

Ending homelessness in Melbourne's West

"Being homeless has ruined my life."

"A massive impact you want the best for your kids and when you can't provide a safe and affordable home for them you start judging yourself and making yourself feel smaller than you already did. It takes a toll mentally, emotionally and physically. Knowing you can't provide a roof over their heads and make them feel safe as you can't afford to give them the basics."



Ending homelessness in Melbourne's West

Prepared by the Western Homelessness Network

Melbourne is experiencing a housing crisis. Consequently, the numbers of people who do not have somewhere to live is increasing. **Homelessness increased by 40% in Melbourne's west between 2011 and 2016¹.**

The West has historically been one of the most affordable areas of Melbourne. This is no longer the case. Private rental vacancy rates are low in Melbourne (2.1%²) and rents are high. In March 2019 there were no private rental properties available in the West that were affordable for someone on Newstart. There are 14,358 social housing properties in Melbourne's west however given that movement in to public housing is minimal, there are approximately 12,000 on the waiting list for access to those properties.

Census 2016 identified that the numbers of people living in severe overcrowding in the West has increased by 79%. Severe overcrowding is defined by the ABS as people living in housing that is four or more bedrooms short. These people are likely to become the next wave of people presenting to the homelessness service system – a system that is already beyond overwhelmed.

In 2017/18, 13,546 people presented to homelessness services in the West for assistance. This was far in excess of the capacity of the homelessness service system to respond. The experience of homelessness is devastating for those individuals presenting and is extremely distressing for a workforce that is funded to respond to their need (see "What do consumers say?" p. 6).

This paper provides the context for a report released by the Northern and Western Homelessness Networks in February 2019: *'The Crisis in Crisis: the appalling state of emergency accommodation in Melbourne's north and west'*.

The response to this report from State Members of Parliament in Melbourne's West has been very positive. Numbers of Members of Parliament have met with representatives of the Western Homelessness Network to discuss the devastating realities outlined in this report and have expressed a strong desire to address the housing crisis and the corresponding increases in the numbers of people experiencing homelessness in the West.

What do we need to address homelessness? Put simply, we need housing. The Western Homelessness Network believes that the key to addressing homelessness is long term affordable housing and the Network strongly advocates for a Housing First model – providing people with the safe and appropriate housing as a priority in order to provide the safety and security for people to address, with support, other factors that may be impacting their housing stability.

This report provides an overview of homelessness in the West, from the perspective of the homelessness service system and incorporates our ideas for how we address this issue. We know that we don't have all the answers and we would welcome the opportunity to work with Government to find solutions to this difficult problem.

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¹ Census 2016 – however, we know that the Census is a significant under representation of need.

² Rental report, December quarter 2018, Department of Health and Human Services (2018)

Introduction

The Western Homelessness Network is a Network comprising of eighteen Specialist Homelessness and Family Violence Services (SHSs) managing 90 programs operating in Melbourne’s West. These services meet every six weeks to improve responses to people experiencing homelessness in Melbourne’s West through management of coordinated homelessness service system arrangements, consumer consultation, linkages with allied service sectors and shared professional development. The Western Homelessness Network works very closely with the Northern Homelessness Network, sharing a number of working groups, and is a member of the Victorian Homelessness Network, working in coordination with homelessness networks across the State.

In February 2019 the Northern and Western Homelessness Networks jointly released “*A Crisis in Crisis: The appalling state of emergency accommodation in Melbourne’s north and west*”. Members of Parliament in Melbourne’s West have expressed deep concern about the issues raised in the Report and have requested this paper, to provide some background to the issues contained in “*Crisis in Crisis*” and to identify some solutions.

Context

We live in a city that is growing by 1,850 people a week³. It is estimated that Melbourne will need an additional 1.6 million new homes by 2051 in order to meet this growing need⁴.

Lack of supply has resulted in an all-time low in private rental affordability. Anglicare Australia’s Rental Affordability Snapshot 2019 identified that less than 1% of private rental properties in Melbourne are affordable for a single person with children in receipt of Parenting Payment. There were no properties available that would be affordable for a single person on Newstart⁵.

Melton and Brimbank still rate in the top 10 most affordable local government areas (LGAs) for people earning a minimum wage but no LGAs in the West are represented in the top 10 most affordable LGAs for people who are receiving Centrelink payments. This reflects a significant change for the West that was one of the last bastions of affordability⁶.

Not surprisingly, the ABS Census data shows that there has been a corresponding increase of 40% in the numbers of people experiencing homelessness in Melbourne’s west (compared with a 14% increase across Victoria).

Despite the concerted efforts of State and Local Government, there are growing numbers of people sleeping rough on the streets of Melbourne’s CBD and suburbs. This is the visible face of homelessness, but is only the tip of the iceberg (5%) of the number of people who are experiencing homelessness. Those experiencing homelessness in the West represent 23% of all those people experiencing homelessness in Victoria. The numbers of people living in severe overcrowding in the West has increased by 80%⁷.

The impact of being without a stable home is devastating (see page 6: Consumer survey 2018 results).

When people have nowhere to live, they turn to the homelessness service system for housing and for the support they need. Services do what they can to provide support to the 13,546 households⁸ who present to our services seeking assistance – but the numbers of people who present to homelessness services well outstrips our capacity to respond. The limitations in our capacity to assist the vulnerable individuals and families who present to our services is devastating.

8 of the 14,026 private rental properties available in Melbourne in March 2019 are affordable for a single parent on parenting payment.

9 properties across the whole of Melbourne were affordable for someone on the age pension and 6 of the 14,026 properties were affordable for someone on disability support payment.

Given that about 80 people present to homelessness access points each day, most of whom are receiving income support payments, the current reliance on private rental as the primary housing option is nonsensical.

³ ABS Census 2016.

⁴ Victoria in Future 2016 and Department of Environment, Land, Water and Planning, internal analysis, estimated employed persons derived from Victoria in Future 2016, quoted in Victorian State Government, Plan Melbourne 2017 – 2050.

⁵ Anglicare Victoria, Rental Affordability Snapshot 2019: Regional Reports and Snapshots (2019).

⁶ The National Minimum Wage as set by the Fair Work Commission (2018) Annual Wage Review 2017-2018

⁷ People living in crowded dwellings represent a continuum within the scope of those who are marginally housed. 'Persons living in severely crowded dwellings' are considered to be in the sixth ABS homeless group. Severely crowded conditions are operationalised in the Census as living in a dwelling, which requires 4 or more extra bedrooms to accommodate the people who usually live there, as defined by the Canadian National Occupancy Standard (CNOS).

⁸ 2017/18 LASN Data, DHHS, 2019

How does the Homelessness Service System work?

Ten years ago, when need for homelessness services was already well outstripping capacity, the homelessness service system was re-organised in order to:

- create clear access points to the system (to avoid consumers presenting to multiple services ‘telling their story over and over again’);
- create a shared and transparent approach to assessing need; and
- create an equitable approach to referring to limited resources to ensure they are used effectively.

At this time homelessness services began meeting to jointly manage their coordinated service system arrangements. Services still meet every six weeks to share information and work on continuous improvement of the homelessness system. Once a year the Northern and Western Homelessness Networks undertake a consumer survey.



People experiencing homelessness in the West can present to one of four access point offices, run by SASHS and Unison, with main offices in Sunshine and Seddon and outposts in Melton⁹ and Werribee, or for young people, to Frontyard Melbourne Youth Support Service in the city. The role of these services is triage: assessment, short term planning and referral to available resources. Unfortunately, more people present to the access point services than there are appointments. This can mean waiting at the service all day. People generally queue prior to 9am in order to ensure they get an appointment. It is not uncommon for 50 people to be waiting outside SASHS before it opens at 9am (see photo).

If someone presents who has nowhere to stay that night and there is no appointment available for them, then the reception staff will generally organise a night in local low cost private accommodation. The consumer then needs to return to the service the next day for a full appointment.

The pressure of the numbers of people presenting is so great that appointments, which should probably be up to two hours long, are generally no longer than 45 minutes. In this time an Initial Assessment & Planning (IA&P) Worker works with the consumer to identify what they need, provides information about options and works with the consumer on a short term plan.

The services will try to find emergency accommodation for those who have nowhere to stay that night. There are 423 government funded crisis beds across Victoria. In 2017 SASHS and Unison had to find 3,596 crisis beds. The only alternatives to government funded beds are low cost private accommodation and rooming houses. The report “A Crisis in Crisis: the appalling state of emergency accommodation in Melbourne’s north and west” (<http://www.nwhn.net.au/Crisis-in-Crisis.aspx> - <http://www.nwhn.net.au/Crisis-in-Crisis.aspx>) outlines how inadequate this is as a response to vulnerable people.

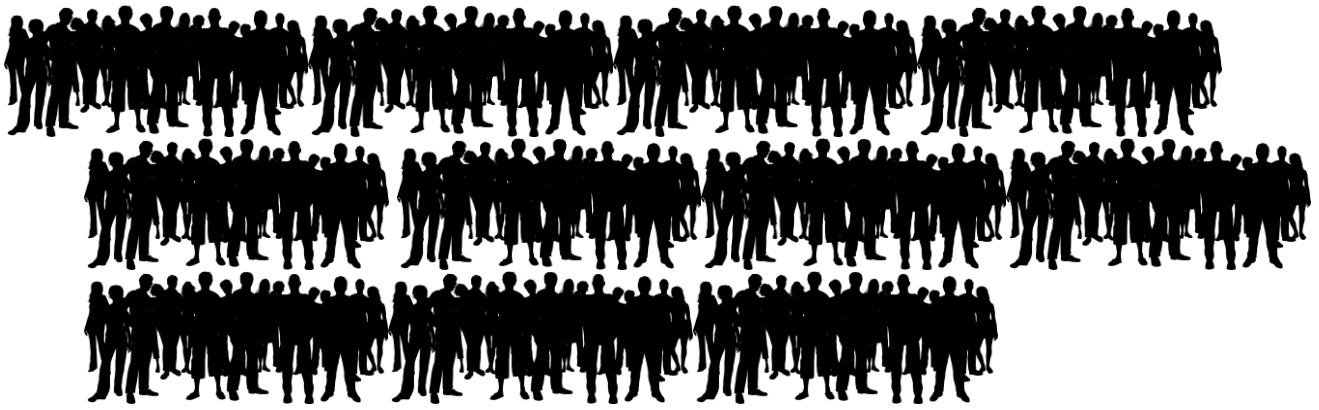
200 people present to SASHS in Sunshine each month who can’t even get an initial appointment.

If the consumer needs further support (to find housing or to address anything that is impacting on their ability to maintain housing) or access to housing, their name is placed on a ‘prioritisation list’, awaiting referral to available resources. At present there are 1,385 households on the prioritisation lists in the West. Only a small portion of those presenting for assistance will be able to access homelessness case management support or one of the 450 transitional housing properties in the West. In 2018 Unison assisted 4,541 people. Only 411 (9%) of these people received case management support and 86 (2%) accessed transitional housing.

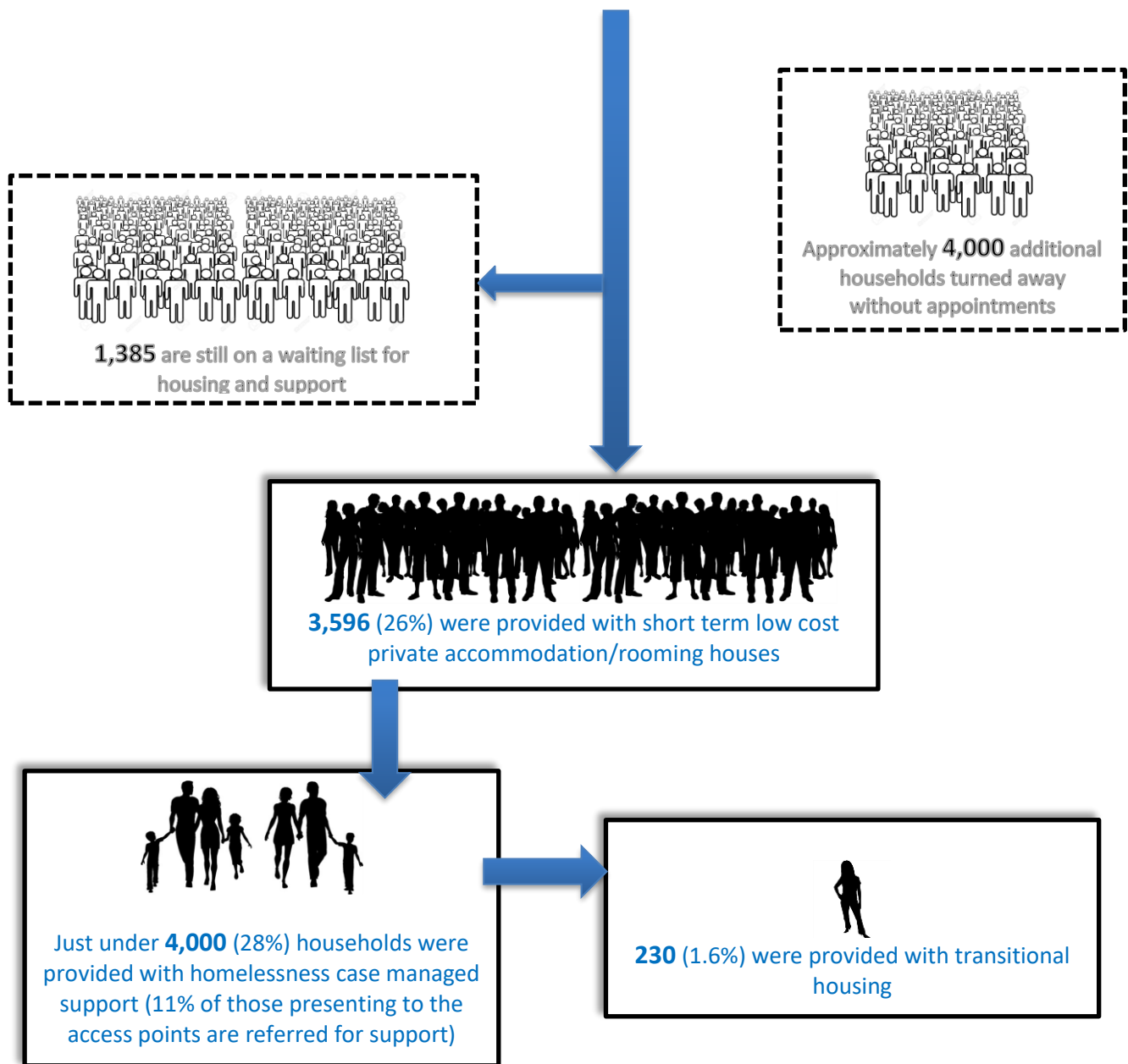
Private rental and public/social housing are the two key long term housing options. Recent Victorian Government increases to the Private Rental Access Programs have been very effective in assisting people to access private rental. **However, there has been no confirmation that this effective program will be funded beyond 2019.** Access to public housing is minimal. In the last 12 months, 21 of the 3,000 households on the waiting list have been allocated public housing in Sunshine.

⁹ At this point the Melton office is only staffed part time by one worker so the office cannot address crisis needs. Anyone in immediate crisis in Melton needs to travel to Sunshine for a response.

The system is overwhelmed



13,546 presented to Western homelessness services in 2017/1818



What do consumers say?

Every year the Northern and Western Homelessness Networks survey people who have accessed the homelessness service system, to find out about their experiences of the system. In 2018 we asked consumers about their experience of homelessness and also asked what they would like to tell the Premier and the Prime Minister about homelessness.

These are some responses about their experiences of homelessness and the impact of being without safe, affordable housing:

"I was so stressed I couldn't eat and then I was sick and couldn't take care of my children properly. We couldn't cook and we couldn't enrol in school."

"The worst thing was having no-one around and no-one out there to help you, as many out there just turn their back and don't realise what others are going through. So in the end this experience has affected me mentally and physically as well as my daughter. No-one out there should face or deserves to face homelessness."

Trying to get my stuff around, transport. It was heartbreaking to see my little girl have to carry her suitcase around. Not knowing when we can eat again was also really difficult. Also, some of the hotels we stayed at were very scary and we felt so unsafe. I was hugging them all night staying awake because the neighbours were screaming and drinking all night.

"Just being homeless missing out of university and school for two months. Also going back was hard to cover all the content that I haven't studied. Sharing one bedroom with my 3 siblings at the motel was hard. Not being able to do things like going out was hard, as we didn't have money and also purchasing food. We lived in a really hard situation that time."

"Most difficult thing was the instability, the not knowing. If I would be asked to move on by police, or if someone would try to break in to the van at night while I slept, or if I got sick, what would I do?"

"Made me reliant on Drugs (ICE) to stay awake cause I've been taken advantage of and sexually abused touched while I have been asleep I haven't been able to be a mother to my kids/ can't see them and made me suicidal."

What would you like to tell the Premier and Prime Minister?

"How would you like to be homeless for 5 years without your kids?"

"Homelessness is something that nobody should experience and when it happens, it can be unexpected and there is not enough support for people in need. Housing is an entitlement, not a dream."

"It was the hardest time I have been through in my life and there should be more support and help for people that find themselves in this situation; it could happen to anyone."

"Build more houses and create new jobs so people are kept busy and engage in beneficial things for themselves and also the community."

"Absolutely horrific and there are no words that can describe it. I can understand now why so many people just give up, it's so sad. It could so easily be resolved - just buy some more houses, there are so many vacant properties and buildings, why can't these be donated or bought. These places could house so many people. It is so cold at night time and there are so many people doing it, it's unbelievable."

"That the despair and loneliness that you encounter is second to none. I would need much more space and time to explain to them exactly how they need to distribute funds to the right facilities."

"You need to give more help. I lost my job because of my health and now I am losing my home because I don't have enough money. Rent is too high and my Centrelink doesn't cover all my costs."

"How can I get a job if I cannot go to school and cannot have a safe home?"

"There are numerous empty dwellings and an overabundance of new units being built. Mainly investors sitting on the properties. Create some discussion in Parliament in relation to this - also squatter's rights."

"When you are homeless you never feel safe, who will hit you or where you are. When you have a government house, you feel safe even if you have no food."

Case studies

Dave's story

Dave is a 25 year old male who presents with a history of substance abuse, isolation and transience. Dave was referred to Unison by St Kilda Crisis Centre in October 2018.

Dave had recently living been in private rental in Footscray and he had been employed but had recently been made redundant from his employment.

Dave has not had stable accommodation for the past four years. David lived in transitional housing for three years but exited as another tenant had been using illicit substances. Dave also advised that his flatmate physically attacked him on a number of occasions. Dave spent the last four years bouncing between supported accommodation (Ozanam House), at his mother's in Bendigo, rooming houses, back packers, sleeping in his car and sleeping rough. Dave finally accessed private rental in 2018, which was not sustainable (particularly after he was made redundant) and was evicted for significant arrears.

Dave recently attempted suicide and expressed suicidal thoughts in phone contacts. He has a history of prior drug use and is currently medicated with suboxone. Dave has previously disclosed a cancer diagnosis but has not provided further details. He has lost all of his identification. He has debts and has a very limited income. Dave has no family support.

Unison's Response:

Unison Housing provided an assessment and discussed housing options with Dave i.e. short term options (rooming house/backpackers), supported accommodation (Flagstaff; Ozanam House and Southbank), transitional housing and public housing.

Unison made multiple attempts to secure rooming house accommodation for Dave and made referrals to the state-wide crisis accommodation services. Dave was eventually referred to a homelessness service for case managed support and was provided with two nights respite accommodation in a hotel.

Bart's story

While Bart was living in private rental he jointly invested in a business venture with another person in whom he had trust, however this person misappropriated the business funds, ultimately leaving Bart with no money and no income. He became unable to afford to pay his rent, couldn't maintain the tenancy, and believed he had no other option but to live in his car.

Despite regularly seeking help from his local homelessness access point, he lived in his car for four years. When he attended the homelessness service, he was only assisted with one or two nights at a time in a motel, then would have no other option but to return to his car. Bart got to the point he no longer felt able to cope, and was considering suicide. Significant factors towards this were the shame he felt at his situation, the indignity of having no home, having nowhere to toilet or shower, the extreme difficulty managing his health without cooking facilities or adequate space to rest, and the inability to source employment whilst in such a setting.

Fortunately, a transitional housing property became available for him via a community housing provider, which included the provision of case management support. Bart has now lived in his transitional housing apartment for three years, and as a result of stable housing and support, is recovering from the trauma of homelessness, and has been able to face his surrounding issues. This means that he has been able to resolve some legal matters, and is nearing resolution of others. Bart has stabilised his finances, is addressing a number of physical health needs via a local GP, and regularly attends local drop in centres where he is able to share time and experiences with others. Perhaps most importantly, Bart has been able to overcome his shame in order to re-establish relationships with his family, and is accessing psychological treatment to address issues stemming from his childhood.

Although his current tenancy is highly suitable for Bart's needs, it is unfortunate that he remains on the waiting list for long term community or public housing via the Department of Health and Human Services, meaning he is yet to obtain housing permanency, and that the transitional property cannot be utilised to afford another individual experiencing homeless the opportunity Bart has received.

How are services addressing the issues?

For the past 11 years, homelessness services have been worked together as a coordinated service system. Each local area has a key access point service, providing assessment, triage and referrals to resources of the homelessness service system.

Services use a shared approach to assessment and a transparent tool for advertising resource vacancies.

The need for services has been so much greater than the service system's capacity to respond that the services have further developed the service system to try to increase the numbers of people assisted:

- Appointment times at access point services have been reduced to enable as many people as possible a day to access appointments. This does impact the quality of the response. Access point services have also directed all available staff to these appointments. Services can therefore no longer ring people on the prioritisation (waiting) list to check on their wellbeing and can only provide a telephone assessment option for those unable to physically present to the service, in the most exceptional situations.
- Youth services across the West have committed to providing a level of response to every young person who presents to the homelessness service system, even if this is only a telephone response.
- Services have developed and have regularly refined Brief Task Based Response (formerly known as Interim Response 2), which is a very time limited, task based response aimed at either diverting people away from homelessness or reducing the extent of their crisis, so that the situation has not become worse by the time an individual/household can access case managed support.

Some services are trialling the targeting of this response to people who are accommodated temporarily in hotels and rooming houses, for whom private rental is a viable housing option.

- Created a separate prioritisation list for those people for whom private rental is a viable housing option and focussed support on assisting them to access private rental accommodation. There is no capacity within this model to address issues other than the immediate need for private rental accommodation.
- SASHS and Unison have trialled several approaches to queue management – to try to avoid the need for people to queue at the services prior to 9am in the morning, in order to get an appointment.

In addition, services meet regularly in Working Groups to improve the service system's responses.

What are the solutions?



Housing, housing, housing...

The 2018 Victorian Homelessness and Rough Sleeping Action Plan¹⁰ has prompted encouraging service reforms in the provision of services to people who are sleeping rough in Victoria. The Plan offers a clear framework for the provision of services that should be applied to all people experiencing homelessness: intervening early to prevent homelessness, providing stable accommodation as quickly as possible and supporting people to maintain stable accommodation.

The Western Homelessness Networks advocates for this approach to be applied to addressing homelessness more broadly.

Proposed solutions:

Stage 1 – Immediate (Year 1 and 2)

1. Double the allocation of Housing Establishment Fund (HEF) brokerage funding to enable the purchase of safe and appropriate self-contained emergency accommodation as required **for one year**, whilst we await the development of more appropriate options. The Western access point services currently receive \$77,990 per month in HEF.
2. The Homelessness Networks agree on an approved list of private accommodation providers for a range of cohorts and cease using providers that are considered sub-standard.
3. The Victorian Government funds Crisis Accommodation Outreach Support workers at each homelessness access point in northern and western Melbourne (total of 4 FTE and two minivans for the West) to provide assistance aimed at rapidly rehousing people placed in emergency accommodation.
4. The Victorian Government funds four additional Initial Assessment & Planning workers to enable SASHS and Unison to increase their response and in order to establish a fully functioning access point in Melton.
5. The Victorian Government sets social housing growth fund targets/KPIs for people experiencing homelessness.
6. The Victorian Government pilots the allocation of funding for permanent private rental subsidies for those unable to afford to self fund in the private rental market.
7. The Commonwealth and Victorian Governments Increase funding for homelessness case managed support for people experiencing homelessness to enable support to a greater proportion of those presenting for homelessness assistance.

Stage 2 – Intermediate (Commencing immediately, completion within 3- 4 years)

8. The Victorian and Commonwealth Governments, in partnership, construct a variety of secure, self-contained, temporary accommodation options for individuals and families as a safe alternative to existing motels and rooming houses.
9. The Victorian Government makes more 'granny flats' available to members of the public who can house a friend or family member experiencing or at risk of homelessness.
10. Victorian and Local Governments to source available land and reduce planning restrictions to facilitate innovative building options such as installation of granny flats and transportable units.

Stage 3 – Long Term (Commencing immediately, completion within 5 years)

11. In line with the *Everybody's Home campaign*, the Victorian and Commonwealth Governments, in partnership, construct sufficient social housing to enable rapid access to a 'Housing First' model of housing and support that eliminates reliance on private motels and rooming houses for emergency accommodation and enables people to establish stable housing quickly.

¹⁰ Victoria's Homelessness and Rough Sleeping Action Plan, January 2018, pg 11.

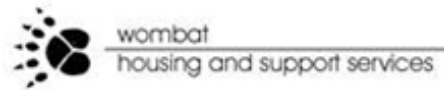
Long term solutions to end homelessness in the West		
Federal	State	Local
Build public housing There are 12,651 households on the Victorian Housing Register awaiting social housing in Melbourne's west ¹¹ . This represents about one third of those waiting for public housing. 129,500 new social housing units are required in Greater Melbourne by 2036. ⁱ		
The Federal Government diverts \$11.2B in negative gearing and capital gains tax concessions. An estimated \$8.6b is required to build the social housing Australia needs.	The Productivity Commission identified that Victoria spends about half of the national average on social housing.	
Re-establish NRAS		
	Inclusionary zoning Requiring that a portion of any new development be allocated to social and/or affordable housing.	
	Create legislation requiring mandatory inclusionary zoning.	Explore opportunities to provide incentives to developers during the planning process to encourage developers' contribution to social and/or affordable housing.
	Vacancy tax and vacancy management Develop/increase taxes on vacant properties. Source vacant properties for flexible use.	
Wraparound services for consumers with complex needs Homelessness causes mental health issues for many people and can lead to substance use to manage the associated trauma. These issues, in turn, create additional complexities. Adequate housing first models with 'wraparound services, are needed to support people whose lives have become particularly chaotic. Some people will require supported long term accommodation for life.		
Prevention strategies: Housing guarantee for young people leaving care 500 young people leave State care in Victoria each year. Research shows that the majority of those people most recurrently homelessness and recurrently incarcerated became homeless before they turned 18 and came from the child protection system. Let's break that cycle!		
Prevention strategies: Mortgage and rental stress responses WestJustice are trialling a mortgage stress assistance service. In the past Access Point services could provide early intervention to assist people in rental stress or at risk of homelessness.		

¹¹ Homelessness Australia advises in the Everybody's Home campaign, that Australia will need 500,00 new social and affordable homes by 2026.

Medium term solutions to homelessness in the West		
Federal	State	Local
Build innovative housing options Housing, such as the Harris Transportables, provides a safe and affordable emergency accommodation that addresses consumers' need for access to their own lockable space with their own facilities ⁱⁱ .		
Transportable housing can be built on VicRoads, VicTrack, Utility company and Government land that is permanently or temporarily available. Source land and ease planning requirements for individuals, government and developers seeking to install temporary accommodation.		
	Granny flats/demountables Housing Victoria currently makes demountables available for older people and young people. Supply of demountables could be significantly increased to be available to anyone who can house a friend or family member without accommodation.	Grants for property modification Provide grants to people living in larger houses (i.e single older women) to temporarily modify them in order to maximise the use of the property. Reduce restrictions on granny flat installation
Social housing growth Victorian Government establishes targets for social housing growth, requiring that Housing Associations target growth to housing for people experiencing homelessness.		Regulation Increase capacity to effectively monitor and register rooming houses
Tax responses <ul style="list-style-type: none"> • Tax incentives (tax offsets for private landlords with investment properties). • Margin free lending? • Need to stimulate property development to increase affordable housing through Inclusion Zoning (property developers need to sell app. 70-80% off the plan before construction) • Currently the Holding Costs for developers in residential properties do not promote Build to Own model (which could be good for affordable housing c.f US and more recently UK). Residential yields are too low (compared with commercial or hotel). 		
Fund additional homelessness support workers At present only approximately 9% of those presenting to the homelessness system receive case managed support. Due to the lack of additional support workers to meet the increasing demands, the average wait-time for a consumer to be allocated a worker is (xx days). In the meantime, the consumer remains on a wait-list and does not receive any form of supports. Many people require support to not only to help them find housing, but also supports to assist them with addressing their multiple complex needs that have impacted on their ability to maintain housing or recover from the experience of homelessness.		Affordable Housing Agreement Utilising the Planning mechanism to negotiate with developers in the voluntary 'provision of affordable housing' under section 173 of the Planning Act.

Short term solutions to homelessness in the West		
Federal	State	Local
Increase Housing Establishment Funding The two access point services in Melbourne's west currently receive \$77,990 in Housing Establishment Funds each year. Both SASHS and Unison spend more than this but still can't assist everyone who presents. A doubling of this funding would enable services to purchase more appropriate emergency accommodation – for a short period of time until the options 'burn out'.		
Fund two additional Initial Assessment & Planning workers per access point This would enable SASHS to establish a fully functioning outpost in Melton and would enable improved responses in the two key access point sites of Sunshine (SASHS) and Seddon (Unison).		
Fund additional homelessness support workers to provide support to consumers in emergency accommodation Increase the resources of homelessness support agencies to provide additional outreach support responses to people in emergency accommodation such as hotels and rooming houses.		

Membership of the Western Homelessness Network:

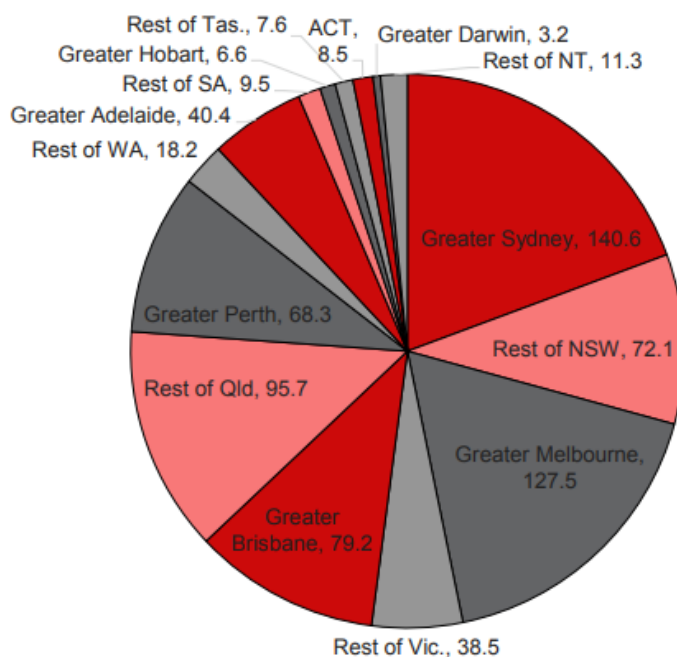


1. AHURI, (2019), *Executive Summary: Social housing as infrastructure: rationale, prioritisation and investment pathway*

AHURI analysed the extent and spatial distribution of need for social housing and the cost of its procurement in 88 different land and construction markets across Australia. The results show that over the next 20 years, 727,300 additional social housing dwellings will be required, with current-price procurement costs varying from \$146,000 to \$614,000 per dwelling, depending on local land values, building types and construction costs in different regions. • Even with efficient financing provided by the National Housing Finance and Investment Corporation (NHFIC), there remains a considerable funding gap. We undertook financial modelling to identify the most effective strategy to address this gap, finding that needs based capital investment (NBC) supplemented by efficient financing provides the most cost-effective pathway for Australia. A model with no upfront capital investment, reliant on commercial financing and funded by an operating subsidy is substantially more expensive...

Productive social housing systems use a combination of policy instruments to reduce the cost of land, invest strategic equity and lever efficient long-term financing. Productive social housing systems do not rely solely on demand-side subsidies, which have proved ineffective when rents are deregulated and vacancies low. The use of grants and efficient financing not only reduces long-term costs to government, but also reduces pressure on service charges and related assistance in other policy areas.

Figure 1: Location and number of social housing units needed to 2036



Note: All figures are in '000s.

Source: Lawson, Pawson et al. (2018).

AHURI modelling reveals that an NBC investment strategy is substantially more cost effective in the short and long term than a commercially financed model that is reliant on an operating subsidy to ensure affordable social tenancies. Indeed, privately financed and Greater Sydney, 140.6 Rest of NSW, 72.1 Greater Melbourne, 127.5 Rest of Vic., 38.5 Greater Brisbane, 79.2 Rest of Qld, 95.7 Greater Perth, 68.3 Rest of WA, 18.2 Greater Adelaide, 40.4 Rest of SA, 9.5 Greater Hobart, 6.6 Rest of Tas., 7.6 ACT, 8.5 Greater Darwin, 3.2 Rest of NT, 11.3 AHURI Final Report No. 315 5 subsidised strategies are 24 per cent more expensive in the first year alone, and these costs accumulate with each new tranche of privately financed dwellings



In early 2019, six tenants with a chronic experience of homelessness moved into the first six homes of the life-changing Harris Transportable Housing Project in Melbourne's inner west.

The project is a partnership between Launch Housing and philanthropists Geoff and Brad Harris, of **Harris Capital**, with funding from the **Victorian Property Fund**.

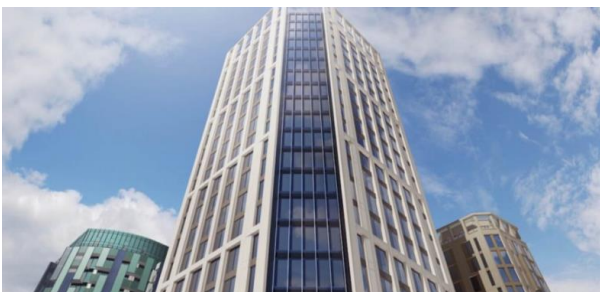
The project is using nine parcels of vacant **VicRoads** land in Footscray and Maidstone to create 57 tiny homes for people with a chronic experience of homelessness.

At a time when 116,000 people experience homelessness on any given night (up 14% from 2011 to 2016), this project demonstrates how unused government land can be repurposed to create safe, stable homes for people who urgently need them.

Pre fabricated hotels



Developed for music festivals and sporting events, the temporary and transportable **Snoozebox Hotel** has popped up across Europe. Stackable and available in multiple configurations with anywhere from 40-400 rooms, the hotel can be rendered fully operational in just 48 hours. Each of the two to four rooms per shipping container offers air conditioning, a flat-screen TV and WiFi. <https://www.complex.com/style/2012/07/10-amazing-prefab-hotels/4-snoozebox-portable-hotel>



Developed by **Tide Construction and Vision Modular Systems**, the Apex House comprises 679 modules with over 580 rooms that'll be ready for students to move into this fall. The modules were **prefabricated** in Tide Construction and Vision Modular Systems' factory 60 miles away in Bedford with all the furniture, windows, electric wiring, and plumbing installed before they were transported to the site. The modules were stacked to a height of 90 meters in just 13 weeks. <https://inhabitat.com/europes-tallest-modular-tower-snaps-together-in-north-london/>