

MISSION
AUSTRALIA | together
we stand

Public Housing Renewal Program – Victoria

Submission from Mission Australia
and Mission Australia Housing



About Us

Mission Australia (MA) is a national non-denominational Christian organisation, with more than 155 years' experience in standing together with Australians in need on their journey to independence. Our evidence-based, client-centred community services are focused on reducing homelessness and strengthening communities across Australia.

In the 2015-16 financial year we supported over 130,000 Australians through 452 programs and services. We work with families and children, young people and people experiencing homelessness and also provide specialist services for mental health, disability and alcohol and drug issues. We stand together with people in need until they can stand for themselves.

In 2009 MA established Mission Australia Housing (MAH), a Tier 1 Community Housing Provider. MAH currently owns or manages more than 2,000 social and affordable homes, including Sydney's \$32 million Common Ground development in Sydney. MAH has been successful in a number of new business opportunities. In 2013 we took over the management of a portfolio of 500 social homes for Housing Tasmania. In 2017 we were awarded a similar contract to manage a portfolio of around 1100 social homes for NSW Department of Family and Community Services. Also in 2017 we were part of the winning consortium to revitalise the estate of Ivanhoe in Sydney – the largest social housing renewal project in Australia.

We know that great communities thrive where there are connections, opportunities and engagement across the economic spectrum. We know that individual service responses are not sufficient to address the challenges of deep and persistent disadvantage. That's why we use a place-based model which manage tenancies; co-ordinate support services; and target intergenerational disadvantage through education and employment. We use a research and evidence based approach to our work and services, so we can measure our impact and demonstrate program outcomes.

We understand partnership. We understand that collaboration between government, the private and not-for-profit sectors can deliver results for all stakeholders. Results that include profitable projects; stable financial operations; good long term outcomes for clients and efficient services for government.

MA and MAH in Victoria

In Victoria our operations include:

Springboard

Springboard is an intensive case management support program to assist young people aged 16-18 years in residential out-of-home care and up to 21 years who have left residential care, to gain secure long-term employment by re-engaging with appropriate education, training and/or supported employment opportunities. MA currently delivers Springboard across the Southern and Northern Metropolitan Regions of Melbourne.

Navigator

Navigator is a Victorian Government initiative that provides support for disengaged young people, aged 12-17 years, to re-engage with an education or training pathway. Navigator services seek out disengaged learners and actively work with them and their support networks, providing the support required for a successful return to education. Mission Australia is the lead provider of this service in Victoria's Bayside Peninsula.

Synergy Auto Repairs

Synergy Auto Repairs is a social enterprise based in North Melbourne that offers customers a full suite of smash repair services, while providing a flexible accredited training program and support for young people aged 16-20 with a history of motor vehicle related offences. The program harnesses participants' interest in cars and aims to help them build a career in a field that matches their interests. The social enterprise equips participants with the skills to commence a smash repairs apprenticeship. The initiative is an Australian-first partnership between Mission Australia, the National Motor Vehicle Theft Reduction Council (NMVTRC), Kangan TAFE, and Suncorp Group.

Charcoal Lane

Charcoal Lane is a social enterprise in Fitzroy that combines a restaurant specialising in native flavours with a comprehensive training program for young people who have experienced vocational and non-vocational barriers to employment. Charcoal Lane enables Aboriginal and other young people to gain both accredited hospitality qualifications and professional experience within a supportive developmental environment. On completing traineeships at the restaurant, young people are well prepared to move into careers in hospitality, or other industries.

L2P (Learner to Permit)

The L2P (Learner to Permit) program pairs young people with a volunteer mentor who assists them to learn to drive and build up their driving hours required to secure a license. It supports young people to achieve their working or education ambitions and targets Gippsland areas like Yarram, Sale, Bairnsdale, Lakes Entrance and surrounds, where driving is essential for young people to get to work as public transport is lacking.

Communities for Children (Facilitating Partner, Dandenong)

Dandenong Communities for Children (CfC) facilitates the provision of services to create a child-friendly community that understand the importance of the early years, acquires the features of strong community and applies this capacity to maximise the health, well-being and early development of young children at the local level. CfC contracts local service providers to deliver a wide range of programs to support vulnerable and at risk children and families.

Transition to Work

The Transition to Work program focuses on young people aged 15-21 who are facing barriers to enter the workforce to pursue employment or further education. Youth Employment Specialists assist young people in the development of practical skills, connection with education or training providers, engagement with work-experience opportunities and local community services, as well as identifying job opportunities to suit their aspirations and skill set and the needs of the local job market. By intervening early to help young people stay in school, engage in training or find work, we can set them up for a better future. The program will offer practical intervention to assist them in finding work including Apprenticeships, Traineeships or education.

ParentsNext (Consortium Partner, Shepparton)

ParentsNext providers work with parents to help them to identify their education and employment goals, develop a pathway to achieve their goals and link them to activities and services in the local community.

Personal Helpers and Mentors (PHaMs) Employment Plenty

A case management service providing non-clinical community based support for people with a mental illness who want to explore employment related recovery goals. People are supported through a recovery-focussed and strengths-based approach that recognises recovery as a personal journey driven by the participant.

Disability Employment Services

Disability Employment Solutions (DES) assists employers to hire staff with an injury, disability or health condition. DES provides employers with ongoing assistance, training & support and access to a range of other support services including wage subsidies & financial assistance to help cover costs such as modifying the workplace or purchasing adaptive technologies or interpreting services. For the job seeker, DES provides Disability Management Services (DMS) for job seekers with disability, injury or health condition who need assistance to find a job and occasional support to keep a job; and Employment Support Services, providing assistance to those with permanent disability who need regular, ongoing support to keep a job.

Second Step Shepparton

Second Step Shepparton, is an evidence based early intervention program proven to increase children's educational engagement and success, improve peer relationships, and decrease problem behaviours through promoting social, emotional competence and self-regulation. The program builds on cognitive behavioural intervention models integrated with social learning theory, empathy research, and social information-processing research. Second Step is delivered to children in Years 6 and 7 who are identified by their schools as being vulnerable to not making a successful transition from primary to secondary school and be at increased risk of school disengagement and early school leaving.

Youth Crime Prevention (Consortium Partner Greater Dandenong & Casey)

The Youth Crime Prevention program is part of the Victorian Government's response to youth offending, particularly recidivist offending, tackling the issue through the proven strategy of strengthening the ability of local communities intervening early and diverting young people from criminal behaviour. The program will work with a targeted group of young people aged 15-22 years, identified by statutory bodies, addressing risk/protective factors through tailored support; delivered by a Guide and a Community of Support using individual and group modalities.

Empower Youth (Southern Melbourne Empower Youth Partnership)

The SMEYP will create a 'Community of Support' – an environment where young people and youth workers come together via a pro-social drop-in space to engage with peers and positive role models; make connections with services and resources; and develop aspirational plans for community participation. The objective is to create positive developmental pathways and for young people to invest in a competent identity as a valuable social contributor. The SMEYP model provides a

platform for truly integrated service responses to vulnerable and at risk young people within the identified priority areas of Dandenong and Casey. The model will utilise the specialist programs of multiple local youth services to support young people to achieve strong outcomes in all of the Empower Youth service elements of Well-Being, Community Involvement, Career Pathways and Education & Training. This 'Community of Support' will enable disengaged young people to grow and develop in constructive ways and create pro-social pathways for young people to invest in a competent identity as a valuable social contributor.

Supported Accommodation Innovation Funds (SAIF)

In October 2015, in partnership with Monash University, the Summer Foundation and Yoralla Community Services we opened the doors to six purpose built units in Frankston, specifically aimed at reducing the number of young people with a disability living in aged care nursing homes. The site is adjacent to the Monash University Frankston campus and has attained a platinum certification against the Liveable Housing Design Guidelines. It upholds the highest levels of privacy and independence, but there is a 24/7 live in carer in one separate unit to coordinate care and general support in the event of an emergency.

Our resident Chris*

Chris, was living in a nursing home for 18 months after an acquired brain injury. Before moving into the nursing home, Chris moved around numerous hospital wards and rehabilitation units which were sadly the only residential care arrangements available for people aged 65 years or younger living with severe physical, mental or intellectual disabilities.

When Chris got the chance to move to MAHV's development he was looking forward to more "freedom" and independence". These units allow for ease of mobility, and encourage independence and security. Chris' unit includes smart home communication technologies that are controlled by mobile devices such as smart phones and tablets. This allows him to automatically control his heating, cooling and light conditions in his unit and provides the option to contact support staff in case of an emergency.

Chris enjoys having "access to his own food and being able to cook". He also looks forward to going to the Monash University gym a couple of times a week and making progress on his health by linking in to local health services such as OT and speech pathology. While Mission Australia Housing built the property and manage the tenancies, Monash University use the opportunity to make use of

clinical placements for health professional students studying OT, physiotherapy and nursing. This allows residents to access additional skilled supports for rehabilitation programs, community activities, and skills development.

Above all, Chris enjoys his “own space and privacy”. In his previous accommodation “nurses at the home would just walk in up to 8 times a day”. Chris’ ultimate goal is to access the Frankston community more and live as independently as possible.

*names changed to protect identity

Question 1: adequacy of a proposed 10 percent increase in public housing (or 1,100 public units) on the sites given the size of the waiting list for public housing

Demand for social and affordable housing is increasing with more than 194,000 people on public and community housing waiting lists across the country.ⁱ Nationally, social housing also has a low rate of turnover – only six per cent of tenants exit each year.ⁱⁱ People generally remain in social housing because there are no affordable housing options.

Demand for social and affordable housing is significantly exacerbated by the high-price of private rental. With an ageing population we are being confronted by more people in need of low-cost housing, and with new and emerging groups of people at risk of homelessness, such as older women with limited retirement savings.

In public housing, supply failure combined with a needs-based allocation has increased the numbers and concentration of tenants with complex needs including people with disabilities, mental illness, experiences of homelessness, trauma and violence, and high income support reliance. In 2015-16, 60 per cent of people who moved into public housing were homeless and a further 36% were at risk of homelessness.ⁱⁱⁱ

Further, 25% of newly allocated households to public rental housing were Indigenous households and 51% had at least one member living with a disability^{iv}.

The Public Housing Renewal Program presents a good opportunity to significantly increase the number of well-located public housing units. We urge the government to maximise this opportunity and believe that significantly more than a 10% increase in stock could be delivered.

Question 2: the ability to cater for all demographics including families, couples and singles with the proposed housing mix;

The Public Housing Renewal Program is an opportunity to cater for a wide variety of demographics including families, couples and single people, provided that there is a range of dwelling types delivered. These include three bedroom units and dwellings with private outside space. We would also note that public housing dwellings need to cater for a diverse range of cohorts with complex needs.

Australia's ageing population is predicted to more than double numerically from 2010 to 2050, and to increase as a proportion of the total population from 31.4 per cent in 2010 to 40.0 per cent in 2050.^v Between 2006 and 2011 there has been an increase in the number of homeless people aged 55 years and over by 19 per cent nationally and evidence suggests that this is an ongoing trend with 14 per cent of all homelessness being experienced by those over the age of 55.^{vi}

Households with dependent children are at greatest risk of spending prolonged periods of time in housing stress.^{vii} Further, a significant minority churns in and out of housing stress with 22 per cent of households estimated to be experiencing two or three episodes of housing stress between 2001 and 2006.^{viii}

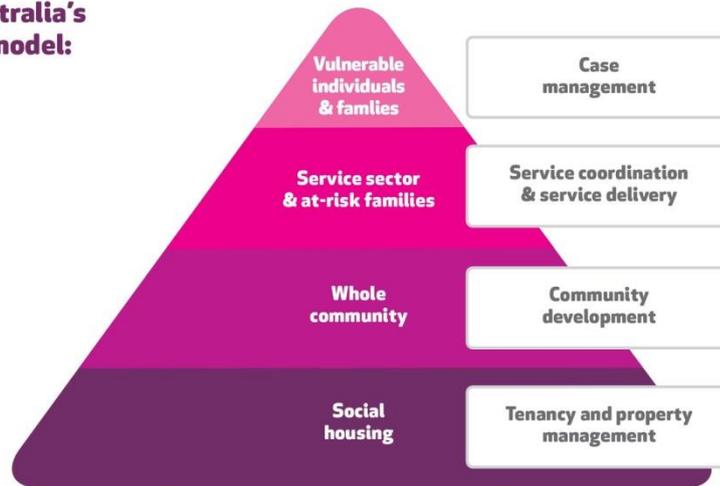
Young people face significant housing barriers including high rates of youth unemployment, low wages and a lack of experience in negotiating the rental market. Some young people do not have strong family support and others face extreme barriers to independent living and risk of homelessness when exiting foster care or juvenile justice. 63 per cent of homeless young people surveyed in a joint Mission Australia research project had been placed in some form of out of home care before the age of 18.^{ix}

A significant opportunity missed by the Program is the value that can be added by community housing providers through integrated service provision and community development to provide social housing tenants with outcomes above and beyond what can be offered via the provision of public housing alone.

Social housing is more than just a place to live and can have long term social and economic outcomes. Secure housing is needed to foster healthier and stronger communities, as well as connecting residents to jobs and services by public transport or other alternative means such as bikes or walking, and broadening people's economic opportunities.

MA and MAH have developed an integrated model to help individuals and communities regain independence through appropriate social and affordable housing allocation; supportive tenancy management; case goal based case coordination and whole of community development. This model has been recognised in NSW and will be implemented in the Ivanhoe project (see below).

Mission Australia's integrated model:



Question 12: best practice models for the provision of public housing from within Australia and overseas

MA and MAH are excited to be on the forefront of new social housing delivery. Together with our partners in the Aspire consortium we will transform a well located, aging social housing estate of 259 detached homes in Sydney into a vibrant new community containing at least 950 social and 125 affordable homes.

Ivanhoe

The Aspire consortium, comprising community housing provider Mission Australia Housing with developers Frasers Property Australia and Citta Property Group, has been appointed by the NSW Government to redevelop and transform its 8.2 hectare Ivanhoe estate in Macquarie Park, under a project development agreement.

The project is part of the NSW Government's Communities Plus program to redevelop and grow the Government's social housing portfolio. Frasers Property Australia and Citta Property Group will bring their design and delivery expertise in integrated communities and Mission Australia will provide their extensive experience and ongoing services to ensure the success of the social housing model.

The innovative project is estimated to have an end value of approximately \$2.2 billion and will see the creation of over 3,000 new dwellings, providing homes with access to infrastructure, transport, services and jobs, along with quality amenities and open green spaces to support a new vibrant, safe, integrated, cohesive and sustainable community.

The redevelopment of the Ivanhoe estate will seamlessly integrate private housing with at least 950 new social housing dwellings and 128 affordable homes. The social housing will be of the highest contemporary quality, sustainability and comfort with all social housing tenants having access to low to zero cost heating in the future development.

This important urban renewal project will also integrate a new high school, residential aged care facility with a seniors' wellness centre, two childcare centres, a supermarket, cafés and specialty retail shops, jogging track, nature based playgrounds and exercise stations, basketball court, open green spaces and community gardens.

We would be delighted to share more details about our project and our learnings with you.

Conclusion

The Victorian government should be commended for the introduction of the Public Housing Renewal Program and we look forward to support the refinement of the model to ensure better outcomes for Australians in need. However, we cannot continue to tinker around the edges of the supply side. In and of itself, the Public Housing Renewal Program will not produce a secure pipeline of social and affordable housing. This pipeline is needed to curb the growing numbers of Australians experiencing homelessness and housing stress. Now that there is a national dialogue about the "housing crisis" and a foundational corporate Commonwealth entity, this is the time for the Victorian Government to set the agenda for the future of national homelessness policy with courage and vision.

Appendix

Our work on Ivanhoe and our 155 years of experience in serving Australia's most vulnerable give us insight into how Victoria could solve its housing affordability issues. It is in this context that we set out 10 recommendations for boosting the supply of social and affordable housing which will make a significant contribution to preventing and addressing homelessness:

1. DELIVER 200,000 NEW SOCIAL HOMES AND REVIVE CURRENT SOCIAL HOUSING STOCK

Targets for social housing growth must be set in each state. Increases in social housing stock need to meet the housing needs of the 200,000 people currently on waiting lists across Australia. Renewal of social housing that has been left to languish without vital maintenance and repairs also needs to be a priority.

While this is not an easy task, there have been recent efforts to grow social housing stock that we can learn from. For example in New South Wales the Social and Affordable Housing Fund is providing the subsidy needed for community housing providers, developers and financial institutions to invest in social housing and support for tenants, while Communities Plus will revive ageing estates and deliver more homes. There are good models out there, but they need to be scaled up into a comprehensive national approach, through a long-term consistent government investment program.

2. CREATE A NEW CLASS OF TRULY AFFORDABLE HOUSING AND DELIVER 250,000 NEW AFFORDABLE RENTAL HOMES

We will always need social housing, as a critical part of the housing continuum. But more affordable private rental housing is also necessary, especially given sky rocketing rents in many areas which are now pushing unprecedented numbers of people into rental stress.

For rental housing to be truly affordable to households on low incomes, a substantial discount of up to 50% is needed on market rents. While the current gap between social housing rent and market rent is impossible for many people to meet, a new class of 'mezzanine' level affordable housing will allow some social housing tenants to move into the private rental market, reducing pressure on social housing waiting lists.

Over 500,000 low-income households across Australia are in rental stress, so planning for 250,000 new affordable homes will make a big impact on reducing the prospect of homelessness for many high-risk families.

3. BRIDGE THE FUNDING GAP FOR BOTH SOCIAL AND AFFORDABLE HOUSING

The States cannot deliver any significant increase to social or affordable housing in isolation. It takes a multi-government approach to address the funding gap over the long term and in any meaningful way.

The bond aggregator model recently introduced by the Commonwealth is insufficient in itself to generate greater investment in social and affordable housing. Cheaper finance is not the key problem stalling delivery of new below-market rental stock. What is desperately needed is a clear subsidy from government, so that investors in affordable rental housing have surety around the future viability of their investments. A direct government subsidy would address the funding gap in both social and affordable housing.

4. ADJUST TAX SETTINGS TO ADDRESS HOUSING AFFORDABILITY AND FUND NEW SOCIAL AND AFFORDABLE HOUSING

Many governments across Australia have professed housing affordability to be a key policy priority, but all too often this is narrowed to providing assistance to first home buyers. The Federal Government has shown an ongoing reluctance to address the significant tax breaks given to investors through negative gearing and capital gains tax discounts and little attention is given to those struggling to pay the rent in increasingly difficult markets.

Tax breaks provided to property investors come at an annual cost of \$11.7 billion to government revenue. If the significant tax concessions provided to investors were re-directed to social and affordable housing we could significantly boost supply.

To see this approach in action, we only need to look to the United States where a stable funding mechanism has been in practice for 30 years. Introduced in 1986 with bipartisan support, the Low Income Housing Tax Credit provides a mechanism for private institutional investors to purchase tax deductions. The funding generated from this deduction goes directly into the creation of new below

market housing. Since 1986 it has stimulated the production or rehabilitation of nearly 2.97 million affordable homes.

Reviewing concessions for property investors will also begin to level out the playing field for first home buyers while providing investors with a tax advantage in a social good – greater supply of social and affordable housing.

5. DELIVER PERMANENT SUPPORTIVE HOUSING FOR VULNERABLE GROUPS

For vulnerable people including those who have experienced chronic homelessness, have health issues, are ageing or are leaving institutional care, the Housing First model is the most effective way to maintain tenancies and improve wellbeing. These models have been shown to achieve strong positive outcomes for vulnerable clients, as well as providing substantial savings to governments.

The MISHA Housing First project delivered by Mission Australia demonstrated savings of \$8002 per person per year as well as 89% of tenancies sustained; a halving of mental health disorders; and a decrease of substance use disorders from 37% to 30% over 2 years.

Supported accommodation models such as Common Ground provide a wrap-around person-centred approach for people with complex needs such as trauma, mental illness, disability and substance abuse. Permanent housing is the critical stabilising factor for vulnerable cohorts, and provides a base for the supports they need for improved wellbeing and greater independence.

6. DELIVER SUPPORTIVE ACCOMMODATION IN A STEPPED CARE APPROACH

There are many effective models of supported accommodation that cater for particular needs. This includes: Youth Foyers which link young people to education and employment while they are safely accommodated; rehabilitation facilities for people seeking treatment for substance misuse; and supported accommodation for people experiencing mental illness and exiting institutions.

This intensive service provision delivers good results, but what is missing is the next step in their journey to independence which would include a safe place to live and scaled back support. The expectation that people can exit directly to the community can create unsustainable outcomes, putting people into a cycle of insecurity and homelessness. Capital investment is required in purpose built or adapted buildings for a stepped care model with person-centred services. Further, Youth

Allowance and Newstart are also inadequate for young people relying on social security to meet their housing needs and should be urgently reviewed by the Commonwealth.

7. LISTEN AND FACILITATE SOLUTIONS FOR ABORIGINAL AND TORRES STRAIT ISLANDER HOUSING NEEDS

The pressing need for investment in Aboriginal owned and controlled social and affordable housing to address over-crowding and the shocking over-representation of Aboriginal and Torres Strait Islander people among those experiencing homelessness in Australia is well documented. Such investment must be directed by Indigenous organisations, with local responses developed to suit each community's strengths, housing needs and development aspirations. At a minimum, immediate investment is required to provide 4,200 new Aboriginal owned and controlled homes in remote communities and regional centres.

8. REFORMING PLANNING LAWS

Inclusionary zoning – where planning instruments require a component of below-market rental housing in specified areas – is an effective and proven way to stimulate new supply. It is widespread and effective across the USA, but only has fragmented and small-scale use in Australia. Along with planning experts and economists, we have advocated for a minimum target of 15% of all new developments on private land, and 30% on government land in order to have a long-term and significant effect on the housing crisis. The affordable housing stock should be managed by CHPs in accordance with current regulations and allocation processes, in order to significantly boost community housing stock. To be effective this will also require changes to affordable housing planning rules. Reforms to planning laws should also ensure that a proportion of value gained through rezoning and public infrastructure investment is captured for broader community benefit.

9. USE HOUSING INVESTMENT TO BUILD STRONGER COMMUNITIES

Communities of entrenched disadvantage need more than just new homes. To enable long-term change and facilitate true transformation, community housing providers must work with community service providers to enable understanding of each local community's social assets, strengths and focus areas for improvement. The best prospect for community development comes when support provision is coordinated and communities are empowered to be directly involved in decision making around construction or renewal. Mission Australia and Mission Australia Housing have taken such a long-term community development approach in Clarence Plains in Tasmania. A 10-year plan was

developed by the community to achieve both physical and social change including improved safety, links to jobs and training and better health and nutrition.

10. SET CLEAR TARGETS TO REDUCE HOMELESSNESS.

We have been consistently advocating for whole of government commitments to halve youth homelessness by 2020 and to halve overall homelessness by 2025. These are achievable targets but depend on strong commitments and immediate action from the Commonwealth Government and from States and Territories. What gets measured is what gets done and we are hoping for genuine commitments to targets in the National Housing and Homelessness Agreements.

Endnotes

ⁱ Australian Institute of Health and Welfare (2013) *Australia's Welfare 2013*, Canberra.

ⁱⁱ Australian Institute of Health and Welfare (2013) *Australia's Welfare 2013*, Canberra.

ⁱⁱⁱ Australian Institute of Health and Welfare (2013) *Australia's Welfare 2013*, Canberra.

^{iv} AIHW (2017) *Housing Assistance in Australia 2017*

^v M. Petersen & A. Jones (2012). *Homelessness and older Australians: scoping the issue.s* University of Queensland.

^{vi} Australian Bureau of Statistics (2012). *Census of Population and Housing: Estimating Homelessness 2011*, Canberra. Retrieved from <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2049.02011?OpenDocument>.

^{vii} AHURI (2015) *Housing Affordability* at http://www.ahuri.edu.au/themes/housing_affordability

^{viii} AHURI (2015) *Housing Affordability* at http://www.ahuri.edu.au/themes/housing_affordability

^{ix} Flatau, P et al (2015) *The Cost of Youth Homelessness in Australia Study: Snapshot Report 1 - The Youth Homeless Experience*,