

A Lottery of Perilous Options: Crisis Accommodation in Melbourne's North and West

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At the onset of Covid-19, the Victorian government, homelessness agencies and support providers were faced with the reality that many of the options for purchased crisis accommodation were simply not conducive to human health.¹ Stay at home orders were immediately undermined by the prevalence of inadequate purchasable emergency accommodation. The sector understood that clients would struggle to maintain even short-term tenancies given the poor state of dwelling options. Rooming houses with shared facilities were antithetical to the requirements of the pandemic lockdown, and cheap motels deemed unsafe and unhealthy. Indeed, the dire status of emergency accommodation options came to bear on the sector as they scrambled to safely accommodate all people experiencing homelessness.

But that knowledge — that there was a perennial endurance of and churn through poor crisis accommodation options that were harmful to human health — has been matter of fact to homelessness sector in Victoria for years. In 2009, the Rooming House Standards Taskforce *Chairperson's Report*² found that the rooming house system was rife with 'profit

seeking' landlords and severe 'overcrowding', and that the most basic of essential infrastructure such as plumbing, electrical and waste disposal presented major 'public health and fire risks'. Overall, it reported that across the 'rogue' rooming house sub-market, 'squalid conditions are common'. A total of 32 recommendations related to standards, compliance and enforcement, registration and supply were made, yet the majority of them remain to be implemented.

In the decade that followed, homelessness service networks engaged in more assertive actions, such as blacklisting and embargoes, to limit the exposure of clients to unhealthy accommodation options. Under-funding and under-regulation limited the effect, with clients still having to suffer unsafe dwelling conditions, or find themselves sleeping rough on the street. In 2019, there were 423 government funded crisis supported accommodation beds for the whole of Victoria, but in just two regions — the Northern and Western Homelessness Networks — there was a demand for over 10,000 beds a year. As demand radically outstripped supply, networks such

as these were forced to provide accommodation in the private market: cheap motels and rooming houses.

Ten years of less-than-meaningful change led the Northern and Western Local Area Service Networks to co-author a report entitled *Crisis in Crisis: the appalling state of emergency accommodation in Melbourne's north and west*.³ They state:

Currently, we are failing large numbers of people presenting to the system by providing sub-standard and potentially damaging emergency accommodation, with little or no immediate follow up support to access more suitable housing, and no support to maintain that housing once accessed.

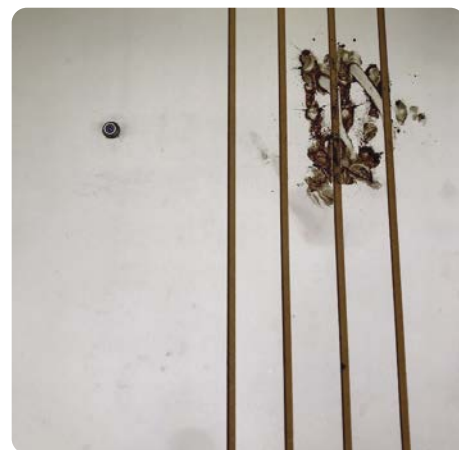
We are contributing to peoples' experience of trauma and adding to their feelings of hopelessness. We must urgently address this situation by providing adequate funds to purchase better quality accommodation, and by increasing resources to support people to exit rapidly into sustainable long-term housing.



Smashed window at the front of the premises



'Do not trespass' note on a seat near the front door



Bloody handprint on door

The Northern and Western Homelessness Networks can no longer tacitly accept causing harm by accepting high-cost poor quality emergency accommodation as a necessary evil for those people who come to us for assistance because they do not have a home.

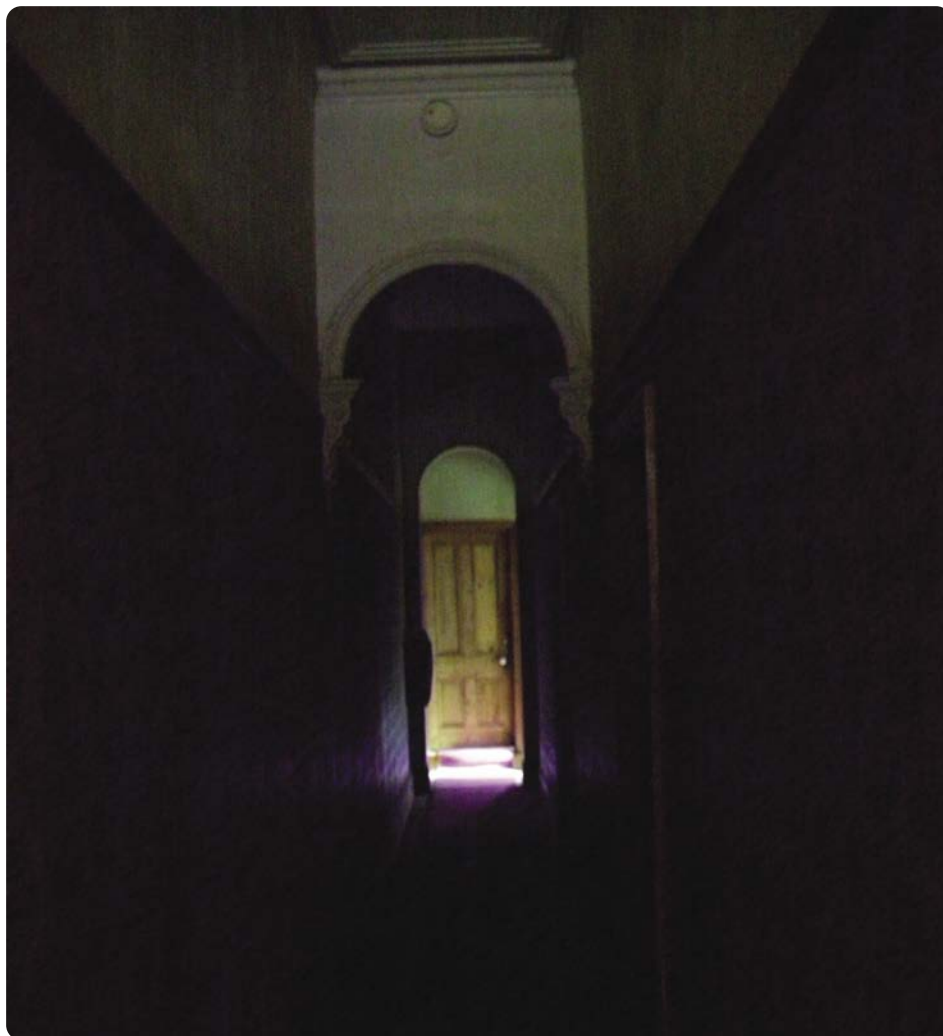
Drawing on the network's 2017 Consumer Survey, client feedback illuminated the desperate feeling of living emergency accommodation, with some clients saying, *'I'd rather pitch a tent up north somewhere than take my child there'* and *'The worst nights of my entire life'*.⁴ Of consumers surveyed, 85 per cent said they would prefer their own self-contained space that could be securely locked; be homely, private, with good facilities including a clean kitchen; safe and secure for children. Over 80 per cent of clients identified as having a mental health issue, and over half reported having at least one disability.

The Crisis Accommodation Options Project

In response to the *Crisis in Crisis* report, the Victorian Department of Health and Human Services funded the Crisis Accommodation Options Project (CAOP). The project examined the use of purchased emergency accommodation in Melbourne's north and west, pathways for households provided with Housing Establishment Funds (HEF), and an exploration of alternative accommodation options or models that might reduce the sector's forced reliance on unsafe and unsuitable options.

The scope of the investigation was based on conditions up until 2019, with the response to the pandemic temporarily rectifying many of the concerns identified by the sector. Throughout 2020, services received substantially more funding in the form of HEF and better accommodations were secured in higher quality hotels that previously accommodated tourists.

The service system under Covid-19 response settings was able to address many of the long-standing concerns. However, in November 2020 those conditions that enabled relatively secure and safe accommodation options were wound back as the funding and



support reverted to business as usual. Hundreds of households 'exited' hotel accommodation without a long-term housing outcome. That so many households exited hotels in no better circumstances than before the pandemic highlights the need for crisis responses to be combined with a commitment to longer-term responses, including access to tangible long-term housing.

HEF the Band-aid

Between 2011 and 17, there was a 500 per cent spend rise on crisis accommodation in the Northern and Western networks. This funding is provided through the Housing Establishment Fund (HEF), a brokerage funding stream provided to homelessness service agencies to purchase a range of products for people experiencing homelessness. The increase in spend did not represent an increase in funding for the system, but rather, a shifting of resources within the system to focus on reducing immediate harm, in part due to the chronic shortage of longer-term housing

options. HEF was initially formulated with a Housing First model in mind but has departed radically in recent years to become a band-aid solution to chronic homelessness.

As the cost of HEF funding continues to rise and the condition and availability of suitable, safe and affordable accommodation options continues to diminish, there is an urgent need to identify what pathways out of chronic homelessness currently exist and should be prioritised. Many academic research studies have demonstrated the effectiveness of 'Housing First' policies and pathways in addressing homelessness.⁵ Despite this measure of effectiveness, these are often interpreted and implemented incorrectly, leading to a failure of the policy objective and salience.⁶

The COAP found a considerable mismatch between policy and resources in the sector, and that this scarcity of resources, rather than the needs of the client, drives a divergence in practices at access points. Paradoxically, even with the

increased cost, HEF services remain chronically under-resourced resulting in a structural inability to meet demand for housing and support. HEF is also geographically uneven in its distribution, with some access points allocated fewer resources than others, resulting in the entrenchment of geographical disadvantage for lower-income regions.

These inequalities are compounded further by the allocation of HEF to households that are deemed most likely to achieve a housing outcome. Particular demographics, such as singles without children, are in effect prevented from even entering the homelessness service system, let alone being put on the path to housing security.

Options Available

For households that gain access to crisis accommodation they encounter a lottery of perilous modes of dwelling. A major issue is that the sector has an incomplete picture of the private Crisis Supported Accommodation (CSA) options that are recipients of HEF, with many rogue 'slumlords' still in operation. By the sector's own rating system, the vast majority of the accommodation purchased with HEF is considered 'inappropriate and unsafe'. Relationships with providers are mostly ad-hoc, meaning the sector has an impoverished understanding about the character of providers with whom they are often forced to engage.

Rooming houses, which are most often used by single persons, are particularly precarious for households and support staff, and the majority of options are rated by the sector as unaffordable and unsafe. Poorer quality rooming houses are paradoxically more expensive because they are more tolerant of, and less likely to effectively repair damage to accommodation. There are rooming houses that provide good quality accommodation options, but these are frustratingly inaccessible to the sector as operators are reluctant to accommodate homelessness households. An alternative option for single-person households are government-supported specialist CSA facilities, yet these too are also few and far between.

Poor quality accommodation has a destabilising effect for households, meaning that for some that stay in rooming housing and sub-standard accommodation, their potential to attain long-term stable housing shrinks with every encounter. Support services are also unevenly distributed, with single-person households disproportionately affected. A number of models of specialised support responses currently exist that target single-person households, However, a lack of capacity has meant that meaningful support is an exception during business as usual.

One notable exception is the Covid-19 Hotel Emergency Response coordinated during 2020, where single-persons were effectively engaged with suitable accommodation and wrap-around support — for many, this was their first time. Through wide-ranging and well-resourced support, workers and accommodation providers scaled-up a supportive model of crisis accommodation to fully maximise the potential of emergency accommodation. This is the only time in modern history that a critical mass of households experiencing homelessness in Victoria were engaged by the homelessness services sector. It was a critical juncture in the quest to reduce homelessness, but with few-to-no long-term housing options, many have become disengaged and recycled through the system.

Ways Forward

Fundamentally, there is a lack of sector-based data to compel evidence-based reform. While consumer testimony and the experience of the sector reveals a systemic blockage to housing outcomes due to an over-reliance on scarce and unsafe accommodation options, data is needed. Consumer outcome data would enable the sector to assess the effectiveness of its interventions, so that targeting is more effective, and areas of support illuminated. This extends to the lack of data around unassisted households, which obscures the scale of need and demand for crisis accommodation, but also low-income housing. Without this data, the sector is trapped in a cycle of being unable to meet

demand under current resourcing constraints, while remaining unable to accurately demonstrate the need for additional resourcing.

The Crisis Accommodation Options Project is one example of sector-based evidence collection and analysis that can contribute to a fuller picture. A total of 24 recommendations were derived from the evidence gathered by the North and West LASNs. These are the product of the COAP evidence, but also from the case study offered by the context of the Hotel Emergency Response during 2020. Central to these recommendations is the urgent need to align the government HEF policy to the practice of access points so that allocations are adequate and equal. Crisis accommodation options need to be better, such as dedicated CSA facilities, but there also needs to be a significant increase in availability of housing options so that there are more exits — and exits that stick. The sector also needs to be given the capacity to assess the private accommodation options available, so that homeless households are not put in harm's way.

The good news is that the 'way forward' model already exists: the continuation of the pandemic response model, followed by long-term supported exits into the social housing system.

Endnotes

1. Kelly D 2020, HEART of Melbourne's North, *Parity*, vol. 33, no. 10, pp. 33-35.
2. <http://chp.org.au/wp-content/uploads/2013/05/Appendix-Taskforce-Report.pdf> (p. 17)
3. [http://www.nwhn.net.au/admin/file/content2/c7/A per cent20crisis per cent20in per cent20crisis per cent20doc per cent20final per cent20040219_1550142202053.pdf](http://www.nwhn.net.au/admin/file/content2/c7/A%20per%20crisis%20in%20per%20crisis%20doc%20per%20final%20per%20040219_1550142202053.pdf) (p. 7)
4. [http://www.nwhn.net.au/admin/file/content2/c7/A per cent20crisis per cent20in per cent20crisis per cent20doc per cent20final per cent20040219_1550142202053.pdf](http://www.nwhn.net.au/admin/file/content2/c7/A%20per%20crisis%20in%20per%20crisis%20doc%20per%20final%20per%20040219_1550142202053.pdf) (p. 5)
5. Woodhall-Melnik J R and Dunn J R 2016, A systematic review of outcomes associated with participation in Housing First programs, *Housing Studies*, vol. 31, no.3, pp. 287-304.
6. Clarke A, Parsell C and Vorsina M 2020, The role of housing policy in perpetuating conditional forms of homelessness support in the era of housing first: Evidence from Australia. *Housing Studies*, vol. 35, no. 5, pp. 954-975.