



shelterwa

Pre-Budget Submission 2023-24



Everyone has a right to a place to call **home**

Acknowledgement of Country

Shelter WA acknowledges the Traditional Custodians of Country and their ongoing connection to land, waters and community. We pay our respects to all Aboriginal and Torres Strait Islander peoples and to Elders past and present. We support the Uluru Statement from the Heart and recognise and accept your invitation to walk with you towards a movement of the Australian people for a better future.



SNAPSHOT

Shelter WA acknowledges in writing this budget submission:



18,975 households (33,535 people), including **4,257 priority applicants** (8,685 people) on the **social housing waitlist**¹

(at September 2022)

That's **three times** the size of Perth Arena



2 out of 3 requests for accommodation are **not met**²



Aboriginal-led services receive just **1 per cent of funding** despite Aboriginal and Torres Strait Islander peoples accounting for up to 51 per cent of homelessness clients³ (at 2020)



Unmet need of **39,200 social** and **19,300 affordable homes** across WA. If we continue on the same trajectory, it has been estimated that by 2036 WA will have a shortage of 86,400 social homes and 32,000 affordable homes⁴



Young people make up **21 per cent** of the **homeless population** in Australia despite just 12 per cent of total population⁵



Youth homelessness costs **\$17,868 per person per year** in health and justice services⁶

¹ Extract from Hansard (Tuesday, 11 October 2022) *Public housing – waitlist*. [https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/a2b2e0ef9f2e54a4482588db001ef388/\\$FILE/C41+S1+20221011+p4356d-4356d.pdf](https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/a2b2e0ef9f2e54a4482588db001ef388/$FILE/C41+S1+20221011+p4356d-4356d.pdf)

² Australian Institute of Health and Welfare (AIHW) (2022) *Specialist homelessness services 2020–2021: Western Australia*. https://www.aihw.gov.au/getmedia/33af63f7-dbc3-4844-8b00-c13b9c3f6004/WA_factsheet.pdf.aspx

³ Flatau, Lester Callis and Kyron (2022) *The funding of Western Australian homelessness services*. CSI, UWA.

⁴ UNSW City Futures Research Centre (2019) *Estimating the need and costs of social and affordable housing delivery*. https://cityfutures.be.unsw.edu.au/documents/522/Modelling_costs_of_housing_provision_FINAL.pdf

⁵ AIHW (2021) *Australia's youth: homelessness and overcrowding*. <https://www.aihw.gov.au/reports/children-youth/homelessness-and-overcrowding>

⁶ Mackenzie et al (2016) *The cost of youth homelessness in Australia: research briefing*, p. 2, available at: https://www.researchgate.net/publication/322065606_THE_COST_OF_YOUTH_HOMELESSNESS_IN_AUSTRALIA_RESEARCH_BRIEFING

FOREWORD



Message from the Chair

I have been privileged to be the Chair of the Shelter WA Board since 2019. As an architect my professional career has been focussed on housing – from briefing, strategy, through to delivery in metropolitan, regional and remote locations. In 25 years in practice, it remains abundantly clear that the provision of safe, secure, and sustainable housing remains one of our most critical challenges.

A good home provides the foundation that allows people to thrive, to live full lives, to work meaningfully and be connected to their families and broader networks. Housing in this sense is our most critical infrastructure and our most fundamental enabling resource. We are well positioned as a state of abundant resources, capable people, and resilient communities to seize this opportunity.

I am encouraged by this government's strong focus on social and affordable housing, and its substantial and much needed initiatives announced in the last budget. These initiatives are supported by a committed, pragmatic and delivery focussed Minister who is willing to drive government and industry collaboration. This is a shared and urgent endeavour, critical to our future prosperity. Now is the time to unlock the opportunities of our state to create an effective housing system for all.

Kieran Wong
Shelter WA Chair



Message from the CEO

I'm proud to deliver my first Pre-Budget Submission as the new CEO of Shelter WA. It includes a package of initiatives that build on current government strategies and harness the strengths of the community housing sector as a delivery partner. It also offers pragmatic and life-changing energy efficiency initiatives, urgent interim measures to stem the flow of homelessness, especially for young people and renters, and proposes a significant boost in funding to build capacity and promote self-determination in Aboriginal community-controlled organisations (ACCOs).

In working on our submission, it's worth reminding ourselves there are just seven budget cycles left until 2030 – the year we will need to have halved our carbon emissions to meet our Paris commitments, and the year the *WA Housing Strategy 2020-2030* and *All Paths Lead to Home: Western Australia's 10-Year Strategy on Homelessness 2020-2030* conclude. In a state as prosperous as ours, we have the opportunity to plan now and ensure the 2023-24 Budget reflects this timeline and the urgency of the task before us in these areas.

Kath Snell
Shelter WA CEO

FOREWORD

About Shelter WA

Shelter WA is the independent peak body in Western Australia that advocates for social and affordable housing and ending homelessness. Established in 1980 we bring together a strong coalition of organisations and individuals committed to diverse and affordable housing choice for all. Shelter WA drives change by facilitating collaboration amongst those who have an impact on housing, while providing evidence-based policy, advice, engagement, representation, and strong advocacy for an effective housing system. Our vision is a society where everyone in Western Australia has a safe, secure, healthy, and an affordable place to call home, regardless of their life circumstances.

Our Members and Sector

As a member-based organisation, our strength is in deeply understanding the key housing and homelessness issues facing our members and partners and crafting evidence-based solutions including training to support the capacity and the capability of the homelessness sector and Community Housing Organisations (CHO). With 140 members, Shelter WA is committed to supporting our members to drive our vision and to deliver positive housing outcomes for people across WA. Our members form a strong, and collective voice ensuring that everybody has a right to a place to call home.



10,000+

Number of staff employed collectively by Shelter WA members



7,000+

Number of social and affordable homes managed collectively by Shelter WA members



4,600+

Number of people provided with specialist homelessness services

OVERVIEW

Shelter WA's Pre-Budget Submission imagines a Western Australia where everyone has a place to call home. Access to safe, secure, affordable housing makes a difference to the prosperity of the whole community, not just those in housing stress. Communities thrive when everyone has a home.

One of WA's greatest challenges is the acute gap in social and affordable housing, yet we are also in one of the best positions in the world to solve it. Western Australians overwhelmingly support initiatives to end homelessness, and our sector has both the experience and commitment in assisting government to deliver on current commitments and introduce new mechanisms to overcome bottlenecks with affordable housing.

Investing in housing and homelessness services now will secure the future growth of our state and enhance the health and prosperity of our communities. We propose this can be achieved through a mix of new, long-term funding mechanisms to provide a stable flow of investment into housing supply into the future, and short-term innovative programs that provide urgent relief in the interim.

To achieve these goals, Shelter WA's Pre-Budget Submission provides recommendations across five priority areas where resources are urgently needed.

These are:

- 1. A focus on prevention, especially for young people, from entering homelessness.** Echoing the consistent recommendations from the sector on the importance of prevention and early intervention and sustaining tenancies we need to stem the flow into homelessness especially from the private rental market and do everything we can to keep people safely housed.
- 2. Unlocking the potential of Community Housing as delivery partners.** Community housing providers work across the housing continuum and are effective partners with the private sector and government to deliver positive social and affordable housing outcomes.
- 3. Investing in Aboriginal-led housing and homelessness services, run by Aboriginal people, for Aboriginal people.** Aboriginal-led organisations provide place-based, locally-led and culturally safe services to Aboriginal people and achieve better results.
- 4. Addressing the crisis in the regions.** The lack of affordable housing is being felt acutely in our regions. Local economies are constrained, and community cohesion is threatened by the lack of accommodation and housing unaffordability.
- 5. Climate change initiatives that also deliver cost of living relief.** Energy efficiency programs are one of the most cost-effective ways to reduce emissions and also improve the health, wellbeing, living standards and cost of living pressures for people living in social housing and private rentals.

Shelter WA's Pre-Budget Submission is our package to help government deliver above and beyond its own strategies and shows ways we can continue to work in partnership to deliver a housing system where everyone can thrive.

SUMMARY OF BUDGET 2023-24

COMMITMENTS SOUGHT

HOUSING

1. Establish a WA Housing Future Fund
2. Establish and invest in a community housing grants program
3. Asset transfers to Aboriginal Community Housing Organisations (ACHOs)
4. Deliver affordable rentals for key workers in the regions
5. Introduce an ancillary studio pilot program
6. Invest in an energy efficiency retrofit program for social housing
7. Introduce an energy efficiency rebate program for lower-income renters

HOMELESSNESS

8. Additional investment in homelessness services to address the indexation gap
9. Develop a funded transition plan and workforce development strategy to accompany the commissioning process
10. New investment into Aboriginal Community Controlled Organisations (ACCOs)
11. Increase Advance to Zero funding to support the expansion of Housing First into the regions
12. New investment for a flexible youth homelessness diversion fund
13. Sustaining at risk tenancies by investment into targeted tenancy support programs
14. Investment into a targeted mental health support program for private renters
15. Investment to deliver two new regional Youth Foyers
16. Reallocate First Home Owner Grant (FHOG) to Housing First programs



FULL SUMMARY OF 2023-24 BUDGET COMMITMENTS SOUGHT

| Initiative | Description | Funding Ask |
|--|--|--|
| Initiative 1 Establish a WA Housing Future Fund | Establish a \$1 billion WA Housing Future Fund to leverage Commonwealth Government investment and deliver a pipeline of new social and affordable housing. | Putting aside \$1 billion of government budget in perpetuity and using the interest and other returns as an ongoing stream of housing funding. |
| Initiative 2 Establish and invest in a community housing grants program | Establish and invest in a community housing grants program, co-designed with the sector, to provide funding certainty and increase the supply of social and affordable housing. | \$200 million over four years. |
| Initiative 3 Asset transfers to Aboriginal Community Housing Organisations | The incremental transfer of 1,000 income generating public housing homes to Aboriginal Community Housing Organisations in Perth metropolitan and regional areas over four years. | Transfer of 1,000 income generating public housing homes. |
| Initiative 4 Deliver affordable rentals for key workers in the regions | Delivery of 2,000 affordable rentals for key workers employed in non-government organisations (NGOs) in the regions over four years. | \$200 million over four years to deliver 2,000 affordable homes. |
| Initiative 5 Introduce an ancillary studio pilot program | A program to deliver 100 prefabricated ancillary studios for eligible households in public housing to provide urgently needed supply and reduce overcrowding. | \$7.5 million over four years for 100 prefabricated ancillary studios. |
| Initiative 6 Invest in an energy efficiency retrofit program for social housing | A state-wide energy efficiency retrofit package for 10,000 social housing properties. | \$200 million over four years to retrofit 10,000 social housing dwellings. |
| Initiative 7 Introduce an energy efficiency rebate program for lower-income renters | Establish and invest in an energy efficiency rebate program for low-income rental properties, including community housing dwellings. | \$150 million over four years for up to 50,000 low-income rental properties. |
| Initiative 8 Additional investment in homelessness services to address the indexation gap | An immediate additional investment of 11.77 per cent in WA Government homelessness service contracts to address the shortfall between indexation and increased delivery costs. | \$9.2 million immediately to WA Government funded homelessness services and \$7.1 million contingency funding for indexation for two years. |

FULL SUMMARY OF 2023-24 BUDGET COMMITMENTS SOUGHT

| Initiative | Description | Funding Ask |
|---|---|--|
| Initiative 9 Develop a funded transition plan and workforce development strategy to accompany the commissioning process | New investment for a Transition Plan and a Workforce Development Strategy to facilitate the Department of Communities (DoC) Homelessness Commissioning process and outcomes. | \$200,000 per year plus additional funding over a number of years to implement the plan and strategy. |
| Initiative 10 New investment into Aboriginal Community Controlled Organisations | Significant new and increased investment into Aboriginal Community Controlled Organisations to enable the provision of culturally competent homelessness service delivery. | \$12.8 million over four years. |
| Initiative 11 Increase Advance to Zero funding to support the expansion of Housing First into the regions | Additional new investment to expand the Zero Project Housing First Coordination for WA and By-Name Lists into four additional regions. | Costs should be calculated in consultation with the sector and representative of need. |
| Initiative 12 New investment for a flexible youth homelessness diversion fund | Continuous new investment into a flexible diversion fund for youth homelessness prevention. | Costs should be calculated in consultation with the sector and representative of need. |
| Initiative 13 Sustaining at risk tenancies by investment into targeted tenancy support programs | Additional new investment to expand and improve tenancy support services for tenants in private, community and public housing. | Costs should be calculated in consultation with the sector and representative of need. |
| Initiative 14 Investment into a targeted mental health support program for private renters | Additional investment into a targeted private rental housing recovery support program for people with diagnosed mental health conditions and people experiencing mental ill-health who are at risk of or experiencing homelessness. | Costs should be calculated in consultation with the sector and representative of need. |
| Initiative 15 Investment to deliver two new regional Youth Foyers | Investment in two new regional Youth Foyers to address the lack of supported housing for young people experiencing or at risk of homelessness in the regions. | Costs should be calculated in consultation with the sector and representative of need. |
| Initiative 16 Reallocate First Home Owner Grant (FHOG) to Housing First programs | Discontinuation of the First Home Owners Grant (FHOG) and reallocation of remaining funding to new housing that supports Housing First Homelessness initiatives. | The Budget 2022-23 forecast the following to the FHOG: 2023-24 \$51.355m 2024-25 \$72.964m 2025-26 \$83.62m |

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 1

Establish a WA Housing Future Fund

Commitment sought

Establish a \$1 billion WA Housing Future Fund to leverage Commonwealth Government investment and deliver a pipeline of new social and affordable housing.

Current need

It's estimated there is a current unmet need of 39,200 social and 19,300 affordable homes across WA. If we continue on the same trajectory, by 2036 we will have a shortage of 86,400 social homes and 32,000 affordable homes.⁷

There is no current long-term funding mechanism for social and affordable housing in WA.

The Commonwealth Government has recently announced a Housing Australia Future Fund (HAFF) which states will be required to co-contribute to, and this proposal would provide a concrete mechanism to leverage this funding.

Details

The proposed WA model would set aside \$1 billion of the state's budget in perpetuity, with annual returns on the fund forming a long-term and ongoing funding pipeline for new social and affordable housing supply. The returns would be allocated annually as capital grants to the community housing sector, who can leverage additional Commonwealth funds and crowd-in private investment to increase the supply of social and affordable dwellings. The capital grants would not be designed to fund the full cost of projects, but to contribute to addressing the funding gap required to make social and affordable housing developments feasible. Research by the Australian Housing and Urban Research Institute (AHURI) has demonstrated that direct capital allocations are the most cost-effective mechanism for addressing the funding gap for social and affordable housing projects.⁸

Victoria and Queensland already have similar funds in operation. The Queensland Government's Housing Investment Fund was recently doubled to \$2 billion. The returns from this fund are providing \$130 million per year towards grants, subsidies, and other supports for the development of new social, affordable and transitional housing. The Victorian Government established a Social Housing Growth Fund using \$1 billion of seed capital, with an additional \$1.38 billion added in 2020 as part of their Big Housing Build program. The Victorian fund is jointly administered by the Minister for Housing and the Treasurer.

Cost

The proposed WA model would set aside \$1 billion of the state's budget in perpetuity, with annual returns on the fund forming a long-term and ongoing funding pipeline for new social and affordable housing supply. We emphasise the initial investment is only made once – and would be set aside to earn interest and other returns on investment, and would not affect net debt.

⁷ UNSW City Futures Research Centre (2019) . *Estimating the need and costs of social and affordable housing delivery*. https://cityfutures.be.unsw.edu.au/documents/522/Modelling_costs_of_housing_provision_FINAL.pdf

⁸ Lawson, J et al (2018) *Social housing as infrastructure: an investment pathway*. AHURI. Final report no. 306. <https://www.ahuri.edu.au/sites/default/files/migration/documents/Social-housing-as-infrastructure-an-investment-pathway-Executive-Summary.pdf>

⁹ Based on economic modelling commissioned by Anglicare WA as part of this policy proposal. Full proposal is available upon request.

BUDGET COMMITMENTS: **HOUSING**

Impact and benefits

Economic modelling of a WA Housing Future Fund, commissioned by Anglicare WA, estimated that the annual returns of the fund could facilitate an increase of 533 new social and affordable dwellings per year, based on current conditions.⁹

Additional benefits of the WA Housing Future Fund include:

- **Release current constraints in the WA economy** that are holding back further growth, particularly in the regions, due to lack of housing supply.
- **Reduce the social housing waiting list** by providing much needed safe, affordable accommodation for people with disabilities, seniors, women escaping domestic violence, and others in need of social and affordable rental housing.
- **Provide much-needed affordable rental accommodation for essential workers** including nurses and frontline healthcare workers, police, and people working in community services, including in the regions.
- **Develop a counter-cyclical activity base in the residential construction industry**, smoothing out construction cycles in the sector through stable provision of social and affordable housing.
- **Provide funding certainty** for the construction industry, community housing organisations, and institutional investors.
- **Facilitate innovation** by directing investment towards new construction materials and methods (such as modular construction), apprenticeship programs, and/or environmental sustainability.
- **Provide new opportunities for attracting or 'crowding-in' private investment** to deliver new social and affordable housing supply.

How will this help government deliver on its commitments

This initiative will assist the government to increase net social and affordable housing supply. In particular, it will progress the commitment to “unlock capacity and build capability of the community housing sector to increase the supply of social housing” in the *WA Housing Strategy 2020-2030*. It will also effectively position WA to leverage Commonwealth Government funding and initiatives, such as the \$10 billion Housing Australia Future Fund, which require a co-contribution from state governments.

Supported by

A detailed proposal for a WA Housing Future Fund has been jointly prepared by Anglicare WA and Shelter WA with associated modelling of potential housing yield. The community housing sector and private industry are also supportive of this proposal as it would provide a long-term funding mechanism that would provide a pipeline of opportunities to partner with government on the delivery of social and affordable housing.

⁹ Based on economic modelling commissioned by Anglicare WA as part of this policy proposal. Full proposal is available upon request.

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 2

Establish and invest in a community housing grants program

Commitment sought

Establish and invest in a community housing grants program, co-designed with the sector, to provide funding certainty and increase the supply of social and affordable housing.

Current need

Researchers have estimated a current unmet need of 39,200 social and 19,300 affordable homes across WA. If we continue on the same trajectory, by 2036 WA will have a shortage of 86,400 social homes and 32,000 affordable homes.¹⁰

Details

A community housing grants program would allocate upfront capital grants to registered community housing organisations to facilitate the construction or spot purchase of new social housing. This program should replicate the highly successful NSW Community Housing Innovation Fund (CHIF) which was co-designed with the community housing sector. The CHIF is a \$150 million program over three years which awards grants between \$500,000 and \$5 million towards projects that increase social housing supply.

The CHIF is a co-contribution model which requires proponents to leverage additional resources (land, equity, capital, debt, philanthropy etc) towards the project. It has been designed to enhance the viability and sustainability of the community housing sector and also actively supports the diversity of community housing organisations in NSW by offering smaller grants and through a simplified, replicable application process.

Cost

\$200 million over four years, with grants between \$500,000 and \$5 million.¹¹ Once the fund is co-designed and operational, additional funds can be added to maintain a pipeline of new supply.

Impact and benefits

Modelling commissioned by Shelter WA recently found that government can save approximately 35 per cent on the full cost of social housing delivery by providing a capital grant to a community housing organisation compared to direct investment. The potential savings are even higher for developments with a mix of social and affordable housing.¹² Similarly, the most recent investment of \$50 million by the NSW Government in 2021 through the CHIF will deliver more than 270 homes at a cost of around \$185,000 per unit of housing, which is approximately 40 per cent of the cost than if it were provided directly by government.

This is largely due to the community housing sector's charitable status making it exempt from income tax, GST, land tax and stamp duty, as well its ability to leverage Commonwealth funding and initiatives and crowd-in private investment. By government working in partnership with the sector, this will allow government funding to meet a greater proportion of unmet need.¹³

¹⁰ UNSW City Futures Research Centre (2019) . *Estimating the need and costs of social and affordable housing delivery*. https://cityfutures.be.unsw.edu.au/documents/522/Modelling_costs_of_housing_provision_FINAL.pdf

¹¹ These figures are similar the NSW CHIF investment.

¹² Unpublished modelling conducted by Paxton Group (2022) on behalf of Shelter WA is available on request.

¹³ Paxton Group (2022) *Community housing sector growth opportunities: collaboration between government and industry to drive supply*. Shelter WA. <https://www.shelterwa.org.au/wp-content/uploads/2022/08/220728-Shelter-WA-Sector-Growth-Opportunities.pdf>

BUDGET COMMITMENTS: **HOUSING**

A co-designed community grants program would have the following additional benefits:

- **Certainty for community housing organisations in developing proposals** and partnering with the government to deliver social and affordable housing.
- **Capacity building and growth opportunities** for the community housing sector.
- **Counter-cyclical investment:** the fund would provide a pipeline of new development for when the construction market cools and help retain skills and labour force.
- **Construction jobs:** an estimated five people are employed for each \$1 million of building activity¹⁴, therefore a \$200 million grant program yielding a co-contribution by community housing organisations of 40 per cent would generate an estimated 1,400 jobs in this important sector.

How will this help government deliver on its commitments

This initiative will assist the government deliver on its commitment in the 2021 budget of \$522 million to deliver 1,900 new social homes from 2022–2023. In particular, it will progress the commitment to “unlock capacity and build capability of the community housing sector to increase the supply of social housing” in the *WA Housing Strategy 2020–2030* and facilitate the position of the WA community housing sector as a social housing delivery partner.

Supported by

This proposal is supported by the community housing sector, the WA housing industry and by the latest evidence. Research conducted by AHURI on funding models concluded upfront capital funding delivered the lowest-cost to government over the long-term. Modelling of investment scenarios demonstrates that capital grants combined with efficient financing is the most cost-effective pathway for government.¹⁵

¹⁴ NSW Government (2022) *Community Housing Innovation Fund (CHIF)*. <https://www.facs.nsw.gov.au/reforms/future-directions/partner-with-the-nsw-government/community-housing-innovation-fund-chif>

¹⁵ Lawson et al (2018) *Social housing as infrastructure: an investment pathway*. AHURI. Final report 306. <https://www.ahuri.edu.au/research/final-reports/306>

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 3

Asset transfers to Aboriginal Community Housing Organisations

Commitment sought

The incremental transfer of 1,000 income generating, public housing homes to Aboriginal Community Housing Organisations in both Perth Metropolitan and regional areas over four years.

Current need

In Australia, Aboriginal and Torres Strait Islander people are ten times more likely to be living in social housing than other Australians.¹⁶ Recent figures also indicate that 25.91 per cent of tenants in the public housing system in WA identified as Aboriginal or Torres Strait Islander, despite making up only 3.3 per cent of the population.¹⁷

It is estimated that only 6.2 per cent of social housing properties (2,711 properties) in WA are owned by Aboriginal organisations.¹⁸ ACHOs in WA also report that asset growth has not been consistent with growth of non-Aboriginal community housing providers.

Details

The WA Government should partner with existing ACHOs in WA to assess capacity and determine a strategy for transition over four years. A transfer program must include investment to increase the organisational capacity of the ACHO sector to manage the additional property portfolio, including training and business development, as well the development of a co-designed and funded agreement with the sector regarding property standards and refurbishment costs prior to transfer.

Cost

Costs will be incurred by the Department of Communities through a loss of rental income for transferred properties. Additional investment will be required to ensure transferred properties meet agreed property standards, including major refurbishment costs being completed prior to transfer.

Impact and benefits

Research demonstrates the importance of Aboriginal-led service delivery for improving outcomes of Aboriginal people in the housing and homelessness system as they are better placed to provide culturally safe and flexible responses.¹⁹ The Department of Communities' *Aboriginal Community Controlled Organisation Strategy 2022-2032: Empowering Aboriginal children, families and communities to choose their own futures from secure and sustained foundations provided by ACCOs* (the WA ACCO Strategy) also highlights that when Aboriginal-led organisations provide place-based, locally-led and culturally safe services to Aboriginal people they achieve better results, employ more Aboriginal people, and are often preferred over mainstream services by Aboriginal people.

¹⁶ 34 per cent of Aboriginal and Torres Strait Islander Australians were living in social housing in 2018-2019 compared to three per cent of all Australian households. AIHW (2021) *Indigenous Housing* (data from 2018-2019). Available at: <https://www.aihw.gov.au/reports/australias-welfare/indigenous-housing>

¹⁷ These figures were recently provided to media by the Department of Communities. See: <https://www.theguardian.com/australia-news/2022/sep/20/aboriginal-man-takes-public-housing-eviction-to-human-rights-commission-alleging-racism>

¹⁸ See: <https://www.closingthegap.gov.au/sites/default/files/2022-08/housing-sector-strengthening-plan.pdf>

¹⁹ For example: Tedmanson et al (2021) *Urban Indigenous homelessness: much more than housing*. AHURI. <https://www.ahuri.edu.au/sites/default/files/documents/2022-08/PES-383-Indigenous-homelessness-in-urban-Australia.pdf>

BUDGET COMMITMENTS: **HOUSING**

Recent modelling undertaken by Sphere Company on behalf of Shelter WA quantifies the significant economic benefits achieved when the management of public housing is transferred to community housing providers. For example, transferring the management of 8,000 public housing properties was predicted to inject between \$797 million and \$879 million of funding from Commonwealth Rent Assistance (CRA) payments into the community housing system over 20 years. Adjusted for the transfer of 1,000 houses, this would mean an additional \$100 million to \$110 million funding from CRA into the ACHO sector. Additional rental revenue from stock transfers would also facilitate further stock growth and provide additional funding for maintenance and upgrades.²⁰

How will this help government deliver on its commitments

This initiative will bring WA closer to desired outcomes under the following commitments:

- The *National Agreement on Closing the Gap* by building the community-controlled sector (Priority Reform 2) and providing Aboriginal and Torres Strait Islander people secure, appropriate, affordable housing that is aligned with priorities and need (Outcome Nine);
- The *Housing Sector Strengthening Plan* (under the *National Agreement on Closing the Gap*) by improving capital infrastructure through building the capability and capacity of ACHOs to provide new housing;
- The WA ACCO Strategy, by increasing government investment for Aboriginal programs and services awarded to ACCOs;
- The WA Government's *Aboriginal Empowerment Strategy 2021-2029*, by significantly increasing the proportion of service delivery by Aboriginal community-controlled organisations to build Aboriginal empowerment;
- *All Paths Lead to Home: Western Australia's 10 Year Strategy on Ending Homelessness 2020-2030* by ensuring that Aboriginal communities and organisations design and deliver services primarily affecting Aboriginal people and by strengthening the role of Aboriginal organisations and communities;
- The *WA Housing Strategy 2020-2030* by building capacity in the Indigenous housing sector to strengthen its ability to respond to Aboriginal people's housing needs.

Supported by

WAACHOs and community housing organisations broadly support this initiative. Other Australian jurisdictions have invested significantly in similar initiatives. In 2016, the Victorian Government started the transfer of approximately 1,500 properties to Aboriginal Housing Victoria.²¹ Similarly, the NSW Government recently transferred management of approximately 1,500 properties to ACHOs²² and the Northern Territory Government has transferred a few hundred properties.

²⁰ See: Shelter WA and the WA Alliance to End Homelessness' *Submission to the WA Legislative Council's Inquiry into Funding of Homelessness Services*, available at: [https://www.parliament.wa.gov.au/Parliament/commit.nsf/lulnquiryPublicSubmissions/8E67C511068D47DC4825883F00224C1D/\\$file/ef.fah.220429.sub.044.ShelterWA%20and%20WAAEH.pdf](https://www.parliament.wa.gov.au/Parliament/commit.nsf/lulnquiryPublicSubmissions/8E67C511068D47DC4825883F00224C1D/$file/ef.fah.220429.sub.044.ShelterWA%20and%20WAAEH.pdf)

²¹ See: <https://www.premier.vic.gov.au/next-stage-aboriginal-housing-handover-commences>

²² See: <https://www.aho.nsw.gov.au/housing-providers/property-management-transfers>

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 4

Deliver affordable rentals for key workers in the regions

Commitment sought

Delivery of 2000 affordable rentals for key workers employed in non-government organisations in the regions over four years. This could be delivered in partnership with the community housing sector via a mix of spot purchase, adaptive reuse, innovative construction methods (such as modular and prefabricated housing) and, where possible, repurposing existing Government Regional Officers' Housing (GROH) properties.

Current need

The regions are experiencing a critical rental crisis. There is a shortage of rental homes, with extremely low vacancy rates between 0 per cent and 0.5 per cent,²³ which have contributed to significant rent increases. For example, rents have risen by 44 per cent in Busselton, 35 per cent in Kalgoorlie, and 41 per cent in Geraldton over two years.

In this context, key workers are unable to find suitable accommodation, even with moderate to high salaries. Regional NGOs are facing challenges attracting and retaining staff due to a lack of available accommodation, which is impacting their capacity to deliver critical community services, and in some cases has forced the closure of businesses or reduction in trading hours.

Meanwhile, at October 2022 there was an unprecedented national regional job vacancy rate of 93,000 – almost one third of Australia's entire job vacancies currently advertised.²⁴ Further, a newly published major research paper published by the AHURI has provided further evidence that in the regions, there's simply nowhere for incoming workers, and many locals, to stay.²⁵

In addition, the *WA Housing Strategy 2020-2030* acknowledges affordable rental housing is a key gap in the housing continuum and there is a current lack of mechanisms to increase supply.

Details

This initiative will require capital investment in new supply. While the construction of new homes will be challenging in the current market, this program could be established immediately by spot purchasing dwellings, where suitable properties are available, in partnership with the community housing sector who can leverage Commonwealth funds and crowd-in private investment. The resultant properties could be managed by the community housing sector.

This investment could replicate a previous program funded by Royalties for Regions which constructed new supply in the regions over a three-year period.²⁶ Eligible NGOs were asked to submit a Register of Interest (ROI) outlining their organisational requirements and providing evidence of their need for accommodation. The housing was then leased to the NGO at a subsidised rate, similar to the current GROH program. This program could also be expanded to seasonal agricultural workers or employees of essential services run by private businesses, such as childcare centres, as determined by local circumstances.

Where suitable, GROH properties could also be reallocated to NGOs, however it is acknowledged that reallocation to social housing is already being progressed as a priority. The government currently has 5,012 GROH properties across WA for public sector workers, of which 155 have been sitting vacant for more than twelve months and 232 for more than six months.²⁷ Any assessment of their potential use should include consideration for reallocation to non-government key workers.

²³ For example, regional cities such as Albany, Geraldton and Broome have all had vacancy rates below one percent 1% for the last two years SQM Research (2022). According to REIWA, a balanced rental market is characterised by vacancy rates between 2.5 and 3.5 per cent.

²⁴ Regional Australia Institute CEO Liz Ritchie, cited in <https://www.apimagazine.com.au/news/article/regional-rent-crisis-drives-businesses-to-the-brink>

²⁵ Baker, E. et al (2022) The impact of the pandemic on the Australian rental sector. AHURI. Final report no.389. <https://www.ahuri.edu.au/research/final-reports/389>

²⁶ Housing Authority (2011) *Non-Government Organisation Housing*. <https://www.housing.wa.gov.au/investorsandpartners/ngos/Pages/default.aspx>

²⁷ Extract from Hansard (Tuesday, 11 October 2022). *GROH – vacancies*. [https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/a0168124df12c077482588db001f0246/\\$FILE/C41+S1+20221011+p4405b-4407a.pdf](https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/a0168124df12c077482588db001f0246/$FILE/C41+S1+20221011+p4405b-4407a.pdf)

BUDGET COMMITMENTS: **HOUSING**

Cost

\$200 million over four years to deliver 2,000 units. Costings assume a government investment of \$50 million per year at a contribution of between \$80,000 – \$100,000 per dwelling.²⁸

Impact and benefits

Infrastructure Australia and Infrastructure WA have both identified affordable housing as a priority gap in regional WA which is constraining economic growth.²⁹ This proposal will protect and unlock economic growth in the regions by enabling regional investment. It will also protect the sustainability and liveability of regional communities, who rely on local services and businesses to function effectively.

How will this help government deliver on its commitments

A key recommendation of the WA State Infrastructure Strategy, *Foundations for a Stronger Tomorrow: State Infrastructure Strategy* is to respond to the need for affordable and available housing in regional areas, by investigating innovative models for implementation that would provide high-quality regional officer and other key worker housing, while managing the cost to government.³⁰

Supported by

This initiative is supported by a recent AHURI report which recommended the provision of a larger stock of affordable housing available through the social housing sector to alleviate some of the issues around regional rental affordability and supply. The Western Australian Council of Social Service (WACOSS), regional members, Infrastructure WA, Infrastructure Australia, Chambers of Commerce, and CHOs also support this initiative.

²⁸ These figures draw on housing yield modelling conducted by a housing economist for the WA Housing Future Fund proposal, and also assume the dwellings will be delivered in partnership with the community housing sector.

²⁹ See: Infrastructure Australia (2022) *Regional strengths and infrastructure gaps. Regional analysis: Western Australia*. https://www.infrastructureaustralia.gov.au/sites/default/files/2022-03/9_RSIG_Regional%20Analysis_WA.pdf

³⁰ Infrastructure WA (2022) *Foundations for a stronger tomorrow: state infrastructure strategy*. https://www.infrastructure.wa.gov.au/sites/default/files/2022-07/strategy_download/2022%20Final%20SIS.pdf. See recommendation 74

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 5

Introduce an ancillary studio pilot program

Commitment sought

A program to deliver 100 prefabricated ancillary studios for eligible households in public housing to provide urgently needed supply and reduce overcrowding. This innovative program would unlock the potential of prefabrication and flat-pack construction with priority given to families living in overcrowded homes or with vulnerable seniors or adults with disability who have suitable backyard space.

Current need

In 2021, there were approximately 1,466 social housing properties considered to be overcrowded in WA.³¹ Young people and Aboriginal households are more likely to be living in overcrowded dwellings.

Overcrowding can result in acute health and mental health issues, stress and family conflict, tenancy sustainment issues which place families at risk of homelessness.

The delivery of new housing is currently constrained by many factors, including material and labour shortages, leading to extensive build times and inflated or prohibitive costs. Given the extensive social housing waitlist, there is a need and opportunity to maximise existing social housing assets and reduce the need for tenant relocations.

Details

This program would complement the success of the government's \$80 million Modular Build Program introduced in 2021-22, by pairing the untapped potential of fast-build, high-quality prefabricated and flat-pack housing with the underutilised spaces in backyards to provide a rapid solution to an urgent problem. Consultation with offsite construction manufacturers indicated that 3-4 small, flat-pack studios could be produced per week before installation and fit out. Modern methods of construction, such as prefabrication, require less labour than traditional methods and they therefore have greater capacity to deliver in the current heated construction market.

Many existing public housing assets are on larger suburban or regional lots that could accommodate a small backyard studio to provide a high-quality, safe and stable home for someone within the family network who may otherwise be at risk of homelessness.

The program can draw on the successful *Kids Under Cover* program³² which provides secure and stable accommodation for young people at risk of homelessness. Currently operating in Victoria and South Australia, the program provides high-quality, energy efficient one- and two-bedroom studios with a bathroom, in the backyards of a family or carer's home. The extra room relieves overcrowding, eases tension and provides young people with a secure and stable environment. The studio remains in place for as long as it's required – but are designed so they can be relocated at a later date if no longer required – thereby creating a flexible housing asset for the government in the long-term.

The program also provides young people residing in the studios and their siblings in the main home with new scholarships for education or jobs, helping to break the cycle of poverty and disadvantage. To date, *Kids Under Cover* has supported over 3,200 young people, delivering 628 studios on the ground, and awarding 2,203 scholarships.³³

³¹ AIHW (2022) *Housing assistance in Western Australia*, <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/state-and-territory-summary-data>

³² For more details see: <https://www.kuc.org.au/about-us-2/>

³³ For more details see: <https://www.kuc.org.au/>

BUDGET COMMITMENTS: **HOUSING**

Shelter WA proposes that this initiative could be replicated in WA and expanded to other cohorts, in co-design with the community services sector, and in collaboration with the prefabricated construction industry to establish a replicable studio design.

The studios would be targeted to households who have a demonstrated need for additional space for a member of their family or family network. Eligible households could include:

- Families with a young person at risk of homelessness due to overcrowding or complex household environment;
- Those accommodating multiple families or fostering of extended family;
- Those with care requirements for a senior family member unable to be met in an existing family household; and
- Those with care requirements for an adult family member with disability.

Cost

The program would cost \$7.5 million over four years to establish a delivery model and install an initial 100 prefabricated ancillary studios on public housing properties. Our costings assume studios can be installed for approximately \$75,000 per unit.

The program could be co-funded by partnering with a philanthropic organisation, such as *Kids Under Cover* (operating in Victoria and South Australia) or other philanthropic funders.

Impact and benefits

Analysis by the *Kids Under Cover* program found the cost to provide and maintain each studio is about \$10,000 per young person, per annum whereas the cost of supporting young people in the justice or residential housing systems can reach almost \$228,000 per year. The *Kids Under Cover* program also estimated that for every dollar invested, \$4.17 is returned in social value.³⁴

How will this help government deliver on its commitments

This initiative will assist the government to deliver on its commitment in the 2021 budget of \$522 million to deliver 1,900 new social homes from 2022-2023. In particular, it will progress the commitment to “Sustain and grow the social housing safety net” in the *WA Housing Strategy 2020-2030* and assist WA to meet its obligations under target 9a of *The National Agreement on Closing the Gap* to increase the proportion of Aboriginal and Torres Strait Islander people living in appropriately sized (not overcrowded) housing to 88 per cent by 2031.

It will also help the government deliver on the priority actions of the *At Risk Youth Strategy 2022-2027* including under Focus Area Two: “Develop and implement targeted, culturally and trauma-informed responses to meet the priority needs of at risk young people, including diversion from the youth justice system, homelessness, family safety concerns, and support to transition from care to independent adulthood”.

Supported by

Models to increase housing supply are supported by the broader community services sector. There are multiple ancillary dwelling grant schemes currently in place in other jurisdictions such as the Tasmanian Ancillary Dwelling Grants Program³⁵ and affordable housing start-up company PennyGranny offers prefabricated portable homes for hire from \$230 a week in Queensland, NSW and Victoria.³⁶

³⁴ EY (2017) *Kids Under Cover. Social return on investment: executive summary*. <https://www.kuc.org.au/wp-content/uploads/2017/09/Kids-Under-Cover-SROI-Executive-Summary.pdf>

³⁵ Tasmanian Government (2022) *Ancillary Dwelling Grants Program*. https://www.stategrowth.tas.gov.au/grants_and_funding_opportunities/grants/ancillary_dwelling_grants_program

³⁶ See: <https://pennygranny.com.au/>

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 6

Invest in an energy efficiency retrofit program for social housing

Commitment sought

A state-wide energy efficiency retrofit package for 10,000 social housing properties over four years, prioritising remote communities and regions where climate conditions are most extreme, and where housing is often inefficient and uncomfortable to live in. We recommend adding energy and water efficiency audits to the existing Building Condition Assessment program, and retrofitting assessed dwellings to reduce emissions and create healthy and affordable homes for tenants.

Current need

The impacts of climate change are already being felt with prolonged heat waves and an increase in extreme weather, and it's just going to get hotter.³⁷ Currently, no heating or cooling is provided for tenants living in public housing, even in the north of the state which experiences prolonged and extreme heat. AHURI research has found that regional and remote Aboriginal housing is currently *unable* to provide a healthy environment for tenants and significant investment is needed to protect tenants now and into the future as the climate changes.³⁸

There is an urgent need to future proof WA's social housing stock, and to provide comfortable, climate appropriate homes for the 78,000 people living in social housing in WA. Currently, much of it is ageing, inefficient, and needing repair. Energy efficiency programs also offer one of the lowest-cost and highest impact opportunities to decarbonise government assets and reduce cost of living pressures for lower-income Western Australians.

Details

The WA Government is currently spending \$12.8 million on Building Condition Assessments on 10,000 social housing dwellings to identify property maintenance requirements and future proof housing assets, however the first round of assessments did not include energy or water efficiency audits. This is a huge lost opportunity that could be solved overnight and is the first step to delivering a cost-efficient retrofit program.

The retrofit package would include a combination of reverse cycle air conditioners for heating and cooling, heat pumps for more efficient hot water, and insulation and draught sealing for thermal performance. Installation of solar panels (or access to community solar or battery systems), via an expansion of the successful Smart Energy for Social Homes pilot is also proposed.

The Victorian Government's Social Housing Retrofit Program invested \$112 million into heating and cooling upgrades, insulation and heat pump installation, and draught sealing. This program also prioritised properties in locations that experience extreme heat and cold.

Cost

\$200 million over four years to retrofit 10,000 social housing dwellings.³⁹

Energy and water audits could be included within the existing \$12.8 million Building Condition Assessments program and budget. A full retrofit and solar installation package is estimated to cost \$13,700 per dwelling, with regional and remote locations incurring higher costs.

³⁷ For example, Perth is projected to have an average of 66 hot days per year over 35 degrees by 2090 compared to the previous average of 26, and Broome is projected to have 291 days of hot weather compared to the previous average of 56. Department of Water and Environmental Regulation (2021) *Western Australia Climate Projections: summary*. https://www.wa.gov.au/system/files/2022-01/Western_Australian_Climate_Projections_Summary.pdf

³⁸ Lea, T (2021) *Sustainable Indigenous housing in regional and remote Australia*. AHURI Final Report No.368.

³⁹ This figure includes \$137 million, which is the estimated cost of retrofitting 10,000 dwellings in the metropolitan area at an average of \$13,700 per dwelling, with additional investment to accommodate increased costs of delivery in regional and remote WA.

BUDGET COMMITMENTS: **HOUSING**

This package could be co-funded by the Australian government, significantly reducing the total cost and enabling faster rollout.

| Approximate retrofit package estimates Perth metro, per dwelling Note: Costs significantly higher in regional/remote locations | |
|---|-----------|
| Water audit | \$200 * |
| Energy efficiency/thermal performance audit | \$1,200 * |
| 6kw solar installation | \$5,500 |
| Heat pump for hot water | \$3,000 |
| Insulation | \$2,000 |
| Draught dealing | \$1,000 |
| Split system, reverse-cycle air conditioner | \$2,200 |

* Assuming these costs can be absorbed in the existing Building Condition Assessments program and budget.

Impact and benefits

This proposal will reduce carbon emissions while also improving tenant health and reducing the cost of living. This is timely as in the twelve months to September 2022, there was a 7.3 per cent increase in CPI, with increases in food, fuel, and housing costs.⁴⁰ Australian Council of Social Service (ACOSS) estimates that social housing tenants could save at least \$780 – \$1,500 per year on energy costs from a retrofit package.⁴¹ The WA Government estimates solar panels installed as part of the Smart Energy for Social Housing pilot saved tenants up to \$200 in the first six months.⁴² This proposal would also create an estimated 158 full-time jobs per year.⁴³

How will this help government deliver on its commitments

This initiative will assist government meet its commitment to achieve net zero greenhouse gas emissions by committing to a whole-of-government 2030 reduction target of 80 per cent below 2020 levels.⁴⁴ It also aligns with the commitment to “redevelop, refurbish and renew current housing stock” as set out in the *WA Housing Strategy 2020-2030* and will assist the government in meeting Focus Area Two: Design, Action 4 to “lead the market in the delivery of climate and culturally responsive housing”.

The initiative would also compliment the WA Government’s \$13 million Household Energy Efficiency Scheme (HEES) which focuses on education and behaviour change.

Supported by

The WA community housing sector is supportive of measures that reduce the cost of living for tenants and create improved health and wellbeing outcomes. This proposal is based on the National Low-Income Energy Productivity Plan (NLEPP), which is coordinated by ACOSS and backed by 51 peak bodies and welfare, energy and climate organisations across Australia.

⁴⁰ ABS (2022) *Consumer Price Index, Australia* <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁴¹ Estimates based on modelling by Deloitte on behalf of ACOSS. Deloitte (2021) *The economic impacts of the National Low-Income Energy Productivity Program* Retrieved from: https://www.acoss.org.au/wp-content/uploads/2021/10/DAE-ACOSS_Economic_Impacts_of_NLEPP_Final_Report_211005.pdf

⁴² WA State Government (2021) *Public housing solar trial saves tenants hundreds* <https://www.mediastatements.wa.gov.au/Pages/McGowan/2021/09/Public-housing-solar-trial-saves-tenants-hundreds.aspx>

⁴³ Estimates based on modelling by Deloitte on behalf of ACOSS. Deloitte (2021) *The economic impacts of the National Low-Income Energy Productivity Program* Retrieved from: https://www.acoss.org.au/wp-content/uploads/2021/10/DAE-ACOSS_Economic_Impacts_of_NLEPP_Final_Report_211005.pdf

⁴⁴ 33 hours of labour per dwelling x 10,000 dwellings = 330,000 labour hours = 158 jobs per year

⁴⁵ <https://www.mediastatements.wa.gov.au/Pages/McGowan/2022/06/Ambitious-interim-target-set-for-State-Government-emissions.aspx>

BUDGET COMMITMENTS: **HOUSING**

PRIORITY 7

Invest in an energy efficiency rebate program for lower income renters

Commitment sought

Establish and invest in an energy efficiency retrofit rebate program for low-income rental properties, including community housing dwellings.

Current need

The average energy efficiency rating of existing homes in Australia is only 1.7 stars (out of 10) compared to new homes average of 6.1 stars.⁴⁵ Inefficient homes are more expensive to heat and cool and lower-income households are more likely to live in the poorest quality housing. While reform of the *Residential Tenancies Act 1987* is anticipated to include the introduction of mandatory minimum standards for rental properties, there is currently a lack of regulation or incentives for landlords to improve the thermal comfort and performance for tenants.

Low-income households in the rental market are already struggling with the cost of living. In the twelve months to September 2022, there was a 7.3 per cent increase in CPI, with increases in food, fuel, and housing costs⁴⁶, and recent ABS figures show 54 per cent of low-income households are paying more than 30 per cent of income on housing costs in WA.⁴⁷

Details

The proposed program would provide rebates for specific energy efficiency upgrades for eligible low-income rental dwellings. Rebates would be available for:

- Upgrading heating and cooling systems to reverse cycle systems
- Heat pumps for hot water
- Insulation
- Draught sealing
- Solar panels

The program could replicate the Victorian Government's program that offered rebates for heating and cooling upgrades and installation of solar panels. The rebates were targeted at low-income households, with an additional stream specifically for community housing organisations. The Victorian program aimed to assist 250,000 households improve thermal comfort and reduce the cost of utilities.

To be eligible for rebates, rental providers were required to own a rental property that was either:

- Earning \$500 or less in weekly rent, or
- Occupied by renters holding a valid concession card or with a combined household income below \$90,000, or
- Unoccupied with a potential to earn \$500 or less in weekly rent.
- The provider also needed to declare the rental property is not used for holiday accommodation (such as Airbnb).

⁴⁵ COAG Energy Council (2019) Report for *Achieving Low Energy Existing Homes* https://energyministers.gov.au/sites/prod.energycouncil/files/publications/documents/Trajectory%20Addendum%20-%20Report%20for%20Achieving%20Low%20Energy%20Existing%20Homes_1.pdf

⁴⁶ ABS (2022) *Consumer Price Index*, Australia <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁴⁷ ABS (2022) *Housing occupancy and costs* Table 8.1. <https://www.abs.gov.au/statistics/people/housing/housing-occupancy-and-costs/2019-20#data-download>

BUDGET COMMITMENTS: **HOUSING**

Cost

Rebates of \$1,000 to \$3,000 per dwelling for energy efficiency upgrades for up to 50,000 low-income rental properties, including 7,400 community housing dwellings across the state, would cost up to \$150 million over four years.⁴⁸

This package could be co-funded by the Australian government, significantly reducing the total cost to the state government and enabling faster rollout.

Impact and benefits

This proposal will reduce carbon emissions while also improving tenant health and reducing the cost of living. In a similar program in Victoria, community housing tenants saved up to \$890 per year from solar upgrades enabled by rebates of up to \$1,850 per tenancy.⁴⁹ Given current inflation, these rebates would provide much needed cost of living relief for the thousands of low-income households living in rental properties.

How will this help government deliver on its commitments

This initiative will assist the government to meet its commitment to net zero by 2050 as set out in the *Western Australian Climate Change Policy*. It also aligns with Focus Area Two: Design in the *WA Housing Strategy 2020-2030*, which ensures “our communities and homes are designed for now and the future” and assists in achieving Action 4: “Lead the market in the delivery of climate and culturally responsive housing”.

Supported by

Targeting lower-income households for retrofit investment is backed by 51 peak bodies and welfare, energy and climate organisations across Australia and coordinated by ACOSS as part of the National Low Energy Productivity Program (NLEPP). The WA Government could learn from the Victorian Government’s program. In WA, this proposal is supported by the community housing sector and the Make Renting Fair Alliance.

⁴⁸ There are 270,000 private rental households in WA and 7,400 community housing dwellings. Targeting 50,000 households would enable retrofits for households with the lowest 20 per cent incomes in the rental sector

⁴⁹ Solar Victoria (2022) *Solar helping to reduce cost of living pressures* <https://www.solar.vic.gov.au/solar-helping-reduce-cost-living-pressures>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 8

Additional investment in homelessness services to address the indexation gap

Commitment sought

An immediate additional investment of 11.77 per cent in WA Government homelessness service contracts to address the shortfall between indexation and increased delivery costs.

Current need

The Non-Government Human Services Sector (NGHSS) indexation uplifts applicable to service agreements under the *Delivering Community Services in Partnership Policy* are insufficient to cover actual rising costs.⁵⁰ This has resulted in a cumulative funding shortfall of just under twelve per cent. As a result, WA Government funded homelessness services are experiencing financial pressures which are significantly impacting service delivery. A recent report found that less than half (45.2 per cent) of WA's homelessness services were able to meet at least 76 per cent of demand for services.⁵¹ Similarly, research from the Australian Institute of Health and Welfare (AIHW) found that on any given day in WA in 2021, 65 requests for assistance from Specialist Homelessness Services (SHS) were unable to be met.⁵²

Details

Rising costs of living combined with wage increases under legally binding national and state standard setters such as Fair Work Australia have significantly increased the operational costs for homelessness services in WA. The ten-year rollover of SHS contracts with the Department of Communities without reassessment of service delivery costs has prevented these services from renegotiating contracts to be contemporary and "fit for purpose".

While Department of Communities funding agreements with the homelessness sector include indexation intended to recognise rising costs, these indexation rates do not reflect the actual increased costs, resulting in a funding shortfall of approximately 11.77 per cent. This shortfall has led to a reduction in staffing, operating hours, employment of suitably qualified people, cuts in training and development and reduced investment in innovation or research.⁵³

The table below prepared by Community Employers WA (CEWA) reveals the cumulative indexation gap over the past nine years. This table has been adjusted by Shelter WA to account for the recent announcement by the Department of Finance of a one-off increase in the indexation rate for 2022-2023 to 3.53 per cent, using a formula of 50 per cent Consumer Price Index and 50 per cent Wage Price Index.

WA Government Funded Contracts Indexation

| Financial Year | NGHSS Indexation | Formula Used | National Wage Case | Superannuation Guarantee Levy | Differential |
|----------------|------------------|------------------|--------------------|-------------------------------|----------------|
| 2014/15 | 2.65% | 20% CPI, 80% WPI | 3.00% | | -0.35% |
| 2015/16 | 1.90% | 20% CPI, 80% WPI | 2.50% | | -0.60% |
| 2016/17 | 1.60% | 47% CPI, 53% WPI | 2.40% | | -0.80% |
| 2017/18 | 0.83% | 73% CPI, 27% WPI | 3.30% | | -2.47% |
| 2018/19 | 0.83% | 100% CPI | 3.50% | | -2.67% |
| 2019/20 | 1.47% | 20% CPI, 80% WPI | 3.00% | | -1.53% |
| 2020/21 | 1.67% | 20% CPI, 80% WPI | 1.75% | | -0.08% |
| 2021/22 | 1.30% | 20% CPI, 80% WPI | 2.50% | 0.50% | -1.70% |
| 2022/23 | 3.53% | 50% CPI, 50% WPI | 4.60% | 0.50% | -1.57% |
| | | | | TOTAL | -11.77% |

⁵⁰ Rises in services costs reflect rises in wages and costs of living which impacts prices of fuel, rent, costs from suppliers etc. Cost of service delivery has also been impacted by COVID-19 and increased administrative requirements, for example those arising from the Royal Commission in Institutional Responses to Child Sexual Abuse.

⁵¹ Flatau et al (2022) *The Funding of Western Australian Homelessness Services*. <https://doi.org/10.25916/xvt3-5c91> p. 78

⁵² AIHW (2021) *Specialist Homelessness Services: on any given day in Western Australia*. <https://www.aihw.gov.au/getmedia/77031c8a-9e84-4496-994c-817390e352ca/aihw-hou-327-infographic-WA.pdf.aspx>

⁵³ Flatau et al (2022). *The Funding of Western Australian Homelessness Services*, Perth: The University of Western Australia. <https://doi.org/10.25916/xvt3-5c91>; pp. xiii -xvi & ss. 12.1

BUDGET COMMITMENTS: **HOMELESSNESS**

Although the WA Government responded to cost pressures faced by not-for-profit sector contracts with an initial Equal Remuneration Order (ERO) based uplift of 10 per cent over the 2019/20 and 2020/21 financial years, this sum was intended to address historical shortfalls in contracts rather than the current increase in service delivery costs. It also falls well short of estimated wage and CPI pressures.

In light of the recent rollover of WA Government funded homelessness services contracts to 2024, additional investment should also be set aside to ensure adequate indexation for the 2023/24 and 2024/25 financial years.

Cost

We recommend a total up-front additional investment of \$9.2 million as an immediate injection to WA Government funded homelessness services contracts to compensate for the cumulative indexation gap and \$7.1 million contingency funding to increase indexation to four per cent for two years until the commissioning of homelessness services is complete under the *State Commissioning Strategy*.

Recent figures provided by the Department of Communities indicate that there are currently 127 homelessness service contracts funded by the WA Government including grants to 53 organisations, totalling \$78 million in 2022/2023.⁵⁴

As such, an 11.77 per cent funding increase translates to approximately \$9.2 million, and this would be the minimum amount required to compensate for the cumulative gap between the National Wage Case decisions and the NGHSS indexation rate over the past nine years.

Considering the increased cost of living in WA as well as the superannuation guarantee levy until 2025, Shelter WA recommends planning for at least a further four per cent indexation rate for homelessness contracts for the 2023/2024 and 2024/25 financial years. This would require approximately an additional \$7.1 million.

Impact and benefits

If implemented, this funding increase will allow WA Government funded homelessness services to improve workforce capability and training and reverse any service delivery reductions to create a more sustainable and effective homelessness sector. It will help do this by reducing staff turnover and stress levels due to excessive workloads and funding limitations, and by enabling providers to more appropriately plan and resource services. With women comprising 80 per cent of the community services sector workforce, it is particularly important to have a more stable and sustainable workforce.

How will this help government deliver on its commitments

This initiative will drive the priority outcomes of the government's *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030*, in particular Outcome Four: "Strengthening and coordinating our responses and impact".

Supported by

This initiative is broadly supported by the community services sector in WA. WACOSS and CEWA have advocated extensively for a review of indexation rates applicable to community service contracts. A 2022 report on *The Funding of Western Australian Homelessness Services* prepared by the Centre for Social Impact at the University of Western Australia also found a cumulative indexation gap of approximately twelve per cent.⁵⁵

⁵⁴ Source: Department of Communities Homelessness Commissioning Presentation, 17 October 2022.

⁵⁵ Flatau et al (2022). *The Funding of Western Australian Homelessness Services*, ss. 12.1- 14.7. <https://doi.org/10.25916/xvt3-5c91>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 9

Develop a funded transition plan and workforce development strategy to accompany the commissioning process

Commitment sought

New investment for a Transition Plan and a Workforce Development Strategy to facilitate the Department of Communities Homelessness Commissioning Process and outcomes.

Current need

Reform under the commissioning process requires careful transition facilitated by an evidence-based Transition Plan developed in partnership with the homelessness sector. Additionally, the homelessness sector in WA is currently challenged with the attraction, retention and development of an effective workforce capable of meeting the needs of people experiencing or at risk of homelessness. This is particularly true since a strategic shift in focus to Housing First homelessness programs requires a skilled workforce capable of providing intensive, wrap-around support services with lower caseloads.⁵⁴ Support workers in the homelessness sector require a broad variety of skills and training in mental health, alcohol and drugs, trauma informed practice and cultural competency.

Details

The homelessness services commissioning process is due for completion in 2024 and is expected to result in considerable sector reform. Current WA Government funded homelessness service contracts have been rolled over for ten years, during which time the priorities and procedures in the homelessness sector have changed significantly. For example, the introduction of *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030* (the WA Homelessness Strategy) marked a shift to a Housing First approach to homelessness as well as increased attention to building the capacity and self-determination of ACCOs.

A funded transition plan would be capable of guiding change brought about by the commissioning process to ensure that service provision is not impacted while services transition to new contracts. A Transition Plan should be developed once the Department of Communities has a clear idea of what changes are needed to facilitate a flexible and dynamic homelessness service system in WA under newly commissioned contracts. It is important that this work is undertaken through a robust partnership approach incorporating the voices of people with lived experience and the design of the homelessness sector should remain flexible, dynamic and person-centred.

The commissioning process also provides a unique opportunity to develop and implement a Workforce Development Strategy. New contracts resulting from the homelessness commissioning process may introduce revised contractual standards which services and workers will be required to adhere to. The strategy will involve research to identify the needs of the homelessness sector workforce, investigate shortfalls in workforce funding under current contracts, identify what additional funding is needed to ensure workforce capacity and capability actually meets demand and provide a long-term strategy to transition into a dynamic, capable and healthy workforce. The strategy will also identify opportunities for the creation of vocational training and standards with any outputs and outcomes needed to be co-designed with the homelessness sector incorporating the voices of people with lived experience.

⁵⁴ For example, evaluation reports from the 50 Lives, 50 Homes project identify an urgent need to expand case worker availability and capacity to take on new clients. See: Vallesi, et al (2020) *50 Lives, 50 Homes: A Housing First Response to Ending Homelessness in Perth, Third Evaluation Report*, at p. 48; and Wood, et al (2022) *Zero Project: A Housing First Response to Ending Homelessness in Perth. Findings from the 50 Lives, 50 Homes Program. Final Evaluation Report*; at p. 79.

BUDGET COMMITMENTS: **HOMELESSNESS**

Cost

Shelter WA suggests an initial minimum of \$200,000 per year to contract an external consultant to develop a Transition Plan and Workforce Development Strategy in partnership with the sector and implement the work over the years. Investment into a Transition Plan and Workforce Development Strategy should include an initial research project to develop both pieces of work, plus additional funding over a number of years to implement the plan and strategy. Future allocation of resources may be needed to increase workforce funding under WA Government funded homelessness services contracts and for the development of vocational qualifications for support workers in the homelessness sector.

Impact and benefits

A Transition Plan will ensure the homelessness sector can continue to operate at full capacity while services transition to new contracts. A Workforce Development Strategy will provide a researched evidence base to inform the development of the homelessness workforce. It is a crucial first step in ensuring people experiencing or at risk of homelessness benefit from skilled and reliable workers. Attraction and retention rates in the sector will improve accordingly. A consistent and skilled homelessness sector workforce capable of providing wrap-around support will help to reduce re-entry into homelessness or interactions with the health or justice systems with significant cost savings.

How will this help government deliver on its commitments

A Transition Plan will assist the government deliver on its commitments under the *State Commissioning Strategy for Community Services 2022* and the *State Commissioning Strategy Implementation Plan 2022-2024*. Both these initiatives will drive the priority outcomes of the WA Homelessness Strategy, in particular Outcome Four: "Strengthening and coordinating our responses and impact". This strategy itself recognises that "services are currently doing a significant amount with often limited resources and ongoing uncertainty has made it more difficult for services to meet the needs of vulnerable members of the community".⁵⁷

Supported by

There is broad support in the homelessness sector to increase focus on workforce development. The out-of-home care commissioning process under the *State Commissioning Strategy for Community Services 2022* is currently developing a transition plan to facilitate reform in that sector. Additionally, the Victorian Government funded the homelessness sector to develop *The Specialist Homelessness Sector Transition Plan (2018-2022)* and a Workforce Development Strategy to support reform. AHURI is currently engaged in a research project on Building and Retaining an Effective Homelessness Sector Workforce with engagement from Curtin University.⁵⁸

⁵⁷ at p. 48

⁵⁸ See: <https://www.ahuri.edu.au/research-in-progress/Building-and-retaining-an-effective-homelessness-sector-workforce>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 10

New investment into Aboriginal Community Controlled Organisations

Commitment sought

Significant new and increased investment into ACCOs to enable the provision of culturally competent homelessness service delivery, enable self-determination and address the overrepresentation of Aboriginal and/or Torres Strait Islander people experiencing or at risk of homelessness, and to address the underrepresentation of ACCO service providers.

Current need

Until 2020, the allocation of funding for Aboriginal-led services is estimated to be as low as one per cent of the overall budget provision for homelessness services, despite an estimated 51 per cent of people experiencing homelessness being from the Aboriginal community.⁵⁹

Details

Current allocation of homelessness services funding received by ACCOs does not appropriately reflect the severe overrepresentation of Aboriginal and/or Torres Strait Islander people experiencing homelessness. ACCOs have a strong understanding of what works for the Aboriginal community. Moreover, Aboriginal support workers have a deep understanding of the importance of cultural values and protocols and are uniquely placed to overcome barriers and build trust. When case workers are from the community, there is a sense of shared ownership and common goals. This is evidenced by the fact that homelessness services currently delivered by ACCOs have proven to be highly successful.⁶⁰

New investment into ACCOs should be divided into two streams. A primary funding stream should enable ACCOs to expand the provision of housing and homelessness support services for Aboriginal and/or Torres Strait Islander people. A secondary funding stream should be allocated for organisational capacity strengthening, for business development and administrative costs to support growth.

Investment should be flexible, allowing ACCOs to take ownership in the design and delivery of programs and projects, and to purchase assets according to the needs of their communities. Funding levels should be increased for ACCOs already providing homelessness services, and the WA Government should actively engage with ACCOs across the state to build on their existing capacity so that additional ACCOs are able to provide homelessness services and increase the representation of ACCOs overall in WA homelessness service delivery.

Cost

Shelter WA, in consultation with member ACCOs, recommends to at least double current funding levels every year for the next four years. Indicative costings show that this would equate to \$12.8 million over four years, ramping up each year. Assuming funding of all WA Government funded homelessness service contracts currently totals \$78 million and ACCOs currently only receive approximately one per cent of funding, this would require approximately:

- An additional \$800,000 in Year One to bring total funding to \$1.6 million
- An additional \$1.6 million in Year Two to bring total funding to \$3.2 million
- An additional \$3.2 million in Year Three to bring funding to \$6.4 million
- An additional \$6.4 million in Year Four to bring funding to \$12.8 million

⁵⁹ Flatau et al (2022) *The Funding of Western Australian Homelessness Services*. <https://doi.org/10.25916/xvt3-5c91> p. 34

⁶⁰ See for example: Flatau et al (2022) *The Funding of Western Australian Homelessness Services*. <https://doi.org/10.25916/xvt3-5c91> p. 34

BUDGET COMMITMENTS: **HOMELESSNESS**

By Year Four, (not factoring in any increases needed to account indexation as described in Priority Eight) total funding for homelessness services will increase to \$90.8 million, with ACCO funding accounting for \$12.8 million, equivalent to 14 per cent of the total. The distribution of additional funding should be under both streams identified above, in consultation with each ACCO according to need.

Impact and benefits

Additional investment into ACCOs will ensure the provision of culturally-led and culturally safe services capable of promoting self-determination in Aboriginal and/or Torres Strait Islander communities and enhancing the capacity and independence of ACCOs. Additional investment can lead to increased training and capacity building for the workforce. The resounding message from the Department of Communities' *Aboriginal Community Controlled Organisation (ACCO) Strategy 2022-2032: Empowering Aboriginal children, families and communities to choose their own futures from secure and sustained foundations provided by ACCOs* (the ACCO Strategy) is that when Aboriginal people provide place-based, locally-led and culturally safe services to Aboriginal people, the outcomes are better for Aboriginal people, achieve better results, employ more Aboriginal people, and are often preferred over mainstream services by Aboriginal people.

How will this help government deliver on its commitments

This initiative will bring WA closer to desired outcomes under the following commitments:

1. The *National Agreement on Closing the Gap*, by building the community-controlled sector (Priority Reform 2) and providing Aboriginal and/or Torres Strait Islander people secure, appropriate, affordable housing that is aligned with priorities and need (Outcome Nine).
2. The Housing Sector Strengthening Plan under the *National Agreement on Closing the Gap*, by increasing the capability and sustainability of Aboriginal Community Housing Organisations to be able to grow their housing and homelessness service delivery capability.
3. The Department of Communities' ACCO Strategy, by increasing government investment for Aboriginal programs and services awarded to ACCOs.
4. WA Government's *Aboriginal Empowerment Strategy 2021-2029*, by increasing the proportion of service delivery by Aboriginal community-controlled organisations.
5. *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030*, by improving Aboriginal wellbeing in part by ensuring that Aboriginal communities and organisations design and deliver services primarily affecting Aboriginal people.

Supported by

This initiative is supported by key ACCOs currently delivering homelessness services in WA.



BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 11

Increase Advance to Zero funding to support the expansion of Housing First into the regions

Commitment sought

Additional new investment to expand the Zero Project – Housing First Coordination for WA and By-Name Lists into four additional regions.

Current need

The Zero Project and the use of By-Name Lists (BNLs) plays an essential role in ending rough sleeping and chronic homelessness in WA. The Zero Project and BNLs are currently operational across five areas across WA: Metropolitan Perth and Fremantle, Rockingham, Mandurah, Geraldton and Bunbury. Rates of rough sleeping are higher in regional Australia than they are in the Perth metropolitan region.⁶¹ Expansion of these initiatives across the whole state would maximise the potential impact of the project and provide state-wide, real-time data on homelessness capable of feeding innovative, place-based and person-centred solutions.

Details

Any attempt to combat homelessness at the local level must be accompanied by an efficient data collection mechanism.

BNLs are one of the most effective mechanisms for gathering data, in particular on people experiencing homelessness who are street present. There is significant global evidence, including from the USA⁶² and Canada⁶³, revealing the benefits of using BNLs as part of Advance to Zero methodology to reduce and ultimately end homelessness. Advance to Zero methodology is also successfully being used across multiple Australian jurisdictions and is already being used with high success rates in WA to inform and assist the service system in reducing the number of people experiencing homelessness to the point of achieving functional zero.⁶⁴

The BNL enables the Zero Project to collaboratively decide on service responses, to guide and inform the provision of wrap-around support services for individuals.

The expansion of the Zero Project will also provide the key data required to plan and monitor the expansion of Housing First Homelessness Initiatives into further WA regions. The projects could be locally managed by culturally-appropriate organisations following initial training by a centralised support team. Regions should be selected depending on rates of rough sleeping as well as local capacity.

Cost

Costs could be calculated in consultation with local service providers in selected regions, using the current estimated costs for the Zero Project in regions where it is already operational. Adjustments should be made according to the specific needs of the regions, taking into account local workforce capacity and needs as well as logistical considerations related to the size and accessibility of the geographic area.

⁶¹ Flatau et al (2002) *Ending Homelessness in Western Australia 2022*, <https://www.shelterwa.org.au/wp-content/uploads/2022/08/WAAEH-Ending-Homelessness-in-WA-Report-Revised.pdf>, p. 16. See also: ABS (2018) *Census of Population and Housing: Estimating Homelessness*, <https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/2016#data-download>

⁶² Built for Zero Initiative (USA): <https://community.solutions/built-for-zero/functional-zero/>

⁶³ Built for Zero Initiative (Canada): <https://bfzcanada.ca/community-progress/>

⁶⁴ See for example: evaluation reports from the 50 Lives, 50 Homes project: Vallesi, et al (2020) *50 Lives, 50 Homes: A Housing First Response to Ending Homelessness in Perth, Third Evaluation Report*; and Wood, et al (2022) *Zero Project: A Housing First Response to Ending Homelessness in Perth. Findings from the 50 Lives, 50 Homes Program. Final Evaluation Report*.

BUDGET COMMITMENTS: **HOMELESSNESS**

Impact and benefits

The expansion of the Zero Project and the adoption of BNLs in four more regions will provide essential data to better understand risk factors driving homelessness and help provide targeted and coordinated responses for specific individuals. Additional jobs may be created in each of the four regions for the management and delivery of the project and training opportunities may arise for Advance to Zero methodology training.

How will this help government deliver on its commitments

This initiative will help the Government deliver on its commitments under the *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030* by improving data collection and advancing three of the Strategy's five key priorities: embedding a Housing First approach, supporting place-based responses and ending rough sleeping. The Strategy and affiliated *Action Plan 2020-2025* expressly focus on ending rough sleeping as an initial priority for the WA Government.

Supported by

The WA Alliance to End Homelessness strongly advocates for the use of Advance to Zero methodology and expansion across all of WA. Regional homelessness service providers have also requested the establishment of BNLs to assist with monitoring changes in homelessness and planning person-centred and placed based responses for people experiencing homelessness.



BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 12

New investment for a flexible youth homelessness diversion fund

Commitment sought

Continuous new investment into a flexible diversion fund for youth homelessness prevention.

Current need

Young people currently make up around 21 per cent of the homelessness population in WA, despite those aged 15-24 years only making up 12.6 per cent of the overall population.⁶⁵ Furthermore, homelessness experienced in youth is a significant predictor of repeated, longer durations of homelessness throughout adult life.⁶⁶

Details

The diversion fund is a flexible pool of money that can be drawn upon by support workers in consultation with young people experiencing housing instability and at risk of homelessness. Funds could be used for any reasonably necessary costs required to secure permanent housing, including securing ID cards, filling out job applications, paying rent arrears/utility bills/bonds to prevent eviction or to access housing, interim accommodation while waiting for a permanent accommodation option to become available and more.

The fund is intended to prevent entry into homelessness or immediately minimise the amount of time spent in homelessness. The service would be rapid and low-barrier with responses being person-centred to empower young people to make their own decisions, with funds released within 48 hours of application. Support workers from homelessness services, the health sector, justice sector or anyone who has contact with youth at risk of homelessness would be able to request funds. One or more central administrators would manage the fund and process applications. Eligibility criteria and access for the diversion fund should be developed in close consultation with the homelessness sector in WA and young people with lived experience, with specific consideration of the needs of Aboriginal and/or Torres Strait Islander youth.

The initiative could be modelled on the Centralised Diversion Fund (CDF) operated by *A Way Home* (Washington State, USA).⁶⁷ With approximately USD\$800,000 per year, the CDF assisted 328 households at an average cost of USD\$1,973 per household⁶⁸ with the top three fund requests being for housing bonds, one-time rental assistance for arrears or rental application fees. 96 per cent of young people assisted did not return to homelessness within three months, and 92 per cent were successfully diverted from homelessness.⁶⁹ Importantly, if this initiative is successful, similar initiatives could be created for additional cohorts, including women and children escaping domestic violence or Aboriginal and/or Torres Strait Islander families.

Cost

Costs should be calculated in consultation with providers of youth homelessness services based on the average costs of current brokerage or homelessness prevention intervention assistance. For example, a minimum of \$1,000,000 per year would assist 500 households each year at an average cost of \$2,000 per household. Additional funding should also be reserved for program administration, monitoring and reporting costs over the outyears.

⁶⁵ Youth Affairs Council of WA and WA Alliance to End Homelessness (2019) *The Youth Homelessness Action Plan*, p. 3, available at: <https://www.yacwa.org.au/research/the-youth-homelessness-action-plan/>

⁶⁶ Flatau et al (2022). *The Funding of Western Australian Homelessness Services*, p. xv and Recommendation 6. Available at: <https://doi.org/10.25916/xvt3-5c91>

⁶⁷ See: <https://awayhomewa.org/category/centralized-diversion-fund/>

⁶⁸ A Way Home Washington (2021). *Youth and Young Adult Homelessness Prevention & Diversion Fund Dashboard*, available at: <https://aciresourcehub.awayhomewa.org/cdf-public-dashboard>

⁶⁹ Harding Chao et al (2021). *The A Way Home Washington Centralized Diversion Fund: Using flexible funds to prevent and end youth and young adult homelessness in Washington State*, p. 6, available at: <https://awayhomewa.org/category/centralized-diversion-fund/>

BUDGET COMMITMENTS: **HOMELESSNESS**

Impact and benefits

Rapid intervention, low-barrier diversion funds would result in young people spending less time in homelessness, which has evident social benefits as well as significant cost benefits.

A 2016 study on *The Costs of Youth Homelessness in Australia* found that youth homelessness cost an average of \$17,868 per person per year in identifiable health and justice services. This was \$14,986 more than young people experiencing long-term unemployment.⁷⁰ In Washington State (USA), housing young people through a similar diversion fund cost \$1,356 per person compared to \$2,423 per person for an emergency shelter and \$8,649 per person for rapid re-housing. In the Washington Program, 96 per cent of young people housed through the diversion fund did not return to homelessness within three months.

This initiative could also leverage additional philanthropic investment to contribute to the diversion fund. Philanthropic diversion funds are currently in operation in other Australian states.⁷¹

How will this help government deliver on its commitments

This initiative will assist the WA Government meet its commitments under the *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030*, in particular high-level Outcome Three, "preventing homelessness". This outcome specifically requires that young people at risk of homelessness are identified early and supported.

Supported by

This initiative is modelled on a successful centralised diversion fund operating in four counties in Washington State, USA (with a combined population of 1.76 million, and therefore roughly comparable to Western Australia).⁷² The initiative is also supported by the Youth Affairs Council of WA and the WA Alliance to End Homelessness.

⁷⁰ Mackenzie et al (2016), *The cost of youth homelessness in Australia: research briefing*, p. 2, available at: https://www.researchgate.net/publication/322065606_THE_COST_OF_YOUTH_HOMELESSNESS_IN_AUSTRALIA_RESEARCH_BRIEFING

⁷¹ See for example: <https://foundationbarossa.org.au/homburg-homelessness-prevention-fund/>

⁷² See: <https://awayhomewa.org/category/centralized-diversion-fund/>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 13

Sustaining at risk tenancies by investment into targeted tenancy support programs

Commitment sought

Additional new investment to expand and improve tenancy support services for tenants in private, community and public housing.

Current need

WA's current private rental market has seen rental prices increase on average 27 per cent in Perth and by over 60 per cent in some parts of regional WA between October 2020 and October 2022.⁷³ High costs of living and rising inflation have seen the CPI rise by 7.3 per cent in the past year, the highest level of annual inflation since 1990.⁷⁴ These unprecedented conditions have created an increased need for tenancy support services, and "financial difficulties" are one of the top three reasons people sought assistance from SHSs in WA.⁷⁵

Underfunded and over capacity of existing tenancy support services has resulted in tenants being unable to access services in a timely manner, leaving them vulnerable to eviction and homelessness.⁷⁶ Moreover, services are not sufficiently resourced to support the tenancy needs of particular cohorts, including people who experience disability with the majority not eligible for National Disability Insurance Scheme (NDIS) services and reliant on mainstream tenancy support services provided by the Department of Communities.

A lack of early intervention has also been found to be a contributing factor to evictions from public housing.⁷⁷

Details

Adequately resourced, person-centred tenancy sustainment programs in both private and social housing that are designed to meet the needs of particular population groups are effective in preventing homelessness and enhancing the ongoing engagement of individuals and families with support services.⁷⁸

Additional investment into tenancy sustainment services is needed and should be provided to expand service delivery in accordance with need, provide additional flexible homelessness prevention brokerage funding, and increased support and training for staff, including tenancy support workers, housing officers and property managers.⁷⁹

In considering any investment in tenancy support programs, Shelter WA recommends the following four principles:

1. A No Wrong Door approach enabling access to multiple services with just one request;
2. Accessibility of services including availability of resources in a variety of formats and languages;

⁷³ SQM Research (2022) *Weekly rents*. <https://sqmresearch.com.au/weekly-rents.php>

⁷⁴ ABS (2022), Consumer Price Index Australia, available at: <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

⁷⁵ Australian Institute of Health and Welfare, Specialist Homelessness Service 2020-2021: Western Australia Factsheet, available at https://www.aihw.gov.au/getmedia/33af63f7-dbc3-4844-8b00-c13b9c3f6004/WA_factsheet.pdf.aspx

⁷⁶ Flatau et al (2022), *The Funding of Homelessness Services in Western Australia*, <https://doi.org/10.25916/xvt3-5c91>

⁷⁷ WA Auditor General (2018), Report on *Managing disruptive behaviour in public housing*, https://audit.wa.gov.au/wp-content/uploads/2018/12/report2018_12-DisruptiveBehaviour.pdf

⁷⁸ See for example: Moskos et al (2022), *What works to sustain Indigenous Tenancies in Australia*, available at: <https://www.ahuri.edu.au/research/final-reports/374>; AND Productivity Commission (2019), *Vulnerable Private Renters: Evidence and options*, <https://www.pc.gov.au/research/completed/renters>; AND Green et al (2022), *Tackling Tenancy Insecurity in the Private Rented Sector*, https://assets-global.website-files.com/59f07e67422cdf0001904c14/626bb415605bc8645523cc37_CHI.Tackling-tenancy-insecurity.pdf

⁷⁹ For example, the Auditor General's investigation into tenancy support in public housing noted a very low-level of training in disruptive behaviour management and there were inadequate pathways for linking tenants to mental health supports.

WA Auditor General (2018), Report on *Managing disruptive behaviour in public housing*, https://audit.wa.gov.au/wp-content/uploads/2018/12/report2018_12-DisruptiveBehaviour.pdf

BUDGET COMMITMENTS: **HOMELESSNESS**

3. Where possible, separation of landlord and tenancy support worker roles to ensure trust; and
4. Co-design to ensure diverse voices can inform the design of the services they use.

Additionally, for public housing and community housing tenants, existing tenancy support services should be reviewed and expanded to ensure that all new tenants are offered an initial period of voluntary engagement to identify possible tenancy needs with the duration of support dependent on the individual needs of the tenant. Tenants should be able to access additional support throughout their tenancy as they identify need, rather than support being offered following a negative report or breach.⁸⁰

For private renters, additional investment into tenancy support programs is required to meet growing need. Resourcing must allow for prompt responses to time critical tenancy situations. People currently in boarding and lodging houses should also be eligible for these tenancy support and sustainment services.

Cost

Costs to expand and improve tenancy support programs should be calculated based on current need, in consultation with existing service providers. Costs should include homelessness prevention brokerage funding that can be accessed by tenancy support services, and support and training for staff.

Impact and benefits

When adequately resourced, tenancy support programs can prevent vulnerable low-income tenants being evicted and entering homelessness, reducing pressure on homelessness services while also assisting to maintain tenants' connections to local education, health and other support services.

There are numerous studies indicating the cost impacts of homelessness on the health and justice systems in particular. For example, a 2016 study found significant government health care cost savings arise from the provision of public housing and support for formerly homeless people, totalling approximately \$4,846 per person, per year.⁸¹

How will this help government deliver on its commitments

A focus on supporting at risk tenancies and implementing a No Wrong Door approach are central to the *All Paths Lead to a Home: Western Australia's 10 Year Strategy on Homelessness 2020-2030*, in particular, high-level Outcome Three, "preventing homelessness". The *Disability Services Act 1993* requires all government agencies to provide information and services in a format that is accessible.⁸²

Supported by

These proposals are consistent with recommendations for increased support for public housing tenants by the Office of the Auditor General in 2018.⁸³ Additional investment in tenancy sustainment was also a recommendation of the 2022 Productivity Commission review of the National Housing and Homelessness Agreement (NHHA).⁸⁴

⁸⁰ Taylor, S & Johnson, G. (2021). *Sustaining social housing: profiles and patterns*

⁸¹ Wood et al (2016), *What are the health, social and economic benefits of providing public housing and support to formerly homeless people?* <https://assets.csi.edu.au/assets/research/Australian-Housing-and-Urban-Research-Institute-Final-Report.pdf>

See also Zaretsky, K., and Flatau, P. (2015) *The cost effectiveness of Australian tenancy support programs for formerly homeless people*, <https://www.ahuri.edu.au/research/final-reports/252> who found In 2015, the cost of an eviction in WA was estimated at approximately \$10,000.

⁸² See: https://www.legislation.wa.gov.au/legislation/statutes.nsf/main_mrtile_267_homepage.html

⁸³ WA Auditor General (2018), *Report on Managing disruptive behaviour in public housing*, https://audit.wa.gov.au/wp-content/uploads/2018/12/report2018_12-DisruptiveBehaviour.pdf

⁸⁴ Productivity Commission (2022), *In need of repair: The National Housing and Homelessness Agreement, Study Report*, <https://www.pc.gov.au/inquiries/completed/housing-homelessness/report/housing-homelessness-overview.pdf>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 14

Investment into a targeted mental health support program for private renters

Commitment sought

Additional investment into a targeted private rental housing recovery support program for people with diagnosed mental health conditions and people experiencing mental ill health who are at risk of or experiencing homelessness. The program would include funding for ongoing case workers, rental subsidies and brokerage support for participants to source and secure properties through the private rental market.

Current need

Following consultation with sector partners, we understand the majority of people with mental health conditions live in private rentals, yet there is currently no specialist recovery support program available to private renters with mental health conditions in WA. Rental instability is also a significant contributor to mental ill-health.⁸⁵

Details

Under this Housing First program, people with mental health conditions who are at risk of or experiencing homelessness are assisted in choosing, accessing and sustaining their own private rental accommodation through the private rental market while also building tenancy skills and support networks. Participating organisations would establish partnerships with real estate agencies to facilitate access to rental properties.

The program funding would include rental subsidies and a limited amount of brokerage, as well as ongoing intensive case management from housing and recovery support workers. Eligibility criteria, access and outreach planning would be carefully developed in partnership with homelessness and mental health service providers and peak bodies, ACCOs, and people with lived experience. Access to the program should be rapid and low-barrier.

A similar program – the “Doorway” program – is currently in operation in Victoria.⁸⁶ While that program is limited to people with a diagnosed acute mental health condition, feedback has recommended expanding the cohort to include people who may be experiencing mental ill-health and require more short-term assistance to retain a tenancy or secure and sustain a tenancy. While this would expand the number of participants, additional participants from the expanded cohort would not be expected to require the same intensity of support.

Cost

Indicative costs based on similar initiatives in Victoria could be used to develop the program, with additional funding factored in to expand the cohort and eligibility criteria.

⁸⁵ See for example: Li et al (2022), *Understanding the mental health effects of instability in the private rental sector: a longitudinal study*, available at: <https://pubmed.ncbi.nlm.nih.gov/35151148/>

⁸⁶ The Doorways program operated by Wellways Victoria: <https://www.wellways.org/our-services/doorway>

⁸⁷ Dunt et al (2017) *Evaluation of an integrated housing and recovery model for people with severe and persistent mental illnesses: the Doorway program*, p. 574, available at: <https://media.wellways.org/inline-files/Evaluation%20of%20an%20integrated%20housing%20and%20recovery%20model%20-%20the%20Doorway%20program.pdf>

BUDGET COMMITMENTS: **HOMELESSNESS**

Impact and benefits

An evaluation of a similar program in Victoria found overall cost savings to government of approximately \$1,149 to \$19,837 per year, per participant,⁸⁷ with similar savings anticipated if adopted in WA. Tenancy sustainment also assists participants to lead independent, healthy and meaningful lives in safe and stable homes. Most importantly, this program would prevent people entering into homelessness and alleviate additional demands on the social housing system.

How will this help government deliver on its commitments

This initiative will help the Government deliver on its commitments under the *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030*, in particular high-level Outcome Three, "preventing homelessness". This outcome requires support for people at risk of homelessness to stay in their homes and prioritises action to develop tailored responses for vulnerable cohorts at risk of homelessness. This initiative also promotes a Housing First approach to homelessness, in line with the state Strategy.

Supported by

The initiative is endorsed by the Western Australian Association for Mental Health (WAAMH). As previously described, a similar program in Victoria was found to enhance health outcomes and reduce costs involved in accessing public health services.⁸⁸

⁸⁸ Dunt et al (2017) *Evaluation of an integrated housing and recovery model for people with severe and persistent mental illnesses: the Doorway program*, available at: <https://media.wellways.org/inline-files/Evaluation%20of%20an%20integrated%20housing%20and%20recovery%20model%20-%20the%20Doorway%20program.pdf>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 15

Investment to deliver two new regional Youth Foyers

Commitment sought

Investment in two new regional Youth Foyers to address the lack of supported housing for young people experiencing or at risk of homelessness in the regions.

Current need

Young people make up 21 per cent of the homeless population in Australia despite representing just twelve per cent of total population.⁸⁹

Young people across many of WA's regional areas also experience higher levels of mental ill-health and socio-economic disadvantage compared to the state or national average. For example, around 42 per cent of children in the Kimberley are developmentally vulnerable on one or more domains compared to 19 per cent of children across the state.⁹⁰ Regional WA also has higher Aboriginal populations and face significant challenges across health, employment and education. For example, only 51.2 per cent of Aboriginal young people participate in secondary education in Kalgoorlie-Boulder.⁹¹

Service providers across the regions have highlighted the critical shortage of youth-specific supported accommodation options.

Details

Shelter WA proposes government investment in two regional Youth Foyers in WA. The international Foyer model has a strong reputation in reducing homelessness and disadvantage for at risk young people. As of October 2021, there were 13 accredited Foyer projects across Australia, including the successful Foyer Oxford in Leederville, Perth. Foyers provide an integrated learning and accommodation setting for young people aged 16-24. Foyer projects are so successful because they typically:

- Focus on the needs of young people who are experiencing or at risk of homelessness.
- Combine employment and training supports with housing and psycho-social support as an integrated offer to young people.
- Are usually larger scale developments of housing, ranging from 20 to 100 independent apartments.
- Implement a 'strengths based' approach described as 'Advantaged Thinking', focusing on young people's skills and capabilities rather than problems and needs.
- Operate utilising 'The Foyer Deal', described as 'a something for something deal' that provides accountability for both young people and the service delivery team. This is usually experienced by young people as needing to maintain involvement with education and training in order to keep accommodation at the Foyer.
- Work to provide access to mainstream opportunities in education, employment, recreation and other areas in order to provide an integrated, holistic service offer to young people.

⁸⁹ AIHW (2021) *Australia's youth: homelessness and overcrowding*. <https://www.aihw.gov.au/reports/children-youth/homelessness-and-overcrowding>

⁹⁰ WA Primary Health Alliance (2022) *Kimberley needs assessment 2022-2024*. https://www.wapha.org.au/wp-content/uploads/2022/04/Needs-Assessment_Country-WA_Kimberley.pdf

⁹¹ WA Primary Health Alliance (2022) *Goldfields-Esperance needs assessment 2022-2024*. https://www.wapha.org.au/wp-content/uploads/2022/04/Needs-Assessment_Country-WA_Goldfields-Esperance.pdf

⁹² For a summary of evidence see: Insight Consulting (2022) *Scaling Foyers for NSW*. Shelter NSW. <https://shelternsw.org.au/scaling-youth-foyers-for-nsw/>

BUDGET COMMITMENTS: **HOMELESSNESS**

Cost

The cost of this initiative would depend on the regional context and scale of the projects. There are opportunities for the government to partner with the community housing sector to deliver these projects, similar to the Oxford Foyer project. Research has demonstrated a net positive benefit to cost ratio for investment in Youth Foyers.⁹²

Impact and benefits

Research has estimated that youth homelessness costs on average \$17,868 per person per year in health and justice services.⁹³

An evaluation of the successful Oxford Youth Foyer in Perth found that 93 per cent of young people transitioned into stable, secure housing at the end of their tenure and between 61-73 per cent of former residents were still engaged in employment, education or training twelve months after leaving Foyer.⁹⁴

How will this help government deliver on its commitments

This initiative will assist the government to deliver on its commitments as set out in *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030*.

It will also help the government deliver on the priority actions of the *At Risk Youth Strategy 2022-2027* including under Focus Area Two: "Develop and implement targeted, culturally and trauma-informed responses to meet the priority needs of at risk young people, including diversion from the youth justice system, homelessness, family safety concerns, and support to transition from care to independent adulthood".

Supported by

Youth Foyer is an evidence-based model with proven success in Australia and internationally. In WA, the model has a successful precedent in Leederville, Perth (Foyer Oxford) which was developed by a consortium of three organisations – Anglicare WA, Foundation Housing Limited, and North Metropolitan TAFE. This proposal is also supported by regional community housing and homelessness services who have consistently raised the lack of supported youth accommodation as a key challenge in stakeholder engagement.

⁹² For a summary of evidence see: Insight Consulting (2022) *Scaling Foyers for NSW*. Shelter NSW. <https://shelternsw.org.au/scaling-youth-foyers-for-nsw/>

⁹³ Mackenzie et al (2016). *The Cost of Youth Homelessness in Australia: Research Briefing*, p. 2, available at: https://www.researchgate.net/publication/322065606_THE_COST_OF_YOUTH_HOMELESSNESS_IN_AUSTRALIA_RESEARCH_BRIEFING

⁹⁴ KPMG (2017) *Foyer Oxford Evaluation Report 2014-2017*. <https://foyer.org.au/wp-content/uploads/2020/09/Final-Foyer-Oxford-Report-2018.pdf>

BUDGET COMMITMENTS: **HOMELESSNESS**

PRIORITY 16

Reallocate First Home Owner Grant (FHOG) to Housing First programs

Commitment sought

Discontinuation of the First Homeowners Grant (FHOG) and reallocation of remaining funding to new housing that supports Housing First Homelessness initiatives.

The FHOG was intended as a stimulus for the construction and building industry and to prevent to prevent a loss of jobs in the building industry during the COVID-19 pandemic. It has served its purpose and is no longer needed in an overheated market. Further, it provides an appropriate source of funding to increase supply of Housing First housing supply.

At a minimum, if the FHOG program cannot be discontinued, Shelter WA strongly advocates for introducing means testing and significantly reducing the purchase price cap, currently at \$750,000 (or \$1 Million over the 26th parallel).

Current need

In the same period since the FHOG was introduced in June 2020:

- WA's social housing waitlist *grew* by 4,085 households between 2020 and 2022, to a total of 18,975 households (33,535 people) at September 2022;⁹⁵ and
- Of the 6,500 WA clients who began support for homelessness in 2020–21, only 29 per cent were assisted into housing.⁹⁶

The WA Alliance to End Homelessness describe Housing First as a proven approach that connects people experiencing homelessness with long-term housing as quickly as possible and without preconditions. Housing First is a world-renowned evidence-based solution to chronic homelessness – but the rollout of Housing First in WA has been severely impacted by the lack of accompanying housing.

Details

The \$10,000 FHOG, a stimulus scheme to incentivise people to buy or build a new property, was introduced by the WA Government as a COVID-19 recovery measure in June 2020. It is available for homes worth up to \$750,000 (or \$1 million above the 26th parallel) and is not means tested. When introduced it was accompanied by the Commonwealth Government HomeBuilder incentive, which provided up to an additional \$25,000 to build a new home or substantially renovate an existing home.⁹⁷ First home buyers in WA also receive stamp duty concessions when purchasing homes less than \$530,000 or land under \$400,000.⁹⁸ Combined, these payments provide an incentive of almost \$70,000 to first homebuyers.

Cost

Reallocating the FHOG would be a significant **revenue measure** that could be spent instead in Housing First housing supply.

The 2021–22 State Budget allocated over \$89 million to the FHOG that year and \$69 million each year on average in out years to 2025–26 (See table next page).

⁹⁵ Growth between August 2020 and September 2022.

Question on Notice No.3156, 8 September 2020 by the Hon. Alison Xamon.

Extract from Hansard (Tuesday, 11 October 2022). *Public housing – waitlist*. [https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/a2b2e0ef9f2e54a4482588db001ef388/\\$FILE/C41+S1+20221011+p4356d-4356d.pdf](https://www.parliament.wa.gov.au/Hansard/hansard.nsf/0/a2b2e0ef9f2e54a4482588db001ef388/$FILE/C41+S1+20221011+p4356d-4356d.pdf)

⁹⁶ AIHW (2022) *Specialist homelessness services 2020–2021: Western Australia* www.aihw.gov.au/getmedia/33af63f7-dbc3-4844-8b00-c13b9c3f6004/WA_factsheet.pdf.aspx

⁹⁷ KPMG (2022) *HomeBuilder national partnership review*. Department of Treasury, Australian Government. <https://treasury.gov.au/coronavirus/homebuilder>

⁹⁸ See: <https://www.wa.gov.au/government/publications/first-home-owner-duty-fs>

BUDGET COMMITMENTS: **HOMELESSNESS**

Reallocating FHOG funding from 2023-24 could be worth \$207.94 million – or about \$69 million a year on average, depending on the value of unallocated grants.

| Funding allocated to WA First Home Owners Grant in WA: 2021/22 - 2025/26 | | | | | |
|--|-------------------|--------------------|--------------------|--------------------|-------------------|
| Source: Government of Western Australia 2022-23 Budget. Budget Paper No.2 Department of Finance, Details of Administered Transactions: Expenses p178 | | | | | |
| 2021-22 Budget Est. Actual | 2022-23 Budget | 2021-22 Outyear | 2024-25 Outyear | 2025-26 Outyear | Total |
| \$89.671m | \$37.517m | \$51.355m | \$72.964m | \$83.620m | \$335.217m |

By contrast, WA Government funded homelessness service contracts currently amount to \$78 million annually.

This means that government funding provided to people who can independently afford to buy their own home is almost comparable to that provided to assist people with no place at all to call home.

Impact and benefits

Redirected FHOG program funding of \$69 million annually could instead provide 193 homes per year through spot purchasing⁹⁹ and provide a safe, stable home for people experiencing chronic homelessness.

Redirecting \$36.5 million per year would be enough funding to pay for a hotel room or emergency accommodation for every person experiencing homelessness that is sleeping rough every night.¹⁰⁰

How will this help government deliver on its commitments

This initiative will help the government deliver on its commitments under the *All Paths Lead to Home: WA's 10 Year Strategy on Ending Homelessness 2020-2030* by improving data collection and advancing three of the Strategy's five key priorities: embedding a Housing First approach, supporting place-based responses and ending rough sleeping. The Strategy and affiliated *Action Plan 2020-2025* expressly focus on ending rough sleeping as an initial priority for the WA Government.

Supported by

AHURI, Dr Chris Martin, Senior Research Fellow in the City Futures Research Centre at the University of NSW, economists including Saul Eslake, the Grattan Institute and The Australia Institute have been critical of the FHOG for its inflationary impact.

⁹⁹ Using the average contract value of the properties settled under the government's spot purchasing program of \$356,789. Source: Question Without Notice No. 170 asked in the Legislative Council on 16 March 2022.

¹⁰⁰ Based on a conservative estimate of 1,000 people experiencing homelessness each night in Perth, with accommodation estimated to cost \$100 per person per night.

SUMMARY OF 2023-24 BUDGET COMMITMENTS SOUGHT BY AGENCY

| Agency | Initiative |
|---|---|
| Department of Communities | <p>Initiative 2 Establish and invest in a community housing grants program</p> <p>Initiative 3 Asset transfers to Aboriginal Community Housing Organisations</p> <p>Initiative 5 Introduce an ancillary studio pilot program</p> <p>Initiative 8 Additional investment in homelessness services to address the indexation gap</p> <p>Initiative 9 Develop a funded transition plan and workforce development strategy to accompany the commissioning process</p> <p>Initiative 10 New investment into Aboriginal Community Controlled Organisations</p> <p>Initiative 11 Increase Advance to Zero funding to support the expansion of Housing First into the regions</p> <p>Initiative 12 New investment for a flexible youth homelessness diversion fund</p> <p>Initiative 13 Sustaining at risk tenancies by investment into targeted tenancy support programs</p> <p>Initiative 15 Investment to deliver two new regional Youth Foyers</p> |
| Department of Water and Environmental Regulation | <p>Initiative 6 Invest in an energy efficiency retrofit program for social housing (jointly with Department of Communities)</p> <p>Initiative 7 Introduce an energy efficiency rebate program for lower-income renters</p> |
| Department of Finance | <p>Initiative 1 Establish a WA Housing Future Fund</p> <p>Initiative 16 Reallocate First Home Owner Grant to Housing First programs</p> |
| Mental Health Commission | <p>Initiative 14 Investment into a targeted mental health support program for private renters</p> |
| Department of Training and Workforce Development | <p>Initiative 9 Develop a funded transition plan and workforce development strategy to accompany the commissioning process (jointly with Department of Communities)</p> |
| Department of Regional Development | <p>Initiative 4 Deliver affordable rentals for key workers in the regions</p> <p>Initiative 15 Investment to deliver two new regional Youth Foyers (jointly with Department of Communities)</p> |