

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



# Shelter WA and WA Alliance to End Homelessness Submission to the National Housing and Homelessness Plan Issues Paper

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#### Introduction

#### About us

Shelter WA is the independent peak body in Western Australia for the community housing and homelessness sectors. Shelter WA takes a strategic leadership role, championing the development of an effective housing system and bringing all parts of the system together to achieve this. Shelter WA brings together a strong coalition committed to diverse and affordable housing choice for all, with a focus on housing for people on low to moderate incomes and groups that experience housing insecurity. Shelter WA undertakes research and policy development, engagement, and advocacy to drive solutions to build an effective housing system and alleviate housing-related poverty.

The Western Australian Alliance to End Homelessness (WAAEH) is a collective impact movement of individuals, businesses and agencies from the WA community sector to end homelessness in WA. The WAAEH launched a 10-year strategy in April 2018 to end homelessness in Western Australia, available here. The strategy was developed by homelessness service providers, people experiencing homelessness (lived experience), researchers and academics, service funders, and members of the WA community. Shelter WA acts as the backbone organisation for the WAAEH.

#### Response to the National Housing and Homelessness Plan Issues paper

Shelter WA and the WAAEH welcome the opportunity to provide a response to the Australian Government's Issues Paper on Housing and Homelessness in Australia.

Major reform of Australia's housing system is urgent and long overdue. Growing housing unaffordability across Australia requires action and leadership by Commonwealth, State and Local Governments. A new National Housing and Homelessness Plan (National Plan) should be part of a comprehensive response to this issue.

Shelter WA and the WAAEH have contributed to and support, in principle, the submissions from:

- National Shelter and the Community Housing Industry Association
- The Australian Alliance to End Homelessness

We also attach previous reports, submissions and key documents from Shelter WA and the WAAEH which we hope will provide further guidance to the Department of Social Services (the Department) in development of the National Plan. These include:

- 1. Shelter WA Submission to the Productivity Commission Review of the National Housing and Homelessness Agreement (2022)
- 2. Building Tenancy Skills Project: Submission to the Productivity Commission Review of the National Housing and Homelessness Agreement (2022)
- 3. The WA Alliance to End Homelessness' 10 Year Plan to End Homelessness in Western Australia 2018-2028 (2018)
- 4. She<mark>lter WA</mark> and the WA Alliance to End Homelessness Submission into the Financial Administration of Services Addressing Homelessness in WA (2022)
- 5. Shelter WA's Policy Vision for an Effective Housing System (2022)
- 6. Shelter WA and the WA Alliance to End Homelessness Submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs' Inquiry into Homelessness in Australia (2020)
- 7. Building Tenancy Skills Project Submission to the Senate Inquiry into the Worsening Rental Crisis in Australia (2023)

This supplementary submission is intended to complement the submissions from our national counterparts and our own prior submissions and reports by **highlighting key considerations and providing contextual information** on the current state of housing and homelessness in Western Australia.

#### Western Australia

#### Social Housing

**Social housing waitlists** have grown significantly in WA. As of September 2023, there were 19,114 applications on the public housing waitlist (34,117 people).<sup>1</sup> This includes 4,875 priority applications (9,568 people).<sup>2</sup> Waitlist numbers have been increasing in recent years, as demonstrated in Table 1 below, showing changes in the number of waitlist applications between January 2009 and April 2023.

The **length of time** applicants must wait for housing ranges between 47 weeks (approximately 11 months) and 226 weeks (over four years), depending on region and priority status.<sup>3</sup> The average waiting time in 2022-23 is 133 weeks (approximately 2.5 years), a 15% increase from 2021-22.<sup>4</sup>

While the WA State Government has made significant commitments deliver new social housing recently, this investment comes after years of under-investment and selling off of housing stock preceding State by Governments.<sup>5</sup> Consequently, while current efforts are

Date	Wait turn list* (applications)	Priority list (applications)	Wait turn list* (individuals)	Priority list (individuals)
2009-10	24,136	3,577	Not available	Not available
2010-11	23,411	3,251	Not available	Not available
2011-12	22,871	3,174	Not available	Not available
2012-13	21,121	2,961	Not available	Not available
2013-14	20,013	2,889	Not available	Not available
2014-15	20,127	2,770	Not available	Not available
2015-16	18,530	2,283	Not available	Not available
2016-17	16,516	1,590	29,544	2,463
2017-18	13,912	1,437	23,257	2,407
2018-19	13,795	1,575	22,927	2,690
2019-20	14,409	1,944	23,928	3,541
2020-21	17,194	3,354	29,720	6,622
Dec 21	18,229	3,759	31,768	7,616
May 22	18,936	4,067	33,354	8,219
Aug 22	18,993	4,235	33,495	8,597
Sep 22	18,975	4,257	33,573	8,685
April 23	19,195	4,671	34,201	9,261

Table 1: Housing Waitlist and Priority Waitlist: Western Australia 2009-2023<sup>1</sup>

commendable, much larger commitments will be needed over an extended period of time to recover WA's social housing system. As of June 2022, social housing represented approximately 3.73% of all dwellings in WA (compared to a national rate of 4.1%). Current targets in the WA Housing Strategy aiming to grow social housing by 6% by 2030 are unlikely to address projected demand.

#### Affordable Housing

Beyond social housing, Western Australia is experiencing a critical shortage of homes, including affordable homes. Projections to 2041 estimate that Western Australia will need 85,700 social and affordable housing properties to fulfill need. In order to meet this need, an average annual sector growth of 6.9 per cent to 8.7 per cent would be required: 3,700 to 4,700 new homes each year.<sup>7</sup>

Compounding matters, a total of 4,656 existing affordable dwellings in WA will have their subsidies expire between 2022 and 2026 as the National Rental Affordability Scheme (NRAS) comes to an end. There are currently no specific Western Australian or federal initiatives to address or replace this loss and no transition plan for tenants currently living in affordable NRAS properties.

<sup>&</sup>lt;sup>1</sup> WA Parliamentary Hansard (2023), Question without notice No. 1280 asked in the Legislative Council on 18 October 2023 by Hon Brad Pettitt

<sup>&</sup>lt;sup>2</sup> As above. Priority assistance is offered to applicants who can demonstrate a need for priority placement, including people escaping family or domestic violence, people experiencing homelessness, people with ongoing medical conditions, people with disabilities etc.

<sup>&</sup>lt;sup>3</sup> WA Parliamentary Hansard (2023), Question on Notice No. 1547 asked in the Legislative Council on 17 August 2023 by Hon Steve Martin,

<sup>&</sup>lt;sup>4</sup> WA Housing Authority (2023), <u>Annual Report 2022-23</u>, p. 8.

<sup>&</sup>lt;sup>5</sup> P Flatau, L Lester, Z Callis and M Kyron (2022), <u>The Funding of Western Australian Homelessness Service</u>s, UWA CSI, p 26.

<sup>&</sup>lt;sup>6</sup> AIHW (2022), <u>Housing Assistance in Australia</u>; ABS (2022), <u>Estimated Dwelling Stock 2022</u>.

<sup>&</sup>lt;sup>7</sup> Van de Nouwelant, R., Troy, L. and Soundararaj, B. (2022), Quantifying Australia's Unmet Housing Need: regional snapshots. CHIA & UNSW

This critical shortage of dwellings in WA - including social and affordable housing stock in particular - is exacerbating housing stress and insecurity across the state. This is reflected in recent figures on rental vacancy and affordability, as well as increasing numbers of homelessness.

**Rental affordability** has decreased significantly in WA in the last few years. For example, the median rental asking price in Perth has increased from \$399 in October 2019 to \$638 in October 2023.<sup>8</sup>

As can be expected, **rental vacancy rates** have also deteriorated, hitting 40-year lows across some regions in WA.<sup>9</sup> Although the Real Estate Industry Association of Western Australia (REIWA) recommends a vacancy rate between 2.5 and 3.5 per cent for a balanced market, <sup>10</sup> many major cities and towns across WA have been exposed to rental vacancy rates below 1% for up to 18 or 24 months. <sup>11</sup>

Western Australia Total		tralia	Midwest & Gascoyne		North West		Perth Metro		SouthWest & Great Southern		Wheatbelt & Goldfields	
Occupation	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable	# Affordable	% Affordable
Aged care worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Ambulance officer	32	1%	7	15%	1	1%	16	1%	2	1%	6	6%
Early childhood educator	6	0%	0	0%	0	0%	4	0%	0	0%	2	2%
Cleaner	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Construction worker	10	0%	2	4%	0	0%	5	0%	0	0%	3	3%
Delivery driver	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Dispatcher	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Firefighter	49	2%	11	23%	3	2%	25	1%	3	1%	7	7%
Freight driver	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Hospitality worker	6	0%	0	0%	0	0%	4	0%	0	0%	2	2%
Meat packer	6	0%	0	0%	0	0%	4	0%	0	0%	2	2%
Nurse	17	1%	4	9%	1	1%	8	0%	0	0%	4	4%
Postal worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Retail worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
School teacher	50	2%	11	23%	3	2%	25	1%	4	2%	7	7%
Social and community services worker	9	0%	2	4%	0	0%	4	0%	0	0%	3	3%
Total No of Properties				47 191		2,364		205		10	104	

Table 2: Rental Affordability for essential worker and region in WA (Source: Anglicare WA)

Recent reports also indicate that rental affordability for key workers is consistently poor across the state, with hospitality workers, construction workers and childcare workers paying up to 70-80% of their income in rent.12 Recent reports from Anglicare also found a total absence of any affordable rentals for key workers, particularly in regional WA (Table 2). This has led to a new wave of housing insecurity, homelessness and poverty, with an emerging cohort of people experiencing homelessness or seeking housing support for the first time.

#### **Home**lessness

Of particular concern in Western Australia is the growing number of people experiencing homelessness, including rough sleeping. The

most recent ABS Census Data indicated an 8% increase in the number of people experiencing homelessness in Western Australia – one of only four Australian states or territories to show an increase in both the rate and number of people experiencing homelessness.<sup>13</sup>

<sup>8</sup> SQM Research (2023), available at: https://sqmresearch.com.au/weekly-rents.php?region=wa-Perth&type=c&t=1

<sup>9</sup> REIWA (2023), Perth Vacancy Rate at Lowest Level in 40 Years, published 18 January 2023.

<sup>&</sup>lt;sup>10</sup> REIWA (2023), available at: https://reiwa.com.au/the-wa-market/rental-vacancy-rates/

<sup>&</sup>lt;sup>11</sup> SQM Research (2023), available at: https://sqmresearch.com.au/graph\_vacancy.php?region=wa-Perth&type=c&t=1

<sup>12</sup> Everybody's Home (2023), Priced Out: An Index of Affordable Rentals for Australia's Essential Workers, p. 15

<sup>&</sup>lt;sup>13</sup> ABS (2023), Estimating Homelessness: Census 2021,

Concerningly, **rough sleeping** figures more than doubled, from 1,083 people in 2016 to 2,315 people in 2021.<sup>14</sup> WA now has the highest proportion of rough sleeping cross the country (25% of all people experiencing homelessness, compared to a national average of 6.2%), and has been dubbed the "rough sleeping capital" of Australia.<sup>15</sup>

Figures from the By Name List, currently operational in five communities across WA, indicate that homelessness figures may have worsened since the time of the census (Table 3).

By Name List Communities	Sep-21	Sep-23	% Change
Perth - Total Homeless	916	1139	24
Perth - Rough Sleeping	375	606	62
Perth - Temporary Shelter	541	533	-1
Geraldton - Total Homeless	77	46	-40
Geraldton - Rough Sleeping	38	27	-29
Geraldton - Temporary Shelter	39	19	-51
Bunbury - Total Homeless	64	97	52
Bunbury - Rough Sleeping	49	45	-8
Bunbury - Temporary Shelter	15	52	247
Mandurah - Total Homeless	99	165	67
Mandurah - Rough Sleeping	53	94	77
Mandurah - Temporary Shelter	46	71	54
Rockingham - Total Homeless	85	160	88
Rockingham - Rough Sleeping	58	106	83
Rockingham - Temporary Shelter	27	54	100
Total	2482	3214	29

Table 3: By Name List Data, September 2021 – September 2023 (Source: WAAEH)

First Nations people continue to be significantly overrepresented in homelessness rates in WA. WA has the second highest rate of all Australian States and Territories for **Aboriginal and Torres Strait Islander people experiencing homelessness** (following the Northern Territory). First Nations people account for 35% of all people experiencing homelessness in WA, despite making up just 3.3% of the population. An analysis of ABS figures shows that the increase in homelessness in Western Australian between 2016 and 2021 largely reflects an increase in First Nations Homelessness, which is predominantly concentrated in regional WA (60.7% of Aboriginal and Torres Strait Islander people experiencing homelessness in Western Australia are outside of the Perth metropolitan area) area.

Housing shortages, increasing rates of homelessness, building delays and emerging cohorts of people experiencing homelessness in WA are impacting homelessness service providers and community housing providers across the State. Recent SHS data indicates that there were 7,565 SHS clients in WA in June, a 27% increase from June 2017. Of these, 43% were First Nations, compared to 27% nationally. <sup>19</sup>

#### Regional WA

Regional variations in homelessness require particular attention in WA, indicating the need for place-based strategies and solutions. Table 4 shows that although homelessness numbers are higher in the Perth Metro

<sup>14</sup> As above

<sup>&</sup>lt;sup>15</sup> The West Australian Newspaper (2023), <u>Homelessness crisis: WA's number of rough sleepers more than doubles, making it hardest hit in Australia,</u> published 22 March 2023.

<sup>.</sup> <sup>16</sup> ABS (2023). Estimatina Homelessness: Census 2021

<sup>&</sup>lt;sup>17</sup> As above. The total number of people experiencing homelessness in WA grew by 724 people; while ATSI homelessness increased by 760 and homelessness amongst those who did not identify as ATSI actually decreased.

<sup>&</sup>lt;sup>18</sup> ABS (2023), Estimating Homelessness: Census 2021

<sup>&</sup>lt;sup>19</sup> AIHW (2023), SHS Monthly Data, Western Australia, published September 2023

area, when adjusted to actual population there are exceedingly high rates of homelessness in regions such as the Kimberley and Gascoyne. Rates of homelessness in regional Western Australia are up to two or four times higher than the national rate of homelessness, and up to 10 times higher than the Perth metropolitan rates.<sup>20</sup> Figure 1 shows how homelessness is experienced differently in regional Western Australia, with much higher rates of overcrowding.

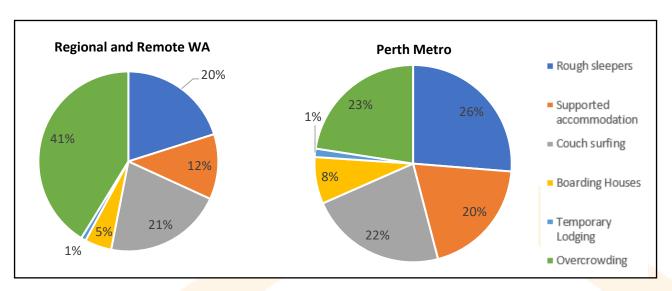


Figure 1: Types of Homelessness in Regional WA and Perth Metro 2021 (Source: ABS)

Region	Total population	% of WA population living in the region	# Homeless 2016	# Homeless 2021	# Change 2016 - 2021	% Change 2016 - 2021	% total WA homeless population	Rate of homelessness per 10,000
Gascoyne	9,262	0.3%	123	182	59	48%	1.9%	196.5
Goldfields- Esperance	53,914	2.0%	566	571	5	0.9%	5.9%	105.9
Great Southern	61,351	2.3%	145	331	186	128.3%	3.4%	54.0
Kimberley	36,054	1.4%	1,207	1,031	-176	-14.6%	10.6%	286.0
Mid-West	52,769	2.0%	285	352	67	23.5%	3.6%	66.7
Peel	146,239	5.5%	315	314	-1	-0.3%	3.2%	21.5
Perth Metro	1,985,640	74.5%	5,002	5,489	487	9.7%	56.4%	27.6
Pilbara	62,841	2.4%	661	587	-74	-11.2%	6.0%	93.4
South West	181,801	6.8%	415	676	261	62.9%	6.9%	37.2
Wheatbelt	73,690	2.8%	290	224	-66	-22.8%	2.3%	30.4
	2,663,561							

Table 4: Homelessness in WA by Region, 2016- 2021

<sup>&</sup>lt;sup>20</sup> ABS (2023), <u>Estimating Homelessness: Census 2021</u>,. For example, rates of homelessness in the Kimberley are 196/10,000 compared to a national rate of 49.8/10,0000.

In 2021-22, 26% of specialist homelessness service (SHS) clients lived in remote or very remote areas. This is significantly higher than national figures which indicate just 6% of SHS clients across the country lived in remote or very remote areas. <sup>21</sup> Ongoing SHS data also indicates that the number of people accessing services in regional WA is growing at a much faster rate than most other states and territories. <sup>22</sup>

The quality and suitability of social and affordable housing is another matter of particular concern in regional WA, especially in remote communities. Metro-centric and narrow approaches to social housing and social housing maintenance have historically resulted in a deficit of structurally and culturally appropriate dwellings in the regions and in remote communities. Aboriginal and Torres Strait Islander people experience high rates of disability but there is limited availability of accessible housing.<sup>23</sup> Social housing properties in these areas are often poorly maintained and ill-adapted to the local climate, both now and in the future.<sup>24</sup> This is particularly true in northern parts of WA where homelessness service providers report a lack of social housing properties able to support kinship considerations, resulting in significant overcrowding.<sup>25</sup>

#### **Industry Pressures**

The COVID-19 stimulus grants increased building approvals and dwelling commencements sharply in WA, but many of these housing starts have yet to feed through into completions and deliver new stock to the market. At the end of 2022, there were 27,000 dwellings under construction in WA, compared to around 12,000 at the end of 2019.<sup>26</sup> High construction costs and labour shortages mean new development is not financially feasible for the industry, which will likely slow the delivery time for new construction.<sup>27</sup>

## Key Considerations for the National Housing and Homelessness Plan

#### 1. An aspirational plan

To deliver an effective housing system, Australia urgently requires the development and implementation of a National Plan with ambitious, measurable targets across the entire housing continuum. The emphasis, however, should be on meeting the housing needs of low- and moderate-income households.

Shelter WA and the WAAEH support calls for a National Plan that treats housing (and social housing in particular) as essential infrastructure. The Commonwealth Government amended Infrastructure Australia's remit in 2022 as part of a revised Statement of Expectations (SoE) which removed housing and other social infrastructure from their mandate. We strongly support that housing should be reinstated as a key area of focus for Infrastructure Australia given its national significance.

Re-positing **housing** as essential infrastructure would require, at minimum:

- Investment and supply of social and affordable housing commensurate with current and projected evidence-based need
- Strengthening rental protections to ensure tenants are provided with affordable, healthy homes, with housing security
- Overhauling tax settings to re-establish the inherent value of housing as an essential service and right, rather than a speculative asset.

Importantly, Shelter WA and the WAAEH maintain that access to housing should be viewed as a fundamental human right, akin to education or health. Housing unlocks opportunity, enhances health and wellbeing,

<sup>&</sup>lt;sup>21</sup> ABS (2023), Estimating Homelessness: Census 2021.

<sup>&</sup>lt;sup>22</sup> Pawson, H., Clarke., A., Parsell, C., & Hartley, C., (2022), Australian Homelessness Monitor 2022, Launch Housing, UNSW & UQ p. 81.

<sup>&</sup>lt;sup>23</sup> See for example: Grant et al (2017), <u>Housing and Indigenous Disability: lived experiences of housing and community infrastructure</u> AHURI Final Report No. 283

<sup>&</sup>lt;sup>24</sup> Kimberley Community Legal Services (2022), <u>Stuck in the Heat: Lived experiences of public housing tenants in the Kimberley</u>.

<sup>&</sup>lt;sup>25</sup> Shelter WA (2023), <u>Homelessness Week Report 2023</u>: it's time to end homelessness: Spotlight on the Regions.

<sup>&</sup>lt;sup>26</sup> Rowley et al (2023), Housing Affordability in Western Australia 2023: Building for the future BCEC Report Series No. 17, p.10

<sup>&</sup>lt;sup>27</sup> As above.

provides access to educational and employment options and enables people to fully participate in community life. This should be recognised in a National Plan.

#### 2. Clear targets with appropriate data and mechanisms to monitor progress

An aspirational National Plan must be supported by evidence-based, clear and ambitious targets. Targets should include (but may not be limited to) the following:

- Home ownership targets
- ➤ Affordable rental housing targets
- Social and specialist housing targets: Shelter WA Policy Positions recommend 10% of all WA housing stock to be social housing by 2036
- Ending homelessness targets, including progressive targets to end rough sleeping, overcrowding and other forms of homelessness
- Growth targets for community housing: Shelter WA Policy Positions recommend a target of 50% of all social and affordable housing to be managed and owned by community housing providers by 2036

The achievement of these targets will depend on effective allocation of resources and mechanisms to monitor progress. Current data sources – such as five yearly census data – are not adequate representations of the prevalence and nature of homelessness, or true demand for social and affordable housing. **Better data sources** are needed to assess demand and measure outcomes.

For measuring and responding to homelessness, place-based figures including by-name lists (BNL) should be implemented nation-wide. The "Advance to Zero" framework (AtoZ) and its associated tools are capable of collecting and utilising real-time data to coordinate and deliver homelessness services, allowing for personcentred approaches tailored to the needs and cultural considerations of each individual. There is significant global evidence, including from the USA<sup>28</sup> and Canada<sup>29</sup>, revealing the benefits of using BNLs as part of the AtoZ framework to reduce and ultimately end homelessness. The AtoZ framework 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.<sup>30</sup> A National Plan should provide for the national rollout of the AtoZ framework.

We also support the development of a system to record and report the deaths of people experiencing homelessness in order to better understand the extent of homeless deaths in Australia and inform how best to address this critical issue.

Similarly, in preparation for the National Plan, the Commonwealth Government should drive the development of a national dataset to enable tracking of net dwelling additions/losses in each jurisdiction, based on a national audit or process to identify and track all social and affordable housing dwellings nationally and in each state (including the number and types of dwellings, vacancies and waitlists).

Shelter WA and the WAAEH also support the development and implementation of **sustainability indicators** to ensure social housing is future-proofed for future generations, including through consideration of environmental, social and economic sustainability.

#### 3. Recognise and grow the role of the community housing sector

Shelter WA and the WAAEH recognise that Community Housing Organisations (CHOs) have the ability to attract concessions and financing mechanisms that are unavailable to public housing agencies. Additionally, the

<sup>&</sup>lt;sup>28</sup> See for example: <u>Built for Zero Initiative (USA)</u>

<sup>&</sup>lt;sup>29</sup> See for example: <u>Built for Zero Initiative (Canada)</u>

<sup>&</sup>lt;sup>30</sup> See for example: evaluation reports from the 50 Lives, 50 Homes project: Vallesi, et al (2020) <u>50 Lives, 50 Homes: A Housing First Response to Ending Homelessness in Perth, Third Evaluation Report</u> CSI UWA; and Wood, et al (2022) <u>Zero Project: A Housing First Response to Ending Homelessness in Perth. Findings from the 50 Lives, 50 Homes Program. Final Evaluation Report</u>. CSI UWA

community housing sector can provide **better outcomes for tenants** through a more agile and nuanced response to tenant needs than public housing. For example, many CHOs have tenant advisory committees, ensuring tenants have a direct say and input into policies which impact them. CHOs are also adopting **supportive landlord** models for tenancy management, which ensure outcomes of tenants are at the centre of the business model.

While many jurisdictions have actively grown their community housing sector over the last decade via large-scale asset transfers of public housing and other initiatives, this has not been the case in WA and the proportion of social and affordable housing owned and managed by CHOs in WA remains comparatively low.

Accordingly, a National Plan should include specific targets to progressively lift the role of CHOs to own and manage a significant portion of all social and affordable housing. In Western Australia, Shelter WA recommends this target be set at 50% by 2036. Additional support and investment should also be provided to grow the Aboriginal Community Housing Organisations (ACHO) sector specifically.

#### 4. Clearly defined roles endorsing a whole-of-system approach

While Shelter WA and the WAAEH support calls for the implementation of National Plan led/overseen by a dedicated agency, housing and homelessness are well recognised as complex problems requiring fundamental long-term actions and coordination across all levels of government. This should include clarity around the role and responsibilities of Commonwealth, State and Local Governments.

Similarly, in recognition of the complexity of housing and homelessness and the intersection of homelessness and housing insecurity with related vulnerabilities, a National Plan should also provide for extensive coordination with related branches of Government, including health, justice, aged care, disability, welfare services and the Closing the Gap Agreement and Targets.

In particular, findings from Shelter WA and People with Disabilities WA's Building Tenancy Skills project clearly demonstrate there are significant gaps meeting the housing and tenancy sustainment needs of people with disability. As such, it is important that a future National Plan align with the National Disability Strategy, as well as the Disability Discrimination Act, the Carer Recognition Act, the Government Digital Strategy and the findings of the Royal Commission into Violence, Abuse Neglect and Exploitation of People with Disability.

#### 5. Alignment from taxation, finance and planning and development

Crucially, international and domestic experience has indicated the importance of aligning housing and homelessness direction with critical policy areas such as taxation, finance and planning and development.<sup>31</sup> Given the complexity of housing and homelessness, Shelter WA and the WAAEH support calls for a National Plan that is capable of addressing the supply and demand drivers of housing availability and affordability in a coherent and coordinated way across all of government.

For example, Australia's federal tax arrangements, such as negative gearing and capital gains tax (CGT) exemptions incentivise investment in property for financial gain, which has led to housing becoming increasingly valued for its speculative rather than its inherent use value as a home. We support the multitude of voices calling for **housing tax reform** to support affordable and social housing. Savings made through such reforms should be directed to increasing the supply of social and affordable rental homes.

Similarly, Shelter WA and the WAAEH support a nationally consistent approach to the use of **inclusionary zoning** to increase the supply of social and affordable housing. Inclusionary zoning is a critical land use planning intervention which has the potential to yield significant social and affordable housing supply by ensuring that a proportion of residential developments are set aside for affordable and social housing. It is widely used internationally and is a market-based cost-efficient mechanism for delivering an ongoing supply of social and

<sup>&</sup>lt;sup>31</sup> Martin et al (2023), <u>Towards an Australian Housing and Homelessness Strategy: understanding national approaches in contemporary policy</u>. AHURI Final Report N. 401

affordable dwellings. A target of at least 10-30% social and affordable housing is proposed for private and government development, although the figure may differ for each based on market feasibility.

**Commonwealth Rent Assistance** and other relevant welfare payments such as Jobseeker have not kept pace with increasing rents and household costs. Maximum payment rates have fallen well behind average rents in the past decades, suggesting a critical need for an increase. The success of a National Plan capable of delivering safe, secure and affordable housing for all will necessarily depend on more streamlined alignment with Commonwealth welfare policies and payments.

# 6. A clear agenda to *end* homelessness including the adoption and embedding of Housing First principles

Overseas experience and targeted programs in Australia and Western Australia show that homelessness can be prevented and functionally ended.<sup>32</sup> Australia needs a clear, consistent and long-term national agenda driving a coordinated, evidence-based approach to *ending* homelessness, not just reducing, managing or responding to homelessness. A functional end to homelessness will be achieved when episodes of homelessness are rare, brief and one-off. This should be measured by calculating functional zero using **Advance** to **Zero** frameworks.

Housing First is increasingly recognised as an important evidence-based approach to ending homelessness, in particular for those with long histories of homelessness and high health or other support needs. <sup>33</sup> Too many people are cycling through the service system rather than moving into permanent housing. Housing First has been adopted as a fundamental principle in *All Paths Lead to Home: Western Australia's 10 Year Plan on Homelessness 202-2030* and is increasingly recognised globally as an effective policy lever for ending homelessness. <sup>34</sup> Accordingly, a Housing First evidence-based approach to homelessness should be recognised as a fundamental principle of a National Plan.

Lessons from Housing First programs and initiatives in WA indicate that success is tied to the availability of permanent social and affordable housing options, adequate resourcing commitments and available supports. As such, fidelity to a housing first approach requires access to permanent housing and adequate wrap-around support. Where needed, **permanent supportive housing** should be available with adequate levels of funding.

As outlined in Shelter WA's submission to the Productivity Commission's review of the National Housing and Homelessness Agreement, sustained and increased homelessness funding is required from the Commonwealth to effectively end homelessness.

#### 7. Increased attention to homelessness prevention and early intervention

Recent research identified "targeted prevention and early intervention programs addressing the underlying drivers of homelessness" as one of five key actions essential to ending homelessness in Australia. Accordingly, ending homelessness requires coordinated action and investment in evidence-based prevention and intervention programs. A National Plan should recognise that a "coherent system that effectively works together on prevention will prevent the cycle of entrenched homelessness and the challenges with funding long-term housing solutions". 36

To prevent and end homelessness, key drivers of homelessness should be regularly reviewed and addressed. Addressing key drivers will require a whole-of-system approach with commitments from multiple government agencies. At the national level, early intervention is required to end poverty, address family and domestic violence, health, disability and mental health support. A human services system must be developed that has

<sup>&</sup>lt;sup>32</sup> See for example: Wood et al (2022) <u>Zero Project: A Housing First Response to Ending Homelessness in Perth. Findings from the 50 Lives, 50 Homes</u>
Program. Final Evaluation Report, CSI UWA

<sup>33</sup> See for example: Flatau et al (2021). Ending homelessness in Australia: An evidence and policy deep dive, CSI UWA

<sup>34</sup> As above

<sup>35</sup> As above

<sup>&</sup>lt;sup>36</sup> P Flatau, L Lester, Z Callis and M Kyron (2022), <u>The Funding of Western Australian Homelessness Service</u>s, CSI UWA, p. XV

the capability to address issues holistically and recognise the long-term and intergenerational impact of not addressing key issues.<sup>37</sup> Since housing is a social determinant of health and wellbeing, the provision of quality, secure, affordable housing must be considered a key component of health promotion and disease prevention. Due to strong evidence linking childhood and adolescent homelessness to chronic adult homelessness, early intervention policies for **children and young people** are critical, with targeted responses required for those in child protection care and juvenile and adult **justice systems**.

Targeted policies to **prevent eviction** are also key in preventing homelessness, including prevention strategies to support people on low incomes residing in the private rental market. To this end, alignment of commonwealth rent assistance (at levels corresponding to market conditions) is critical, as are private rental schemes and **brokerage** programs supporting people to stay in their homes and reform of residential tenancy legislation. Special attention should be given to improving accessibility and inclusion for **tenants with disability** in both private and social housing. This could involve national leadership on residential tenancy legislative reform and streamlined processes to ensure tenancy sustainment programs and homelessness services are accessible and materials are available in accessible formats. In WA, 70% of people with disability rent privately.<sup>38</sup>

#### 8. Private rental reform

The Australian rental market is dominated by 'mum and dad' investor-owners, who are driven by tax incentives and welfare settings in retirement. Research suggests that we need a significant shift in the private rental market that **reframes landlords as housing service providers** rather than investors.<sup>39</sup> This requires increasing the rights of tenants while at the same time transitioning towards a private rental sector with a greater presence of institutional and community housing ownership and management.

Shelter WA and the WAAEH support a long-term shift to a rental sector that facilitates institutional investment into affordable rental housing. To do so would involve the removal of Commonwealth and State-based tax barriers to **build-to-rent** products, the re/introduction of new direct subsidies and incentives to build new affordable rental homes, and new opportunities for the community housing sector to partner with Government to deliver new social and affordable housing.

Shelter WA and the WAAEH also support a nationally harmonised approach to rental standards, with world's leading practice laws using the Make Renting Fair campaign's "Tenancy Ten" as a guide. 40 The Tenancy Ten includes:

- 1. End unfair 'no reason' evictions.
- 2. Allow reasonable modifications.
- 3. Create minimum standards, including for climate appropriate housing.
- **4.** Stabilise rent increases.
- **5.** Include boarders and lodgers.
- 6. Allow pets.
- 7. Quick, fair and consistent dispute resolution.
- 8. Provide a better deal for public housing tenants.
- **9.** Increase access to tenant advocacy and information.
- **10.** Greater protections for tenants' privacy.

Exits into homelessness from the private rental market are a concerning trend, and this is directly due to the private rental market being both an **insecure and unaffordable form of tenure**, and the chronic shortage of available, affordable rental homes.

<sup>&</sup>lt;sup>37</sup> WAAEH, <u>Western Australian Strategy to End Homelessness</u>, p. 21

<sup>&</sup>lt;sup>38</sup> ABS (2019), <u>Survey of Disability, Ageing and Carers</u>

<sup>&</sup>lt;sup>39</sup> Hulse et al (2018) Private rental in transition: institutional change, technology and innovation in Australia. AHURI Final Report N. 296

<sup>&</sup>lt;sup>40</sup> See: https://makerentingfairwa.org.au/our-vision

Longer more secure leases must be included as part of any national rental law reform to reduce the risk of tenant churn, tenant insecurity, and homelessness. Just 4% of renters surveyed as part of the Make Renting Fair WA renters survey had leases that were two years or more. More than half (56%) were on a 12-month fixed term lease, and 22% on rolling/periodic leases.

Tenants in WA are still subject to 'without grounds' evictions, which means any renter can be evicted for no reason, with just 30- or 60-days' notice (depending on whether they are on a fixed term or periodic lease). This is an unnecessary provision which leaves renters directly and permanently at risk of homelessness.

In addition, WA (and all states except the ACT) allows rent increases without any cap or form of stabilisation. This means rents can lawfully increase by an **unlimited amount**, and in WA there have been rent increases of 16-19% year on year, or about an extra \$109 per week. Due to the record low vacancy rates and shortage of rental accommodation, this means people are either being forced directly into homelessness due to simply not being able to pay the increased rent, or having to take on rent increases they cannot afford and going into debt they cannot service.

The Make Renting Fair alliance, of which Shelter WA is a founding member, has published a series of reports using data from Renter Surveys, and a summary can be found here.

Anti-discrimination protections should also be embedded into residential tenancy legislation, including better protections for and inclusion of tenants with disabilities. Legislation should be amended to improve accessibility and should be expanded to offer tenancy protections to individuals in NDIS funded housing and in boarding or lodging houses. A detailed outline of identified issues and recommendations for tenants with disability can be found in the attached submission from the Building Tenancy Skills Project in response to the senate inquiry into the worsening rental crisis in Australia. There is an overall need for more accessible housing, both private and social, with scope for stronger leadership at the national level (including in particular with respect to the National Construction Code Silver Standard Liveability provisions, which WA has yet to implement).

Given the shortfall of supply of social housing, there is likely to be continued growth in the number and needs of **private sector tenants with disability**, in particular those who are not eligible for NDIS and those who are ageing into disability. Each of these cohorts is likely to be on a fixed and low income. <sup>41</sup> Tenants experiencing poor health, illness, disability and/or caring for family members with disability, 'require additional, integrated support as well as interventions to enable households to live with relative stability in appropriate dwellings.' <sup>42</sup> Tenancy support services should be resourced to support this category of tenants, who may be eligible for social housing but renting privately due to social housing shortfalls.

Accordingly, people with disability and people in a caring role for people with disability should be considered among priority cohorts.

# 9. Embedding principles of self-determination and emphasis on culturally led and culturally informed services for Aboriginal and Torres Strait Islander Peoples

As discussed above, rates of homelessness and housing insecurity among Aboriginal and Torres Strait Islander are disproportionately high in WA and appear to be increasing. It is essential, therefore, that a National Plan address barriers faced by First Nations peoples in accessing safe, secure, appropriate and sustainable housing.

All policies addressing housing and homelessness must therefore be **culturally led and culturally informed**, building on the place-based knowledge and strengths of Aboriginal people and communities.

In developing a National Plan, the Commonwealth Government must adopt and embed a principle of **self-determination** for housing and homelessness services for Aboriginal and Torres Strait Islander peoples.

<sup>&</sup>lt;sup>41</sup> Stone et al (2015). Accessing and sustaining private rental tenancies: critical life events, housing shocks and insurances, AHURI Final Report N. 259

<sup>&</sup>lt;sup>42</sup> As above

#### 10. Dedicated attention to regional and remote housing and homelessness

As suggested above, regional variations in housing and homelessness require particular attention in WA and suggest the need for **place-based strategies and solutions**; with commensurate resource allocation.

By way of example, a lack of housing in regional WA impacts workforce and economic development in a way that is not experienced in the metropolitan area.<sup>43</sup> Regional employers have ongoing difficulty attracting and retaining key workers due to an inability to find suitable housing options. Moreover, costs of delivering services and projects in regional WA are often significantly higher than in metropolitan areas.

Further attention needs to be given to **funding and policy commitments for remote housing**. Remote communities and their residents are subjected to the most extreme housing disadvantage in the nation, and this is exacerbated by climate change.<sup>44</sup> Ongoing costs of remote housing are significant and require long-term sustainable funding and policy commitments from the Commonwealth.

For these reasons, a National Plan should pay specific attention to the housing and homelessness needs of regional and remote communities.

#### 11. De-carbonise housing stock

The global effects of climate change are increasingly being felt across all of Australia in the form of extreme heat, reduced rainfall, floods and devastating bushfires. Climate change is a social justice issue and a health issue, and disproportionately impacts vulnerable populations. Australia's housing stock is inadequate for responding to these challenges. This is particularly true for regional and remote Aboriginal housing which has been deemed *unable* to provide a healthy environment for tenants.<sup>45</sup>

Rapid decarbonisation of the built environment is a critical step for curbing global warming and must be recognised in a National Plan. Housing must be climate appropriate for the life of the building, which will result in thermally comfortable and healthy housing, and reduce cost of living for residents.

In partnership with State Governments, the Commonwealth should urgently commit to, and invest in, a retrofit and replacement program to decarbonise Australia's housing stock. Programs should prioritise low-income households, including social homes, and focus on housing in the hottest and coldest climatic regions first. Allocation of funding must be tied to science-based carbon emission reduction targets and new and refurbished dwellings should be required to meet minimum energy efficiency and thermal comfort standards.

### 12. A common understanding of "affordable housing"

In preparation for a National Plan, further work is needed to improve transparency and across the development of shared definitions including definitions of affordable housing and affordable rental housing.

To support the delivery of affordable rental supply, there must be a nuanced definition of affordable housing. Currently, targets for affordable housing are met by delivering affordable ownership products. Specific targets are required for 'affordable rentals', with income-eligibility criteria. Affordable rental products should be offered at below market price, have income eligibility and access criteria, and deliver affordability in perpetuity.

<sup>&</sup>lt;sup>43</sup> Shelter WA (2023), Kimberley Regional Engagement Forums: summary report

<sup>&</sup>lt;sup>44</sup> See for example: Kimberley Community Legal Services (2022), <u>Stuck in the Heat: Lived experiences of public housing tenants in the Kimberley.</u>

<sup>45</sup> Lea, T (2021) Sustainable Indigenous housing in regional and remote Australia. AHURI Final Report No.368.

## **ATTACHMENTS**

1	Shelter WA:	Available at:
	Submission to the Productivity Commission Review of the National Housing and Homelessness Agreement (2022)	https://www.shelterwa.org.au/wp- content/uploads/2022/05/Shelter-WA-Submission- Review-of-NHHA.pdf
2	Building Tenancy Skills Project:  Submission to the Productivity Commission Review of the National Housing and Homelessness Agreement (2022)	Available at: https://www.shelterwa.org.au/wp- content/uploads/2022/05/Shelter-WA-PWdWA- Attachment-B-Building-Tenancy-Skills-Project- Submission.pdf
3	The WA Alliance to End Homelessness:  10 Year Plan to End Homelessness in Western Australia 2018-2028 (2018)	Available at: <a href="https://www.endhomelessnesswa.com/">https://www.endhomelessnesswa.com/</a> files/ugd/43bc 33 bf1021fe69b24b909118a62af0295d8e.pdf
4	Shelter WA and the WA Alliance to End Homelessness:  Submission into the Financial Administration of Services Addressing Homelessness in WA (2022)	Available at: <a href="https://www.parliament.wa.gov.au/Parliament/commit.nsf/luInquiryPublicSubmissions/8E67C511068D47DC4825883F00224C1D/\$file/ef.fah.220429.sub.044.ShelterWA%20and%20WAAEH.pdf">https://www.parliament.wa.gov.au/Parliament/commit.nsf/luInquiryPublicSubmissions/8E67C511068D47DC4825883F00224C1D/\$file/ef.fah.220429.sub.044.ShelterWA%20and%20WAAEH.pdf</a>
5	Shelter WA:  Policy Vision for an Effective Housing System (2022)	Available at: <a href="https://www.shelterwa.org.au/wp-content/uploads/2022/09/SWA-Policy-Vision-Effective-Housing-System.pdf">https://www.shelterwa.org.au/wp-content/uploads/2022/09/SWA-Policy-Vision-Effective-Housing-System.pdf</a>
6	Shelter WA and the WA Alliance to End Homelessness:  Submission to the House of Representatives Standing Committee on Social Policy and Legal Affairs' Inquiry into Homelessness in Australia (2020)	Available at:  https://www.shelterwa.org.au/wp- content/uploads/2020/06/200625 Final SWA WAAEH Submission to Fed Parl Inquiry.pdf
7	Building Tenancy Skills Project:  Submission to the Senate Inquiry into the Worsening Rental Crisis in Australia (2023)	Available at: <a href="https://www.aph.gov.au/DocumentStore.ashx?id=aa8bb">https://www.aph.gov.au/DocumentStore.ashx?id=aa8bb</a> 184-0ffb-4ad3-83b0-1d5d45daa06b&subId=749205