw.com.au/REINSW_Docs/Vacancy%20Rates/2021/REINSW-Vacancy-Rate-Result-June-2021.pdf)

<sup>31</sup> Mackenzie, Bruce and Shoebridge, Joanne, 'Residential vacancy rates crash in regional New South Wales', ABC News, 17 March 2021, <https://www.abc.net.au/news/2021-03-17/residential-vacancy-rates-crash-in-regional-nsw/13255614>

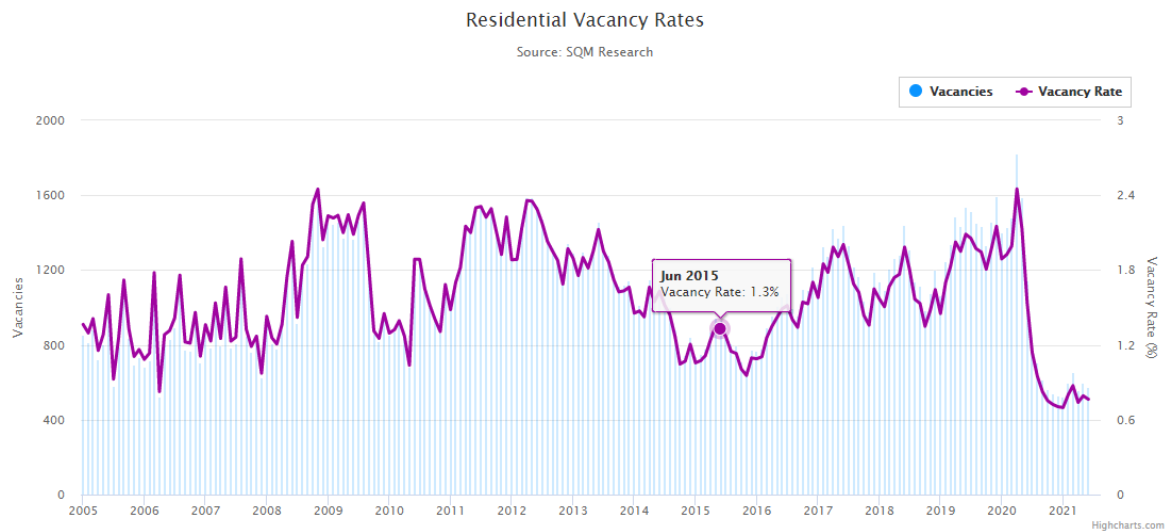
<sup>32</sup> Sweeney, Nila, 'Regional rental markets about to peak: SQM', Australian Financial Review, 13 July 2021, <https://www.afr.com/property/residential/regional-rental-markets-about-to-peak-sqm-20210713-p5895t>

<sup>33</sup> [https://sqmresearch.com.au/graph\\_vacancy.php?sfx=&region=nsw%3A%3ANorth+Coast+NSW&t=1](https://sqmresearch.com.au/graph_vacancy.php?sfx=&region=nsw%3A%3ANorth+Coast+NSW&t=1)

Figure 8

## RESIDENTIAL VACANCY RATES

REGION: NORTH COAST NSW



Source: SQM Research, 'Residential vacancy rates region: North Coast NSW, no date,  
[https://sqmresearch.com.au/graph\\_vacancy.php?region=nsw-North%20Coast%20NSW&type=r&t=1](https://sqmresearch.com.au/graph_vacancy.php?region=nsw-North%20Coast%20NSW&type=r&t=1)

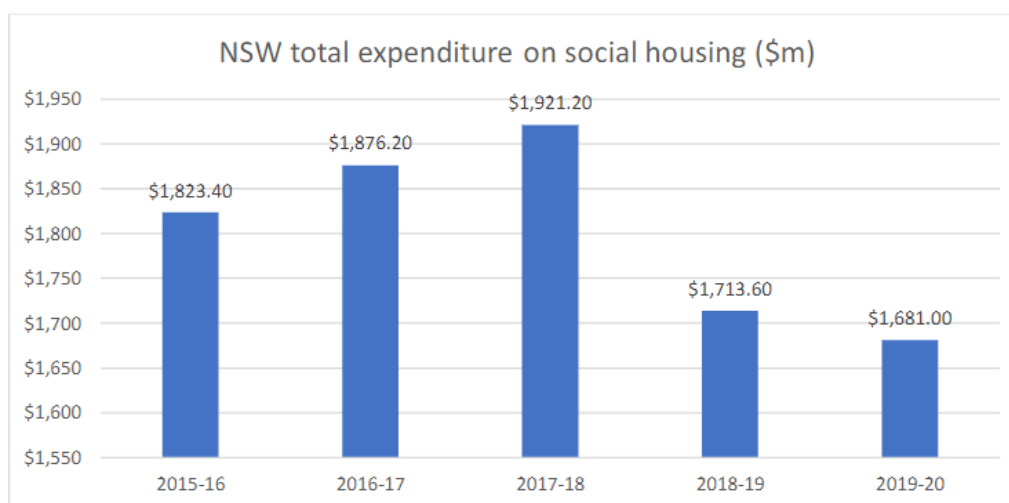
## Social housing

In the situation where rental prices are unaffordable for those on lower, or even middle incomes, the only long-term housing solution for an increasing number of people is social housing.

However, according to the Centre for Social Impact, the total spending in NSW was at its lowest in five years, down from \$1.71 billion in 2018-19 and further down from \$1.92 billion in 2017-2018.<sup>34</sup>

**Figure 9**

*Figure 2. NSW social housing net recurrent expenditure 2015/16- 2019/20*



Source: Productivity Commission, 2021, in Centre for Social Impact, 2021' in Barnes, Emma, Writer, Thomas Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, [https://www.csi.edu.au/media/uploads/social\\_housing\\_in\\_nsw\\_contemporary\\_analysis.pdf](https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf), p. 23

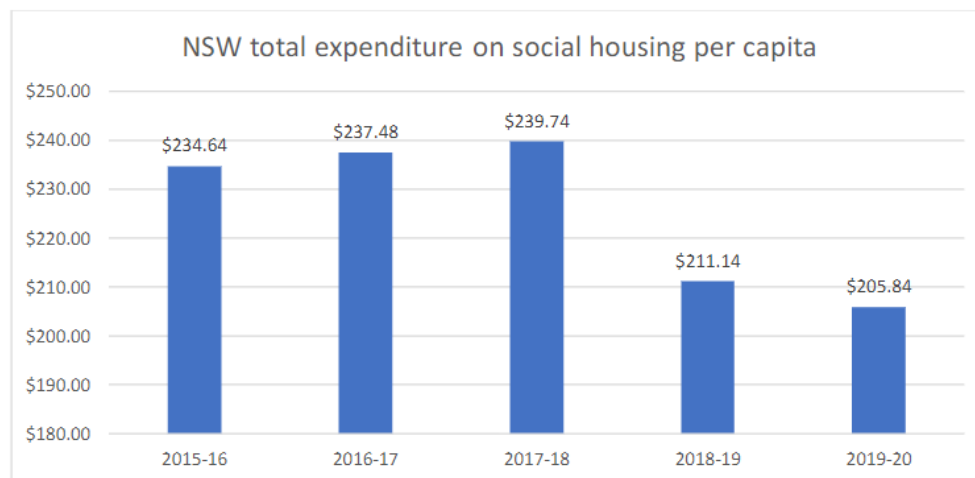
The total expenditure on social housing per person in 2019-20 was the lowest in five years at \$205.84, down from \$211.14 in 2018-19 and from a high of \$239.74 in 2017-18.<sup>35</sup>

<sup>34</sup> Barnes, Emma, Writer, Thomas., Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, p.22  
[www.csi.edu.au/media/uploads/social\\_housing\\_in\\_nsw\\_contemporary\\_analysis.pdf](https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf)

<sup>35</sup> Ibid, p.23

**Figure 10**

*Figure 3. NSW social housing net recurrent expenditure per capita*



*Source- Productivity Commission, Report on Government Services Table 18A.1 State and Territory Government expenditure on social housing 2020-21*

Source: Productivity Commission, 2021, in Centre for Social Impact, 2021' in Barnes, Emma, Writer, Thomas Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, [https://www.csi.edu.au/media/uploads/social\\_housing\\_in\\_nsw\\_contemporary\\_analysis.pdf](https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf), p. 23

As the rental market has become increasingly unaffordable, social housing investment has dramatically decreased, creating a perfect storm for increasing homelessness.

According to the Centre for Social Impact:

*The average number of people waiting for social housing on the NSW Housing Register over the past 15 years is 61,603. The number of applicants on the waiting list has decreased from the high of 83,052 applicants in 2010 to the 2020 figure of 52,752 applicants (Figure 1). A contributing factor towards the reduction in the reported waiting list figures was the change in counting rules in 2017, whereby suspended applicants were no longer counted in waiting list figures (Productivity Commission, 2021)<sup>36</sup>.*

For many regional areas in NSW, wait times also tend to be five years to ten years, and in some instances, are more than ten years.<sup>37</sup>

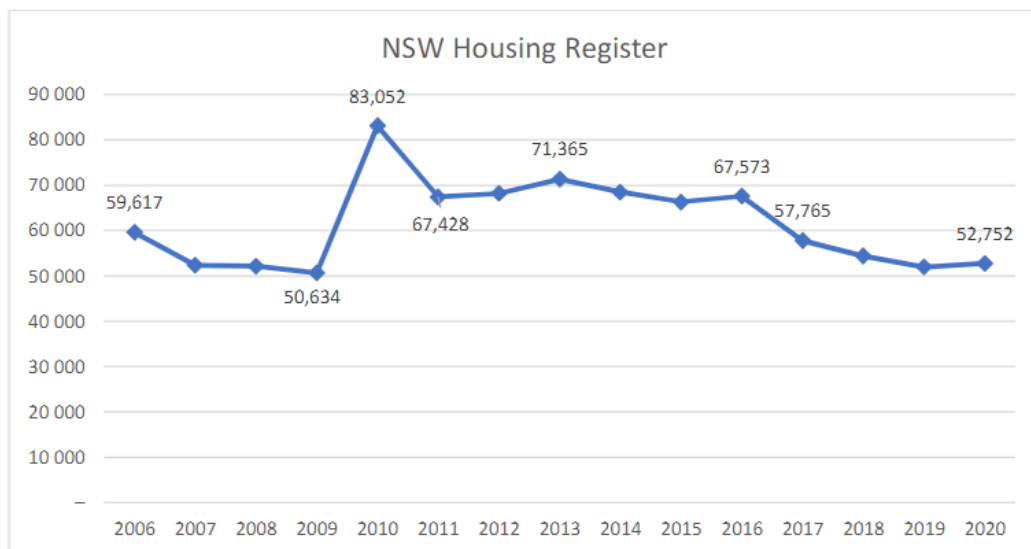
The NSW Government public commitments since 2016 is for 9,386 new additional social housing dwellings since 2016, with all properties to be built over a 10-year period. Assuming all dwellings will be completed within this period, this provides an average of 938 dwellings per year over the next 10 years. The number of additional social housing dwellings announced by the NSW Government since 2016 will not significantly reduce the number of people currently on the NSW Housing Register.<sup>38</sup>

<sup>36</sup> Ibid, p.20

<sup>37</sup> NSW DCJ, 2020, in ibid. p.20

<sup>38</sup> Ibid. p.21

**Figure 11**



Source- Productivity Commission, Report on Government Services 2021 Table 18A.5 Public housing at 30 June 2020

Source: Productivity Commission, 2021, in Centre for Social Impact, 2021' in Barnes, Emma, Writer, Thomas Hartley, Chris, 2021, 'Social Housing in New South Wales: Report 1 Contemporary analysis', Centre for Social Impact, [https://www.csi.edu.au/media/uploads/social\\_housing\\_in\\_nsw\\_contemporary\\_analysis.pdf](https://www.csi.edu.au/media/uploads/social_housing_in_nsw_contemporary_analysis.pdf), p. 21

As examples, the regions outlined by the Everybody's Home campaign analysis of unaffordability face the current wait times for social housing. The waitlist times for social housing on the DCJ website for areas in which social housing is available is given in examples below:

### **South coast**

Bega Valley: 2-5 years for 3+ bedroom properties, 5-10 years for studio-2 bedroom properties

Huskisson: 10+ years

Sussex Inlet: 5-10 years

### **North coast**

Lismore: 5-10 years

Tweed Heads 10+ years

Ballina 5-10 years for studio or 4+ bedroom, 10+ years for other properties

### **Hunter region**

Maitland: 5-10 years

Muswellbrook: 2-5 years or 5-10 years for 4+ bedroom property

Newcastle: 5-10 years

### **Central coast**

Gosford: 5-10 years for 2-bedroom properties, other properties 10+ years

Wyong: 10+ years<sup>39</sup>

### **Sydney**

The greater Sydney area also still faces unaffordable rents and long waiting times to access social housing. A clear alternative is for the Federal and State Governments to acquire existing housing stock as social housing and provide long-term solutions for people facing homelessness.

Whilst there is lack of information on empty housing stock, as an example, using Victorian water records, Prosper Australia estimates about half of Melbourne's census-recorded vacant properties are long-term "speculative vacancies". That's 82,000 homes.<sup>40</sup>

Applying a similar "conversion factor" to Sydney's census numbers would indicate around 68,000 speculative vacancies in Sydney in 2017.<sup>41</sup>

Whilst this research was not compared to Sydney, in 2019, Prosper's tenth analysis of vacant land and housing finds that 69,004 properties were likely vacant in 2019. This represents a 4.1% speculative vacancy rate. This number of empty or underutilised properties could house over 185,000 people, making shortchange of Victoria's 80,000 person public housing waiting list.<sup>42</sup>

Using similar conversion methods, the ample empty housing could be purchased with government funds and be fitted out to provide long term social housing for people facing homelessness.

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<sup>39</sup> NSW DCJ, 'Guide to waiting times for social housing at 30 June 2020',

<https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

<sup>40</sup> Prosper Australia, 'Speculative Vacancies 10 Report – A persistent puzzle', no date, p. 4

[https://www.prosper.org.au/wp-content/uploads/2021/01/Prosper\\_SpeculativeVacancies\\_FINAL\\_web23.pdf](https://www.prosper.org.au/wp-content/uploads/2021/01/Prosper_SpeculativeVacancies_FINAL_web23.pdf)

<sup>41</sup> Pawson, Hal, 'One in 10 Australian dwellings are empty – and a vacancy tax won't solve the problem', The Conversations, 17 July 2017, <https://www.abc.net.au/news/2017-07-17/vacancy-tax-wont-solve-australias-empty-housing-problem/8709184>

<sup>42</sup> Op. city., Prosper Australia, p. 4

## Chapter recommendations

There is a humanitarian crisis in regional areas as the increasing cost of rental properties push increasing numbers of people on low and even moderate incomes to homelessness.

In the private rental market, that has been evidenced in the cost of rental properties in relation to averages wages, and the close to zero vacancy rates and lack of housing supply in the residential property market.

The only remaining option for long-term accommodation is to access social housing. However, this is also not accessible, evidenced in the lack of supply in social housing due to reduction in funding for social housing in NSW over the last decade.

Social housing investment is the most effective way to reduce homelessness, due to its affordable rents, security of tenure, and other supports that are not available to people in the private rental market. Financially vulnerable people in social housing are less than half as likely to become homeless as a similar group renting privately. In Australia one third of new tenants in social housing are previously homeless.<sup>43</sup>

Research commissioned by the Community Housing Industry NSW (CHIA NSW) indicates that NSW requires 5,000 social housing dwellings a year until 2026 for low-income households.<sup>44</sup>

Homelessness NSW recommends the State and Federal Governments to fund this social housing investment in NSW, with 5,000 social housing dwellings each year for the next ten years, with a targeted rapid approach to constructing social housing in regional areas facing a homelessness crisis. Given the urgency of the situation the Government should also purchase properties to add to social housing stock in the short term.

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<sup>43</sup> Gray, Rachel, 2020, 'We must act on homelessness before COVID-10 winter', UNSW, <https://newsroom.unsw.edu.au/news/social-affairs/we-must-act-homelessness-covid-19-winter>

<sup>44</sup> CHIA NSW, 2016. 'Social and affordable housing projections 2016-2026', p.2 <http://communityhousing.org.au/wp-content/uploads/2018/06/1806-CHIA-Judy-Yates-research-report.pdf>



## Barriers to accessing emergency or short-term accommodation

In this section of the submission, Homelessness NSW would like to highlight four key barriers to accessing emergency or short-term accommodation including:

- Barriers to access through the Link2Home hotline
- The prevention of access to non-residents of Australia
- Inadequate access/supply of temporary accommodation in regional areas of NSW
- Continuing impact of Going Home Staying Home reforms on Aboriginal services and outcomes

### Link2Home

The Link2Home hotline is the point of access for people facing homelessness seeking temporary accommodation. Existing barriers to accessing accommodation through Link2Home have increased due to recent changes to the hotline.

Feedback from member services indicates that there are extensive wait-times due to inadequate resourcing of the Link2Home hotline. People seeking support have reported to our members that there are waiting times of 30-45 minutes to speak to someone at Link2Home about housing options. There is a known reduction of employees at the Link2Home call-centre, despite the growing crisis of homelessness and the urgency of finding accommodation during the COVID-19 pandemic.

Homelessness NSW have heard from services that when people call Link2Home they can choose to speak with an Aboriginal person, however it may take up to 24-48 hours to respond in some instances. If you request a call back people experiencing homelessness may not be available, have a phone or a charged phone.

A survey conducted by Homelessness NSW and Domestic Violence NSW in May 2020 on issues in temporary accommodation reveals that referrals from Link2Home was the most raised issue.<sup>45</sup>

These ranged from:

- Services not getting referrals, but clients self-referring
- Referrals only being received at the end of the TA period (whether it was 30 days or 5), forcing services to scramble to ensure the client was not made homeless again
- Difficulty using Link2Home to get TA –services spending more and more time on accessing this service
- Poor assessments by Link2Home –clients who are eligible for TA not receiving TA, resulting in services then re-advocating to Link2Home or finding alternative means to support clients.
- Inappropriate referrals
- Referrals coming from CHPs or housing offices, not Link2Home<sup>46</sup>

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<sup>45</sup> Homelessness NSW, 'Survey Analysis – Link2Home and Capacity during the COVID-19 Pandemic, 13 May 2020, <https://homelessnessnsw.org.au/wp-content/uploads/2021/03/Survey-Analysis-Link2Home-and-Capacity-COVID-19.pdf>

<sup>46</sup> Ibid.

Recommendation:

Homelessness NSW recommends that Link2Home be reviewed, and a strategy enacted to address barriers to the accessibility of the hotline, including access to Aboriginal workers, and inappropriate referrals to Specialist Homelessness Services.

## Prevention of access to non-residents of Australia

Non-residents of Australia include people holding temporary visas or people holding no visa in Australia. Currently, non-residents are excluded from ongoing access to temporary accommodation and housing supports, although there have been some wavers and additional limited funding packages. Despite increasing numbers of non-residents experiencing homelessness during the COVID-19 pandemic, accommodation for non-residents was included for the first time in the emergency COVID-19 funding packages in 2011. A \$11.3 million funding package for homelessness services and temporary accommodation on 30 June 2021 included \$1million to assist temporary visa holders, asylum seekers and refugees.

Non-residents should have permanent access to temporary accommodation as housing is a human right. This includes women and children who may have experienced domestic and family violence whilst holding partner visas, and with the change in visa status, lose rights to emergency housing when they need it the most.

In 2018, it appeared that there were at least 387 women holding temporary visas experiencing violence in Australia sought or received assistance from a service provider.<sup>47</sup> Crisis or emergency accommodation was the assistance that women experiencing domestic or family violence most needed, but organisations were unable to access.<sup>48</sup>

Member services have reported increasing needs of temporary visa holders during the COVID-19 pandemic due to loss of work and increasing financial stress and domestic violence.<sup>49</sup> Yet there is no indication that the ongoing prevention of access for non-residents to housing assistance will be redressed.

Recommendation:

Homelessness NSW recommends that the access that permanent access to housing and homelessness supports be extended to non-residents of Australia.

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<sup>47</sup> National Advocacy Group on Women on Temporary Visas Experiencing Violence, 2018, 'Path to Nowhere: Women on Temporary Visas Experiencing Violence and Their Children', p.17, <https://awava.org.au/wp-content/uploads/2018/12/National-Report-on-Women-on-Tempo...3-compressed.pdf>

<sup>48</sup> Ibid.

<sup>49</sup> Muslim Women Australia, 'Serving with Purpose', no date, p. 17, <https://mwa.org.au/wp-content/uploads/2020/12/MWA-DVReport-R2-Online.pdf> 7

## Inadequate access/supply of temporary accommodation in regional and remote areas

Temporary Accommodation provides a lifeline for many vulnerable people facing homelessness, particularly in the context of declining funding for public housing and the increasingly unaffordable private rental market. Almost 40 per cent of people assisted by Specialist Homelessness Services in 2019-20 received assistance with short-term emergency accommodation, as opposed to medium or long-term accommodation.<sup>50</sup>

The TA model of two nights of accommodation in a motel, hotel or caravan park presents challenges both for people experiencing homelessness and for the crisis homelessness service system. Due to the limited long term accommodation options, there is nowhere for those people to 'exit' when they leave Temporary Accommodation. Short term or crisis accommodation does not meet the gap due to the barriers in accessing long term accommodation.

The TA model is also inappropriate for many clients such as women and children escaping domestic and family violence and people with complex needs because of a lack of available support.

In March 2021, Homelessness NSW held an online forum to discuss the current housing situation in regional and rural areas with over 50 services from across the state.<sup>51</sup> We also conducted a sector consultation in July 2021 for the submission.

Participating services reported a general trend of lack of housing supply, limited access to temporary accommodation and high stress levels for staff. Services reported non-existent rental vacancy rates, rental auctions, increased numbers of people fronting homelessness services, and services losing valued staff who were exhausted from the last 12 months.<sup>52</sup>

### *Short term*

Services agreed that people they worked with required far great flexibility when accessing temporary accommodation, including abolition of the requirement of completing rental diaries.

### *Medium term*

Services proposed an increase in inclusionary zoning to provide some relief for affordable housing. Services are also lobbying local developer and councils to try and increase the number of properties used for housing while planning process such as a Development Application occur.

### *Issues with access to TA in consultation*

Further examples were provided at the Homelessness NSW consultation with Specialist Homelessness Sector for this submission.

Services communicated across different areas that there was simply no supply for temporary accommodation available or that the TA available was dangerous. For example, TA in

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<sup>50</sup> AIHW, 'Specialist homelessness services 2019-20: NSW', p. 2, <https://www.aihw.gov.au/getmedia/c1ce917d-9812-459d-967d-0d2a027f70c0/aihw-hou-322-nsw-factsheet.pdf.aspx>

<sup>51</sup> Homelessness NSW, 'Regional and rural homelessness forum: findings', 3 March 2021, <https://homelessnessnsw.org.au/regional-and-rural-homelessness-forum-findings/>

<sup>52</sup> Ibid.

regional towns often house both the perpetrator and victim/survivor in domestic violence situations. The victim/survivor could also be banned from TA if perpetrators show up and create conflict, with one service recalling a victim/survivor being banned from the only TA available for one month.

Services in regional towns also communicated the need to travel one, two or up to 9 hours to access TA due to the lack of accommodation available.

There is also inadequate or no TA appropriate for people with children, which requires a kitchen and space for children, so they are not further retraumatised.

Existing temporary accommodation is known by services and lived experts to be unsuitable or at worst dangerous. Women are known to be placed in TA with perpetrators, or young people known to be placed in difference locations and facing danger. Whilst most service users do feel safe in refuges, some found the environment unsafe, particularly in older style motels.<sup>53</sup> Further trauma needs to be avoided as a priority for accommodation and service providers.

Temporary accommodation is also very limited for people with pets, and women are known to stay with perpetrators rather than leave pets behind. Research in Australia, the United States and New Zealand shows that victim-survivors may delay leaving a violent perpetrator for fear of leaving animals with the perpetrator.<sup>54</sup>

Services communicated importance of person-centred support – not just housing.

One service representative said “It speaks to [ need for] the participant driven nature of response in TA – do we as a TA network have an understanding at commencement of potential in the homelessness to housing continuum at step 1 to avoid people leaving accommodation because it’s high risk – certainly from conversations that we have with people we support – sometimes it is literally better to sleep on the street”.

Services also emphasised the importance of long-term solutions, due to the traumatising nature of current short-term temporary accommodation processes.

One service provided examples “For us they might get one day at a time, packing up every single day to reapply for TA at 10am to go back to the same TA. We had mother recently with three month old who said I can’t do it – I’m better off staying in house full of drugs. We helped her into a transitional accommodation, but you understand how people feel this way”.

## **Recommendations:**

The current endemic barriers to accessing TA in regional areas requires an urgent strategy to address lack of supply, dangerous situations for victim/survivors, and lack of accommodation for families.

The NSW Government and local council should prioritise zoning for emergency and long-term housing.

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<sup>53</sup> Cripps, Kylie and Habibis, Daphne, ‘Improving housing and service responses to domestic and family violence for Indigenous individuals and families’, AHURI Final Report 320, Australian Housing and Urban Research Institute Limited, Melbourne, p.29, <http://www.ahuri.edu.au/research/final-reports/320>

<sup>54</sup> Volant et al., 2018, in Domestic Violence NSW, ‘Animals and people experiencing domestic and family violence’, November 2020, p. 43, <https://www.dvnsw.org.au/wp-content/uploads/2020/11/Nov-DVNSW-Report-on-Animals-and-People-Experiencing-Domestic-and-Family-Violence.pdf>

Measures in TA that increase barriers to access including rental diaries should be abolished and instead viewed through individual focused care.

## Continuing impact of Going Home Staying Home reforms on Aboriginal communities

Homelessness is growing fastest in NSW (by 37% from 2011 to 2016) and in capital cities (homelessness in Sydney was up 48% from 2011 to 2016).<sup>55</sup> While Aboriginal and Torres Strait Islander people represent 2.9% of the NSW population, they represented 6% of the people who were homeless in NSW on Census night in 2016.<sup>56</sup> Aboriginal should be a priority cohort for access to homelessness services and accommodation missing out on pathways to access crisis accommodation and long-term housing.

There has been an ongoing impact of competitive tendering process and structural changes implemented through the NSW Government's 2013-2015 Going Home Staying Home reforms to the homelessness sector. These reforms resulted in fewer Aboriginal specific homelessness organisations in NSW and inequity to distribution of funding, as some Aboriginal organisations that were unsuccessful in the tender reclassified as Service Support Fund (SSF) with shorter periods (18 months rather than 3 years) of contract funding. Some organisations reported their funding was cut by approximately 30% following the Going Home Staying Home Reforms. Aboriginal specific assertive outreach programs were also cut in Sydney.

Aboriginal specific hostels were also closed across NSW. 54 Aboriginal specific hostels were in operation across Australia which included a number in NSW and Sydney in 2013.<sup>57</sup> There are three currently listed Aboriginal hostels in NSW, but these only cater for school age and tertiary students.<sup>58</sup>

The closure of Aboriginal hostels and underfunding of Aboriginal controlled Specialist Homelessness Services worsens the complicated impact of urban drift into regional areas and Sydney. It exacerbates the main form of Aboriginal homelessness, overcrowding, as extended family members or kinship systems mean that Aboriginal communities are more likely to allow their houses to become overcrowded rather than leave family or extended family to sleep rough.<sup>59</sup>

Aboriginal controlled organisations are essential to improving outcomes for Aboriginal people experiencing homelessness. Going Home Staying Home reforms also defunded Aboriginal specific assertive outreach programs to people sleeping rough in Sydney. As the National Aboriginal Community Controlled Health Organisation recommends "ACCOs specialising in housing and homelessness prevention and responses should be funded to supply culturally appropriate social housing in Aboriginal and Torres Strait Islander communities".<sup>60</sup> The defunding of Aboriginal services placed further pressure on mainstream homelessness organisations to become culturally competent, whilst Aboriginal Controlled organisations were reduced. It is widely acknowledged by Homelessness NSW member services that

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<sup>55</sup> Homelessness NSW, 'Homelessness in NSW', no date, [www.homelessnessnsw.org.au/wp-content/uploads/2021/03/Homelessness-in-New-South-Wales-.pdf](http://www.homelessnessnsw.org.au/wp-content/uploads/2021/03/Homelessness-in-New-South-Wales-.pdf)

<sup>56</sup> Homelessness NSW, 'Aboriginal Homelessness in NSW', no date, <https://homelessnessnsw.org.au/wp-content/uploads/2021/03/Aboriginal-Homelessness-in-New-South-Wales.pdf>

<sup>57</sup> No author, 'Aboriginal hostel closes doors', SBS News, 3 September 2013, <https://www.sbs.com.au/news/aboriginal-hostel-closes-doors>

<sup>58</sup> Australian Hostels Limited, 'Hostels Directory', Australian Government, <https://ahl.gov.au/our-hostels/hostels-directory>

<sup>59</sup> Pawson et. al., 2019, in Cox Inall Ridgeway, 2020, Overview Report: Community engagement report back and strategic advice for improving the provision of specialist homelessness services for Aboriginal people in NSW, p.31, <https://www.facs.nsw.gov.au/download?file=790682>

<sup>60</sup> National Aboriginal Community Controlled Health Organisation, 'Reducing the incidence & impact of homelessness on Australian Aboriginal and Torres Strait Islander People', p. 4 <https://www.aph.gov.au/DocumentStore.ashx?id=40a7e9dd-fe85-49e6-b8a1-b29b83249c79&subId=685861>

access to Aboriginal organisations or even just access to an Aboriginal staff member can dramatically improve outcomes for Aboriginal people experiencing homelessness.

Recommendations:

- Fund Aboriginal controlled organisations to meet demand and immediately plan to increase Aboriginal controlled organisations including Aboriginal assertive outreach programs in Sydney.
- Reinstate Aboriginal controlled hostels to meet the needs of Aboriginal homelessness and urban drift into regional and urban areas.



## Options to better support ‘meanwhile use’ temporary supportive accommodation

In July 2017, \$10 million in funding was redirected from ordinary TA to encourage new models that offered more support. This is known as the Supported Temporary Accommodation (More Supported Accommodation for Homeless, 2018).

Commissioned across 2017 and 2018, Supported Temporary Accommodation models offer short-term accommodation combined with support to identify how clients will be supported into longer-term housing. Currently 13 different models are in operation, but despite moving into their fourth year of operation no evaluation or data is available.

Supportive TA has been developed locally in consultation with the Department of Communities and Justice Districts. Generally, such models provide longer term accommodation with case management support and vary according to local need and arrangements. Supportive TA models have also been provided locally over the years by providers who do not receive funding under the SHS Program.

Within this program, there are examples of NSW specific meanwhile use.

One example is the collaboration between Women’s Community Shelters and other organisations in the ‘Pathways Home’ program.

The Pathways Home program adopted a meanwhile approach and took over a nursing home ‘Beecroft House’, a functioning nursing home in North-West Sydney and ‘Mosman House’, an old hospital in northern Sydney.<sup>61</sup> Women’s Community Shelters also received individual properties gifted temporary by individuals.

The Pathways Home program provided accommodation to temporarily assist women caught in a crisis of older women’s homelessness – the largest growing cohort of people experiencing homelessness. On census night in 2016, there were an estimated 6,866 women over 50 who were homeless — the figure representing a 31 per cent increase since 2011.<sup>62</sup>

There is an obvious need to increase housing stock to immediately accommodate people who are experiencing homelessness. The benefits of supportive TA, as opposed to the ordinary TA model, derive from it being a transitional accommodation service, which allows women a longer period to find alternative accommodation.

However, from the perspective of Homelessness NSW, the meanwhile use model is small-scale response when we need a systematic large-scale housing and homelessness strategy.

While in these cases, meanwhile use can be suitable for a small cohort of people experiencing homelessness for a short period of time, it does little to address the systemic barriers that prevent individuals from exiting homelessness. It cannot replace social and affordable housing.

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<sup>61</sup> Women’s Community Shelters, 2021, ‘Annual Report’, p.10, [https://www.womenscommunityshelters.org.au/wp-content/uploads/2021/06/WCS\\_AR2021\\_LR\\_Web.pdf](https://www.womenscommunityshelters.org.au/wp-content/uploads/2021/06/WCS_AR2021_LR_Web.pdf)

<sup>62</sup> ABS, 2016, in Tatham, Harriet, ‘Meanwhile use properties offer potential as a short-term solution to social housing needs’, ABS News, 1 November 2019, <https://www.abc.net.au/news/2019-11-01/could-empty-properties-solve-australias-need-for-social-housing/11655386>

Even with small-scale meanwhile use projects, there have been significant barriers identified by Homelessness NSW and the homelessness sector.

The properties offered up for meanwhile use need to be made to be fit-for-purpose which has often relied on private sector in-kind funding, such as the corporation PACE which the Pathways Home program relied on. Donations from the private sector are not the best option for planning ongoing supported accommodation and large-scale coordinated housing models.

When assisting people who experience the trauma of homelessness, provided accommodation needs to be fit for purpose, suitable and safe, otherwise many people will simply leave the accommodation.

The costs of fitting out existing buildings into suitable accommodation to be then handed back to existing owners and developers provides an unfeasible economic plan to addressing the long-term social housing shortage.

Meanwhile use won't work where properties such as old hospitals are provided without appropriate consideration of access/proximity to transport, services, shops etc, and won't work where there isn't privacy and a good quality of level of accommodation.

One service representative communicated "Are we just creating ghettos in tall, big buildings or are we talking about smaller properties where you're not going to have offenders with women or LGBTQIA+ people? Are they ghettos in tall buildings, or spread out in communities with support"?

This includes planning for culturally safe accommodation and support for Aboriginal people, as many Aboriginal people are afraid to talk to services due to the fear of child removal.

Services have communicated a burden from sourcing meanwhile use accommodation and the cost and staff time spent fitting out accommodation, in an over-worked and fatigued workforce.

One service communicated, "Meanwhile use the onus is on providers in the sector to locate this from government databases. If the government is serious, it should be callout to all state and government jurisdictions, as for us to carry the workload is unacceptable."

SHSs are funded to support around 58,000 clients, yet in 2018/19 provided a service to 70,300 clients, supporting 25% more clients than they are funded for.<sup>63</sup>

Another service said from the experience during sourcing crisis accommodation that, "the Department sells off land for quick buck, the meanwhile use we have identified has been resold or transformed to bedsit for \$200/week".

A different organisation communicated 'There is no government land - where are they? We have next to nothing. We can't even get it past the local council. Getting past DAs (Development Applications) is a blank no.'

### **Timeframes in meanwhile use**

It is widely acknowledged that long-term supportive housing provides the best outcomes for people at risk of our experiencing homelessness.<sup>64</sup> There needs to long-term housing supply

<sup>63</sup> Homelessness NSW, no date, 'Specialist Homelessness Service Data',

<https://homelessnessnsw.org.au/resource/specialist-homelessness-service-data/>

<sup>64</sup> The Lancet, 2020, 'Effectiveness of permanent supportive housing and income assistance interventions for homeless individuals in high-income countries: a systematic review',

<https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667%2820%2930055-4/fulltext>

and support plans for what happens post-meanwhile use as otherwise this will only ever be a transitional or temporary fix, and people will return to homelessness.

Dr Heather Holst who has overseen the approval of housing on VicRoads land acknowledges that “It’s much better for people moving in to know that they’ve got a much more long-term place to stay,” Holst says. “And we’re quite a big organisation, this is just one project, so we’ll rehouse people. We won’t just give them eviction notices.” With any sort of housing, the evidence shows if people move into a home where they know they can stay and build connections, there’s a more positive result.”<sup>65</sup>

Women’s Community Shelters have said that they accept 12-month access to dwellings for meanwhile use accommodation as the absolute minimum and intake people who they know will likely be able to exit into long-term accommodation such as social housing.

However, by its very nature, the meanwhile use is temporary and ad hoc. It is not suited to the needs of a whole range of homelessness experiences. Long-term or chronic homelessness is best addressed with long-term housing options, including through increasing the levels of social housing to meet current demand.

People with multiple, complex, and chronic needs should be referred for programs such as Together Home, which provides wrap-a-round support services and accommodation. However, even Together Home is not a long-term accommodation service, as funding is based on two-year contracts.

## **Chapter recommendations**

The scale of the homelessness crisis and barriers to creating appropriate meanwhile use accommodation means that it is more appropriate for the Government to immediately plan and fund long-term accommodation and social housing.

Whilst meanwhile use can meet an immediate need on a small scale, Homelessness NSW recommends immediate funding in a whole of government approach to connect short-term and long-term housing and support needs, to ensure safe appropriate shorter-term accommodation and transition to long-term housing.

Homelessness NSW also identifies barriers with meanwhile use as a smaller scale response due to issues with burdens on SHSs and checks to provide appropriate and safe accommodation. Homelessness NSW recommends that the Government use trauma-informed practice and consult local homelessness services when funding any meanwhile use properties for safety and appropriateness.

## **Recommended checklist for trauma-informed meanwhile use**

Homelessness NSW recommends a checklist for ensuring that meanwhile use is suitable for people accessing the accommodation

- ✓ Is the accommodation suitable and safe for the individual needs of the person e.g. Domestic and Family Violence victim/survivors with children need to be in safe locations away from perpetrators and suitable for children
- ✓ Can the length of time people staying in the accommodation be flexible e.g. it is not appropriate to move people experiencing trauma without notice between accommodation due to changes in planning regulations

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<sup>65</sup> Edmunds, Sandra, ‘Housing crisis: property industry finds some solutions but how well do they work’, The Fifth Estate, 2 April 2017, <https://thefifthestate.com.au/housing-2/housing-crisis-property-industry-finds-some-solutions-but-how-well-do-they-work/>

- ✓ Is the location of the accommodation suitable for the person's needs to recover from trauma e.g. location of mental health supports/community, location of alcohol and drug or other health supports?
- ✓ Is the meanwhile use catered to the cohort to assist in their recovery from trauma if requested e.g. Aboriginal specific housing that is culturally safe and long-term youth specific housing that enables young people to share and grow?

The homelessness crisis is a large-scale issue that needs to be met with large-scale solutions. We need to meet the demand for long-term housing stock and fund SHSs for the number of people needing to access their services. Without these large-scale solutions, increasing numbers of people are caught in a cycle of homelessness – when with the right accommodation and assistance they could be assisted into getting their life back on track.

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