



## 2021 Homelessness NSW Economic Stimulus and Budget submission

### *Our asks*

1. Invest in 5,000 social housing properties every year for the next 10 years.
2. Increase the funding for the Specialist Homelessness Services Program by 20% to support services to meet current demand.
3. Invest in responses for at risk cohorts including:
  - Reconfiguring domestic and family violence crisis accommodation over the next 5 years so that it is fit for purpose;
  - Investing in one Foyer model each year for the next five years for young people and revising the model supporting unaccompanied children presenting to Specialist Homelessness Services;
  - Investing in a housing response for older people that includes for purpose social housing, additional aged care facilities and rental subsidies; and
  - Extending access to NSW Government provided housing programs for people on Temporary Visas.

### *Homelessness in NSW*

NSW experienced the highest rate of homelessness across states and territories from 2011-2016, with the number increasing by 37% in this period, significantly higher than the national increase of 14%.<sup>1</sup>

During a similar period, homelessness services have experienced unprecedented demand, with a 38% increase in clients from 2014 – 2016.<sup>2</sup> This level of demand has been maintained since 2016.

In 2019-2020 homelessness services across NSW saw over 70,000 clients, 26% more than they are funded to support.<sup>3</sup>

One third of all homelessness services clients are women and children escaping domestic and family violence and one in four are Aboriginal<sup>4</sup>.

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<sup>1</sup> Launch Housing (2018), 'National Homelessness Monitor', : <https://cityfutures.be.unsw.edu.au/research/projects/australian-homelessness-monitor/>

<sup>2</sup> AIHW (2019), 'Specialist Homelessness Services Annual Report 2019-20', <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/summary>

<sup>3</sup> *ibid.*

<sup>4</sup> *ibid.*

The major driver of homelessness in NSW is a lack of affordable housing. There are 50,000 households on the social housing waiting list and in NSW less than 1% of all private rentals are affordable for people on income support.

When re-elected in April 2019, the NSW Government stated that a key policy priority would be “breaking the cycle of intergenerational disadvantage by fixing problems that have been in the too-hard basket for too long” and included a Premier’s priority to halve rough sleeping across NSW by 2025.

The first target for the Premier’s priority was to reduce rough sleeping in the inner city by 25% by February 2020. This target was not met.

The COVID-19 pandemic further increased these pressures on services. 39% of homelessness service providers reported an increase in demand for services during March and April.<sup>5</sup>

Approximately 23,000 people were supported either in hotel or motel accommodation or with rental subsidies in order to stay healthy and well during the peak period of the COVID-19 pandemic<sup>6</sup>. Alongside this, there were an estimated additional 4,000 people living in crisis accommodation<sup>7</sup>.

In 2020 the NSW Government provided much needed funding during the peak of the pandemic for hotel and motel accommodation (\$14 million) and additional rental subsidies (\$20 million).

Homelessness services supported these clients with minimal additional resources during the pandemic.

The NSW Government has also provided a very much welcomed \$65 million to establish the Together Home Program which will provide supportive housing to approximately 800 people who have slept rough. This will make a real difference to the clients accessing this program.

However, there is no broader supply of social housing to support all people currently experiencing homelessness. Even with the above housing and support for people experiencing homelessness, the priority housing list increased by 800 applicants in 2020<sup>8</sup>.

And, economic analysis that looks at the impact of COVID-19 in NSW has identified that homelessness may increase by up to 24% due to the planned loss of the financial support provided by JobSeeker and JobKeeper in March 2021 and the lack of any plan or supply of affordable or social housing to support people on low incomes or at risk of homelessness<sup>9</sup>.

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<sup>5</sup> Equity Economics (2020), ‘Supporting Economic Recovery in NSW’  
[https://www.ncoss.org.au/sites/default/files/public/policy/Equity%20Economics%20-%20Supporting%20Economic%20Recovery%20in%20NSW\\_05092020\\_Final.pdf](https://www.ncoss.org.au/sites/default/files/public/policy/Equity%20Economics%20-%20Supporting%20Economic%20Recovery%20in%20NSW_05092020_Final.pdf)

<sup>6</sup> Inquiry into the NSW Government’s Management of the COVID-19 Pandemic  
<https://www.parliament.nsw.gov.au/lcdocs/transcripts/2468/Transcript%20-%207%20October%202020%20-%20CORRECTED%20-%20Government%20s%20management%20of%20the%20COVID-19%20pandemic.pdf>

<sup>7</sup> Based on ABS NSW Homelessness Census data

<sup>8</sup> DCJ housing waiting times <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>

<sup>9</sup> Equity Economics (2020), A Wave of Disadvantage <https://www.homelessnessnsw.org.au/news/new-wave-disadvantage-report-shows-concerning-increases-economic-and-social-disadvantage>

Additional analysis also indicates that by June 2021 nine of the fifteen areas in Australia with a likely increase of homelessness of over 22% are in NSW<sup>10</sup>.

### ***Economic stimulus and the upcoming NSW Budget***

Investing in ending homelessness is an investment in NSW and its people. Investing in social housing will boost employment, create housing, and assist the Government to meet its Premiers Priority of ending rough sleeping.

The NSW budget needs to mitigate the harsh economic impacts on those members of our community most in need. The need for economic stimulus provides an opportunity to not only help end homelessness but also invest in infrastructure such as social housing that will help the economy recover.

Homelessness NSW believes in a three-pronged approach for any economic stimulus and the NSW budget as we work towards ending homelessness.

#### **1. Investment in social housing**

Having access to affordable, sustainable housing brings a positive contribution to people's lives and the New South Wales Government must play an essential role in ensuring it is available to NSW citizens. This can be achieved through investing in social housing. To meet current demand, NSW needs to invest in 5,000 new social housing dwellings every year for the next 10 years.

To meet the immediate needs for social housing in response to the COVID19 pandemic, one option is for the Government to enter the market and support the construction industry by purchasing from existing developments. This has the dual benefits of providing social housing and maintaining employment.

The tradies, the apprentices and others who work in the home-building sector, are a sector we know are going to feel a lot of pain unless we can keep a continuity in the business with housing construction. It is estimated that 85,000 construction jobs and 97,000 small or medium businesses are at risk due to the economic impacts of COVID-19<sup>11</sup>.

Investment in 5,000 new social housing dwellings every year for the next 10 years will address homelessness AND stimulate jobs and the economy.

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<sup>10</sup> Equity Economics (2020), Double Return – How Investing in Social Housing Can Address Australia's Growing Housing Crisis and Boost Australia's Economic Recovery <https://everybodyshome.com.au/wp-content/uploads/2020/12/201215-Double-Return-Homelessness-Report-UpdatedProofed2.pdf>

<sup>11</sup>Equity Economics (2020), 'Supporting Economic Recovery in NSW' [https://www.ncoss.org.au/sites/default/files/public/policy/Equity%20Economics%20-%20Supporting%20Economic%20Recovery%20in%20NSW\\_05092020\\_Final.pdf](https://www.ncoss.org.au/sites/default/files/public/policy/Equity%20Economics%20-%20Supporting%20Economic%20Recovery%20in%20NSW_05092020_Final.pdf)

## **2. A sustainable and adequately funded sector**

The homelessness sector has demonstrated through the bushfires and the COVID-19 pandemic a capacity to adapt and flexibly support clients to stay healthy, safe and well and guided the government in supporting people at risk of and experiencing homelessness during these periods.

This included ensuring the safety of clients, identifying accommodation and supports to assist clients to relocate and continuing to provide support and referrals to existing clients as well as additional clients during the crisis periods.

This was achieved with minimal additional funding.

Prior to these crises, services were already providing support to 27% more clients than they were funded to support and in 2019/20 once again more people seeking crisis accommodation were turned away than were able to access it.

Consequently, in late 2019 services started to report low staff morale, burnout and were beginning to see staff turnover.

2020 has seen a surge in demand for services and it is anticipated that this will continue as a result of the economic impacts of COVID-19.

Homelessness services have also been financially impacted by COVID-19 as the majority rely on philanthropic and community donations to supplement their service delivery and it is anticipated that this source of funding will diminish significantly.

Homelessness services are an essential service that need to be adequately resourced and provided with funding certainty.

A 20% increase to the Specialist Homelessness Service Program funding would provide the resources and certainty required for homelessness services to continue to deliver their vital, essential services within local communities.

This should include prioritising funding to increase the number of Aboriginal Community Controlled homelessness services in NSW. Aboriginal people represent 30% of all homelessness service clients<sup>12</sup>, yet there are less than 10 specialist funded organisations in NSW.

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<sup>12</sup> AIHW (2019), 'Specialist Homelessness Services Annual Report 2019-20', <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/summary>

### 3. Invest in responses for at risk cohorts

#### *Women and children escaping domestic and family violence*

Women and children escaping domestic and family violence represent over 30% of all Specialist Homelessness Service clients<sup>13</sup>. They deserve fit for purpose crisis accommodation that allows them to live independently with support, meets the needs of their children and provides the space to address trauma and support them to move on with their lives.

The NSW Government has recently implemented the ‘hub and spoke’ supported independent living models for women and children escaping domestic and family violence in a few rural and regional areas in NSW. A commitment to seeing this approach rolled out across NSW with a 5 year plan to reconfigure all domestic and family violence accommodation so that it is fit for purpose would significantly improve outcomes for women and children escaping domestic and family violence.

This would not only improve the lives of women and children escaping domestic and family violence, it would also provide much needed employment across NSW in the construction industry and for small to medium enterprises that support the construction industry.

#### *Unaccompanied children and young people*

New South Wales is one of the few places internationally that support unaccompanied 12 – 15 year old children within the youth homelessness service system. The NSW Ombudsman’s Office 2018 *More Than Shelter Report* made nine recommendations for improving the support of 12 – 15 year old unaccompanied children within the homelessness service system. Its 2020 progress report identified that many of these recommendations had not been implemented and made an additional seven recommendations<sup>14</sup>.

Homelessness services that provide support and accommodation to unaccompanied 12 – 15 year olds need to be resourced at an equivalent or higher level as Out of Home Care services providing support to this client group to ensure adequate safety and care for this client group. To justify this investment these homeless services need to be required to meet the same regulatory requirements as Out of Home Care services providing support to this client group.

SGCH, Uniting and Social Ventures Australia recently launched their Foyer Program that will provide housing, support and assistance with education and training to 53 young people leaving out of home care. The Foyer model is internationally accepted as a key model that makes a real difference for young people at risk of or experiencing homelessness. A commitment to delivering an additional 5 Foyers in NSW over the next five years would make a significant difference to youth homelessness in NSW.

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<sup>13</sup>ibid

<sup>14</sup> NSW Ombudsman’s Office *More than Shelter Progress Report* <https://www.ombo.nsw.gov.au/news-and-publications/publications/reports/community-and-disability-services/more-than-shelter-addressing-legal-and-policy-gaps-in-supporting-homeless-children2>

This would not only improve the lives of young people at risk of and experiencing homelessness, it would also provide much needed employment across NSW in the construction industry and for small to medium enterprises that support the construction industry.

### *Older people*

The number of older people facing homelessness is increasing and unfortunately older women are the fastest increasing cohort of people experiencing homelessness in NSW. Older people often don't require support, they need access to affordable, secure housing.

In NSW we have various successful models that have shown the way to ending homelessness for older people. This includes the Hammondcare Darlinghurst development and the Women's Housing Company Woolloomooloo Housing Project.

The NSW Government needs to develop a housing plan for older people that includes for purpose social housing, additional aged care facilities and access to rental subsidies.

Again, this would not only improve the lives of young people at risk of and experiencing homelessness, it would also provide much needed employment across NSW in the construction industry and for small to medium enterprises that support the construction industry.

### *People on Temporary Visas*

The COVID-19 pandemic has impacted significantly on people on temporary visas as employment options for this cohort has reduced. It is estimated that there are currently 60 people sleeping rough in the City of Sydney LGA on temporary visas and homelessness and other services have anecdotally reported a significant increase in the number of people seeking assistance for crisis accommodation and essential needs including food.

In response to this, in the second half of 2020 the NSW Government provided much needed short term accommodation and support for women and children escaping domestic and family violence on temporary visas.

Specialist homelessness services are already supporting this very vulnerable cohort, but there are limited options for long term housing and support and so often people on temporary visas remain in crisis accommodation for significant periods of time.

The NSW Government needs to develop a plan to support people on temporary visas, including making available the current housing programs available to NSW citizens including rental subsidies, Temporary Accommodation and social housing.

### ***About us***

Homelessness NSW is a peak not for profit organisation that works with its members to prevent and reduce homelessness across NSW. Our members include small, locally based community organisations, multiservice agencies with a regional reach and large State-wide service providers. Our vision is a NSW where no one is experiencing homelessness and no one is at risk of homelessness. A NSW where there is affordable and safe housing for all with access to a range of community and support services.