



# HOUSING JUSTICE: A HOME FOR EVERYONE

## 2023 ELECTION STATEMENT





## SEEKING HOUSING JUSTICE

**The importance of safe, secure, appropriate and affordable housing is not a controversial notion. It has been acknowledged by both sides of politics and is recognised in international law.<sup>1</sup> Yet every day in the Society's work we see the extent to which the right to home is yet to be realised in NSW.**

The St Vincent de Paul Society seeks to support people who, for whatever reason, are struggling. We do this by respecting their dignity, sharing our hope, and supporting people to regain control of their own destiny. Where people's experiences of poverty and exclusion are linked to unjust economic, political, or social structures we are compelled to speak out and demand improvements. We are now part of an increasingly large chorus of voices calling for changes to our housing system so that it delivers homes for everyone.

The next NSW Government could start reshaping a housing system that is not currently working in

the interests of many people in our communities – First Nations people, younger people locked out of opportunity, older renters, women – especially those escaping violence, people with disability, and anyone on a low income.

The problems we see are not intractable. We know many of the solutions. Governments can choose to put the community's money towards these solutions. Join us in asking them to do so.



**Jack de Groot**  
CEO



**Paul Burton**  
President

<sup>1</sup> Article 25 of the Universal Declaration of Human Rights and Article 11 (1) of the International Covenant on Economic, Social and Cultural Rights.

**Statistics and stories about the number of families in our communities struggling to pay the rent, living in crowded or unsuitable accommodation, or without secure shelter, have become so commonplace they no longer shock us the way they should.**

As a community, we have the resources needed to make sure everyone has a home. That more and more people are experiencing or at risk of homelessness is not inevitable; it is a political choice.

For members of the St Vincent de Paul Society, the stories and statistics that feature in the daily news are given shape and substance through the assistance we provide to people struggling to make ends meet. They are people we know and walk beside.

Embedded in the Society's work is the belief that in all our charitable actions there should be a search for justice. Housing

has become an increasingly important part of this search for justice. The lack of safe, secure, appropriate and affordable housing is fracturing our communities. It is dividing families, harming people's physical and mental health, and contributing to social isolation.

The situation will not be resolved without bold political action. And bold political action is unlikely unless current and aspiring MPs know that the solutions needed are supported by people in their communities.

Let us work together, then, to make sure housing justice for everyone features high on the agenda over the coming parliamentary term.



**Brooke Simmons**  
**Vice President,**  
**Social Justice**

## RECOMMENDATIONS

### 1. ENSURE OUR HOUSING SYSTEM DELIVERS ON THE RIGHT TO HOME

- Work towards 5,000 new social housing homes per year
- Mandate affordable housing targets
- Regulate for healthier homes
- Regulate for accessible homes
- Hold a housing summit

### 2. PROTECT RENTERS THROUGH FAIRER TENANCY LAWS

- Ensure fair limits on rent increases
- Replace 'no grounds' evictions provisions
- Prohibit blanket no pets clauses

### 3. FUND SPECIALIST SERVICES FOR PEOPLE WHO ARE HOMELESS



## THE ST VINCENT DE PAUL SOCIETY IN NSW

**In 1833 in Paris, 20-year-old student Frédéric Ozanam resolved to do what he could to bear witness to his Christian upbringing by assisting those less fortunate in the community. Together with a group of friends, he sought the advice of Sr Rosalie Rendu, who guided their approach towards one that affirms the dignity of each human being and invites a deep relationship of solidarity.**

Declaring that no form of charity would be foreign to their work, the first 'Conference of Charity' has since grown into a worldwide movement that continues to seek out and address poverty in all its forms.

In NSW, the Society was established over 140 years ago. It now has over 3,500 members who offer material and financial assistance to people in their communities as well as companionship and social support. Professional services have been established in response to the needs of people at risk of or experiencing homelessness, people with disability, people seeking support in relation to alcohol and other drug use, and people experiencing other forms of exclusion.

Our homelessness services have an increasingly strong focus on prevention and early intervention. Members of the Society visit people who need help in their homes, and refer those at risk of homelessness to our professional services, where

we offer case management, support services, and referral to other agencies to help keep people at home. Specialist responses are provided for women and children wishing to leave family and domestic violence while retaining existing housing.

Where people experience homelessness, the Society seeks to ensure they can move into permanent accommodation, supported by wrap-around services, as quickly as possible. Through our community housing provider, Amélie Housing, we provide social and affordable housing with tailored support to meet the needs of the growing number of people locked out of the private rental market.

The Society also offers transitional accommodation with case management to support people to secure and maintain their own tenancies in the community, and crisis accommodation for those experiencing homelessness.

In 2021-22, our specialist homelessness services supported 8,607 people. A further 29,124 people accessed our drop-in homelessness hubs in Northern NSW.

Together with the NSW Government and other NGO partners, the Society is also a signatory to the End Street Sleeping Collaboration, which seeks to halve the number of people experiencing street homelessness by 2025 and work towards zero street homelessness across NSW.

# 1 ENSURE OUR HOUSING SYSTEM DELIVERS ON THE RIGHT TO HOME

**A home is not a privilege, it is a right. Everyone should have a place where they can feel safe and be themselves, nurture their families, work, study and play. A home is not just a roof over one's head; it should be a place of safety, comfort, and connection.**

Yet for thousands of individuals and families across NSW, our housing system does not deliver homes that meet their need, at a price they can afford.

Thousands of people now live in chronic housing stress, foregoing essentials such as health care, food, and warmth, to keep a roof over their heads. This makes it hard to hold down a job and maintain relationships, and for children to access what they need to do well in school.

The lack of access to secure and permanent housing is leaving more women with no choice but to stay with a violent partner.<sup>2</sup> Children risk being removed from their families, and people cannot access the help they need to start to rebuild their lives.

People on lower incomes have no choice but to live in housing that is poorly built or maintained, while a growing number of older people and people with disability are unable to find a suitable home.

There is a clear need for more affordable housing, appropriate to people's needs, and built to a standard that supports health and well-being.

The next NSW Government must act to create a housing system that works for everyone in our community, to prevent more people from becoming trapped in poverty and avoid unnecessary hardship.

## CARMEN'S STORY

Carmen is a 61-year-old woman who has been caring for her adult son who has a disability. She and her son lived in a two bedroom Housing NSW property, but when her son's disability became too difficult to manage on her own, he was placed in a group home. Carmen did not understand the government system and she voluntarily handed her social housing home back to Housing NSW as it was two bedrooms, and she now only needed a one-bedroom home. After enquiring about a one-bedroom property, the Department of Housing advised Carmen that she would have to re-apply on her own and would be placed on the general waitlist, where wait times are typically between five and ten years.

Carmen became homeless after being denied access to priority housing and has been residing in crisis accommodation since. Carmen was told she was not eligible for priority housing as she was unable to prove she could not resolve her own housing needs in the private rental market. Housing NSW assessed Carmen's ability to pay rent at over \$300 per week due to her additional carers allowance payment; however, they did not account for the \$200 a fortnight she pays each fortnight to the group home where her son resides.

<sup>2</sup> Last year an estimated 2,400 returned to live with a violent partner due to lack of an affordable alternative.

## 1.1. WORK TOWARDS 5000 NEW SOCIAL HOUSING HOMES PER YEAR

**Decades of government under-investment in social housing has caused the gap between the number of homes, and the number of people in need, to widen. Social housing is now at an historic low, comprising only 4.7% of the housing market.<sup>3</sup> As a result, there are almost 50,000 eligible households – over 100,000 people<sup>4</sup> – on the social housing waitlist.<sup>5</sup>**

As house prices rise, the need for social housing will increase as more people are locked out of the housing market for purely economic reasons. And as our population ages, more older renters will need social housing to avoid being trapped in poverty.<sup>6</sup>

More social housing homes would give thousands of people the opportunity to break free from the grip of poverty. Our research shows that 5,000 homes per year would reduce the social housing waitlist by 75%, house 16,000 people experiencing homelessness, and provide reprieve for 33,000 households experiencing housing stress.<sup>7</sup>

The NSW Government's own State Infrastructure Strategy,<sup>8</sup> as well as the NSW Flood Inquiry<sup>9</sup> and the Regional Housing Taskforce,<sup>10</sup> all recommend a sustained program of social housing investment to meet current and predicted need, and ease pressure on other parts of the housing market.

## BUILD homes build HOPE

The St Vincent de Paul Society's Build Homes, Build Hope campaign saw well over 15,000 people sign a petition calling on the NSW Government to deliver 5,000 new social housing homes per year.

Over the last two years, members of the Society have also written to or met with local MPs to discuss the social housing shortage on dozens of occasions.

We are now seeing more decision-makers acknowledge the high and rising level of needs for social housing, and a growing number of individuals and organisations have voiced their support for increased investment, including many of the NSW Government's own advisory bodies.

The Federal Government's proposed \$10 billion Housing Australia's Future Fund aims to build 30,000 new social and affordable housing properties across Australia in its first five years. The next NSW Government can build on this investment to increase new supply to a level commensurate with need.



**OVER 100,000 PEOPLE IN NSW ARE WAITING FOR SOCIAL HOUSING.**



**WAIT TIMES FOR SOCIAL HOUSING EXCEED 10 YEARS IN MOST NSW CITIES.**



**5,000 NEW SOCIAL HOMES PER YEAR WOULD CUT THE WAITLIST BY 75%**

<sup>3</sup> AIHW (2022) Housing assistance in Australia. Available at <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/about>

<sup>4</sup> Evidence given by the Department of Communities & Justice in Budget Estimates 2019-2020 advised that multiplying the number of applicants by 2.2 gives the approximate number of people waiting for social housing.

<sup>5</sup> NSW Department of Family & Community Services (2016) Expected Waiting Times

<sup>6</sup> The Treasurer's 2021-22 NSW Intergenerational Report estimates that demand for social housing amongst people over the age of 65 will increase by 68,000 households if the home ownership rate amongst retirees remains steady

<sup>7</sup> Centre for Social Impact (2022) Social Housing in NSW – Future Impact.

<sup>8</sup> Infrastructure NSW (2022) Staying Ahead: State Infrastructure Strategy 2022-2042.

<sup>9</sup> 2022 Flood Inquiry (2022) Volume Two: Full report.

<sup>10</sup> NSW Department of Planning, Industry and Environment (2021) Regional Housing Taskforce: Recommendations Report.



## 1.2. IMPROVE RENTAL AFFORDABILITY

**The high cost of housing is forcing people on lower incomes – including key workers such as educators, nurses, carers and social workers – further from jobs, transport and other services. It is dividing families and creating communities increasingly segregated by income and wealth.**

Three quarters of all low-income households renting in the private market now live in housing stress. This ongoing stress can affect people's physical and mental health, their employment prospects, children's education, and relationships with family, friends and the broader community.

As land is released or rezoned, new developments can yield huge profits. A proportion of this profit should be set aside for affordable rental housing, delivering public benefit and supporting more vibrant mixed communities that accommodate people across a wider range of incomes.

Inclusionary zoning targets of 5-10% were included in the Greater Sydney Commission's District Plans, yet there is no publicly available information on how many new affordable rental homes were delivered as a result. More recently, the renamed Greater Cities Commission has recommended 10% affordable housing targets for rezonings with a housing uplift, and 30% social and affordable housing targets for developments on government land.<sup>11</sup>

To help councils meet – and exceed – these targets, the NSW Government should support the delivery of rigorous affordable housing contribution schemes and develop clear accountability mechanisms. Similar targets should be incorporated into Regional Plans, most of which also seek to improve access to affordable housing.



**ACROSS NSW, LESS THAN 1% OF RENTALS ARE AFFORDABLE FOR A SINGLE PERSON ON THE MINIMUM WAGE OR RELIANT ON A GOVERNMENT PENSION OR ALLOWANCE.<sup>12</sup>**



**NSW WILL LOSE ALMOST 6,500 AFFORDABLE HOMES BY 2026 AS THE NATIONAL RENTAL AFFORDABILITY SCHEME WINDS UP.**

<sup>11</sup> Greater Cities Commies (2022) Discussion Paper: The Six Cities Region.

<sup>12</sup> Anglicare Australia (2022) Rental Affordability Snapshot 2022.

## 1.3. REGULATE FOR HEALTHIER HOMES

**Many people on low incomes have little control over the condition of their housing. Yet homes that are too hot in summer and too cold in winter can harm people's social, physical and mental health. As energy prices rise, people will face further hardship as they make tough choices between high energy bills and living in conditions that undermine their health.**

Action is needed to improve the quality of all homes, and to ensure everyone can afford to maintain their home at a healthy temperature.

The NSW Government's welcome decision to ensure all new buildings comply with 7-star energy ratings means that people who live in these homes will need around 25% less energy to keep warm and cool.<sup>13</sup> A similar commitment is now needed to improve the standard of the 3.4 million existing homes in NSW.<sup>14</sup>

To improve the efficiency of existing homes, the NSW Government should continue to offer programs that support and incentivise retrofits, upgrades, and electrification. But to ensure people who rent see the benefit of these programs at scale, they must be underpinned by minimum rental standards. By setting a date for the introduction of minimum standards, the NSW Government would speed progress towards ensuring more people live in homes that can be kept at a liveable temperature without wasting energy and money.



**RAISING A HOME FROM A 2-STAR TO 5-STAR ENERGY RATING CAN HALVE A HOME'S HEATING AND COOLING ENERGY REQUIREMENTS.**

## 1.4. REGULATE FOR ACCESSIBLE HOMES

**A large majority of existing homes are inaccessible. As a result, people with disability or injury, as well as older people with limited mobility, have less choice about where they live. The lack of accessible housing doesn't just make it hard to find a home, it also means a large and growing part of our population is excluded from being able to freely visit family and friends.**

Ensuring the 42,000 new homes forecast to be delivered each year<sup>15</sup> are more accessible would make our housing system better able to support the inclusion of all people in our

community and accommodate our ageing population. Yet while State and Territory Building Ministers recently agreed all new homes should comply with silver level accessibility standards, the NSW Government has signalled its intent to opt out of this part of the National Construction Code.



**60% OF HOMES WILL BE OCCUPIED BY A PERSON WITH DISABILITY OR INJURY AT SOME POINT. 90% WILL HAVE A VISITOR WITH DISABILITY OR INJURY.<sup>16</sup>**

<sup>13</sup> Climate Council (2022) Tents to Castles: Building Energy Efficient, Cost-Saving Aussie Homes.

<sup>14</sup> ABS (2021) Census of Population and Housing

<sup>15</sup> NSW Government (2021) 2021-22 Intergenerational Report: Towards 2061 – Planning for the Future.

<sup>16</sup> Australian Network for Universal Housing Design, Submission by Australian Network for Universal Housing Design to the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (2019), <https://aduhdblog.files.wordpress.com/2019/12/anuhds submission-to-the-disability-royal-commission.finalnen.pdf>





## 1.5. HOLD A HOUSING SUMMIT

**Implementing the recommendations listed to the right would significantly improve access to housing for people on low incomes and others locked out of the housing market. Further action is needed, however, to fundamentally reshape our housing system so that it delivers on the right to home. A housing summit would bring key stakeholders from Government, industry and the community sector together to identify shared goals and support the collaborative efforts required to radically boost social housing supply.**

This summit should consider how best to increase supply in the short-term, including considering the findings of the parliamentary inquiry into access to existing accommodation, and how best to support a long-term, sustained program of investment, including the revenue streams required to support this.

## RECOMMENDATIONS

The next NSW Government should:

- substantially boost social housing supply, building or acquiring at least 5,000 homes per year for the next ten years.
- mandate affordable housing targets for all new residential developments: 15% on private land; 30% on government-owned land.
- introduce minimum energy efficiency standards for rented homes.
- require all new homes to comply with silver level accessibility standards, in line with the National Construction Code.
- hold a housing summit within the first six months of the new Parliamentary Term.



## 2 PROTECT RENTERS THROUGH FAIRER TENANCY LAWS

**People who rent should have stable, healthy and affordable housing that feels like home. Yet unfair tenancy laws mean that private renters across NSW are exposed to skyrocketing rents and the constant risk of eviction for no good reason. Many renters are forced to make a heart-breaking choice between a roof over their heads and their life-long companion animals.**

For more than two million people in NSW their rental property is their home. High house prices are making homeownership unobtainable for a growing number of people. As a result, more people are renting and are renting for longer than ever before. This includes families with children, and older renters.<sup>17</sup> Yet many renters find their housing to be insecure, of poor quality and unaffordable.<sup>18</sup>

The current rental housing crisis, compounded by COVID and recent natural disasters, has revealed how dysfunctional the tenancy system is in NSW. Unfair tenancy laws are failing to provide adequate protection for renters to have stable and healthy places to call home at a price they can afford. This hurts vulnerable people and those on the lowest incomes the most. But it does not have to be this way.

The NSW government must make renting a viable, long-term option for people in NSW by regulating for secure and affordable rental housing that feels like home. The Make Renting Fair campaign has identified easy and effective changes that can be made to NSW tenancy laws to protect tenants and make renting fair. These include setting fair limits on rent increase, ending no-grounds evictions and prohibiting blanket 'no pet' clauses.<sup>19</sup>

<sup>17</sup> (2022) Community Sector Blueprint: *National Framework for Minimum Energy Efficiency Rental Requirements, Healthy Homes for Renters*

<sup>18</sup> <https://www.aihw.gov.au/reports/australias-welfare/housing-affordability>

<sup>19</sup> The Make Renting Fair campaign's ask on safe and healthy homes are addressed in our recommendation, Regulate for healthier homes, on page 8.

## 2.1. FAIR LIMITS ON RENT INCREASES

**Renting in NSW is becoming increasingly expensive and competitive. In just one year the median rent across NSW has increased by 10.6%,<sup>20</sup> well above inflation and much more than average wages. At the same time, rental vacancy rates are at a record low.<sup>21</sup> This means renters often have little choice but to pay more when they renew their rental agreement because of the scarcity of alternative accommodation.**

*The rental market continues to remain a landlords' one with the number of rental listings declining to its lowest point on record. This means it is highly competitive for tenants and further increases in asking rents are likely.<sup>22</sup>*

Renters hit with massive rent hikes are having to cut back on essentials such as food, heating and petrol. Others are forced to move away from their communities, schools and jobs to access more affordable homes. Unaffordable rentals hurt

low-income and vulnerable households the most. Many people have been left with no option but to leave their rental properties and sleep in their car, couch-surf, or end up on the street.

While the cost of other essential services, such as energy or health, is regulated; housing is not. Introducing stronger protections in NSW tenancy law against excessive rent increases during a tenancy would ease some of the financial pressure renters are currently feeling because of rent price spikes.

The ACT has successfully introduced a framework for rent increases that sets a threshold for 'reasonable' increases linked to the Consumer Price Index. Landlords who wish to exceed the threshold bear the onus of proof to justify to the Tribunal the need for a rent increase above the reasonable limit. This system provides a transparent and independent mechanism to determine fairer rent increases.

## 2.2. REPLACE 'NO GROUNDS' EVICTIONS PROVISIONS

**Many landlords are evicting renters who can't afford higher rents by exploiting 'no grounds' termination provisions in NSW tenancy laws. Under sections 84 and 85 of the NSW Residential Tenancies Act 2010 a tenant can be forced out of their home without being given a reason. This means renters can, and do, get evicted for asking for basic repairs or questioning a steep increase in the rent. This power imbalance means that people do not request their legal right to live in a safe, well maintained home environment.**

*The scariest thing is insecurity and unaffordability, particularly for older women ... It uproots you from your community. It's also very expensive to shift. It's the financial stress, and the mental health issues that come along with that. (Wendy Morris, 75-year-old renter)<sup>23</sup>*

Removing the 'no grounds' evictions provisions in NSW tenancy law and replacing them with 'reasonable grounds' would mean that renters can have greater security and live without fear of being unfairly forced from their home. What constitutes 'reasonable grounds' should be determined through community consultation. This change would not stop landlords from terminating a rental agreement when there is a genuine reason to do so, such as when a tenant fails to pay rent or to look after a property, or when a landlord sells or moves into a property.

Several other Australian jurisdictions, including Victoria and Queensland, have recently updated their tenancy laws to remove no grounds evictions. Landlords must now provide a valid reason, such as returning to live in the property, for asking a tenant to vacate a property during a lease.

<sup>20</sup> What can we do about skyrocketing rents? Tenants Union NSW, <https://www.tenants.org.au/blog/landlords-hiking-rents-what-can-we-do>

<sup>21</sup> Domain Research House (2022 September 2) Vacancy rates: August 2022, Domain, <https://www.domain.com.au/research/vacancy-rates-august-2022-1164176/>

<sup>22</sup> Ibid

<sup>23</sup> Convery S. (2022 September 13) 'The scariest thing is insecurity': Australia's renters over 50 fear uncertain future, report shows, The Guardian, <https://www.theguardian.com/australia-news/2022/sep/13/the-scariest-thing-is-insecurity-australias-renters-over-50-fear-uncertain-future-report-shows>

## 2.3. PROHIBIT BLANKET 'NO PETS' CLAUSES

**Adding to the financial uncertainty and housing insecurity for many NSW renters is the emotional distress of not being allowed to have pets in their homes. Pets play an important role in people's lives; companion animals are associated with a range of physical, mental and social health benefits.<sup>24</sup> Yet NSW tenancy law still allows for blanket 'no pets' clauses, so landlords can refuse their tenant's requests to get a pet for any reason, or no reason at all.**

Many other Australian states and territories have reformed their tenancy laws so that pets cannot be unreasonably refused, including Queensland, Northern Territory, Victoria and the Australian Capital Territory. In Queensland, tenants can request to keep a pet and landlords can only refuse the request for a list of reasons prescribed in legislation. These reasons include the suitability of the pet for the premises, health and safety risks, and cost of likely damage relative to the bond.

The Tenants' Unions has proposed establishing animal welfare guidelines to determine whether a property is appropriate for a pet, based on the welfare needs of the specific pet, that would be given force through existing companion animal regulation. Under their proposal, pets would be permitted but the landlord could contest it at the Tribunal if the animal is unsuitable under the guidelines. Renters would remain liable for damage or breach caused by the pet.

Prohibiting a blanket ban on pets in NSW tenancy law would allow renters to choose whether to have a pet and make the house they live in a home.

**Amélie Housing, the community housing provider established by the St Vincent de Paul Society, has a policy to accommodate tenants with their pets where possible.**

**Amélie Housing approves tenant requests to keep a single pet so long as the size, type and behaviour of the pet is appropriate for the property.**



**MORE THAN 1 IN 3 HOUSEHOLDS RENT THEIR HOMES IN NSW.<sup>25</sup>**



**RENTAL VACANCY RATES IN SYDNEY WERE AT A RECORD LOW OF 1.2% IN AUGUST 2022, 51% LOWER THAN THE SAME TIME LAST YEAR.<sup>26</sup>**



**RENTAL VACANCY RATES IN REGIONAL NSW ARE EVEN LOWER: 0.8% IN HUNTER, 0.8% IN NORTH COAST, 0.4% IN BROKEN HILL/DUBBO, 0.9% IN CENTRAL TABLELANDS, 1.3% IN THE SOUTH COAST, 0.5% IN THE RIVERINA AND 0.5% IN THE MURRAY REGION.<sup>27</sup>**



**MORE THAN ONE-THIRD (36%) OF HOUSEHOLDS IN THE PRIVATE RENTAL MARKET WERE IN RENTAL STRESS IN 2016.<sup>28</sup>**

### RECOMMENDATIONS

The next NSW Government should protect renters by introducing laws for residential rental housing that:

- set fair limits on rent increases
- replace no-grounds evictions provisions with 'reasonable grounds' evictions, and
- prohibit blanket 'no pet' clauses in tenancy agreements.

<sup>24</sup> Smith B. (2012) 'The 'pet effect' Health related aspects of companion', Australian Family Physician, Volume 41, Issue 6. <https://www.racgp.org.au/afp/2012/june/the-pet-effect>

<sup>25</sup> We Need To Make Renting Fair In NSW, Make renting fair, <https://rentingfair.org.au/>

<sup>26</sup> Domain Research House (2022 September 2) Vacancy rates: August 2022, <https://www.domain.com.au/research/vacancy-rates-august-2022-1164176/>

<sup>27</sup> (2022) Residential Vacancy Rates (August 2022), SQM Research,

<sup>28</sup> Australian Bureau of Statistics (2016) Australian Census of Population and Housing. cited in DPIE (2021) Housing2041, NSW Government, Sydney.

### 3 FUND SPECIALIST SERVICES FOR PEOPLE WHO ARE HOMELESS

**People who are homeless or at risk of becoming homeless should have access to the services and support they need when they need it, so they can have a stable home, feel safe, and improve their health and wellbeing.**

The number of people who are homeless in NSW is growing rapidly. The most recent Census data shows 37,715 people were homeless in 2016, a 37% increase in five years.<sup>29</sup> More recent economic modelling on the impact of the COVID-19 pandemic suggests this figure is likely to have increased by a further 24%, with an additional 9,000 people experiencing homelessness.<sup>30</sup>

People experiencing homelessness are among the most socially and economically disadvantaged in our society.<sup>31</sup> The cost of homelessness to

individuals, our community and our economy is enormous, and increases the longer a person remains homeless. But the right support at the right times can help to prevent people from becoming homeless, or can help people get back on track and prevent re-entry into homelessness.

Specialist Homelessness Services (SHS) are the main providers of person-centred and integrated supports for people who are homeless or at risk of homelessness. But SHS providers are having to turn away thousands of vulnerable people in need of essential support each year. A lack of funding for the SHS sector over successive years has left providers unable to meet the increasing demand for support nor the complexity of client need.

#### DEBORAH'S STORY

After fleeing a violent relationship, Deborah sought support from St Vincent de Paul Society NSW 'Our Lady of the Way' service for older women. Deborah had spent over 20 years in an abusive relationship and after leaving, whilst trying to navigate a complex mental health condition, she was extremely anxious and lacked confidence to cook or catch public transport and needed to relearn many of the life skills required to live on her own.

Finding Deborah affordable permanent housing was difficult. Deborah had

previously lived in a social housing property for several years with her ex-partner. While the lease had been solely in her name, Deborah had had no control over her finances. While she had assumed the rent was being paid by her ex-partner, it wasn't, and they had been evicted from the property with a \$2,000 debt. This prevented her from successfully reapplying for a new social housing home. It was only with the support of St Vincent de Paul Society NSW that Deborah was able to advocate for this debt to be waived, and Deborah eventually received a one-bedroom social housing property.

<sup>29</sup> Australian Bureau of Statistics. (2016). *Census of Population and Housing: Estimating Homelessness*. ABS. <https://www.abs.gov.au/statistics/people/housing/census-population-and-housing-estimating-homelessness/latest-release>.

<sup>30</sup> Equity Economics (2020), *A Wave of Disadvantage Across NSW: Impact of the Covid-19 Recession*, A Report Prepared for the New South Wales Council of Social Service, Sydney. <https://www.ncoss.org.au/policy-advocacy/policy-research-publications/a-wave-of-disadvantage-across-nsw-impact-of-the-covid-19-recession/>

<sup>31</sup> Australian Institute of Health and Welfare (2021) *Australia's welfare 2021: Homelessness and Homelessness Services*, <https://www.aihw.gov.au/reports/australias-welfare/homelessness-and-homelessness-services>



### 3.1. INCREASE RECURRENT BASELINE AND GROWTH FUNDING

**NSW is by far the state with the most acute issue of unmet need for homelessness services. Unmet demand has tripled in less than a decade. Nearly half (48%) of people seeking homelessness support in 2020-21 did not get it, up from 16% in 2013-14.<sup>32</sup> This means nearly 34,000 people missed out on essential services, including one in three women and children escaping family violence.<sup>33</sup> And these figures do not capture those people in need of homelessness support who did not seek it out, estimated to be around two-thirds of people experiencing homelessness.<sup>34</sup>**

Demand for homelessness services has surged as more people enter or become at-risk of entering homelessness. This is largely due to the housing crisis and lack of social and affordable housing, and the more recent impacts of the pandemic and multiple natural disasters.

At the same time, SHS providers are seeing a growth in people with very complex needs who require more intensive support. As social housing is prioritised for those deemed the greatest priority, SHS providers are increasingly supporting tenants with multiple, complex needs. This

means providing additional support, increased early intervention, brokerage, and long-term case coordination to link to NDIS or other specialist supports to keep a person housed.

These demand pressures are pushing SHS providers to operate well above their funded capacity. In 2020/21, SHS providers supported over 70,580 people experiencing homelessness,<sup>35</sup> despite only being funded to assist 58,000 clients. This means SHS providers support around 27-30% more clients than they are funded to assist.<sup>36</sup>



**THERE WERE 37,715 PEOPLE WHO WERE HOMELESS IN NSW ON CENSUS NIGHT IN 2016. THIS IS A 37% INCREASE IN THE NUMBER OF PEOPLE WHO WERE HOMELESS AT THE 2011 CENSUS.<sup>42</sup>**



**MORE THAN 70,500 PEOPLE RECEIVED SUPPORT FROM A SHS IN 2020-21.<sup>43</sup>**

<sup>32</sup> Australian Institute of Health and Welfare (2021) Specialist homelessness services annual report 2020-21, AIHW, Australian Government, accessed 27 September 2022

<sup>33</sup> The Salvation Army (2022) Social Justice Stocktake – Taking Stock of Our Communities in NSW, [https://www.salvationarmy.org.au/subscribe/sites/auesalvos/files/social-justice-2022/NSW\\_TSASocialJusticeStocktake.pdf](https://www.salvationarmy.org.au/subscribe/sites/auesalvos/files/social-justice-2022/NSW_TSASocialJusticeStocktake.pdf)

<sup>34</sup> Australian Institute of Health and Welfare (2021) Specialist homelessness services annual report 2020-21, Unmet demand for specialist homelessness services, AIHW, Australian Government, accessed 27 September 2022

<sup>35</sup> Australian Institute of Health and Welfare (2021) Specialist homelessness services annual report 2020-21, AIHW, Australian Government, accessed 27 September 2022

<sup>36</sup> Ibid

While demand has spiralled in the last decade, there has been no real growth in SHS funding to account for growth in demand since the program was reformed in 2014. The Productivity Commission calculated the current NSW investment in homelessness services equates to \$36 per day of support per client.<sup>37</sup> This is the lowest per day spend of any Australian jurisdiction. In comparison, Victoria spent \$50.34 per person per support day in 2020-21.<sup>38</sup>

A recent NSW Ombudsman report highlighted the many service shortages, waiting lists and gaps in the wider specialist homelessness services system. The report observed that these obstacles limit the ability of SHS providers to facilitate clients access to the required support.<sup>39</sup> Further, SHS providers' abilities to plan and resource their services appropriately has been hindered by a series of limited contract extensions since the program was reformed nearly a decade ago.

NSW Government emergency provisions for rough sleepers during COVID and investment in the Together Home program demonstrated that we can effectively tackle homelessness in NSW with decisive action and adequate funding for person-centred, integrated supports.

Increasing SHS providers baseline funding from \$258.8m per annum<sup>40</sup> to \$410m per annum on a recurrent basis, as recommended by the NSW homelessness peak body, would enable services to better meet the increasing unmet need in the community.<sup>41</sup> It would allow providers to better manage risks and costs incurred due to increased data collection and reporting requirements, increased responsibility for service deliverables, and more onerous contract terms with no guarantee of annual indexation or growth funding. Additionally, commissioning five-year contracts for SHS providers would provide certainty and better enable innovative service delivery within the sector.

## RECOMMENDATIONS

The next NSW Government should invest an additional \$152 million per annum recurrent in specialist homelessness service delivery to meet existing and future demand, bringing total investment to \$410 million per annum.



**NEARLY HALF (48%) OF THE PEOPLE WHO RECEIVED A SHS SERVICE HAD AN IDENTIFIED UNMET NEED FOR HOMELESSNESS ACCOMMODATION SERVICES IN 2020-21, UP FROM 16% IN 2013-14.<sup>44</sup>**



**OF THE 125 PEOPLE WHO WERE HOMELESS AT INTAKE TO THE ST VINCENT DE PAUL HOUSING SAHF PROGRAM, ALMOST ALL (98%) WERE SUPPORTED TO SUSTAIN THEIR TENANCIES FOR 12 MONTHS OR LONGER.**

<sup>37</sup> The Productivity Commission (2021) Report on Government Services 2021, Part G, 19 Homelessness services, <https://www.pc.gov.au/research/ongoing/report-on-government-services/2021/housing-and-homelessness/homelessness-services> Table 19A.16

<sup>38</sup> Ibid

<sup>39</sup> NSW Ombudsman (2022) Specialist Homelessness Services: helping people with high or complex needs, A special report under section 31 of the Ombudsman Act 1974 (NSW), [https://www.ombo.nsw.gov.au/\\_data/assets/pdf\\_file/0004/137767/Specialist\\_homelessness\\_services\\_special\\_report.pdf](https://www.ombo.nsw.gov.au/_data/assets/pdf_file/0004/137767/Specialist_homelessness_services_special_report.pdf)

<sup>40</sup> The Productivity Commission (2021) Report on Government Services 2021, Part G, 19 Homelessness services, <https://www.pc.gov.au/research/ongoing/report-on-government-services/2021/housing-and-homelessness/homelessness-services> Table 19A.16

<sup>41</sup> Modelling by the peak body, Homelessness NSW, has calculated that an \$152m additional investment is required based on the following assumptions: Additional 70% investment required (30% over capacity + 40% unmet demand in the system) on base funding of \$258m equals an additional \$181m investment. SHS providers will be able to create efficiencies through innovative service delivery as a result of 5 year contracting. Applying an efficiency dividend of 6.5% (applying productivity gain of 1.3% per contract year, well above current productivity increases cited by the Productivity Commission) to the total new base funding of \$439m (\$258m + \$181m) is \$29m. Therefore, the new total base funding would be \$410 million.

<sup>42</sup> Homelessness NSW (2021) Homelessness in NSW: Data Snapshot, <https://homelessnessnsw.org.au/wp-content/uploads/2021/03/Homelessness-in-New-South-Wales-.pdf>

<sup>43</sup> Productivity Commission (2022) Report on Government Services 2022, Part G, Section 19: Homelessness Services, Australian Government, Canberra, <https://www.pc.gov.au/research/ongoing/report-on-government-services/2022/housing-and-homelessness/homelessness-services>

<sup>44</sup> Ibid



For more information about Vinnies NSW 2023 Election Statement,  
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