

## Attachment A

GIVE ME

SHELTER



# Give Me Shelter

The long-term costs of underproviding public, social and affordable housing

## Cost-benefit analysis report

Authored by SGS Economics and Planning, for Housing All Australians

June 2022

# Foreword

Several years ago, I was in Sydney presenting about housing with a councillor from regional NSW. He was sharing emerging stories from his municipality, including one about a local police officer. The officer and his family could only afford to buy far from the municipality where he worked; he slept in his car every night because it was too far to drive home.

Whilst the officer’s particular situation may have been short-lived, it is not atypical of an issue that increasingly confronts many Australians. It also impacts their communities. Covid, ballooning house prices and unaffordable rents have seen businesses - especially in regional areas - unable to open because they can’t source workers. The lack of affordable housing has now become a significant issue for business.

This was one of several stories that led to the formation of Housing All Australians. It was also the genesis to the economic study that you are about to read.



**Housing All Australians is a business-led initiative dedicated to the pursuit of practical solutions to help address Australia’s chronic shortage of public, social and affordable housing.**

We encourage all Australian businesses to lend their voice to a national conversation: Housing all Australians - an economic platform for a prosperous country. Business needs to ensure that Australia is not only creating well-located affordable housing for its workers, but more importantly, restoring hope and confidence in the home-ownership aspirations of our younger generations. The time for waiting is over.

Housing All Australians is pleased to have partnered with SGS Economics and Planning to deliver this report. We would also like to acknowledge the experts from academia, industry, research, organisations, and independent economists who provided feedback on the methodology used in this report’s development.

I would also like to thank our business partners who made this research possible. By supporting ***Give Me Shelter***, they have demonstrated their leadership and commitment to this critical topic.

This Housing All Australians report clearly outlines the significant costs that will be incurred by Australian taxpayers as we pursue the current housing trajectory; it demonstrates the link between the increase in homelessness and its long-term economic impact on all Australians. We trust the findings of this research will help generate a national conversation and we look forward to supporting our business community in the vital work ahead.

Rob Pradolin, founder and director,  
Housing All Australians

Housing All Australians acknowledges and pays respect to the past, present and future Traditional Custodians and Elders of this nation and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.

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While this feedback was gratefully received, all responsibility for the design and application of the methodology applied in this study remains with the authors, SGS Economics & Planning Pty Ltd.

Authored and Prepared by SGS Economics & Planning



Supporters of this national research project include:



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Front cover photo by courtesy of Ken Spence



# Key Findings

Every \$1 the Australian community invests in social and affordable housing will deliver \$2 in benefits.

This rate of return is comparable to, or better than, those achieved in many other major Australian infrastructure investments.

Failure to act on shelter needs will be costing the community \$25 billion\* per year by 2051.

The benefits of providing adequate housing are estimated at almost \$110 billion\*.

\* In present value terms



Business needs to ensure that Australia is not only creating well-located affordable housing for its workers, but more importantly, restoring hope and confidence in the home-ownership aspirations of our younger generations.

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**\$25**  
**BILLION**  
**PER YEAR**

Failure to act on shelter needs will  
cost the community \$25 billion  
per year by 2051.\*

\* In present value terms

**\$110**  
**BILLION**  
**IN BENEFITS**

If we invest in social and affordable housing  
today we'll gain \$110 billion in benefits.\*

\* In present value terms





We will never end homelessness unless we solve the upstream supply of non-market housing.

## Executive Summary

### Social and affordable housing is essential infrastructure for successful communities.

Provision of social and affordable housing infrastructure is necessary to protect vulnerable households from poverty, to build productive economies with good access to essential workers, and to create better neighbourhoods characterized by diversity and inclusion.

### Australia has seen decades of underinvestment in social and affordable housing

While Australia's population grew by more than 25 per cent between the 2001 and 2016 Census years, the nation's stock of occupied social housing *shrank* by 2.5 per cent. As a proportion of all dwellings, social housing now comprises less than 4 per cent compared with almost 6 per cent in 1996.

If nothing changes, more than 2 million Australian households on low incomes in private rentals will be in housing stress by 2051. They will be paying rents in excess of the international benchmark of 30 per cent of income, with many having to deal with much greater housing costs than this.

### If this pattern of underinvestment in essential social and affordable housing is not reversed, future generations of Australians will be left with huge costs.

Serious housing stress is not only distressing and damaging for the low-income households in question, it creates major costs for the community at large.

Publicly funded health services have to attend to households where physical and mental wellbeing is under great pressure from burdensome housing costs and insecure tenure. Some people find themselves homeless, generating needs for a wide range of support services as well as temporary housing.

Severe shortages of affordable accommodation can mean that businesses cannot keep key staff as these workers may be pushed out of reasonable commuting range. This churn is costly both for the employer and employee, and labour market productivity suffers.

Education outcomes for children in lower income households forced to regularly move due to housing costs can be compromised.

Lack of secure housing and a stable home environment can foster anti-social behaviour and criminal activity, triggering expensive government interventions in the policing and justice system.

Failure to act on shelter needs across these households will be costing the wider community \$25 billion *per year* by 2051, measured in 2021 dollars.



## GIVE ME SHELTER EXECUTIVE SUMMARY

### There are many ways of mobilising the investment required to fill this yawning infrastructure shortfall.

Additional social and affordable housing can be supplied through traditional public sector procurement. Alternatively, private capital can be attracted with government making up the difference between reasonable commercial requirements and the returns available from investments in affordable housing. Other approaches would further top up the incomes of eligible households.

In all cases, the taxpayer would be called upon to bridge the gap between an affordable rent for eligible households and the market rent or the rent required to induce supply of new affordable housing.

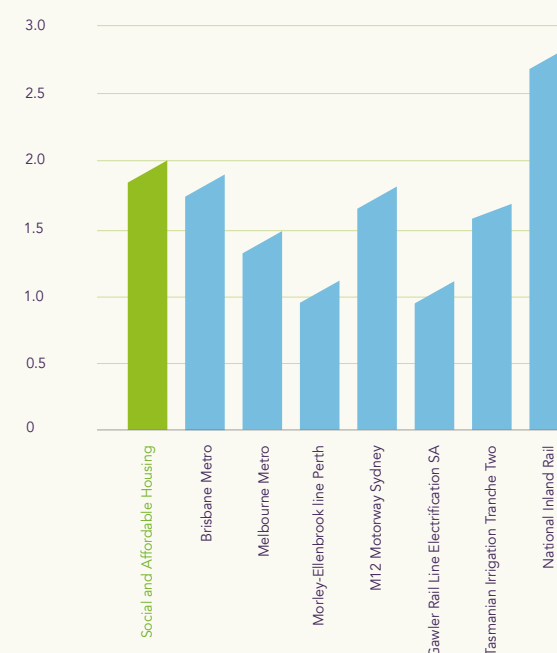
### Investment in social and affordable housing infrastructure delivers solid economic returns.

The cost to taxpayers to bridge this gap is estimated at \$55 billion in present value terms assuming that social and affordable housing support is gradually stepped up year by year to eventually meet all the projected need across Australia by 2051. Conversely, the benefits to the Australian community in health cost savings, reduced domestic violence, reduced costs of crime, enhanced human capital, improved labour market productivity and better education outcomes are estimated at almost \$110 billion in present value terms.

The benefit-cost ratio for Australia in providing adequate social and affordable housing infrastructure is therefore 2:1. In other words, for every \$1 invested by taxpayers to induce delivery of social and affordable housing, the Australian community gets back \$2 in benefits<sup>1</sup>.

This rate of return is comparable to, or better than, those achieved in many other major investments in infrastructure including Brisbane Metro (1.9:1), Melbourne Metro (1.5:1), Morley–Ellenbrook line Perth (1.1:1), M12 Motorway Sydney (1.8:1), Gawler Rail Line Electrification SA (1.1:1), Tasmanian Irrigation Tranche Two (1.6:1) and National Inland Rail (2.7:1).

FIGURE 1/ COMPARATIVE RATE OF RETURN



### Governments would save money by investing in social and affordable housing.

The \$110 billion in benefits generated by providing adequate social and affordable housing will be partly captured by state, territory and commonwealth governments in reduced outlays. This relates to savings in health, social assistance, and justice expenditures.

Over 30 years, the Commonwealth's estimated budget savings (from improved health outcomes, reduced crime and domestic violence etc.) would surpass its outlays in meeting projected social and affordable housing need. The Commonwealth is estimated to save some \$3.5 billion in present value terms.

<sup>1</sup> The pool of households in deep housing stress is already substantial. Governments could accelerate the provision of assistance so that more households are lifted out of stress in the nearer term than what has been factored into our calculations. For the purposes of this report we have assumed a 'straight line' ramping up of assistance from where we were in 2021 to fully meeting projected need by 2051. Under an accelerated assistance scenario, both the cost of support and the value of the benefits generated would increase. However, the benefit cost ratio would be largely unchanged.

## GIVE ME SHELTER EXECUTIVE SUMMARY

FIGURE 2/ BUDGETARY SAVINGS PER STATE AND TERRITORY (NPV OVER 30 YEARS)



All state and territory governments, except for the ACT, would also enjoy budget savings greater than their outlays on social and affordable housing provision, as shown below.

- New South Wales, + \$2.2 billion
- Victoria, + \$7.8 billion
- Queensland, + \$5.4 billion
- Western Australia, + \$6.6 billion
- Tasmania, + \$0.7 billion
- South Australia, + \$4.3 billion
- Australian Capital Territory, - \$0.1 billion
- Northern Territory, + \$0.4 billion

The ACT's close to break-even result reflects the fact that the Territory has the highest rents in the country. This makes for an outsized gap between affordable rent and market rents and, therefore, relatively large government outlays versus the fiscal savings on offer. In the context of the ACT, more traditional public sector procurement of social and affordable housing, or facilitated private investment in social and affordable housing on government land, would likely produce a positive fiscal result for that jurisdiction as well. Such strategies could also boost the fiscal outcome for NSW, which also has comparatively high market rents.





Severe shortages of affordable accommodation can mean that businesses cannot keep key staff as these workers may be pushed out of reasonable commuting range. This churn is costly both for the employer and employee, and labour market productivity suffers.

## Introduction

**There is a significant and increasing need to address homelessness and housing stress in Australia. Following a context-setting introduction to frame the Australian housing story, this report presents the findings of a cost-benefit analysis undertaken to measure the future costs (or foregone benefits) to the community from continued failure to address the need for housing assistance.**

### 1.1 About Housing All Australians

Housing All Australians (HAA) activates private sector-led solutions to the chronic shortage of social, public and affordable housing in Australia. Through our national reach and activities such as pop-up shelters, we support the business community to respond to community and business need.

With the findings from this study, we aim to bring Australian business together for a national conversation on the importance of housing for all as an economic platform for a prosperous country. We need to understand the economic implications that the chronic shortage of non-market driven housing is going to have on Australian society and the economy, and to articulate the strong underlying business case that exists behind mitigating that outcome.



Underinvestment in initiatives to securely house those in need increases costs to society through poorer health and employment outcomes, greater criminal behaviour and less diverse communities.

## 1.2 About SGS Economics and Planning Pty Ltd

Established in 1990, SGS is an urban and public policy consultancy which supports policy and investment decisions for more sustainable cities and regions.

SGS works for the public interest with its commitment to social good woven into the fabric of the company's culture. A certified Benefit Corporation (B Corp), SGS is part of a global movement of people and organisations working for a more equitable, prosperous and sustainable society.

SGS comes to this task with a depth and breadth of experience across affordable housing, policy development and development economics.

## 1.3 Project context

**"It can no longer be said that we are, in general, affordably housed; nor can it be said that the 'housing system' is meeting the needs and aspirations of as large a proportion of Australians as it did a quarter of a century ago"**

### Pawson, Milligan & Yates (2020)

The existence of a housing affordability problem in Australia is generally recognised and acknowledged, not only within government housing policy circles but among commentators, industry, and the public at large (Pawson, Milligan, & Yates, 2020). However, despite receiving recognition, policy makers continue to misunderstand the nature and influence of Australia's housing system within the economy, and consequently have failed to appreciate and address the affordability crisis with any coherent long-term vision and strategy (McClennan, et al., 2021).

Affordability concerns are often voiced in the mainstream media mainly in relation to the falling rates of homeownership, particularly amongst younger cohorts (Pawson, Milligan, & Yates, 2020). However, intensifying rental affordability pressures affecting low- and moderate-income earners, and the substantial lack of social housing and affordable rental housing, arguably presents an even greater challenge to present and future communities. A series of reports published by AHURI has tracked the affordability and availability of private rental housing for low-income households in Australia (Hulse et al., 2012; Hulse et al., 2014; Hulse et al., 2019).

The COVID-19 pandemic placed Australia's housing system under the spotlight. However, rapidly rising rates of homelessness and a growing deficit of private rental housing affordable to lower income households had been in trend long before the onset of the pandemic. The number of households experiencing moderate or severe rental stress – and therefore classified as in need of housing assistance – has been increasing over time (Hulse et al., 2012; Hulse et al., 2014; Hulse et al., 2019; Martin et al., 2017). Recent governments have been stung into action to cushion the impact of economic recessions arising from the Global Financial Crisis and COVID-19 pandemic; however, there remains a significant and expanding shortfall across Australia. While affordability problems are most pronounced in capital cities, the shortfall of social and affordable housing supply is not exclusively an urban problem.

## GIVE ME SHELTER INTRODUCTION

### The impacts of the Covid-19 pandemic on the housing affordability crisis

The impacts of the COVID-19 global pandemic, beginning in 2020, have caused unprecedented shocks to the country's economy and housing market. Since then, the experiences of private renters across the country have been greatly impacted, with their employment, living environment, ability to pay rent and risk of eviction all being affected.

The Australian Institute of Health and Wellbeing (AIHW) (2021) found that since the beginning of the pandemic:



FIGURE 3/ COVID-19 IMPACTS

## GIVE ME SHELTER INTRODUCTION

### 1.5 Scope of this report

The report is structured in five parts. Following this introductory section:

- **Section 2** provides an overview of the *CBA methodology and framework*.
- **Section 3** presents a *summary of the literature on the expected impacts* from continuing underinvestment in social and affordable housing across Australia. This section includes a discussion of the approach and assumptions adopted regarding quantification and monetisation.
- **Section 4** presents the *CBA findings* including an estimate of total future costs and as a benefit-cost ratio (*BCR*) measure.
- **Section 5** provides a *summary of findings and conclusions*.

### 1.4 Project purpose

In recognition of the continuing underinvestment in measures to address housing need across the country, Housing All Australians (HAA) partnered with SGS to research the evidence base for stronger national action on social and affordable housing.

This research has been undertaken in three stages:

- **Stage 1: A literature review** to examine the basis for measuring the future costs that will be avoided through adequate investment in addressing homelessness and housing stress.
- **Stage 2: Interviews with housing experts** across Australia seeking feedback on the proposed methodology.
- **Stage 3: Development of a cost-benefit analysis (CBA) and economic narrative** to accompany HAA's representations to government and stakeholders.

This report presents the findings of Stage 3.





## Cost-benefit analysis framework

The aim of CBA is to measure and compare the marginal costs and benefits of an initiative to determine the overall impact on community welfare. In this instance, CBA will be undertaken to measure the return to the community from addressing homelessness and housing stress across Australia, and more particularly, to estimate the future costs which will be avoided through such an initiative. This section provides a general overview of CBA methodology and outlines the specific approach adopted for this study.

# 2

### 2.1 Economic appraisal (cost-benefit analysis)

Cost-benefit analysis (CBA) assesses the merit of investing in a project from a broader community perspective. That is, CBA contrasts an initiative's economic, social and environmental benefits with its costs. Ultimately the purpose of this form of appraisal is to determine whether the initiative under examination delivers a net community benefit, and in the context of this project, will be used to measure avoided future costs (unrealised benefits).

The relative scale of costs and benefits are illustrated via the BCR (benefit cost ratio). If the BCR is shown to be greater than one, the project is considered worth doing from a societal welfare (or economic efficiency) perspective, regardless of who pays and who benefits.

The CBA in this report has been prepared in accordance with the specifications of Government guidelines for the evaluation of public sector initiatives.

A CBA must address the full spectrum of environmental, social and business impacts of proposed initiatives to address rental stress. Positive and negative effects are quantified and monetised (expressed in dollar terms) as far as possible and then compared to arrive at a conclusion as to whether the proposal is likely to make the community better off or worse off in net terms compared with persevering with business-as-usual conditions.



## GIVE ME SHELTER COST BENEFIT ANALYSIS FRAMEWORK

The principal steps in the generic cost-benefit analysis method include:

1. Differentiating between the outcomes under a 'business as usual' or 'base case' scenario and those arising with the initiative in question (the 'project case').
2. Identifying the economic, social and environmental costs and benefits that might arise in moving from the base case to project case.
3. Quantifying and monetising these costs and benefits, where possible, over a suitable project evaluation period (in this case 30 years).
4. Generating measures of net community impact using discounted cash flow techniques over the 30-year duration of the regulation. This requires expression of future costs and benefits in present value terms using a discount rate that is reflective of the opportunity costs of resources diverted to the implementation of the reforms.
5. Supplementing this quantitative analysis with a description of costs and benefits that cannot be readily quantified and monetized.

All impacts of the proposed intervention versus the base case must be taken into account, whether or not they are "traded" effects or "externalities".

Traded effects have a price in the market. Externalities are unpriced costs and benefits sustained by third parties in any market transaction. The CBA must account for these impacts even though they are not directly mediated (bought and sold) in the market. The monetised value of these external effects needs to be imputed using a variety of techniques as advised by official CBA guidelines.

### 2.2 Incremental, present value, lifecycle assessment

As per the conventions of financial and economic appraisal, CBA is conducted on an incremental or 'marginal' basis. That is, the project outcomes are tested in comparison to the outcomes that would be generated under a business-as-usual scenario.

Moreover, the CBA framework accounts for the time value of money, which is an implicit judgement that it is desirable for a benefit to occur sooner rather than later. Accordingly, this cost benefit analysis has been prepared in real dollar terms, with future costs and benefits discounted back to current day dollars using a consistent real discount rate.

A discount rate of 7 per cent is applied in the analysis. This is a relatively high rate typically applied to government investments that have a full or partial commercial focus.

### 2.3 Distinguishing financial and cost-benefit analysis

Financial analysis is sometimes confused or conflated with CBA. Financial analysis is undertaken from the narrow perspective of an investor, buyer or seller in the market, and only tracks market-transacted costs and benefits. It also considers tax liabilities.

In contrast, this CBA is undertaken from an Australia-wide perspective, with results disaggregated by state and considers all impacts on welfare, whether priced or unpriced.

Moreover, because CBA is concerned with net effects on the community as a whole, tax impacts are typically set aside as they are simply transfers within the wider community.

## GIVE ME SHELTER COST BENEFIT ANALYSIS FRAMEWORK

### 2.4 Limitations and critiques of cost-benefit analysis

CBA provides a usefully systematic way to consider the consequences of a proposed initiative; and for a broad range of decisions, whether a project's benefits outweigh its costs is a sufficient question to ask.

However, the limitations of CBA and its application for decision making are acknowledged. There are instances in which the results of CBA should not govern ultimate moral judgement. Often these encompass projects and initiatives which have consequences for those things that are specially valued as a society, such as life, health, safety, and human rights.

**Cost-benefit questions may in fact be largely irrelevant to the outcome of moral judgment, depending on the importance we attach to the value involved.**

Modern CBA practice is premised on the 'Kaldor Hicks principle', where a policy is deemed efficient (improves welfare) if the beneficiaries are notionally able to compensate those suffering costs associated with the initiative and still be better off. This provides a "values free" framework for resource allocation. Welfare gains are judged on willingness to pay for benefits and resource costs are measured at their transacted or imputed prices.



As useful as this framework is, not all costs and benefits are admissible in a CBA. This is not because they are beyond the reach of economics, but rather that they may be deemed to be unconscionable policy propositions. For example, a project known to cause death due to toxic emissions would not be deemed acceptable, regardless of the scale of benefits. The costs are not deemed to be compensable under the Kaldor Hicks principle.

Under the International Covenant on Economic, Social and Cultural Rights (ICESCR), every person has the right to an adequate standard of living (ICESCR, article 11). The right to housing is more than simply a right to shelter; it is a right to have somewhere to live that is adequate. Whether housing is adequate depends on a range of factors, including:

- legal security of tenure
- affordability
- accessibility
- habitability
- location and / or
- cultural adequacy

CBA is useful only for policy choices that are within the spectrum of acceptability based on shared values. For many, the failure to provide safe and secure housing for those who are homeless or experiencing housing stress is unconscionable.

Precedents for this approach are evident elsewhere in public policy. For example, children with a disability have equal rights to access mainstream schools, regardless of cost.

## GIVE ME SHELTER COST BENEFIT ANALYSIS FRAMEWORK

### 2.5 Defining the project case and base case

The purpose of this section is to outline the approach to testing whether a notional policy to comprehensively address homelessness and housing stress across Australia would represent an efficient reform, and to effectively measure the accumulating costs (or foregone benefits) of not addressing this need. That is, to test the net community benefit of moving from the base case to the project case.

Typically, applying a CBA methodology requires knowledge of the implementation and operational details of the project. In this case, it includes identifying the targeted recipients of affordable housing and what mechanism will be used to realise these ambitions.

There are several potential means of addressing need for housing assistance, including (but not limited to):

- **General income support:** Under a general income support approach, cash payments would be provided to private renters (and to other low-income individuals who are not renters) to ensure they have an adequate standard of living. The cash payment would generally be sufficient to purchase an adequate quality and quantity of necessities, including adequate and appropriate accommodation.
- **Housing vouchers and allowance (for example rental assistance):** Housing vouchers and allowances are a form of targeted cash payments provided directly to tenants to assist with the cost of renting in the private market. Vouchers and allowances can take various forms. The amount of the cash payment would usually reflect the income and the composition of the household, but some schemes may adjust the payment according to the rent paid.

- **Social housing:** This involves government, not-for-profit or non-governmental organisation (NGO) provision of housing to eligible households at a rent which ensures affordability. The objective is to provide equitable access to affordable, secure and appropriate rental housing for low-income renters.
- **Head leasing:** Head leasing occurs where, for example, a public housing authority or community housing organisation leases properties in the private market and then sub-lets these to people on the social housing waiting list. Tenants pay a rent (based on their income), which is then passed on, together with a subsidy, to the landlord.
- **Private sector leveraging:** This approach encompasses a range of initiatives intended to stimulate the supply of social and affordable housing by the private sector. These include providing grants, tax credits or other subsidies to induce private investors to dedicate capital to affordable housing provision.

There is disputation amongst housing experts and policymakers regarding the most appropriate means of addressing identified housing need. However, the specific mechanisms used to address rental stress and the need for social and affordable housing are ultimately inconsequential to the estimation of costs which will be used to evaluate the benefit-cost ratio in the CBA methodology outlined below.

This is because, regardless of the mechanism deployed, the cost side of the equation will be given by the total subsidy required to provide secure, affordable housing. This is the difference between the rent required to induce supply of suitable housing, say market rent, and the rent which is affordable by the low income households in question.

## GIVE ME SHELTER COST BENEFIT ANALYSIS FRAMEWORK

Other important considerations framing the adopted CBA methodology include:

- At present, social housing is targeted to households most in need, including those who are homeless or experiencing violence. It is assumed that any adopted initiative will address the full need for housing assistance over the analysis period.
- Addressing the total need across Australia will result in a more diverse pool of very low income, low income, and moderate-income households provided access to secure and affordable housing.
- Not all benefit streams apply equally (or in some cases, at all) to all types of households. Addressing the experience of rental stress for some households will deliver a substantial benefit under a range of categories as compared to other household types, depending on their composition. For the purposes of this CBA, estimates of need and measurements of benefit have been broadly segmented using the following household types:
  - » People experiencing homelessness (rough sleepers and others)
  - » Very low-income households
  - » Low-income households
- Allocation of benefit streams by household type are described in further detail in Section 3.

In summary, the *base case* assumes the current situation where a significant number of households across Australia are unable to access secure and affordable housing. As a result, these households suffer a range of negative consequences from rental stress and/or homelessness.

The *project case* assumes the total need for housing across all Australian jurisdictions is addressed with the following outcomes:

- provide affordable housing for homeless persons, and
- provide affordable housing for those who would otherwise experience housing stress.

The following section further defines the marginal costs and benefits of the project case compared with the base case and outlines the method of monetisation applied.



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# Scoping of marginal costs and benefits

Stage 1 of this project involved a comprehensive review of domestic and international literature to explore the impacts of continuing failure to address the need for housing assistance. This section draws on the literature review findings, overviewing the expected marginal costs and benefits (avoided costs) associated with moving from the base case to the project case.

## 3.1 Overview

The review of national and international literature reveals several primary benefit categories suitable for considerations and quantification via CBA:

- improved health outcomes
- reduced incidence of anti-social and criminal behaviours
- enhanced human capital and educational outcomes
- increased productivity due to less efficient labour markets, and
- increased community diversity, inclusion and equity

These categories represent the benefits that would be foregone because of failure to address the need for housing assistance (as expressed under the base case). For example, the project case measures the expected health cost savings achieved through addressing homelessness and housing stress. While included in the benefits side of the equation, these savings would not be realised under the base case, therefore representing accumulating future cost.

An overview of each of these categories is provided below, accompanied by a summary of methods for quantification and monetisation in the CBA analysis. Further detail regarding methods of quantification and detailed assumptions are provided in the Appendix.





Provision of social and affordable housing will require a significant capital investment. For example, the Leptos Review of the Commonwealth's National Housing Finance and Investment Corporation (NHFIC) estimated a \$290 billion requirement over 20 years, based on federal government actuary estimates of future needs.

### 3.2 Marginal costs

#### Government subsidy

Provision of social and affordable housing will require a significant capital investment. For example, the Leptos Review of the Commonwealth's National Housing Finance and Investment Corporation (NHFIC) estimated a \$290 billion requirement over 20 years, based on its own assessment of future needs.

An investment of this scale could be mobilised in a variety of ways, including traditional public sector procurement, tax credit or grant schemes to support private sector investment, and supplementing the incomes of low-income households. In all cases, a subsidy is required to bridge the gap between an affordable rent and the rent required to support investment in the necessary bricks and mortar.

In this study, we adopt the difference between market rents and affordable rents for households who would otherwise be in stress as the cost of the required subsidy. This implicitly assumes that returns pegged to market rents would be sufficient for investors – government or private – to induce the required supply.

#### Support services

Housing programs supporting people who are homeless often encompass both housing and other support services (such as tenancy management, drug and alcohol supports, community education programs etc.). While the marginal contribution of the housing alone is not always clear, expenditures related to these services have been included in the cost side of the CBA equation, estimated at 25 per cent of the total benefit of meeting the housing needs of people experiencing homelessness based on Housing First estimates provided by Larimer et al. (2009).

### 3.3 Marginal benefits

#### Improved health outcomes

People experiencing homelessness and housing stress consume far more health services than people who have stable and affordable housing. Conversely, the ability to keep people housed is a crucial element of managing chronic conditions, ensuring positive health outcomes, and reducing public expenditure.

#### Reduced incidence of criminal and anti-social behaviours

Crimes trigger costs across society. Crime victims suffer psychological and material losses, while taxpayers pay for law enforcement, courts, and incarceration. Providing housing to people experiencing homelessness or who are in rental stress is likely to reduce engagement with the criminal justice system, resulting in reduced government costs of corrections and incarceration. The experience of housing stress and insecurity has also been shown to exacerbate the private and public sector costs of addressing family and domestic violence in Australia.

#### Enhanced human capital and employment outcomes

Human capital is the set of knowledge, skills and characteristics people accumulate throughout their lives. Poor-quality housing, overcrowding, excessive commute times and housing stress can impact human capital formation. Providing safe and secure housing supports individual health and wellbeing, including reduced stress and mental ill-health, greater career progression potential, increased ability to upskill and enhanced workforce participation.

Poor housing affordability and neighbourhood quality can affect the educational outcomes of school-aged children in several ways. Children living in households in housing stress tend to change school more. Research shows that children who change schools frequently are more likely to have below-average grades, higher rates of absenteeism and are more likely to drop out.

## GIVE ME SHELTER SCOPING OF MARGINAL COSTS AND BENEFITS

**Conversely, affordable and stable accommodation is shown to contribute to an increased likelihood of completing school, attending tertiary institutions and enhancing lifetime earning potential.**

### Increased productivity due to more efficient labour markets

Low and moderate income households are critical to the labour force but increasingly struggle to find affordable housing accommodation for rent or purchase. As a result, low and moderate income households are more likely to experience housing stress and/or long commutes.

**Displacement of households due to housing costs also impacts firms, who experience reductions in the size and diversity of labour markets, making it more difficult to find and retain staff with appropriate skills.**

### Reduced community diversity, inclusion, and equity

Community diversity is seen as important for fostering interaction and trust between different people, as well as promoting economic opportunity. Social diversity, inclusion, and equity have both intrinsic value to the hosts' community and impact the spatial sorting of households based on incomes. Housing mix, including a mix of tenure and price points, is crucial to supporting broader community diversity and preventing spatial segregation and marginalisation.

### 3.4 Monetisation

As noted in Section 2, the research shows that the type and value of benefits generated through the provision of housing assistance depend on the circumstances of the household being accommodated and whether 'wrap around' services are made available in conjunction with the housing.

To undertake the CBA, some broad assumptions have been made regarding the composition of households by category. These are summarised in Table 1.

It is noted that the demographic profile of households in need of social and affordable housing is much more diverse than the case studies overviewed below. These case studies are merely representative examples of households in each income grouping.

Displacement of households due to housing costs also impacts firms, who experience reductions in the size and diversity of labour markets, making it more difficult to find and retain staff with appropriate skills.

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TABLE 1: ASSUMPTIONS REGARDING HOUSEHOLD CHARACTERISTICS

Household	Description	Adults	Children
Homeless (rough sleeper and other)	Unemployed individual who is rough sleeping and receiving welfare support. Transition to housing supported by additional wrap-around services.	1	0
Very-low income household	Household comprising two adults both over the age of 75 and receiving the aged care pension. Both members of the households are no longer in the labour force.	2	0
Low-moderate income household	Three-person household, comprising two adults and one child under 10. Both adults are full-time employed at modest wages. The child is attending primary school.	2	1

Source: SGS Economics and Planning (2021)

The primary benefit categories associated with each household type are summarised in Table 2.

TABLE 2: ASSUMPTIONS REGARDING MONETISED BENEFITS BY HOUSEHOLD TYPE

	Health cost savings	Reduced domestic violence	Reduced costs of crime	Enhanced human capital	Educational benefits	Labour market productivity
Homeless	✓	✓	✓	✓		
Very-low income household	✓	✓				
Low-moderate income household	✓	✓		✓	✓	✓

Source: SGS Economics and Planning (2021)

Monetised benefits by household type, as identified in the research literature, are summarised in Table 3. Broadly speaking, the benefits shown in the table are additive, though this again depends on the circumstances of individual households.

For example, only households with children would accrue the educational benefits, and only those with members of labour force age would generate the “enhanced human capital benefit”.

GIVE ME SHELTER SCOPING OF MARGINAL COSTS AND BENEFITS

TABLE 3: EXTERNAL BENEFIT OF SOCIAL AND AFFORDABLE HOUSING PROVISION PER HOUSEHOLD PER ANNUM (2020) - ROUNDED

	Health cost savings	Reduced violence	Reduced crime costs	Enhanced human capital	Key worker retention	Education benefits	Total benefits
Homeless household	\$8,800	\$2,850	\$6,400	\$450	NA	NA	\$18,500
Very-low income household	\$1,550	\$1,900	NA	NA	NA	NA	\$3,400
Low-income household	\$2,250	\$2,850	NA	\$3,870	\$8,200	\$360	\$17,550

The contribution of each household category to total benefits was weighted based on their broad share of total need in each state (Table 4).

Source: SGS Economics & Planning Pty Ltd (2019) City of Melbourne Housing Needs Analysis<sup>2</sup>

TABLE 4: WEIGHTING OF HOUSEHOLDS BY STATE, 2051

	VIC	NSW	QLD	WA	TAS	SA	ACT	NT	AUS
Homeless	13%	14%	12%	11%	7%	8%	8%	47%	13%
Very-low income household	39%	42%	37%	43%	48%	50%	53%	32%	41%
Low-income household	48%	44%	51%	45%	45%	42%	39%	21%	46%

Source: SGS Economics and Planning (2021)

<sup>\*</sup>Weighting based on modelling outputs from SGS’ Housing Assistance Demand Model for all states and territories.

<sup>2</sup> [https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.com-participate-files/2715/8318/6221/SGS\\_Housing\\_Needs\\_Analysis\\_16\\_July\\_2019\\_-\\_API\\_2\\_7.PDF](https://s3.ap-southeast-2.amazonaws.com/hdp.au.prod.app.com-participate-files/2715/8318/6221/SGS_Housing_Needs_Analysis_16_July_2019_-_API_2_7.PDF).





## Cost-benefit analysis

# 4

This section presents a discounted cash-flow analysis of the marginal costs and benefits associated with initiatives to address the need for housing assistance across Australia. This analysis provides an estimate of the costs that are expected to accumulate throughout Australia without intervention. Results are presented for state and territory jurisdictions. Fiscal implications for governments are also shown.

### 4.2 Projected need for housing assistance

SGS applied its Housing Assistance Demand and Supply (HADS) to project the quantum of social and affordable housing provision required in 2051 to fully meet need, that is, to effectively eliminate homelessness and housing stress amongst low-income renters. This projection takes into account official population forecasts and assumes that incomes will grow broadly in line with rents. In other words, we have not allowed for either a natural improvement or deterioration in relative affordability for lower income households over the next three decades.

**The HADS model projects that if there is no change in assistance policy, more than two million lower income renter households will be in serious housing stress by 2051. The health, education, productivity and crime costs borne by the community as a result of this unmet housing need is estimated to reach \$25 billion per year by 2051.**

Our analysis of the costs and benefits of redressing this situation assumes that assistance will be gradually stepped up, year on year, from where the nation was in 2021 with respect to affordable housing provision, to fully meet need in 2051.

### 4.1 Parameters

The CBA has been performed using the following parameters:

- Time horizon: 30 years
- Discount rate: seven per cent real
- Timing of benefits: Evenly distributed across analysis period
- Timing of costs: Evenly distributed across analysis period
- Terminal values: Each of the benefit streams is assumed to terminate in year 30, even though most are likely to continue indefinitely. The assumption of zero terminal values makes for a conservatively low assessment of net community benefit



4.3 Consideration of costs and benefits

Table 5 below provides a summary of all costs and benefits and their treatment in the CBA:

TABLE 5: SUMMARY OF TREATMENT OF MARGINAL COSTS AND BENEFITS IN CBA

Cost category	Monetised	Un-monetised
Government subsidy	✓	
Support services	✓	
Benefit categories	Monetised	Un-monetised
Improved health outcomes	✓	
Reduced costs of crime	✓	
Enhanced human capital	✓	
Educational benefits	✓	
Enhanced labour market productivity	✓	
Improved community diversity, inclusion and equity		✓

Source: SGS Economics and Planning (2021)

4.4 Cost-benefit analysis

The results of the CBA are expressed via two performance measures: benefit cost ratio (BCR) and net present value (NPV). An overview of each, including guidance on interpretation, is provided in Table 6.

When the NPV of the project is positive, and the BCR is greater than 1, the CBA can be interpreted as showing that the project case under examination represents a sound investment.

TABLE 6: INTERPRETATION OF PERFORMANCE MEASURES

Performance measure	Estimation method	Decision rule
Net present value (NPV)	A number generated by deducting the present value of the stream of costs from the present value of the stream of benefits (with the present value of costs and benefits determined by using an appropriate discount rate).	<ul style="list-style-type: none"><li>• Accept options with a positive NPV</li><li>• Reject options with a negative NPV</li><li>• The greater the NPV, the better.</li></ul>
Benefit cost ratio (BCR)	Ratio of discounted present-day benefits to discounted present-day costs.	<ul style="list-style-type: none"><li>• Accept options with a BCR that exceeds 1</li><li>• Reject options with a BCR less than 1</li><li>• The greater the BCR the better.</li></ul>

Source: SGS Economics and Planning (2021)



GIVE ME SHELTER COST BENEFIT ANALYSIS

Table 7 shows the results of the CBA examining the impact of initiatives to fully meet the need for housing assistance across Australia by 2051.

Applying the assumptions described above, the results outlined in the table indicate that addressing need for housing assistance will result in a benefit cost ratio (BCR) of 2.01, which represents a net positive economic and community outcome for Australia. The net present value (NPV) of the stream of marginal costs and benefits is estimated at \$55 billion over the 30-year analysis period.

TABLE 7: CBA RESULTS - AUSTRALIA

Category	Net Present Value (NPV)
Costs	
Housing subsidy	\$49,240,057,039
Supports	\$5,702,355,643
Total costs	\$54,942,412,682
Benefits	
Total benefits	\$110,207,436,596
NPV	\$55,265,023,914
BCR	2.01

Source: SGS Economics and Planning (2021)

GIVE ME SHELTER COST BENEFIT ANALYSIS

4.5 Cost-benefit analysis results by state and territory

CBA has also been undertaken on a state and territory basis. These results are provided in Table 8.

Examining results for each state and territory reveals that addressing need in each jurisdiction will result in considerable benefit to metropolitan and regional communities across the country. Variation across states arises because of variation in rates of need, incomes, and average rental prices.

TABLE 8: CBA RESULTS (MARKET RENTS) - BY STATE AND TERRITORY

State		NPV	BCR
Victoria	State	\$19,636,415,267	3.3
	Metro	\$15,975,987,653	3.4
	Regional	\$3,660,427,614	2.9
New South Wales	State	\$9,061,712,310	1.3
	Metro	\$4,691,461,447	1.2
	Regional	\$4,370,250,863	1.9
Queensland	State	\$14,636,094,755	2.5
	Metro	\$8,901,555,979	3.0
	Regional	\$5,734,538,776	2.1
Western Australia	State	\$6,625,012,460	3.2
	Metro	\$5,743,305,897	3.4
	Regional	\$881,706,562	2.4
Tasmania	State	\$741,038,146	1.8
	Metro	\$425,695,472	2.0
	Regional	\$315,342,675	1.7
South Australia	State	\$4,295,779,355	3.4
	Metro	\$3,336,139,819	3.0
	Regional	\$959,639,537	6.8
Australian Capital Territory	Territory	(\$136,367,603)	0.9
Northern Territory	Territory	\$405,339,223	1.2
	Metro	\$433,978,328	1.9
	Regional	(\$28,639,105)	1.0

Source: SGS Economics and Planning (2021)

GIVE ME SHELTER COST BENEFIT ANALYSIS

4.6 Sensitivity analysis

Table 9 ranks the estimated benefits by value. This shows that the largest benefits stem from improved labour productivity and health cost savings.

A conservative scenario, under which productivity benefits are excluded entirely, results in a benefit-cost ratio (BCR) of 1.37 for Australia, which still represents a significant net positive economic and community outcome.

TABLE 9: WEIGHTED AVERAGE OF BENEFITS BY DEMOGRAPHIC GROUP

Rank	Benefit category	Weighted average benefit per household assisted per year
1	Enhanced labour market productivity	\$3,770
2	Health cost savings	\$2,832
3	Reduced domestic violence	\$2,462
4	Enhanced human capital	\$1,838
5	Reduced costs of crime	\$844
6	Education benefits	\$168

Source: SGS Economics and Planning (2021)

GIVE ME SHELTER COST BENEFIT ANALYSIS

TABLE 10: CBA RESULTS UNDER SENSITIVITY TESTING

Category	Net Present Value (NPV)
Costs	
Housing subsidy	\$49,240,057,039
Supports	\$5,702,355,643
Total costs	\$54,942,412,682
Benefits	
Total benefits	\$75,345,964,057
NPV	\$20,403,551,375
BCR	1.37

Source: SGS Economics and Planning (2021)

GIVE ME SHELTER COST BENEFIT ANALYSIS

4.7 Fiscal impacts

Some of the benefits shown in Table 4 on page 31 will accrue directly to governments in the form of reduced budget outlays, while others will accrue to individuals. We have outlined the segmentation between state and Federal Government, and private interests (individuals and private businesses) in Table 11.

TABLE 11: SEGMENTATION OF BENEFITS

Benefit category	Broad segmentation of benefits		
	State	Federal	Private
Health cost savings <sup>3</sup>	40%	40%	20%
Reduced domestic violence <sup>4</sup>	60%	20%	20%
Reduced costs of crime <sup>5</sup>	100%	0%	0%
Enhanced human capital <sup>6</sup>	30%	30%	40%
Educational benefits <sup>7</sup>	20%	20%	60%
Labour market productivity <sup>8</sup>	30%	30%	40%

<sup>3</sup> Australian Institute of Health and Welfare (2016), Australia's Health, Chapter 2.1: How does Australia's health system work? Available: <https://www.aihw.gov.au/getmedia/f2ae1191-bbf2-47b6-a9d4-1b2ca65553a1/ah16-2-1-how-does-australias-health-system-work.pdf.aspx>

<sup>4</sup> PWC (2015), A high price to pay: The economic case for preventing violence against women. Available: <https://www.pwc.com.au/pdf/a-high-price-to-pay.pdf>

<sup>5</sup> Commonwealth of Australia (2021), Australian Government Expenditure: Budget Review 2021-2021 Index. Available: [https://www.aph.gov.au/About\\_Parliament/Parliamentary\\_Departments/Parliamentary\\_Library/pubs/rp/BudgetReview202021/AustralianGovernmentExpenditure](https://www.aph.gov.au/About_Parliament/Parliamentary_Departments/Parliamentary_Library/pubs/rp/BudgetReview202021/AustralianGovernmentExpenditure)

<sup>6</sup> Ibid

<sup>7</sup> Ibid

<sup>8</sup> Ibid



GIVE ME SHELTER COST BENEFIT ANALYSIS

We have estimated the direct financial savings to governments if they invest in the subsidies required to meet social and affordable housing need. These savings are primarily related to:

- reduced outlays for health care
- reduced outlays in the criminal justice system
- reduced outlays in domestic violence services, and
- income tax revenue arising from enhanced human capital and increased labour market productivity.

Across 30 years, the Commonwealth's estimated budget savings (from improved health outcomes, reduced crime and domestic violence ) would surpass its outlays in meeting projected social and affordable housing need. This saving is estimated at \$3.5 billion in present value.

TABLE 12: ESTIMATED FISCAL IMPACTS – COMMONWEALTH GOVERNMENT

Cost category	Net Present Value (NPV)
Total government outlays	\$27,471,206,341
Total savings to government budgets	\$30,989,492,638
Difference (NPV)	\$3,518,286,297

Source: SGS Economics and Planning (2021)

All state and territory governments, except for the ACT, would also enjoy budget savings greater than their outlays on social and affordable housing provision, as shown below.

- New South Wales, + \$2.2 billion
- Victoria, + \$7.8 billion
- Queensland, + \$5.4 billion
- Western Australia, + \$6.6 billion
- Tasmania, + \$0.7 billion
- South Australia, + \$4.3 billion
- Australian Capital Territory, - \$0.1 billion
- Northern Territory, + \$0.4 billion.

The close to break-even result for the ACT reflects the fact that the Territory has the highest rents in the country. This makes for an outsized gap between affordable rent and market rents and, therefore, relatively large government outlays versus the fiscal savings on offer. In the context of the ACT, more traditional public sector procurement of social and affordable housing, or facilitated private investment in social and affordable housing on government land, would likely produce a positive fiscal result for that jurisdiction as well. Such strategies could also boost the fiscal outcome for NSW, which also has comparatively high market rents.





## Conclusion

**In recognition of the continuing growth in the number of people experiencing homelessness and housing stress, and the continuing underinvestment in housing assistance measured across the country, Housing All Australians (HAA) partnered with SGS to research the evidence base for stronger national action.**

**HAA and SGS have sought to establish the returns to the community from eliminating homelessness and housing stress.**

This research employed a conventional CBA methodology to measure the future costs that will be avoided through adequate investment in social affordable housing.

A review of national and international literature reveals several primary impact categories suitable for considerations and quantification via cost-benefit analysis:

- improved health outcomes
- reduced incidence of anti-social and criminal behaviours
- enhanced human capital and educational outcomes
- increased productivity due to less efficient labour markets, and
- increased community diversity, inclusion and equity.

5

These categories represent the benefits that would be foregone because of failure to address homelessness and housing stress (as expressed under the base case). While included on the benefits side of the equation, these savings would not be realised under the base case, and hence represent an accumulating future cost to Australian society.

GIVE ME SHELTER CONCLUSION

Applying the assumptions described above indicate that meeting the need for social and affordable housing will result in a benefit-cost ratio (BCR) of 2:1, which represents a net positive economic and community outcome for Australia.

# 6

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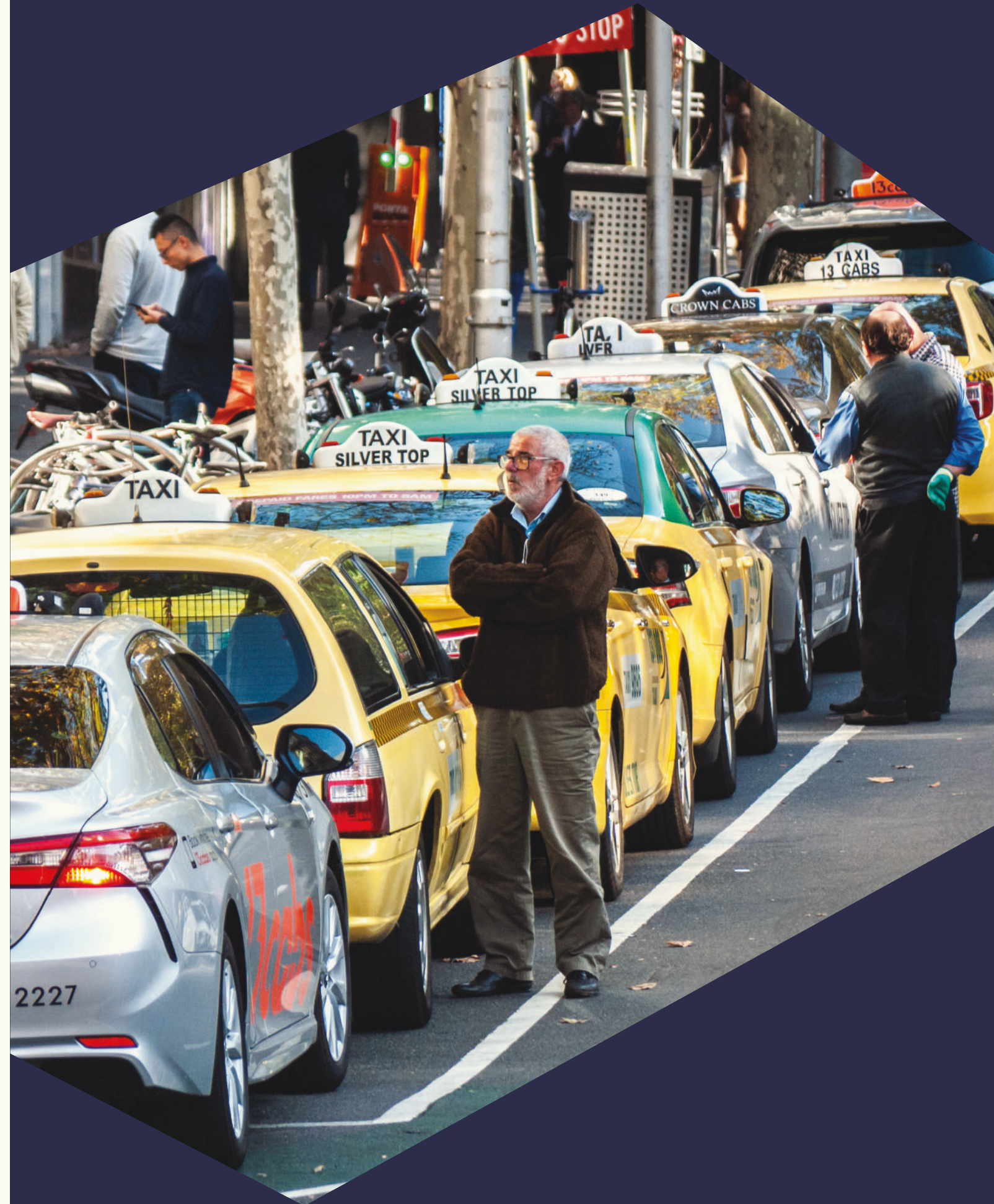
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## Appendix



Table 13 and Table 14 below provide a summary of methods of quantification for marginal costs and benefits described above.

- Health cost savings have been drawn from Flatau et al. (2020), Net Balance (2010) and Net Balance (2018).
- Reduced domestic violence has been drawn from Victorian Government (2018).
- Reduced costs of crime have been drawn from Flatau et al. (2020)) and Ravi & Reinhardt (2010).
- Enhanced labour market productivity has been drawn from SGS Economics and Planning (2019).
- Education benefits have been drawn from Ravi & Reinhardt (2010).

Identified through the Stage 1 Literature review, these sources have been deemed contextually relevant given their location, emphasis on certain populations, exploration of different tenure types and intervention impacts that match the scope of this study.

TABLE 13: QUANTIFICATION OF MARGINAL COSTS

Category	Relevant households	Quantification method	Additional assumptions	Data sources
Government subsidy	Homeless Very-low income Low-income	Government subsidy for each state and territory has been determined by estimating the difference between market rent and an affordable rent (based on average annual income by subject household type).  Utilisation of market rents in the analysis implies an assumption that need for social and affordable housing can be met by the existing supply of housing.	None	SQM Research (2021), Weekly rents: <a href="https://sqmresearch.com.au/weekly-rents.php">https://sqmresearch.com.au/weekly-rents.php</a>  SQM Research (2021), Property indexes: <a href="https://sqmresearch.com.au/index_property.php">https://sqmresearch.com.au/index_property.php</a>
Support services	Homeless	Cost of support services for people experiencing homelessness is estimated at approximately 25 per cent of total benefits based on Housing First estimates provided by Larimer et al. (2009).	None	Larimer et al., 2009



**TABLE 14: QUANTIFICATION OF MARGINAL BENEFITS** (READ WITH PAGE 51,CONTINUES PAGES 52 & 53)

Category	Relevant households	Quantification method		Additional assumptions	Data sources
Improved health outcomes	Homeless	<p>Flatau et al. (2020) found that homeless youth experience a range of health issues to a much greater extent than the general population or other disadvantaged young people who are unemployed but not homeless.</p> <p>The total cost to the Australian economy of health services associated with young people experiencing homelessness is on average \$8,505.</p> <p>The Melbourne Sustainable Society Institute (MSSI)(2017) include recommendation of adjustment upward by 25 per cent to account for the lower use of health services by younger people in general so that the figure may be applied to the general homeless population.</p> <p>Benefit estimated at \$10,631 per person per annum.</p>		<p>Figures to be adjusted for inflation</p> <p>Adjusted to average homeless household size: 1</p>	<p>ABS (2021) Consumer Price Index, Australia</p> <p>Flatau et al. (2020)</p>
	Very low- and low-income households	<p>Work commissioned by the Community Housing Federation of Australia and undertaken by Net Balance (2010) found a reduction in the average annual spend on health services after low-income households entered community housing of \$1,872 per household per year.</p>		<p>Figures to be adjusted for inflation</p> <p>Adjusted to average household size by income range.</p>	
Reduced domestic violence	Homeless	<p>Equity Economics (2021) estimated the costs that would be avoided if, rather than returning to perpetrators of domestic violence, women were housed.</p> <p>This modelling indicates that the annual health and economic gains per survivor from avoiding domestic violence equates to \$18,241.</p>		<p>Adjusted prevalence of DV/ violence amongst population of people experiencing homelessness (15 per cent).</p>	<p>Australian Institute of Criminology (2018), ‘Homeless people: Their risk of victimisation’, Canberra: Australian Institute of Health and Welfare</p> <p>Equity Economics (2021),</p>
	Very low- and low-income households	<p>Equity Economics (2021) estimated the costs that would be avoided if, rather than returning to perpetrators of domestic violence, women were housed.</p> <p>This modelling indicates that the annual health and economic gains per survivor from avoiding domestic violence equates to \$18,241.</p>		<p>Adjusted prevalence of DV/ violence for very-low and low-income households (5 per cent).</p>	<p>ABS (2021) Consumer Price Index, Australia</p> <p>Department of Health and Human Services (2018), Family violence housing blitz: Package evaluation</p> <p>Family, domestic and sexual violence in Australia: Continuing the national story 2019</p> <p>Equity Economics (2021),</p>
Reduced costs of crime	<p>Homeless</p> <p>No data found to support quantification of other households</p>	<p>Flatau et al. (2020) found that homeless youth experience a rate of exposure to the justice system to a much greater extent than the general population or other disadvantaged young people who are unemployed but not homeless.</p> <p>The total cost to the Australian economy of justice services associated with young people experiencing harmlessness is on average \$9,363 per person per year more than for the long-term unemployed youth.</p> <p>The Melbourne Sustainable Society Institute (MSSI)(2017) include recommendation of adjustment downward by 25 per cent to account for the higher use of justice services by younger people in general so that the figure may be applied to the general homeless population.</p> <p>Benefit estimated at \$7,227 per person per annum.</p>		<p>Figures to be adjusted for inflation</p> <p>Adjusted to average homeless household size: 1</p>	<p>ABS (2021) Consumer Price Index, Australia</p> <p>Flatau et al. (2020)</p>

TABLE 14: QUANTIFICATION OF MARGINAL BENEFITS (TABLE BEGINS ON PAGE 50 & ENDS PAGE 53)

Category	Relevant households	Quantification method		Additional assumptions	Data sources
Enhanced human capital	Homeless	<p>The annual salary was taken as the upper bound wage of a resident in the first quintile of incomes as sourced from the Australian Bureau of Statistics.</p> <p>The individual is assumed to be housed for two years without gaining employment and then to be in employment for an additional 30 years.</p>		Adjusted to average homeless household size: 1	To estimate the labour force participation benefit associated with the provision of secure housing for the homeless, the MSSI (2017) assumed that 10 per cent of all tenants will access employment after they have been provided accommodation. This assumption is guided by the previous experience of SGS with community housing programs that indicated that between 8-10 per cent of tenants accessed employment after gaining housing.
	Low-income households	<p>Ravi and Reinhardt (2010) found there to be an increase in employment rates and earning potential amongst low-income persons who were housed through a community housing program at the value of \$17,784 per person per year.</p> <p>Average weekly earnings of a part-time worker with a Year 12 or equivalent degree is \$342 (adjusted for inflation).</p>		<p>Adjusted for inflation: year 2021</p> <p>Adjusted to average household size</p>	<p>Ravi and Reinhart (2010)</p> <p>ABS (2021) Consumer Price Index, Australia.</p> <p>I was assumed that 10 per cent of people accessed employment as a result of improved housing circumstances.</p>
Enhanced labour market productivity	Low-income households	<p>The value of worker retention will be calculated by SGS Economics and Planning (2019) by assuming that each tenancy turnover results in training and recruitment expenses for an employer.</p> <p>The reduction in tenancy turnover as a result of finding secure housing will be assumed as the difference between the average tenancy turnover for households in rental stress as compared with the average turnover for the general population.</p> <p>For calculation purposes, SGS assumes that recruitment and training costs amount to 25 per cent of annual salary of \$60,000. This is in line with the recruitment bounty typically charged by employment agencies.</p>		<p>Recruitment costs will be capitalised to determine per annum benefit.</p> <p>Adjusted by the average number of full times employed persons per household.</p>	No additional data.





The time for waiting is over.



This report was written by SGS Economics & Planning for Housing All Australians.  
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## Attachment B

GIVE ME

SHELTER



## Leave No Veteran Behind

The long term economic costs  
of not housing veterans in need

May 2023



## Foreword

Australia is in a housing crisis. We don't have enough social, affordable and public housing for the people who need it most, including our veterans and other key workers. This has long-term implications for Australian society as we know it today.

Doing nothing is just not an option.

Last year we published our first report, *Give Me Shelter*. *Give Me Shelter* showed the economic cost of not providing housing to all. It showed that if our housing crisis is allowed to continue unabated, the resulting additional costs to society will reach \$25 billion per annum by 2051.

This second report in what we are now calling the *Give Me Shelter* series, *Leave No Veteran Behind*, outlines the alarming number of veterans experiencing homelessness. Many of these veterans have risked their lives for our country and to protect our way of life; and as a result, some have experienced traumatising events that have impacted their mental health. We need to house these veterans not only because it is economically sensible to do so, as there will be significant costs to taxpayers if we don't, but also because it is the right thing to do.

Housing All Australians is a unique business-led not-for-profit dedicated to the pursuit of practical solutions to help address Australia's chronic shortage of public, social and affordable housing.

Our research projects help inform business and the public of the long-term economic and social consequences of inaction. We aim to create respectful unrest to catalyse the long-term policy changes Australia needs, because if the housing crisis is left unaddressed, unintended costs will continue to mount and become so significant that future Australian taxpayers will not be able to afford them.

The consequence? Our Australian values will slowly but surely erode. We are currently on a lose-lose trajectory that we must reverse for future generations. We encourage all Australian businesses to lend their voice to this important national conversation: **Housing all Australians – an economic platform for a prosperous country.**

Housing All Australians is pleased to have partnered with RPS, a Tetra Tech Company, who made this research possible. By supporting *Give Me Shelter: Leave No Veteran Behind*, RPS joins other Australian businesses committed to addressing Australia's housing crisis. We thank RPS for demonstrating its leadership by contributing skills and expertise, on a pro bono basis, to assist Housing All Australians with our national advocacy and practical solutions-based work within the community.

We can all play a vital role in ensuring Australia is creating a pathway to end homelessness and providing well-located affordable housing for all Australians, and particularly our veterans who have given so much. The time for waiting is over.



**Rob Pradolin, founder and director, Housing All Australians**

## Acknowledgement of Country

We acknowledge the Traditional Custodians of Country throughout Australia and recognise the continuing connection to land, waters, and culture. We pay our respects to Elders past, present, and emerging and extend that respect to all Aboriginal and Torres Strait Islander peoples.

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This report has been prepared for Housing All Australians in May 2023.

RPS has taken all due care in the preparation of this report. We wish to acknowledge Lee Jollow, National Lead Economics, Vanessa Pilla, National Lead Social Advisory and Research, Dr Rae Dufty-Jones, Director Social Advisory and Research, Elisa McLennan, Director Economics, Nicole Romano, Senior Consultant Strategy and Investment, Ben McAuliffe, Economics Graduate and Jamie Bennetts, Strategy and Investment Graduate for their contribution.

## GIVE ME SHELTER LEAVE NO VETERAN BEHIND

# Executive summary

While homelessness among veterans of the Australian Defence Force has been identified as an issue, its extent is yet to be fully understood. Following the inclusion of new questions about military service in the Australian Census in 2021, and data from other sources, we have for the first time a clearer picture of how homelessness is impacting Australia's veterans.

RPS has partnered with Housing All Australians to examine the social issue of veterans housing and demonstrate the value that investment in this space could deliver.

## The cost of failing to address Australian veteran housing challenges

The cost of homelessness among our veterans has been estimated at \$4.6 billion over 30 years.

That's \$344m a year due to veterans not participating in the economy or employment, and veteran deaths by suicide. Our analysis shows that close to 6,000 or 5.3% of Australia's half million current and former service people were found to be experiencing homelessness in the past year, compared with 1.9% of the broader population. This is nearly three times higher.

Veterans are also more likely to have other homelessness risk indicators including being single, unemployed, subject to financial strain, and experiencing a greater number of traumatic life events than the broader population. Within this cohort the veterans most vulnerable to becoming homeless were those:

- Transitioning out of the armed forces; and
- Aged 35 years or less.

Women are also an emerging group of vulnerable veterans following the United Nations' Resolution 1325 (2000) to recognise full participation of women in conflict, accounting for 21 per cent of current and 13 per cent of previously-serving members of the Australian Defence Force.

Previously serving veterans are also more likely to die by suicide than the general population – nearly 30 per cent higher for men and twice as high for women.

Importantly, it was identified that veterans were three times less likely to seek help from established support services than the broader population.

The majority felt like they didn't need assistance, while a significant number reported that they didn't know where to go for help.

## Place-based solutions are key to supporting Australian veterans

While there is an extensive range of support services available for veterans, these organisations and the vital work they do face a range of challenges, including securing funding and the scale of the problem they are trying to solve.

With just under half of Australia's veterans living in regional areas, our research also identified a mismatch between the location of support and essential social services, and where our veterans call home, with significant travel required to access a full range of health, support and essential services.

Now that a baseline understanding of the impact of homelessness among veterans has been developed, we have the opportunity to address three key challenges:

- Veteran's reluctance to seek support from mainstream agencies
- Lack of access to follow up support for veterans transitioning out of the armed forces
- Identifying veterans who may slip through the cracks due to a lack of affordable housing options.

Our research has identified a range of programs operating in North America which governments and agencies could consider as a starting point in addressing these challenges including:

- Veterans support teams
- Colocated housing, case management and support services
- Follow-up services for transitioning veterans
- Housing focused on specific veteran cohorts such as women.



## Key takeaways

- Addressing the housing challenges faced by many Australians who've served our country makes both moral and economic sense.
- This is an essential step if we are to recognise and realise the significant social, cultural and economic potential of Australian veterans who have already provided such an important service to our country.
- Veterans leaving the Australian Defence Force are often highly educated, but we estimate that Australia is incurring an economic loss of \$344m each year due to homelessness and other factors preventing veterans from being able to fully participate in employment or the economy.
- Moving forward, a place-based approach is needed that recognises that veterans need to be provided with housing that is not only secure, but in the right places. This would support access to healthcare alongside other social services, stable employment opportunities and veterans' communities.

**6,000 or 5.3% of Australia's half million current and former service people were found to be experiencing homelessness in the past year.**

**The cost of homelessness among our veterans has been estimated at \$4.6 billion over 30 years.**

**GIVE ME SHELTER LEAVE NO VETERAN BEHIND**

# 1 Introduction and background

While international research has shown that veteran populations are often at a greater risk of homelessness when compared to the general population, the extent of the problem in Australia has not been known and the pathway to homelessness not well understood. RPS has partnered with Housing All Australians (HAA) to examine the important social issue of veterans housing and demonstrate the significant value that further initiatives and investment in this space can deliver. Building on the important *Give Me Shelter* report developed by HAA and its partners (which demonstrated the significant long-term costs of underproviding public, social and affordable housing) this report capitalises on new Australian Bureau of Statistics (ABS) data on Australian Defence Force (ADF) personnel to better understand the housing challenges and opportunities facing this important group of Australians.

## 1.1 Collaboration

### 1.1.1 About Housing All Australians

HAA was established in 2019 as a not-for-profit, to facilitate a private sector voice, and re-position the discussion and action on social and affordable housing as economic infrastructure for a prosperous Australia. HAA is a group of private sector individuals and corporates with a shared vision that it is in Australia's long-term economic interest to house all Australians, including those on low incomes. HAA's role is to:

- Harness the goodwill that exists within the private sector to develop strategies, take actions, and raise awareness in respect to the fundamental human need for shelter
- Increase the availability of, and access to, affordable housing for those on low incomes in order to relieve poverty, distress, or disadvantage
- Provide a forum for the sharing of facts, ideas, experience, and private sector skills around the creation of affording housing options throughout Australia
- Facilitate 'pop-up' housing (the meanwhile use of vacant buildings) as short-term transitional housing.

### 1.1.2 About RPS

RPS, A Tetra Tech Company, defines, designs, and manages Australia Asia Pacific's most successful infrastructure, development, and resources projects. Founded in 1970, RPS is a leading global professional services firm of 5,000 consultants and service providers. With experience across 125 countries and six continents, RPS shapes projects that create shared value around the world. From the transport infrastructure that keeps our cities moving, to the master planned communities and commercial projects that enhance regional centres, RPS teams collaborate with industry, government, and the community to take critical projects from ideas to reality.

**RPS works across seven sectors: property, energy, transport, water, resources, defence, and government services.**

The firm's Social Advisory and Economics team brings social researchers, economists and engagement professionals together to help clients and communities to better understand, value and facilitate the factors that contribute to community wellbeing. Through deep insights, our consultants help communities, government and businesses to understand socio-economic context more fully and identify clear pathways for positive impact through investment. Using a range of quantitative and qualitative research techniques across a variety of metrics, RPS applies an objective, yet people-centred approach to impact research. Armed with reliable data about stakeholders, market, and capabilities, its consultants then develop actionable insights to guide due diligence, design, communications, and approvals strategy.

Known for innovation in social value creation, RPS has developed new methods for estimating the social value of regional infrastructure projects<sup>1</sup> along with research and thought leadership on how communities can embrace social procurement.<sup>2</sup>

## 1.2 Purpose of this report

Secure housing is widely understood to be fundamental to an individual's overall health and wellbeing, both as a primary and secondary determinant. As a primary determinant, secure housing enables individuals to attend to basic human needs for survival such as protection from environmental elements, safety from violence and theft, ability to get sufficient rest, facilities for feeding and cleaning etc. Access to secure housing is also a secondary determinant in a range of other opportunities that also contribute to an individual's overall health and wellbeing. For example, secure housing is a key enabler when it comes to accessing stable employment, education, social connections etc.

Homelessness – as the definitional opposite of secure housing – can have profound negative impacts on an individual's mental and physical health, their access to education and employment opportunities, and their ability to participate fully in social and community life. The issue of homelessness in Australia was clearly demonstrated in the first HAA *Give Me Shelter Report* (2022), where it was identified as being a key outcome from the long-term underinvestment in public, social and affordable housing in Australia.<sup>3</sup> The 2022 HAA *Give Me Shelter Report* presented the business case for greater investment in affordable and social housing throughout Australia, outlining, through two scenarios, the significant costs to future taxpayers of not addressing their chronic shortage. It was estimated that failure to act would cost the Australian community an additional \$25 billion per year by 2051 (in today's dollars). This 'do nothing' scenario was juxtaposed against the 'take action' option of increased investment in Australia's social and affordable housing stock. The modelling of this scenario projected that for every \$1 the Australian community invested in social and affordable housing a further \$2 in cost savings and additional benefits would be delivered (e.g. savings in health, education, improved productivity etc).

This study builds on the findings made in the 2022 HAA *Give Me Shelter Report* in two ways:

- The most recent data from the 2021 Census of Australian Population and Housing shows that more than 122,000 Australians were identified as being homeless under the ABS definition, representing an increase of 5.2 per cent from the previous data collected in 2016.<sup>4</sup>
- The 2022 HAA *Give Me Shelter Report* identified the need for future research to investigate the long-term impacts of under-provision of public, social, and affordable housing in Australia on specific vulnerable groups.

### Australian Bureau of Statistics' (ABS) definition of homelessness:

'When a person does not have suitable accommodation alternatives, they are considered homeless if their current living arrangement:

- Is in a dwelling that is inadequate; or
- Has no tenure, or if their initial tenure is short and not extendable; or
- Does not allow them to have control of, and access to space for social relations.'

<sup>1</sup> Jollow and Kulkarni (2021) 'Accounting for the social benefits of regional transport investments – A Case Study from the Great Western Highway Upgrade Program', available at: [https://australasiantransportresearchforum.org.au/wp-content/uploads/2022/05/ATRF2021\\_Resubmission\\_97-1.pdf](https://australasiantransportresearchforum.org.au/wp-content/uploads/2022/05/ATRF2021_Resubmission_97-1.pdf)

<sup>2</sup> RPS (2021) 'Humanising Infrastructure – Securing a bigger social legacy from Greater Western Sydney

<sup>3</sup> SGS Economics and Planning (2022) *Give Me Shelter: The long-term costs of underproviding public, social and affordable housing*

<sup>4</sup> Australian Bureau of Statistics (2023 release) *Estimating Homelessness: Census* <https://www.abs.gov.au/statistics/people/housing/estimating-homelessness-census/2021>



## GIVE ME SHELTER LEAVE NO VETERAN BEHIND

One population vulnerable to becoming homeless is Australia's veteran community. Veterans, particularly those transitioning out of the ADF, are vulnerable to becoming homeless, with 1,400 veterans seeking assistance from specialist homelessness services (SHS) between July 2017 and July 2022. However, this figure is thought to understate the real rate of veteran homelessness, as research finds that previously serving ADF personnel are less likely to use SHS compared to the general Australian population (1.1 per cent compared with 3.4 per cent respectively).

The purpose of this report is to delve into the important social issue of veterans' housing and demonstrate the significant value that further initiatives and investment in this space can deliver. The decision to focus on the specific housing needs, challenges, and opportunities of Australia's veteran population in this study was also made in light of new data becoming available from the ABS. In 2021 the Australian Census of Population and Housing included questions for the first time around individual's current and former service in the ADF. Released in late-2022, this new data set offers an important contribution to the limited evidence and insights into the housing needs, risks, and status of the Australian veteran population, presenting an opportunity to inform the future development of housing policies and programs targeting this population cohort.

### 1.3 Structure of this report

This report is structured as follows:

- Chapter 2 – The Australian veteran population profile
- Chapter 3 – Challenges and opportunities with veteran housing
- Chapter 4 – Conclusion.

### 1.4 Limitations of this report

The following limitations/factors should be considered when reading this report:

- Who is considered an Australian veteran is based on the Australian Institute of Health and Welfare's (AIHW) definition and has been outlined in Section 2.1. ABS data is based on this broad definition and while the data disaggregates between currently serving and previously serving ADF personnel, it does not disaggregate results based on the nature of their ADF service which is critical to understanding more vulnerable types of veterans (e.g. those returning from deployment overseas).
- Recognising the unique experience of veterans across their military employment lifecycle, from enlistment to retirement, it is noted the data within this report is limited in relation to the granularity required to understand the housing, health and education of veterans with varying personal and service characteristics (in particular war and war-like experiences).
- The Department of Veterans Affairs' (DVA) data on eligibility for benefits and payments represents the proportion of veterans with war or war-like service and/or injuries from service. This data has been used to supplement the ABS data where relevant.
- The best practice examples include countries which use veteran definitions different to the Australian definition. They tend to focus specifically on war and war-like experiences.

<sup>5</sup> Australian Institute of Health and Welfare (2019) Use of homelessness services by contemporary ex-serving Australian Defence Force members 2011–17. Cat. no. PHE 265. Canberra: AIHW. Viewed 30 April 2021, <https://www.aihw.gov.au/reports/veterans/homelessnessservices-ex-serving-adf>

See also Hilferty, Katz et al. 2019 who argued that the reluctance to seek housing support may partly be a cultural issue, with ex-serving men and women preferring to be self-reliant, and/or feeling too ashamed to seek help until a crisis occurred.

<sup>6</sup> <https://www.abs.gov.au/media-centre/media-releases/2021-census-will-help-deliver-better-outcomes-veterans>







## 2 The Australian veteran population

This chapter presents analysis of Australian Institute of Health and Welfare (AIHW), Australian Bureau of Statistics (ABS) and Department of Veterans Affairs (DVA) data to understand the location and characteristics of the most vulnerable veterans to provide insights on where housing support may be best targeted. The following sections provide a definition of a veteran, demographic profiles (location, age, gender, Aboriginal and Torres Strait Islanders), and socio-economic profiles (health, housing, education, and employment).

### 2.1 Definition of a veteran

The title 'veteran' is an important identifier for people who have served in the Australian Defence Force (ADF), their families and friends, and the wider community.

Traditionally, the title 'veteran' described former ADF personnel who were deployed to serve in war or war-like environments, however veterans are now considered to be people who have any experience in the ADF including current, reserve, and previously serving personnel.<sup>7</sup>

#### Who is a 'veteran'

**Consistent with the AIHW,<sup>8</sup> this report defines the 'veteran' community as all those:**

Who are currently serving and those who have previously served in the ADF.

Who have served in the ADF as either a regular, a reserve, or both.

Comprehension of the challenges of the Australian veteran population is partial at best. Furthermore, due to the unique experience of ADF service, veterans experience varying health and welfare outcomes that are strongly influenced by the interaction of a range of factors that occur across the military life course.

For example:

- Past research in Australia has largely focused on specific groups of veterans under the traditional definition (e.g. based on the conflict they were involved in or the services they receive). On their return from service, many of these veterans experience health and welfare challenges that manifest differently and at higher rates to the wider Australian population<sup>9</sup>
- However, at the same time, personnel currently serving in the ADF are comparatively healthier and less likely to require welfare support than the general Australian population. Known as the 'healthy soldier effect', these outcomes are a product of entry screening procedures before joining the ADF and access to health and social services while serving.<sup>10</sup>

This means that, until our understanding of the total Australian veteran population is complete, the ability of government and non-government entities to design and deliver programs that successfully support veterans is significantly reduced.





### 2.1.1 Department of Veterans' Affairs eligible veterans

The proportion of veterans who served in war or war-like environments are identified as DVA eligible veterans under a range of categories listed below. This proportion of veterans is a critical group as it represents a sub-group of veterans with an increased vulnerability due to the physical and/or mental health impacts of war or war-like service. DVA eligible veterans include:

- Veteran White Card holders – Veterans, mariners, and former members of the ADF with an accepted war or service-caused injury or disease.
- Veteran Gold Card holders – Veterans and former members of the ADF with a qualifying service (accepted war and aged 70 years or over), who are an ex-prisoner of war, or with a permanent impairment for service-related injuries or conditions, and their widow(er)s and dependants.
- Veteran Orange card holders – Allied veterans and mariners with qualifying service in World War I and World War II, aged over 70.
- Service pension holders – Australian, allied and/or Commonwealth veterans who served in a qualifying conflict.

Health and welfare treatment for DVA eligible veterans and their families is provided under the following Acts administered by the DVA:

- *Military Rehabilitation and Compensation Act 2004* (MRCA) – compensation available to eligible DVA clients who served on or after 1 July 2004.
- *Rehabilitation and Compensation Act 1998* (RCA) – compensation available to eligible DVA clients who served up to 30 June 2004 (peacekeeping) and between 7 April 1994 and 30 June 2004 (operational service).
- *Veterans' Entitlement Act 1986* (VEA) – compensation available to eligible DVA clients who have served in wartime and certain operational deployments, and certain peacetime service between 7 December 1972 and 30 June 2004.

## 2.2 Profile of the Australian veteran population

### 2.2.1 Demographic profile

The following section provides a summary of the demographic profile of veterans including location, age, gender, and Aboriginal and Torres Strait Islander status. The data represents the Australian population (never served) in comparison to veterans currently serving in the ADF and veterans who have previously served in the ADF. It also includes the demographic profile specific to the proportion of veterans who are DVA eligible.

#### Location

The Australian Census of Population and Housing 2021 (Census) identified that more than half a million Australians (581,000) have served or are currently serving in the ADF, representing 2.3 per cent of the total Australian population. It is estimated that 1 in 20 households in Australia include at least one person who is a veteran.<sup>11</sup>

Of the veteran population, there are around 85,000 (15 per cent) currently serving members compared to 496,165 previously serving veterans (85 per cent).

Queensland has the largest veteran population among the jurisdictions with 164,114 veterans (28.3 per cent). Other significant veteran populations include 151,906 in New South Wales (26.2 per cent) and 104,055 in Victoria (17.9 per cent). Even in the states and territories with smaller shares of the total veteran population, the numbers are still significant in absolute terms (e.g. 18,178 veterans in Tasmania and 10,610 veterans in the Northern Territory).

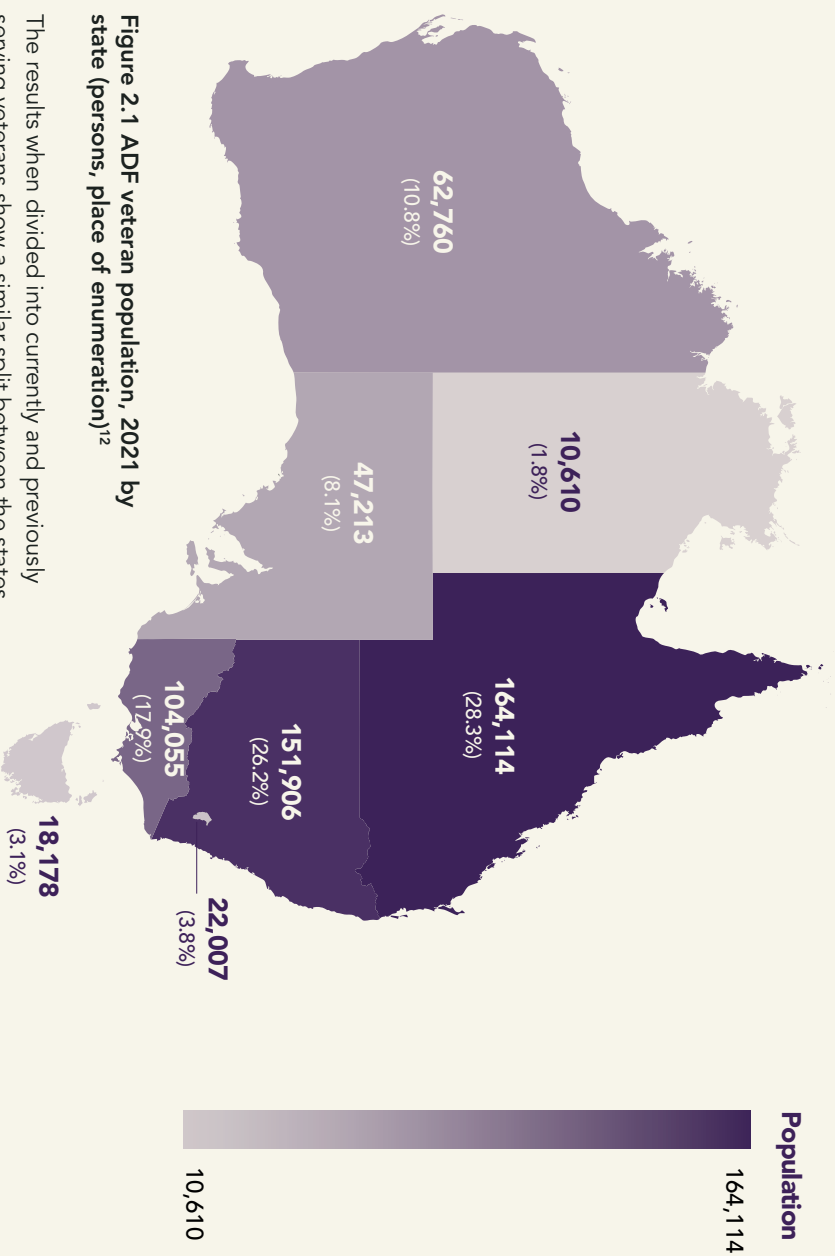
<sup>7</sup> Australian Bureau of Statistics (ABS) 2021 Census; Australian Institute of Health and Welfare (AIHW) Veterans in the 2021 Census: first results, available at: <https://www.aihw.gov.au/reports/veterans/veterans-in-the-2021-census-first-result>

<sup>8</sup> Place of enumeration reflects that this data is sourced from the ABS 2021 Census and is based on the location of those veterans during the Census.

<sup>9</sup> Australian Institute of Health and Welfare (AIHW) (2022), Rural & remote Australians, <https://www.aihw.gov.au/reports-data/population-groups/rural-remote-australians/overview> (accessed 27 March 2023).

<sup>10</sup> Department of Veterans' Affairs (2023), Statistics about the veteran population, <https://www.dva.gov.au/about-us/overview/research/statistics-about-veteran-population> (accessed 27 March 2023).

<sup>11</sup> Australian Bureau of Statistics (ABS) 2021 Census; Australian Institute of Health and Welfare (AIHW) Veterans in the 2021 Census: first results, available at: <https://www.aihw.gov.au/reports/veterans/veterans-in-the-2021-census-first-result>



The results when divided into currently and previously serving veterans show a similar split between the states and territories with New South Wales and Queensland representing the highest percentage Australia-wide.

State	CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL EVER SERVED	
Queensland	22,340	26%	141,774	29%	164,114	28%
New South Wales	24,859	29%	127,047	26%	151,906	26%
Victoria	11,385	13%	92,670	19%	104,055	18%
Western Australia	6,794	8%	55,966	11%	62,760	11%
South Australia	5,729	7%	41,484	8%	47,213	8%
Australian Capital Territory	8,041	9%	13,966	3%	22,007	4%
Tasmania	959	1%	17,219	3%	18,178	3%
Northern Territory	4,576	5%	6,034	1%	10,610	2%
Total	84,686	100%	496,165	100%	580,851	100%

Table 2.1 Australian veteran population (total ever served), 2021 by state/territory (persons, place of enumeration)

State	PREVIOUSLY SERVED IN THE ADF		AUSTRALIAN POPULATION (1000's)		VETERANS PER 1,000 POPULATION
Queensland	141,774	29%	5354.8	20%	26%
New South Wales	127,047	26%	8193.5	31%	16%
Victoria	92,670	19%	6656.3	25%	14%
Western Australia	55,966	11%	2805	11%	20%
South Australia	41,484	8%	1828.7	7%	23%
Australian Capital Territory	13,966	3%	459	2%	30%
Tasmania	17,219	3%	571.9	2%	30%
Northern Territory	6,034	1%	250.6	1%	24%
Total	496,165	100%	26124.8	100%	19%

**Table 2.2 Australian veteran population (previously served) per Australian population (1,000's), state/territory**

On a per capita basis, Queensland's share of previously serving veterans remains relatively high (26 per 1,000 population), but this is surpassed by the ACT and Tasmania (30 per 1,000 population).

A career in the ADF is generally understood as one that results in frequent moves, and as such the proportion of veterans residing in capital cities compared to the jurisdiction average is in part a function of how the ADF operates.

The 2021 Census data shows that the proportion of veterans who are currently serving in the ADF are less likely to have lived at the same address in the previous year (65 per cent) and the previous five years (25 per cent) than the total Australian population (79 per cent and 50 per cent respectively, see Table 5.9 to Table 5.12 in the Appendix).

Those who are currently serving are predominantly based in joint-service offices within cities or in one of the 80+ regional service-specific bases as a requirement of their employment. It is assumed that this group does not have a significantly higher risk of vulnerability, as access to health, education, and employment is provided within their employment with the ADF, and often on-site.

However, the opposite is true for those who have previously served in the ADF. This cohort is less mobile compared to the general Australian population, with 88 per cent residing at the same address as one year ago in 2020 and 67 per cent residing at the same address five years ago in 2016 (see Table 5.9 to Table 5.12 in the Appendix).

This group is also more likely to live in regional areas (45 per cent) compared to those who have never served (33 per cent) as shown in Table 2.3. Those previously serving and residing in regional locations based on the nature of their current (non-ADF) circumstances are likely to represent a more vulnerable group due to the poorer access to health, education, and employment in regional Australia.<sup>14</sup>

<sup>12</sup> Place of enumeration reflects that this data is sourced from the ABS 2021 Census and is based on the location of those veterans during the Census.

<sup>13</sup> ABS, National, state and territory population, September 2022.

<sup>14</sup> Australian Institute of Health and Welfare (AIHW) (2022), Rural & remote Australians, <https://www.aihw.gov.au/reports-data/population-groups/rural-remote-australians/overview> (accessed 27 March 2023).



Region	NEVER SERVED/ NOT STATED/N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
Capital city	16,627,275	66.8%	56,612	66.7%	271,208	54.6%	16,955,090	66.5%
Rest of state	8,276,239	33.2%	28,254	33.3%	225,067	45.4%	8,529,561	33.5%
Total	24,903,514	100%	84,865	100%	496,276	100%	25,484,656	100%

Table 2.3 Australian veteran population, 2021 by region (persons, place of enumeration)

2.2.1.0.1 Department of Veterans' Affairs – eligible veterans population

Of the total veteran population, 341,639 were identified as DVA eligible veterans in September 2022<sup>15</sup>.

Table 2.4 identifies the top 25 local government areas (LGAs) with the highest number of veterans eligible for DVA treatment. Of these, 11 of the top 25 LGAs are located in Queensland and seven are located in New South Wales.

A further breakdown is provided at Figure 2.2 which shows the treatment population of DVA eligible veterans, that is, DVA clients who have actively received treatment in the year to September 2022. Consistent with the profile of eligible veterans, the majority of veterans actively receiving treatment are concentrated in Queensland and New South Wales.

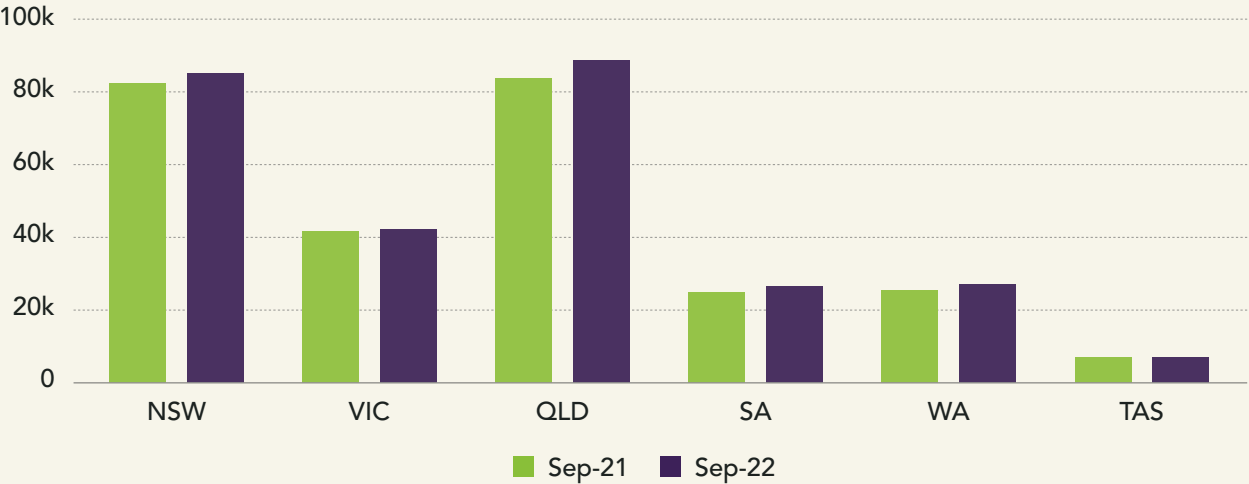


Figure 2.2 DVA treatment population by state. Note: ACT and NT included within NSW and SA respectively.

<sup>15</sup> Department of Veterans' Affairs (2023), Statistics about the veteran population, <https://www.dva.gov.au/about-us/overview/research/statistics-about-veteran-population> (accessed 27 March 2023).

State	LGA	TOTAL VETERANS	DEPENDANTS	WAR WIDOWS	WHITE CARD HOLDERS	GOLD CARD HOLDERS	SERVICE PENSIONERS
QLD	Brisbane	16,155	4,090	2,022	11,767	5,218	3,280
ACT	Unincorporated ACT	12,779	1,419	772	10,604	2,384	998
QLD	Townsville	10,145	1,332	373	7,715	2,354	1,240
QLD	Moreton Bay	10,737	3,083	1,139	7,073	4,495	3,036
QLD	Ipswich	6,734	852	301	5,413	1,418	778
QLD	Gold Coast	6,495	2,611	1,233	4,004	3,477	2,131
WA	Rockingham	4,625	667	182	3,661	977	716
QLD	Sunshine Coast	5,390	2,090	898	3,169	2,965	1,960
NT	Darwin	2,693	136	59	2,368	231	119
NSW	Queanbeyan- Palerang	2,722	194	84	2,353	372	133
QLD	Toowoomba	3,341	901	429	2,299	1,302	752
NSW	Shoalhaven	3,155	810	352	2,276	1,146	769
QLD	Cairns	3,015	577	226	2,195	913	615
QLD	Logan	3,262	1,101	427	2,036	1,451	1,137
NSW	Port Stephens	2,624	527	231	1,971	819	452
VIC	Mornington Peninsula	2,660	872	482	1,957	1,078	670
NSW	Newcastle	2,319	554	353	1,820	741	346
NSW	Central Coast	2,888	1,682	945	1,682	2,035	1,323
NT	Palmerston	1,773	45	20	1,573	127	46
NSW	Lake Macquarie	2,147	846	442	1,383	1,096	718
QLD	Redland	2,224	914	380	1,335	1,191	890
SA	Salisbury	1,850	510	126	1,323	456	652
QLD	Fraser Coast	2,603	1,148	442	1,321	1,664	1,254
SA	Playford	1,677	279	84	1,308	363	331
NSW	Wagga Wagga	1,592	281	156	1,272	391	194

**Table 2.4 Local Government Areas (top 25) with highest (number) eligible DVA Pensioners and Treatment Card Holders (by White Card holder), 2022 (persons, place of enumeration) <sup>16</sup>**

<sup>16</sup> Department of Veterans' Affairs (2022), DVA Pensioners and Treatment Card Holders by Local Government Area, [https://www.dva.gov.au/sites/default/files/2022-12/lgas\\_sept2022.pdf](https://www.dva.gov.au/sites/default/files/2022-12/lgas_sept2022.pdf) (accessed 27 March 2023).

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Age

Of the veteran population, around 360,000 (62 per cent) are aged over 55, while 76,000 (13 per cent) are under 35.

The vast majority of those over 55 have previously served in the ADF, likely influenced by the compulsory retirement age in the ADF of 57 to 63 years, depending on rank. This group is highlighted as a potentially vulnerable group within this report, due to the high level of veterans in transition out of employment from the ADF. This is discussed further in Section 2.2.4.4.

The under 35-year-old cohort who have previously served in the ADF also represent a potentially vulnerable group. This age group includes a high level of people leaving the ADF early in their career as shown in Table 2.5 on the following page, and accounts for a relatively high level of the DVA treatment population. This is discussed further under Health.

Gender

Men make up 85.5 per cent of the total veteran population, with women comprising 14.5 per cent. In recent years, the proportion of women currently serving has increased, reflecting the Australian Government Commitment to the United Nations Security Council (UNSCR) Resolution 1325. This recognises the importance of full participation of women in conflict prevention and resolution, peace-building, and post-conflict reconstruction, alongside the ADF’s targeted service-specific diversity initiatives.<sup>17</sup> This change is reflected in Figure 2.3 below which shows a higher proportion of women currently serving (21 per cent) than previously served (13 per cent).

A breakdown of men and women by age group is shown in Figure 2.4 on the following page. As expected, the male proportion is significantly higher in the older age brackets, with the gap narrowing in younger age brackets due to the recent increase in female participation. The proportion of personnel currently serving in the ADF in a regular capacity versus a reserve capacity is generally consistent between genders.

Recognising the increase in female participation, programs targeting female ADF personnel will increasingly need to be tailored to address the varying health and social service challenges and opportunities faced by this cohort.

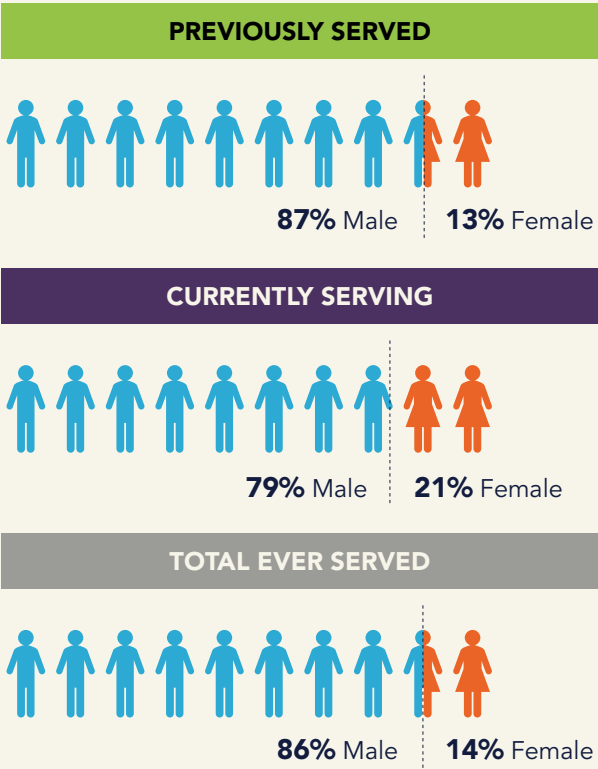


Figure 2.3 Australian veteran population, 2021 by gender (totals)

<sup>17</sup> Department of Defence (2020), Department of Defence Annual Report 2019 – 2020, <https://www.transparency.gov.au/annual-reports/department-defence/reporting-year/2019-20-56#:~:text=As%20at%2030%20June%202020%2C%20the%20participation%20rate%20of%20women,women%20in%20senior%20officer%20positions.> (accessed 27 March 2023).



Age group	CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL EVER SERVED
	Persons	%	Persons	%	
<35 years	44,870	59.0%	31,173	41.0%	76,043
35-54 years	32,333	22.3%	112,582	77.7%	144,915
55-74 years	7,665	3.4%	218,701	96.6%	226,366
75 years and over	0	0.0%	133,815	100%	133,815
Total	84,865	14.6	496,276	85.4	581,141

Table 2.5 Australian veteran population 2021 by age group (persons, place of enumeration) and service status (current, previous)

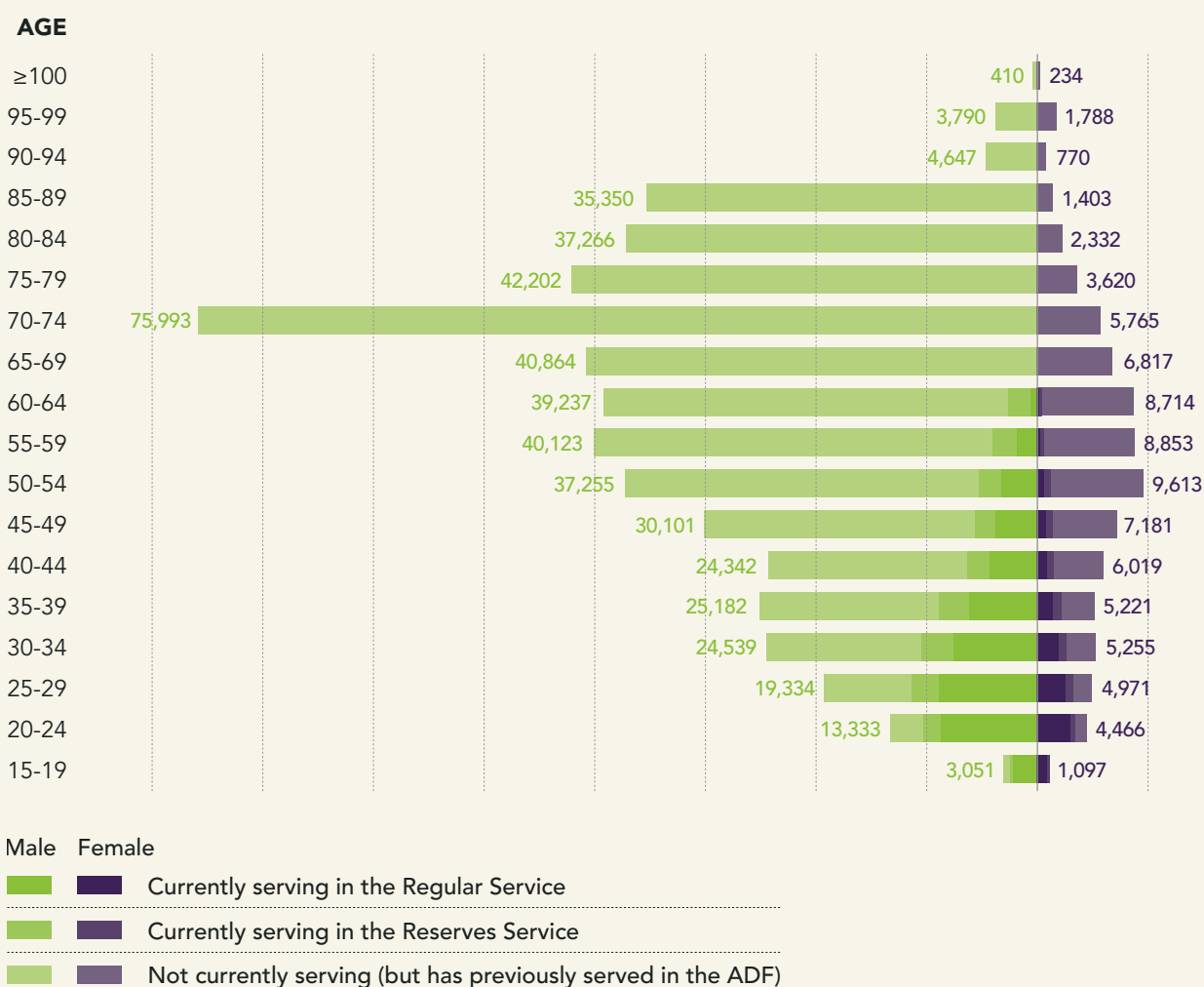


Figure 2.4 Australian veteran population, 2021 by gender (age bracket)

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Aboriginal and Torres Strait Islander People

Of the Australian population who identify as Aboriginal or Torres Strait Islander, 1.8 per cent are current or previously serving ADF veterans. This is slightly lower than the proportion (2.3 per cent) of non-Indigenous currently or previously serving ADF veterans.

While Aboriginal and Torres Strait Islander People are not disproportionately represented in the ADF, it is recognised that this is a vulnerable group, with generally lower than average health, education, and employment outcomes.<sup>18</sup>

Indigenous status	NEVER SERVED IN ADF/NOT STATED/ N.A.		TOTAL EVER SERVED IN ADF		TOTAL AUSTRALIAN POPULATION	
Aboriginal or Torres Strait Islander	797,959	98.2%	14,769	1.8%	812,728	100%
Non-Indigenous/not stated/n.a.	24,105,554	97.7%	566,370	2.3%	24,671,928	100%
Total	24,903,514	97.7%	581,141	2.3%	25,484,656	100%

Table 2.6 Australian population 2021 by Indigenous status (persons, place of enumeration) and ADF service



2.2.2 Socio-economic profile

The following section provides a summary of the socio-economic profile of veterans including health, housing, and education. The data represents the Australian population (never served) in comparison to veterans currently serving in the ADF and veterans who have previously served in the ADF.

Health

As discussed in Section 2, veterans experience varying health and welfare outcomes due to the unique experience of the ADF service from enlistment to retirement. Veteran health outcomes can range from greater than average health due to the ‘healthy soldier effect’, to lower than average health for those deployed to serve in war or war-like environments.

Table 2.7 to Table 2.9 below identify the health outcomes of veterans including the number of long-term health conditions, type of health condition, and need for assistance.

The tables show that those currently serving are healthier than the never served population, consistent with the ‘healthy soldier effect’ (currently serving average age 35.7, never served average age 39).

Conversely, health outcomes for those who have previously served are lower than the never served population. This is due to the health impacts of ageing (average age of 63.9 for previously served in comparison to an average age of 39 for those never served), and war or war-like service.

Those who have served in war or war-like environments, regardless of age, are identified as a more vulnerable group due to the physical and mental health impacts of this service. The AIHW<sup>19</sup> recognises that war and war-like service increase the likelihood of exposure to trauma, affect support networks (e.g. separation from family), and lead to poorer physical health, particularly following a transition out of regular ADF service.

Table 2.7 shows the count of selected long-term conditions, which include those identified in Table 2.8.

Table 2.8 provides a more detailed breakdown by type of long-term condition. Those that have previously served in the ADF have a significantly higher proportion of mental health conditions (15.2 per cent) than those that are currently serving (7.2 per cent) or never served (8.7 per cent). This is less likely to be related to age than other conditions.

Long-term health conditions	NEVER SERVED/ NOT STATED/N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
None of the selected conditions	16,026,889	64.5%	67,392	79.4%	208,262	42.0%	16,302,537	64.1%
One condition	4,637,794	18.7%	11,867	14.0%	141,855	28.6%	4,791,516	18.8%
Two conditions	1,412,663	5.7%	2,570	3.0%	75,111	15.1%	1,490,344	5.9%
Three or more conditions	714,177	2.9%	713	0.8%	57,250	11.5%	772,142	3.0%
Not stated	2,050,124	8.3%	2,325	2.7%	13,800	2.8%	2,066,251	8.1%
Total	24,841,649	100%	84,865	100%	496,276	100%	25,422,788	100%

Table 2.7 Australian veteran population, 2021 by count of selected long-term health conditions^ (persons, place of enumeration)

^ ‘Selected long-term health conditions’ refer to the following: Arthritis; Asthma; Cancer (including remission); Dementia (including Alzheimer’s); Diabetes (excluding gestational diabetes); Heart disease (including heart attack or angina); Kidney disease; Lung condition (including COPD or emphysema); Mental health condition (including depression or anxiety); Stroke.

<sup>18</sup><https://humanrights.gov.au/our-work/education/face-facts-aboriginal-and-torres-strait-islander-peoples>

<sup>19</sup>Australian Institute of Health and Welfare (AIHW) (2023), Health of veterans, <https://www.aihw.gov.au/reports/veterans/health-of-veterans/contents/who-are-veterans> (accessed 27 March 2023).



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Type of long-term health condition	NEVER SERVED/ NOT STATED/N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
Arthritis	2,030,070	8.2%	5,438	6.4%	114,879	23.1%	2,150,396	8.5%
Asthma	2,025,418	8.2%	3,946	4.6%	38,657	7.8%	2,068,020	8.1%
Cancer (including remission)	681,302	2.7%	1,197	1.4%	49,650	10.0%	732,152	2.9%
Dementia (including Alzheimer's)	178,355	0.7%	107	0.1%	10,696	2.2%	189,162	0.7%
Diabetes (excluding gestational diabetes)	1,133,390	4.6%	999	1.2%	64,330	13.0%	1,198,721	4.7%
Heart disease (including heart attack or angina)	918,619	3.7%	1,024	1.2%	79,458	16.0%	999,096	3.9%
Kidney disease	216,733	0.9%	308	0.4%	14,727	3.0%	231,777	0.9%
Lung condition (including COPD or emphysema)	407,796	1.6%	384	0.5%	32,931	6.6%	441,109	1.7%
Mental health condition (including depression or anxiety)	2,150,102	8.7%	6,086	7.2%	75,356	15.2%	2,231,543	8.8%
Stroke	217,315	0.9%	236	0.3%	17,060	3.4%	234,609	0.9%
Any other long-term health condition(s)	1,968,282	7.9%	5,341	6.3%	68,308	13.8%	2,041,929	8.0%
No long-term health condition(s)	15,042,802	60.6%	64,201	75.7%	185,711	37.4%	15,292,718	60.2%
Not stated	2,050,124	8.3%	2,325	2.7%	13,800	2.8%	2,066,251	8.1%
Total	24,841,649	100%	84,865	100%	496,276	100%	25,422,788	100%

**Table 2.8 Australian veteran population, 2021 by type of long-term health conditions (persons, place of enumeration)**

Table 2.9 identifies whether or not veterans require assistance with core activities. This refers to needing ongoing daily assistance in one or more of the three core activity areas of self-care, mobility, and communication, due to:

- A long-term health condition (lasting six months or more)
- A disability (lasting six months or more)
- Old age.

Consistent with the health results of currently serving and previously serving personnel of the ADF, currently serving personnel are less likely to die by suicide than the general population (47 per cent lower for permanent male personnel), however previously serving personnel are more likely to die by suicide than the general population after adjusting for age.<sup>20</sup>

More specifically, the risk is 27 per cent higher for previously serving male personnel, particularly those leaving the ADF for involuntary medical reasons, and 107 per cent (2.07 times) higher for previously serving female personnel.

Core activity need for assistance	NEVER SERVED/ NOT STATED/N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
Has need for assistance with core activities	1,396,478	5.6%	991	1.2%	66,948	13.5%	1,464,415	5.8%
Does not have need for assistance with core activities	21,957,336	88.4%	83,173	98.0%	424,190	85.5%	22,464,703	88.4%
Not stated	1,487,836	6.0%	697	0.8%	5,144	1.0%	1,493,676	5.9%
Total	24,841,649	100%	84,865	100%	496,276	100%	25,422,788	100%

Table 2.9 Australian veteran population, 2021 by core activity need for assistance (persons, place of enumeration)

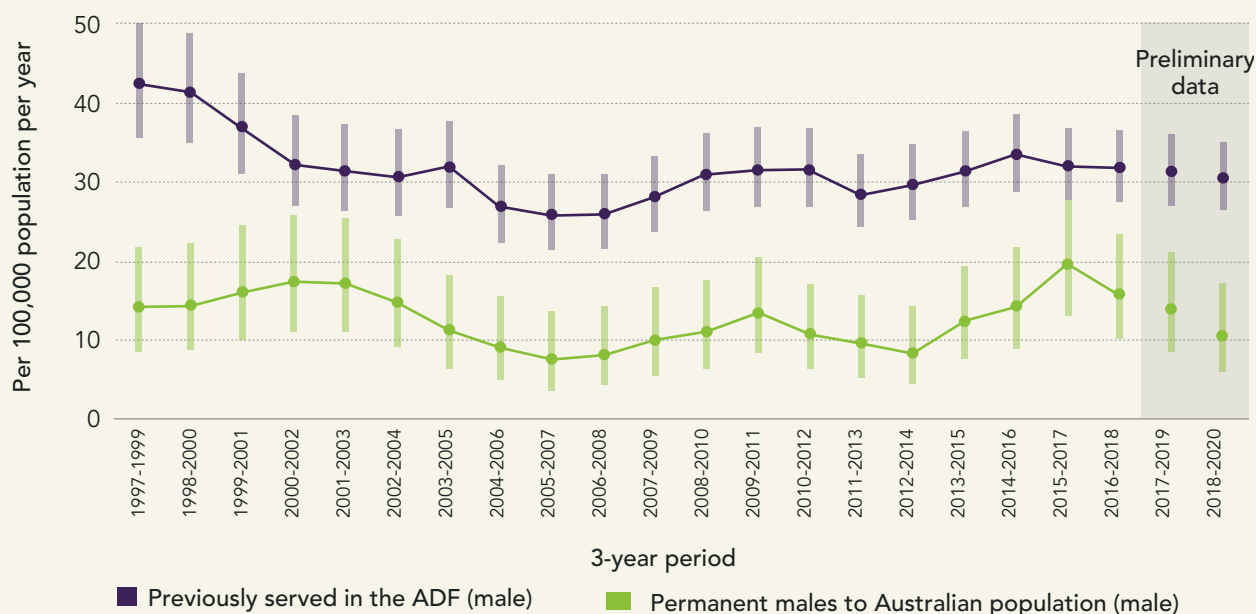


Figure 2.5 Suicide per 100,000 population per year (previously serving males versus permanent males)

Source: AIHW analysis of linked Defence historical personnel data-PMKeyS-NDI data 1985-2020. <http://www.aihw.gov.au>

<sup>20</sup> Australian Institute of Health and Welfare (AIHW) (2022) Australian Defence Force suicide monitoring <https://www.aihw.gov.au/suicide-self-harm-monitoring/data/populations-age-groups/australian-defence-force-suicide-monitoring> (accessed 06/04/2023)

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DVA eligible veterans

Of the total veteran population, Table 2.10 provides a summary of the proportion of eligible DVA veterans currently seeking treatment. When considering the location of the DVA treatment population, the proportion of veterans seeking treatment is relatively consistent across states and territories, with some variation in age groups. This is shown in Figure 2.6.

A significant proportion (39 per cent) of eligible veterans are seeking treatment in the under 30 and 30-to-34-year age groups, highlighting a high level of health vulnerability for these age groups. This cohort is likely to represent those seeking treatment following peacekeeping and other operations, no operational service, and to an extent East Timor, Afghanistan, and Iraq deployments.

These groups have seen the highest year-on-year increase in treatment requirements indicating a growing need for health treatment and support.

	MRCA <sup>22</sup>	DRCA <sup>23</sup>	VEA <sup>24</sup>
DVA client age			
Under 30	19.9%	0.0%	10.4%
30 - 34	19.1%	0.1%	4.8%
35 - 39	17.4%	2.5%	4.3%
40 - 44	12.4%	8.2%	3.7%
45 - 49	9.2%	12.8%	3.9%
50 - 54	8.7%	17.3%	5.7%
55 - 59	6.1%	14.8%	5.7%
60 - 64	4.3%	13.6%	6.5%
65 - 69	2.1%	10.3%	7.6%
70 - 74	0.7%	9.6%	14.3%
75 - 79	0.1%	6.1%	12.7%
80 - 84	0.0%	2.5%	5.5%
85 or over	0.0%	2.2%	14.7%

Table 2.10 DVA eligible veterans – proportion seeking treatment by age<sup>21</sup>

<sup>21</sup> Department of Veterans’ Affairs (2023) Statistics about the veteran population, <https://www.dva.gov.au/about-us/overview/research/statistics-about-veteran-population> (accessed 30 March 2023).

<sup>22</sup> Compensation under Military Rehabilitation and Compensation Act 2004 (MRCA)

<sup>23</sup> Compensation under Safety Rehabilitation and Compensation Act 1998

<sup>24</sup> Compensation under Veterans’ Entitlement Act 1986.



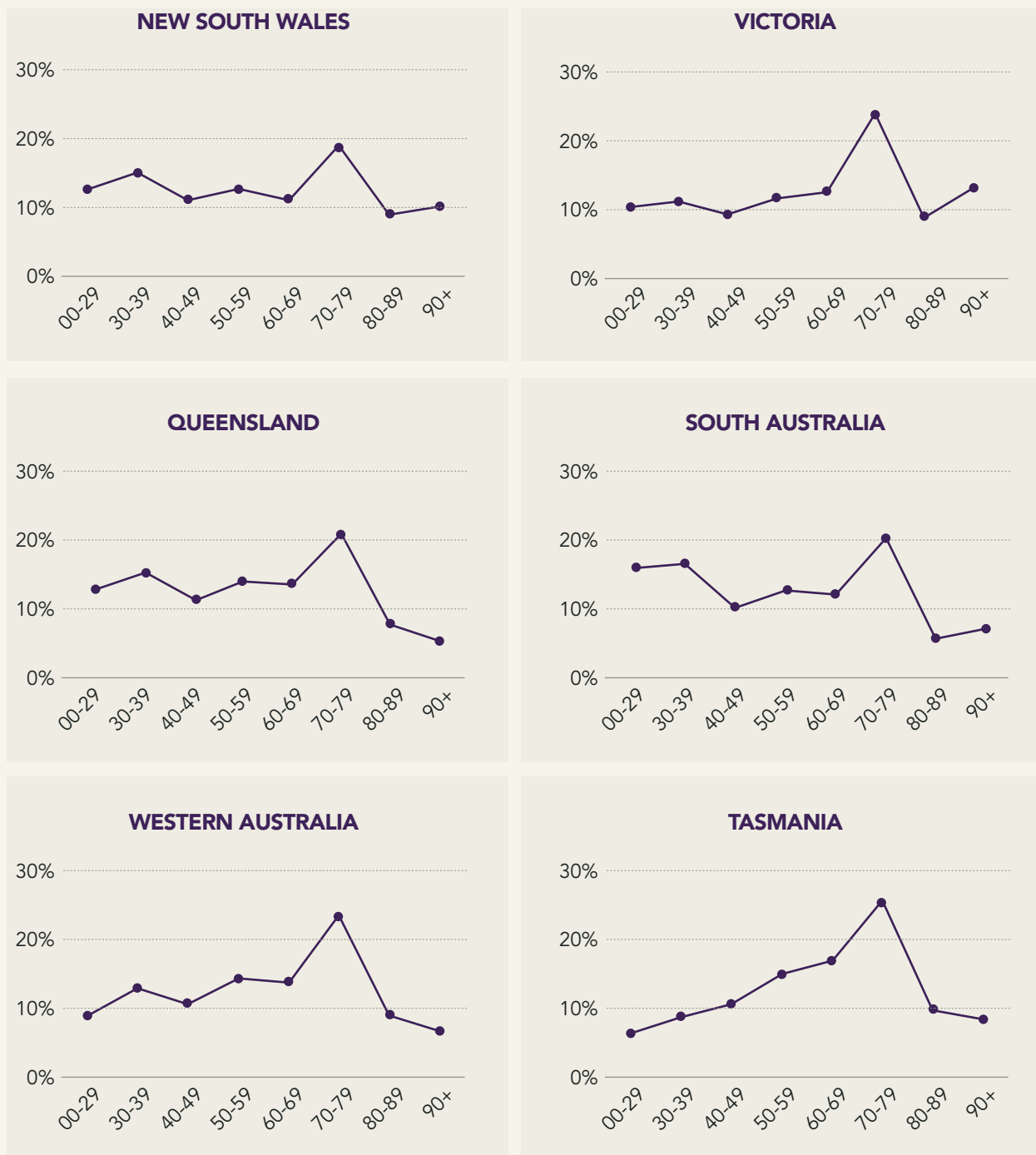


Figure 2.6 Treatment population by state and age group, as at 30 September 2022<sup>25</sup>

<sup>25</sup>Department of Veteran Affairs (2022) Treatment Population Statistics Quarterly report – September 2022, <https://www.dva.gov.au/sites/default/files/2022-12/tpop-sept2022.pdf> (accessed 6 April 2023). Note: overseas residents not reported. ACT and NT included within NSW and NT respectively.

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Conflict	SEPT-21	SEPT-22	PERCENT CHANGE
First World War	36	27	-25.0%
Second World War	34,837	28,472	-18.3%
Korea, Malay and FESR	14,716	13,829	-6.0%
Vietnam	45,422	44,590	-1.8%
Gulf War	1,349	1,370	1.56%
East Timor, Afghanistan and Iraq	23,068	25,249	9.45%
Peacekeeping and other operations	11,677	13,182	12.89%
No operational service	147,575	164,807	11.68%
British Commonwealth and Allied	2,498	2,292	-8.25%

Table 2.11 Treatment population by conflict (total)<sup>26</sup>

## Housing

Safe, secure, and affordable housing is fundamental to the wellbeing of all individuals, as it provides opportunities for other aspects of life, such as employment and social engagement.<sup>27</sup>

Data from the ABS<sup>28</sup> demonstrates the proportion of housing tenure types for current and previous ADF veterans is relatively consistent with the Australian population (never served), recognising that those currently serving in the ADF are more likely to own with a mortgage than own outright in comparison to the previously served group due to the average age of each group (35.7 and 69.3 respectively).

Where the veteran population differs considerably from the Australian population is in the landlord type, with 37.1 per cent of currently serving veterans renting via the Government, including Defence Housing Australia (DHA). This is in comparison to 0.8 per cent of the Australian population (Table 2.11). The current DHA arrangements and opportunities for veteran housing are discussed further in Section 3.

For those currently serving in the ADF, DHA provides housing and related services for members and their families.

This includes service residences, member choice accommodation, living-in accommodation, rent allowance, and maintenance assistance. While currently serving veterans and their families have access to this support, once personnel discharge from the ADF they are no longer able to access housing support from DHA.

Support for current and former ADF members and their families is available through the Defence Home Ownership Assistance Program (DHOAS) including subsidies to support home ownership.

The following Figure 2.7 shows the housing for current and previously serving veterans not residing in a private dwelling. A significant proportion of those aged up to 65 are housed in staff quarters, which is as expected considering the 80+ ADF bases across Australia.

<sup>26</sup> Department of Veterans' Affairs (2023) Statistics about the veteran population, <https://www.dva.gov.au/about-us/overview/research/statistics-about-veteran-population> (accessed 30 March 2023).

<sup>27</sup> Australian Institute of Health and Welfare (AIHW) (2018), A profile of Australia's veterans, <https://www.aihw.gov.au/getmedia/1b8bd886-7b49-4b9b-9163-152021a014df/aihw-phe-235.pdf.aspx?inline=true> (accessed 28 March 2023).

<sup>28</sup> Australian Bureau of Statistics (2021) Australian Bureau of Statistics – 2021 Census, <https://www.abs.gov.au/census> (accessed 28 March 2023)

	NEVER SERVED/ NOT STATED/ N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
Real estate agent	4,664,385	65.4%	18,584	49.6%	51,637	55.6%	4,734,607	65.2%
State or territory housing authority	583,500	8.2%	1,634	4.4%	9,553	10.3%	594,690	8.2%
Community housing provider	152,350	2.1%	179	0.5%	3,253	3.5%	155,785	2.1%
Person not in the same household - parent/other relative	454,204	6.4%	644	1.7%	6,455	6.9%	461,297	6.4%
Person not in the same household - other person	872,656	12.2%	1,790	4.8%	13,857	14.9%	888,303	12.2%
Owner/Manager of a residential park (including caravan parks and manufactured home estates)	67,505	0.9%	221	0.6%	2,647	2.8%	70,371	1.0%
Employer - Government (includes Defence Housing Australia)	57,290	0.8%	13,897	37.1%	1,925	2.1%	73,113	1.0%
Employer – other employer	224,590	3.1%	391	1.0%	2,417	2.6%	227,397	3.1%
Not stated	53,877	0.8%	97	0.3%	1,135	1.2%	55,115	0.8%
Total	7,130,357	100%	37,437	100%	92,879	100%	7,260,678	100%

Table 2.12 Australian veteran population (those renting), 2021 by landlord type (persons, place of enumeration)

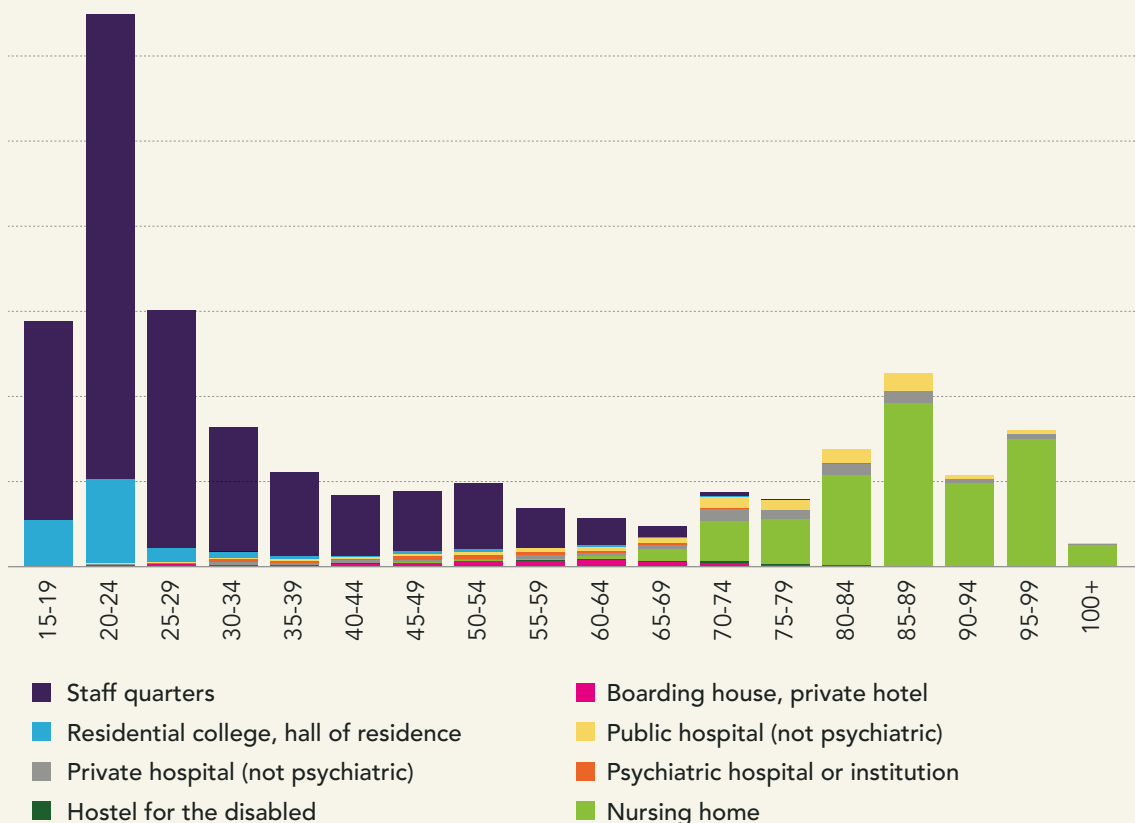


Figure 2.7 Australian Defence Force service and age in five year groups by NPDD type of non-private dwelling



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Current and previously serving veteran homelessness

There are a number of identified risk factors for veterans which contribute to a higher risk of homelessness. These include:

- Being single
- Being unemployed
- Experiencing financial strain
- Having physical injuries, disabilities, and mental health issues
- Having less contact with family/friends as a result of geographic isolation
- Experiencing a greater number of lifetime traumatic events.<sup>29</sup>

Of the veteran population who identify as current or previously serving members of the ADF, the AIHW estimates that 1,400 personnel<sup>30</sup> sought assistance from specialist homelessness services (SHS) in 2021-2022.

- Of the 1,400 clients seeking help, 869 males (62 per cent) and 526 females (38 per cent) received support, with the majority of clients residing in Victoria, followed by New South Wales and Queensland as shown in Figure 2.8 below.
- A significant proportion (66.2 per cent) experience one or more vulnerabilities that make them more susceptible to homelessness. These include family and domestic violence (25 per cent), mental health issues (56 per cent), and problematic drug and/or alcohol use (17 per cent) as shown in Figure 2.9.

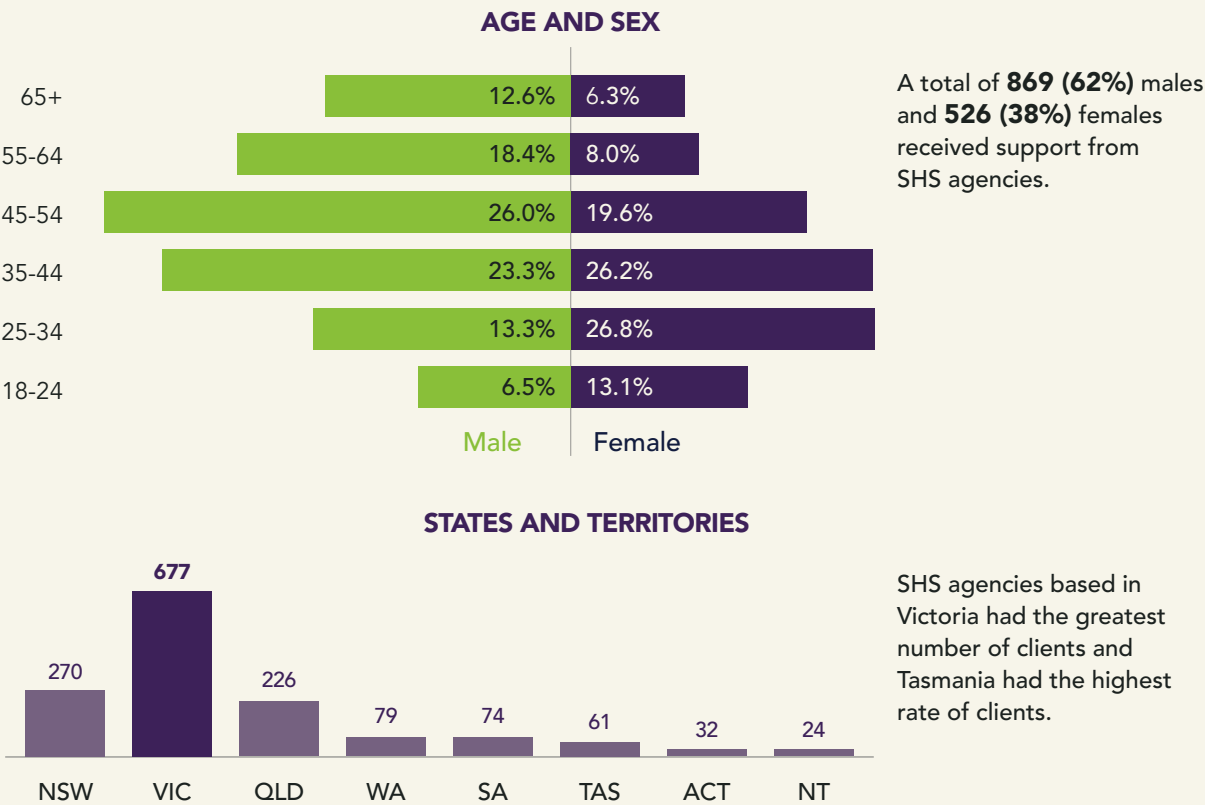


Figure 2.8 ADF SHS clients by age and sex and states and territories<sup>31</sup>

<sup>29</sup> Van Hooff, M., Searle, A., Avery, J., Lawrence-Wood, E., Hilferty, F., Katz, I., Zmudzki, F. and McFarlane, A. (2019), Homelessness and its correlates in Australian Defence Force veterans, Australian Housing and Urban Research Institute, Melbourne.

<sup>30</sup> Excludes reservists who have never served as a permanent ADF member or clients under the age of 18.

<sup>31</sup> Australian Institute of Health and Welfare (AIHW) (2022), Specialist homelessness services annual report 2021-22, <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-annual-report/contents/clients-who-are-current-or-former-members-of-the-australian-defence-force> (accessed 28 March 2023).

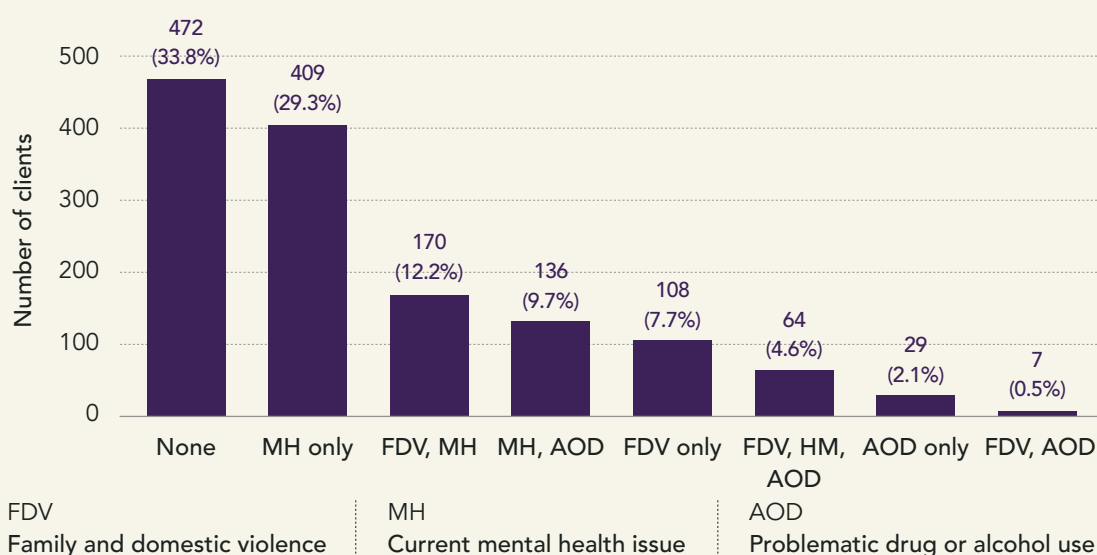
While these figures represent those who have sought help via SHS, a recent study by the Australian Housing and Urban Research Institute (AHURI)<sup>33</sup> estimates up to 5.3 per cent of veterans (5,767 per year<sup>34</sup>) who have recently transitioned from the ADF (12-month period) experience homelessness. This is 2.8 times higher than the general population (1.9 per cent) with this increased figure likely due to:

- Previously serving ADF personnel being less likely to use homelessness services than the Australian population (never served) – 1.1 per cent compared with 3.4 per cent.<sup>35</sup>
- The majority of veterans who had been recently homeless reported that they did not feel that assistance was needed (54 per cent) – this is despite their vulnerability and high level of need. Another large group from this cohort reported that they did not know where to go for help (29 per cent).<sup>36</sup>

- Those experiencing vulnerability characteristics, such as mental health issues, are less likely to seek assistance due to the social stigma associated with mental illness within military communities.<sup>37</sup>

During interviews with AHURI, a number of veterans commented that they would have benefited from proactive outreach services that locate those experiencing homelessness and directly offer counselling, referrals, and other support services.<sup>38</sup>

Of those who do seek homelessness services, the majority are people living alone aged 25 to 44 as shown in Figure 2.10. This cohort is still relatively young. Unless these vulnerable veterans are targeted and supported in a manner that prevents them from becoming homeless, the cost of the lost skills and productivity could have significant lifetime consequences. It is also noted that the 2021 ABS Census recorded 1,555 homeless veterans on Census night. Although, this residence-based survey likely understates the true number of homeless veterans.



#### Notes:

1. Clients are assigned to one category only based on their vulnerability profile.
2. Totals may not sum due to rounding.

Source: Specialist Homelessness Services Collection. Supplementary table CLIENTS.45.

**Figure 2.9 DF SHS clients by selected vulnerability characteristics, 2021-22<sup>32</sup>**

Source: ABS (2023), "Estimating Homelessness: Census, 2021", Table 7.2

<sup>32</sup> Ibid.

<sup>33</sup> Hilferty F., et al (2019) Homelessness amongst Australian veterans, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans>.

<sup>34</sup> By extrapolating this figure to the total ADF population who transitioned between 2001 and 2018 (n=108,825), the number of contemporary veterans who experience homelessness over a 12-month period was estimated by the AHURI study as 5,767. The study noted that it is not possible to accurately estimate the prevalence of homelessness amongst all Australian veterans using existing data sources as no datasets on veterans who transitioned out of the military prior to 2001 were available for this study

<sup>35</sup> Australian Institute of Health and Welfare (2019) Use of homelessness services by contemporary ex-serving Australian Defence Force members 2011–17. Cat. no. PHE 265. Canberra: AIHW. Viewed 30 April 2021, <https://www.aihw.gov.au/reports/veterans/homelessnessservices-ex-serving-adf>

<sup>36</sup> Hilferty F., et al (2019) Homelessness amongst Australian veterans, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans>.

<sup>37</sup> Reisman, M., (2016) PTSD Treatment for Veterans: What's Working, What's New, and What's Next. PubMed Central Vol 41(10):623-634 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5047000/>

<sup>38</sup> Hilferty F., et al (2019) Homelessness amongst Australian veterans, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans>.

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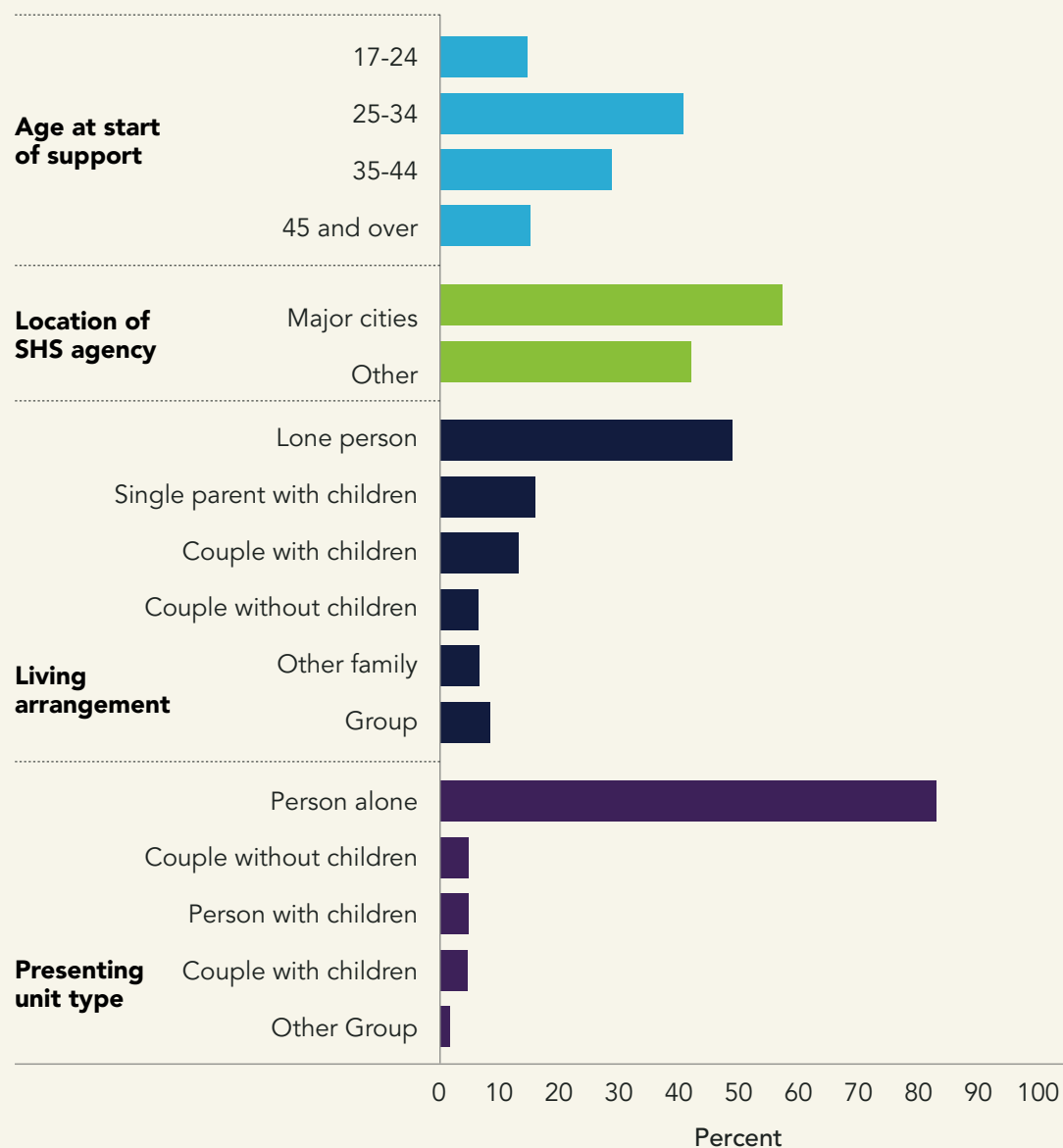


Figure 2.10 Demographic profile of previously serving ADF SHS clients at the start of support, 2011-12 to 2016-17<sup>39</sup>



## Education

Completing school and higher education is associated with better overall health and welfare outcomes, including better mental and physical health.<sup>40</sup>

Educational attainment across current and previous serving ADF personnel is similar to the never served population overall. This is due to the range of training and development opportunities provided by the ADF to support their service. Some minor variations are apparent, consistent with the nature of work of the ADF. These include:

- Currently serving ADF personnel have a higher rate of university qualification compared to the general population, however previously serving ADF personnel have a lower rate in comparison to the general population.
- Current and previously serving ADF personnel have higher trade qualifications.
- While relatively high rates of educational attainment through the ADF provide benefits to personnel transitioning out of the ADF, with one in five having a university degree, there is limited information available on how the skills learned in the ADF translate into the non-Defence sector workforce.
- ADF skills are likely to align with opportunities within Australia's defence industry and the civilian Department of Defence, however a greater understanding of skills transfer is required to identify gaps in education for personnel transitioning out of the ADF. This is discussed further in Section 2.2.4.4 Employment, Section 3.3 Economic and quality of life benefits of veterans housing below.

Education level	NEVER SERVED/ NOT STATED/N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
Bachelor, Grad. and Postgrad. level	5,338,661	26.4%	25,649	30.2%	100,320	20.2%	5,464,626	26.3%
Cert. III and IV/Adv. Dip. levels	5,058,704	25.0%	32,960	38.8%	195,157	39.3%	5,286,817	25.4%
Cert. I and II/Secondary Ed year 10+	6,018,477	29.8%	22,923	27.0%	124,618	25.1%	6,166,014	29.7%
Secondary education – years 9 and below	1,449,803	7.2%	458	0.5%	40,178	8.1%	1,490,444	7.2%
Other/not stated	2,338,003	11.6%	2,878	3.4%	36,004	7.3%	2,376,877	11.4%
Total	20,203,648	100%	84,868	100%	496,277	100%	20,784,778	100%

Table 2.12 Australian veteran population, 2021 by education level (persons, place of enumeration)

<sup>39</sup> Australian Institute of Health and Welfare (AIHW) (2019). Count of ADF from when a client self-identifies as a current or former ADF member. does not include information about all people in Australia who may need homelessness services, or all those who are homeless, only those who accessed SHS who are at risk of or are homeless.

<sup>40</sup> Australian Institute of Health and Welfare (2018), A profile of Australia's veterans, <https://www.aihw.gov.au/getmedia/1b8bd886-7b49-4b9b-9163-152021a014df/aihw-phe-235.pdf.aspx?inline=true> (accessed 28 March 2023).

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Employment

As to be expected, those currently serving in the ADF have a comparatively high rate of employment (95 percent) when compared to the Australian population (47 per cent) overall. Furthermore, only 3 per cent of working-age people who have served in the ADF are unemployed.<sup>41</sup>

While these statistics do not initially indicate a vulnerability in the veteran population, veterans managing symptoms of poor mental health may struggle to maintain employment. Studies by Cousley et al (2017), Siminski (2013) and Hawthorne et al (2014)<sup>42</sup> also found a strong association among former ADF war service (including peacekeepers) between mental health conditions (as discussed in Section 2.2.4.1) and employment status. For this reason, employment following a transition out of the ADF is an issue of particular importance for veterans.

Labour force status	NEVER SERVED/ NOT STATED/N.A.		CURRENTLY SERVING IN THE ADF		PREVIOUSLY SERVED IN THE ADF		TOTAL	
Employed	11,763,211	61.9	80,420	95.1	205,781	41.8	12,049,412	61.5
Unemployed	637,236	3.4	738	0.9	8,462	1.7	646,445	3.3
Not in LF/not stat- ed/n.a.	6,607,062	34.8	3,388	4.0	277,625	56.4	6,888,078	35.2
Total	19,007,525	100%	84,536	100%	491,885	100%	19,583,936	100%

Table 2.13 Australian veteran population, 2021 by labour force status (persons, place of enumeration)

<sup>41</sup> The definition of unemployment only applies to those that are actively looking for work and therefore is not expected to duplicate those that are not employed due to homelessness.

<sup>42</sup> Australian Institute of Health and Welfare (2018), A profile of Australia's veterans, <https://www.aihw.gov.au/getmedia/1b8bd886-7b49-4b9b-9163-152021a014df/aihw-phe-235.pdf.aspx?inline=true> (accessed 28 March 2023).

## 2.3 Key findings

This section highlights the following findings in relation to the demographics and socio-economic profile of veterans:

- The complex nature of a military career from enlistment to retirement results in varying service experiences. These experiences can influence the ability of individuals to successfully transition out of the ADF and into further employment or retirement.
- Key vulnerable groups include:
  - DVA eligible veterans and individuals currently receiving treatment via DVA compensation. These are concentrated in New South Wales and Queensland in the under 35 and over 55 age groups.
  - Personnel transitioning out of the ADF with war or war-like service and/or injuries due to the physical and mental impacts of this service.
  - Personnel transitioning out of the ADF into non-Defence sector employment or retirement, with limited transferrable skills.
  - Those being discharged involuntarily, for example, for discipline, administrative, or medical reasons.







## 3 Challenges and opportunities with veterans housing

This chapter outlines a number of challenges with current approaches to veterans housing and identifies opportunities that have the potential to improve outcomes for veterans including case studies from Australia and overseas.

### 3.1 Challenges with veterans housing services

While there is an extensive range of veterans housing services currently provided in Australia, with more than 20 different service providers across government agencies and non-government organisations, challenges exist in the coordination, access, and delivery of these services. These challenges include:

- Challenge 1: Homeless veterans are reluctant to seek support from mainstream agencies.
- Challenge 2: Lack of access to follow-up services for transitioning veterans.
- Challenge 3: Identifying veterans who may slip through the cracks (for example, due to a lack of affordable housing options).

#### 3.1.1 Reluctance to seek support from mainstream agencies

Only 39 per cent of recently transitioned ADF members who reported experiencing homelessness sought assistance from mainstream support services<sup>43</sup>.

This is primarily due to veterans not feeling assistance was needed and not knowing where to go for help. Furthermore, those experiencing vulnerability characteristics, such as mental health issues, are less likely to seek support due to the social stigma associated with mental illness within military communities<sup>44</sup>.

#### Current Australian services

Within Australia, there are more than 20 different service providers across government and non-government organisations providing housing support to veterans. Examples include the government service providers DHA and the Defence Home Ownership Assistance Scheme (DHOAS), and the non-government service provider the Returned & Services League of Australia (RSL). A summary of providers, services, and eligibility is provided on the next page.

<sup>43</sup> AHURI (2019) Homelessness amongst Australian veterans: summary of project findings, [https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI-Report\\_Homelessness-Amongst-Australian-contemporary-veterans\\_Final-Report.pdf](https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI-Report_Homelessness-Amongst-Australian-contemporary-veterans_Final-Report.pdf)

<sup>44</sup> Reisman, M., (2016) PTSD Treatment for Veterans: What's Working, What's New, and What's Next. PubMed Central Vol 41(10):623-634 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5047000/>



Table 3.1 Service Providers

Provider	TYPE	SERVICES	ELIGIBILITY
Defence Housing Australia	Government	<ul style="list-style-type: none"> <li>Defence Housing Australia (DHA) provides housing, investing, leasing and development services.</li> <li>Among the services provided by DHA, housing services seem to be the most relevant for our analysis.</li> <li>Housing services provided by DHA includes the provision of service residences (subsidised homes on or near ADF bases around the country), member choice accommodation (off-base rental properties offered to unaccompanied ADF personnel), living-in accommodation (barrack-style accommodation usually offered on-base to unaccompanied ADF personnel travelling for work or training), and rent allowance (a subsidy to partially cover the costs of renting in the private housing market).</li> </ul>	<ul style="list-style-type: none"> <li>Currently serving ADF personnel</li> </ul>
Defence Home Ownership Assistance Scheme	Government	<ul style="list-style-type: none"> <li>The DVA operates the Defence Home Ownership Assistance Scheme (DHOAS) which aims to assist current and former ADF members in achieving home ownership.</li> <li>The scheme provides monthly subsidies on home loans for eligible ADF members for up to 25 years, helping them to build, purchase or refinance a home. The amount of subsidy provided under the scheme varies depending on the member's length of service and rank, as well as the amount of the home loan. The three home loan providers are Defence Bank, Australian Military Bank, and NAB.</li> <li>DVA also provides assistance connecting current and previously serving personnel with 18 ex-service organisations (ESOs) who provide targeted services for example the Returned and Services League of Australia (RSL), Australian War Widows Inc, Mates4Mates, Vietnam Veterans' Association of Australia, Andrew Russell Veteran Living, the Air Force Association (RAAFA), and multiple service based ESOs.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel</li> </ul>
RSL LifeCare	Non-government	<p>RSL LifeCare provides a range of housing support services including:</p> <ul style="list-style-type: none"> <li>Financial assistance – including rent, bills and/or bond.</li> <li>Homes for Heroes transitional program (in partnership with the NSW Department of Communities and Justice) – which provides access to safe, secure, and stable transitional accommodation for veterans at risk of homelessness.</li> <li>Rent Choice veterans housing support program – which provides support for homeless veterans, home finding, and/or managing rental arrears.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel</li> </ul>
RSL Queensland Veteran Homelessness Program	Non-government	<ul style="list-style-type: none"> <li>The Veteran Homelessness Program provides a comprehensive case management approach to support clients in finding stable, permanent accommodation.</li> <li>Clients may also be eligible for emergency financial assistance, quick referrals to psychologists or addiction treatment facilities, and referrals into other support programs.</li> <li>The RSL Queensland VHP is delivered in partnership with The Salvation Army.</li> <li>Since its inception the program has supported 614 clients and assisted 515 into stable accommodation with only a 15.7% return rate.</li> <li>Currently RSL Queensland has 57 active participants in the program.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel</li> <li>Families.</li> </ul>



Provider	TYPE	SERVICES	ELIGIBILITY
RSL SA - Andrew Russell Veteran Living (AVRL) program	Non-government	<p>RSL SA operates the Andrew Russell Veteran Living (ARVL) program in SA, which provides a range of housing support services including:</p> <ul style="list-style-type: none"> <li>Emergency accommodation to veterans and their families who are homeless or at risk of becoming homeless.</li> <li>Affordable housing to veterans and their families who are homeless or at risk of becoming homeless.</li> <li>ARVL's emergency accommodation consists of 10 units, in the suburb of Sturt, designed to provide temporary accommodation for veterans who are homeless, at risk of homelessness or in need of transit accommodation.</li> <li>ARVL's affordable housing portfolio consists of 36 affordable units (predominately one bedroom) and three houses designed to provide long term housing solutions for ex-service personnel and their dependents.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel</li> <li>Families.</li> </ul>
Vasey RSL Care – V Centre	Non-government	<ul style="list-style-type: none"> <li>The Vasey RSL own and operate the V Centre.</li> <li>The V Centre will serve as a 'bridge' for veterans finding themselves in situations such as: <ul style="list-style-type: none"> <li>Homelessness or marginal homelessness (e.g., staying with friends, living in their car etc).</li> <li>Family breakdown.</li> <li>Acute care.</li> <li>Other services.</li> </ul> </li> <li>The V Centre will be located in Edwin Street, Ivanhoe, adjacent to the Heidelberg Repatriation Hospital with its unique veteran-specific services and close to the Vasey RSL Care Ivanhoe ex-service accommodation.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel.</li> </ul>
RAAFWA	Non-government	<ul style="list-style-type: none"> <li>RAAFWA operates the Andrew Russell Veteran Living (ARVL) program in WA, which provides a two-part process, including: <ul style="list-style-type: none"> <li>'Housing First' program – which provides transitional housing and connection to professional support services.</li> <li>Followed by appropriate and affordable permanent housing.</li> <li>As part of the program, which has not been launched yet, RAAFA will develop a network of service providers to provide specialist support services to assist veterans to actively work towards addressing their situation of homelessness.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel.</li> </ul>
The Salvation Army	Non-government	<p>The Salvation Army is a charitable organisation providing a range of support for those experiencing hardship including:</p> <ul style="list-style-type: none"> <li>Accommodation – emergency, short-term and long-term options.</li> <li>Case management.</li> <li>Assertive outreach support.</li> <li>Financial assistance – rent, advice and bond support.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel.</li> </ul>
Soldier On	Non-government	<ul style="list-style-type: none"> <li>Soldier On provides a range of housing support services including transitional housing and support services such as Vet Connect (a free national program designed to assist contemporary veterans in rebuilding a sense of family and camaraderie of service).</li> <li>Soldier On offers psychology support services, as well as a range of programs and workshops to support Defence families through the complex challenges of military service. Support sessions are available face-to-face, as well as via Telehealth video.</li> <li>Award-winning Pathways Program for employment skills, learning and education.</li> <li>National Vet Connect Program brings together veterans and their families for residential weekends to re-establish a sense of mateship.</li> </ul>	<ul style="list-style-type: none"> <li>Previously Serving ADF personnel</li> <li>Currently serving ADF personnel</li> <li>Families.</li> </ul>

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These veteran specific programs are successful in engaging and assisting homeless veterans by focusing on a housing-first approach (longer-term accommodation provisions), active case management, advocacy to provider organisations, practical assistance, and therapeutic assistance (counselling).<sup>46</sup>

These programs are effective in engaging veterans as they aim to address the complex needs of chronically homeless veterans and are tailored to the veteran on an individual, case-by-case basis. In comparison, the current model of mainstream agencies is wide scale with less focus on the individual and the complex needs of each veteran, leading to lower engagement.

Despite the relative success of these programs, they also face some challenges, including the requirement to raise their own funding and the scale of the problems they are seeking to address. For example, RSL Tasmania and The Salvation Army currently have 30 veterans on their books for whom they are actively looking for homes. This represents a significant demand in comparison to the 17 people they have housed or helped over the last 14 months.<sup>47</sup>



## International case studies

### Providing coordinated and targeted support with formal training and qualifications:

Montgomery County Veterans Response Team, Pennsylvania, U.S.

One innovative practice recently implemented at the Veterans Administration Coatesville Care System in Montgomery County, Pennsylvania involves the development of a veterans' response team that works in collaboration with community partners to connect vulnerable veterans with voluntary treatment options and other support services. This new approach provides veterans with an opportunity to resolve clinical, and other issues before being referred to difficult justice proceedings or potential incarceration.

The veterans' response team (VRT) members are highly trained law enforcement officers who work in coordination with local outreach specialists to reach and interact with veterans. To ensure that only the most qualified individuals are selected, the VRT training program requires applicants to have prior service in the US armed forces and to have graduated from crisis intervention training. This two-day training program focuses on mental health needs, support practices, available programs, and skill building opportunities for veterans. Once fully trained, VRT members are added to the Montgomery County dispatch system.

Since its inception in January 2022, the VRT program has received positive feedback, with VRT personnel reporting high response rates from veterans after the initial interaction. This has been put down to the fact that the VRT members are veterans themselves and between their experience and training, can now connect with vulnerable veterans quite quickly. To date, 27 law enforcement officers have been fully trained as VRT members and they have referred more than 30 veterans. Their referrals have prevented future medical crises, reduced justice system costs, and avoided other adverse outcomes. Given the success of the program, other agencies have joined forces to create further synergies through collaborative support and assistance.<sup>48</sup>

### **Colocated housing, case management and support services with dynamic prioritisation of service**

**options:** Grant and Per Diem (GPD) transitional housing services, Ohio, U.S.

The GPD program has evolved significantly over time, with the introduction of Transition in Place (TIP) as a new approach that enhances the housing options available to participating veterans. Through TIP, veterans receive housing, case management, and supportive services in apartments, with the GPD provider maintaining the lease. The program has also extended to include additional services such as bridge housing and low demand type services, meeting the needs of veterans who are homeless and discharging from hospitals where enhanced care and coordination are needed.

In Northern Ohio, community leaders hosted process mapping meetings in 2022 to explore how veterans accessed services. The meetings focused on ensuring that every provider in the community knew how to connect veterans to the most helpful resources for their individual needs. Visuals of flow charts were utilised across all sites to assist with understanding the system, while consistency in messaging to veterans was emphasised as being just as important as consistency in assessment and referral to resources. This was because the success of a coordinated entry system relied on veterans having clear expectations of the available services and how those services could help them.

The development of a dynamic prioritisation model ensured that all available housing resources were flexibly and immediately offered to individuals in need. An innovative model was also created to track the GPD “queue”, which monitors the number of GPD beds available and matches the next veterans in the queue based on their assessment. These approaches have been instrumental in optimising the efficiency and effectiveness of the GPD program, ultimately helping more veterans transition into stable housing and resulting in a high level of satisfaction as a result of the well organised service.<sup>49</sup>

## **Opportunities**

The reluctance of veterans to seek support is beginning to be addressed through targeted programs such as those developed by the RSL, The Salvation Army, and RAAFA.

Key lessons can also be learned from international case studies to enhance the tailored approach to programs within Australia, in particular by mainstream agencies. In the Montgomery County Veterans Response Team case study, investment is provided by government and industry to provide training and qualifications for service providers, enabling them to better understand the complex needs of vulnerable veterans. Furthermore, the GDP program highlights the value in ensuring that the type of housing is tailored to unique veteran needs along with clarity and consistency in communication between service providers and veterans.

Alongside the investment required by governments to address the lack of public, social, and affordable housing supply, investment in outreach services and the development of more targeted and intensive care programs that provide comprehensive and ongoing support could be considered.

This would require collaboration and consistency between government agencies, non-for-profit organisations, and the private sector to ensure that homeless veterans receive the support they need to access stable housing and rebuild their lives.

<sup>49</sup>Grant and Per Diem (GPD) transitional housing services into the local coordinated entry (CE) systems Case Study. Link: <https://www.va.gov/HOMELESS/docs/White-Paper-Integrating-GPD-into-CES-FINAL.pdf>

<sup>50</sup>Give me shelter - HAA. HAA - Housing All Australians. (2022, December 14). Retrieved April 11, 2023, from <https://housingallaustralians.org.au/whatwedo/give-me-shelter/>

<sup>51</sup>AHURI - Homelessness amongst Australian Veterans Report (2019). Link: [https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI-Report\\_Homelessness-Amongst-Australian-contemporary-veterans\\_Final-Report.pdf](https://www.ahuri.edu.au/sites/default/files/migration/documents/AHURI-Report_Homelessness-Amongst-Australian-contemporary-veterans_Final-Report.pdf)



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### 3.1.2 Lack of access to follow-up care for transitioning veterans

Follow-up care for veterans who have left housing programs has been highlighted as a key challenge in Australia. This has been attributed to the lack of access to support and services available in the immediate months after completing the housing program, which has led to veterans falling back into homelessness.

#### Current Australian services

Currently, the DVA-operated DHOAS (see page 38) aims to assist current and former ADF members in achieving home ownership. The scheme provides monthly subsidies on home loans for eligible ADF members for up to 25 years, helping them to build, purchase, or refinance a home. The program has been successful in assisting those serving and previously serving members in the ADF to purchase a home rather than occupy rented or service-provided accommodation.

The total amount of subsidies being paid out is \$395 million to just over 30,000 ADF members over the six and a half years between its commencement and the end of 2014.<sup>52</sup> This is equivalent to nearly \$13,200 per member.

Despite this, the scheme has largely only benefited active service ADF members and those who had recently transitioned out of the ADF due to the requirement to have served within the last five years. This eligibility provided a significant barrier for many veterans who had been accessing housing programs within the transition time, and no longer qualified for DHOAS.

Recent reforms to DHOAS (announced in November of 2022) have recognised this challenge by reducing the minimum service period and allowing veterans and their families to access DHOAS any time after they have completed their service.<sup>53</sup> This is a significant step in the removal of the current five-year deadline for separated ADF veterans to apply for their final subsidy certificate<sup>54</sup> which should allow the scheme's benefits to be accessed by more veterans. However, transitional care and guidance must be offered to ensure the scheme is utilised by vulnerable veterans.

### International case studies

**Coordinated follow-up services for veterans transitioning from housing services:** Central Ohio Coordinated Exit Model, Ohio, U.S.

The Veterans Administration Central Ohio Health Care System - Healthcare for Homeless Veterans Outreach Team discovered systematic gaps related to follow-up care for veterans who left housing programs. They responded quickly to improve collaboration and case review processes to prevent negative impacts on services provided to veterans experiencing homelessness in Columbus, Ohio.

The team created the Coordinated Exit Model in August 2020 to address this issue and ensure that every veteran in the community who exited any homeless program had a Responsible Provider for follow-up care or re-engaging with themselves in services. Under the program, any current or former homeless veteran already engaged in a Veterans affair (VA) or non-VA homeless program, was assigned a case worker. Once assigned, contact was made face-to-face where available (with personal protective equipment), via phone or via videoconferencing. For currently homeless veterans, these contacts provided opportunities for re-engagement and referral to housing programs along with referrals to other services such as transportation, food, employment, and Veterans Health Administration (VHA) health care.

The Coordinated Exit Model aims to reduce future episodes of homelessness by ensuring that all veterans entering housing have their needs met and know who to call if future housing crises occurred. Results showed that all veterans who exited any homeless program in September and October 2020 had a Responsible Provider and received Coordinated Exit follow-up services. All 15 veterans who exited to permanent housing and who received Coordinated Exit follow-up services in September and October 2020 were still successfully housed as of May 2021, and none were enrolled in SSVF prevention services.

Overall, the Coordinated Exit model has led to “greater visibility into system trends, a deeper understanding of the impact of shelter bans on client engagement, better quality data, and increased community collaboration and partnership.” The assignment of a Responsible Provider allowed “those who remained homeless [to] continue on the path to housing and helped those who exited homelessness stay connected to supports to keep them housed.”<sup>55</sup>

## Opportunity

Through the lessons learned from the Central Ohio Coordinated Exit Model, there is an opportunity to develop a more robust system in Australia to improve the follow-up care for veterans. The idea of a responsible provider, as seen in Ohio, has been a success and could be adopted into the Australian system so that veterans do not feel isolated when they leave housing programs.

### 3.1.3 Identifying veterans who may slip through the cracks

Homelessness among veterans is a serious problem in Australia with up to 5.3 per cent of veterans (5,767) who have recently transitioned from the ADF (12-month period) experiencing homelessness<sup>56</sup>. Those who fall into homelessness are likely to have several vulnerability characteristics (outlined in Section 2.2.4.1) such as mental health issues, problematic drug and/or alcohol use, and domestic or family violence. These characteristics make employment challenging, and as such current housing assistance programs which subsidise home ownership (such as DHOAS) may not be attainable. A key driver of this is a lack of affordable housing options.

RSL Queensland notes that there has been a significant progressive impact of increasing rents on the veteran community. For example, in the first six months of 2021 it observed that:<sup>57</sup>

- Sunshine Coast – Approximately 2.8 per cent of Veterans Housing Program participants were in the Sunshine Coast region during the first half of 2021 compared to approximately 12.2 per cent of clients during 2022. The RSL Queensland Veterans Housing Program team also highlighted growing concerns about sourcing rental accommodation.
- Brisbane – Approximately 36.6 per cent of Veterans Housing Program participants were in Brisbane during the first six months of 2021 compared to an increase to approximately 44.2 per cent of clients during 2022.
- Central – Approximately 5.6 per cent of Veterans Housing Program participants were in the Central region during the first six months of 2021 compared to an increase to approximately 7.1 per cent of clients during 2022.



<sup>52</sup> Administration of the Defence Home Ownership Assistance Scheme: Australian National Audit Office (ANAO). Administration of the Defence Home Ownership Assistance Scheme. (2015, June 10). Retrieved April 6, 2023, from <https://www.anao.gov.au/work/performance-audit/administration-defence-home-ownership-assistance-scheme>

<sup>53</sup> Australian Government, Department of Defence. (2022, December 18). Department of Defence Annual Report 2021-22. Transparency Portal. Retrieved April 6, 2023, from <https://www.transparency.gov.au/annual-reports/department-defence/reporting-year/2021-22>

<sup>54</sup> DHOAS eligibility criteria is expanding. Australian Government - Department of Defence - Department of Veteran's Affairs. (2022, November 30). Retrieved April 6, 2023, from <https://www.dhoas.gov.au/article/dhoas-eligibility-criteria-is-expanding>

<sup>55</sup> US department of veteran's affairs - Homeless Programs Office. (2022, October 27). VA Central Ohio Healthcare System – Coordinated Exit: Providing Services to All Veterans Exiting Homeless Programs, Regardless of Destination. VA GOV. Retrieved April 6, 2023, from [https://www.va.gov/HOMELESS/images/White\\_Paper-Coordinated\\_Exit\\_FINAL\\_508.pdf](https://www.va.gov/HOMELESS/images/White_Paper-Coordinated_Exit_FINAL_508.pdf)

<sup>56</sup> Hilferty F., et al (2019) Homelessness amongst Australian veterans, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans>.

<sup>57</sup> RSL Queensland, Personal communication 14th April 2023.

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### Current Australian initiatives

#### Housing All Australians

HAA is providing ‘a private sector voice and commercial lens to help address Australia’s chronic shortage of low-income affordable housing’ to ensure that all Australians have a roof over their head and do not fall through the cracks. The organisation is taking a multifaceted approach that involves education, advocacy, and direct support to address this critical issue.

Firstly, HAA is operating an innovative ‘pop-up’ shelter model which involves signing a lease to a charity for a couple of years for a vacant building that is awaiting redevelopment, then re-purposing these buildings and utilising them for transitional accommodation. The key benefit is providing veterans secure housing while addressing the opportunity costs of vacant buildings left idle until future development. This direct support initiative has been successful at the Lakehouse in South Melbourne which is already housing 106 women with support from the YMCA.<sup>58</sup>

HAA is educating both the private and public sector through the release of its first *Give Me Shelter Report* which identifies the long-term costs of underproviding public, social, and affordable housing. The report clearly demonstrates the underlying business case for greater investment in affordable public and social housing.<sup>59</sup> This is a key piece of research that will need to be incorporated into future policy-making decisions. Similarly, HAA has invested in a thought leadership model known as the Progressive Residential Affordability Development Solution (PRADS) which will harness the ability of the private sector, working collaboratively with local government, to address the chronic shortage of low-income affordable housing. This model allows for a supply of long-term affordable rental housing without the need for any ongoing government subsidy and the compliance of all stakeholders will be able to be monitored by a digital Affordable Housing Register being developed in collaboration with PEXA.

Further investment of “more than \$100 billion to overcome the estimated national shortfall of at least 200,000 dwellings in affordable and social housing”<sup>60</sup> will help ensure the challenge of housing all Australians is addressed into the future.

### International case studies

#### Street outreach program assisted by formerly homeless veterans: Palo Alto Veterans Affairs Medical Centre, U.S

This is a street outreach program that engages with homeless veterans in places that are seen to be not suitable for human habitation. The outreach team consists of a health technician, a peer support specialist, and a program support assistant. The program support assistants are each formerly homeless veterans who have previously participated in Veterans Administration homeless services. The use of peers allows the team to quickly build rapport with the veterans they encounter.

The team routinely visits more than 100 sites throughout Central and Northern California and is committed to reaching as many veterans as possible. The program is not a typical veterans affairs outreach, with a focus on initial engagement, motivational enhancement, and linkages to service entry points like shelters, resource and referral sites rather than clinical case management.

The success of the program is evaluated based on the number of veterans engaged, and during fiscal year 2016, the team engaged with 258 unique veterans.<sup>61</sup>

<sup>58</sup> Pop up shelters - HAA. HAA - Housing All Australians. (2022, December 15). Retrieved April 11, 2023, from <https://housingallaustralians.org.au/whatwedo/pop-up-shelters/>

<sup>59</sup> Give me shelter - HAA. HAA - Housing All Australians. (2022, December 14). Retrieved April 11, 2023, from <https://housingallaustralians.org.au/whatwedo/give-me-shelter/>

<sup>60</sup> Build to rent - HAA - Housing All Australians. (2022, July 4). Retrieved April 11, 2023, from <https://housingallaustralians.org.au/whatwedo/policy-change/>

<sup>61</sup> Palo Alto VA Medical Center – Comprehensive Street Outreach. US department of veterans affairs. (2017, October 18). Retrieved April 11, 2023, from <https://www.va.gov/HOMELESS/docs/White-Paper-Palo-Alto-Street-Outreach-508.pdf>



### **Tiny villages as an alternative to homeless shelters:**

Canada and the U.S, Tiny Villages

To address the problems of homeless shelters and communities in the U.S and Canada, there is growing support and investment in a new innovation for veterans: tiny villages. Compared to homeless shelters, tiny villages are seen as more cost-effective and faster to implement, providing wrap-around services like healthcare, social services, financial counselling, childcare, and mental health and addiction counselling. Veterans in Seattle who lived in tiny villages described them as self-empowering and safer than shelters, as they are usually self-run with minimal supervision.

In many instances, veterans exchange volunteer hours for shelter or discounted rent depending on the program, with the number of hours varying but typically around 10 hours a week. Some tiny villages rely solely on government funds, donations, and volunteers, while others are invested in by industry, are part of the “sponsor a tiny house” program or generate income by selling goods produced in on-site workshops or gardens. For example, Occupy Madison Tiny Village in Wisconsin has a thriving community garden where locals pitch in and the produce is sold on-site as well as at local markets.

**Kenton Women’s Village (Oregon, United States)** is a shining example of the tiny village model, specifically tailored to cater to the needs of female veterans. Many women struggle with the lack of privacy in emergency shelters whereas the tiny homes have a locking door for a private space. Sleeping outside can be dangerous, leaving female veterans vulnerable to sexual assault, intimidation, and theft. The village is self-governed by the women with the support of other stakeholders and volunteers giving a sense of community.

The village consists of small yet efficiently designed buildings that are well insulated, doing away with any heating requirements, thereby considerably reducing costs and the village’s carbon footprint. With a communal kitchen and living area, a community building constructed from re-purposed shipping containers, and a village garden, it provides ample opportunity for residents, stakeholders, and volunteers to engage with one another. What started as a pilot program in 2017 has now transformed into a permanent housing structure, continuing to provide temporary housing to female veterans. According to a 2020 survey, all residents indicated their satisfaction with the village, 39 women have successfully graduated to permanent housing elsewhere and 41 women have secured an income since the village’s inception.

At the tiny villages in **Calgary** and **Edmonton** (Canada), each veteran is assigned a case worker with a tailored “individual support plan” to help guide them to self-sufficiency within two years. Each tiny house is about 300 square feet and has all the basic amenities, costing about \$70,000 CAD. The villages have been part funded by federal and state governments as well as donations from local charities and donors. The peer-to-peer support service, on-site central resource centre, the community gardens, low carbon building method, energy efficiency, and communal area for veterans to socialise are all key elements to their success.

The Bridging Healing Program has been running in **Edmonton**, Alberta since 2022 and builds on the idea of tiny villages, combating homelessness by using hospital emergency departments as a gateway to temporary housing. The idea has sprung from analysis of the successful elements of tiny villages such as strong community engagement, on-site support, daily peer engagement, public support, and connections to permanent housing.

## **Opportunities**

The DHA and DHOAS have clearly seen benefit gains to veterans and while the removal of the five-year post-service waiting period for ADF members to access the scheme is welcomed, the system still has room for expansion. A combination of the ideology behind the tiny village programs and the DHA/DHOAS schemes could save a lot of veterans from falling into homelessness after service while also being more cost effective.

There is an opportunity for industry to invest in the tiny village development, as seen in the US and Canada, so that the government doesn’t take on all the risk, depending on donations to cover the rest of the cost which could lead to poor quality housing and services.

The second opportunity is to create a gender specific housing development for female veterans. Kenton Women’s Village is currently thriving, with female veterans taking advantage of the services provided in a space where they feel less vulnerable.

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### 3.1.4 Conclusions from case studies

By studying international success stories, Australia has an opportunity to learn and develop similar models to address the current challenges in veteran housing. This includes:

- Tailoring programs to overcome the current reluctance among homeless veterans to seek support from mainstream agencies, including investment to deliver programs such as:
  - Programs that target transitioning veterans at their most vulnerable which target services to the needs of individual veterans.
  - Programs with trained veterans working with or delivering housing services. Through this Australia can build a stronger relationship with vulnerable veterans through shared experiences, making it more likely for them to reach out for support.
  - Housing service providers that employ veterans and improve the training of staff, leading to a more efficient and cost-effective system.
- Providing greater accessibility to housing for veterans transitioning out of housing programs, including:
  - Proactively reaching out to veterans, particularly with the assistance of former veterans, which can potentially overcome the reluctance of veterans to access mainstream services.
  - Colocating housing, case management, and other services such as health and employment, which can also overcome barriers to access.
- Providing housing to those unable to enter subsidised housing and most at risk of slipping through the cracks:
  - Considering alternatives to subsidised home ownership programs, which may not be within reach of all veterans, and providing increased transitional housing for vulnerable veterans.
  - Tiny house villages, which are self-governed, have been successful in the US and Canada. Veterans in these villages have a greater sense of autonomy and ownership, and although they usually only reside there for up to two years, they are able to build a supportive community. Australia could develop a similar model, establishing tiny villages for veterans that offer low-cost and low carbon building solutions, aligned with government strategies.
- Specific examples that could be considered in the Australian context include:
  - A veterans response team with formal training and qualifications to proactively connect vulnerable veterans with support services (Pennsylvania, United States).
  - Colocated housing, case management and support services in apartments, with visualisation of services options and dynamic prioritisation of services (Ohio, United States).
  - Coordinated follow-up services for veterans transitioning from housing services, delivered face-to-face where possible (Ohio, United States)
  - Street outreach program with health technicians and peer support specialised, assisted by former homeless veterans to build rapport (Palo Alto, United States).
  - Tiny villages with wrap-around services as a lower-cost alternative to homeless shelters, including self-management (e.g. Seattle, United States), women's villages (Oregon, United States), and case workers with individualised support plans (Calgary and Edmonton, Canada).







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### 3.2 Relationship between veterans hotspots and service outcomes

The provision of secure housing is only half the answer if Australia is to realise the range of social and economic benefits that can come from increased investment in secure housing infrastructure for Australian veterans (see Section 3.3). In this regard, a place-based approach is needed which recognises that veterans housing not only needs to be secure, but also provided in the right locations that enable veterans to easily access required infrastructure and services. This includes healthcare and other social infrastructure and services, stable employment opportunities and veterans' communities.

#### 3.2.1 Comparison of veterans' hotspots with liveability indices

To investigate this relationship, DVA White Card holder data from 2022 has been combined with six area-based 'liveability' indicators from the Australian Urban Observatory (AUO).<sup>62</sup> Data was collated for a sample of LGAs (n=42) in the Greater Sydney, Newcastle, and Wollongong region, which are the only locations where this liveability index data is available.

Table 3.1 provides this data for the 15 LGAs in the region with the highest DVA White Card holder veteran population (ranked from highest to lowest). The maps (see Figures 3.1-3.7) present this data for all 42 LGAs sampled. Analysis found that there was a gap between 'White Card veteran hotspots' and access to important services and opportunities needed to support this population cohort. It highlights that a place-based approach will be essential if those working in this space are going to achieve outcomes that will meaningfully address the housing needs of the Australian veteran population over the long-term.

Table 3.1 shows that the majority of the 15 'veteran hotspot' LGAs sampled in New South Wales (see also Figure 3.1) had liveability results below the average of the total 42 LGAs sampled across the six liveability indicators examined. Areas with the highest concentrations of DVA White Card veterans performed best in terms of seven of the 15 having a higher-than-average proximity to healthy food outlets (supermarket or greengrocer) and nine out of 15 with a lower-than-average proximity to off-licence alcohol outlets. However, veteran hotspot LGAs also had comparatively poor access to important services required by DVA White Card veterans including lower than average access to social infrastructure and health services. The accessibility qualities of these areas also had much lower than average walkability (only 3/15 exceeded the average).

<sup>62</sup> The AUO draws on over 8 years of policy-relevant research by Australia's preeminent urban liveability researchers and located at RMIT University. It brings together the link between city design, policy and planning with health and wellbeing. The liveability indicators have been developed by a multidisciplinary team of academic researchers investigating connections between public health and urban planning by translating that research knowledge into easily understood information that informs policies and practices to create healthy and liveable communities. For further information visit: <https://auo.org.au/faqs/>

LGA (UR)	White Card Holders	Social infrastructure index <sup>1</sup>	Social infrastructure - health services <sup>2</sup>	Walkability index <sup>3</sup>	Dwellings within 400m regular public transport service (%)	Proximity to closest healthy food outlet (m)	Proximity to closest off-licence alcohol outlet (m)
Average result (across 42 LGAs sampled)	634	6.8	2.2	0.2	67.5	1343.4	852.2
# LGAs with above average liveability indicator results	n/a	5/15	4/15	3/15	6/15	7/15	9/15
Port Stephens	1,971	3.9	0.8	-2	55.6	3008	1640.4
Newcastle	1,820	6.9	2.1	0	69.6	1119	703.2
Central Coast (NSW)	1,682	4.3	1.3	-1.6	63.6	1956.3	1183.5
Lake Macquarie	1,383	3.9	1	-1.9	52.4	1706.7	1197.1
Sutherland Shire	1,265	6.9	2.2	-0.3	57	1218.8	852.1
Maitland	1,155	3.8	1	-1.6	41.8	1807.1	1174.5
Sydney	1,155	11.8	3.9	8	94.8	352.2	188.8
Penrith	1,050	5.6	1.6	-1	72.8	1369.4	1173.1
Blacktown	1,004	5.3	1.5	-0.7	66.5	1395.2	996.9
Liverpool	984	5.8	1.5	-0.7	60.8	1291.4	1001.2
Northern Beaches	941	6.7	2	-0.5	74.9	1181.3	664.3
Wollongong	905	5.7	1.6	-1.2	58.4	1580.1	990.4
Parramatta	829	7.6	2.3	0.6	72.3	1025.3	697.4
Bayside (NSW)	825	8.7	3.2	1.7	81	749.1	530.6
Hawkesbury	699	4	1.3	-1.9	51.7	2113.1	1493.2

**Table 3.2: Sample of DVA White Card ‘veteran hotspot’ LGAs (n=15) in NSW and associated place-based liveability indicators (n=6)**

Source: AUO (2023) and DVA (2023)

<sup>1</sup> Score out of 15 – where 0 indicates low accessibility to social infrastructure and 15 indicates high accessibility to social infrastructure.

<sup>2</sup> Score out of 5 – where 0 indicates low accessibility to health services social infrastructure sub-group and 5 indicates high accessibility to health service social infrastructure sub-group.

<sup>3</sup> Average is 0 – negative results indicate low/poor walkability, and a positive result indicates high/good walkability

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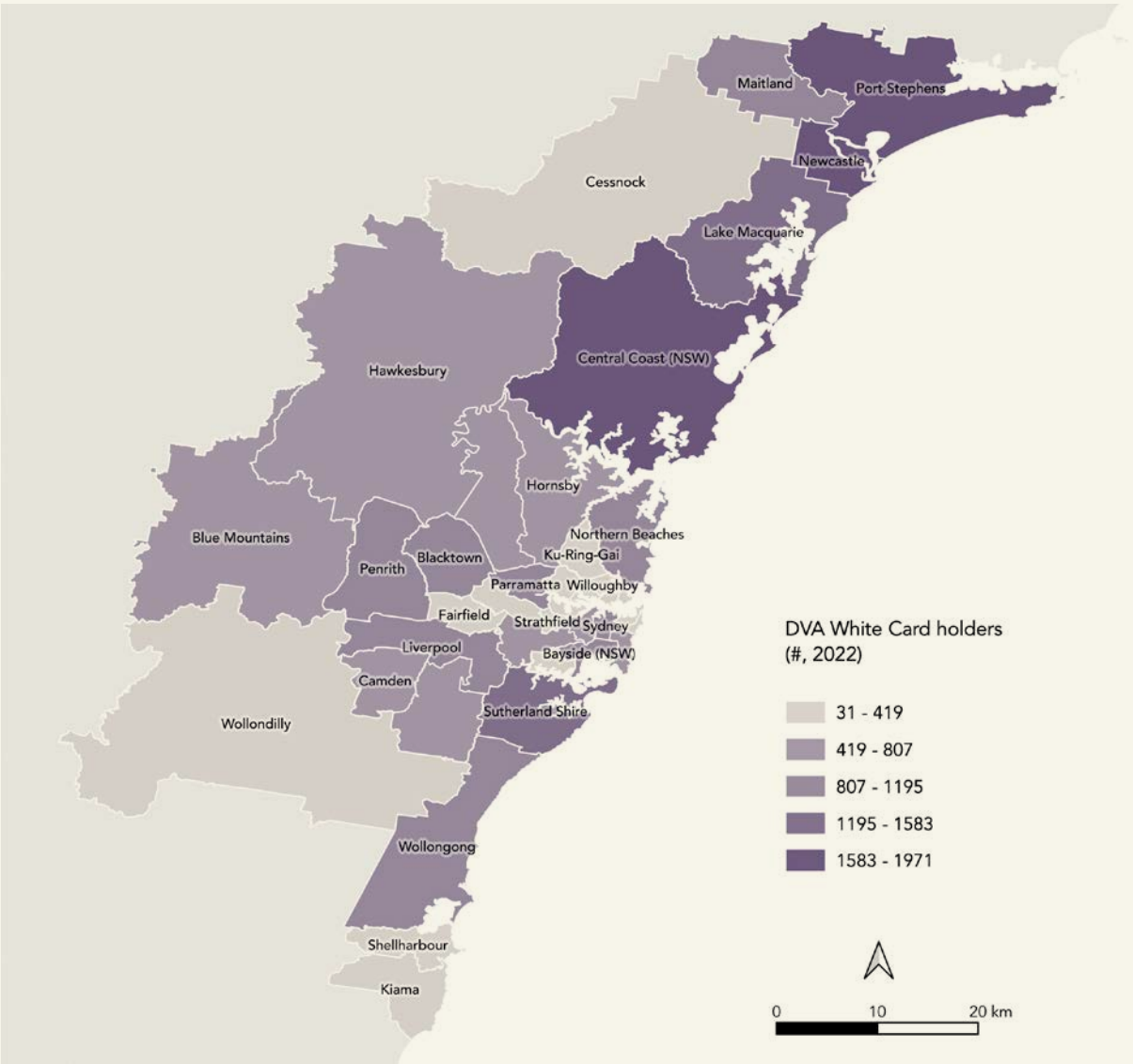


Figure 3.1 Number of DVA White Card holders, 2022, Greater Sydney, Newcastle and Wollongong LGAs

Source: RPS (2023). White Card Holders, DVA. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS



## Social infrastructure

Social infrastructure includes cultural and leisure centres (e.g. museums, art galleries, libraries, cinemas, theatres etc.), education (childcare, schools etc.), health and social services (e.g. dentists, doctors, pharmacies etc.), and sports and recreation facilities (swimming pools, sports clubs etc.). Access to social infrastructure is an important place-based feature for veterans as it provides access to vital health and social services, increases opportunities to engage in education, recreational and leisure activities, and facilitates social interaction.

The Social Infrastructure Index provides a score out of 15, with 0 indicating low accessibility to social infrastructure and 15 indicating high accessibility to social infrastructure. The Index calculated by the AUO was based on six measures of access to: community centres, culture and leisure, early years, education, health and social services, and sport and recreation. When we compare Figures 3.1 and 3.2 there is a stark contrast between those regions with a high DVA White Card veteran population and the regions with high Social Infrastructure Indices. This illustrates a mismatch between where veterans are living and where there is a high level of access to social infrastructure.

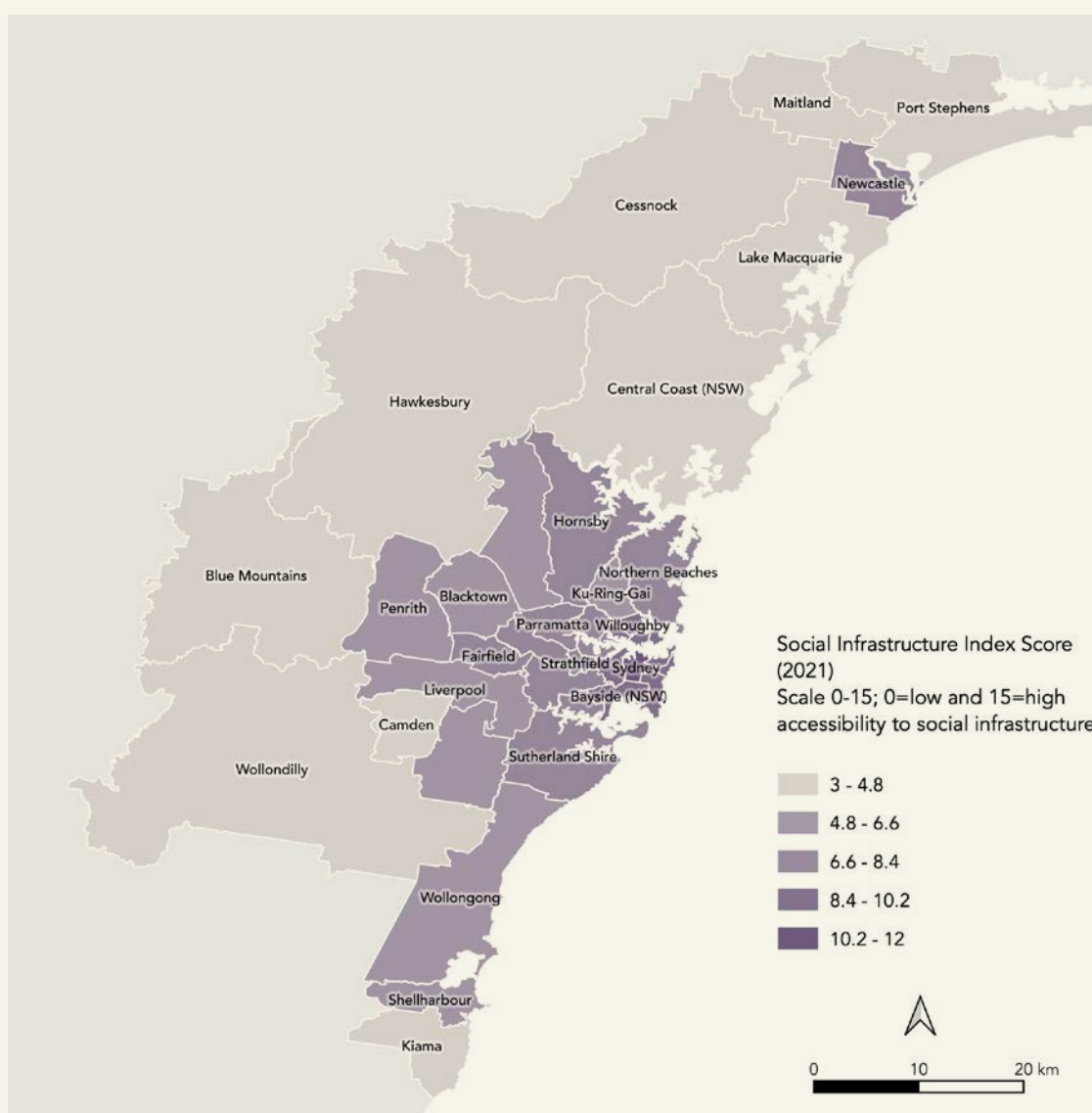


Figure 3.2 Social Infrastructure Index, 2021, Greater Sydney, Newcastle and Wollongong LGAs

Source: RPS (2023). Social Infrastructure Index, AOU. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS

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Health services

This pattern is repeated when we look specifically at the ‘health services’ social infrastructure sub-group. Figure 3.3. presents the results of this sub-group which includes access to residential aged care facilities, dentists, general practitioners, pharmacies, community health, and family health centres, with a minimum score of 0 and maximum score of 5.

Access to health service social infrastructure is particularly important given that DVA White Card veterans are only eligible for this government support once they are confirmed as having an accepted war or service-caused injury or disease.

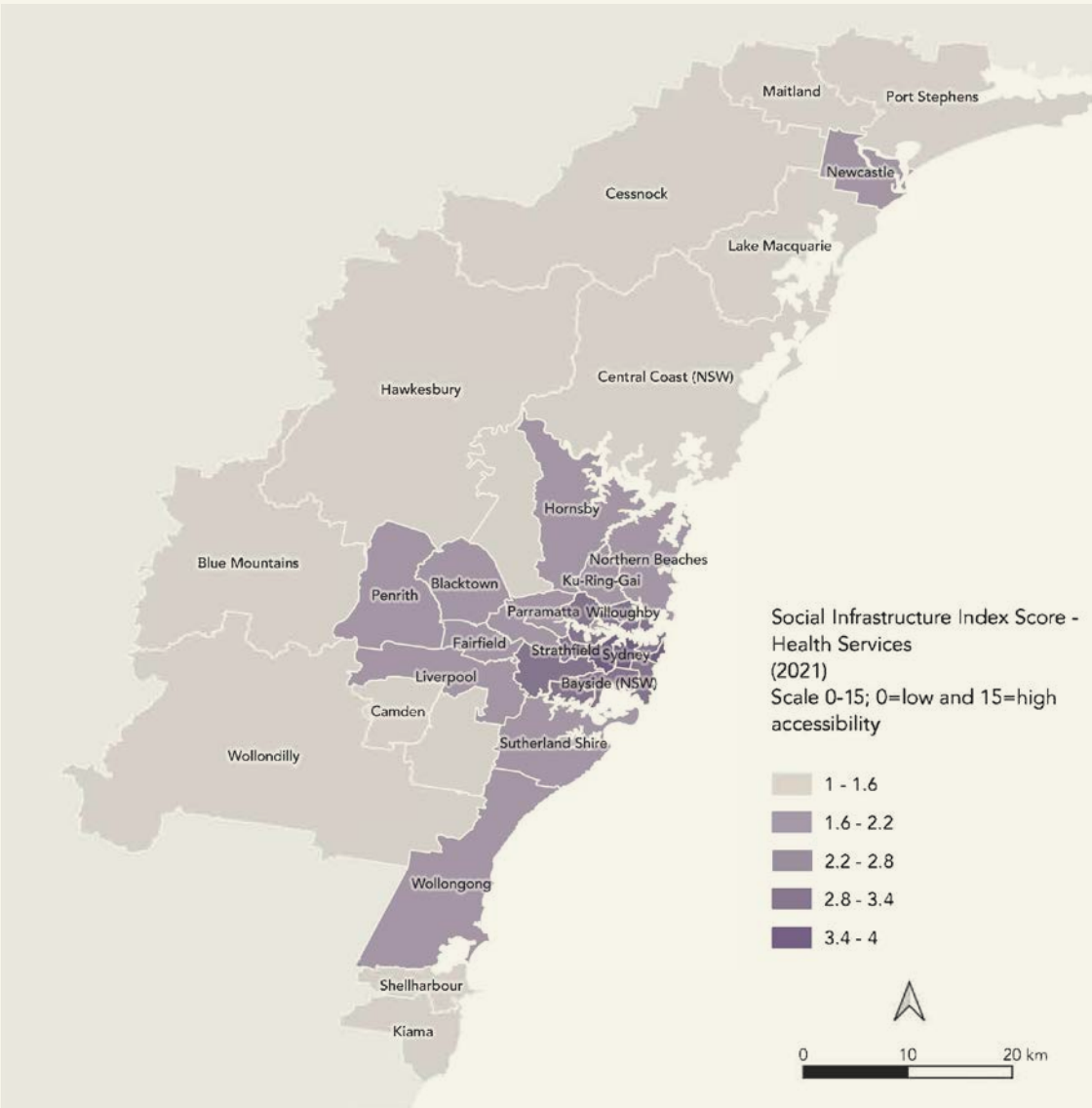


Figure 3.3 Social Infrastructure Index – health services, 2021, Greater Sydney, Newcastle and Wollongong LGAs

Source: RPS (2023). Health Services - Social Infrastructure Index, AOU. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS 3.2.1.3

Healthy food

Another place-based feature that supports the health and wellbeing benefits derived from secure housing is access to healthy food. The opportunity to purchase fresh and/or nutritional foods supports healthy eating behaviours and lifestyles. Likewise, living within easy walking distance to healthy food stores/outlets also encourages and enables people to walk or cycle instead of driving. This measure recognises that access to fresh food is not always equitable throughout communities,

and some areas, known as ‘food deserts’, have limited or no access to foods. Food deserts force residents to be reliant on motorised transport and are of particular concern to those with limited mobility or in low socio-economic status areas where people may not be able to afford a private car. Analysis of the data shows that the areas with an above average DVA White Card veteran population also had lower proximity to health food outlets compared to the LGAs with a lower than average DVA White Card veteran population (respective averages of 1.43km and 1.28km).

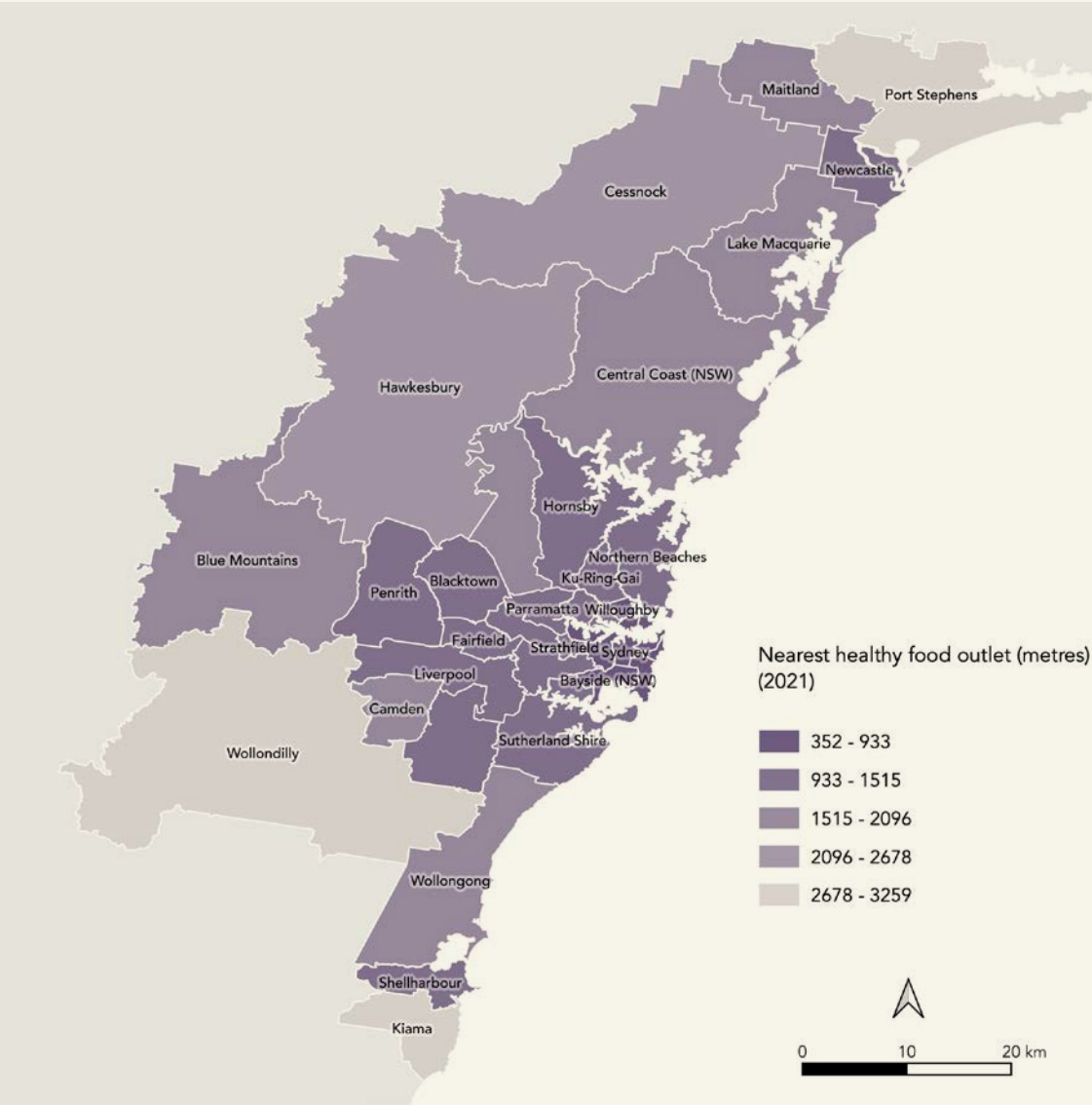


Figure 3.4 Average distance to closest healthy food outlet (metres), 2021, Greater Sydney, Newcastle and Wollongong LGAs

Source: RPS (2023). Average distance to closest healthy food outlet, AOU. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS



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Off-licence alcohol outlets

The same pattern was also true when examining average proximity to off-licence alcohol outlets. In this instance, LGAs with an above average DVA White Card veteran population also had lower proximity to off-licence alcohol outlets compared to the LGAs with a lower than average DVA White Card veteran population (respective averages of 0.94km and 0.79km). It should be noted however that the disparity between the two groups is smaller and that in all these LGAs it is easier for veterans to access alcohol than it is to access healthy food.

A focus on alcohol is present here because excessive use of alcohol is strongly associated with a range of serious physical and mental health conditions and can cause extreme harm to individuals, families, and communities. In Australia, outlets that sell alcohol which can be purchased and taken away to consume elsewhere are known as off-licence retailers, while those which sell alcohol which must be consumed on the premises where it was purchased are known as on-licence retailers.

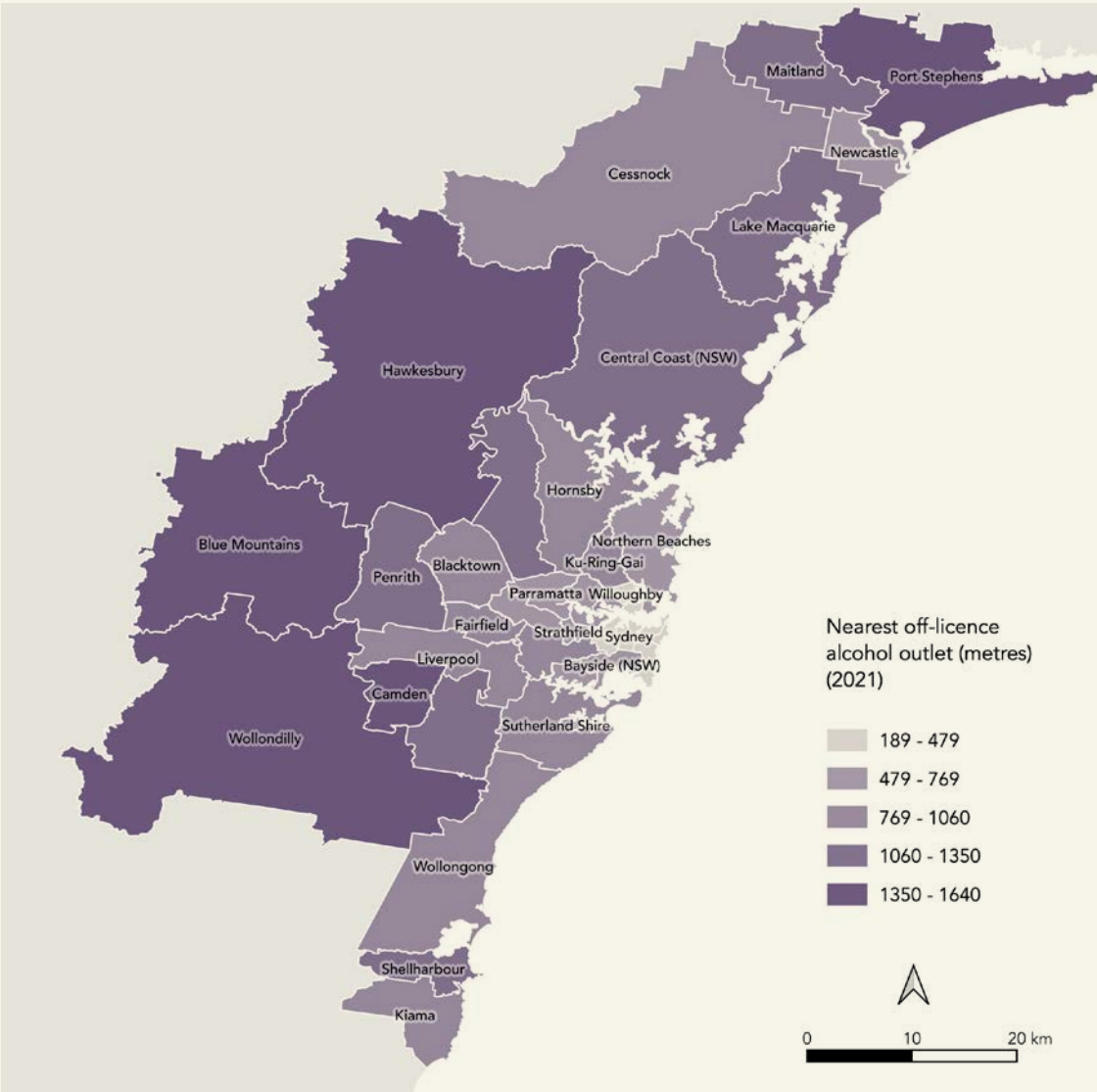


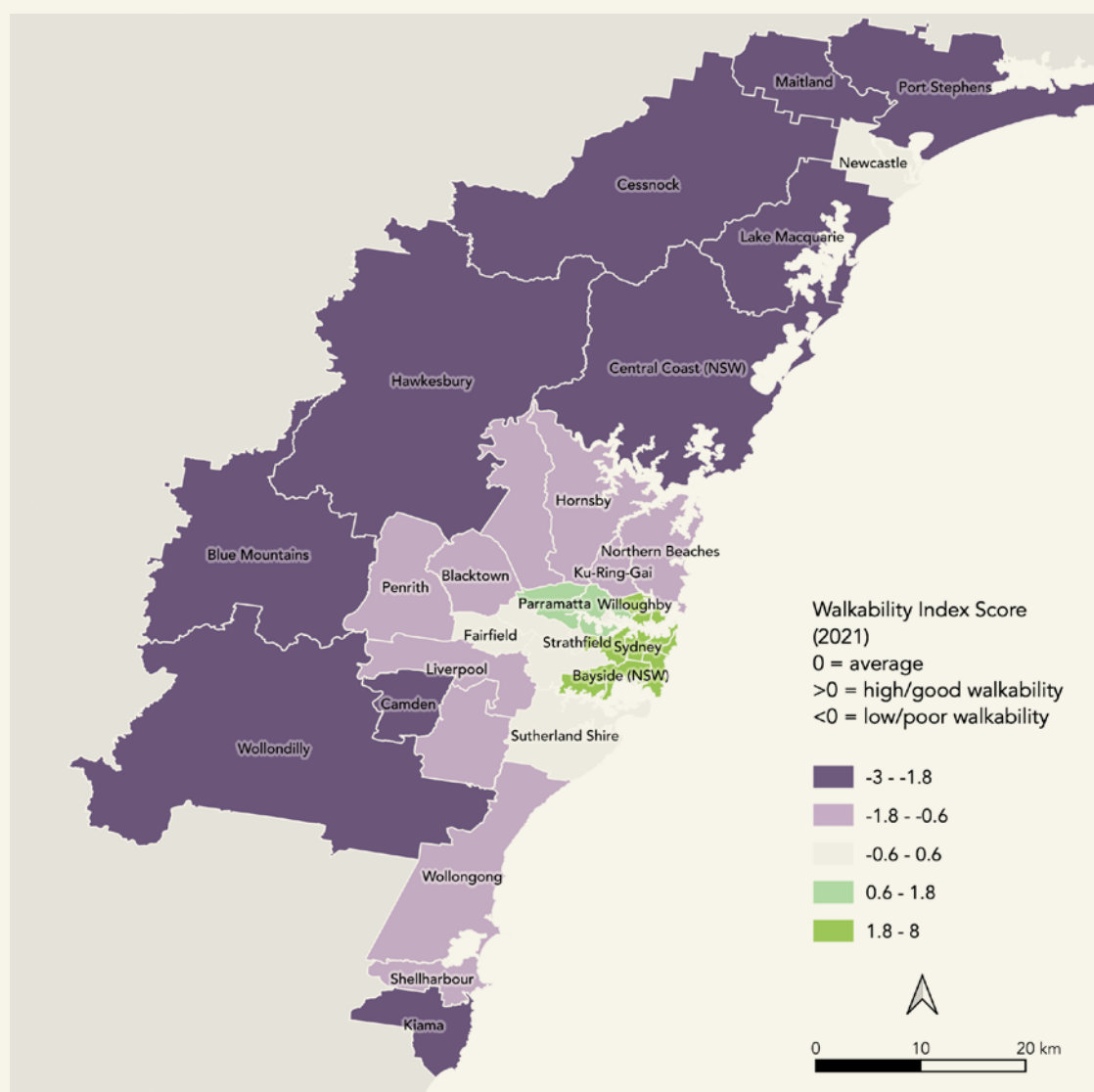
Figure 3.5 Average distance to closest off-licence alcohol outlet (metres), 2021, Greater Sydney, Newcastle and Wollongong LGAs

Source: RPS (2023). Average distance to closest off-licence outlet, AOU. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS

## Walkability

The Walkability Index is calculated as the sum of standardised scores of local neighbourhood attributes including street connectivity, dwelling density, and the index of access to daily living services. These factors influence how people move around their local neighbourhoods to complete everyday activities. The 'walkability' of an area is an important influence on social connectedness, sustainability, physical activity,

and health outcomes. The Walkability Index has an average of 0. A negative result indicates low/poor walkability, and a positive result indicates high/good walkability. Again, those LGAs with an above average DVA White Card veteran population on average had poorer walkability (average of -0.07) compared to LGAs with a low DVA White Card veteran population (average of +0.44).



**Figure 3.6 Walkability Index, 2021, Greater Sydney, Newcastle and Wollongong LGAs**

Source: RPS (2023). Walkability Index, AOU. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS

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Public transport

The poor walkability of DVA White Card ‘veteran hotspot’ LGAs is somewhat ameliorated by relatively equal access to regular public transport services (respective averages of 66.6% and 68.1%). Efficient and accessible public transport enables access to services,

education, and jobs. Furthermore, living close to public transport supports community health in two significant ways: by encouraging walking and reducing people’s dependence on cars. People who live within walking distance of public transport stops, that is, 400m or approximately a five-minute walk, are more likely to use public transport, and in turn achieve daily recommended exercise targets.

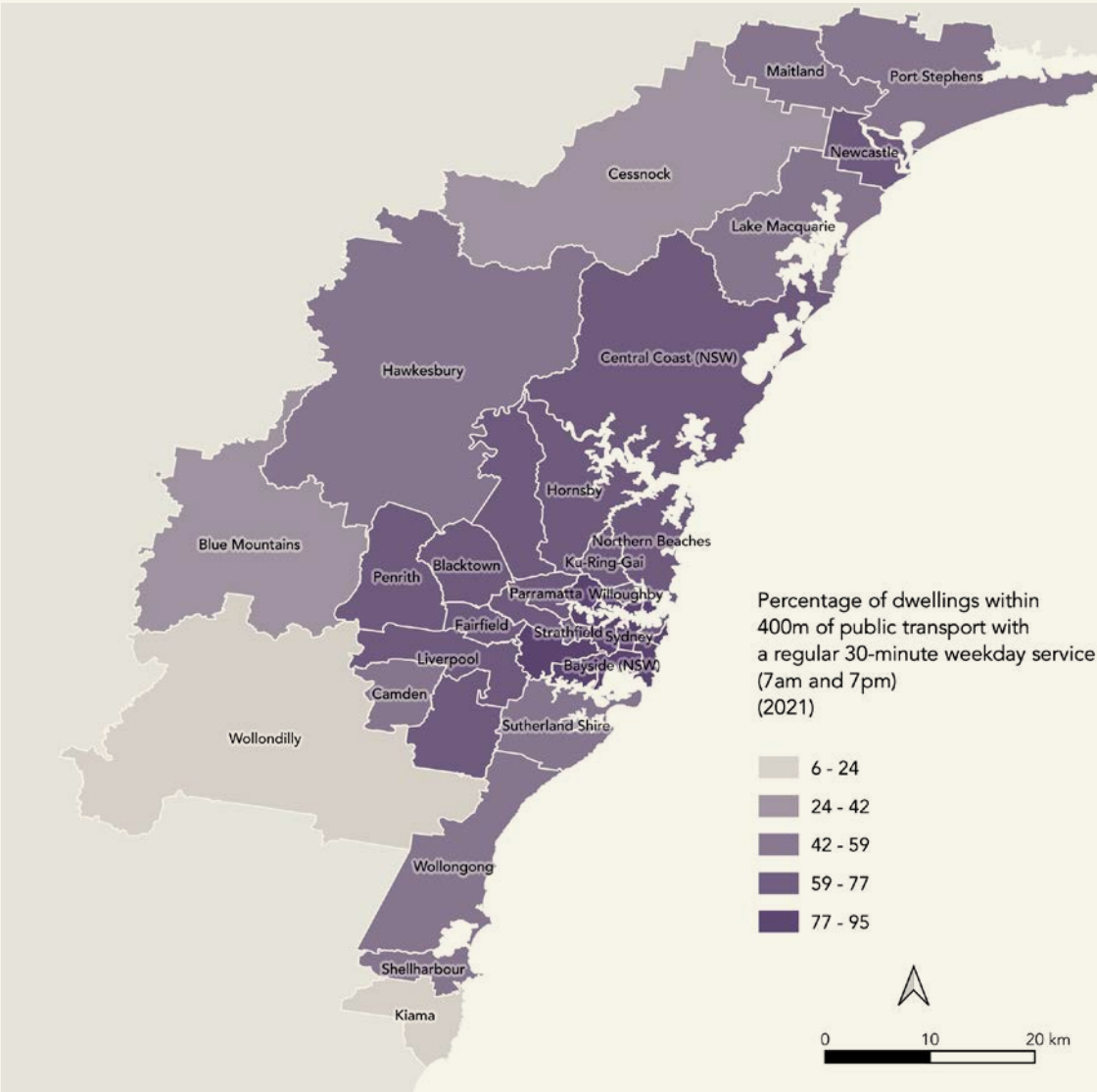


Figure 3.7: Walkability Index, 2021, Greater Sydney, Newcastle and Wollongong LGAs

Source: RPS (2023). Percent of dwelling within 400 m of public transport, AOU. ASGS Edition 3, using QGIS [GIS software], version 3.16. Sydney, RPS



### 3.3 Economic and quality of life benefits of veterans housing

Programs for veterans can often be focused on the costs of support without acknowledging the significant economic and social value that can be created through interventions. This is particularly true if targeted at the point when veterans transition back into civilian life, which is generally when they are most vulnerable and risks to employment and health can have the greatest lifetime consequences. The following sections present indicative estimates of the potential value that could be created by improvements to veterans housing, both for Australia as a whole and each state and territory.

#### 3.3.1 Australian estimates

The following examples provide an indication of the potential economic and societal costs that could be incurred through a failure to provide adequate housing, employment, and healthcare support to transitioning veterans. This excludes the costs of providing veterans support services.

There are identified limitations in the underlying data and several of these estimates represent maximum costs that may not be totally avoidable in practice or are already being partially addressed by existing initiatives. As such, both upper and lower-bound estimates have been considered and the mid-point has been reported in headline results. For example, for the economic cost of unemployment the upper bound is based on estimates of up to 5,767 homeless veterans from AHURI (2022), while the lower bound estimate is based on the 1,400 veterans seeking assistance from specialist homelessness services between July 2017 and July 2022 (280 per year). The estimate of the societal costs of suicide assumes that half of the upper limit costs could be avoided. The estimate of society's willingness to pay for improved community cohesion and residential amenity for veterans assumes half of the maximum value could be realised.

Combined, this results in an aggregate estimate across Australia of around \$344 million per year in economic and social costs as a result of unemployment and increased rates of suicide, as well as potential improvements to community cohesion and the quality of veterans housing. Assuming the same costs continue over the next 30 years results in an indicative estimate of \$4.6 billion (present value, 7% discount rate).

Given identified limitations there are opportunities to refine these assumptions for future estimates including confirming the number of beneficiaries (e.g. refining estimates of homeless veterans) and attributing the extent of avoided costs and benefits to specific interventions and locations.

#### Economic costs of unemployment

Veterans leaving the ADF are often highly educated, but if that cannot be converted to ongoing secure employment, the economy may lose up to \$2.5 million in lifetime contribution per veteran.<sup>63</sup>

Extrapolating the average annual economic contribution of previously serving veterans (\$63,712), which accounts for the relatively high proportion of non-school qualifications for previously serving veterans (60%), across the total population of homeless veterans in Australia (assumes 3,000, or around 50% of up to 6,000 homeless veterans), results in an indicative economic cost of around \$192.6 million per year.

#### Societal costs of poor health and suicide

Improved health and wellbeing as a result of providing secure housing and access to health services can be valued at up to \$130,000 per veteran, based on society's willingness to pay for relief from depression or drug and alcohol problems. This increases to around \$6.9 million per avoidable death.

There are significantly higher suicide rates for previously serving men (+27%) and women (+107%) resulting in an additional 8.2 suicides per 100,000 population after accounting for the proportion of men and women. Applying this incremental rate to the total population of previously serving veterans (496,165) results in an additional 41 suicides per year for veterans compared to the general population. Assuming half of these suicides are potentially avoidable results in an indicative social cost of \$140.3 million per year.

<sup>63</sup> Calculation based on a 24-year-old veteran working to 65 years of age and receiving average weekly earnings for someone with non-school qualifications. This assumes average weekly earnings of \$1,377 (ABS, Nov 2022), average annual earnings of \$71,583 (x52 weeks).

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Community willingness to pay for improved quality of life

An improved sense of community can create around \$24,000 of social value per person per year as a result of being able to obtain advice locally (\$3,500), a feeling of living in a good neighbourhood (\$2,500), a feeling of belonging (\$5,300), regularly talking with neighbours (\$7,300), and being able to rely on family (\$5,500).

Improved residential amenity can create more than \$53,000 of social value per person as a result of not being worried about crime (\$17,400), no problems with anti-social behaviour (\$9,100) or loitering (\$8,100), feeling that the police are doing a good job (\$8,100), and no problems with vandalism/graffiti (\$5,800) or litter (\$5,000).

Applying the community willingness to pay for these attributes to around 20% of the 1,400 veterans receiving specialist homelessness support services, reflecting that existing veterans housing services are already providing parts of these attributes, results in an indicative value of \$11 million per year.

Key assumptions, calculation and sources

Key assumptions, calculations and sources informing the estimation of economic and social value are presented in Table 3.2.

Table 3.2 Calculation of potential economic and social value created from veterans housing

Benefit	Potential value	Sources and comments
Employment, education and training	<ul style="list-style-type: none"> <li>A veteran leaving the ADF at 25 years of age could create nearly \$2.9 million of value<sup>64</sup> for the economy on average if fully employed to age 65.</li> <li>Moving a veteran from unemployment to full-time employment is estimated to create an additional \$26,900 in social value, increasing by a further \$17,900 if the job is secure (total \$44,700).</li> <li>Additional employment training is estimated to generate around \$3,000 in social value per participant.</li> <li>Non-school qualifications can increase a veterans' economic contribution by \$25,000 per year, or 1 million over their life.<sup>65</sup></li> <li>60% of previously serving veterans have non-school qualifications (Certificate III &amp; IV, Advanced Diploma, Bachelor, Graduate and Post-graduate).</li> <li>Weighted average annual economic contribution of \$63,712 per veteran based on % with non-school qualifications.</li> <li>A veteran leaving the ADF at 25 years of age could create nearly \$2.5 million based on \$63,712 of value for the economy on average if fully employed to age 65.</li> </ul>	<ul style="list-style-type: none"> <li>Average weekly earnings of \$1,377 (ABS, Nov 2022), average annual earnings of \$71,583 (x52 weeks), retirement age of 65 years.</li> <li>UK Social Value Bank (including health top-up and adjustment for deadweight loss) and long-term exchange rate of 1.7 AUD:UK pounds (monthly, January 2010 to March 2023).</li> <li>UK Social Value Bank (including health top-up and adjustment for deadweight loss) and long-term exchange rate of 1.7 AUD:UK pounds (monthly, January 2010 to March 2023).</li> <li>Weekly earnings by highest level of educational attainment (ABS, Aug 2022), assuming full time employment from age 25 to 65.</li> <li>ABS Census 2021 (highest level of educational attainment and average weekly earnings).</li> </ul>
Health	<ul style="list-style-type: none"> <li>Improved health and wellbeing is valued at more than \$130,000 per person as a result of relief from depression/anxiety (\$47,000), good overall health (\$26,000), relief from drug and alcohol problems (\$33,000), smoking cessation (\$5,100) and feeling in control (\$20,000).</li> <li>Each additional kilometre of walking creates \$1.89 of health benefits from avoided health system costs.</li> <li>Each avoidable death is valued at between \$5.3 million (\$227,000 per year) to \$8.5 million in Australia.</li> <li>There are 157 more avoidable deaths per 100,000 population in remote areas compared to major cities. This reflects reduced access to healthcare, with 2.1 more healthcare visits in major cities than remote areas.</li> <li>Previously serving males have a 27% higher risk of suicide than the general population while previously serving females have a 107% (2.07 times) higher suicide risk than the general population. This results in a weighted average 8.2 additional suicides per 100,000 population for previously serving veterans. Applying this suicide rate to the previously serving veterans population of 496,165 resulted in an estimated 42 additional suicides per year compared to the general population.</li> </ul>	<ul style="list-style-type: none"> <li>UK Social Value Bank, health attributes.</li> <li>Office of Best Practice Regulation (2022) Best Practice Regulation Guidance Note: Value of statistical life; Transport for NSW (2020) Economic Parameter Values</li> <li>AIHW (2022) Rural and Remote Health, comparison of major cities versus remote.</li> <li>AIHW (2022) Australian Defence Force suicide monitoring.</li> <li>Transport for NSW (2020) Economic Parameter Values (active transport parameters)</li> </ul>
Community cohesion	<ul style="list-style-type: none"> <li>A sense of community can create around \$24,000 of social value per person per year as a result of being able to obtain advice locally (\$3,500), a feeling of living in a good neighbourhood (\$2,500), a feeling of belonging (\$5,300), regularly talking with neighbours (\$7,300) and being able to rely on family (\$5,500)</li> </ul>	<ul style="list-style-type: none"> <li>UK Social Value Bank, place-making attributes.</li> </ul>
Amenity from improved quality of housing	<ul style="list-style-type: none"> <li>Every additional 100m2 of tree canopy creates \$5.35 of value.</li> <li>Improved residential amenity can create more than \$53,000 of social value per person as a result of not being worried about crime (\$17,400), no problems with anti-social behaviour (\$9,100) or loitering (\$8,100), feeling that the police are doing a good job (\$8,100) and no problems with vandalism/graffiti (\$5,800) or litter (\$5,000).</li> </ul>	<ul style="list-style-type: none"> <li>NSW Department of Planning and Environment (2022) Interim Framework for Valuing Green Infrastructure and Public Spaces</li> <li>UK Social Value Bank, place-making attributes.</li> </ul>

<sup>64</sup> \$1.025 million in present value applying a 7% discount rate.

<sup>65</sup> \$365,000 in present value applying a 7% discount rate.



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3.3.2 State and territory estimates

As an indication of the potential economic and societal costs for individual states and territories, the estimated Australian figure of up to \$344 million per year has been apportioned to each state and territory based on

the share of previously serving veterans in Table 2.1. This provides a potential range of up to \$4.2 million (Northern Territory) to \$98.2 million (Queensland) per year in each state or territory.

STATE OR TERRITORY	PREVIOUSLY SERVED	% VET	\$M VALUE	30-YEAR PV
Queensland	141,774	28.6%	\$98.2	\$1,304.4
New South Wales	127,047	25.6%	\$88.0	\$1,168.9
Victoria	92,670	18.7%	\$64.2	\$852.6
Western Australia	55,966	11.3%	\$38.8	\$514.9
South Australia	41,484	8.4%	\$28.7	\$381.7
Australian Capital Territory	13,966	2.8%	\$9.7	\$128.5
Tasmania	17,219	3.5%	\$11.9	\$158.4
Northern Territory	6,034	1.2%	\$4.2	\$55.5
Total	496,165	100%	\$343.8	\$4,565.1

Table 3.2 State and territory shares of estimated economic and social costs

3.3.3 Conclusions on economic and societal costs

Although there are several identified limitations in the underlying data on veterans, and the use of stylised examples is more reflective of an upper bound, the scale of these estimates supports the significant economic and societal value that could be generated by improvements to veterans’ housing support and related services. These estimates are significant when considered from a national perspective, as well as within each state and territory.

There are several opportunities to address data limitations and refine future estimates including confirming the annual number of homeless veterans (assumed up to 5,767) and attributing improved employment outcomes, improved health outcomes, avoided suicides, improved community cohesion, and improved quality of housing to specific interventions and locations.







## 4 Conclusion

This is the second report in the *Give Me Shelter Series*. The first report estimated that for every \$1 the Australian community invested in social and affordable housing a further \$2 in cost savings and additional benefits would be delivered (e.g. savings in health, education, improved productivity etc). It also identified the need for future research to investigate the impacts of the long-term underprovision of public, social, and affordable housing in Australia in terms of specific vulnerable groups. It also identified the need for future research to investigate the impacts of the long-term underprovision of public, social, and affordable housing in Australia in terms of specific vulnerable groups. The focus of this current *Give Me Shelter report* is on the economic and community cost due to the lack of sufficient housing for our veterans.

### 4.1 Improved understanding of the demographic and socio-economic profile of veterans

For the first time in 2021 the Australian Census of Population and Housing (Census) included questions around individual's current and former service in the Australian Defence Force (ADF). Released in late-2022, this new data set offers an important contribution to the limited evidence and insights into the housing needs, risks, and status of the Australian veteran population, presenting a significant opportunity to inform the future development of housing policies and programs targeting this population cohort.<sup>66</sup>

The Australian Census of Population and Housing 2021 (Census) identified that more than half a million Australians (581,000) have served or are currently serving in the ADF, representing 2.3 per cent of the total Australian population. It is estimated that 1 in 20 households in Australia include at least one person who is a veteran.<sup>67</sup> Of the veteran population, there are around 85,000 (15%) currently serving members compared to 496,165 previously serving veterans (85%).

Geographically some states and territories account for a higher proportion of the ADF veteran population. The state with the numerically largest veteran populations is Queensland (164,114) followed by New South Wales (151,906) and then Victoria (104,055). Although, even in those states and territories with smaller shares of the total veteran population the numbers are still significant in absolute terms (e.g. 10,610 in the Northern Territory and 18,178 in Tasmania).

### 4.2 Vulnerability of veterans to homelessness

Australia's veteran community is particularly vulnerable to homeless due to several identified risk factors. These include being single, being unemployed, experiencing financial strain, having physical injuries, disabilities and mental health issues, having less contact with family and friends, and having experienced a greater number of lifetime traumatic events.<sup>68</sup> Furthermore, social isolation from family and friends due to the transient nature of a military career is also understood to be an issue.<sup>69</sup>

Veterans, particularly those transitioning out of the ADF, are vulnerable to becoming homeless, with 1,400 veterans seeking assistance from specialist homelessness services in 2020-21. However, this figure is thought to understate the real rate of veteran homelessness, as research finds that previously serving ADF personnel are less likely to use SHS compared to the general Australian population (1.1% and 3.4% respectively).<sup>70</sup>



While these figures represent those who have sought help via SHS, a recent study by the Australian Housing and Urban Research Institute (AHURI)<sup>71</sup> estimates up to 5.3 per cent of veterans (total 5,767) who have transitioned out of the ADF have experienced homelessness in the last 12 months. This increased figure is likely due to:

- Previously serving ADF personnel being less likely to use homelessness services than the Australian population - 1.1 per cent compared with 3.4 per cent.<sup>72</sup>
- The majority of veterans who had recently experience homelessness reporting that they did not feel that assistance was needed (54 per cent) – this is despite their vulnerability and high level of need. Another large group from this cohort reported that they did not know where to go for help (29 per cent)<sup>73</sup>
- Those experiencing vulnerability characteristics such as mental health issues, being less likely to seek assistance due to the social stigma associated with mental illness within military communities<sup>74</sup>.

Previously serving personnel are also more likely to die by suicide than the general population after adjusting for age.<sup>75</sup> The risk is 27% higher for males, particularly those leaving the ADF for involuntary medical reasons, and 107% (2.07 times) higher for females.

The 2021 Census data shows that those veterans who have previously served in the ADF are more likely to live in regional areas (45 per cent) compared to those who have never served (33 per cent) and are likely to represent a more vulnerable group due to poorer access to health, education and employment in regional Australia.<sup>76</sup> They are also less mobile compared to the general Australian population, with 88 per cent identified as residing at the same address one year ago (2020) and, 67% identified residing at the same address, five years ago in 2016.

The under 35-year-old cohort who have previously served in the ADF also represent a potentially vulnerable group. This age group has a relatively high level of people leaving the ADF early in their career (31,173 people, or 6.3% of previously served), and accounts for a relatively high level of the Department of Veterans' Affairs (DVA) treatment population (39% of recipients under the *Military Rehabilitation and Compensation Act 2004* and 15.2% under the *Veterans Entitlement Act 1986*). It is also noted that the 2021 ABS Census recorded 1,555 homeless veterans on Census night. Although, this residence-based survey likely understates the true number of homeless veterans.

<sup>66</sup> <https://www.abs.gov.au/media-centre/media-releases/2021-census-will-help-deliver-better-outcomes-veterans>

<sup>67</sup> Australian Bureau of Statistics (ABS) 2021 Census; Australian Institute of Health and Welfare (AIHW) Veterans in the 2021 Census: first results, available at: <https://www.aihw.gov.au/reports/veterans/veterans-in-the-2021-census-first-result>

<sup>68</sup> Van Hooff, M., Searle, A., Avery, J., Lawrence-Wood, E., Hilferty, F., Katz, I., Zmudzki, F. and McFarlane, A. (2019), Homelessness and its correlates in Australian Defence Force veterans, Australian Housing and Urban Research Institute, Melbourne.

<sup>69</sup> Van Hooff, M., Searle, A., Avery, J., Lawrence-Wood, E., Hilferty, F., Katz, I., Zmudzki, F. and McFarlane, A. (2019), Homelessness and its correlates in Australian Defence Force veterans, Australian Housing and Urban Research Institute, Melbourne.

<sup>70</sup> Australian Institute of Health and Welfare (2019) Use of homelessness services by contemporary ex-serving Australian Defence Force members 2011–17. Cat. no. PHE 265. Canberra: AIHW. Viewed 30 April 2021, <https://www.aihw.gov.au/reports/veterans/homelessnessservices-ex-serving-adf>

See also Hilferty, Katz et al. 2019 who argued that the reluctance to seek housing support may partly be a cultural issue, with ex-serving men and women preferring to be self-reliant, and/or feeling too ashamed to seek help until a crisis occurred.

<sup>71</sup> Hilferty F., et al (2019) Homelessness amongst Australian veterans, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans>.

<sup>72</sup> Australian Institute of Health and Welfare (2019) Use of homelessness services by contemporary ex-serving Australian Defence Force members 2011–17. Cat. no. PHE 265. Canberra: AIHW. Viewed 30 April 2021, <https://www.aihw.gov.au/reports/veterans/homelessnessservices-ex-serving-adf>

<sup>73</sup> Hilferty F., et al (2019) Homelessness amongst Australian veterans, Australian Housing and Urban Research Institute Limited, Melbourne, <https://www.ahuri.edu.au/research/research-papers/homelessness-amongst-australian-veterans>.

<sup>74</sup> Reisman, M., (2016) PTSD Treatment for Veterans: What's Working, What's New, and What's Next. PubMed Central Vol 41(10):623-634 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5047000/>

<sup>75</sup> Australian Institute of Health and Welfare (AIHW) (2022) Australian Defence Force suicide monitoring <https://www.aihw.gov.au/suicide-self-harm-monitoring/data/populations-age-groups/australian-defence-force-suicide-monitoring> (accessed 06/04/2023)

<sup>76</sup> Australian Institute of Health and Welfare (AIHW) (2022), Rural & remote Australians, <https://www.aihw.gov.au/reports-data/population-groups/rural-remote-australians/overview> (accessed 27 March 2023).

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### 4.3 Challenges and opportunities with veterans housing services

There is an extensive range of veterans housing services currently provided in Australia, with more than 20 different service providers across government agencies and non-government organisations (including the ADF, Department of Veterans' Affairs, Returned & Services League of Australia (RSL), Australian War Widows Inc, Mates4Mates<sup>77</sup>, Vietnam Veterans' Association of Australia, Andrew Russell Veteran Living, and the Air Force Association (RAAFA). These veteran specific programs are successful in engaging and assisting homeless veterans by focusing on a housing-first approach (longer-term accommodation provisions), active case management, advocacy to provider organisations, practical assistance, and therapeutic assistance (counselling).<sup>78</sup>

Despite the relative success of these programs, they also face some challenges, including the requirement to raise their own funding and the scale of the problems they are seeking to address. For example, RSL Tasmania and The Salvation Army currently have 30 veterans on their books for whom they are actively looking for homes. This represents a significant demand in comparison to the 17 people they have housed or helped over the last 14 months.<sup>79</sup> Other challenges exist in the coordination, access, and delivery of these services. These challenges include:

- Challenge 1: Homeless veterans are reluctant to seek support from mainstream agencies.
- Challenge 2: Lack of access to follow-up services for transitioning veterans.
- Challenge 3: Identifying veterans who may slip through the cracks (for example, as a result of a lack of affordable housing).

A literature review of international case studies has identified several opportunities that could provide additional value in the Australian context including:

- A veterans response team with formal training and qualifications to proactively connect vulnerable veterans with support services (Pennsylvania, United States).
- Colocated housing, case management and support services in apartments, with visualisation of services options and dynamic prioritisation of services (Ohio, United States).
- Coordinated follow-up services for veterans transitioning from housing services, delivered face-to-face where possible (Ohio, United States)
- Street outreach program with health technicians and peer support specialists, assisted by former homeless veterans to build rapport (Palo Alto, United States).
- Tiny villages with wrap-around services as a lower-cost alternative to homeless shelters, including self-management (e.g. Seattle, United States), women's villages (Oregon, United States) and case workers with individualised support plans (Calgary and Edmonton, Canada).

Recognising the increase in female participation (21% of current and 13% of previous serving), programs targeting female ADF personnel will increasingly need to be tailored to address the varying health and social services challenges and opportunities faced by this cohort.

The provision of secure housing is only half the answer if Australia is to realise the range of social and economic benefits that can come from increased investment in secure housing infrastructure for Australian veterans. For example:

- Veterans leaving the ADF are often highly educated, but if that cannot be converted to ongoing secure employment the economy may lose up to \$2.5 million in lifetime contribution per veteran<sup>80</sup>. Extrapolating the average annual economic contribution of previously serving veterans (\$63,712) across around 3,000 homeless veterans (or 50% of up to 6,000) results in an annual economic loss of around \$193 million per year.
- Improved health and wellbeing as a result of secure housing and access to health services can be valued at up to \$130,000 per veteran based on community willingness to pay, increasing to around \$6.9 million per life lost. Accounting for higher suicide rates for previously serving men (+37%) and women (+107%) and extrapolating across the 496,165 previously serving ADF members results in an additional 41 suicides per year for veterans. Assuming 50% of these are potentially avoidable results in an estimated cost to society of around \$140 million per year from veterans' suicide.
- The community is estimated to be willing to pay up to \$77,600 per veteran for an improved sense of community and improvements to the quality of veterans housing. This includes being able to obtain advice locally, a sense of belonging, creating relationships with neighbours or family, reduced crime and anti-social behaviour and no problems with vandalism, graffiti, or litter. Extrapolating across around 20% of the 1,400 veterans receiving specialised homelessness support services results in an estimated community value of around \$11 million per year from improved quality of veterans housing and related services.
- In this regard, a place-based approach is needed which recognises that veterans need to be provided with housing that is not only secure, but also located in close proximity to infrastructure corridors and services to fully maximise their social, cultural, and employment potential. This includes access to healthcare along with other social services, stable employment opportunities, and veterans' communities.

<sup>77</sup> It is noted that Mates4Mates don't deliver homelessness services directly but refer into the RSL Queensland Veteran Homelessness Program.

<sup>78</sup> Homelessness and Housing Support. RSL LifeCare. (2023, January 11). Retrieved April 6, 2023, from <https://rsllifecare.org.au/veteran-services/homelessness-and-housing-support/>

<sup>79</sup> Hardy, J. (2023, April 1). ADF veterans on frontline of homelessness. RSL Tasmania. Retrieved April 11, 2023, from <https://www.rsltas.org.au/wp-content/uploads/2023/04/HobartMercuryApril4Page21-ADF-Veterans-on-the-frontline-of-homelessness.pdf>  
Assumes a younger veteran leaving the ADF at 25 years of age with a non-school qualification and working full time to 65 years of age.

<sup>80</sup> Around 50% of the AHURI (2022) estimate of 5,767 homeless veterans.



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## 5 Appendix

### 5.1 Gender

#### 5.1.1 Never served

GENDER	Never served/not stated/ N.A		Total ever served		Total	
	#	%	#	%	#	%
Male	12,081,421	96.0	497,029	4.0	12,578,447	100
Female	12,822,096	99.3	84,116	0.7	12,906,202	100
Total	24,903,514	97.7	581,141	2.3	25,484,656	100

Table 5.1 Australian population 2021 by gender (persons, place of enumeration) and ADF service (never served, total ever served)

#### 5.1.2 Currently serving and previously served

GENDER	Currently serving in the ADF		Previously served in the ADF		Total ever served in the ADF	
	#	%	#	%	#	%
Male	67,392	13.6	429,637	86.4	497,029	100
Female	17,477	20.8	66,639	79.2	84,116	100
Total	84,865	14.6	496,276	85.4	581,141	100

Table 5.2 ADF veteran population 2021 by gender (persons, place of enumeration) and service status (current, previous)

#### 5.1.3 Overall summary

GENDER	Currently serving in the ADF		Previously served in the ADF		Total ever served	
	#	%	#	%	#	%
Male	67,392	79%	429,637	87%	497,029	86%
Female	17,477	21%	66,639	13%	84,116	14%
Total	84,865	100%	496,276	100%	581,141	100%

Table 5.3 Australian veteran population 2021 by gender (persons, place of enumeration) and service status (current, previous)

## 5.2 Age

### 5.2.1 Never served

GENDER	Never served/not stated/ N/A		Total ever served		Total	
	#	%	#	%	#	%
<35 years	6,608,699	98.9	76,043	1.1	6,684,745	100
35-54 years	6,604,189	97.9	144,915	2.1	6,749,105	100
55-74 years	5,260,351	95.9	226,366	4.1	5,486,714	100
75 years and over	1,788,538	93.0	133,815	7.0	1,922,353	100

Table 5.4 Australian population 2021 by age group (persons, place of enumeration) and ADF service (never served, total ever served)

### 5.2.2 Currently serving and previously served

GENDER	Never served/not stated/ N/A		Total ever served		Total	
	#	%	#	%	#	%
<35 years	44,870	59.0	31,173	41.0	76,043	100
35-54 years	32,333	22.3	112,582	77.7	144,915	100
55-74 years	7,665	3.4	218,701	96.6	226,366	100
75 years and over	0	0.0	133,815	100.0	133,815	100
<b>Total</b>	<b>84,865</b>	<b>14.6</b>	<b>496,276</b>	<b>85.4</b>	<b>581,141</b>	<b>100</b>

Table 5.5 ADF veteran population 2021 by age group (persons, place of enumeration) and service status (current, previous)

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5.3 Location by state

5.3.1 Never served

STATE	Never served/not stated/ N/A		Total ever served		Total	
	#	%	#	%	#	%
New South Wales	7,918,073	98.1	151,906	1.9	8,069,984	100
Victoria	6,368,855	98.4	104,055	1.6	6,472,911	100
Queensland	5,046,536	96.9	164,114	3.1	5,210,647	100
South Australia	1,729,667	97.3	47,213	2.7	1,776,877	100
Western Australia	2,614,142	97.7	62,760	2.3	2,676,904	100
Tasmania	535,734	96.7	18,178	3.3	553,908	100
Northern Territory	253,903	96.0	10,610	4.0	264,516	100
Australian Capital Territory	431,448	95.1	22,007	4.9	453,454	100
Total	24,898,350	97.7	580,851	2.3	25479208	100

Table 5.6 Australian veteran population, 2021 by State (persons, place of enumeration)



### 5.3.2 Currently serving and previously served

STATE	Currently serving in the ADF		Previously served in the ADF		Total ever served	
	#	%	#	%	#	%
New South Wales	24,859	16.4	127,047	83.6	151,906	100
Victoria	11,385	10.9	92,670	89.1	104,055	100
Queensland	22,340	13.6	141,774	86.4	164,114	100
South Australia	5,729	12.1	41,484	87.9	47,213	100
Western Australia	6,794	10.8	55,966	89.2	62,760	100
Tasmania	959	5.3	17,219	94.7	18,178	100
Northern Territory	4,576	43.1	6,034	56.9	10,610	100
Australian Capital Territory	8,041	36.5	13,966	63.5	22,007	100
<b>Total</b>	<b>84,686</b>	<b>14.6</b>	<b>496,165</b>	<b>85.4</b>	<b>580,851</b>	<b>100</b>

Table 5.7 Australian veteran population (total ever served), 2021 by State (persons, place of enumeration)

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## 5.4 Location by Local Government Area

The table below shows the top 25 Local Government Areas (LGAs) for the ADF veteran population that ever served. The breakdown of these by state is:

QLD – 11 out of top 25 LGAs

NSW – 8 out of the top 25 LGAs

VIC – 2 out of the top 25 LGAs

WA – 2 out of the top 25 LGAs

SA – 1 out of the top 25 LGAs

ACT – 1 out of the top 25 LGAs.

STATE	LGA	Currently serving in the ADF		Previously served in the ADF		Total ever served	
		#	%	#	%	#	%
QLD	Brisbane	6,037	18.6	26,414	81.4	32,451	100.0
ACT	Unincorporated ACT	8,041	36.5	13,966	63.5	22,007	100.0
QLD	Moreton Bay	2,050	11.2	16,234	88.8	18,284	100.0
QLD	Gold Coast	845	6.0	13,130	94.0	13,975	100.0
QLD	Townsville	5,217	37.5	8,702	62.5	13,919	100.0
QLD	Sunshine Coast	457	4.0	10,840	96.0	11,297	100.0
QLD	Ipswich	3,140	31.9	6,716	68.1	9,856	100.0
NSW	Central Coast (NSW)	340	4.3	7,541	95.7	7,881	100.0
QLD	Logan	398	5.6	6,771	94.4	7,169	100.0
WA	Rockingham	2,148	32.4	4,482	67.6	6,630	100.0
QLD	Toowoomba	998	15.5	5,424	84.5	6,422	100.0
VIC	Mornington Peninsula	1,631	27.7	4,264	72.3	5,895	100.0
QLD	Cairns	1,085	18.5	4,778	81.5	5,863	100.0
NSW	Lake Macquarie	384	6.7	5,329	93.3	5,713	100.0
VIC	Greater Geelong	250	4.4	5,428	95.6	5,678	100.0
NSW	Shoalhaven	1,470	26.6	4,060	73.4	5,530	100.0
QLD	Fraser Coast	109	2.1	5,169	97.9	5,278	100.0
QLD	Redland	176	3.6	4,749	96.4	4,925	100.0
NSW	Newcastle	1,123	23.3	3,692	76.7	4,815	100.0
SA	Onkaparinga	239	5.0	4,552	95.0	4,791	100.0
NSW	Sutherland	802	17.9	3,676	82.1	4,478	100.0
WA	Stirling	469	11.1	3,744	88.9	4,213	100.0
NSW	Northern Beaches	364	8.7	3,841	91.3	4,205	100.0
NSW	Port Stephens	1,138	27.5	2,998	72.5	4,136	100.0
NSW	Sydney	2,420	58.8	1,699	41.2	4,119	100.0

Table 5.8 Local Government Areas (top 25) with highest (#) Australian veteran population (total ever served), 2021 (persons, place of enumeration)



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### 5.5 Housing

#### 5.5.1 Never served, address 1 year ago

Usual address – one year ago	Currently serving in the ADF		Previously served in the ADF		Total ever served	
	#	%	#	%	#	%
Same as in 2021	19,442,736	79.2	489,806	84.3	19,932,538	79.3
Elsewhere in Australia	3,514,111	14.3	80,100	13.8	3,594,212	14.3
Overseas in 2020	172,386	0.7	2,648	0.5	175,028	0.7
Not stated	1,428,960	5.8	8,589	1.5	1,437,546	5.7
<b>Total</b>	<b>24,558,194</b>	<b>100.0</b>	<b>581,141</b>	<b>100.0</b>	<b>25,139,334</b>	<b>100.0</b>

Table 5.9 Australian veteran population, 2021 by usual address one year ago (persons, place of enumeration)

#### 5.5.2 Never served, address five years ago

Usual address – five years ago	Never served/not stated/ N.A.		Total ever served		Total	
	#	%	#	%	#	%
Same as in 2021	12,366,452	49.8	352,398	60.6	12,718,845	50.0
Elsewhere in Australia	8,250,659	33.2	211,329	36.4	8,461,985	33.3
Overseas in 2016	1,282,635	5.2	6,810	1.2	1,289,442	5.1
Not stated	1,478,100	6.0	10,612	1.8	1,488,711	5.9
Not applicable	1,463,817	5.9	0	0.0	1,463,817	5.8
<b>Total</b>	<b>24,841,649</b>	<b>100.0</b>	<b>581,141</b>	<b>100.0</b>	<b>25,422,788</b>	<b>100.0</b>

Table 5.10 Australian veteran population, 2021 by usual address five years ago (persons, place of enumeration)

### 5.5.3 Currently serving and previously served, address 1 year ago

Usual address – one year ago	Currently serving in the ADF		Previously served in the ADF		Total ever served	
	#	%	#	%	#	%
Same as in 2021	54,912	64.7	434,894	87.6	489,806	84.3
Elsewhere in Australia	28,460	33.5	51,640	10.4	80,100	13.8
Overseas in 2020	961	1.1	1,687	0.3	2,648	0.5
Not stated	535	0.6	8,054	1.6	8,589	1.5
<b>Total</b>	<b>84,865</b>	<b>100.0</b>	<b>496,276</b>	<b>100.0</b>	<b>581,141</b>	<b>100.0</b>

Table 5.11 Australian veteran population (total ever served), 2021 by usual address one year ago (persons, place of enumeration)

### 5.5.4 Currently serving and previously served, address 5 years ago

	Currently serving in the ADF		Previously served in the ADF		Total ever served	
	#	%	#	%	#	%
Same as in 2021	21,171	24.9	331,227	66.7	352,398	60.6
Elsewhere in Australia	60,645	71.5	150,684	30.4	211,329	36.4
Overseas in 2020	2,113	2.5	4,697	0.9	6,810	1.2
Not stated	942	1.1	9,670	1.9	10,612	1.8
<b>Total</b>	<b>84,865</b>	<b>100.0</b>	<b>496,276</b>	<b>100.0</b>	<b>581,141</b>	<b>100.0</b>

Table 5.12 Australian veteran population (total ever served), 2021 by usual address five years ago (persons, place of enumeration)

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5.5.5 Tenure type

Tenure type	Never served/not stated/n.a.		Currently serving in the ADF		Previously served in the ADF		Total	
	#	%	#	%	#	%	#	%
Owned outright	5,993,732	24.1	6,161	7.3	232,347	46.8	6,232,238	24.5
Owned with a mortgage	9,695,721	38.9	26,127	30.8	138,762	28.0	9,860,609	38.7
Purchased under a shared equity scheme	29,071	0.1	61	0.1	1,025	0.2	30,163	0.1
Rented	6,920,733	27.8	36,942	43.5	89,113	18.0	7,046,798	27.7
Occupied rent free	209,631	0.8	488	0.6	3,765	0.8	213,874	0.8
Occupied under a life tenure scheme	94,367	0.4	54	0.1	8,389	1.7	102,811	0.4
Other	47,446	0.2	91	0.1	1,172	0.2	48,714	0.2
Not stated	1,201,623	4.8	526	0.6	5,060	1.0	1,207,211	4.7
Not applicable	711,175	2.9	14,412	17.0	16,639	3.4	742,231	2.9
Total	24,903,514	100.0	84,865	100.0	496,276	100.0	25,484,656	100.0

Table 5.13 Australian veteran population, 2021 by tenure type (persons, place of enumeration)



### 5.5.6 Type of non-private dwelling

Type of Non-Private Dwelling	Never served/not stated/n.a.		Currently serving in the ADF		Previously served in the ADF		Total	
	#	%	#	%	#	%	#	%
Nursing home	139,267	19.7	8	0.1	5,784	35.2	145,056	19.7
Hotel, motel, bed and breakfast	167,057	23.7	1,070	7.4	3,519	21.4	171,646	23.3
Accommodation for the retired or aged (not self-contained)	55,741	7.9	0	0.0	2,352	14.3	58,102	7.9
Staff quarters	96,177	13.6	11,546	80.2	1,980	12.0	109,705	14.9
Public hospital (not psychiatric)	41,763	5.9	30	0.2	832	5.1	42,626	5.8
Private hospital (not psychiatric)	18,078	2.6	38	0.3	692	4.2	18,803	2.6
Boarding house, private hotel	21,206	3.0	48	0.3	333	2.0	21,586	2.9
Other and non-classifiable	20,107	2.8	155	1.1	222	1.3	20,482	2.8
Residential college, hall of residence	55,286	7.8	1,406	9.8	198	1.2	56,888	7.7
Psychiatric hospital or institution	6,851	1.0	48	0.3	190	1.2	7,090	1.0
Other welfare institution	8,466	1.2	5	0.0	91	0.6	8,561	1.2
Hostel for the disabled	6,152	0.9	10	0.1	87	0.5	6,245	0.8
Hostel for homeless, night shelter, refuge	4,576	0.6	4	0.0	59	0.4	4,639	0.6
Convent, monastery, etc.	3,076	0.4	0	0.0	49	0.3	3,126	0.4
Boarding school	15,508	2.2	19	0.1	33	0.2	15,557	2.1
Nurses' quarters	1,356	0.2	9	0.1	18	0.1	1,384	0.2
Prison, corrective institution for adults	43,147	6.1	0	0.0	3	0.0	43,154	5.9
Total NPD	706,135	100	14,398	100	16,446	100	736,974	100
Total NPD	706,135	2.8	14,398	17.0	16,446	3.3	736,974	2.9
Total	24,903,514	100	84,865	100	496,276	100	25,484,656	100

Table 5.14 Australian Veteran Population, 2021 by type of non-private dwelling (persons, place of enumeration)5.5.7

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### 5.5.7 Dwelling structure type

Dwelling structure	Never served/not stated/n.a.		Currently serving in the ADF		Previously served in the ADF		Total	
	#	%	#	%	#	%	#	%
Caravan	97,437	63.31	146	62.13	5,332	70.02	102,919	63.62
Cabin, houseboat	39,989	25.98	53	22.55	1,791	23.52	41,834	25.86
Improvised home, tent, sleepers out	16,490	10.71	36	15.32	492	6.46	17,022	10.52
Total - Caravan, cabin, houseboat, improvised home, tent, sleepers out.	153,916	1.00	235	0.28	7,615	1.53	161,775	0.63
Total - Caravan, cabin, houseboat, improvised home, tent, sleepers out.	153,916	0.62	235	0.28	7,615	1.53	161,775	0.63
<b>Total</b>	<b>24,903,514</b>	<b>100</b>	<b>84,865</b>	<b>100</b>	<b>496,276</b>	<b>100</b>	<b>25,484,656</b>	<b>100</b>

Table 5.15 Australian veteran population, 2021 by dwelling structure type – caravan, cabin, houseboat, improvised home, tent, sleepers out (persons, place of enumeration)

### 5.6 Aboriginal and Torres Strait Islander Status

GENDER	Currently serving in the ADF		Previously served in the ADF		Total ever served	
	#	%	#	%	#	%
Non-Indigenous/not stated/n.a.	81,702	14.4	484,668	85.6	566,370	100
Aboriginal and/or Torres Strait Islander	3,159	21.4	11,610	78.6	14,769	100
<b>Total</b>	<b>84,865</b>		<b>496,276</b>		<b>581,141</b>	

Table 5.16 ADF veteran population (total ever served) 2021 by Indigenous status (persons, place of enumeration) and service status (current, previous)

## 5.7 Income support

	Age pension	Service pension	Income support supplement
STATE	#	#	#
New South Wales	722	21,949	9,273
Victoria	444	14,958	5,678
Queensland	1,341	22,405	7,205
South Australia	260	7,440	2,253
Western Australia	332	9,280	2,321
Tasmania	109	2,577	919
Northern Territory	11	275	58
Australian Capital Territory	42	1,029	206
<b>Australia</b>	<b>3,261</b>	<b>79,927</b>	<b>27,915</b>

Table 5.17 Income Support (count) paid by Department of Veterans' Affairs, 2021

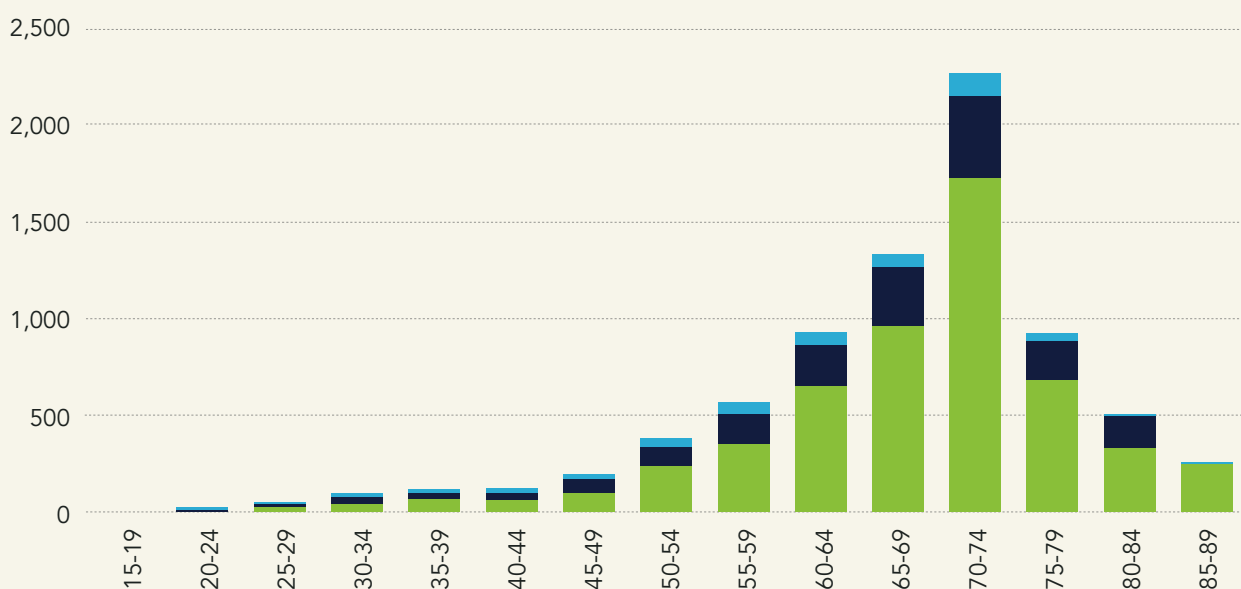


Figure 5.1 ADFP Australian Defence Force Service and AGE5P Age in Five Year Groups by STRD Dwelling Structure

The military service and transition risk factors associated with increased odds of becoming homeless include higher PTSD and psychological distress symptoms; higher alcohol consumption; higher anger levels; operational deployment; being discharged at a lower rank; being unemployed following transition; and, particularly, relationship breakdown following transition.



For more information about the Give Me Shelter report  
or for media enquiries, please contact:

[www.housingallaustralians.org.au/givemeshelter](http://www.housingallaustralians.org.au/givemeshelter) and  
[givemeshelter@housingallaustralians.org.au](mailto:givemeshelter@housingallaustralians.org.au)



## Attachment C

# CASE STUDY



## POP UP SHELTER LAKEHOUSE, VIC.

2018 - 2023

“ Council hopes the Lakehouse success story will inspire other councils, community agencies, private organisations and governments to recognise the huge opportunities offered by using temporarily vacant buildings as a rapid response to alleviating homelessness. ”

Bernadene Voss  
Former Mayor, City of Port Phillip (2018)



'It's excellent, I'm happy.  
We live like a family here  
and help and support each  
other during difficult times.'  
Mrs R, resident,  
Lakehouse, Melbourne

The Lakehouse is Melbourne's first Pop Up Shelter for women in need of temporary housing (2018)

## THE NEED

Women over 50 are the fastest growing group of people experiencing housing instability in Australia - often as a result of pay inequity, little to no superannuation or savings, divorce, domestic and family violence and time taken as unpaid carers. 42% of the women at Lakehouse are survivors of family violence.

Adequate supply of social housing and affordable housing remains an enduring issue across Australia. Currently there are more than 54,000 applicants waiting for housing, on the Victorian Housing Register alone. (March 2022).

## THE SOLUTION

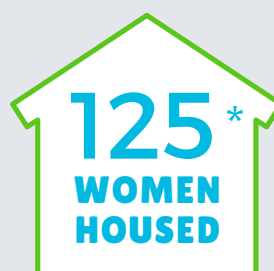
- Utilise and repurpose a vacant aged care facility owned by CaSPA Care in South Melbourne, Vic, to provide short-term crisis or transitional accommodation for up to 30 women at a time, while the building awaits redevelopment approval.
- Private sector and Local Gov't donate professional services and goods for set-up, site preparation, building works, garden, fit out and furnishings. (\$300k estimated value)
- YWCA Housing becomes the lessee and tenancy provider. It also supports those being housed and connects them to additional community services.
- Additional project funds secured from State Government (DHHS) and Lord Mayor's Charitable Foundation for support staff for the women.
- YWCA is charged \$1 a year for use of the property. Building outgoings are recovered via below market rent paid by the women as sub-tenants.

## EXIT STRATEGY

- A detailed strategy for the closure of the Pop Up is part of the lease agreement. All those housed are to be transitioned by YWCA into public or community housing, private rental or supported to return to family or friends.
- The furniture and chattels will be redeployed to other housing projects to support more women.

## OUTCOMES

### 5 years after opening



\*Women housed July 2018 - May 2023

### Of those who've departed

- 57%** Have been supported into long term housing with either YWCA, public housing, referrals to other housing providers, or private rentals.
- 19%** Reconnected and moved in with family/friends/partner
- 3%** Moved interstate or overseas

Average  
length  
of stay  
9 months

- CaSPA Care extends the lease in 2021 for an additional 3 years.
- In 2023 Planning permission is granted to complete 20 additional bedrooms units taking the total to 50.
- Gardenhouse opens in 2023 in Melbourne's east to house 6 women. HAA's 2nd Pop Up Shelter.
- YWCA sees an increase in donations of goods and services for its other properties.
- Housing All Australians and YWCA attracts significant interest from media, the private sector and government.

## COST

### ITEM (2018)

Building Rent - p.a. (peppercorn)  
Case Worker part time x 2 years  
YWCA Tenancy Worker and costs  
Outgoings - Insurance, power etc

### PRICE

\$ 1  
\$ 74,000  
\$ 60,000  
recovered  
via tenant rent

### PRO BONO VALUE STAGE 1

**Donated goods & services.** \$ 300,000  
Project planning, lease & tender.  
Site prep, cleaning, garden, fit out,  
electrical, plumbing, painting and  
cabinetry. Beds, couches,  
furnishings. Bedding, towels,  
toiletries, utensils. Whitegoods:  
fridge, ovens, washing machines.

## CONTACT US

### YWCA HOUSING

03 8341 8700  
www.ywca.org.au  
info@ywca.org.au

### HOUSING ALL AUSTRALIANS

0418 387 159  
www.housingallaustralians.org.au  
info@housingallaustralians.org.au

# CASE STUDY



## POP UP SHELTER LAKEHOUSE, VIC.

“There's hundreds of vacant buildings waiting for redevelopment. It's another form of society's wastage while people are sleeping on our streets, on couches or in cars. It's not a long term solution. It's a temporary fix to a society in crisis.”

Rob Pradolin  
Founder, Housing All Australians



Newly renovated spaces at the Lakehouse - all provided pro bono by the private sector

## BENEFITS FOR THE CONTRIBUTORS



- **CaSPA Care (property owner):** The cohort of older women being supported links directly to our mission. Enhanced social reputation. Raised profile in local community. Saved outgoings on security and insurance. Strengthened stakeholder relationships with local and state government.
- **YWCA Housing:** Ability to deliver more housing for women (our mission). Positive media coverage and invitations to present at key conferences. Won a 2018 Powerhouse Award for Innovation and Leadership. Increased corporate awareness of the issue and engagement with our organisation.
- **Metricon:** As one of Australia's leading home builders we were delighted to be part of this initiative and took immense pride in engaging our suppliers and staff to collaborate to support the proof of concept of this innovative housing solution. The model aligned well with our Alternative Housing business and commitment to nurturing relationships with organisations that have a positive impact in the community.
- **City of Port Phillip:** Tangible evidence of Council affordable housing policy in action. Provides a new and innovative model for local government to reduce street homelessness, achieving rapid results through re-purposing underutilised buildings.
- **Rob Pradolin (HAA):** The model has spurred national interest, with new pop ups underway. It's been instrumental in developing our charity 'Housing All Australians' to harness the ability of the private sector to address a chronic shortage of low income affordable housing.
- **VIC Govt DHHS:** The department is interested in innovation and supportive of collaborations between commercial, government and community sectors.
- **Hansen Yuncken:** Commit to provide probono building services to extend the accommodation to accommodate an extra 20 women.

## KEY LEARNINGS



- 1 **Industry contacts**  
Critical role of a person with the contacts and respect of the property and building industry to secure probono goods and services.
- 2 **Project manager & governance**  
One person or organisation to be responsible for project management and governance.
- 3 **Funding**  
Identify and secure any funding gaps prior to implementation.
- 4 **Goodwill of the private sector and local government**  
Without the generous donations of time, goods and services the Pop Up would not have eventuated.
- 5 **The Lease**  
12 month lease with 2 x 6 month options to extend at property owner's discretion.
- 6 **Community Housing provider**  
Appoint a provider with exceptional track record and expertise in the cohort to be housed. Clarify the tenancy and support services to be provided to those being housed.
- 7 **Property owner & local government**  
Develop and maintain an open and trusted relationship with the property owner and local council.
- 8 **Probono inventory**  
Record commercial value of goods and services provided.

## RISKS & CHALLENGES



- The fact a project like this had never been done before meant there was no precedent.
- The property owner rightly needed to be assured of a) the cohort to be housed b) how the property would be managed and maintained, and c) the exit strategy. - in order not to impact on the building's future development plans. City of Port Phillip played a key role in this when negotiating the lease with the property owner.
- Mitigating any concerns from local residents about the project. This was addressed through community consultation and by housing a low risk cohort of women.
- YWCA Board approval of the project's viable lessee opportunity - financial and social.
- Unforeseen costs and work required to clean up and repair the site after being vacant for so long.
- Effective communication to ensure clarity across the partners - who is doing what, launch event procedures and project governance was a challenge.
- Ensuring a realistic time frame from compliance approvals, signing the lease with property owner, to getting the women into the house.

## Attachment D



PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

# Final report

## *Inquiry into homelessness in Australia*

House of Representatives Standing Committee on  
Social Policy and Legal Affairs

July 2021  
CANBERRA

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# Foreword

Each night, tens of thousands of Australians are without a place to call home. Many thousands more are at risk of becoming homeless.

Behind these statistics lies the true cost of homelessness. Homelessness can have profound and long-term impacts on a person's safety and security, physical and mental health, on their connection to the community, and on their ability to thrive in school or in the workplace.

This inquiry was an opportunity to examine Australian governments' collective response to the problem of homelessness—to understand what is and is not working and to hear about best-practice policies and programs both in Australia and overseas.

In its interim report, presented in October 2020, the Committee considered the impact of the COVID-19 pandemic on homelessness.

In this final report, the Committee makes 35 recommendations which, taken together, propose a renewed approach to preventing and addressing homelessness in Australia.

The Committee's report concludes with a significant and overarching recommendation for the establishment of a ten-year national strategy on homelessness. While state and territory governments are primarily responsible for housing and homelessness, a clear and consistent message in evidence given to the Committee was that there is a need for a national approach.

The Committee considers that a national strategy would lead to more cohesive policies, better coordination and more accountability, particularly in relation to the use of Australian Government funding. A national strategy could also recognise and harness the important roles of local governments, community organisations and the private sector in preventing and addressing homelessness.

Most importantly, a national strategy would ensure that all Australian governments have a shared focus on achieving better outcomes for those who are homeless or at risk of homelessness. In this regard, the Committee identified three main areas for reform.

First, prevention and early intervention represent the most effective and cost-efficient measures to address homelessness. Acknowledging the value of work done to date through integrated ‘place-based’ approaches, the Committee calls for further work to support, strengthen and integrate prevention and early intervention programs.

Second, the principle of ‘Housing First’ should guide all Australian governments’ responses to homelessness. Put simply, this means that housing should be made available to people who are homeless or at risk of homelessness as an immediate priority, and a base from which their other needs can be addressed. The Committee particularly recognises the importance of providing flexible ‘wrap-around’ services as part of the Housing First strategy, to prevent homelessness and associated problems from becoming entrenched.

Third, new approaches are needed to address the shortfall in social and affordable housing. While noting that states and territories are responsible for the provision of social housing, the Committee has identified ways in which the Australian Government can work with state, territory and local governments, as well as community housing providers and other private sector investors, to increase the availability of social and affordable housing for those who need it most.

The report includes a range of other observations and recommendations. The Committee recognises that certain groups are at greater risk of homelessness than others, and that the experience of homelessness can differ from the cities and suburbs to the regional and remote parts of Australia. As such, the Committee recommends the design of a new needs-based funding model for future funding agreements, as well as particular measures to assist groups such as victim-survivors of family, domestic and sexual violence, and Indigenous Australians.

Importantly, the report also makes recommendations to improve data collection and reporting to better inform all Australian governments’ responses to homelessness. This includes a review of how homelessness is defined and how the homeless population is counted through the Census.

The Committee recognises that there is no quick fix to end homelessness in Australia. Nevertheless, the recommendations in this report highlight a range of ways in which Australian governments can work together to reduce the number of people experiencing, or at risk of, homelessness in this country.

The Committee expresses its appreciation to the many individuals and organisations who shared their views with the Committee and informed the Committee's inquiry. The Committee especially thanks those who shared their lived experience of homelessness with the Committee.

**Mr Andrew Wallace MP**  
**Chair**

# Membership of the Committee

## *Chair*

Mr Andrew Wallace MP

## *Deputy Chair*

Ms Sharon Claydon MP

## *Members*

Dr Mike Freeland MP

Mr Andrew Laming MP

Ms Peta Murphy MP

Mr Rowan Ramsey MP

Mr Julian Simmonds MP

Dr Anne Webster MP



# Terms of reference

The House of Representatives Standing Committee on Social Policy and Legal Affairs will inquire into and report on homelessness in Australia. The inquiry will have particular regard to:

- 1 the incidence of homelessness in Australia;
- 2 factors affecting the incidence of homelessness, including housing-market factors;
- 3 the causes of, and contributing factors to, housing overcrowding;
- 4 opportunities for early intervention and prevention of homelessness;
- 5 services to support people who are homeless or at risk of homelessness, including housing assistance, social housing, and specialist homelessness services;
- 6 support and services for people at particular risk of homelessness, including:
  - a. women and children affected by family and domestic violence;
  - b. children and young people;
  - c. Indigenous Australians;
  - d. people experiencing repeat homelessness;
  - e. people exiting institutions and other care arrangements;
  - f. people aged 55 or older;
  - g. people living with disability; and
  - h. people living with mental illness;

- 7 the suitability of mainstream services for people who are homeless or at risk of homelessness;
- 8 examples of best-practice approaches in Australia and internationally for preventing and addressing homelessness;
- 9 the adequacy of the collection and publication of housing, homelessness, and housing affordability related data; and
- 10 governance and funding arrangements in relation to housing and homelessness, particularly as they relate to the responsibility of Local, State, Territory and Federal Governments.

# List of abbreviations

ABS	Australian Bureau of Statistics
ACH	aged care and housing
ACOSS	Australian Council of Social Service
ACRO	Australian Community Safety & Research Organisation
AHBA	Affordable Housing Bond Aggregator
AHURI	Australian Housing and Urban Research Institute
ALGA	Australian Local Government Association
AIHW	Australian Institute of Health and Welfare
ASRC	Asylum Seeker Resource Centre
AWAVA	Australian Women Against Violence Alliance
CAAFLU	Central Australian Aboriginal Family Legal Unit
CCCLM	Council of Capital City Lord Mayors
CFRC	City Futures Research Centre
CHIA	Community Housing Industry Association
CHP	community housing providers
CLA	Civil Liberties Australia
CNOS	Canadian National Occupancy Standard
COSS	Community of Schools and Services
CRA	Commonwealth Rent Assistance
CRC	Community Restorative Centre

DSS	Department of Social Services
DVA	Department of Veterans' Affairs
ERO	equal remuneration order
GSS	General Social Survey
HAA	Housing All Australians
HAAG	Housing for the Aged Action Group
HHS	Haven; Home, Safe
JRS	Jesuit Refugee Services Australia
LGBTIQ+	Lesbian, Gay, Bisexual, Transgender, Intersex and Queer
MAV	Municipal Association of Victoria
MIZ	mandatory inclusionary zoning
NACCHO	National Aboriginal Community Controlled Health Organisation
NATSILS	National Aboriginal and Torres Strait Island Legal Services
NATSISS	National Aboriginal and Torres Strait Islander Social Survey
NCC	National Construction Code
NDIS	National Disability Insurance Scheme
NGO	non-governmental organisation
NHFIC	National Housing Finance and Investment Corporation
NHHA	National Housing and Homelessness Agreement
NHIF	National Housing Infrastructure Facility
NIHG	National Indigenous Housing Guide
NMHC	National Mental Health Commission
NOWHHWG	National Older Women's Housing and Homelessness Working Group
NPA	national partnership agreement
NPARIH	National Partnership Agreement on Remote Indigenous Housing
OECD	Organisation for Economic Cooperation and Development
PIAC	Public Interest Advocacy Centre
PRADS	Permanent Rental Affordability Development Solution



---

RANZCP	Royal Australia and New Zealand College of Psychiatrists
RMIT	Royal Melbourne Institute of Technology
SACS	Social, Community and Disability Services
SDA	specialist disability accommodation
SHS	specialist homelessness service
SHM	Sacred Heart Mission
SHSC	Specialist Homelessness Services Collection
SHSN	Southern Homelessness Services Network
SRSS	status resolution support services
TCAC	Tangentyere Council Aboriginal Corporation
VACCA	Victorian Aboriginal Child Care Agency
VCOSS	Victorian Council of Social Services
YACSA	Youth Affairs Council of South Australia
YWCA	Young Women's Christian Association

the Australian Government could accelerate the adoption of the model through funding agreements with states and territories.<sup>130</sup>

- 4.156 While not specifically targeted to community housing, another example was the Permanent Rental Affordability Development Solution (PRADS) model, proposed by the private-sector not-for-profit organisation Housing All Australians (HAA). According to HAA:

The purpose of creating the PRADS model is to maximise the involvement of the private sector in delivering affordable rental housing, by acknowledging and mitigating the risks normally considered part of the development process. Over the medium term, this should result in the delivery of affordable housing becoming part of a [developer's] normal business.<sup>131</sup>

- 4.157 The PRADS model works via an agreement between a developer and the relevant local government, under which the local government accelerates or amends the development approval process, with the saving to the developer passed on through the provision of an agreed number of dwellings at an agreed percentage below market rent.<sup>132</sup>

- 4.158 Mr Robert Pradolin from HAA explained the arrangement to the Committee in the following terms:

...where a developer says, 'Local government, you've got the levers to actually add huge value in terms of planning. You've got the levers to actually accelerate time and save money. If we work together collaboratively and you save some of that money or give me extra value, I will share some of that value with you and lock in affordable housing at a below-market rent for life that is at no cost to either federal, state or local government'.<sup>133</sup>

- 4.159 In its submission, HAA said that the principles of the PRADS model had been applied in a development in Victoria.<sup>134</sup>

- 4.160 However, Mr Pradolin explained that the model 'needs to be done at scale' and stressed the importance of attracting superannuation funds to invest in

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<sup>130</sup> Homes for Homes, *Submission 55*, pp. 7-8.

<sup>131</sup> Housing All Australians, *Submission 7.1*, p. 17.

<sup>132</sup> Housing All Australians, *Submission 7*, pp. 6-7.

<sup>133</sup> Mr Robert Pradolin, Founder and Director, Housing All Australians Ltd, *Committee Hansard*, Canberra, 8 July 2020, pp. 34-35.

<sup>134</sup> Housing All Australians, *Submission 7*, p. 7.

affordable housing.<sup>135</sup> HAA recommended that the Australian Government work with HAA to ‘explore the scalability of the model’.<sup>136</sup>

4.161 SYC, a not-for-profit housing provider, said that PRADS was ‘a creative and innovative proposal’.<sup>137</sup>

4.162 The Victorian parliamentary inquiry into homelessness also considered the PRADS model, recommending that the Victorian Government further investigate the use of the model ‘to ascertain whether it is a practical and appropriate mechanism for increasing provision of affordable housing in Victoria’.<sup>138</sup>

4.163 Speaking more generally, the Grattan Institute cautioned that there are limits to the extent to which private sector financing can meet a shortfall of government investment in social housing:

No amount of innovative financing can paper over the need for extra funding to boost the supply of social housing. Social housing provides heavily discounted rents to tenants, to assist them with their housing costs. And therefore government funding will be required to make up the shortfall between what tenants can afford to pay and the cost of acquiring land, building social housing, and maintaining it over the life of the asset.<sup>139</sup>

### ***Affordable Housing Bond Aggregator***

4.164 In its submission to the inquiry, the Australian Government said it ‘recognises that greater private and institutional investment is needed to expand the community housing sector’. In 2018, the Government established the National Housing Finance and Investment Corporation (NHFIC) to operate the Affordable Housing Bond Aggregator (AHBA).<sup>140</sup>

4.165 As outlined in Chapter 2, the AHBA provides loans to registered CHPs which can be used to acquire or construct new housing stock, maintain

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<sup>135</sup> Mr Robert Pradolin, Founder and Director, Housing All Australians Ltd, *Committee Hansard*, Canberra, 8 July 2020, p. 33-36.

<sup>136</sup> Housing All Australians, *Submission 7*, p. 8.

<sup>137</sup> SYC, *Submission 80*, p. 7.

<sup>138</sup> Victorian Legislative Council Legal and Social Issues Committee, *Inquiry into Homelessness in Victoria – Final report*, March 2021, p. 321.

<sup>139</sup> Grattan Institute, *Submission 127*, p. 12.

<sup>140</sup> Department of Social Services (multi-agency submission), *Submission 57*, p. 25.

funding arrangements involving the Australian Government and state and territory governments.

- 4.243 The Committee acknowledges that a prerequisite for the successful design of Housing First initiatives is an adequate supply of affordable housing in which to accommodate homeless people before associated problems can be addressed. That issue is discussed further below.

## **Recommendation 30**

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- 4.244 The Committee recommends that the Australian Government, in making relevant funding agreements with state and territory governments and housing providers, incorporate the principles of ‘Housing First’, particularly for any priority groups identified in those agreements.**

### *Enhancing social housing*

- 4.245 The Committee recognises the important role that social housing has in reducing the incidence and risk of homelessness, particularly among the most vulnerable in the community. The Committee also accepts that there is an ongoing need for both public housing and community housing to meet the needs of individuals and families in different life circumstances, and with different housing needs and requirements for other wrap-around services.
- 4.246 The Committee notes and supports the trend for state and territory governments to transfer management of state-owned housing to CHPs and the evidence that, in many circumstances, these arrangements can offer benefits to both governments and social housing tenants.
- 4.247 It is clear, however, that the availability of social housing has not kept up with demand and that, as a result, there is currently a significant shortfall of both public and community housing. Addressing this shortfall will be an important part of the collective response of all Australian governments to homelessness.
- 4.248 The Committee notes that provision of housing is primarily a state and territory responsibility, but also acknowledges the Australian Government’s involvement: particularly through NHFIC and the AHBA, but also through the provision of CRA to tenants in community housing.
- 4.249 The Committee commends the AHBA as an important initiative which has enabled CHPs to strengthen their investments in new housing stock. The



Committee supports the increased funding made available to NHFIC in the 2020-21 Budget.

- 4.250 Further to this, in Chapter 2 the Committee has recommended that the Australian Government waive or refinance the historical housing-related debts of the states and territories, in exchange for investment in affordable housing including community housing and planning and zoning reform. If implemented, the Committee expects that this measure will further expand the funds available to CHPs to invest in new housing stock.
- 4.251 In addition, in Chapter 3 the Committee has recommended funding for emergency and crisis accommodation, which may ease the burden on social housing to provide short-term or transitional accommodation.
- 4.252 The Committee heard about innovative proposals such as the PRADS model, which seeks to attract private-sector investment in the construction of social and affordable housing. While the PRADS model involves local governments negotiating with developers, the Committee considers there is a role for the Australian Government to assist in the facilitation of its viability at a national scale.
- 4.253 While acknowledging the important work of NHFIC, the Australian Government should seek to identify additional opportunities to leverage private-sector investment to address the shortfall in social housing, including from superannuation funds.

### **Recommendation 31**

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- 4.254 **The Committee recommends that the Australian Government, in consultation with state, territory and local governments, seek to increase affordable housing supply when land is rezoned for residential development, through the introduction and harmonisation of inclusionary planning approaches across Australia.**

### **Recommendation 32**

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- 4.255 **The Committee recommends that the Australian Government, through the National Housing and Finance Investment Corporation, investigate opportunities for attracting greater private-sector investment in social and affordable housing, including from superannuation funds.**
- 4.256 Finally, recognising that there is a limited amount of social and affordable housing, the Committee considers there is a need for additional measures to ensure that this housing stock is allocated efficiently.



# PARLIAMENT OF VICTORIA

## LEGISLATIVE COUNCIL

### Legal and Social Issues Committee

# Inquiry into homelessness in Victoria

## Final report

Parliament of Victoria  
Legislative Council Legal and Social Issues Committee

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# About the Committee

## Functions

The Legislative Council Legal and Social Issues Committee's functions are to inquire into and report on any proposal, matter or thing concerned with community services, education, gaming, health, and law and justice.

As a Standing Committee, it may inquire into, hold public hearings, consider and report on any Bills or draft Bills, annual reports, estimates of expenditure or other documents laid before the Legislative Council in accordance with an Act, provided these are relevant to its functions.

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# Terms of reference

## Inquiry into homelessness in Victoria

On 7 June 2019, the Legislative Council agreed to the following motion:

That this House requires the Legal and Social Issues Committee to inquire into, consider and report, within 12 months, on the state of homelessness in Victoria, and in particular, the Committee should—

- a. provide an independent analysis of the changing scale and nature of homelessness across Victoria;
- b. investigate the many social, economic and policy factors that impact on homelessness; and
- c. identify policies and practices from all levels of government that have a bearing on delivering services to the homeless.

housing. DELWP explained to the Committee the work it is undertaking as part of the Land Utilisation Assessment Program:

As part of the LUAP, DELWP is undertaking extensive engagement across government, including with the Director of Housing, to ensure that assessments and recommendations respond to service delivery demands. This has included specific assessments targeting high demand social housing areas across Victoria to identify government land that may support social housing, including new public housing and relocatable housing to support the homeless. This work is ongoing, and it remains a commitment of DELWP to identify government land with potential to support social housing growth in Victoria.<sup>104</sup>

DELWP's pilot program is due to finish in early 2021. The Committee considers that this is an important land utilisation initiative, with potential leasing and interim use opportunities which could increase Victoria's social housing stock. The Committee is hopeful that the program is continued and that it continues to prioritise social housing.

The Committee agrees that there is value in ensuring that, where possible and appropriate, the housing portfolio is given priority during the surplus land sale process. In particular, the Committee considers that leasing surplus land for social housing purposes (such as innovative models of transitional housing) while lengthy sales processes take place could be further explored in conjunction with relevant stakeholders. However, in the absence of further information regarding whether and how this type of prioritisation currently takes place, or the development of any relevant policies to promote this type of use of surplus land, the Committee recommends that the Victorian Government should investigate these proposals further.

**RECOMMENDATION 42:** That the Victorian Government investigate options for the prioritisation of the housing portfolio in processes for the sale of surplus government land.

### 5.4.3 Innovative housing options

As noted above, various inquiry stakeholders raised ideas to implement innovative housing options, including on surplus government land. This includes suggestions for tiny houses or demountable houses on disused land and pop-up shelters in empty buildings.

#### Pop-up housing

The Committee received evidence from Housing All Australians (HAA), a registered charity developed to provide a private sector-led response to solving homelessness. Robert Pradolin, the Founding Board Member of HAA, explained the organisation's approach:

<sup>104</sup> Department of Health and Human Services, *Response to Questionnaire*, p. 35.

So as the private sector, when we see a problem we develop a strategy, and we keep the strategy very, very simple. So we have developed our strategy; that is actually one page. I want to bring you through that strategy ... as part of setting the framework of what we are actually doing. But we need to do this at scale, because if you look inside the box and stay within the box you will get the same answers. We have to have a paradigm shift of quantum of housing numbers. Unless we pick a number that we want to target, we will never solve this issue of homelessness.

HAA's key measure is 'pop up housing'. The submission explains the proposal to re-purpose vacant buildings to house people experiencing homelessness while these properties are idle pending the outcome of a planning permit for redevelopment.<sup>105</sup>

Under this proposal, the owner of a vacant building leases the property to a homelessness service agency for a negligible rent. This agency maintains the property as a form of transitional accommodation for persons at risk of or experiencing homelessness and pays all related utility costs. The homelessness service agency also determines the resident cohort and provides support services to them, including case management and wrap-around services.<sup>106</sup>

In addition, similar to other forms of transitional accommodation, residents are prepared for exit into other forms of accommodation. Any necessary building works to modify the building and fit it out to be suitable for use as a facility to house people experiencing homelessness are provided pro-bono by private sector organisations sourced by HAA.<sup>107</sup>

HAA's submission gave an example of this proposal in action. In partnership with YWCA, a homelessness service provider, HAA delivered a pop-up housing shelter in a former aged care facility for women over the age of 55 experiencing homelessness in South Melbourne:

The Lakehouse was an aged care facility owned by CaSPA Care. It had been vacant for over 2 years as CaSPA Care had built a new facility close by and the existing property was earmarked for redevelopment. A commercial lease was negotiated at a peppercorn rent and the YWCA identified as the preferred social services provider with women over 55 years identified as the best suitable cohort. The building needed an extensive makeover to make it habitable for residents and a central kitchen was created to allow the women to prepare their own meals.

Based on an existing relationship, HAA approached Metricon to assist with the building works and they were happy to get on board. Drawings were prepared, suppliers were contacted, subcontractors arrived and the works began. Metricon encouraged their staff to participate, where possible, which included a helping hand with the landscaping. While there were a number of businesses that contributed to the setup of the Lakehouse, Crowne Plaza, part of the Intercontinental Hotel Group, donated all of the bedroom furniture from their hotel which was undergoing refurbishment. Guest

<sup>105</sup> Housing All Australians Ltd, *Submission 170*, p. 4.

<sup>106</sup> *Ibid.*, p. 21.

<sup>107</sup> *Ibid.*

Chapter 5 Crisis and transitional accommodation

5

Furniture provided new lounge settings valued at over \$40,000, making the rundown aged care facility look like a new motel and the Rotary Club of Albert Park donated the bed linen and made welcome packs for the women. This culminated in the launch of Melbourne's first "pop up shelter" in July 2018 by the Minister for Housing and the Governor of Victoria. The Lakehouse is now housing over 30 women over 55 years of age, some of which were previously sleeping in cars or couch surfing.

Other than "doing the right thing", one of the unintended benefits for CaSPA Care was that their insurance costs for the building reduced as the insurance companies charge a higher premium when buildings are left empty. It ended up being a win for all parties.<sup>108</sup>

HAA's submission detailed the outcomes of the Lakehouse project after one year of operation. Of the 51 women housed at the facility, 36% had secured public or community housing, 8% had secured private rentals, 33% returned to live with family or friends and 8% moved interstate or overseas.

Mr Pradolin noted that there are risks with this type of model where, for example, residents do not wish to move out when the property's lease expires or if accommodation has not been found for them:

The people that own the buildings have all sort of got the right intention, but the biggest concern is, 'How do we get people out? Our brand risk'. We have mitigating strategies, but you can never mitigate 100 per cent if someone wants to be recalcitrant and go to the papers because papers sell from sensationalism.<sup>109</sup>

In addition, HAA's submission notes possible local resistance to pop-up housing proposals, but suggests that effective communication strategies can be developed as well as prioritisation of housing low-risk cohorts.<sup>110</sup>

Mr Pradolin told the Committee that the pop-up housing concept would benefit from various forms of government support, including financial concessions through a temporary removal of land tax for buildings that are being re-purposed. He stated:

A recommendation for the government—two recommendations: one, it does not cost you a cent. Stand next to us and say, 'What a great private sector initiative'. Look at the players that are actually helping us to achieve this. Private sector—support these guys. It costs you nothing. If you want to really incentivise some of these reluctant building owners, you can also say, 'For buildings that are available to be repurposed'—and they must be repurposed—'we will forgo land tax for the period they are occupied'.<sup>111</sup>

Bevan Warner, the CEO of Launch Housing, was supportive of the intentions of the pop-up housing initiative, but noted some concerns with the level of support provided to residents at the facilities:

<sup>108</sup> Ibid., p. 20.

<sup>109</sup> Mr Robert Pradolin, Founding Board Member, Housing All Australians, public hearing, Melbourne, 12 February 2020, *Transcript of evidence*, p. 26.

<sup>110</sup> Housing All Australians Ltd, *Submission 170*, p. 22.

<sup>111</sup> Pradolin, *Transcript of evidence*, p. 26.



I think re-using vacant buildings and floors of buildings with donated goods and services from the private sector has its place, but it is not a permanent supportive housing option. It can be part of the crisis response. We have a whole lot of unsafe, damaging rooming house, hotel and motel accommodation that we are using because there is nothing else. If we thoughtfully refurbished and staffed—so it is not just the roof alone; it is—

Who is paying for the staff to actually provide the case-management support and clinical type of support for people? And then we have to resolve service models. Is it bunk in, bunk out every night? That is pretty distressing. Is it a six-week stay? Well, what model is that? So the idea of using buildings that are not being used well and involving the generous contributions of people who want to help is good, but the question is—

What is the service model and is the Government going to pay for the services into those buildings? They should, because one of the problems with the unsafe motel and rooming house accommodation is they are high-needs people without any services. It takes a net addition of investment to make the unused buildings work.<sup>112</sup>

The Committee notes these concerns but considers that some of these issues could be managed as part of individual proposals. For example, details regarding the duration, funding and level of service provision in any pop-up housing arrangement should be as comprehensive as possible and specific to the particular cohort being housed, and there should be appropriate governance and oversight arrangements in place.

In addition, the Committee notes that the HAA's submission acknowledges that pop-up housing is not a long-term solution to homelessness. The submission states: 'Pop Up Shelters alone are not a solution. They are purely a short-term response, by the private sector, to a country with a housing crisis. We must build more housing.'<sup>113</sup>

The Committee is supportive of private sector efforts, such as the pop-up housing initiative, that seek to respond to the homelessness crisis. The re-purposing of vacant buildings for use by people experiencing homelessness, even temporarily, is a far more socially beneficial use for real estate assets that stand empty. The willingness of the private sector to provide pro bono assistance as part of the scheme should also be applauded.

The Committee is not equipped to determine whether the governance, consultation, risk management, service agreements and reporting aspects of the proposal are sufficient for the Victorian Government to offer its support. The Committee considers that the Government should engage with relevant stakeholders, such as HAA, to explore the proposal further with a view to providing its support, should the proposal meet appropriate governance requirements.

<sup>112</sup> Mr Bevan Warner, Chief Executive Officer, Launch Housing, public hearing, Melbourne, 22 November 2019, *Transcript of evidence*, p. 36.

<sup>113</sup> Pradolín, *Transcript of evidence*, p. 25.

**RECOMMENDATION 43:** That the Victorian Government engage with relevant stakeholder groups to assess how pop-up housing proposals could contribute to transitional housing options in Victoria. In conducting such an assessment, the Victorian Government should consider whether these proposals meet appropriate governance standards and the appropriateness of offering support in the form of temporary land tax concessions for organisations participating in the scheme.

### Other innovative transitional housing solutions

The Committee was provided with a number of other suggestions from stakeholders regarding innovative housing solutions for people experiencing homelessness.

One such example is an initiative called Harris Transportable Housing. The project was developed by Launch Housing in collaboration with philanthropic support from Harris Capital. It involves the use of nine parcels of vacant VicRoads land in Footscray and Maidstone which have been used to place 57 transportable dwellings to house people experiencing homelessness. The project had its first tenants move in at the start of 2019.<sup>114</sup>

Mr Malcolm Roberts-Palmer, Senior Social Policy and Research Officer from Maribyrnong City Council discussed the Council's support for the initiative and noted its success so far:

Launch Housing developed 57 tiny houses on a VicTrack [VicRoads] land reservation in Footscray and Maidstone. That has been a success in and of itself. That was funded philanthropically, but council was able to facilitate that. So we are looking for those opportunities of where we can help and what assistance we can provide, and I think that is the same for a majority of municipalities across Melbourne.<sup>115</sup>

The Western Homelessness Network also supported the Harris Transportable Housing project and emphasised the importance of clients having access to their own lockable space and access to facilities.<sup>116</sup>

In its submission, Quantum Support Services contended that 'tiny houses' could also provide an alternative model of transitional housing. It stated:

Internationally, 'tiny home villages' have proven to be an effective response to homelessness. These tiny houses provide a transitional option for those who are experiencing or are at risk of homelessness, and with the right support, can help them reach independence and long-term sustainable housing.<sup>117</sup>

<sup>114</sup> Launch Housing, *Harris transportable housing*, 2020, <<https://www.launchhousing.org.au/housingsupport/harris-transportable-housing-project>> accessed 3 December 2020.

<sup>115</sup> Mr Malcolm Roberts-Palmer, Senior Social Policy and Research Officer, Maribyrnong City Council, public hearing, via videoconference, 1 July 2020, *Transcript of evidence*, p. 20.

<sup>116</sup> Western Homelessness Network, *Submission 103*, p. 27.

<sup>117</sup> Quantum Support Services, *Submission 302*, p. 4.

local planning schemes.<sup>169</sup> However, the Committee recognises that many local councils consider that the current regulatory framework is inadequate for ensuring meaningful growth in social and affordable housing in their municipalities.

The Committee received widespread support from stakeholders for the Victorian Government to act in relation to inclusionary zoning. Of the submissions to the inquiry that discussed this mechanism, the large majority supported introduction of a mandatory model.

The Committee considers that the growing need for affordable and social housing across the state, and the current inability of social housing construction and acquisition to keep up with demand, necessitates bold action. A mandatory model of inclusionary zoning would ensure that the private market takes partial responsibility, alongside government, for provision of housing that meets the needs of all Victorians. While there are existing concerns regarding the specific structure of a mandatory scheme, such as the potential for it to constrain financial returns of property developers, these could be considered in the model's development and incentives could be made available to ameliorate the effects of any requirement. Such incentives could be provided in return for a guarantee that the cost of other dwellings in the development will not be driven up due to the inclusion of affordable housing. In addition, a model could be developed that would be broad enough to take into consideration local context in implementation.

Further, the Committee notes advice from Bevan Warner from Launch Housing, that given enough lead time, developers could 'accept that new economic reality and... reprofile their investment decisions' in order to increase the supply of social and affordable housing.<sup>170</sup>

**RECOMMENDATION 50:** That the Victorian Government investigate implementing a mandatory inclusionary zoning mechanism that would require a portion of any new major housing development be allocated to social or affordable housing. In designing such a model, the Government should consider making specific incentives available to developers to ameliorate the costs involved and ensure that the cost of other dwellings in the development are not increased as a result of the requirement.

### Permanent Rental Affordability Development Solution

The organisation Housing all Australians presented to the Committee at a public hearing. Housing all Australians shared a voluntary inclusionary zoning proposal for the development of affordable private rental dwellings, called the Permanent Rental Affordability Development Solution (PRADS).

This proposal involves a framework for facilitating agreements between a developer and a local council to provide a proportion of affordable or below-market cost rental dwellings in a housing development. The dwellings would be rented at 80% of

<sup>169</sup> Kaye Thompson, Director, Community and Abdullah, *Transcript of evidence*, p. 30.

<sup>170</sup> Warner, *Transcript of evidence*, p. 30.

The Committee has concerns regarding fast-tracking the traditional planning process to secure affordable housing. Such an arrangement may leave insufficient time for community consultation, objections and scrutiny by local councils. However, as has been noted above, this already occurs with at least one local council in Victoria.<sup>177</sup> The Committee believes that should any such arrangement take place, appropriate safeguards must be introduced to ensure that a fast-tracked planning decision does not lead to poorer outcomes for the community.

The Committee is supportive of proposals to ensure more affordable housing in arrangements led by the private market. The Committee considers that the Victorian Government should engage further with Housing all Australians to determine whether the concessions outlined in the PRADS model would be practical or desirable for use in Victoria.

**RECOMMENDATION 51:** That the Victorian Government further investigate the use of the Permanent Rental Affordability Development Solution to ascertain whether it is a practical and appropriate mechanism for increasing provision of affordable housing in Victoria.

6

**Adopted by the Legislative Council Legal and Social Issues Committee  
Parliament of Victoria, East Melbourne  
15 February 2021**

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<sup>177</sup> Faellis, *Transcript of evidence*, p. 11.



## Attachment E

# CASE STUDY

## NIGHTINGALE HOUSING & THE PRADS MODEL

CITY OF MERRI-BEK VIC

2021-2023

“

*The housing crisis won't be fixed with a single solution. It's going to require us trying many different things, from many different angles, to ensure the homes we need are built in a timeframe that will help people put a much-needed roof over their heads. The PRADS model is a fantastic approach and we hope it will only gain momentum as more projects like North Coburg demonstrate its benefits.*

”

Nightingale Housing CEO,  
Dan McKenna

## BACKGROUND

With Australia in the grip of a housing crisis, a range of solutions needs to be developed to significantly increase the stock of affordable homes for low and middle-income Australians.

One innovative approach, called the Progressive Residential Affordability Development Solution (PRADS), seeks to fund the creation of affordable housing by unlocking additional land value in the planning process. This value goes directly toward creating affordable housing within broader multi-unit developments.

PRADS is being applied to a new project by Not-For-Profit developer Nightingale Housing in its new project in Coburg North, in Melbourne. Harnessing the power of the PRADS model will allow Nightingale to increase the provision of affordable housing from 5% of homes to 15% of homes, while preserving the project's overall viability.

## ABOUT NIGHTINGALE

Nightingale Housing is a not-for-profit organisation building apartments that are socially, financially and environmentally sustainable. We believe that homes should be built for people, not profit.

## ABOUT HAA

Housing All Australians (HAA) is a private sector for purpose organisation with a single focus on increasing the supply and access, at scale, of affordable housing nationally. HAA believes it is in Australia's long-term economic interest to provide housing for all its people: rich or poor.



Sheppard Street and Norris Street, development site (in orange) North Coburg, Victoria. The land to which the Incorporated Plan applies.

## FUNDING AFFORDABLE HOUSING THROUGH LAND VALUE UPLIFT

### THE PRADS MODEL

For-purpose housing group Housing All Australians (HAA) has developed PRADS which provides a framework for private sector developers to work collaboratively with local government to increase affordable housing stock without the need for government subsidy.

Under the model, the relevant local government as the planning authority makes concessions around height limits in exchange for an agreement from the developer that they will include significant levels of affordable housing within a broader multi-unit development. This planning concession funds the creation of the affordable housing stock by increasing the project's land value – with this uplifting allowing the developer to offer below-market rent to tenants of these homes for a period of at least 30 years.

Compliance in the scheme, and assurance that the homes are being used for their intended purpose, will be monitored by local government through a new Affordable Housing Register.

### NIGHTINGALE'S NORTH COBURG DEVELOPMENT:

In March 2021 Nightingale Housing acquired an industrial site on the corner of Sheppard St and Norris St, North Coburg, for its latest development. At the time, the land was in the process of being rezoned from industrial to residential and mixed-use.

While the original incorporated plan zoning approach only prescribed 5 per cent of homes to be affordable, Nightingale utilised the PRADS model to unlock a provision that allowed it to increase the height limit from 3 to 5 storeys, as long as the proportion affordable housing was increased to 15 per cent. In October 2022 councillors at Merri-bek Council, the relevant planning authority, agreed to this change.

At the heart of the PRADS model is an acknowledgement that the provision of affordable and social housing comes at a cost to the development that needs to be funded in some way. In the case of Nightingale's North Coburg development, due to be completed in 2026, the increased building height created value uplift which in turn became the subsidy needed to make the social and affordable housing viable.

By allowing the building height to exceed the preferred controls, Merri-bek created real community benefit in the form of increased affordable homes for local individuals and families, at zero cost to ratepayers.

### NIGHTINGALE HOUSING

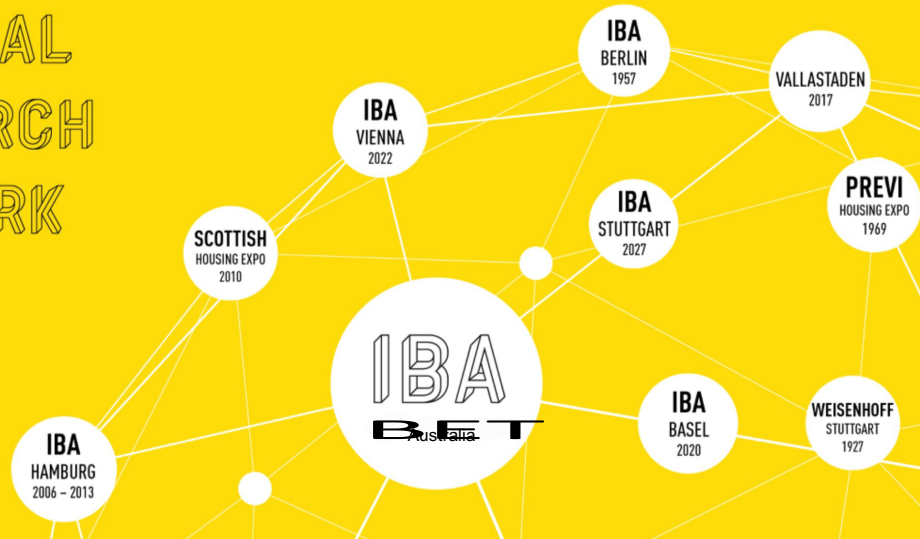
✓ [simon@nightingalehousing.org](mailto:simon@nightingalehousing.org)  
✓ [nightingalehousing.org](https://www.nightingalehousing.org)

### HOUSING ALL AUSTRALIANS

✓ [info@housingallaustralians.org.au](mailto:info@housingallaustralians.org.au)  
✓ [www.housingallaustralians.org.au](https://www.housingallaustralians.org.au)

## Attachment F

# A GLOBAL RESEARCH NETWORK





## IBAAUSTRALIA 2022-2032

### **IBA AUSTRALIA** as an International Building Exhibition: *In Partnership with Housing All Australians*

Australia may have a supply shortage of more than 160,000 houses across the next decade. IBA Australia (2022-2032) is as such a 10-year horizon on housing which, aligns with State and Territory Housing Strategies: Queensland's Housing Strategy 2017-2027 (including Brisbane's climate positive Olympics set for 2032), the Northern Territory, Housing Strategy 2020-2025 (*A Home for all Territorians*), Western Australia's Housing Strategy 2020-2030, South Australia's, Housing Strategy 2020 –2030 (*Our Housing Future*), Victoria's, Big Housing Build 2021-2031 (10-Year 5.3b Strategy for Social and Affordable Housing) and New South Wales' Housing 2041 Strategy.

#### ***What is the proposal?***

To launch *IBA AUSTRALIA* under the umbrella of the Internationale BauAusstellung (IBA) in parallel with concurrent IBA's in Vienna and the Parkstad region of the Netherlands. Both these European IBAs have a 2022, time horizon, with multiple projects, outputs and activities taking place this year. Instigation of *IBA AUSTRALIA*, will provide the framework for a series of exhibitions, studios, publications and built demonstration projects to be implemented over the next 10-years. The New South Wales 2041 Strategy also outlines a research agenda to promote innovation and delivery of effective housing solutions and *IBA AUSTRALIA* can help to establish a research agenda as well as an evidence base that invests in best practice and new ways of building and living.

- **The Queensland Housing Strategy 2017-2027-** 'Building a better housing future *for all Queenslanders*. The government will invest \$1.6 billion to deliver more social and affordable housing over a 10-years period. The Housing Construction Jobs Program is a key initiative of the Queensland Housing Strategy. A partnership approach to renewing and repurposing government land and delivering more social and affordable housing will create jobs, economic growth and better community outcomes.
- **Northern Territory Housing Strategy 2020-2025, 'A Home for all Territorians'** - *A Home for all Territorians* acknowledged existing housing initiatives and reform directions that represent record levels of investment in housing in the NT and include: the 10 year *Our Community. Our Future. Our Homes*. \$1 .1 billion remote housing investment package / *Building our communities, together Town Camps Reform Framework 2019-2024*, underpinned by an initial investment of \$40 .44 million / investment of \$169 million to improve the long -erm life of existing public housing stock / investment of more than \$25 million in 2019-20, for services to support people who are homeless or at risk of homelessness across urban areas of the NT
- **South Australia: The Strategy, 'Our Housing Future 2020 –2030'** - 20,000 affordable housing solutions in partnership with the housing sector and industry, backed by over \$550 million investment from my government to spark investment, demonstrate innovation, remove systemic barriers and pave the way for a bright housing future for all South Australians.
- **The WA Housing Strategy 2020-2030** was launched on 14 October 2020. The strategy is kickstarted by the \$444 million Housing Stimulus Package announced in June 2020. This includes the \$319 million Social Housing Economic Recovery package which will refurbish 1,500 homes, build and purchase about 250 new dwellings and deliver a regional maintenance program to 3,800 homes. This comes on top of the \$150 million

Housing Investment Package announced in December 2019 and the 394 million Social and Affordable Housing and Jobs Package announced in 2018. It commits to a 6% net increase in social homes over the next 10 years (2,600 homes).

- **Victoria's, Big Housing Build** was announced in November 2021. The strategy will deliver a \$5.3 billion Big Housing Build to build more than 12,000 new homes throughout metro and regional Victoria. This package will boost the state's social housing supply by 10 per cent in just four years – providing a stable foundation for thousands of Victorians to build their lives. The Victorian Government has committed 25 per cent, or \$1.25 billion of this package to regional Victoria. 10% of Victoria's social housing boost will be targeted to housing developments to meet the needs of Aboriginal Victorians.
- **New South Wales, Housing 2041** - The government projected that Greater Sydney would need 1 million additional homes by 2041, or around 30,000–40,000 homes each year, to meet the needs of the growing population. The housing strategy includes a \$900million investment in the social housing sector to build and accelerate thousands of new or newly renovated homes across regional and metropolitan NSW. This includes \$145 million to supply more than 200 new homes for Aboriginal housing, upgrades and maintenance. This includes a \$1.6 billion Digital Restart Fund to provide more digital services and improve customer service.

**IBA AUSTRALIA** wants to initiate and present housing policy innovations itself, but also a broad exchange between cities on the main challenges of housing policy and possible solutions. The core of this discourse is a network of partner cities that are in close exchange with each other, jointly defining questions and trying to answer them with different approaches. The symposium "The Housing Assembly, *Creating socially Valuable Housing*", took place during the interim presentation of the 'IBA Melbourne' in November 2021 and marked the start of the cooperation between IBA Melbourne and the IBA\_Vienna as well as other the partner cities. The launch of IBA Australia 2022-2032, will extend the dialogue across all Australia states and territories as well as with international partners in Barcelona, Berlin, Dublin, Cologne, Copenhagen, California, Bandung, Munich and Stuttgart. These dialogues will focus along the three main topics of affordability and new forms of housing, sustainable neighbourhood development and climate adaptation and sustainability.

### ***What is the IBA?***

The IBA phenomenon began in Germany and has expanded to become a creative approach with a proven track record in boosting the economy of the regions concerned, the tangible result being physical development and change in the relevant regions. An equally important result is a cultural shift in the way people think about, live and work in their region, and the way they value it, with renewed pride encouraging investment.

The tradition of the IBA, which has often provided impetus for progress in planning and construction, dates back to the early 20th century. Mathildenhöhe in Darmstadt (1901) and the Weißenhofsiedlung Stuttgart (1927) are reminders of the Neuen Bauen (New Architecture) movement. The 1957 Interbau exhibition presented the 'city of tomorrow' in the Hansaviertel district in West Berlin. In the eighties, the IBA Berlin promoted a program of 'careful' urban regeneration and renewal. In the nineties, IBA Emscher Park raised awareness of the redevelopment of industrial brownfields in the Ruhr Area.

### ***What is the objective of the proposal?***

The objective is to raise Australia's international profile while benefiting from tangible engagement with international practices of urban development and housing growth. The Berlin IBA in particular has a strong alignment with IBA AUSTRALIA, which is seeking better, more diverse and more affordable outcomes from residential intensification through renewed development processes and alternative practices and financing arrangements.

#### **IBA AUSTRALIA Governance:**

##### ***IBA Strategy Board:***

The IBA Strategy Board provides strategic oversight for IBA AUSTRALIA. Membership: Institute of Architects / Private Sector / Academia / Public Sector / New Normal / Not-For Profit / AHURI / Super Funds? Government?

##### ***IBA Review Committee (State Based):***

The IBA Review Committee will be providing independent, rigorous and practical solutions to Melbourne's future housing needs. The focus of the group over the next 3-5 years will be the delivery of IBA's. This committee will be expected to generate meaningful knowledge and urban housing intelligence and provide the evidence base for informed decisions, which will shape the development of the IBA.

The IBA Review Committee includes Expert 'Lenses' which identify key themes that will inform the brief for the IBA. The IBA 'Lenses' combine Design, Engineering, Planning, Social Policy, Urban Analytics, Economics and Placemaking. This committee will combine their intelligence in order to set out the aims of the IBA and determine the Masterplan brief and Competition Brief in partnership with The Strategy Board.

There are 10 Lenses:

- Lens 1: Population and demographic futures and benchmarked social indicators
- Lens 2: Urban health, well-being and quality of life
- Lens 3: Construction Innovation & Technology
- Lens 4: Innovative Design: Flexibility / Adaptability / Diversity /
- Lens 5: Sustainable Urban Housing
- Lens 6: Urban Transport
- Lens 7: Affordability / Policy and Planning / Economics
- Lens 8: Landscape and Amenity
- Lens 9: Environmental Performance / Energy and water supply / consumption
- Lens 10: Design for Ageing / Accessibility

##### ***IBA Technical Delivery Committee (Project Based):***

The IBA Technical Delivery Committee provide technical understanding and insight to the Strategy Board concerning both the Technical aspects of the IBA including site selection and procurement and the Lens (Review Committee) components of the IBA project. This Committee will also provide economic appraisals and economic modelling as well as advice about procurement and finance partnerships.

**AP March 2022**

## Chapter 6 Long-term accommodation

market value to low-income tenants (as defined in section 3AB of the *Planning and Environment Act 1987* (Vic)).<sup>171</sup> This obligation would exist on title for the life of the dwelling.<sup>172</sup> The arrangement would be secured via a section 173 agreement, which acts as a binding safeguard that the agreed provision of affordable housing will be provided.<sup>173</sup>

The developer would sell the dwelling to investors in the private market with the obligation to rent the property at below market cost to a low-income household. The value of the property would be reduced because of the obligation to charge below market rent. In return, the submission from Housing All Australians suggests that a proportionate reduction in market rent should be applied to 'all property outgoings such as owner's corporation fees, council and water taxes, land tax etc'.<sup>174</sup>

The submission suggested that among other additional incentives for developers and private interests, 'A greater speed for processing development permit approval'<sup>175</sup> could be put in place to limit development costs. Ross Hamilton, Partner at PwC Australia, explained this element of the proposal to the Committee at a public hearing:

What that means in a practical sense is, if you think about it from a developer's perspective, a developer will approach undertaking a development project, they will think about the revenues they are going to get, they will think about their costs and they will think about the risk they are taking. But one of the biggest burdens that they carry which impacts them is time. So what we did as part of our work was model a couple of different scenarios, and this is really, really important because it just shows how something like the PRADS model could bite and make a tangible difference. We looked at a particular project in Fishermans Bend. It is soon to be constructed—a 300-apartment development. We had actual costs. We had actual revenues. They were not made-up numbers; they were very accurate. We looked at the time frames that were associated with that development and the two-year window that that particular developer had assumed it would take for that project to get approved, whether it was through council and the journey through that pathway or through VCAT et cetera and third party appeal.

What we then did simplistically was say, 'Just imagine if we lived in a different world and we could compress that time frame and be really smart about how we did it and compress it to three months'. The implication of compressing that time frame from two years to three months is profound. In essence what we were able to show through modelling is that I could leave the developer whole—completely not disadvantaged at all—and there was the ability to provide in that particular project 10 per cent of those dwellings at 80 per cent of market rent in perpetuity.<sup>176</sup>

<sup>171</sup> *Planning and Environment Act 1987* (Vic) s 3AB.

<sup>172</sup> Housing All Australians Ltd, *Submission 170*, p. 28.

<sup>173</sup> *Planning and Environment Act 1987* (Vic) s 173; Housing All Australians Ltd, *Submission 170*, p. 28.

<sup>174</sup> Housing All Australians Ltd, *Submission 170*, p. 31.

<sup>175</sup> Ibid.

<sup>176</sup> Hamilton, *Transcript of evidence*, p. 33.