Inquiry into Homelessness in Victoria

Dr Michael Fotheringham

Organisation Name:
Your position or role:

SURVEY QUESTIONS
Drag the statements below to reorder them. In order of priority, please rank the themes you believe are most important for this inquiry into homelessness to consider:
Public housing, Rough sleeping, Mental health, Housing affordability, Family violence, Services, Indigenous people, Employment

What best describes your interest in our Inquiry? (select all that apply):
Academic & research

Are there any additional themes we should consider?

YOUR SUBMISSION
Submission:

Do you have any additional comments or suggestions?:

FILE ATTACHMENTS
File1: 5e6ef8aceccc5-AHURI submission to Victorian Parliament Legal and Social issues Committee Inquiry on Homelessness .pdf
File2:
File3:

Signature:
Michael Fotheringham
16 March 2020

Legal and Social Issues Committee
Victorian Parliament
Spring Street
Melbourne VIC 3000

AHURI submission to Legal and Social Issues Committee Inquiry into Homelessness in Victoria

On behalf of the Australian Housing and Urban Research Institute (AHURI) I am pleased to make a submission to the Committee’s Inquiry into Homelessness in Victoria.

This submission provides a summary of Australian Housing and Urban Research Institute (AHURI) research relating to homelessness in Australia and Victoria in particular. AHURI research is available free from www.ahuri.edu.au.

Yours sincerely,

Dr Michael Fotheringham
Executive Director
Submission to Inquiry on Homelessness in Victoria

Australian Housing and Urban Research Institute

March 2020
About AHURI

As the only organisation in Australia dedicated exclusively to housing, homelessness, cities and related urban research, AHURI is a unique venture. Through our national network of university research partners, we undertake research leading to the advancement of knowledge on key policy and practice issues.

AHURI research informs the decision-making of all levels of government, non-government sectors (both private and not-for-profit), peak organisations and the community, and stimulates debate in the media and the broader Australian community.

Our mission is to inform and impact better housing, homelessness, cities and related urban outcomes through the delivery and dissemination of relevant and authoritative research. To achieve this mission we deliver four key programs.

National Housing Research Program

AHURI’s National Housing Research Program (NHRP) invests around $4 million each year in high quality policy-oriented housing research and associated activities. We broker engagement between policy makers, key stakeholders and researchers. This allows us to undertake research that is immediately relevant and actively contributes to national housing policy development.

Our network of university research partners conducts research on key policy issues utilising a variety of research activities. This ensures the flexibility to undertake longer-term projects when fundamental research is needed, while also responding quickly to new strategic policy issues as they arise.

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AHURI is actively broadening its scope to consider the role, functioning and policy questions facing Australian cities. We are enhancing our significant evidence base on housing and homelessness policy and solutions, and consolidating our role in delivering integrated and robust evidence to guide policy development. AHURI is working with governments and relevant stakeholders to expand our role in delivering research that informs urban policy and the shaping of cities in Australia.

Professional Services

AHURI Professional Services draws on our in-depth understanding of housing, homelessness, cities and urban policy and the expertise of AHURI’s national network of Research Centres. We deliver evidence reviews and synthesis, policy engagement and transfer, and are experts in research management and brokerage.

Conferences, events and engagement

Our conferences, events and communications stimulate professional and public dialogue. We disseminate research in innovative ways and engage with government, private, not-for-profit sectors and the community.

National Network of AHURI Research Centres

There are currently eight AHURI Research Centres across Australia:

- AHURI Research Centre—Curtin University
- AHURI Research Centre—RMIT University
- AHURI Research Centre—Swinburne University of Technology
- AHURI Research Centre—the University of Adelaide
- AHURI Research Centre—the University of South Australia
- AHURI Research Centre—the University of New South Wales
- AHURI Research Centre—the University of Sydney
- AHURI Research Centre—University of Tasmania.
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Executive Summary

What is homelessness?

Homelessness in Australia has been defined using two main definitions – the cultural definition and the ABS statistical definition.

Until recently, the most widely accepted definition of 'homelessness' was that developed by Chamberlain and MacKenzie (1992; 2008). This definition was based on cultural expectations of housing needs. In Australia, this meant having, at a minimum, one room to sleep in, one room to live in, one’s own bathroom and kitchen and security of tenure. This definition identifies three types of homelessness:

- primary—rough sleeping;
- secondary—temporary accommodation (includes people moving frequently from one form of temporary accommodation to another, including emergency housing, boarding houses or staying with family or friends, e.g. couch surfing); and
- tertiary—inappropriate housing (refers to people staying for longer than 13 weeks in rooming houses or equivalent tertiary accommodation).

The statistical definition used by the Australian Bureau of Statistics (ABS) considers a person to be homeless if their current living arrangement exhibits one of the following characteristics:

- the dwelling is inadequate;
- the house has no tenure or initial tenure is short and not extendable;
- the accommodation does not allow for control of and access to space for social relations; provide a sense of security, stability, privacy or safety; or provide the ability to control living space.

It is notable that the ABS definition includes people in severely overcrowded dwellings who are considered not to have control of or access to space for social relations (ABS 2012).

Indigenous understandings of homelessness can differ from these definitions and can incorporate ideas of spiritual homelessness and cultural dimensions of home including connection to kin.

Scale of homelessness in Victoria

Using the ABS definition, homelessness in Victoria has increased from 22,259 persons in 2011 to 24,828 persons in 2016, but as a proportion of the population (41.9 persons per 10,000 of population) it has not changed much since 2011 (when it was 41.6 persons per 10,000).

The homelessness rate for Victoria in 2016 is lower than for Australia (49.8 persons per 10,000).

Victoria has seen strong growth in some homeless cohorts, including persons living in severely crowded dwellings (48% increase), persons in boarding houses (13% increase) and those in other temporary lodgings (19% increase). By contrast, there has been a very modest increase in rough sleepers (2%) and declines for persons living in supported accommodation (-8%) and persons staying temporarily with other persons (-7%).
The rise in severe overcrowding is associated with a general increase in the numbers in marginal housing.

**Composition and high risk groups**

The data available suggest that compared to homeless people in Australia, the homeless in Victoria are more likely to be able to access supported housing or live in boarding houses, and are less likely to be rough sleeping, couchsurfing or living in severely crowded dwellings.

Certain demographic groups have been found to be at higher risk of becoming homeless in Victoria, including:

- older people (over 55 years of age)
- Aboriginal people
- people with a mental illness
- women and children experiencing domestic and family violence (DFV)
- people exiting institutions, including military service
- young people (15-24 years old)
- people with problematic drug and/or alcohol use.

**Individual risk factors**

Homelessness is due to a combination of individual and structural risk factors. Both types of risk factors need to be addressed in order to combat homelessness. The key to addressing homelessness is the availability of sufficient social and affordable housing. Individual circumstances or experiences that increase the risk of homelessness include the following:

- **Domestic and family violence (DFV)** is the most frequent cause of homelessness in Australia, affecting women, young people and children in particular. In 2016–17, 40 per cent of all clients of specialist homelessness services (SHS) were seeking assistance due to DFV. People experiencing DFV may leave their home and seek insecure or unsuitable alternative accommodation options to escape the violence. The loss of a relationship in general, be it through DFV, divorce or the death of a partner, increases the likelihood of homelessness and places older people, women and children most at risk.

- **Intergenerational homelessness**: children who experience homelessness, due to DFV or other reasons, are at significantly higher risk of homelessness in adult life. An AHURI study found almost half of all homeless respondents (48.5%) indicated their parents were also homeless at some point in their lives (Flatau 2013).

- **Mental illness** and homelessness are strongly associated. In 2016–17, about a quarter of people who sought assistance from SHS indicated that they had a mental health issue. Mental illness can precipitate homelessness, due to factors including difficulty attaining employment and discrimination in the rental market. Conversely, the isolation and trauma of being homeless can lead to the onset of mental illness.
People leaving institutional settings (hospitals, mental health facilities, military, prisons, out of home care, etc.) are at greater risk of homelessness than the general population.

Unemployment, and more significantly an absence of employment history, is an indicator of risk for homelessness. In many instances, sustaining employment is not necessarily enough to prevent homelessness, (e.g. in the case of low paid apprentices and trainees).

**Structural risk factors**

There is compelling evidence that structural risk factors and other area-level factors interact with individual risk factors to influence housing instability:

- **Housing markets**, in particular rental markets, affect the rate of homelessness. Increases in median market rents have a statistically significant positive relationship with the risk of entry into homelessness.

- **Labour and employment markets** are significant causes of entry into homelessness. A one percentage point increase in the unemployment rate raises the likelihood of homelessness entry by one percentage point. People who move to areas with greater labour market opportunities are often at a higher risk of homelessness due to the more inaccessible housing markets in these locations.

- **Neighbourhood** or area level factors for homelessness include higher income inequality and high density dwellings. While these characteristics are often present in neighbourhoods with high levels of homelessness they do not necessarily cause homelessness. However, some areas may have inadequate homelessness service provision, and this can be a factor for entry into, or worsening of, homelessness.

**Need for range of services**

Most homeless people accessing services have need for general services such as advice and advocacy, and a significant proportion seek assistance for domestic violence and material aid.

Around half of all clients are seeking housing (long term, short term and transitional) and this proportion has recently increased in Victoria.

**Most get the services they need but there are gaps especially access to long term housing**

Most Victorian clients accessing the specialist homelessness system are receiving welfare payments and some are employed, with only 9 per cent reporting no income.

Victorian clients presenting mostly get the general services they need (such as advocacy, material aid and other financial support) and some specialist services like immigration and cultural support. However significant proportions (sometimes over half) miss out on specialist services like drug and alcohol, legal/financial and disability services. While most are able to get assistance to sustain an existing housing tenure, only a little over half get access to housing. Only around 4 per cent needing long term housing actually receive it.

In Victoria, SHS services are effective in moving people out of homelessness for half of clients assisted, however for others their situation worsens, does not change or
outcomes are not known. Many people served by the homelessness system remain homeless or at risk.

Enabling access to long term housing is especially important for those most vulnerable, like rough sleepers (who constitute around 9 per cent of SHS service users across Australia). Most rough sleepers access SHS services multiple times. While most are able to get access to short term accommodation, only around 10 per cent get access to the long term housing they need to stabilise their housing situation (AIHW, 2018a).

**Areas for policy and practice improvement**

Areas for improvement include:

- increasing the supply of affordable and secure housing, especially long term housing
- addressing at risk groups including: older people, veterans, young people and children, Aboriginal people, those in marginal and overcrowded housing
- providing more client-centred services through service integration and case management
- improving discharge planning from institutional settings including hospitals, prisons, state care and the military
- system wide program integration (including integration between homelessness system and health/mental health, drug and alcohol, and Domestic and Family Violence sectors)
- expanding Housing First initiatives to address the needs of those with complex needs
- increasing the capacity of the social housing workforce (e.g. in relation to working with people with mental ill-health)
- improving funding approaches, including a better focus on outcomes.
1. Scale and nature of homelessness in Victoria

1.2 Understanding homelessness

1.2.1 What is homelessness?
Definitions of homelessness vary depending on their purpose and focus. In Australia, homelessness has been typically defined using two main definitions – the cultural definition and the ABS statistical definition.

Until recently, the most widely accepted definition of ‘homelessness’ was that developed by Chamberlain and MacKenzie (1992; 2008). This definition was based on cultural expectations about housing needs. In Australia this meant having, at a minimum, one room to sleep in, one room to live in, one’s own bathroom and kitchen and security of tenure. This definition identified three types of homelessness:

- **primary**—rough sleeping;
- **secondary**—temporary accommodation (includes people moving frequently from one form of temporary accommodation to another, including emergency housing, boarding houses or staying with family or friends, e.g. couch surfing); and
- **tertiary**—inappropriate housing (refers to people staying for longer than 13 weeks in rooming houses or equivalent tertiary accommodation).

The statistical definition used by the Australian Bureau of Statistics (ABS) considers a person to be homeless if their current living arrangement exhibits one of the following characteristics:

- the dwelling is inadequate;
- it has no tenure or initial tenure is short and not extendable;
- the accommodation does not allow for control of and access to space for social relations; provide a sense of security, stability, privacy or safety; or provide the ability to control living space.

It is notable that the ABS definition includes people in severely overcrowded dwellings who are considered not to have control of or access to space for social relations (ABS 2012).

Indigenous understandings of homelessness can differ from these definitions. Indigenous homelessness does not necessarily relate to a lack of accommodation and can include ‘spiritual homelessness’ (the state of being disconnected from one’s homeland, separation from family or kinship networks or not being familiar with one’s heritage) and ‘public place dwelling’ or ‘itinerancy’ (usually used to refer to Indigenous people from remote communities who are ‘sleeping rough’ in proximity to a major centre) (Memmott et al. 2003). Because of this, Indigenous understandings of homelessness can refer to an inability to access appropriate housing that caters to an individual’s particular social and cultural needs (Birdsall-Jones et al. 2010). Despite these differences, alternative measurement tools have not yet been developed.

1.2.2 How is homelessness measured?
Homelessness is most commonly measured using cross sectional (point in time) data sources of homelessness such as:

- ABS Census (see ABS 2012)
Street Count data of rough sleepers (City of Melbourne, 2018; City of Port Phillip, 2018).

However homelessness and those at risk have also been studied using longitudinal data sources such as Journeys Home (Bevitt et al. 2015, Johnson et al. 2015).

Clients accessing homelessness services are captured using service usage statistics (some are cross sectional and some longitudinal). These are collected by the Australian Institute of Health and Welfare (AIHW 2019).

1.3 Homelessness in Victoria is increasing and this is linked to the rise in those severely overcrowded

1.3.1 Homelessness in Victoria has increased but is a stable proportion of the population

Table 1 below shows that in August 2016, there were 24,828 homeless persons in Victoria, compared to 22,259 in 2011 (12% increase). While this represents significant growth, this has been more modest than in Australia as a whole, which has increased by 14% over the same period. The relative incidence of homelessness in Victoria (as a percentage of the population) has not increased significantly from 2011 to 2016 (41.6% to 41.9%). The rate of homelessness in Victoria was lower than in Australia (49.8 persons per 10,000 persons).

| Table 1: Numbers of homeless persons and rate of homelessness, Victoria and Australia, 2016, 2011 and change from 2011 to 2016 |
|---|---|---|---|
| | 2016 | 2011 | Percentage change 2011 to 2016 |
| | Vic (N) | Aust (N) | Vic (N) | Aust (N) | Vic | Aust |
| Persons living in improvised dwellings, tents, or sleeping out | 1,119 | 8,200 | 1,095 | 6,810 | 2% | 20% |
| Persons in supported accommodation for the homeless | 7,172 | 21,235 | 7,828 | 21,258 | -8% | 0% |
| Persons staying temporarily with other households | 3,080 | 17,725 | 3,316 | 17,374 | -7% | 2% |
| Persons living in boarding houses | 4,413 | 17,503 | 3,905 | 14,944 | 13% | 17% |
| Persons in other temporary lodgings | 108 | 678 | 91 | 682 | 19% | -1% |
| Persons living in 'severely' crowded dwellings | 8,930 | 51,088 | 6,022 | 41,370 | 48% | 23% |
| Total homeless persons | 24,828 | 116,427 | 22,259 | 102,439 | 12% | 14% |
| Total Population (000s) | 5,926.6 | 23,401.9 | 5,354.0 | 21,507.7 |
| Incidence (per 10,000 population) | 41.9 | 49.8 | 41.6 | 47.6 |

Source: ABS Census 2011 and 2016

The number of people in Victoria in supported accommodation has decreased (down 8%). The number staying temporarily with other persons has also decreased (down 7%). By contrast the those in these types of accommodation have remained relatively stable across Australia (0% and 2% growth respectively).
In Victoria, there was a modest increase in the number of rough sleepers (2%). This growth is much lower than that recorded in Australia (20%).

Nevertheless, there has been strong growth in Victoria in some categories:

- the number of persons living in severely crowded dwellings increased from 6,022 to 8,930 (48% increase), which was more than double the rate of increase of 23% across Australia.
- there were increases in the number of persons in boarding houses (13%) and in other temporary lodgings (19%).

1.3.2 The number of people in severe overcrowding is linked to the rise of marginal housing in Victoria

The data in Table 1 above show that there has been an increase in the number of persons in severely overcrowded dwellings as part of the ABS measurements of homelessness. Related to this is the high number of marginally housed persons – these people are in less severely crowded dwellings or marginal housing types like improvised dwellings or caravan parks – many people who occupy these often insecure tenures are at risk of homelessness.

Table 2 below shows that in Victoria the number of persons in marginal housing has increased by a third from 2011 to 2016 (a much higher rate of growth compared to Australia which has recorded a growth of 24%). The growth has been particularly focussed on other crowded dwellings which have increased by 46% in Victoria (compared with 33% in Australia).

Table 2: Numbers of marginally housed persons by type, Victoria and Australia, 2016 and change from 2011 to 2016

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Vic</td>
<td>Aust</td>
<td>Vic</td>
</tr>
<tr>
<td>Persons living in other crowded dwellings</td>
<td>19,780</td>
<td>80,908</td>
<td>13,580</td>
</tr>
<tr>
<td>Persons in other improvised dwellings</td>
<td>440</td>
<td>5,404</td>
<td>650</td>
</tr>
<tr>
<td>Persons who are marginally housed in caravan parks</td>
<td>1,862</td>
<td>10,685</td>
<td>2,383</td>
</tr>
<tr>
<td>All marginally housed</td>
<td>22,082</td>
<td>96,997</td>
<td>16,613</td>
</tr>
<tr>
<td>Marginally housed rate (per 10,000 population)</td>
<td>37.3</td>
<td>41.4</td>
<td>31.0</td>
</tr>
</tbody>
</table>


1.4 More people are in supported housing in Victoria than for other jurisdictions

Figure 1 shows that more homeless people in Victoria are in supported housing compared to Australia (29% versus 18%) and are less likely to be sleeping rough (5%
versus 7%), staying temporarily with other households (12% versus 15%) or living in severely crowded dwellings (36% versus 44%).

**Figure 1: Types of homelessness in Victoria and Australia, 2016**

![Bar chart showing types of homelessness in Victoria and Australia, 2016](chart)

Source: ABS Census 2016

### 1.5 High risk and complex needs groups

A combination of risk factors places certain groups at higher risk of homelessness. Across Australia, key risk groups include:

- **Older people, particularly older women**, predominantly due to circumstances like divorce, separation, loss of partner, ill health, disability and increasingly, employment insecurity or lack of savings or superannuation. But it is also increasing because older people comprise a growing share of the population.

- **Aboriginal and Torres Strait Islander people** make up approximately one quarter of the people accessing SHS in Australia, but they are only 3 per cent of the Australian population and only 0.8 per cent of the Victorian population. Aboriginal and Torres Strait Islanders are disproportionately exposed to risk factors such as DFV, institutional discharge, mental illness, drug and alcohol issues, unemployment, overcrowding, trauma and poverty.

- **People with a mental illness** are at greater risk of becoming homeless when illness symptoms are present in concurrence with other risks for homelessness, such as unemployment. This may be due to people with mental illness becoming socially isolated and having fewer informal resources to draw on during crises. Approximately 2–3 per cent of the Australian population has a severe mental illness, while up to 16 per cent have a mild or moderate mental health disorder. This group are presenting to homelessness services more often, and increasing at a faster rate than the total homelessness services client population.
People experiencing domestic and family violence (DFV) are at risk of homelessness, with the highest risk among people from low socio-economic backgrounds. Children who experience DFV are at increased risk of long-term impacts for homelessness, well into adult life. While under-reporting and under-estimation of DFV is common, approximately 17 per cent of all women aged 18 years and over in Australia have experienced DFV. DFV is a major reason for people accessing homelessness services, and there are many hard to reach groups who may not be receiving adequate DFV and homelessness assistance, including Aboriginal women, women from culturally and linguistically diverse (CALD) communities, LGBTQ women, rural women, older women, and women with many children.

People exiting institutions, such as hospitals, prisons and out of home care, often face immediate barriers to employment and housing, because discharge processes insufficiently consider and plan for appropriate and sustainable housing for these groups. For example, discharge from hospitals is a common pathway into homelessness among people living with mental illness. Across Australia there were 8,118 people leaving custodial settings and presenting to homelessness services in 2016–17, while an additional 7,104 presented within one week of leaving care arrangements, such as hospitals.

Veterans from the military – across Australia, around 5.3 per cent of the recently transitioned Australian Defence Force population were homelessness in a 12-month period – this translates to around 5,767 contemporary veterans (Hilferty et al. 2019).

Young people are most likely to enter homelessness due to DFV or housing crises, while they are also placed at greater risk of homelessness later in life as a result of DFV. Young people are overrepresented in people accessing homelessness services relative to their share of the general population, and remain one of groups least likely to achieve their case management goals during homelessness service use.

People with problematic drug and/or alcohol use experience homelessness at a high rate, however onset of problematic drug and/or alcohol use is more likely to occur following entry into homelessness rather than before. Approximately 9 per cent of people presenting at homelessness services across Australia have problematic drug and/or alcohol use, and this rate has remained steady in recent years. This group are more likely to be male, and living alone.

People with previous experience of the homelessness system when they were young (18 years or younger).

There are several other groups who are at higher risk of entering homelessness compared to the broader Australian population, including people with disability, people with a gambling addiction, and people from CALD communities.

1.5.1 Numbers and characteristics of SHS clients assisted over time

Another way of measuring homelessness is to consider the numbers of people assisted by SHS services. Data from the AIHW (2019) show that around 112,900 clients were assisted in Victoria in 2018-19, which was 39 per cent of the national population. The total number of clients has increased since 2014-15, but declined since 2017-18.
Table 3 below shows the demographic characteristics of those accessing SHS services in Victoria, and shows that they are mostly in line with the profile of clients across Australia:

- most clients were women (61%)
- most were either living alone (31%) or single parents (35%)

However, compared to Australian homeless clients, Victorian clients were: more likely to be employed (15% compared with 13%), living in major cities (74% compared to 61%), and less likely to be Indigenous (10% compared to 26%).

Table 3: Specialist homeless service client characteristics (%), Victoria, 2018-19

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Victoria</th>
<th>Australia</th>
</tr>
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<tbody>
<tr>
<td>Sex</td>
<td></td>
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<tr>
<td>Male</td>
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<td>40</td>
</tr>
<tr>
<td>Female</td>
<td>61</td>
<td>60</td>
</tr>
<tr>
<td>Indigenous</td>
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<td></td>
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<tr>
<td>Major Cities</td>
<td>10</td>
<td>26</td>
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<tr>
<td>Inner regional</td>
<td>74</td>
<td>61</td>
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<tr>
<td>Outer regional</td>
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<td>11</td>
</tr>
<tr>
<td>Remote and very remote</td>
<td>-</td>
<td>5</td>
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<tr>
<td>Living arrangements</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Living alone</td>
<td>31</td>
<td>30</td>
</tr>
<tr>
<td>One parent with child/ren</td>
<td>35</td>
<td>36</td>
</tr>
<tr>
<td>Couple with child/ren</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Couple without children</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Other family or group</td>
<td>16</td>
<td>17</td>
</tr>
<tr>
<td>Labour force</td>
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<td></td>
</tr>
<tr>
<td>Employed</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Unemployed</td>
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<td>49</td>
</tr>
<tr>
<td>Not in Labour force</td>
<td>45</td>
<td>38</td>
</tr>
</tbody>
</table>


Compared with clients in Australia, clients in Victoria were more likely to be:

- young (aged 15-24) (21.3 per 10,000 compared with 17.2 per 10,000)
- older (aged 55 and over) (17.6 per 10,000 compared with 9.7 per 10,000).
- Indigenous (1,717 per 10,000 compared with 832 per 10,000)
- experiencing DFV (78.7 per 10,000 compared with 46.6%)
- experiencing mental health issues (53.3 per 10,000 compared with 34.6 per 10,000)
- using drugs and alcohol (14.9 per 10,000 compared with 11.2 per 10,000)
- exiting custodial arrangements (7.5 per 10,000 compared with 3.8 per 10,000) (AIHW, 2019).
2. Social, economic and policy factors impacting on homelessness

2.1 What causes homelessness?

Homelessness is driven by a combination of individual and structural risk factors, chief among which are housing affordability and poverty. Both structural and individual risk factors need to be addressed in order to combat homelessness. The key to addressing homelessness is the availability of sufficient social and affordable housing.

This section explores the individual and structural risk factors that lead to a higher risk of homelessness for people in Australia drawn from AHURI research (Flatau et al. 2014; Johnson et al. 2015; Stone et al. 2015; Wood et al. 2015).

2.2 Individual risk factors

2.2.1 Domestic and family violence (DFV)

DFV is the most frequent cause of homelessness in Australia, with women, children and young people most affected by DFV (AIHW 2018). People experiencing DFV often have a home when they experience DFV, however they may leave their home and seek insecure or unsuitable alternative accommodation options to escape violence, which may also impact negatively on their financial position and social circumstances (Phillips and Vandenbroek 2014). In this respect, DFV is a factor for homelessness but is best described as ‘a reason why women and children need to leave their home’ (Chamberlain 2014; Spinney 2012: 11).

In many cases, the availability of crisis and long-term housing through service providers is a determining factor for homelessness among people experiencing DFV. People experiencing DFV who cannot be assisted into long-term housing are more likely to cycle in and out of homelessness (Tually et al. 2008).

2.2.2 Illicit drug use

Data from the Journeys Home (JH) longitudinal data set shows that while illicit drug use is common among people who have experienced homelessness, there is no strong indication that illicit drug use is a significant cause of homelessness. In other words, onset of homelessness is just as likely to occur before an individual begins using illicit drugs as it is to occur after. In the case of injected illicit drugs, an experience of homelessness is more likely to occur before drug use commences (Chigavazira et al. 2014).

The authors of the JH analysis on illicit drug use and homelessness speculate that drug use and homelessness most likely contribute to the onset of one another. However, this effect is not currently quantifiable (see Johnson and Chamberlain 2008). It is evident in this cycle that type of homelessness is correlated with frequency of illicit substance use. Individuals experiencing primary homelessness, for example, are more likely to use substances more often, compared to individuals in secondary homelessness (Chigavazira et al. 2014).
2.2.3 Unemployment

Being employed and having a good employment history helps prevent entry into homelessness, however it is less significant for exits from homelessness (Johnson et al. 2015). Analysis of JH data shows a complex relationship between employment status and homelessness. Individuals who are presently vulnerable to homelessness but have no chronic health risks and are not involved in regular drug use (or other risky behaviours) are more likely to fall into homelessness in periods of rising unemployment. Additionally, having no employment history after leaving full-time education was found to be a risk factor for homelessness (Johnson et al. 2015).

A study of the housing and homelessness status of trainees and apprentices in Australia surveyed approximately 2,000 current and former apprentices and trainees in South Australia, and conducted focus groups with a similar cohort (Cebulla 2016). The study found that approximately 8 per cent of apprentices and trainees had cycled through homelessness on one or more occasions during study or training. Reasons for apprentices falling into homelessness were not explored in the study, however the high prevalence of homelessness among apprentices illustrates that low-income employment may not be enough to prevent homelessness in many cases.

2.2.4 Loss of a partner or relationship breakdown

Death of a partner and relationship breakdown are key factors for entering homelessness among older Australians. In a study drawing on 561 homeless client records of older Australians and 20 interviews with service providers, approximately 10 per cent of clients were unable to sustain their housing due to relationship breakdown (Petersen and Parsell 2015). This cohort included a majority who had recently separated from their partner, comprised an equal number of men and women, and were in addition to a further cohort who were living permanently with family as a result of intimate relationship breakdown (Petersen and Parsell 2015). A breakdown in the relationship between an older person and their family can precipitate homelessness under these circumstances. The loss of a partner can have several negative financial implications, placing someone at risk of homelessness. For couples under retirement age, the partner may have been the primary household income earner, leading to difficulties retaining home ownership upon loss of that partner or in the case of a relationship breakdown (Petersen and Parsell 2015). For retirement age couples the loss of a partner can mean moving from a ‘couple pension’ to a ‘single person pension’, which can lead to household stress—particularly for people who are renting (Mission Australia 2017).

DFV, discussed as a risk factor for homelessness earlier in this section, may culminate in relationship breakdown and homelessness entry. Many women stay in abusive relationships to avoid homelessness, or return to the family home because they cannot find suitable long term accommodation. A study drawing on 22 in-depth interviews with women in Queensland who experienced housing instability due to DFV found that the presence of children was a factor in their decision to either stay in the family home, or leave, risking homelessness (Meyer 2016). Many women interviewed in this study opted to risk exposing themselves to further violence and remain living with an abusive partner in order to provide stability for their children and avoid what they perceived to be a high probability of homelessness if they were to leave (Meyer 2016).
2.2.5 Previous experience of homelessness and intergenerational homelessness

Previous experience of homelessness places people at greater risk of further cycling in and out of homelessness. Intergenerational homelessness refers to a situation whereby homelessness is repeated across generations of the same family.

A study on intergenerational homelessness found that almost half of all survey respondents (48.5%) indicated their parents were also homeless at some point in their lives (Flatau 2013). Many respondents experienced significant issues in the home prior to the age of 18 and there appeared to be risk factors in precipitating homelessness, including significant inter-parental conflict in the home (58.8%) and violence in the home, which was associated with around half of all respondents leaving home. Adult Indigenous clients of SHS experienced a substantially higher rate of intergenerational homelessness (69%) than did their non-Indigenous counterparts (43%).

A study of JH data investigated the effect of child homelessness on employment attainment later in life (Cobb-Clark and Zhu 2017). The study found a positive relationship between past experience of child homelessness and difficulty attaining employment. This is thought to be due to lower educational attainment and higher welfare dependency in the case of women, and higher rates of school incompletion and incarceration for men within this cohort (Cobb-Clark and Zhu 2017).

2.2.6 Discharge from institutions (state care, foster care, prisons, hospitals, military)

Transitions between institutions or entering and leaving institutions are points of risk where people can fall through the cracks in the system and be discharged into homelessness. This can be due to inadequate discharge planning and procedures and a lack of exit points from institutions into stable and affordable housing. For example, the risks of homelessness are 9.7 per cent greater for those recently incarcerated, which includes those coming out of juvenile justice, adult prison or remand than for the general population (Johnson et al. 2015).

People leaving care (hospital, psychiatric hospital or unit, disability support, rehabilitation, aged care facility, foster care, child safety residential care, or transition from other care arrangements) made up around 2 per cent (7,100 persons) of those accessing SHS in 2016–17 (AIHW 2018). While people leaving care comprise a small proportion of people accessing SHS, the majority of this cohort were at risk of homelessness in 2016–17 (AIHW 2018). The ‘Survey of High Impact Psychosis’ found that 8 per cent of participants reported that they had not been given any help and had nowhere to live upon discharge (Harvey et al. 2012). Young people leaving out of home care have an elevated risk of homelessness (Baldry et al. 2015).

Data on prison discharge is mixed. Baldry et al. (2006), identified homelessness as a significant risk immediately following incarceration discharge in a study of 356 ex-prisoners in Victoria and NSW. Analysis of JH data shows that interaction with institutions is an indication of disadvantage and a risk for entering homelessness. Having been in state custody in the past places a person at marginal risk of homelessness, while the link between time spent in incarceration and entering homelessness was found to be insignificant in this study (Johnson et al. 2015).

2.2.7 Serious mental illness

There is a complex bi-directional relationship between serious mental illness and homelessness. The psychosocial and financial difficulties often associated with mental illness may lead to homelessness, while the isolation and trauma of rough sleeping can
trigger mental illness. This was demonstrated in a study of 4,291 homeless people in Melbourne (Johnson and Chamberlain 2011). Approximately 15 per of the study sample experienced mental health issues before entering homelessness, compared to 16 per cent who acquired a mental illness since becoming homeless. The study found that mental illness onset following homelessness most commonly involves anxiety and depression (Johnson and Chamberlain 2011). A study of the Journeys Home longitudinal study of people at risk of or experiencing homelessness also found that there are two distinct pathways for homelessness: those who are homeless before they develop a mental illness, and those whose mental illness is present prior to becoming homeless (Scutella et al. 2014).

A higher share of the homeless population have a mental illness compared to the general population (Johnson et al. 2015). However, a cohort study of homeless people and those at risk of homelessness showed that people diagnosed with bipolar or schizophrenia were 3.2 per cent less likely to enter homelessness; this represents a 40 per cent reduction in the likelihood of becoming homeless (Johnson et al. 2015). The authors propose that this may be explained by this cohort receiving a greater amount of formal supports, illustrating the significance of treatment and care to the prevention of homelessness (Johnson et al. 2015). Recent AHURI research has summarised evidence around mental illness, housing and homelessness (Brackertz et al. 2018). AHURI research has also documented the varying housing trajectories of people with mental ill-health and the protective factors of diagnosis, housing tenure and other forms of social support (Brackertz et al. 2020).

### 2.3 Structural risk factors

Structural factors such as weak labour markets, tight housing markets and geographic factors drive homelessness (Johnson et al. 2015; Wood et al. 2015; Bevitt et al 2015).

The following section draws on a study using micro-level longitudinal data from the Journeys Home dataset to econometrically model the probability of entry and exit from homelessness (Johnson et al. 2015; Bevitt et al. 2015) and housing market data from the 2011 Census to model structural and geographic factors on homelessness (Wood et al. 2015; Parkinson et al 2019).

#### 2.3.1 Housing markets

Housing markets have a strong association with homelessness. Rates of homelessness are higher in areas with higher housing costs and people who move to areas with more affordable housing are more likely to exit homelessness (Bevitt et al. 2015).

An increase in median market rents is positively related to entry into homelessness. This increase is statistically significant and sizeable. An increase in the median market rent of $100 (a 30% increase of the national median weekly rent) lifts the risk of entry into homelessness by 1.6 percentage points, or from a sample mean of 8 per cent to 9.6 per cent (a 20% increase in risk) (Johnson et al. 2015).

The impact of housing markets on homelessness varies between groups. For example, housing markets are most closely linked to the risk for entering homelessness among individuals who do not have behavioural issues. Structural factors including housing and labour markets are less influential in determining homelessness entry for people who display risky behaviours, such as alcohol and drug abuse (Bevitt et al. 2015). This suggests that there is significant interaction between individual and structural factors in relation to homelessness.
Further, interaction between structural factors is evident. The JH survey results indicate that people moving to areas with greater labour market opportunities are at a higher risk of homelessness. This phenomenon is explained by the fact that housing markets in areas of greater labour market opportunity tend to be less accessible (Bevitt et al. 2015).

### 2.3.2 Weak labour markets

Labour market conditions are a significant factor for entries to homelessness. An increase in the unemployment rate of one percentage point increases the likelihood of homelessness entry by one percentage point (Johnson et al. 2015). This inverse association between paid employment and homelessness is most pronounced for men; the casual and fixed-term contract employment more common among women is associated with a higher risk of homelessness compared to more permanent employment (Bevitt et al. 2015).

However, the relationship between local labour markets and homelessness is not clear cut due to the correlation between housing market factors and labour market factors; i.e. areas with better labour market opportunities tend to be areas with higher housing costs (Bevitt et al. 2015).

Overall, employed persons are both less likely to enter homelessness, and significantly more likely to leave homelessness (Bevitt et al. 2015).

### 2.3.3 Geography of homelessness

Neighbourhood level factors and geographic disadvantage have a complex relationship with homelessness. A recent AHURI study (using spatial Census data on homelessness) found that homelessness was significantly more concentrated in urban areas, especially in Sydney and Melbourne – with this linked to rough sleepers and the severely overcrowded, but homelessness was becoming more dispersed over time including moving from inner to outer urban areas. The study found it was associated with regions where:

- there is a shortage of affordable private rental housing as measured by the match between supply and demand of low cost housing and median rents.
- in locations with weaker labour markets.

The study also highlighted the increasing importance of severely crowded households. Homelessness and severe overcrowding were significantly linked to urban areas with more culturally diverse populations including non-English speaking background and Indigenous persons (Parkinson et al. 2019).

Wood et al. (2015) examined the geography of homelessness across the Australian regions. The study found that homelessness is spatially concentrated, though it is becoming less so. In 2011, 42 per cent of homeless persons were found in just 10 per cent of the regions across Australia. Rates of homelessness were highest in remote regions and in small pockets of most major cities, including growth corridors. However, homelessness is becoming less concentrated over time—it is declining in areas where it has been relatively high (regional and remote Australia) and increasing where it has been relatively low (coastal fringe and urban mainland capital cities).

Geographic variations in homelessness can be explained by the demographic characteristics of these areas (Wood et al. 2015). It is important to note that these demographic characteristics are simply present in areas with higher rates of homelessness and do not necessarily represent causation. Neighbourhood characteristics that are statistically associated with higher rates of homelessness...
include higher income inequality and high density dwellings (Wood et al. 2015). Regions with a higher proportion of men, sole parents and Indigenous persons have higher homelessness rates (Wood et al. 2015).

Regional rates of homelessness are not statistically linked to shortages of affordable housing or high unemployment rates, though segmented housing and labour markets may still play a role (Wood et al. 2015). Areas with low unemployment can have an elevated risk of homelessness, as rents in these areas tend to be higher (Wood et al. 2015). This points to the need to provide more affordable housing in low unemployment locations. Furthermore, if those vulnerable to homelessness gravitate to where employment is buoyant, homelessness will increase in these regions (Wood et al. 2015).

Despite higher service capacity in regions with higher rates of homelessness, there remains a mismatch between the location of specialist homeless services and concentrations of homelessness (Wood et al. 2015).

2.3.4 Homelessness services

In many geographical areas, homelessness services are unavailable or inaccessible, and this is a factor for entry to homelessness. Additionally, not having access to the right service can lead to worsening of homelessness from secondary to primary homelessness (Wood et al. 2015). Homelessness service resource allocation is designed to increase service capacity in areas of greater need, however there is still excess demand in many geographical areas, placing residents at greater risk of homelessness entry (Wood et al. 2015).

Recent evidence suggests that there is a mismatch between the location of homelessness services and where many homeless persons are located (Parkinson et al. 2019).
3. Government policies and practices that impact on assistance for the homeless

3.2 Current policies and programs for assisting the homeless

3.2.1 National policy framework provides funding but no vision or plan

Government funding for services for housing and homelessness in Victoria are influenced by policies at the national level, in particular by the National Housing and Homelessness Agreement (NHHA) which was introduced in July 2018 and will last until 30 June 2023. The NHHA is negotiated as a multilateral agreement with states and territories outlining objectives and outcomes to which all jurisdictions agree. The process also includes bilateral agreements between the Australian Government and each of the States and Territories, including Victoria.

A different aspect of the NHHA compared to previous agreements is that it aspires to improve access across the housing spectrum – from ownership through to crisis accommodation. But while there is a national funding framework which brings together housing and homelessness, the agreement does not provide an overarching vision, and there is no national plan to address homelessness that takes into account structural drivers. Therefore, one cannot speak of an ‘Australian homelessness system’. Rather each state and territory has their own independent homelessness system (Brackertz, Fotheringham et al. 2016).

Nevertheless the NHHA does articulate desired outcomes from the funding provided. This includes in relation to homelessness services. Reform priorities for homelessness include ‘achieving better outcomes for people’, ‘early intervention and prevention’ and ‘commitment to service program and design’. Funding is contingent upon jurisdictions having publicly available housing and homelessness strategies, improving data and transparent reporting, and matching homelessness funding in line with previous agreements. The agreements also identify a number of target groups (‘priority cohorts’), including women and children affected by family and domestic violence, children and young people, Indigenous Australians, people experiencing repeat homelessness, people exiting institutions and care into homelessness and older people.

3.2.2 Victorian policies

The NHHA bilateral agreement with Victoria commits the State government to contribute to funding as well as the Federal government. Under the Agreement, the Commonwealth will provide Victoria with an estimated $2.0 billion over the five year term of this Schedule — beginning with $395.5 million in 2018-19. In turn, Victoria is required to match the Commonwealth’s homelessness funding, estimated at $122.8 million over this five year period.

The Victorian Government has two key documents relating to housing and homelessness:


In addition, the Aboriginal Housing Office has recently released the Victorian Aboriginal Housing and Homelessness Framework ‘Mana-na worn-tyeen maar-takoort’ (2020) which has been received by the Victorian Government.
The NHHA bilateral agreement with Victoria references the state’s strategy around ending family violence.

Using funding from the NHHA, the Victorian government funds Specialist Homelessness Services (SHS) that provide a range of services to support people who are homeless or at risk of homelessness. SHS support both those who have become homeless and those who are at imminent risk of homelessness and may comprise housing services (e.g. transitional housing) as well as support services (e.g. case management, providing access to food and medical treatment if needed). Services are also contracted to address the priority groups identified in the NHHA. Some SHS providers serve particular target groups (e.g. people escaping domestic violence) while others provide generic services to people in crisis.

Outside of the specific homeless funding pool, federal and state governments also fund other services that are relevant to assisting the homeless. This includes housing, alcohol and other drug (AOD), justice, employment and mental health services, many of which are provided in the not for profit sector.

### 3.2.3 Dependence on Government funding

AHURI research has shown how dependent homelessness organisations are on government funding: around 85 per cent of the funding received by homelessness providers is from government sources, with the remainder coming mainly from philanthropic sources, impact investment, and self-sourced funding like rent (Flatau, Zaretsky et al. 2017) (see Figure 2 below). Funding levels are below what is required to meet demand. While there is scope to increase revenue from other sources like social enterprise and social impact, these sources are relatively minor. Providers also raised issues about stability of funding and increased reporting burdens.

**Figure 2: Sources of funding for organisations delivering services to homeless people in Australia**

Source: Flatau, Zaretsky et al. (2017)
3.3 Practices that impact on assisting the homeless

3.3.1 Homeless services are meeting the goals set in the NHHA Victorian bilateral agreement but measuring client outcomes is taking longer

The NHHA agreement set the goal of assisting 103,000 Victorian clients to address and prevent homelessness in 2018-19 (CFFRa 2018). SHS services assisted around 116,872 Victorian clients over that period (AIHW 2019).

The NHHA main agreement specified three homelessness priority policy reform areas:

- achieving better outcomes for people, setting out how the desired outcomes for individuals will be measured (this may include a focus on priority groups, economic and social participation)
- early intervention and prevention, including through mainstream services, and
- commitment to service program and design that is evidence and research based (CFFR, 2018b:17)

As part of enabling these reform aims, the parties agreed to improve data sources. This is being partly facilitated through the Housing and Homelessness Data Working Group. However, the improvements are not due until the end of the agreement. The data analysis below provides indicators of outcomes in terms of service need and provision. It also reports wider Australian evidence around effectiveness of programs and cost-effectiveness.

3.3.2 Homeless people accessing services need general services including advice, advocacy, assistance for domestic violence and material aid

Figure 3 below shows the wide variety of general services needed by clients in 2018-19. These can be categorised as engagement, advocacy and advice, child related support, legal related assistance, family and relationship assistance, financial support, vocational assistance, and other material support. The need for general services was lower in Victoria compared to Australia, except in relation to assistance with DFV and court support. Services for which there was a high need included:

- advice and information (74% of clients)
- other basic assistance (53% of clients)
- advocacy and liaison on behalf of client (49%)
- assistance for domestic and family violence (35%)
- material aid and brokerage (35%)
- financial information (23%).
### Figure 3: General service needs in Victoria and Australia 2018-19, (% of clients needing assistance)

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Australia</th>
<th>Victoria</th>
<th>Victoria - Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocacy/liaison on behalf of client</td>
<td>49%</td>
<td>49%</td>
<td>0%</td>
</tr>
<tr>
<td>Other basic assistance</td>
<td>53%</td>
<td>53%</td>
<td>0%</td>
</tr>
<tr>
<td>Advice/information</td>
<td>74%</td>
<td>74%</td>
<td>0%</td>
</tr>
<tr>
<td>Assertive outreach</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Child contact and resilience arrangements</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Structured play/skills development</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Child care</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>School liaison</td>
<td>3%</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>Court support</td>
<td>9%</td>
<td>9%</td>
<td>0%</td>
</tr>
<tr>
<td>Legal information</td>
<td>11%</td>
<td>11%</td>
<td>0%</td>
</tr>
<tr>
<td>Assistance for domestic/family violence</td>
<td>35%</td>
<td>35%</td>
<td>0%</td>
</tr>
<tr>
<td>Living skills/personal development</td>
<td>10%</td>
<td>10%</td>
<td>0%</td>
</tr>
<tr>
<td>Assistance with challenging social/behavioural</td>
<td>7%</td>
<td>7%</td>
<td>0%</td>
</tr>
<tr>
<td>Assistance with trauma</td>
<td>9%</td>
<td>9%</td>
<td>0%</td>
</tr>
<tr>
<td>Family/relationship assistance</td>
<td>13%</td>
<td>13%</td>
<td>0%</td>
</tr>
<tr>
<td>Assistance for incest/sexual assault</td>
<td>2%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Financial information</td>
<td>23%</td>
<td>23%</td>
<td>0%</td>
</tr>
<tr>
<td>Assistance to obtain/maintain government payment</td>
<td>6%</td>
<td>6%</td>
<td>0%</td>
</tr>
<tr>
<td>Educational assistance</td>
<td>6%</td>
<td>6%</td>
<td>0%</td>
</tr>
<tr>
<td>Training assistance</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Employment assistance</td>
<td>4%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Material aid/brokerage</td>
<td>35%</td>
<td>35%</td>
<td>0%</td>
</tr>
<tr>
<td>Transport</td>
<td>11%</td>
<td>11%</td>
<td>0%</td>
</tr>
<tr>
<td>Recreation</td>
<td>4%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Laundry/shower facilities</td>
<td>4%</td>
<td>4%</td>
<td>0%</td>
</tr>
<tr>
<td>Meals</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
</tr>
<tr>
<td>Retrieval/storage/removal of personal belongings</td>
<td>5%</td>
<td>5%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**Source:** AIHW SHSC, N =116,872 (Victoria), N=290,317 (Australia)

### 3.3.3 Many clients need housing and specialist services

The proportion of clients in Victoria identifying a need for accommodation increased from 44% in 2017-18 to 49% in 2018-19 (AIHW 2019). Figure 4 below shows that there is significant need for particular housing services:

- 35 per cent of clients needed long term housing
34 per cent of clients needed assistance to sustain tenancy or prevent tenancy failure

29 per cent of clients needed short term housing

24 per cent of clients needed medium term or transitional housing.

Demand for other types of specialist services was more modest, including mental health, disability and other specialist services, immigration, legal and family services. Nevertheless, the need for housing and specialist services in Victoria was lower than in Australia more generally.

Figure 4: Housing and specialist service need in Victoria and Australia, 2018-19 (% of clients needing assistance)


3.3.4 Most clients accessing SHS are receiving welfare payments

Income is important in enabling access to housing. Table 4 below shows that most people accessing the SHS receive income of some kind, whether it is government benefits (76.3%) or employee income (11.6%). Even so, 9.1 per cent of clients had no income at all.
Table 4: Clients aged 15 and over, by main source of income, 2018-19, adjusted for non–response, Victoria

<table>
<thead>
<tr>
<th>Main source of income</th>
<th>Victorian clients</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Per cent</td>
</tr>
<tr>
<td>Newstart allowance</td>
<td>20,170</td>
<td>27.7</td>
</tr>
<tr>
<td>Disability support pension (Centrelink)</td>
<td>12,506</td>
<td>17.2</td>
</tr>
<tr>
<td>Parenting payment</td>
<td>12,500</td>
<td>17.2</td>
</tr>
<tr>
<td>Youth allowance</td>
<td>3,887</td>
<td>5.3</td>
</tr>
<tr>
<td>Age pension</td>
<td>2,865</td>
<td>3.9</td>
</tr>
<tr>
<td>Austudy/ABSTUDY</td>
<td>331</td>
<td>0.5</td>
</tr>
<tr>
<td>Dept of Veterans Affairs payments (Disability, Service, War Widow(er)'s Pension)</td>
<td>93</td>
<td>0.1</td>
</tr>
<tr>
<td>Sickness allowance</td>
<td>149</td>
<td>0.2</td>
</tr>
<tr>
<td>Carer allowance</td>
<td>616</td>
<td>0.8</td>
</tr>
<tr>
<td>Carer Payment</td>
<td>1,208</td>
<td>1.7</td>
</tr>
<tr>
<td>Other government pensions and allowances</td>
<td>1,202</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>TOTAL on government benefit</strong></td>
<td><strong>52,270</strong></td>
<td><strong>76.3</strong></td>
</tr>
<tr>
<td>Employee income</td>
<td>8,422</td>
<td>11.6</td>
</tr>
<tr>
<td>Other income (incl unincorporated business income)</td>
<td>763</td>
<td>1.0</td>
</tr>
<tr>
<td>Nil income</td>
<td>6,653</td>
<td>9.1</td>
</tr>
<tr>
<td>Not stated</td>
<td>19,423</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>90,788</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: AIHW Specialist homelessness services, per cent figures exclude those who give missing or invalid information (‘not stated’).

3.3.5 Clients generally receive the services they need except housing, drug and alcohol, legal/financial and disability services

Table 5 below shows that in 2018–19, most (95%) Victorian residents presenting to SHS services for general assistance received it (e.g. assistance for domestic and family violence 88%).

However, only 51 per cent of clients needing specialist housing services (long, medium or short term housing) were provided those services. In 2018-19 shows only around 4 per cent of those needing long term accommodation received it and another 18 per cent were referred, whereas most (around 68%) received short-term or emergency accommodation. Nevertheless, 82 per cent of those seeking assistance to sustain housing tenures received it. (AIHW 2019).

Most clients needing some specialised services (e.g. immigration/cultural services, other specialist services) received those services. However less than half of clients needing other types of specialised services (such as disability, drug and alcohol and legal and financial services), received those services.
### Table 5: Housing, general and specialist services, number of clients with service needs provided and not provided, Victoria 2018-19

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Need identified</th>
<th>Provided</th>
<th>Not provided</th>
<th>% of need provided</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Housing services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation provision</td>
<td>55,314</td>
<td>28,283</td>
<td>21,193</td>
<td>51%</td>
</tr>
<tr>
<td>Assistance to sustain housing</td>
<td>37,921</td>
<td>30,988</td>
<td>5,815</td>
<td>82%</td>
</tr>
<tr>
<td>tenure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All general services</td>
<td>104,675</td>
<td>99,962</td>
<td>4,195</td>
<td>95%</td>
</tr>
<tr>
<td>Assistance for domestic/family</td>
<td>39,904</td>
<td>35,233</td>
<td>4,234</td>
<td>88%</td>
</tr>
<tr>
<td>violence</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Specialised services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Immigration/cultural services</td>
<td>5,755</td>
<td>4,809</td>
<td>445</td>
<td>84%</td>
</tr>
<tr>
<td>Other specialist services</td>
<td>17,010</td>
<td>11,316</td>
<td>2,721</td>
<td>67%</td>
</tr>
<tr>
<td>Legal/financial services</td>
<td>6,467</td>
<td>2,623</td>
<td>2,079</td>
<td>41%</td>
</tr>
<tr>
<td>Drug and Alcohol</td>
<td>2,799</td>
<td>1,376</td>
<td>994</td>
<td>49%</td>
</tr>
<tr>
<td>Disability</td>
<td>1,203</td>
<td>468</td>
<td>544</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Total client needs</strong></td>
<td>651,372</td>
<td>487,897</td>
<td>123,987</td>
<td>75%</td>
</tr>
</tbody>
</table>

Source: Victorian Homelessness Data Network special data request; number of Victorian clients is 105,177

#### 3.3.6 Geographic distribution of services

AHURI research suggests that, in 2016-17, across Victoria, there was a geographic mismatch between specialist homelessness services and clients: 40 per cent of the service capacity and 43 per cent of the accommodation capacity would need to change locations across the state to better align with the needs of people. The degree of mismatch has worsened in Victoria in relation to accommodation since 2011-12, but has remained stable for SHS services (Parkinson et al. 2019: 48).

#### 3.3.7 Most people exiting Victorian services are doing so because their needs were met or they no longer need assistance

Table 6 below shows the main reasons support periods ended for people who indicated they were resident in the Victoria in the week prior to data collection and who presented to services within and outside of Victoria in 2018–19. The most common reason for exit was because the client’s immediate needs were met and case management goals were achieved (69.8%). Some were referred to another specialist agency (12.4%), reached the maximum service period (4.8%) or no longer requested assistance (Victoria 17%). Relatively few support periods for residents ended due to incarceration (0.4%) or death (0.1%) and around 11 per cent occurred because of losing contact with client. The outcomes compare favourably to those for Australia.

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Table 6: Reason for support period ending, percent of all closed support periods, 2018-19

<table>
<thead>
<tr>
<th>Reason support period ended</th>
<th>Victoria %</th>
<th>Australia %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client referred to another specialist homelessness agency</td>
<td>12.4</td>
<td>11.6</td>
</tr>
<tr>
<td>Client referred to a mainstream agency</td>
<td>4.6</td>
<td>3.9</td>
</tr>
<tr>
<td>Client’s immediate needs met/case management goals achieved</td>
<td>69.8</td>
<td>57.4</td>
</tr>
<tr>
<td>Maximum service period reached</td>
<td>4.8</td>
<td>3.0</td>
</tr>
<tr>
<td>Service withdrawn from client and no referral made</td>
<td>2.2</td>
<td>2.6</td>
</tr>
<tr>
<td>Client no longer requested assistance</td>
<td>16.6</td>
<td>23.0</td>
</tr>
<tr>
<td>Client did not turn up</td>
<td>5</td>
<td>4.9</td>
</tr>
<tr>
<td>Lost contact with client</td>
<td>10.6</td>
<td>13.1</td>
</tr>
<tr>
<td>Client institutionalised</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td>Client incarcerated</td>
<td>0.4</td>
<td>0.5</td>
</tr>
<tr>
<td>Client died</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Other</td>
<td>10.8</td>
<td>8.1</td>
</tr>
<tr>
<td>Not stated</td>
<td>9.8</td>
<td>6.7</td>
</tr>
</tbody>
</table>

Source: AIHW SHSC 2018-19
NB – these figures are summed over the total number of support periods (summing to 100%)

3.3.8 Present services move people out of homelessness, however for a significant group their situation worsens, does not change or outcomes are not known

Evidence from AIHW SHSC data (Table 7 below) show that outcomes for clients are generally better after support than before. Housing support is effective in improving outcomes for around half of all clients:

- 7 per cent of clients moved from homelessness into public or private accommodation and 43 per cent of clients at risk of homelessness were kept in housing or institutions.

- However, 19 per cent remained in homelessness, 4 per cent moved from being at risk in housing into homelessness, and outcomes are not known for another 27 per cent.
### Table 7: Change in housing situation following closed support period, Victoria, 2018-19

<table>
<thead>
<tr>
<th>Housing situation</th>
<th>Victoria Percentage clients in housing situation at beginning of support</th>
<th>Victoria Percentage clients in housing situation at end of support</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOMELESS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No shelter or improvised/inadequate dwelling</td>
<td>9.5</td>
<td>6.8</td>
</tr>
<tr>
<td>Short term temporary accommodation</td>
<td>11.0</td>
<td>12.8</td>
</tr>
<tr>
<td>House, townhouse or flat – couch surfer or with no tenure</td>
<td>16.2</td>
<td>12.0</td>
</tr>
<tr>
<td>AT RISK OF HOMELESSALNY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public or community housing – renter or rent free or Institutional settings</td>
<td>9.9</td>
<td>13.2</td>
</tr>
<tr>
<td>Private or other housing – renter, rent free or owner</td>
<td>47.5</td>
<td>50.7</td>
</tr>
<tr>
<td>Institutional settings</td>
<td>6.0</td>
<td>4.7</td>
</tr>
<tr>
<td>TOTAL CLIENTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

#### Change in housing situation following support

<table>
<thead>
<tr>
<th>Change in housing situation following support</th>
<th>Percentage of all clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moved from homelessness to public or private housing</td>
<td>7</td>
</tr>
<tr>
<td>Still in homelessness</td>
<td>19</td>
</tr>
<tr>
<td>Moved from being at risk in private, public or institutional housing to homelessness</td>
<td>4</td>
</tr>
<tr>
<td>Moved from being at risk in housing to public or private housing or institutions</td>
<td>43</td>
</tr>
<tr>
<td>Not known</td>
<td>27</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: AIHW SHSC 2018-19

3.3.9 **Housing support from SHS services is effective but there is scope to improve system effectiveness**

Evaluative evidence on individual homelessness services and programs generally show that individual services and programs are effective in bringing about positive housing and non-housing outcomes for their clients. They are also cost-effective (Brackertz et al. 2016). In addition, AHURI projects have found that:

- Single site supportive housing with onsite support works well for those who have experienced chronic homelessness and is effective in enabling people to immediately access and sustain housing for at least 18 months. Other non-housing outcomes such as social networks were dependent upon good housing allocation decisions. Support is most effective when it is broad in scope and directed to solve practical needs (Parsell et al. 2015).

- 95 per cent of users of SHS find that the period of accommodation support received was either very important or important, and effective in stabilising accommodation, improving access to health services and income, improving social relationships and general satisfaction with life (Zaretzky and Flatau 2013).
On average, the potential savings to government (cost offset) from the change in use of non-homelessness services by clients of single men’s, single women’s and tenancy support services was estimated at $3,685 per client per year with particularly large reductions for users of women’s services (Zaretzky and Flatau 2013).

However an AHURI study (Brackertz et al. 2016) found that the improvements for clients across the system as a whole could be improved:

- There has been no decrease in the number or rate of people homeless over time (in Australia) – rather it has increased.
- SHS are only moderately effective in improving clients’ housing status. In 2014–15, as a result of accessing SHS, there was only a 10 per cent reduction in the number of people that were homeless (43% were homeless prior to support and 33% after receiving support).
- SHS have only a small impact on clients’ employment, education and training status. In 2014–15, there was no change in the proportion (21%) of SHS clients who were enrolled in education and training prior to and post receiving support. There was a modest change in the number of clients with identified employment related needs who were employed prior to receiving support (12%) and post support (21%)
- Clients often have multiple support periods – there was no marked reduction in the average number of support periods SHS clients received from 2011–12 (1.6) to 2014–15 (1.7).
- Most rough sleepers access SHS services multiple times, with 13 per cent being persistent service users and 42 per cent cycling through the services at least a couple of times. While most are able to get access to short term accommodation, only around 10 per cent get access to the long term housing they need to stabilise their housing situation (AIHW, 2018a).

While outcomes may be positive for clients of services, problems still exist in the way the homelessness system works, including:

- the stop-start nature of funding, which affects the type of services delivered, workforce retention, skill and development, and innovation, such as the ability to bring promising pilots to scale
- insufficient resourcing (as indicated by high rates of unmet need)
- ‘leakage’ from other parts of the system (e.g. institutional exits into homelessness from health and justice services)
- a lack of coordinated responses across the government system as a whole (Brackertz et al. 2016).

There is a lack of data and evidence to assess the effectiveness of the homelessness system as a whole including in relation to systems integration and social inclusion status (Brackertz et al. 2016).

Possible measures to address some of these shortcomings are discussed in the final chapter.
4. Areas for policy and practice improvement

In general, homelessness rates in Victoria have been lower than other parts of the country, and people who are homeless are more likely to be in supported housing. Most clients receive appropriate general and specialist services they need though there is some unmet need. Evaluations also suggest most programs are effective in improving housing outcomes and are cost-effective. However there are notable gaps in service provision in relation to housing and long term housing in particular, as well as some specialist services like mental health services. There is also scope to make improvements in system effectiveness. This will mean getting more mainstream services to assist those at risk of homelessness including through early intervention. Key reforms are outlined below.

4.2 Improving access to affordable and secure housing

Homelessness would be substantially improved with greater access to affordable and secure housing (Brackertz et al. 2018; Johnson et al. 2015). The evidence in this submission suggests there is still a need to increase access to all forms of social and affordable housing but especially longer term accommodation. This is especially important if we are to implement more housing first types of interventions.

4.3 Addressing at risk groups

**Youth**: intervening early for this group is of high importance because of the need to prevent intergenerational homelessness – assistance should not only provide housing but also seek to build skills for work and maintaining housing. Successful early intervention can occur through school based screening and services such as those run through the Geelong Project (McKenzie 2018) as well as the Foyer model which provides housing, education and employment support for disconnected youth (see for example, Beer et al. 2005, Randolph and Wood 2005). There may be ways to redesign the homelessness system for young people and families including those who have experienced domestic and family violence, such as through staying home leaving violence programs (Spinney forthcoming). There is potential to better match housing to the needs of youth who are often put on Newstart and directed to the private rental sector (Parkinson et al. 2019).

**Veterans**: many veterans are not aware of the full range of services available to them. Improved service promotion, targeting and outreach are necessary together with active case management and wrap around services including housing (Hilferty et al. 2019).

**Older people**: rates of homelessness among older people in Victoria are lower than those nationally. However, the number and proportion of older people accessing SHS is increasing significantly across Australia and this is especially the case in Victoria. This group often lacks the skills and knowledge to navigate the service system. Nevertheless the prospects for sustaining housing and avoiding homelessness are generally good despite often presenting with increasingly more complex housing issues (Petersen et al. 2014). Recent AHURI research argues in favour of early intervention and prevention for this group and engaging a range of stakeholders including government services to address their issues (Thredgold et al. 2019).

**Aboriginal clients**: although the number of Aboriginal clients in Victoria is not as high as in other states, they are at greater risk of homelessness. There is scope to build
new programs to address the needs of Aboriginal clients, especially women facing domestic and family violence (Spinney et al 2016). The new Victorian Aboriginal housing and homelessness framework outlines vision, principles and concrete proposals to improve housing outcomes for Victorian Aboriginal persons, including by rebuilding an Aboriginal focused homeless service system, tailored support for those at high risk, and increased crisis and transitional housing (Aboriginal Housing Victoria, 2020).

**Marginally housed and those in severe crowding:** there is a need to work with groups affected by overcrowding, especially those from a CALD background, tertiary students and Indigenous people. Because overcrowding is often a result of people utilising their family and social networks, any responses should seek to be sensitive to those networks. Government might work to improve tenant knowledge about rights and support and help tenants access private and social affordable housing, or housing better suited to their needs (e.g. of large families). They might also seek to improve housing management by landlords through regulatory approaches. There is also a need for better data and research relating to this group.

### 4.4 Client centred approach

A client centred approach to service delivery is considered best practice in addressing homelessness. The two key instruments for achieving a client centred approach are service integration and case management:

- **Service integration:** people who become homeless will often need a range of services (these typically include support and accommodation but also ancillary services like alcohol and drug treatment and mental health services). Agencies providing these services may work independently from each other so policy and service delivery contexts can promote integrated arrangements to meet the needs of homeless people. Available evidence about integration from the United States and Queensland suggests achieving integration requires time, technical assistance and resourcing, but does yield benefits for clients (Goldman, Morrissey et al. (2002) and Keast, Waterhouse et al. (2012) as quoted in Brackertz et al. 2016). There is a need in Australia to better integrate homelessness services with other services like health/mental health, drug and alcohol, and DFV sectors (Flatau et al. 2013).

- **Case management:** is a process, ‘encompassing a culmination of consecutive collaborative phases, that assist clients to access available and relevant resources necessary for the client to attain their identified goals’ (Marfleet, Trueman et al. 2013). AHURI research shows case managed support is important for solving homelessness. Support should be comprehensive and practical, and have certain qualities (persistence, reliability, intimacy and respect) to be successful (Gronda 2009). Good case management has been a success factor in a number of programs including for people with disabilities, Indigenous public housing tenants and discharge programs from prison (Brackertz et al. 2016).

### 4.5 Discharge planning

Problems of chronic and repeat homelessness could be averted if the service system were better able to plan and manage discharges from hospitals, prisons and transitions from out of home care. Getting planning right is especially important for those with mental ill-health. This might involve new national policies and processes around discharge (Brackertz et al. 2018).
4.6 **System wide policy and program integration**

Better service integration might require system wide reform. Potential mechanisms to achieve this might include:

- funding arrangements to incentivise outcomes or collaboration
- information and other communication platforms for collaboration between service providers
- co-location of services
- use of programs that bundle up services.

Better service integration might enable homeless clients to better access mainstream government services around employment, health and education. For example, there is potential to improve the way people with mental ill-health are assisted through scaling up existing programs that connect housing assistance and mental health assistance (Brackertz et al. 2018).

4.7 **Move from Crisis and transitional responses towards Housing First**

While there remains a need for crisis and transitional responses, there is scope to move towards approaches that utilise longer term accommodation such as Housing First. This is especially relevant for those with more complex needs.

4.7.1 **Crisis and transitional responses**

Crisis and transitional responses to homelessness aim to safely accommodate clients while they resolve their homelessness and include responses to domestic violence and transitional programs for young people. Effective models include refuges for those experiencing domestic and family violence, Foyer Models for young people and the Housing and Accommodation Service Initiative (HASI) for people experiencing mental illness.

4.7.2 **Supported housing and Housing first**

Housing first approaches involve rapid rehousing into long term housing together with support and are typically provided for those with high and complex needs. There is scope to expand Housing First type approaches, but this will require an adequate supply of appropriate long term housing. Obtaining this housing might be done through social housing or head leasing arrangements (see AHURI, 2018).

Housing First approaches have already been implemented in Victoria such as through the Common Ground model (using congregate housing), Street to Home (Neami and Launch housing), Way to Home (run by Neami) and supported housing for older people. Evaluations of Australian and US Housing First style supportive housing programs have shown they are successful in enabling sustained tenancies for people with complex needs and histories of homelessness, though are more equivocal around outcomes around substance abuse, mental health or social inclusion (Brackertz et al. 2016).
4.8 Improve sector capacity to respond

There is a need to improve the way the housing and homelessness sector can respond to need. Improvements might include:

- Increasing mental health education for housing and SHS workers so they can better respond to their needs (Brackertz et al. forthcoming).
- Locating homelessness services closer to where homeless people live (Parkinson et al. 2019).

4.9 Funding

AHURI research has found that most funding for delivery of programs addressing homelessness in Australia is from government sources and this needs to continue into the future. There is a level of unmet need in the sector especially in areas where government funding is not available (e.g. in relation to Indigenous specific homelessness funding – see Spinney et al. 2016). Government funding recognises the need for the sector to diversify its funding base and a number of sources – ranging from rental income, philanthropic funding and emerging sources like social impact investment (Flatau et al. 2017).

The NHHA has already suggested that there is a need to improve outcomes measures under the agreement. But the next step is potentially improving the way funding is linked to outcomes. Most funding at present is provided at a national level on the basis of meeting input (number of clients served) rather than outcome measures (reducing homelessness). AHURI research has examined the opportunities and risks of social impact investment and its applicability to the homelessness sector, and found that Government has a key enabling role in developing the market for housing and homelessness services in Australia (Muir et al. 2017). However, social impact approaches are in their infancy in Australia and reforming funding arrangements will require sophisticated approaches to use of data.
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