

FEBRUARY 2024



State Budget Submission

Ending Homelessness:
Prioritising Immediate and
Long-Term Investments

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Acknowledgement

In the spirit of reconciliation, Council to Homeless Persons acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past, present and emerging, and extend that respect to all Aboriginal and Torres Strait Islander peoples today. Council to Homeless Persons is committed to honouring Australian Aboriginal and Torres Strait Islander peoples’ unique cultural and spiritual relationships to the land, waters and seas, and their rich contribution to society.

Introduction

Homelessness is unacceptable, avoidable and within our reach to resolve. At present, our homelessness system stands at a critical juncture, and far too many Victorians are enduring the hardships of homelessness. Our goal is for homelessness to be rare, brief, and non-recurring.

To achieve this, the 2024-25 Victorian Budget must urgently address the immediate housing crisis, whilst simultaneously developing and investing in a strategy to end homelessness in Victoria. This strategy must centre on housing first and ensure enough public and community housing for Victorians' needs.

The rates of Homelessness in Victoria are too high. 30,660 Victorians experiencing homelessness on Census night 2021 is unacceptable, Our State's social housing stock is currently far too small to respond to a problem on that scale. CHP's analysis of the Productivity Commission's Report on Government Services, released in January 2024, reveals that Victoria continues to have the lowest proportion of social housing in Australia. Public and community housing residents make up just 2.8 per cent of Victoria's households, compared to the national average of 4.1 per cent. In practical terms, this means Victorians have the worst access to social housing in the country with the reality being waiting that half of high priority applicants wait more than 18 months for somewhere to live.

Victoria is at a crisis point. The Australian Institute of Health and Welfare's annual specialist homelessness services report reveals that in 2022-23:

- the number of people who sought help because they were being evicted increased by 1,163, to 35,036;
- the number of working people seeking help for homelessness increased by 1,594, to 12,770; and
- the number of people sleeping rough who sought assistance increased by 2,636, to 12,613.

We also know through CHP's regional engagement that experiences of homelessness and lack of housing options in regional Victoria have never been worse.

As the peak body representing organisations and individuals in Victoria with a commitment to ending homelessness, Council to Homeless Persons stands ready to work together with government. We ask that across all future investments in ending homelessness, there needs to be provision for peer worker involvement, and at least 10 per cent of funding should be delivered to Aboriginal Community Controlled Organisations. And we ask for funding across the following seven important measures to address the current crisis and implement lasting solutions.



Deborah Di Natale
Chief Executive Officer

Summary of recommendations

<p>CHP recommends the Victorian Government makes these additional investments in the 2024-25 State Budget...</p>	<p>House Victoria's homeless</p> <ul style="list-style-type: none"> \$4.8 billion in 2024-25 (\$20b over 4 years) to grow Victoria's public and community housing stock, and house Victorians experiencing homelessness.
<p>Improving access to homeless support</p> <ul style="list-style-type: none"> \$9.4 million in 2024-25 (\$39.4m over 4 years) to grow homelessness entry points; \$1.6 million in 2024-25 (\$6.9m over 4 years) to continue lapsing funding for Pride in Place; \$2.5 million in 2024-25 (\$10.8m over 4 years) to continue lapsing funding for the Homelessness After Hours Service; \$1.8 million in 2024-25 (\$7.4m over 4 years) to deliver expert housing navigators for older people experiencing homelessness. 	<p>Help for homeless young people</p> <ul style="list-style-type: none"> \$1 billion in 2024-25 (\$4.2b over 4 years) to build 5,000 social properties for homeless young people; \$8.5 million in 2024-25 (\$90.6m over 4 years) to fund the operation of those properties; \$32.7 million in 2024-25 (\$136.8m over 4 years) in a youth homelessness strategy; \$13.3 million in 2024-25 (\$55.7m over 4 years) in support for young people with concurrent mental illness and homelessness.
<p>Eviction prevention in a housing crisis</p> <ul style="list-style-type: none"> \$5.6 million in 2024-25 (\$23.4m over 4 years) to grow PRAP, remedy rental arrears & avoid evictions; \$1.7 million in 2024-25 (\$7m over 4 years) in the TenancyPlus program. 	<p>End rough sleeping in Victoria</p> <ul style="list-style-type: none"> \$101.3 million in 2024-25 (\$423.8m over 4 years) in expanding Victoria's Housing First programs up to 3,800 places, in addition to the homes above.
<p>Every Aboriginal person has a home</p> <ul style="list-style-type: none"> \$107.6 million in 2024-25 (\$366.8m over 4 years) in delivering the blueprint for and Aboriginal-specific homelessness system in Victoria. 	<p>Trans Victorians are safe, housed & supported</p> <ul style="list-style-type: none"> \$5.3 million in 2024-25 for a dedicated crisis-transitional housing facility for transgender and gender diverse Victorians; \$0.6 million in 2024-25 (\$4.7m over 4 years) to fund the operation of the facility; \$1.2 million in 2024-25 (\$5m over 4 years) in research and practice development for this group.

Improving access to homelessness support

Goal

Homelessness should be rare in Victoria. When Victorians do face it, the service system should be adequately resourced and equipped with the right tools and programs to ensure support is accessible and tailored to their individual needs and experiences.

In the 2024-25 State Budget, the Victorian Government should invest an additional:

- \$9.4 million in 2024-25 (\$39.4 million over four years) to grow homelessness entry points to better meet demand;
- \$1.6 million in 2024-25 (\$6.9 million over four years) to continue lapsing funding for Pride in Place;
- \$2.5 million in 2024-25 (\$10.8 million over four years) to continue lapsing funding for the Homelessness After Hours Service;
- \$1.8 million in 2024-25 (\$7.4 million over four years) to deliver expert housing navigators for older people experiencing homelessness.

Rationale

For around 100,000 Victorians each year, the first step to ending their homelessness begins with a meeting. It might be in a designated homelessness 'entry point', it might be at the public space they're living on, or it might take place on the phone when they need assistance after hours. Officially known as "intake", from this first meeting, a person's support journey can begin.

Intake services always ran lean. Wait times could be long, and people might have to visit a different agency when the first one they approached couldn't see them. But even though the housing and case management a person needed wasn't always available, everybody got seen. Everybody had a chance for their needs to be heard, and to be prioritised against the limited housing and support that was available. It meant that those most in need got helped.

In 2024, as the housing crisis hits new heights, intake services are crumbling. Agencies are so understaffed that phones redirect to voicemail, and voicemails go unanswered. In order to safeguard the time needed to follow up with their clients, agencies are shutting their doors early or having to turn away people for support on the day they need it. Specialist intake programs like Pride in Place and the Homelessness After-Hours Service face lapsing funding, putting at risk access to homelessness support for LGBTIQ+ people, and

anyone made homeless after 5 pm. Many older people have specific housing needs, where their housing options are contingent on health and community supports which must be navigated in tandem.

We need to get the best outcomes out of scarce homelessness resources. Intake tools are essential to that mission, providing access to homelessness supports and driving prioritisation. For the system to operate as intended, we need to grow our intake response.



House Victoria's homeless

Goal

For Victorians locked out of the private market to have the same access to public and community housing as other Australians. As the Big Housing Build begins to wind down in 2025/26, the Victorian Government should commit to a plan to:

- provide housing to priority applicants who are homeless; and
- allocate a 25 per cent share to regional Victorians facing comparable rents to Melbournians without comparable wages or homelessness service availability.

In the 2024-25 State Budget, the Victorian Government should invest an additional:

\$4.8 billion in 2024-25 (\$20 billion over four years) to grow Victoria's public and community housing stock, and house Victorians experiencing homelessness.

Rationale

The housing crisis is the biggest challenge facing Victorians. While Victoria's Housing Statement aims to deliver 260,000 additional homes over the next ten years, it pledges only a minimum of approximately 700 additional public and community homes over thirty years. This is far short of the 60,000 additional social housing properties over ten years recently recommended by the Parliamentary Inquiry into the Rental and Housing Affordability Crisis in Victoria.

The desperate need for more public and community housing has real life consequences. Women and children experiencing family violence are now experiencing homelessness for an average two years before they are offered public or community housing. The government's target for this cohort is 10.5 months. In these two years, the constant pressures of homelessness hinder their recovery, and disrupt children's development. Too many women return to violent partners rather than put their children through that. Many other Victorians are in need too, and priority applicants are waiting 72 per cent longer than target.

Additionally, the public housing redevelopments (a welcome plan to renew aging high-rise stock) will require almost all public and community housing vacancies to be reserved for households whose homes are being redeveloped. Without a significant boost to public and community housing, wait times will blow out further, leaving more Victorians without a home and in danger.

This devastating lack of public and community housing is most stark in Victoria. All other States and Territories in Australia have greater proportions of public and community housing. Victorians should have the

same access to life saving public and community housing as other Australians. Instead, a spurt of 800,000 new private developments with no commensurate plan for public and community housing would glue Victoria at the bottom of the national league table, possibly for good.



Help for homeless young people

Goal

Victoria needs a new model for youth homelessness and housing to address youth homelessness. It must satisfy three requirements:

- dedicated social housing properties for young people;
- a subsidy to make that housing financially viable; and
- a youth homelessness strategy to support young people to stay safely housed, whether in their family home, or independently.

In the 2024-25 State Budget, the Victorian Government should invest an additional:

- \$1 billion in 2024-25 (\$4.2 billion over four years) to build 5,000 social properties for homeless young people;
- \$8.5 million in 2024-25 (\$90.6 million over four years) to fund the operation of those properties;
- \$32.7 million in 2024-25 (\$136.8 million over four years) in a youth homelessness support strategy;
- \$13.3 million in 2024-25 (\$55.7 million over four years) in support for young people with concurrent mental illness and homelessness.

Rationale

In 2022-23, nearly 16,000 young people came to Victorian homelessness services; representing one in six people seeking assistance for homelessness. Aboriginal and Torres Strait Islander young people are disproportionately represented among those numbers.

These young people are poorly served in a housing and homelessness system which is built around adult assumptions of personal and financial independence. The result is that thousands of young people experience homelessness with little hope of affording the co-contribution for community housing (let alone private rents), and with supports ill-matched to their needs. Without access to the tools needed to end their homelessness, the opportunity to intervene early is missed, and many young people never get back on track. Instead, they commence a lifetime of episodic homelessness.

Overcoming these barriers goes beyond bricks & mortar and financial support. Young people who are unable to live at home must become the head of their household – whether or not they have the tools to do so. A housing model for young people experiencing homelessness has to include support packages that follow the young person, so that they can recover from the experiences that led to their homelessness, develop the skills to live independently, and ultimately return to the mainstream housing market, with guidance from a supportive adult. Victorian homelessness services and peak bodies, alongside Nous Consulting, have developed a [new model for youth housing in Victoria](#) that exemplifies how this might be done.

The Victorian Government has already committed to fund 500 supported social housing properties for young people, as a result of the Royal Commission into Victoria’s Mental Health System. The Commission further stated that “the optimal scale and distribution of this supported housing must also be subject to ongoing review”. However, despite this commitment and recommendation, funding is yet to be made available for these beds. We must see this funding in 2024.



Eviction prevention in a housing crisis

Goal

For fewer Victorians to be evicted into homelessness as a result of housing and cost of living pressures.

In the 2024-25 State Budget, the Victorian Government should invest an additional:

- \$5.6 million in 2024-25 (\$23.4 million over four years) to grow the Private Rental Assistance Program, remedy rental arrears and avoid evictions;
- \$1.7 million in 2024-25 (\$7 million over four years) in the TenancyPlus program to support social housing residents at risk of eviction into homelessness.

Rationale

Rent costs were at record highs one year ago – then grew another 16 per cent. Food banks & material aid agencies are reporting increased demand, in large part because the rent eats first, and lately, it's eating more.

As the housing crisis continues to bite ever-harder, inevitably, more households can't pay the rent. Homelessness services report seeing increased numbers of people who never struggled in the past. The number of employed people seeking homelessness assistance grew by 14 per cent last year. Formerly a relative rarity, employed people now make up one in eight homelessness clients in Victoria.

Victoria has excellent rental protection programs. The highly successful Private Rental Assistance Program (PRAP) and TenancyPlus programs save thousands of tenancies every year. But they are facing overwhelming demand. As far back as 2020, Victorian homelessness services were reporting that PRAP providers exceed their funded targets multiple times over. With more funding and staffing, they could help more people, and to a greater extent.

Some four per cent of social housing tenants are evicted each year, often into homelessness. The leading factor is non-compliance with payment plans. TenancyPlus provides a brief period of support to highly vulnerable social housing residents when their tenancy is at risk – supporting them to meet their payment obligations, sustain their tenancy, and avoid returning to homelessness.

Programs that support renters to avoid eviction prevent harm to people who might otherwise experience homelessness, and do so at a greatly reduced cost to government compared to the cost of homelessness.

The Victorian Government needs to intervene to protect renters in the midst of the cruellest housing crisis in memory. This means a massive expansion of these low-cost programs that deliver great results.

End rough sleeping in Victoria

Goal

Victorians who have persistently slept rough are provided with the housing and support that they need to achieve housing stability.

In the 2024-25 State Budget, the Victorian Government should invest:

\$101.3 million in 2024-25 (\$423.8 million over four years) in expanding Victoria's Housing First programs up to 3,800 places, in addition to the homes described above.

Rationale

Success rates of 90 per cent are exceedingly rare in social policy, especially in complex problems like long-term rough sleeping. But Housing First programs achieve that incredible level of success. Without a doubt, Housing First is the future direction of homelessness service delivery for rough sleepers. For those who want to end homelessness, it presents an unparalleled opportunity.

But Victoria is moving in the wrong direction. Australia's largest Housing First informed program, From Homelessness to a Home is coming to an end. In its new iteration, it will go from supporting 2,000 households with long-term histories of homelessness, to supporting just 240 households in 2024-25 (leaving much of the State to miss out entirely). While this number will grow to 500 Statewide over three years, it is a quarter of what has been provided to now, and just over an eighth of what's needed on current numbers to meaningfully end long-term rough sleeping in Victoria.

Victoria needs 3,800 Housing First packages. That's the number of Victorian homelessness service users who are sleeping rough and persistently homeless according to a recent study by the Australian Institute of Health and Welfare. By funding the Housing First approach, we can provide the housing and dedicated support that would allow them to live well in the community.

Delivering more Housing First would have other benefits too. These programs would be equipped to offer outreach and make contact with people living in public places or bushland. As extreme weather events become more frequent, people sleeping rough in the bush are currently unable to be evacuated to safety. Housing First programs can provide a line of sight to these vulnerable people, while working towards the housing, treatment plans and reconnection to community that are hallmarks of Housing First.

The future direction of homelessness service delivery is clear. The answer to helping long-term rough sleepers is to deliver Housing First programs. The Victorian Government must not proceed with the plan to cut this program to an eighth of what's needed.

Every Aboriginal person has a home

Goal

A well-resourced Aboriginal Community Controlled Organisation sector is able to effectively respond to instances of homelessness.

In the 2024-25 State Budget, the Victorian Government should invest an additional:

\$107.6 million in 2024-25 (\$366.8 million over four years) in delivering the blueprint for an Aboriginal-specific homelessness system in Victoria.

Rationale

The level of homelessness among Aboriginal and Torres Strait Islander Victorians is devastatingly high. Where approximately one in every 80 non-Aboriginal Victorians seeks assistance from a homelessness service each year, a number that is already far too high, last year the corresponding number for Aboriginal and Torres Strait Islander Victorians last year was one in five. That's a new record high.

Aboriginal and Torres Strait Islander communities, the Victorian Government, and the Specialist Homelessness Services sector agree; self-determination is the key to bringing down the appallingly high rate of homelessness experienced by this community in Victoria.

In 2022, the Victorian Aboriginal Housing and Homelessness Forum (VAHFF) released the Blueprint for an Aboriginal-specific homelessness system in Victoria. The Blueprint sets out a compelling case, and builds on Mana-na woorn-tyeen maar-takoort: the Victorian Aboriginal Housing and Homelessness Framework. At their heart, Mana-na woorn-tyeen maar-takoort and the Blueprint are underpinned by the vision that every Aboriginal Person has a home.

As outlined by the blueprint, self-determination isn't simply about funding Aboriginal Community Controlled Organisations (ACCO's) to deliver homelessness services - though that is essential. It requires that Aboriginal communities design the solutions to Aboriginal and Torres Strait Islander homelessness. As ACCO's adopt key homelessness support functions, some functions will be redesigned. The VAHFF has already identified that ACCO-run intake entry points need dedicated access to housing. This will mean funding these intake services differently to existing models, as outlined in the VAHFF's budget submission. A commitment to self-determination requires seeing the Blueprint as a total plan, not a list of ideas from which to selectively draw.

Victoria's ACCO sector has established that they can deliver better outcomes for Aboriginal and Torres Strait Islander people in need of support. We must embrace that success by increasing funding to ACCOs.

Trans Victorians are safe, housed and supported

Goal

Victoria has facilities and services to support transgender and gender diverse Victorians who experience homelessness.

In the 2024-25 State Budget, the Victorian Government should invest an additional:

- \$5.3 million in 2024-25 in building a dedicated crisis-transitional housing facility for transgender and gender diverse Victorians;
- \$0.6 million in 2024-25 (\$4.7 million over four years) to fund the operation of the facility; and
- \$1.2 million in 2024-25 (\$5 million over four years) in research and practice development for this group.

Rationale

One in three gay and lesbian Australians has been homeless and the rates are even higher among trans people. Homelessness is always deeply damaging, but when it comes alongside family rejection, violence, poverty, and housing discrimination, as it so often does for trans Victorians, the damage can be that much worse. It's little wonder that homelessness programs working with LGBTIQ+ Victorians report that on average, clients had far higher support needs than the general homeless population.

Unfortunately, crisis, transitional and other higher density housing aren't always safe for trans clients. Trans and non-binary people report experiencing harassment, violence, sexual violence, and the use of threats to compel participation in unwanted or illegal activity.

CHP proposes that the Victorian Government fund a new crisis-transitional housing model, to safely house trans Victorians experiencing homelessness. This would also serve as a centre of excellence in the development and dissemination of practice guidance, to improve specialist homelessness services' capacity to respond to the needs of trans and non-binary Victorians.

The work of changing discriminatory attitudes towards trans Victorians is essential, but it is slow. As we strive to create a better society for LGBTIQ+ Victorians, we should make sure that those who turn to us for help receive assistance that is safe, and effective.

Summary of investment required

In the 2024-25 State Budget, the Victorian Government should invest –

Initiative	2024-25	2025-26	2026-27	2027-28	Total	Ongoing
	\$m	\$m	\$m	\$m	\$m	\$m

Improve access to homelessness support

Grow entry points	\$9.4 million	\$9.7 million	\$10 million	\$10.3 million	\$39.4 million	\$10.6 million
Pride in Place and the Homelessness After Hours Service	\$4.1 million	\$4.2 million	\$4.3 million	\$4.5 million	\$17.1 million	\$4.6 million
Housing pathways for older people	\$1.8 million	\$1.8 million	\$1.9 million	\$1.9 million	\$7.4 million	\$2.0 million
<i>Sub-total</i>	\$15.3 million	\$15.7 million	\$16.2 million	\$16.7 million	\$63.9 million	\$17.2 million

House Victoria's Homeless

Increase social housing	\$4.8 billion	\$4.9 billion	\$5.1 billion	\$5.2 billion	\$20 billion	-
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Help for homeless young people

Dedicated social housing for young people	\$1 billion	\$1 billion	\$1.1 billion	\$1.1 billion	\$4.2 billion	-
Fund the gap in operating costs	\$8.5 million	\$17.6 million	\$27.2 million	\$37.3 million	\$90.6 million	\$38.4 million
A youth homelessness strategy	\$32.7 million	\$33.7 million	\$34.7 million	\$35.7 million	\$136.8 million	\$36.8 million
Mental health supports	\$13.3 million	\$13.7 million	\$14.1 million	\$14.6 million	\$55.7 million	\$15 million
<i>Sub-total</i>	\$1041.1 million	\$1051.3 million	\$1161.9 million	\$1173 million	\$4.4 billion	\$75.2 million

Initiative	2024-25	2025-26	2026-27	2027-28	Total	Ongoing
	\$m	\$m	\$m	\$m	\$m	\$m

Eviction prevention in a housing crisis

Help people with rental arrears	\$5.6 million	\$5.8 million	\$5.9 million	\$6.1 million	\$23.4 million	\$6.3 million
Support at-risk social housing tenancies	\$1.7 million	\$1.7 million	\$1.8 million	\$1.8 million	\$7 million	\$1.9 million
<i>Subtotal</i>	\$7.3 million	\$7.5 million	\$7.7 million	\$7.9 million	\$30.4 million	\$8.2 million

End rough sleeping in Victoria

Housing First for 3,800 people	\$101.3 million	\$104.3 million	\$107.5 million	\$110.7 million	\$423.8 million	\$114 million
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Every Aboriginal person has a home

Implement the blueprint for an Aboriginal-specific homelessness system	\$107.6 million	\$86.4 million	\$86.4 million	\$86.4 million	\$366.8 million	\$86.4 million
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Trans Victorians are safe, housed, and supported

Capital funding for crisis-transitional facility for trans people	\$5.3 million	-	-	-	\$5.3 million	-
Funding to operate the facility	\$0.6 million	\$1.3 million	\$1.4 million	\$1.4 million	\$4.7 million	\$1.5 million
Research and practice development	\$1.2 million	\$1.2 million	\$1.3 million	\$1.3 million	\$5 million	\$1.4 million
<i>Subtotal</i>	\$7.1 million	\$2.5 million	\$2.7 million	\$2.7 million	\$15 million	\$2.9 million