



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

**HOUSE OF
REPRESENTATIVES**

STANDING COMMITTEE ON FAMILY, COMMUNITY, HOUSING
AND YOUTH

Reference: Homelessness legislation

WEDNESDAY, 21 OCTOBER 2009

CANBERRA

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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HOUSE OF REPRESENTATIVES
STANDING COMMITTEE ON FAMILY, COMMUNITY, HOUSING AND YOUTH
Wednesday, 21 October 2009

Members: Ms Annette Ellis (*Chair*), Mrs Moylan (*Deputy Chair*), Mr Abbott, Ms Campbell, Ms Collins, Ms Livermore, Mrs Mirabella, Mr Morrison, Mr Raguse and Mr Trevor

Members in attendance: Ms Campbell, Ms Collins, Ms Livermore, Mr Morrison, Ms Moylan, Mr Raguse and Mr Trevor

Terms of reference for the inquiry:

To inquire into and report on:

The content of homelessness legislation.

The Committee will make inquiries into the principles and service standards that could be incorporated in such legislation, building on the strengths of existing legislation, particularly the Supported Accommodation Assistance Act 1994.

The Committee shall give particular consideration to:

1. The principles that should underpin the provision of services to Australians who are homeless or at risk of homelessness.
2. The scope of any legislation with respect to related government initiatives in the areas of social inclusion and rights.
3. The role of legislation in improving the quality of services for people who are homeless or at risk of homelessness.
4. The effectiveness of existing legislation and regulations governing homelessness services in Australia and overseas.
5. The applicability of existing legislative and regulatory models used in other community service systems, such as disability services, aged care and child care, to the homelessness sector.

WITNESSES

JOHNSTON, Ms Kay, Committee Member, Supported Accommodation Providers Association..... 1
MORAN, John Michael, Policy Adviser, Supported Accommodation Providers Association 1
NEGUS, Mr Damien, Chairperson, Supported Accommodation Providers Association..... 1

Committee met at 10.25 am**JOHNSTON, Ms Kay, Committee Member, Supported Accommodation Providers Association****MORAN, John Michael, Policy Adviser, Supported Accommodation Providers Association****NEGUS, Mr Damien, Chairperson, Supported Accommodation Providers Association**

ACTING CHAIR (Mrs Moylan)—I declare open the fourth public hearing for the inquiry into the homelessness legislation. The homelessness legislation inquiry was announced on 24 June 2009 and written submissions were called for. Ninety-six submissions have been received to date. I welcome representatives of the Supported Accommodation Providers Association Inc. to give evidence. Although the committee does not require you to speak under oath, you should understand that these hearings are formal proceedings of the Commonwealth parliament and giving false or misleading evidence is a serious matter and may be regarded as a contempt of the parliament. Thank you for your detailed submission. Would you now like to make a brief introductory statement before we proceed to some questions?

Mr Negus—Yes. Firstly, thank you for having us here today. We appreciate the opportunity. As mentioned in the submission, SAPA is the peak industry body representing the private level 3 facilities in Queensland. In Queensland level 1 is a boarding house with just a room; level 2 provides food; and level 3 is providing care, and so on. We are coming from the perspective of a full supported process.

We were formed in 1995 to represent members to advance the industry, look at viability and so on. We have been actively operating in the industry for about 20 years. Ms Johnston is one of the founding members of SAPA. We are here today to look at an alternative. We are aware that the homelessness legislation often focuses on the government providing the service delivery, but we firmly believe that the private sector has been left out of that process and has a contribution to make. The targets that have been set will not be met unless there is more focus on how the private sector can get involved.

In our submission summary some of the points are valid. The first five reiterate that we believe the relationship between homelessness, the vulnerability to homelessness and disability, mental illness and substance abuse is well documented. This is a subgroup of the homeless population that has special needs. The facilities in our association look after those people that have those special needs. The majority of people in level 3 have dual diagnosis and a range of disabilities so they cannot live by themselves. Therefore, it is only a small subset of the homeless issue. We believe that the private sector in that area is providing quality cost-effective supported accommodation for people now. As I said, I think we can do more with extra government support. We believe that the legislation that is created should reflect the fact that it is not just a government service delivery. It should contain broader encouragement for other industry to get involved.

ACTING CHAIR—Ms Johnston, do you wish to make a comment?

Ms Johnston—Yes. I would like to comment that it seems that the supported accommodation sector has declined in most states, but homelessness has increased. It would appear to me that there is a direct relationship between the decline in the private sector's involvement in this sector and the incredible growth of homelessness that has occurred. I also work in the not-for-profit sector and quite often see people who I have housed in years gone by now turning up for coffee and support and who are living rough. It reflects, in a true sense, that people who once were housed are no longer housed because this sector has, in fact, declined.

ACTING CHAIR—Thank you.

Mr Negus—I forgot to give a little bit of background. Ms Johnston is a registered nurse. She has had 21 years as an owner/operator in the supported accommodation industry. As I mentioned before, she is a foundation member of SAPA and she works as a regular volunteer in the not-for-profit sector so she has a lot of experience in that area.

I have been involved in supported accommodation for 10 years. I run a major facility in inner Brisbane at the moment. I have worked in the Queensland Department of Housing for five years. My final job there was as an affordable housing officer. I have considerable property experience and have been engaged in the past by the Queensland Department of Housing as a property buyer to find apartments and other properties to basically solve homelessness issues. That means we have experience. We have engaged Mr Moran to give us advice on submissions and to be an external adviser to make sure that our submission is appropriate.

Mr Moran—What Mr Negus said about me probably sums it up. I do not think that I can add anything more.

ACTING CHAIR—As you have concluded your opening statement I will start off. You said that most of the Commonwealth effort is directed toward government provided services rather than the private sector. It is always fraught with great difficulty as to whether your service delivery is driven by state level or whether the Commonwealth actually has a role to play other than providing finance. I know that both political parties in government grapple with these issues and that they are quite difficult ones. Do you think there are advantages in the current plan to roll the SAP funding directly into the states so that these programs can be administered? Do you think that would result in the private sector getting a better opportunity to provide services?

Mr Negus—It is fine as it is at the moment with the federal government providing the emphasis and the states administering it, but I think there needs to be a stronger emphasis by the federal government as to what they want. You have set outcomes and targets, but the reality is that once the states get the funding they then decide where they put it. If a particular state has an emphasis that is not encouraging private sector, then that will occur, but then other states may be more open to partnerships.

There has to be some way the federal government can encourage the philosophy of engaging with all sectors. The white paper mentions that business should be involved, but that has come through NRAS, whereas we see that once you get down to the level where the homelessness exists, there has to be a stronger emphasis on the states to say, 'You need to engage with the private sector. They can build properties, provide care and provide support.' I believe that unless the federal government does that in a very firm way the states will just ignore that.

Ms Johnston—It is true there are a couple of states in Australia that, in our opinion, have seen the light. We believe South Australia has done a great job in this sector in incorporating the private sector in the provision of accommodation and support, and Victoria is also one of the leading lights. Their governments obviously have an agenda to include, but perhaps in Queensland that agenda to include is not so strong. We see as helpful the Commonwealth government having some philosophical overview about how it is done, rather than just supplying the money. Again, when the ‘how’ is left to the states there will always be great diversity about how it is managed.

ACTING CHAIR—I do not want to labour this point too long, but I know from my own time in the ministry and, in fact, having responsibility for this area that there has been a tendency to move away from tied grants. Do you see that as problematic to the delivery of services in the homeless area that you are engaged in?

Ms Johnston—I am not quite sure what you mean by ‘tied grants’?

ACTING CHAIR—Where the Commonwealth says to the state, ‘We’ll give you this bucket of money, but you must provide homeless services. We don’t mind how you provide it, but this money has to go directly into those services.’ There has been more of a tendency to shove some money off to the states without any obligation on the states as to how they appropriate that funding. I do not know whether other members of the committee have similar concerns.

Mr Negus—I think tied grants can be a very effective way of doing it, if you say that it must be spent in that particular area. If the states have a lot of leeway in how they can spend it, then you lose control as you don’t supervise. From our experience, from a private sector perspective there are a lot of inefficiencies. Obviously our experience is more in Queensland. For example, the Common Ground project is one that we are supportive of because we think it is a great model. The Commonwealth government has committed \$40 million to the project in Brisbane, which is to be spent on providing accommodation for 150 people. We worked it out in our minds that that is \$300,000 per bed. Even though it is an admirable project, we believe there are far better ways to provide accommodation to a lot more people. We see these as inequities. If the government in Queensland gets, for example, Q-Build, to build all of its properties, having worked in the Department of Housing I know you will end up with half the number of properties built compared with what you could have if you went as a tender to the private sector to say, ‘This is what we need.’

ACTING CHAIR—We will go to Ms Collins.

Ms COLLINS—What if the funding, rather than tied grants, were directed to outcomes and you had to house so many people and did it that way? Do you think that would be more efficient?

Mr Negus—Yes. It would be very efficient, as long as the people who wrote the objective and set the target for a certain number of dwellings were very experienced. There can be a tendency to assume that if we have a certain amount of money for 100 dwellings then that is where the private sector has had input to say, ‘We believe, yes, that is a reasonable target.’ Sometimes you can easily say, ‘We want you to provide 50 dwellings.’

My experience of the sector in Queensland is that I know that I can get a one-bedroom apartment with 36 square metres to 40 square metres, self-contained, a good property, built for \$110,000. When I look at building a high-rise project of 10 storeys for common ground at \$300,000 a unit I think, 'Is that the best way for the targets to be set by the federal government?' Should you not go to property professionals in the construction industry and say, 'How can you provide the best bang for our buck?' If you set the target to halve homelessness, you really need to provide as many properties on the ground that suit the needs of the people there. You could have a program that ends up with a lot less that are high quality and suit the needs of the state, but could they have produced double that amount with another program?

ACTING CHAIR—Do you have anything further?

Ms COLLINS—Yes, on a different subject. One of the things that I was interested in when reading your submission was the reference to unrealistic ambition. Could you clarify this. I am also a bit concerned about the people and what happens if we do not have strong ambitions for them?

Ms Johnston—Strong ambitions are quite different from unrealistic ambitions. In the Disability Services Act it says something about 'full participation in ...' What does that mean? Participation is naturally limited by who we are, our disabilities and so on. Sometimes we feel like there is a lot of money spent on very few people.

I can give an example from my not-for-profit sector. There are three women who have lived in an institution for a very long time and have been rehoused in a purpose built duplex—three women with profound disabilities, ambulant, but profound disabilities. The budget for their care is now over \$500,000 a year and that does not include the cost of their housing or the cost of their food. That is simply their support wage. I talked to one of the fathers of those women and I said, 'You must be delighted that your daughter is no longer in the institution and things are a lot better now?' He said, 'Oh, well, yeah, they're better.' I would have expected him to be over the moon about his daughter. Those women go out and do lots of things, but their own personal benefit from it is very hard to measure. We are putting so much money into those three women. I do not begrudge that. If we had a never ending supply of money, let us give everybody that. But we work in a sector where there are thousands of people who get zero. It just seems to me inequitable that these women are getting lots of things and it is very difficult to measure the benefits for them, but other people are getting zero. That is what that part of our submission is actually referring to; that we are making a penthouse and an outhouse situation with the way it is right now.

I know people will disagree with that, but if I had a daughter who lives in the sector that we currently operate and gets zero money, and this man is saying, 'Oh, yeah, well, it might be a bit better or it might not', somehow that does not gel with me. It makes me feel like we have not shared our resources very equitably.

ACTING CHAIR—I have a couple of questions. In your submission you expressed concerns relating to the broad definitions of homelessness. Could you elaborate on that for us?

Mr Negus—One of the main issues we have is that our sector is defined as being tertiary homeless. You have your primary, secondary and tertiary. One of the FaHCSIA representatives

was up in Brisbane doing a series of talks recently and explained that process. One of the comments in the white paper is that there are to be no referrals from prisons, hospitals or others directly into homelessness. A lot of the care workers in Queensland came back to our sector to say, 'We've been told we cannot refer to you any further.' We said, 'Why is that?' They said, 'We have been told we cannot refer into homelessness and you are tertiary homeless.' The definition means that it would effectively shut down our sector. We only survive from hospitals, mental health professionals or others referring people to us who cannot live by themselves. It is a grave issue for us. It is probably not that you take all the industry. A boarding house is described as level 1 if it is simply a room. That may be appropriate if that is a shorter term form. But where people live in a level 3 or a supported accommodation in any state they generally live there fairly long term. If there is an alternative provided by government, that is fine. But in Victoria where they have over 6,000 people in SRSs or similar to ours, they have a document we obtained which says that 92 per cent of people in those have lived there over the long term. Unless that definition is clarified it can lead to consequences where the private sector will continue to shut down.

As Ms Johnston mentioned before, we feel fairly strongly that there is a direct correlation. There is a very large provision of accommodation for people in need of very cheap accommodation, some of which has been very substandard. SAPA supports the government efforts in every state to shut down those that are below level standard or subject to a *60 Minutes* expose and so on. It is a very small amount that is left now. In our industry there were 114 level 3s in 2001 and there are now 52. Over the last seven years you have seen a 60 per cent decline. There were 1,000 boarding houses in the mid-1990s in Queensland. There is now 230 on the public register. Every state is the same. Every state has a massive decline. I think the federal government has responsibility to stop the decline and somehow work out, as you have said, how to link the funding that is provided to keep that private sector alive and encouraging it so that it can be turned around and again provide accommodation.

I know I am going on for a long time. Rosanne Haggerty, who set up Common Ground in New York, gave a talk two years ago which I attended. She made the point that in New York they had a cheap boarding house sector where rooms were as cheap as \$7 a night. She said, 'In New York we did not support that and they shut down', so now that sector is effectively gone. She said, 'That was a major mistake. Whatever you do, don't let that happen.' That is probably where we are coming from today.

Ms COLLINS—Clearly we need some standards.

Ms Johnston—Absolutely.

Ms COLLINS—We have heard lots of evidence about what the balance is regarding regulation, standards, the quality of accommodation and still having availability of beds. Can you tell me where you think that should go? Are the standards adequate now or are they too stringent? What sorts of requirements do you have in Queensland?

Ms Johnston—They are simply resource issues. The standards are good, but people are still reluctant. The Office of Fair Trading in Queensland administers the standards and sometimes we feel it is a bit of a toothless tiger, because they are so worried about shutting places down now that they are not enforcing the standards as well as they possibly would if there were a supply

that matched the homelessness population. That balance is completely out of whack. We were the lobbyists for the standards because we got sick of being beaten up because we were seen as cowboys and dodgy brothers. That is why Supported Accommodation Providers was formed, to try to get those standards up there to stop that stuff happening. We are absolutely in support of high standards, but they are resourcing issues.

Ms COLLINS—Do you think we need to go so far as to put something in the legislation?

Ms Johnston—Absolutely, but you cannot have standards unless you pay for them. Standards do not come free. That is one of the reasons that we are here. We are saying the not-for-profit sector gets 10 times more resourcing to do the same things that the private sector gets. It is completely inequitable. You cannot get standards unless you pay for them. There needs to be resourcing to buy the standards that are required in that sector. The private sector puts in the bricks and mortar. It makes its contribution in a different way. Joining those two forces together can only do a power of good for the residents who live there. It seems to me that blind Freddy could see that.

ACTING CHAIR—I would like to pursue standards a little bit further with you. I paid a private visit recently to Winteringham in Victoria, and I agree that Victoria has done a very good job in approaching their homelessness issue.

Ms Johnston—They have done a wonderful job.

ACTING CHAIR—Winteringham, as you probably know, specialises in homeless older people and they have quite a good model. It is not a Rolls Royce model and it does have common kitchen areas, but it is more designed so that it is like family areas. One of the issues that emerged, which goes to the standards issue that Jody asked questions about, was that there are so many different standards. Winteringham, for example, has to abide by the aged care standards, the Mental Health Act, the Health Act and quality control requirements. There are half a dozen at least. As you said, there is an enormous cost attached. Do you foresee an opportunity to develop a national standard, perhaps with add-ons so if you were dealing with people with mental health issues, aged issues or both there could be add-ons to your requirement? Do you know what I mean? You would have a basic model of accreditation, such as, for example, the aged care accreditation.

Ms Johnston—Personally I think that sounds like a wonderful idea.

ACTING CHAIR—You do not have all these different layers, which is enormously costly.

Ms Johnston—It is.

ACTING CHAIR—In the end it is so convoluted that often the standards are not adhered to and nobody is watching much anyway. I just wondered what your thoughts were on that.

Ms Johnston—We would certainly support that. As Jody said, something that reflects outcomes is such a critical thing. At the moment everything is in process rather than outcome. Having one national standard for this sort of accommodation is the way to go. I do not know whether Mr Negus supports me there.

Mr Negus—I think there needs to be one set of standards. Every state has its own standards and each state has been quite effective in doing it, but those standards need to be linked to the funding as well. You have a system where in South Australia they have funded this model. In Victoria they also have a good funding model. That is why their process is so effective. They have very high standards. I recently searched all their documents—their 200-page document on standards and 30 pages on a care plan when someone arrives. That could be brought across every state, but then you need consistency in how they are funded. South Australia is currently funded to approximately \$12 a day per person so, therefore, they are viable. They will probably not have any more shut down. There is a small number where the standards need to be improved and their public advocate has been doing that, but we support that.

Ms Johnston—The NGOs are treated in exactly the same way as the private sector in South Australia. They have made a level playing field.

ACTING CHAIR—It seems to me that that is the way to go. I am not unaware that it is politically hard to do. We have just been debating in the parliament national standards in banking and in consumer law legislation. I talked to that yesterday. I do not see why it is not achievable, but one would never want to pretend that it is easy. You have to have a high level of cooperation between the state and the Commonwealth to do it.

Ms Johnston—I am wondering whether there is any possibility of some sort of research project run by the federal government into how that might happen. It is at the pointy end of homelessness for this particular sector. Perhaps there could be some sort of research into what the funding and standards might look like and how it could be implemented on a nation-wide basis. In my opinion, that would be a huge step forward towards addressing the homelessness issue.

ACTING CHAIR—You might want to comment on this. You would want to have a model that covers all the vulnerable groups, such as children, aged care, mental health and homeless people.

Ms Johnston—It could do that with variations. As you say, you need political will and the goodwill of all stakeholders, but I think it is there now. I think people are recognising that this homelessness is something Australia does not want as a nation and we need to do something about it pronto. Certainly our government is heading in that direction.

Mr Negus—I would like to add that the standards would be something that we would greatly support, but 11 years ago in Queensland the government issued a series of reports that indicated the sector was not viable. There were three areas. They said there should be standards introduced, a resident support program and a community visitor. All of those came into place, but the one they did not implement was any financial support. They did not give any land tax benefits, no capital works benefits and there was no support to the sector. In Queensland the sector has continued to decline dramatically and homeless is now a major issue. The other states that have grappled with this—Victoria and South Australia—and come up with funding are in a much better place. That is where I think the federal government needs to set the standards and possibly do a research project, but then say, ‘We think the funding we are giving you should be tied to every state’, in providing some funding to at least keep alive what is there.’ Set a firm standard so the dodgy operators do not operate, but that everyone is inspected regularly and get a

certain amount of funding which keeps them operating and keeps the standards high. If you provide funding you will see the standards lift dramatically. It will reach Victoria. Queensland has buildings that are more rundown because they are not viable. Anything under 40 in our industry is just not viable. A lot of those smaller operators that do a wonderful job—

ACTING CHAIR—Have you looked at the aged care model in terms of this?

Mr Negus—Yes.

ACTING CHAIR—Do you think that broadly fits?

Mr Negus—Yes, it does. You could apply a lot of the lessons from the aged care directly into providing a model for supported care in every state that the private sector assists with.

Mr Moran—I might just mention the categorisation of residents as well, and the tools for assessing impairment and disability. You mentioned before all the categories of homelessness. From a policy point of view there are people who are temporarily homeless who can rebuild their lives, but there are others who have significant impairment, which is our argument, who are always on the cusp of potential homelessness, and they need long-term housing and care.

ACTING CHAIR—Yes.

Mr Negus—We mentioned the carer allowance payment in the last dot point of the summary. To solve this in a very quick and easy process, in the short term the carer payment of \$105 per fortnight might simply be applied to the industry across Australia. In my facility, for example, we have a large number that require care every day, but there is no funding at all for our industry. If a carer payment were allowed for those who required care every day it would immediately make our sector viable and maintain the status quo.

Ms Johnston—That is while the research project is being undertaken and long-term plans implemented. That could be an interim measure.

ACTING CHAIR—Are there any other questions from committee members?

Ms COLLINS—No, I am fine.

Resolved (on motion by **Mr Raguse**):

That this committee authorises publication, including publication on the parliamentary database, of the transcript of the evidence given before it at public hearing this day.

Committee adjourned at 10.56 am