

Western Australia

NATIONAL HOUSING AND HOMELESSNESS AGREEMENT

PRELIMINARIES

1. This Schedule is an agreement that is a supplementary housing agreement for the purposes of section 15C of the FFR Act.
2. This Schedule will commence as soon as the Commonwealth and Western Australia sign this and the Agreement.
3. Unless terminated earlier or extended as agreed in writing by the Parties, this Schedule will:
 - (a) expire no later than 30 June 2023; and
 - (b) be replaced for further terms of up to five years by the written agreement of the Parties.
4. A Party to this Schedule may terminate their participation in the Agreement at any time by giving 12 months' notice of intention to do so, in writing, to the other Party.
5. This Schedule may be amended at any time by agreement in writing between the relevant Commonwealth and State portfolio ministers.
6. The purpose of this Schedule is to describe how Western Australia and the Commonwealth will work together to achieve the objectives of the Agreement.
7. To enable payments to commence from 2018-19, Western Australia confirms that it satisfies the requirements of clause 17 of the Agreement as at 1 July 2018 and as set out in this Schedule. At the commencement of this Schedule, Western Australia notes that its housing and homelessness strategies are currently set out in various public documents which are referenced in Parts 2 and 3 of this Schedule. Western Australia will be reviewing and updating its housing and homelessness strategies by 2020.

Funding under this Agreement

8. Commonwealth funding received by Western Australia under this Agreement in 2018-19 comprises approximately 22.5% of Western Australia's total expenditure on the delivery of social housing and homelessness programs and services (this figure excludes the cost of services to remote communities).
9. Commonwealth funding under this Agreement will be wholly directed towards financing the social housing and homelessness services systems.

10. As outlined in clause 16 of the Agreement, Western Australia and the Commonwealth acknowledge that the aspirational outcomes of the Agreement are a shared responsibility and are influenced by policies, programs and initiatives funded outside of this Agreement. In particular, welfare support, aged care, taxation, migration and planning and zoning policies have significant impacts on housing supply, housing utilisation levels and all to some degree on the level of homelessness and social housing demand.

PART 1 – OVERVIEW

Market Context

11. At time of writing, Western Australia's easing population growth has reduced pressure on the broader housing market, however subdued economic conditions and continued housing affordability pressures in the lower price quartiles has maintained, and in some cases increased, demand for assistance across the housing continuum. This includes sustained demand and need for social housing, including from people who also have health, disability or complex personal circumstances in addition to low incomes.
12. In contrast to the peak of the mining boom in 2013, most regional areas of Western Australia are now more affordable than Perth, with the exception of some South West regional centres. Significant falls in prices in the North West have improved affordability considerably.
13. Perth is now generally reported as being one of the most affordable capital cities on mainland Australia, due to lower property prices, low interest rates and relatively high household income. Despite this, Perth's housing is still considered severely unaffordable for people on low to moderate incomes.
14. Within this market context, Western Australia is focussed on increasing the supply of affordable housing for people on low to moderate incomes.

Service Provision Context

15. The Western Australian Housing Authority (the Housing Authority) uses its unique combination of functions and powers under the *Housing Act 1980*, to provide and facilitate a wide diversity of housing opportunities across the housing continuum, including:
 - Managing and overseeing the social housing system;
 - Delivering special-purpose housing for people with specific needs and for regional key workers across Western Australia;
 - Developing land to boost the supply of affordable housing;
 - Urban development housing projects with private sector partners which aims for an appropriate mix of owner-occupied affordable housing, public housing and private residences; and
 - In partnership with Keystart home loans, providing finance and home-ownership options for people who cannot easily access the general lending market.
16. The Housing Authority's integration into the Department of Communities from 1 July 2017 provided an opportunity to contribute to a more coordinated approach to human services that will improve the lives of those in need across Western Australia through a focus on People, Place and Home.

17. The Housing Authority's activities are largely self-funded, drawing on a relatively small funding base from direct government appropriations.

Western Australian Response to National Housing Priority Policy Areas

18. Western Australia's housing and homelessness policy priorities will be reflected in housing and homelessness strategies as maintained over time. Western Australia's policy priorities are generally well aligned with the national priorities. Western Australia's alignment with these priorities is outlined at Parts 2 and 3.

PART 2 – WESTERN AUSTRALIAN HOUSING STRATEGY

19. Western Australia is committed to improving outcomes for people across the housing continuum, and has had a whole of government affordable housing strategy in place since 2010. The strategy, titled *Affordable Housing Strategy 2010-2020: Opening Doors to Affordable Housing*, covers initiatives across the following focus areas:

- Strengthening social housing;
- Improving housing supply; and
- Enabling successful transition through the social housing system and wider continuum.

20. The strategy is underpinned by value-adding partnerships with the private and not-for-profit sectors that enable the cost-efficient delivery of a larger number and wider range of affordable housing options.

21. The target initially set under the strategy of 20,000 affordable housing opportunities for people on low to moderate incomes by 2020, was achieved in 2015.

Affordable Housing Action Plan 2017-18 to 2019-20

22. Western Australia has developed an Affordable Housing Action Plan as a precursor to a new strategy to be developed by 2020. The new Action Plan sets a higher target of 35,000 additional homes for people on low to moderate incomes by 2020.

23. Reflecting the 'People, Place and Home' focus of the new Department of Communities, the Action Plan is guided by the following three inter-connected goals:

- Using housing to help achieve better outcomes for individuals and families in need;
- Delivering inclusive and connected communities, where people of all incomes and backgrounds have a place to call home and belong to; and
- Creating a housing system that is more responsive to current and future need.

24. The Action Plan focuses on:

- Transforming the service delivery system to deliver more people and place centred outcomes;
- Supporting vulnerable Western Australians – including with earlier and more coordinated support;
- Providing more options and pathways across the housing continuum to help people reach their housing goals;
- Broadening sources of capital to augment government investment;

- Reforming the planning and approvals systems to support diverse, affordable, accessible and safe communities;
 - Increasing housing diversity and adaptability to meet current and future housing needs;
 - Leveraging METRONET precincts for social and affordable housing outcomes; and
 - Creating new and renewed communities that are inclusive, affordable and transformative.
25. The strategy and the Affordable Housing Action Plan are publicly available at <http://www.housing.wa.gov.au/aboutus/affordablehousingactionplan/affordablehousingstrategy/Pages/default.aspx> and <http://www.housing.wa.gov.au/aboutus/affordablehousingactionplan/Pages/default.aspx> respectively.
26. Complementing the strategy and the Affordable Housing Action Plan is the following range of land use planning and infrastructure frameworks:
- The Western Australian Government's *Perth and Peel @3.5million* (March 2018) suite of land use planning and infrastructure frameworks guide the future growth of Perth and Peel Regions to accommodate 3.5 million people by 2050. The frameworks are a comprehensive whole-of government response to the 800,000 new homes required to accommodate the projected population growth through a mix of infill and greenfield development with targets of 47 per cent and 53 percent respectively. The frameworks are publicly available and can be accessed at the following link: <https://www.planning.wa.gov.au/10586.aspx>.
 - Regional Planning and Infrastructure Frameworks for the State's eight country planning regions are developed by state government in partnership with Regional Development Commissions, Regional Development Australia and local governments. The purpose of each framework is to establish a regional vision and specific initiatives to guide future growth needs including land and housing supply requirements. The regional frameworks can be accessed at the following link: <https://www.planning.wa.gov.au/6971.aspx>.
 - The Department of Planning, Lands and Heritage's Urban Development Program tracks land demand and supply as well as proposed development and infrastructure in Western Australia's major urban centres to promote a more effective use of land, better staging of development, delivery and timing of infrastructure investment and to identify where supply is not meeting demand so government can consider appropriate responses. The suite of reports and data produced under the Urban Development Program, including a Housing Industry Forecasting Group that tracks how the market is responding to emerging demand, can be accessed at the following link: <https://www.planning.wa.gov.au/Urban-Development-Program.aspx>.

Western Australia's alignment with National Housing Priority Policy Areas

27. The table below outlines Western Australia's response to the national housing priorities.

National Priority Policy Area	Western Australian Initiatives on National Priority Policy Areas	Key actions and indicative timeframes
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<p>(a) social housing that is:</p> <ul style="list-style-type: none"> i. utilised efficiently and effectively (may include redevelopment and stock transfers) ii. responsive to the needs of tenants (may include redevelopment and stock transfers); iii. appropriately renewed and maintained (may include redevelopment and new construction); iv. responsive to demand (may include new construction and re-development) 	<p>Western Australia is committed to delivering an efficient and sustainable social housing system that is responsive to the needs of tenants.</p> <p>Public housing is the backbone of the social housing system in Western Australia.</p> <p>Growth of the public housing system in Western Australia is constrained by the current fiscal environment.</p> <p>Western Australia will seek to renew and reposition social housing assets to better meet current and future needs, and create additional opportunities through reducing under-occupancy, timely management of vacancies and assisting people with the capacity to transition to other housing options.</p>	<p>Action from 2018-2023:</p> <ul style="list-style-type: none"> • Maintain over 43,000 social housing rentals, including subsidising public housing rents by an average of \$300m p.a. to ensure they remain affordable. <p>2018-19 to 2019-2020:</p> <ul style="list-style-type: none"> • Deliver a further 534 homes to assist more than 1,000 people with urgent need. • Refurbish 100 social housing dwellings to extend their useful life. • Replace 100 larger homes with 1-2 bedroom homes to better align to applicants' needs. • Facilitate 500 transfers of small households from large to smaller homes to help free up capacity to assist more people.
<p>(b) community housing support that improves the viability and encourages growth of the sector (may include redevelopment and stock transfers)</p>	<p>Western Australia is currently reviewing the contribution of the community housing sector to the social housing system in terms of tenant, asset and financial outcomes with a view to informing future investment decisions.</p> <p>The Housing Authority operates an open and ongoing EOI process through which it will continue to enter into partnerships and commercial arrangements with community housing providers on a case by case basis where the project meets specified investment criteria.</p>	<p>2018-19 to 2019-2020:</p> <ul style="list-style-type: none"> • Deliver the final 122 homes (of the agreed 552 over 10 years) from leveraging the transfer and leasing of public housing stock as part of the \$600m asset transfer program to Community Housing providers.

<p>(c) affordable housing (may include stock transfers and incentives to increase supply);</p>	<p>Provision of affordable housing opportunities, particularly for people on low to moderate incomes, is a key priority for Western Australia and this is reflected in our Affordable Housing Action Plan. In WA, affordable housing opportunities include affordable private rentals, NRAS, shared equity, Keystart home loans, bond assistance loans, and affordable housing and land development delivered through joint ventures with industry partners.</p>	<p>2018-2023:</p> <ul style="list-style-type: none"> • Continue to work with our key government, community and industry partners to deliver affordable housing options for people on low to moderate incomes.
<p>(d) tenancy reform that encourages security of tenure</p>	<p>Western Australia will maintain a focus on delivering diverse housing types and tenures that promote inclusive and connected communities.</p>	<p>2018-2023:</p> <ul style="list-style-type: none"> • Pursue actions to create long-term affordable rental options in the market, particularly for people on low incomes.
<p>(e) home ownership including support for first home buyers</p>	<p>Western Australia supports home ownership through shared equity opportunities and the responsible provision of low deposit home loans for low to moderate income households through Keystart.</p>	<p>2018-2023:</p> <ul style="list-style-type: none"> • Continue to support home ownership opportunities through shared equity and low deposit home loans.

<p>(f) planning and zoning reform, including consideration of inclusionary zoning and land release strategies</p>	<p>Western Australia has undertaken extensive planning reforms and in May 2018 released a planning reform Green Paper for public consultation. Feedback on the Green Paper will inform the State Government's reform agenda for a contemporary planning system.</p> <p>In respect to land supply for urban development, there is currently sufficient land identified across Perth and Peel for urban development to meet future requirements over the next 50 years, based on average consumption rates and providing infill targets continue to keep pace with demand.</p>	<p>Actions from 2018 to 2023:</p> <ul style="list-style-type: none"> • Develop and commence implementation of Western Australia's planning reform agenda.
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28. Western Australia asserts that changes to the key actions and timeframes detailed in the table at clause 27 remain at the discretion of the Western Australian Government.

PART 3 – WESTERN AUSTRALIAN HOMELESSNESS STRATEGY

29. With respect to the requirement to have a homelessness strategy, as outlined in clause 17(b) of the Agreement, Western Australia is developing and will have a new strategy in place and publicly available by 1 July 2019. The period from 1 July 2018 to 30 June 2019 is a period prescribed for the purposes of sub-clause 18(e) of the Agreement for which it is not reasonably practicable for Western Australia to have a publicly available strategy.

10 – Year Homelessness Strategy

30. Western Australia has commenced work on a 10-year Homelessness Strategy which will be published following a co-design process with the community sector and consumers of homelessness services or those who have experienced homelessness.
31. Development of the 10-year Homelessness Strategy will involve investigating innovative and sustainable ways services can be delivered to better meet the needs of individuals and families experiencing homelessness, with a focus on older women in addition to the national priority homelessness cohorts.

32. Dedicated homelessness funding under this Agreement will be applied initially to extending the existing contracts for funded service providers while the 10-year Homelessness Strategy is developed and transition to new service models is effected.
33. Once endorsed by the WA Government, the 10-year Homelessness Strategy will be publicly available at <http://www.communities.wa.gov.au/>.

Western Australia’s alignment with National Homelessness Priority Cohorts and Reform Areas

34. The table below outlines Western Australia’s response to the national homelessness priorities.

National Priority Homelessness Cohorts	Key actions in 2018-2019
Reforms and initiatives that will contribute to a reduction in the incidence of homelessness	<p>Develop a 10-Year State Homelessness Strategy in partnership with the community sector by 1 July 2019.</p> <p>The 10-year Homelessness Strategy will address the National Priority Homelessness cohorts, with an additional focus on older women and any emerging cohorts identified through the co-design process.</p>
Women and children affected by family and domestic violence	<p>Service models for women and children affected by family and domestic violence will be reviewed and potentially re-designed in consultation with the community sector.</p> <p>In the interim, WA will continue to implement an integrated and coordinated family and domestic violence service system to support women and children escaping family and domestic violence.</p> <p>Under the Affordable Housing Action Plan WA will invest \$20.5m capital for new and refurbished crisis accommodation facilities for people dealing with family violence, homelessness and drug and/or alcohol issues, including two new women’s refuges.</p>
Children and young people	<p>Service models for children and young people will be reviewed and potentially re-designed in consultation with the community sector.</p> <p>In the interim, WA will continue provision of intensive support for young people with complex needs who are homeless or at risk of homelessness, with a focus on young people leaving care.</p>

Indigenous Australians	<p>Service models for Indigenous Australians will be reviewed and potentially re-designed in consultation with the community sector.</p> <p>In the interim, WA will continue to provide appropriate housing and support models for Aboriginal people who are homeless or at risk of homelessness.</p>
People experiencing repeat homelessness	<p>Service models for people experiencing repeat homelessness will be reviewed and potentially re-designed in consultation with the community sector.</p>
People currently exiting institutions and care into homelessness	<p>Service models for people exiting institutions and care into homelessness will be reviewed and potentially re-designed in consultation with the community sector.</p> <p>In the interim, WA will continue to strengthen outreach and support services to vulnerable cohorts, such as those experiencing mental health concerns, alcohol and drug issues and people leaving correctional facilities.</p>
Older people	<p>Service models will be reviewed and potentially re-designed in consultation with the community sector to better meet the needs of older people experiencing homelessness.</p>

Homelessness Priority Policy Reform Areas	Key actions in 2018-2019
(a) Achieving better outcomes for people, setting out how the desired outcomes for individuals will be measured (may include a focus on priority groups, economic and social participation)	Western Australia will develop and launch a 10-Year Homelessness Strategy by 1 July 2019 to improve outcomes for people experiencing, or at risk of, homelessness.
(b) Early intervention and prevention, including through mainstream services, setting out actions being taken through homelessness services and mainstream services (may include a focus on particular client groups or services).	The 10 Year Strategy will provide a whole-of-community plan that will enable the delivery of better targeted and more person-centred services, and will include new and innovative ideas to contribute to a reduction in homelessness across Western Australia. Through a co-design process with the community sector, the 10-Year Homelessness Strategy will:
(c) Commitment to service program and design, that is evidence and research-based, that shows what evidence and research was used to design responses to homelessness and how responses/strategies will be evaluated.	<ul style="list-style-type: none"> • Provide an overarching framework for government, the community sector and the community to work together to address homelessness. • Set strategic directions and priorities. • Articulate outcomes to be achieved at the systems level, service level, and for people. • Guide activity and investment. • As a part of this process data matching across government and non-government agencies will be undertaken to guide in the development of homelessness services for Western Australia.

35. Western Australia asserts that changes to the key actions and timeframes detailed in the table at clause 27 remain at the discretion of the Western Australian Government.

PART 4 – JOINT REFORM COMMITMENTS

36. The Commonwealth and Western Australia agree to investigate opportunities for joint reform.

37. The Commonwealth and Western Australia also agree to work collaboratively to determine how any new Commonwealth investment into programs in Western Australia can contribute to improved outcomes supported by the Agreement. This includes identifying opportunities for integrating with Western Australia’s housing and homelessness strategies and programs, which will support better targeting of resources, help avoid duplication and address service gaps to better assist people in need.

38. Western Australia and the Commonwealth will explore opportunities to share data and undertake agreed projects to share and link social housing and homelessness data with social security and other datasets.

PART 5 – STATE-SPECIFIC MEASUREMENT

39. Western Australia currently collects a wide range of information to better understand the housing market and the effectiveness of policies and programs.
40. For the purpose of this agreement, Western Australia will share with the Commonwealth, information on how well the social housing and homelessness service systems are functioning.
41. Recognising that this bilateral agreement should reflect a dynamic and active engagement between partners, Western Australian and Commonwealth officials will continue to work together to:
 - share information on factors influencing homelessness in Western Australia, the Western Australian housing market including information on the progress of implementation of action plans and analysis of specific policies or programs,
 - identify joint reform projects, and
 - recommend changes to any or all elements of this bilateral agreement.

PART 6 – REPORTING

42. Western Australia is committed to ongoing improvements in accountability and transparency under this agreement.
43. In respect of strategies and action plans outlined in Parts 2 and 3 of this Schedule, Western Australia will publish reports for its own purposes on the progress of implementation against plans or the achievement of outcomes. Any such reports will be publicly available at <http://www.communities.wa.gov.au/>. These reports will be provided to the Commonwealth Minister with portfolio responsibility for housing and homelessness by 31 October each year. Information on specific elements of the strategies and action plans may also be included in the Annual Reports to Parliament of relevant departments, which will be publicly available on that department's website.
44. In respect of the requirement in Clause 37(a)(i) of the Agreement to disaggregate funding against priority homelessness cohorts, Western Australia will include disaggregated expenditure against the national priority cohorts; however, where not possible, expenditure will be identified as expenditure on general homelessness services. The expenditure on general homelessness services will include additional information, which at a minimum would include a list of the programs delivering general homelessness services.
45. To meet the requirement in Clause 37(a)(i) of the Agreement, the Commonwealth and Western Australia will work together to provide information relating to the proportion of clients from the national priority cohorts supported by the general homelessness services.

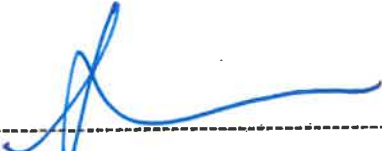
PART 7 – OTHER CONDITIONS/PRIORITY POLICY AREAS

46. Other conditions and/or priority policy areas may be agreed between the Parties from time to time.

PART 8 – SIGN OFF

1. The Parties have confirmed their commitment to this Schedule as follows:

Signed for and on behalf of the Commonwealth of Australia by



The Honourable Josh Frydenberg MP
Treasurer of the Commonwealth of Australia

26.11.18

Signed for and on behalf of Western Australia by



The Honourable Peter Tinley AM MLA
Minister for Housing; Veterans Issues; Youth

31.10.18



The Honourable Simone McGurk MLA
Minister for Child Protection; Women's Interests; Prevention of Family and Domestic Violence;
Community Services

29.10.2018