

Pre Budget Submission 2022-23

January 2022



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

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Key investments to turn the tide on homelessness in NSW

Homelessness NSW welcomes the opportunity to provide a Pre-Budget Submission to the NSW Treasury. The following section highlights the key investments that we recommend for the NSW Budget 2022-23 as having both the evidence, and the support from services and peak bodies, to turn the tide on homelessness in NSW.

Our key asks:

Grow social housing

- **Invest \$2.6 billion per year** for the next 10 years to grow social housing by **5,000 properties** per year, including acquiring existing stock to fast-track housing of priority cohorts
- Commit an additional **\$500 million to repair existing social housing stock**
- Make **Together Home** a permanent component of the NSW social housing system by:
 - Funding the purchase of **social housing properties** for existing clients
 - Funding ongoing **wraparound support** for clients
 - Funding an ongoing expansion of the Program with at least **50 new packages per year**

Fund homelessness services to meet demand

- **Increase Specialist Homelessness Service Program funding** by 20% or approximately **\$156 million over 3 years** so that services can meet current demand
- Invest **\$108 million over 3 years** to increase the number of **Aboriginal Community Controlled Organisations (ACCO)** to ensure delivery of safe and appropriate services for Aboriginal people and meet current demand, through:
 - An increase in recurrent funding for existing ACCO (estimated at \$10 million over 3 years, in addition to current funding)
 - Directly contracting currently subcontracted ACCOs and increased recurrent funding, (totalling 15.6 million over 3 years)
 - Increasing the total number of ACCOs to meet the demand (through a minimum investment of \$82 million)

Scale responses for those at heightened risk of homelessness

- **Invest in a state-wide program** to provide **Foyers** in areas of high need to address housing demand for young people experiencing homelessness
- **Enhance funding for Homeless Youth Assistance Program (HYAP)** to ensure that services are resourced to provide the same standard of service and funding as OOHC providers
- Provide support for **people without permanent residency** in NSW experiencing homelessness, through funding for:
 - A medium term supported accommodation service
 - Access to social housing, including products such as private rental subsidies and Temporary Accommodation
 - A Housing First model accommodation program for those rough sleeping longer term or with multiple support needs

We can end homelessness in NSW

Each of us has the right to live with dignity, and that includes access to decent housing. We all need a home, in good times and in hard times. This budget – Perrottets' first budget as NSW Premier - will determine just how important the NSW Government considers housing be, and for who.

Making sure everyone has decent housing is of benefit to us all. Our communities are stronger – we can raise families, make meals, go to work and school, stay healthy - when everyone has a safe and stable place to call home. It is the core foundation we all rely on.

In a thriving state like NSW, no one should have to choose between paying the rent, keeping the electricity on and having enough food. But in New South Wales, in 2020-21 alone, homelessness services supported over 70,000 people, including children and young people, many who have little choice but to sleep on a friend's floors and lounges, living in very crowded or unsafe places, in cars or outdoors.

We can change this.

People lose their homes when the constant pressure builds up and pushes them into homelessness. High housing costs and a lack of government investment in affordable and social housing, rising rents, low wage growth, job loss, a health crisis, a relationship breakdown or domestic and family violence, or a sudden reduction in income can turn tricky situation into a deluge that is hard to keep at bay.

When people can't keep a home when times are turbulent, then the system is out of balance. Even as unemployment fell in Australia – a reasonable measure of economic prosperity - homelessness has increased. Homelessness has been exacerbated by damaging cuts to investment in social housing infrastructure, that whittled away this critical safety net. We need better public policy decisions to restore the balance.

Homelessness isn't inevitable. Political and public policy decisions can either cause or resolve homelessness. Indeed, NSW Government emergency provisions during COVID such as rapidly accommodating rough sleepers in Temporary Accommodation and later transitioning them into longer term supported housing through Together Home demonstrated how effective decisive government intervention can be.

Yet right now, amidst the positive and significant investment by NSW governments, people who are homelessness in NSW are met with some public policy responses that are particularly poor: a lack of social and affordable housing that stymies' exits from homelessness, an underfunded crisis sector, and slim investment for those who are most vulnerable to homelessness. These issues require investment in the 2022-23 NSW budget, and a long-term commitment from this Government.

As it turns out, social and affordable housing is a good investment. People do far better with stable housing than without it – it is the foundation to overcome all kinds of serious challenges and rebuild lives.

While life for many will seemingly have returned to normal, for many others the effect of the pandemic will remain. They will not be 'bouncing' back, and we need to ensure that they, too, are part of the recovery plan.

It is the choices that the NSW Government make in this budget that will either worsen or improve homelessness in NSW. This budget, we call on the Premier to give due weight and consideration to people experiencing or at risk of homelessness.

We've come so far

Together with our members and supporters, Homelessness NSW has achieved some very real change. We have seen an extraordinary effort by specialist homelessness services and NSW Government alike to safely accommodate and vaccinate people experiencing and at risk of homelessness, amid a pandemic, which undoubtably saved lives.

The pandemic showed us how important it is to have a safe, secure, stable, and uncrowded home, but also how we can very quickly and effectively resolve homelessness with positive and sufficient government responses, rather than leaving it to the economy or market forces.

As a sector peak and membership based organisation, it is the specialist homelessness services that enable us to be the most effective advocate. With their advice and their advocacy, Homelessness NSW is able to raise issues and advocate from a solid foundation.

There is still much to advocate for. Never-the-less, we continue to achieve positive change:

Additional social housing properties

To exit homelessness, there must be viable housing options and the stability, affordability and integrated support make social housing particularly important for this cohort.

Homelessness NSW has participated in and contributed significantly to the work of Homelessness Australia and of the Everybody's Home Campaign. We comprise part of the Good Growth Alliance. We have submitted untold submissions detailing the solutions to the social housing gap, and its impact on homelessness. We have held meetings with Ministers, Departments, local MPs, conferences, events on the matter. We have driven our own dedicated campaign to social housing and coordinated open letters. We have commissioned research on the economic sensibilities and benefits of social housing. We have landed opinion pieces, print media, online media, advised on TV shows. It's fair to say, Homelessness NSW has been and continues to be a strong, public and constant advocate for the increase to social housing in NSW.

Success: The NSW Budget 2020-21 outlined \$812 million in funding to deliver 780 new social housing dwellings including 200 new Aboriginal Housing properties. In October 2021, a further 615 additional social housing properties (\$152.2 million) were announced.

Next step: Invest 2.6 billion per year for the next 10 years to grow social housing by 5,000 properties per year, including acquiring existing stock to fast-track housing of priority cohorts; and commit an additional \$500 million to repair existing social housing stock

Urgent homelessness COVID-19 responses (2020)

When NSW locked down for the first time in early 2020, it quickly became apparent that 'stay at home' orders and guidance in relation to isolation, social distancing and sanitation was near impossible for those without a home. With advice and pressure from Homelessness NSW and our supporters, we were able to secure significant changes and funding for homelessness services and the Temporary Accommodation program to operate outside 'business as usual' to urgently accommodate people, and in particular, rough sleepers.

Success: An initial \$34 million for homelessness services as well as \$14 million for Temporary Accommodation (hotels and motels) was announced, and ultimately, between March and June 2020, \$29 million had been spent on Temporary Accommodation alone. The same approach was repeated in the 2021 lockdown.

Next step: Increase Specialist Homelessness Service Program funding by 20% or approximately \$156 million over 3 years so that services can meet current demand

Long-term housing for rough sleepers (2020)

As Government acted to urgently accommodate people, Homelessness NSW advocated for permanent housing solutions for those who had been placed in hotels. Through our pre-budget and economic stimulus work, numerous meetings with the Minister, the Department and public commentary we acted to keep this issue front and centre.

Success: On 8 June 2020, \$36 million for the Together Home program was announced which provides housing and wraparound supports for people sleeping rough, for up to 2 years. By time of publication the NSW government would have funded 1050 Together Home packages, and invested over \$120 million.

Next step: Make Together Home a permanent component of the NSW social housing system by funding the purchase of social housing properties for existing clients; funding ongoing wraparound support for clients; funding an ongoing expansion of the Program with at least 50 new packages per year

Expansion of 'Core and Cluster' women's refuge model (2021)

Women and children escaping domestic and family violence represent over 30% of all Specialist Homelessness Service clients. They require fit for purpose crisis accommodation to support them to rebuild.

Homelessness NSW's 2021 Pre-Budget Submission called for expansion of 'hub and spoke' otherwise known as 'core and cluster' supported independent living models for women and children escaping domestic and family violence. Homelessness NSW worked alongside LAHC for 18 months to look at the expansion of the core and cluster model. We also ran a snap social housing campaign alongside our members - with a DFV specific arm in partnership with DV NSW - targeting key Ministers and local MPs to ensure social housing was increased to respond to demand produced by lockdowns. Finally, Homelessness NSW co-commissioned a report on the gendered impact of COVID-19.

Success: In October 2021, NSW Government announced \$426.6 million over 4 years to expand Core and Cluster to deliver around 75 extra women's refuges, and \$52.5 million over 4 years towards the Community Housing Innovation Fund, to build approximately 200 new social housing properties for women and children experiencing domestic violence.

Next step: Invest 2.6 billion per year for the next 10 years to grow social housing by 5,000 properties per year, including acquiring existing stock to fast-track housing of women and children escaping domestic and family violence

* Homelessness NSW acknowledges the significant investment in 2021 for Domestic and Family Violence services. It remains unclear what impact this will have on ability to meet demand for accommodation and services across the homelessness sector. While the funding will have a positive impact for those DFV victim-survivors, additional investment across the program is necessary at a minimum of 20% now, and with future adjustments based on an evidence-based and data-informed assessment of need.

Support for Aboriginal Services

Despite comprising a hugely disproportionate part of those experiencing homelessness in NSW, just 6% of contracts delivering specialist homelessness services involve Aboriginal providers, meaning there are less than 10 specialist funded organisations in NSW. From directly supporting ACCOs, to Redressing Aboriginal Homelessness Accord, to ongoing advice to the department and advocacy efforts, we work to end homelessness amongst Aboriginal and Torres Strait Islander peoples and realise a service sector that centres Aboriginal expertise and has services available to people that are culturally safe and competent.

Success: \$12 million over 3 years to increase the number of Aboriginal Community Controlled Organisations in the SHS Program

Next step: Invest \$108 million over 3 years to increase the number of Aboriginal Community Controlled Organisations (ACCO) to ensure delivery of safe and appropriate services for Aboriginal people and meet current demand, through an increase in recurrent funding for existing ACCO (estimated at \$10 million over 3 years, in addition to current funding levels), directly contracting currently subcontracted ACCOs and increased recurrent funding (totalling \$15.6 million over 3 years), and increasing the total number of ACCOs to meet the demand (through a minimum investment of \$82 million).

Launch of Foyer Central

Young people require different, youth-specific approaches to address homelessness, including housing pathways and options that cater to their needs. Young people aged 12-24 are traversing an incredibly important period of development and transition, and those who are homeless are often doing so without the intense and varied support typically provided by family. Stability, support and care are crucial but finding the right housing with support is difficult and more so in NSW than some other states and territories.

Foyers have long been a key piece of the housing mix for young people with experiences of homelessness. Alongside other peaks and supporters, Homelessness NSW has advocated for the establishment and planned development of the Foyer model, as far back as 2014.

Success: In February 2021, the purpose built 'Foyer Central' in Sydney was officially opened. The Foyer will offer 53 young people with housing alongside education and employment assistance in a 24/7 supported environment. It is the second site to open in NSW.

Next Step: Invest in a state-wide program to provide Foyers in areas of high need to address housing demand for young people experiencing homelessness; and enhance the Homelessness Youth Assistance Program to ensure that services are resourced to provide the same standard of service and funding as OOHC providers

Extension of support to people without permanent residency

In NSW people without permanent residency are specifically excluded from income support, the right to work and have incredibly limited options for housing, as services receive no funding to support them, nor do they have access to social housing or emergency temporary accommodation. Homelessness ensues, with recent work by Homelessness NSW highlighting approximately 20% of inner-city Sydney rough sleepers comprise of those with no permanent residency.

Success: Homelessness NSW and its supporters advocated and secured the establishment of the Emergency Accommodation Program during the COVID lockdown to provide accommodation and support to people in August 2021.

Next step: Provide support for people without permanent residency in NSW experiencing homelessness through funding for a medium term supported accommodation service; access to social housing, including products such as private rental subsidies and Temporary Accommodation; and a Housing First model accommodation program for those rough sleeping longer term or with multiple support needs

For more information, see the following attachments:

[Attachment A - Grow Social Housing](#)

[Attachment B - Give 'Together Home' a permanent place in NSW](#)

[Attachment C - Fund crisis services to meet demand](#)

[Attachment D - Grow Aboriginal-led solutions for culturally safe and appropriate services](#)

[Attachment E - Scale Foyers](#)

[Attachment F - Enhance the Homelessness Youth Assistance Program](#)

[Attachment G – Provide support for non-permanent residents experiencing homelessness](#)