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Policy coordination and housing outcomes during COVID-19

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Executive summary

Key points

- Prior to the COVID-19 pandemic the housing system in Australia was under strain.
- Policy makers in Australia were braced for severe, detrimental impacts arising from the unfolding global pandemic.
- The response from all tiers of Australian government to these threats was rapid and comprehensive, and where required, coordinated.
- Broad estimates suggest that > $4 billion was allocated for new and expedited policy interventions at key points of the housing system.
- Good outcomes were achieved through coordinated action in some key policy areas, which provides broader lessons for how policy makers can address existing challenges in the housing system and respond to future crises with system-level implications.

Key findings

The COVID-19 pandemic created an unprecedented crisis facing the housing system and the people who depend upon it. So large was the potential risk arising from the crisis, that a comprehensive and coordinated, whole-of-government response was required.

This scoping study was driven by the need to understand the scale and scope of policy interventions in the housing system—a critical first step for on-going assessment of the outcomes and impacts of the broad suite of initiatives deployed by governments in response to the pandemic. This will help build a preliminary evidence base to assess the whole-of-government response going forward and to prepare policy makers for future crises with similar system-wide implications.

The multi-level response to pandemic impacts on the housing system were rapid, large in scale and scope, and generally well-coordinated. In total, 98 Australian Government and state/territory government initiatives were announced between March and June 2020, supported by $4 billion of new or expedited funding.

Below we detail the key findings across four key housing outcome areas that were targeted by governments to address the public health and associated social and economic issues arising from COVID-19.

Homelessness

- National effectiveness in rapidly accommodating some of the most disadvantaged and at-risk groups in Australia is widely seen as one of the early 'successes' of governments' response.
- By some estimates 8,000 people across Australia were provided with accommodation to create safe spaces to self-isolate and recover if presenting symptoms.
- For the first time rough sleeping was briefly eliminated with the majority housed in a combination of hotel/motel accommodation.
- In line with the National Cabinet, responses followed a common approach—rapidly identify the homeless using the resources and networks of specialist homeless services (SHS); house people in temporary accommodation and provide 'wrap-around' support.
- Several governments—New South Wales, Victoria and Western Australia—are using the opportunity to transition homeless into long-term and secure accommodation through additional investments in housing and assertive care.
- What is evident is the growth of approaches modelled on 'housing first' (or rapid housing) as the strategy for tackling long-term homelessness (Johnson, Parkinson et al. 2012).
- It has thus illustrated the potential to address one of society's most enduring and intractable problems—and illustrates the potential for policy and social innovation in a crisis.
- The total number of policy initiatives announced by all Australian governments for homelessness is 22 and we estimate that the volume of funding committed by mid-June 2020 was $192m.

Crisis accommodation

- Social distancing measures created an environment for what the United Nations described in April as a 'shadow pandemic': potential for increased violence against women and girls (Mlambo-Ngcuka 2020).
- Stay-at-home measures have placed strain on services and increased the need for expanded services, and early research has shown increased use of services and severity of domestic and family violence (Pfitzner, Fitz-Gibbon et al. 2020a; 2020b).
- In response, we found that state/territory governments developed at least nine initiatives, evenly spread except for the Northern Territory (no discrete response) and Queensland and WA (two each). The Australian Government provided funding support ($150m).
- We estimate that approximately $204m has been committed to crisis accommodation since the pandemic began.

Social housing

- As with prior economic downturns, social housing has featured as a key plank of the economic recovery platform of governments—the context of the pandemic has had some impact but not substantively altered the shape of the response.
- Approximately $1.57 billion was earmarked for social housing outcomes across most states and territories.
- Most state governments committed new and/or expedited funding for maintenance and upgrades of existing social housing stock as a form of 'shovel ready' economic stimulus.
- Five states expedited and/or committed new funding to increase supply of social housing to stimulate construction and, in some cases, meet the needs of those housed in temporary accommodation to support 'housing first' models.
- NSW, WA and Victoria provided funds specifically for Indigenous communities.
- At this point in the pandemic there has been no new direct allocation of funding for social housing by the Australian Government, which contrasts with the Global Financial Crisis, where $5.2b ($6.5b in 2020 dollars) was allocated to the Social Housing Initiative (Pawson, Milligan et al. 2020: 95).

Private rental

- Approximately $1.2 billion has been earmarked for the Private Rental Sector (PRS) housing outcomes during the early stages of the crisis.
- Due to the distribution of responsibilities under the federation much activity was driven by the states/territories with regulatory oversight of residential tenancy legislation and control over core revenue policies such as land tax and stamp duty.
- A plurality of states also provided transfers/payments in the form of rent relief for those experiencing hardship due to the suppression of economic activity associated with social distancing measures and adverse labour market conditions associated with the economic downturn.
- The PRS was nonetheless a key focus of the National Cabinet early in the pandemic and there was multi-level coordination as evidenced by harmonisation of laws to protect tenants through eviction moratoria and suspension of rental increases.
- Each level of government and jurisdiction was actively involved in policy interventions or emergency activities except for the Northern Territory.

Policy development options

There are several opportunities for policy development arising from the scoping study. Primarily, these relate to learning from the whole-of-government approach to better understand the 'fitness-for-purpose' of the housing system. The pace of change and speed of coordinated collaborations throughout the system, in such a short timeframe, means there is a lot of new knowledge to capture around working across policy silos, institutional frameworks and across jurisdictions. Very simply, policy actors need to capture this knowledge to harness new ways of pulling together to improve the housing outcomes for Australians.

Through the early phases of the pandemic, new and expanded initiatives were announced and implemented in a largely coherent and efficient way. Some existing constraints, prevalent in the complex housing system, were circumvented, which shows that rapid action can be taken through a whole-of-government approach to address the risks to Australians, including some of the most vulnerable people in our society. This therefore presents an opportunity to explore how some of the existing problems present in the Australian housing system can be addressed—and to expand investment in the housing system that can stop people experiencing negative housing outcomes.

Alongside the system level learnings, it is evident that in some outcome areas, especially social housing, declining investment relative to population growth, and a lack of appropriate supply, left Australia underprepared to meet the increased demand for housing and housing services from diverse cohorts: vulnerable groups, including survivors of domestic and family violence (DFV), people experiencing or at risk of homelessness for the first time due to the economic downturn, and rough sleepers, requiring long-term housing following largely successful rapid housing response to people into hotel accommodation. Policy actors need to address the systemic challenges evident in a housing system that was under strain as the pandemic began.

Secondly, there are several policy opportunities relating to individual housing outcomes. The pace of change meant that jurisdictions were regularly announcing new interventions across housing continuum and lessons learned could be applied to address existing challenges in the housing system.

Below we briefly detail the policy recommendations for key points on the housing continuum (more detailed discussion is at Chapter 7).

- **Homelessness:** direct interventions and an approach that was characterised by close-coordination between the states/territories and frontline SHS assisted in getting rough sleepers and people at risk of homelessness into safe, if temporary in many instances, accommodation.
- **Crisis accommodation:** Direct interventions, especially increased Australian Government and state/territory funding support for DFV programs and increased support for referral services and mental health support provided an expanded capacity to help DFV survivors and perpetrators.
- **Social housing:** Direct supports came in the form of improving social housing stock through upgrades and maintenance programs. Investments in new supply of social housing stock were announced but comparatively small in value, targeted in areas where future demand was likely to be and to provide long-term housing to those in temporary accommodation.
- **Private rental:** COVID-19 has shown that the federation can rapidly respond with 'stop-gaps' to mitigate the short-term impacts on tenants, the challenges of housing insecurity and homelessness present for public health and hinder the effects of a pandemic-induced recession on individual and household stress.

The study

This scoping study forms part of the COVID-19 AHURI funding round, focussing on a suite of applied research concerning the impacts of the COVID-19 crisis on housing outcomes. The pandemic has created intense and unanticipated pressures on policy makers and systems to respond swiftly and effectively to ways in which the crisis is affecting Australian households. While the crisis and its effects continue to unfold, our study is framed by a larger policy issue. Policy makers need support, both now and in the future, to understand *how* and *where* their policy interventions are coordinated—or not coordinated—across governments.

Therefore, our goal was to make sense of the rapid rate of policy interventions in housing outcome areas during the early phases of the crisis. Understanding the degree of coordination between levels of government helps policy makers to learn how well their actions have impacted on those considered most vulnerable to the effects of the pandemic. Further, it also helps by building a 'bigger picture' of the housing outcome interventions across jurisdictions, as well as illustrating depth in coordination between policy actors and not-for-profit service agencies.

In the study we report on in the following chapters, we explain how we conducted a *systematic mapping of policies and programs directly or indirectly impacting housing and homelessness issues facing Australians due to the COVID-19 pandemic*. Within this broad scope, we focussed the study on three linked research questions that supported the systematic policy mapping:

- **RQ1:** What initiatives, interventions, policies and regulatory reforms have been developed and implemented by governments at all levels to directly and indirectly address housing outcomes due to COVID-19?
- **RQ2:** How do these existing and emergent policies and activities intend to address negative housing outcomes caused and exacerbated by the COVID-19 pandemic?
- **RQ3:** Is there coordination between levels of government and across sectors (including with not-for-profit service providers)?

In so doing, we conducted a systematic search to collate all relevant policy interventions and measures across Australian jurisdictions and housing outcomes. Thus, our data comprised media releases and policy materials detailing the nature of these interventions and measures, between March and June 2020. This data allowed us to map out the roll-out of interventions across the timeframe, illustrating prioritisation, aims, and scale and scope of each and all interventions. Furthermore, this data was collated into a COVID-19 housing system policy corpus, allowing for the interrogation and original analysis of the coordinative, and direct/indirect impacts of the policy making. We illustrate this analysis through case study vignettes. Furthermore, the corpus provides research stakeholders with a policy clearinghouse—hosted on the Analysis and Policy Observatory (APO), creating a resource for further policy analysis.

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