

Homelessness Funding

A quick guide

Most Commonwealth funding for the homelessness sector is provided through the states and territories under two Council of Australian Governments (COAG) agreements:

- the National Affordable Housing Agreement (NAHA); and
- the National Partnership Agreement on Homelessness (NPAH).

Both the NAHA and NPAH are in place to achieve sustainable housing and social inclusion for people who are homeless or at risk of homelessness. However, the two agreements' structure and purposes are quite different.

NAHA - National Affordable Housing Agreement

What is the NAHA - The NAHA is a high-level document that sets out an objective, outcomes, outputs, roles and responsibilities, reform and policy directions.

Objective – That all Australians have access to affordable, safe and sustainable housing that contributes to social and economic participation.

Funding - The Commonwealth Government provides the funding to state governments, which manage the allocation of funds to achieve predefined outcomes. This is a Specific Purpose Payment and states are NOT required to match the federal funding. Each jurisdiction prioritises expenditure differently, therefore funding to homelessness specific initiatives may vary slightly from year to year. Provides \$250m (approx) per year for homelessness initiatives.

Duration and review – Operates indefinitely unless COAG members unanimously agree to revoke the agreement. NAHA is reviewed every five years. It was last reviewed in Dec 2013.

Funding shortfall – Funding is indexed according to growth parameters, which have resulted in below-CPI indexing.

Functional issues - Specified performance indicators, that the COAG Reform Council was meant to report on, are difficult to measure due to lack of clarity between outcome measures and reform activities. States and territories may use the funding to deliver the outcomes and reform measures outlined in NAHA. Few strings are attached.

See the agreement - <http://www.federalfinancialrelations.gov.au/content/npa/housing/affordable/national-agreement.pdf>

NPAH - National Partnership Agreement on Homelessness

What is the NPAH - The NPAH provides additional funding for agreed activities. It requires specific state and territory implementation plans with joint funding from the Commonwealth and each state and territory. Since 2009, the NPAH has funded 180 new or improved services, driven innovation, produced new service models, and built capacity. Many of these have been smart, local responses that focus on early intervention.

Objectives – Initially, the NPAH funded the implementation of two specific programs, *A Place to Call Home* and *Street to Home*, and to improve outcomes for people leaving care, prison or mental health facilities, and for greater tenancy support. Projects also focused on supporting rough sleepers, Indigenous Australians and women and children experiencing domestic violence.

Funding – A two-year extension was announced in March 2015, for \$115m annually (unindexed), to expire in June 2017. This was based on a *transitional* agreement that was implemented for 2013-14 in which the Commonwealth Government provided \$159m, and another 2014-15 extension that allocated \$115m to service delivery programs.

See the agreement - <http://www.dss.gov.au/our-responsibilities/housing-support/programs-services/homelessness/the-transitional-national-partnership-agreement-on-homelessness>

Homelessness peak body funding

The Commonwealth government had funded Homelessness Australia (HA) since amalgamation of the Women's Services Network, National Youth Coalition for Housing and Council for Homelessness Persons Australia in 1998. Annually, HA received approximately \$350,000 to be a conduit between government and frontline services, provide capacity-building activities to frontline services, and to conduct timely research in the homelessness sector.

In December 2014, due to a MYEFO decision, this funding was removed and returned to government savings. This decision also defunded the two national *housing* peaks: National Shelter and the Community Housing Federation of Australia. Homelessness Australia closed its national office in early 2016.

Other homelessness funding programs

Reconnect

The *Reconnect* program uses community-based early intervention services to assist young people aged 12 to 18 years who are homeless, or at risk of homelessness, and their families. Reconnect assists young people stabilise their living situation and improve their level of engagement with family, work, education, training and their local community.

Effectiveness - Almost 90 per cent of young people reported an overall improvement in their situation after being assisted by a *Reconnect* program.

Funding and review - Annual Commonwealth funding of approximately \$24m. Next review - June 2016

More information: <https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/homelessness/reconnect>

HOME Advice

The *Household Organisational Management Expenses (HOME) Advice Program* is an early intervention program that assists families at risk of homelessness due to personal or financial circumstances.

Effectiveness - Evaluation (2007) showed that; 92 per cent of families avoided homelessness and remained in their homes or improved their housing; 93 per cent of families had their immediate financial crisis resolved; and 93 per cent of families improved their debt situation with 66 per cent reducing or totally wiping their debt and, 31 per cent stabilising their debt.

Funding - Annual Commonwealth funding of approximately \$1.4m. In March 2015, this programme was incorporated into the new Financial Wellbeing and Capability Activity.

More information - <https://www.dss.gov.au/grants/grant-programmes/financial-wellbeing-and-capability>.

DSS a New Way of Working - Housing and Homelessness Service Improvement and Sector support grants

Intended to provide funding to the homelessness sector to conduct research and develop innovative projects that were in line with emerging government priorities, housing and homelessness peak bodies were to be funded through this grant round also. The government disbanded the round and returned most of the allocated \$21.13m to government savings.

More information - <https://www.dss.gov.au/grants/grant-programmes/dss-grants-a-new-way-of-working>

Review of funding mechanisms

The Australian Government has initiated a Reform of the Federation. Issues Paper 2, released in 2015, discusses current housing and homelessness funding and responsibility arrangements. A Green Paper, expected to be published in late 2015, will invite public written submissions on the proposals put forward. A final White Paper is expected late 2016. Details on the Reform of Federation are at <https://federation.dpmc.gov.au/>

National Homelessness Strategy (NHS)

To develop approaches for the prevention and reduction of homelessness. The NHS has broken new ground in integrated service delivery to people who are at risk of homelessness. Funded demonstrated projects and communications activities.

Objectives - A framework to improve collaboration and linkages between existing programmes and services and to improve outcomes for clients and reduce the incidence of homelessness; to identify best practice models, which can be promoted and replicated; to build community sector capacity to improve linkages and networks and raise awareness of homelessness.

Funding - Annual Commonwealth funding of approximately \$2.2 million. As part of a MYEFO decision in December 2014, the Commonwealth ceased funding the NHS in June 2015.

More information - <http://www.dss.gov.au/our-responsibilities/housing-support/programs-services/homelessness/national-homelessness-strategy>

Assistance with Care and Housing for the Aged (ACHA)

Helps financially disadvantaged older people who are experiencing homelessness, or have insecure accommodation and are at risk of becoming homeless to obtain appropriate, sustainable and affordable housing and links them to community care services.

Funding and review - \$6.7 million in 2014-15. From 1 July 2015 the new Commonwealth Home Support Program (CHSP) brought together the HACC program, National Respite for Carers Program, Day Therapy Centres and Assistance with Care and Housing for the Aged under one program.

More information - <https://www.health.gov.au/internet/main/publishing.nsf/Content/ageing-commcare-acha-overview.htm>

Housing funding

Homelessness is fundamentally reliant on housing for a meaningful solution. Joint housing funding programs include:

- **Commonwealth Rent Assistance** scheme which is a welfare payment supplement to assist people with rental affordability; and
- **National Rent Affordability Scheme (NRAS)** was a commitment by the Commonwealth and state/territory governments to invest in affordable rental housing. The NRAS increased the supply of new affordable housing, reduced rental costs, and encouraged large-scale investment.

More information - CRA - <http://www.humanservices.gov.au/customer/services/centrelink/rent-assistance>

and NRAS - <https://www.dss.gov.au/our-responsibilities/housing-support/programmes-services/national-rental-affordability-scheme>