

# TRANSCRIPT

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into the Victorian Government's Response to the COVID-19 Pandemic

Melbourne—Wednesday, 20 May 2020

#### Members

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Ingrid Stitt

Ms Bridget Vallenge



**WITNESSES**

Ms Jenny Smith, Chief Executive Officer, and

Ms Kate Colvin, Manager Policy and Communications, Council to Homeless Persons (*both via videoconference*).

**The CHAIR:** We welcome the Council to Homeless Persons to the public hearings for the Public Accounts and Estimates Committee Inquiry into the Victorian Government's Response to the COVID-19 Pandemic. The Committee will be reviewing and reporting to the Parliament on the responses taken by the Victorian Government, including as part of the national cabinet, to manage the COVID-19 pandemic and any other matter related to the COVID-19 pandemic. All mobile telephones should now be turned to silent.

All evidence taken by this Committee is protected by parliamentary privilege. Therefore you are protected against any action for what you say here today, but if you repeat the same things outside this forum, including on social media, those comments may not be protected by this privilege. You will be provided with a proof version of the transcript for you to check. Verified transcripts, presentations and handouts will be placed on the Committee's website as soon as possible. The hearings may be rebroadcast in compliance with standing order 234. I would ask that photographers and camerapersons follow the established media guidelines and the instructions of the secretariat.

Thank you for joining us today. We invite you to make a brief opening statement of no more than 5 minutes. We ask that you state your name, position and the organisation you represent for broadcasting purposes, and then this will be followed by questions from the Committee members relative to their representation at the table.

**Ms SMITH:** Thank you, Chair. My name is Jenny Smith, and I am the CEO of the Council to Homeless Persons, and I have with me our Deputy CEO and Manager of Policy and Communications, Kate Colvin. It is wonderful to have the opportunity to meet with you today, and I look forward to discussing the important issues associated with your interest in this intersection between homelessness and the COVID-19 outbreak.

We all are deeply concerned about a communicable disease like COVID-19, but it is an insurmountable concern for people without a home. People experiencing homelessness are much more likely to be out there in the community exposed to people, exposed to contaminated surfaces and unable to undertake the advanced hygiene requirements that we expect of ourselves to be able to avoid contracting the disease. And you will understand that people without a home are already significantly at a greater health risk than the rest of us, with elevated rates of all of the major chronic diseases. And so people without a home are particularly susceptible to the worst outcomes of COVID-19, including death.

So when the Chief Health Officer says people should stay at home, that is something that is just not possible for people without a home to do. And if you are without a home in which to live, then you are heavily reliant on public spaces, and while so many of them are closed at the moment, we still have shopping centres that can provide some warmth in winter, and I think the importance of public restrooms is apparent to all of us. But every time we are in these public facilities it presents a risk. Every moment in public risks our coming into contact with contamination. We all have homes, and from these homes we are minimising our interaction with these public spaces, but for those without homes there is not any private space in which to be safe from coronavirus.

So the Council to Homeless Persons has very much welcomed the actions of the Victorian Government to protect both people without a home and the broader community in relation to COVID-19. So the funding that was made available in the order of \$6 million, doubling the flexible funds, the brokerage that we have available, has helped us to put a roof over the heads of thousands. And as part of that we have placed around 4500 Victorians without a home into hotel and motel rooms, where they are far safer. This has been an incredibly important prevention measure, and so far as we can tell it has been quite successful to date. We do not believe there has been a cluster of COVID-19 within our homeless population. It really could have been so different. You have only got to look to the health-conscious city of Boston in the US, which has done some work on this, where they are finding that 30 per cent of their homeless population is testing positive to COVID-

19. We have had an incredible response from our sector, doing the hard work to get people into hotels, but that leaves us now with the challenge of supporting these vulnerable people while they are in hotels.

Now, with the support of Government we are working hard to locally reprioritise our services, but goodness we need help. Our services were already turning away 105 people a day prior to COVID-19, and we are still flat out at the front door of our access points while simultaneously managing this herculean job of getting vulnerable people, people without homes, into hotels and motels. So we need the flexible funding resources that we currently have to continue until we have got viable pathways into affordable housing for people. We also need more staff right now to help us to support these people in hotels. We need support to keep our front door open while starting to attend to the people at the back door who need our support.

We have also seen vital work undertaken to make sure that Victoria is ready should a cluster of COVID-19 infections emerge within the homeless population, and the \$8.8 million allocated for pop-up accommodation for people without a home who need to be isolated is there and waiting. And while we have not yet had that cluster amongst homeless people, these facilities ensure that if it does, those impacted can be isolated and the spread of the virus contained.

We are seeing more people who we would not have usually seen—people who have become at risk or homeless because of loss of income due to the crisis. What I would say is: do not underestimate how much greater this demand would have been without the doubling of the JobSeeker allowance, the role of the JobKeeper allowance and also the introduction of the range of protections and support in relation to tenancies, and do not underestimate how great this demand will be if JobSeeker is returned to its pre-COVID-19 level, if JobKeeper is turned off and if we lose the tenancy supports and protections that we currently have in place, lumpy though they may be and a little bit flawed.

**The CHAIR:** Sorry, I will interrupt you there. The time for the presentation has expired.

**Ms RICHARDS:** Thank you both for your time this afternoon, Ms Smith and Ms Colvin. In fact I will try to allow you in Government time to perhaps continue some of that evidence you were just touching on then. Of course your evidence was compelling and alarming, so I also thank those services that have provided the extra support to our most vulnerable Victorians. I am going to take you to that \$6 million, I understand, you said then in evidence of assisted services to get more people into safe accommodation. I was wondering if you could provide a little bit of granular detail on how you used that and what that looked like. I am interested in unpacking that and having the Inquiry have a deeper understanding.

**Ms SMITH:** Well, our sector already has available to it two major forms of support for people who are homeless or at risk of homelessness. One is called the Housing Establishment Fund, which essentially functions as a crisis fund to get people into temporary accommodation or whatever is going to try and help the situation. The other sort is the Private Rental Assistance Program, which assists people into the private market where properties are able to be accessed and where that type of support looks like it could be sustainable for someone who looks like they may be able to, over time, achieve an income that could allow them to stay in private rental. We saw a doubling of both those funds for the initial three-month period, I believe, and our sector was also encouraged by Government to do what it takes to get vulnerable people off the streets, out of the backs of cars where they were vulnerable to being evicted from acquaintances, couch surfing, and into hotels and motels, and that is what our sector has done. I believe in the order of 4500 people are currently in hotels, about whom we now ask the question, 'What next?'. That is what I would have segued to in terms of—sorry, I misunderstood; I thought it was 10 minutes—what we might do in stimulus in terms of providing social housing options, particularly short, medium and most importantly a pipeline of long term.

**Ms RICHARDS:** You spoke about some research, I think you said from Boston, or some reports from Boston about people who are experiencing homelessness being more vulnerable to COVID-19. Could you perhaps again unpack for the Committee how the additional resources allowing you to get more people into accommodation have assisted in preventing the spread of COVID-19 to people experiencing homelessness? You started speaking before in evidence about surfaces. It may seem obvious, but it would be really terrific for us if you could provide that or expand on that evidence that you started on before.

**Ms SMITH:** I think we are all seeing how well Victoria and Australia is doing compared to so many of our international comparators in response to COVID-19. We are certainly doing well in Victoria in relation to the

homeless population. I think we have all struggled a little bit with the practicalities of trying to maintain the isolation and the level of hygiene standards that have been required. I do not think too many of us thought we would be washing our shopping when we brought it in from the car or not being able to hug our loved ones that are not sharing a house with us—for such a long period of time.

But what that means when you are living on the streets or out of the back of a car, I mean, just think about it. Where do you toilet, where do you wash your hands, where do you shower, what do you do? We all know how hard it has been to get hold of hand sanitiser until recently, the availability of masks—and also your self-esteem. Rough sleeping, you are not feeling that good about yourself. I think we have all had to give ourselves a good talking to to help us maintain these standards during this time. If you are feeling like you are not worth much in the world, then you are not necessarily in a position to make that sort of effort, particularly when the world makes it really hard for you. And it is not like you wander up the street and there is a hand sanitiser there, waiting for you. I mean, there is when you go into the supermarket, but people who are homeless are not necessarily the most welcome in our supermarkets. It is hard. And in fact it is impossible. So the compassion that we have shown people without a home, but also that we have demonstrated how actually quickly we can get a roof over everybody's head in our community is I think a demonstration of what should be possible for us as a community.

**Ms RICHARDS:** Thank you again. I understand that there were four isolation and recovery facilities that have been resourced. I am interested in the importance of those in having somewhere safe for people to recover and get well. Are you able to make a comment on those facilities?

**Ms SMITH:** Yes, I think I can make a comment about what I have heard people in our sector say about this. I believe there are four facilities comprising around 70 beds. I believe the utilisation to date has been quite limited, reflecting the lack of a cluster within the homeless population. I think in the order of nine people were tested over a two-day period each, with no positive results. And a great deal of thought is going into how best to use those facilities should they not be needed or until they are needed, should there be a spike in the next while. It is commendable that we have been able to be on the front foot as a community and for the most vulnerable people to be able to be safe when exposed to the virus.

**Ms COLVIN:** Pauline, can I just add something in there?

**Ms RICHARDS:** Of course.

**Ms COLVIN:** Because I would just like to distinguish for people who might not realise that what they are doing in Boston is quite dissimilar to what we are doing in Victoria. So in that place, as in many other places in the United States, the form of accommodation provided to people who are homeless is essentially, you know, a large, gym-like environment with hundreds of cots squashed into that space, people sleeping a metre and a half away from other people on each side. And so I suppose the positive thing that they did in Boston is that they did do a health survey, they did do the COVID checks on people—and in that kind of environment they had 146 positive tests among 400 people in the shelter. So, you know, we have not opted for that kind of form of accommodation for many reasons in Victoria. It is a completely undignified way for people to be accommodated. But it is also very unhealthy, which is of course highlighted during a pandemic. So, you know, the mistakes made overseas have not been repeated here because people have been put into accommodation where they are able to properly self-isolate and where they are properly safe and warm and have those washing facilities.

**Ms RICHARDS:** Thanks for providing that point of clarity. I think that is really important—again, recognising this experience for everyone is so new. As part of your initial evidence, the submission you made, I think you started to talk about the possibility of returning to the old Newstart rate that was prior to COVID-19. I would like to give you the opportunity to provide some evidence about whether this concerns you and what impact this might have on people who are experiencing homelessness.

**Ms SMITH:** Thanks, Pauline. Well, with the previous Newstart rate there were no properties in the private rental market that were affordable to a young person on Newstart and a handful on the Youth Allowance and a handful for people on Newstart. With the doubling of that rate into the JobKeeper, it still has not made very many properties actually affordable—that is, costing less than 30 per cent of that low income—but we have seen more people being able to be assisted into private rental. I think that is a little bit about the suppression of

the market, but it has also been about a guaranteed higher income for a period of months that has made it more palatable for the private sector to take a risk with someone on a low income. I think the doubling of the JobSeeker, the JobKeeper and the tenancy protections have meant that many people in middle Australia who have been economically affected by this crisis have been able to hang on, and should they be ended abruptly, should the JobSeeker be returned to the ridiculous level it was before where it could not even pay for rent, much less for food and utilities and life, then I believe we will see a deluge of not just the homelessness we had before but additional homelessness from middle Australia. Kate, would you like to add anything?

**Ms COLVIN:** Look, as Jenny said, it is a combination of things. So one of the useful things that the Victorian Government has done is create this process that effectively supports tenants to negotiate with landlords so that they can reduce the rent. So if people who are paying a more average level of rent because they had a reasonable income can secure a rent reduction and they have JobSeeker or JobKeeper—and then there is also the Victorian Government’s rent support payment for people who are able to negotiate those new rental agreements—then those things combined mean that people can hang onto that tenancy. It is much harder to rehouse people once they have lost a tenancy, so keeping people in those tenancies is really important. But the thing is that the moratorium on evictions ends in September, and that payment to people to support them to stay in rent, the Victorian payment, is a couple of thousand dollars—that is very useful but it will not last forever. Then of course if people’s income is halved, if they are on JobSeeker and their income is halved, then the capacity to hold onto those tenancies will be compromised. So all of those things are likely to happen at the same time, and that is where we are very worried about what is coming down the road in September.

**Ms RICHARDS:** Thank you. Just this week there was an announcement of a \$500 million investment in housing maintenance and upgrades as part of the building works package. I am interested in hearing your insights into how this will affect homelessness and people at risk of homelessness and people who are living in precarious situations.

**Ms SMITH:** It is still Pauline, is it? I am sorry, we cannot really see you.

**Ms RICHARDS:** It is still Pauline, yes.

**Ms SMITH:** That is great. Yes, look, it is a fantastic start. Nationally we have outlined the importance of starting with maintenance and repairs, and this will see social housing properties that are offline come back online. It will prevent some social housing properties going offline. All of that is good for, as quickly as possible, making social housing available. But we have to think about it in terms of short-, medium- and long-term possibilities as people come out of these hotels. I mean, are we really going to turf people back onto the streets in the middle of winter? So I do think we need to think about the opportunities to headlease properties that become available with various distressed assets or assets that can be renovated—be made suitable for social housing. We need to think about how we are going to purchase some properties but also start building and use this well-worn understanding that the construction of social housing is great stimulus for an economy and for a comeback.

Did you want to add anything, Kate?

**Ms COLVIN:** Perhaps just on the point about social housing being a stimulus: it is perhaps one of the best forms of stimulus that there is. The commitment that was made after the global financial crisis, the evaluation of that, showed that every dollar that was invested returned 1.3 dollars to gross domestic product. So it would certainly be both useful for Victoria and delivering that important outcome for homeless Victorians if the Government was to invest in building a lot of social housing. We would have those jobs in the state, and we would also of course have the housing that is needed longer term for people who are homeless.

**Mr HIBBINS:** Thank you both for appearing today. I just want to seek a bit of clarity over I guess what we are getting for the \$6 million. I mean, it seems to me like a pretty good deal—\$6 million getting 4500 people who would have been homeless living in hotels and motels and temporary accommodation. Is it for six months or is it three months? And also is there a cohort of people that are not able to be assisted or are not being assisted by that money? And also, in terms of you having indicated that you are flat out at the access points, are all people attending access points able to be catered for? And extra resources, you indicated more staff—how would that assist you? Sorry, there is a bit in that, but I have got limited time.

**Ms SMITH:** That is all right, Sam. Let me start, and Kate might help me finish. Look, essentially we have had a doubling of our flexible funding for a three-month period, and I think that might run out at the end of this month. So our sector is on tenterhooks hoping to see that extended. What that has managed to do is to get people housed. In the crisis context in which we have been, I would not say that that has been uniformly applied, and there is great uncertainty amongst the sector and amongst the residents of these hotels—people without a home—about how long this is going to go on for, and that is not good for anybody’s mental health. So what is required is we need help with additional staff to support these people for as long as they are going to be in these hotels, and then we need help with the exit points for people out of these hotels. And that has got to be into social housing by way of headleased properties from the private sector, from properties that are brought back online quickly through maintenance and through some making available of assets and facilities that have been under-utilised elsewhere while we take the opportunity to invest in social housing as stimulus—and we have asked for 6000 properties a year in Victoria for 10 years to bring us from the bottom of the league table up to the average, from 3.2 per cent up to 4.5.

**Mr HIBBINS:** Thank you. Just quickly, are there still people sleeping rough or experiencing homelessness?

**Ms SMITH:** We have pretty much housed rough sleepers. I have heard accounts that there might be about 20 people in the CBD who have chosen not to take up the offer, which is a very small percentage of, we think, around a couple of thousand.

**Mr HIBBINS:** Okay. All right. Terrific. Thank you.

**Mr LIMBRICK:** Thank you for appearing today. It is quite obvious, the change in the CBD at the moment compared to normal. I have spent many years working in the CBD and all of a sudden there are very few homeless people. Are most of those people in hotels now? And if they are in hotels, what does that living arrangement look like? Because hotels do not often have cooking facilities and they do not have washing facilities—I know some of them do, like serviced apartments and things like that. How are they managing things like cooking, clothes washing and these sorts of activities? A hotel is not really designed to do that long term.

**Ms SMITH:** I think that is beautifully put, David. All of us do not mind a little while in a hotel room for a break, but they are not designed for ongoing life.

**Mr LIMBRICK:** No.

**Ms SMITH:** So I think, given some of the complexities—mental health conditions, addictions, acquired brain injury, intellectual disability—for many people who have come out of homelessness experiences it is not an ideal environment. That is why we are terribly keen to get additional support, connecting with these people. The practicalities that you have referred to around food, our services, for example, which are used to providing drop-in day facilities have turned their operations around into delivery into these facilities, working closely with the support providers who have placed people there. I must say that I have not heard about the practicalities around clothes washing and things like that. But it is difficult, and that is why we do need to turn our minds to what is next and how we support people to survive this.

**Mr LIMBRICK:** And on that note, you mentioned the idea of distressed assets. Certainly we are seeing a lot of turmoil in the property market at the moment and we do not really know how that looks yet. There have been reports that I have heard in the media about landlords actually having a lot of trouble leasing properties at the moment. We have had a population drop. Is it your belief that there may be a large number of distressed assets on the market that may be suitable for purchase to be used as social housing rather than building it, to manage things in the short term, because obviously building takes a long time.

**Ms SMITH:** Yes. Look, so firstly to acknowledge that distressed assets mean distressed people—people who are in economic pain and the social pain that that brings, so I do not want to talk about it in too cavalier a way. However, whether it is purchase or whether it is rental or leasing in the short term, it may suit both parties for Government to be renting or buying and resolving those situations. It is an opportunity for Government to show that leadership, and our sectors—our homelessness sector, our community housing—are ready, willing and able to participate in those sorts of arrangements to produce housing outcomes for people and to work with Government to support both turn our workforces to reprioritise our services.

It is a bit hard when you are still fending off a lot of people every day at the front door to try and think about how to do this, but we are doing that and we have got some ideas about how we could accommodate additional staffing to help us support people into it. But we do need to produce immediate social housing, and then we need to think about that pipeline into the future.

**Ms VALLENCE:** Thank you very much for your appearance today and for the information that you are providing to this Inquiry. This pandemic has caused a lot of hardship for a lot of people, and some people are experiencing homelessness for the first time.

I just want to pick up on some of the questions that have already been asked by other members of the Committee. You were already turning away, I think you said, 105 people a day, and that was before the coronavirus pandemic hit. Are those numbers about the same at the moment, or are you seeing an increase in demand? Is it still at that 105 number a day or has that changed?

**Ms SMITH:** Look, it is a very fair question, Bridget. Our figures tend to run a good five weeks behind. We do not have access to it. Anecdotally we are seeing a moderate increase in demand, but if you think about it, instead of having people going round and round our front door into a motel for a few days and then back again, we are currently more likely to be placing them for a longer period of time.

**Ms VALLENCE:** Is that because of the support program?

**Ms SMITH:** No, because of the availability of the funding to put people into hotels. We normally had half the funding that is currently available, or been available until the end of this month—it is going to run out I believe. It means that we have been able to get a slightly longer term option for people, which means that they do not have to keep coming back to the front door every day. But we are also seeing people from middle Australia who would not have expected to find themselves in this situation, and that is what makes our thoughts turn to any reduction in JobSeeker.

**Ms VALLENCE:** Yes, sure. You mentioned the funding that is available. I think you mentioned there are around 4500 people in hotels at the moment. Is that all over Victoria or predominated in metropolitan Melbourne?

**Ms SMITH:** Yes. Look, again only Government can tell you the official figures, but from talking to our sector, we probably believe that we have helped, at least in a little way, around 6000 people in this time period. But all over Victoria we have got about 4500 people in hotels and motels, not just in the CBD.

**Ms VALLENCE:** Right, so all over.

**Ms SMITH:** Victoria-wide.

**Ms VALLENCE:** Victoria-wide. Okay. You said that you are needing support right now with the increased workload. Are you government funded at the moment?

**Ms SMITH:** Yes, we are government funded. A lot of our services also raise funds through their communities of interest. I think we have all been hearing about the capacity for volunteers to turn up, because they are often more mature in age and therefore more likely to be at risk of infection. But also the decreased mobility of the community and the tightening of the purse strings is making life very difficult for the charitable side of our services, and many of them are doing it quite hard and have had to either lay off staff or engage in JobKeeper. But in terms of the government-funded specialist homeless services component of our organisation, it has been full steam ahead. We are still at the front door, we are still providing support, we have made all of these placements and are doing the best that we can try to support these people.

**Ms VALLENCE:** You may have already mentioned this before—sorry if I missed it—but have you been provided any clarity yet as to when the program or the funding for additional support into hotels will cease?

**Ms SMITH:** No. It has been an emergency response. The initial funding runs out in a matter of weeks, and we are all trying to maintain our cool, calm and collected approach while we hope for both some clarification and the opportunity to work with Government on where we go to from here.

**Ms VALLENCE:** Okay. You mentioned that you have put in a submission around public housing. I think it is very well known around that the way to address homelessness is to increase social housing. You have said 6000 per year over 10 years. Has the Government provided any response to you about that submission?

**Ms SMITH:** I do not believe so.

**Ms VALLENCE:** Okay.

**Ms SMITH:** Eight housing peak bodies, including Aboriginal housing, have agreed that this would be a realistic ambition for the Victorian Government to bring us up to the national average in terms of the proportion of social housing, and that is public and community housing.

**Ms VALLENCE:** Yes. I think you have mentioned that Victoria has got the lowest proportion of social housing in Australia, so that is a concern, particularly as we come into a pandemic situation and an emergency situation such as this one.

**Ms SMITH:** That is correct.

**Ms VALLENCE:** There have been for many years calls to increase the foster care age to 21, and I think the Government has embarked on a trial to increase the age of young Victorians in state care from 18 to 21. I believe that is still a trial. Obviously that assists in reducing the propensity for young people to find themselves in a homeless situation. What do you think about that? Do you think that that should become permanent?

**Ms SMITH:** Well, maybe I will let Kate lead on this one.

**Ms COLVIN:** Look, absolutely. My understanding is that the Victorian Government have extended that pilot to additional numbers of young people who will turn 18 during the pandemic to ensure young people do not exit out-of-home care into homelessness at this time. The number of people in the program over the longer period I think is 50 a year, but around 500 a year exit out-of-home care, so that program does need to be expanded. I think more importantly there is a question of what resourcing is available to those young people, but it is also whether it is there as an entitlement or an option that can be given or withdrawn by the state at whim. So ideally that entitlement to have care beyond the age of 18 up to 21 would be included in legislation in the Parliament.

**Ms VALLENCE:** Okay. I represent the Yarra Valley and have a fantastic group of churches who have set up a winter night shelter. I would imagine that shelters like this are going to be increasingly important, particularly in this emergency situation, pandemic situation. Do you have any comments around shelters and the support that they can get in terms of any funding or any challenges that they might experience to be able to continue running in this situation?

**Ms SMITH:** Well, the challenge with shelters is that they are designed as a very short-term option. Kate spoke a little bit earlier about the shelter response in Boston and in many places where it actually does not allow sufficient social distancing in a situation like COVID-19. The difficulty with each shelter bed is to think about how long it is appropriate for people to stay there and what the exit option is. It has been easier for us as a community to think about creating more shelter beds rather than to develop the options for where people go after that.

**Ms VALLENCE:** I think one of the challenges also is the ability for people to volunteer, because through a pandemic like this a lot of volunteers might be older or they are self-isolating. Do you have any comments around that?

**Ms SMITH:** Yes, and I think I mentioned earlier that a number of our organisations that rely on volunteers for at least part of their functioning are really struggling in that the volunteers are not turning up. But wherever we have shelter beds we will fill them up in a heartbeat. It is finding the options for people to move on, to have a place to live that is more challenging for us as a community, in which this pandemic in all of its tragedy actually presents us with an unparalleled opportunity to develop social housing stimulus.

**Ms VALLENCE:** Okay. I think we are out of time, but thank you very much for your presentation today.

**The CHAIR:** We are out of time. We thank you very much for appearing before the Committee today. I understand this is the second inquiry you have spoken to today, so we are very grateful for your time and your learnings and sharing your understanding with us and the important work that you do. Any questions which were taken on notice will be followed up in writing and answers required within five working days. The Committee will now take a short break before moving to the consideration of the next witness. We declare this hearing adjourned and thank you for your time. Thank you.

**Ms SMITH:** Many thanks, Chair.

**Ms COLVIN:** Thank you.

**Witnesses withdrew.**