

Division 35: Communities — Services 2 and 7 to 9, Housing; Homelessness —

Mr S.J. Price, Chair.

Mr J.N. Carey, Minister for Homelessness.

Mr L. McIvor, Deputy Director General, Housing and Homelessness.

Mr B. Whitehouse, Acting Director General, Community Services.

Mr M. Rowe, Director General.

Mr W. Millen, Chief Finance Officer.

Ms K. Blitz-Cokis, Executive Director, Office of Homelessness.

Ms C. Comrie, Chief of Staff, Minister for Homelessness.

[Witnesses introduced.]

The CHAIR: The estimates committees will be reported by Hansard and the daily proof will be available online as soon as possible within two business days. The chair will allow as many questions as possible. Questions and answers should be short and to the point. Consideration is restricted to items for which a vote of money is proposed in the consolidated account. Questions must relate to a page number, item or amount related to the current division, and members should preface their questions with those details. Some divisions are the responsibility of more than one minister. Ministers shall be examined only in relation to their portfolio responsibilities.

A minister may agree to provide supplementary information to the committee. I will ask the minister to clearly indicate what information they agree to provide and will then allocate a reference number. Supplementary information should be provided to the principal clerk by noon on Friday, 31 May 2024. If a minister suggests that a matter be put on notice, members should use the online questions on notice system to submit their questions.

I give the call to the member for Vasse.

Ms L. METTAM: I refer to budget paper No 3, page 189, “Government Regional Officer Housing”, which refers to \$43.8 million which will be spent over 2023–24 to 2025–26 to fund 56 GROH dwellings through new builds and spot purchases and the purchase of additional land parcels for future dwellings. Given regional areas across the state are experiencing critical shortages, which I know the minister is aware of, what locations will receive the additional funding? How much of the \$43.8 million will be targeted at new builds and land acquisition to provide urgently needed new housing stock in regional markets?

Mr J.N. CAREY: I have talked about this before in this place in considerable detail. As the member has indicated, we are making an additional capital investment of \$43.8 million. Over four years, that is \$160.3 million for new builds, spot purchases and so forth. The member is asking about exact locations. I have always been very clear that GROH does not work like that. GROH is a demand-driven program with demands and priorities identified by client agencies. It is not always possible to identify where demand will arise because things change with programs and operations. We make an assessment. I will ask Mr McIvor to give further detail about this. It changes from month to month. That is the reality.

Ms L. METTAM: Given the urgency in delivering these houses and the urgency in these regional areas, surely the minister has an understanding of the regions that the minister wants to target.

Mr J.N. CAREY: Can we be clear about how much GROH stock we have? We have 5 286 owned or leased residential properties as of 31 March 2024. That is a significant portfolio. We regularly engage with agencies. We look at the programs and we look at the need. I will ask Mr McIvor to give further detail about how we go about that.

Mr L. McIvor: As the minister said, we have approximately \$160 million over four years, and we will use that to purchase land and to undertake refurbishments to extend the life of existing homes, but also, when needed, to spot purchase homes and also build new homes. We work very closely with client agencies on their priorities. In questions in Parliament recently, the minister listed the numbers of GROH stock per region. We work with them to plan ahead. From a construction point of view, we would have a number under construction at any one time. We would expect this year to probably deliver some 60 new homes to the owned stock. We also lease stock in towns where the market allows. Although we absolutely want to make sure that we continue to increase our ownership of stock, we can lease stock from the private market or, on occasion, we have entered into agreements to headlease GROH properties that will be built for us and, in partnership, we will sign up to a 10-year lease. We have a number of ways to meet the priorities of our agencies. Construction is core but refurbishment is also. We will probably deliver some 180-plus refurbishments in the next four years with a view to maintain the stock we also have.

Mr J.N. CAREY: To be clear, at any one time, there will be vacant GROH housing, which is normal, because we allocate houses to agencies. They then allocate accordingly to their staff and they may keep a GROH house vacant on the basis that they are working to secure employment and so forth.

[9.30 pm]

Ms L. METTAM: That points to my next question. How many Government Regional Officers' Housing properties are currently vacant?

Mr J.N. CAREY: I am happy to provide that answer as supplementary information. At any one time, we will have vacant GROH properties because that is the nature of staff turnover. As I have mentioned, the vacancy can be related to anything—for example, maternity leave for teachers. There are many different reasons why stock in the system can be vacant. Staff come and go. We are constantly looking at our GROH stock. The member may have heard me say this in the Parliament before. When there is old GROH stock that is no longer fit for purpose for GROH, we will look at converting it into social and public housing, and often it will still need refurbishment. I am very cognisant that when we have vacant stock and it is beyond its life or no longer fit for purpose for the needs of GROH, we first consider it for social housing, or in other circumstances, we may lease it to not-for-profit community organisations to also assist with housing supply. I do not know whether the member is suggesting that the government is just sitting twiddling its thumbs on this, because it is not.

Ms L. METTAM: I am just asking a question.

Mr J.N. CAREY: Well, no —

The CHAIR: Members!

Ms M.J. DAVIES: It is just estimates, minister. It is just a simple question.

Mr J.N. CAREY: The member for Central Wheatbelt has not been here for the whole context.

Ms L. METTAM: It is just a simple question.

The CHAIR: Member for Vasse, just hold on for two seconds. Minister, you agreed to provide supplementary information.

Mr J.N. CAREY: I will provide supplementary information on the number of vacant properties at this time.

Ms L. METTAM: Further to that, can we get the figure for the last three years to get an understanding of the trend?

Mr J.N. CAREY: I am happy to provide that also as supplementary information, but I want to be clear about this. I do not know whether the member has spoken to Hon Steve Martin, but I am regularly questioned on GROH and I have provided that kind of information to the shadow Minister for Housing. However, I am happy to provide it also as supplementary information.

[*Supplementary Information No A37.*]

Ms L. METTAM: It is understood that the GROH program was reviewed by the Department of Communities in 2023. I am not sure whether the minister has already made those findings public, but if he has not, will he provide the findings of the review by the Department of Communities into the GROH program?

Mr J.N. CAREY: It was an internal review in which the agency looked at the ongoing management and allocation of GROH homes.

Ms L. METTAM: In the interests of transparency, is the minister able to make that information public? There is a lot of interest in it.

Mr J.N. CAREY: No. It was an operational matter.

Mr P.J. RUNDLE: I want to take the minister back to a year ago tonight and talk about the community of Munglinup. That community has a lack of GROH properties and its teachers are driving 200 kilometres a day to work there—100 kilometres out from Esperance and 100 kilometres back. Tonight, I have heard some statements about an open-door policy, the seeking of land opportunities and an unprecedented effort to get agencies together et cetera. The community of Munglinup in the Shire of Ravensthorpe has provided a block of land. It had a commitment from the department that it would build a GROH property. This time last year, the department decided not to build it there but to build one in Kalgoorlie instead. The Shire of Ravensthorpe also offered to do the land works and ground works et cetera. That community is crying out for housing; there is no spare housing in the town. I appeal to the minister on behalf of the community of Munglinup to build a GROH house on that block.

Mr J.N. CAREY: I am being a bit flexible here, but can the member please refer to a line item in the budget papers. I am being quite flexible.

Mr P.J. RUNDLE: My question is related to GROH properties and demand.

Ms M.J. DAVIES: The minister can refer to Government Regional Officers' Housing in the table under the asset investment program on page 520. He wants one of those 56 new GROH properties that the minister is going to build.

The CHAIR: Thank you, member for Central Wheatbelt.

Mr J.N. CAREY: Member, this relates to the previous question about vacant houses. I want to put this on the public record and note, respectfully, that the member has not referred to this. The GROH program regularly reviews its construction projects and proposed construction projects so that they are aligned to what agencies indicate as their needs and what is highest and best use. There is one GROH property in the town that was vacant from 15 November 2021 to 14 April 2023. For 17 months, that GROH property remained vacant due to the school's substantive principal's preference to live in a GROH property in Esperance and drive to the school. That is an example of a GROH property that remained vacant for some time. The opposition may seek to criticise that, but the Department of Education, which had been allocated the property, left it vacant, as opposed to me leaving it vacant, because of the principal's preference. That demonstrates the flux nature of things. We will also consider GROH properties according to demand and the assessment of the client agency.

Mr P.J. RUNDLE: Thank you, minister. Obviously, the world changes at different times, but I think we will move on to a new question if we can.

The CHAIR: Member for Roe, go for it.

Mr P.J. RUNDLE: I refer to paragraph 4 under "Homelessness" and significant issues impacting the agency on page 505. Is the \$92.2 million in funding related to the recommissioning process for homelessness services?

Mr J.N. CAREY: That \$92.2 million relates to the following components, and I think it is important to put them on the record: \$70.2 million in funding to an existing 120 homelessness services, of which 78 are in the Perth metropolitan area and 42 in the regions; and \$15.7 million for expanding Housing First services, which is made up of \$6.7 million for the metropolitan area and \$9 million for Geraldton, Albany and Kalgoorlie. I think the member would be familiar with Housing First, which is a wraparound approach. The member may be interested in the fact that, based on the highly successful supported landlord model in the metropolitan area, we are expanding, as I previously announced, a regional supported landlord model, which I think the member would support. That will first go to Geraldton, and then Albany and Kalgoorlie. Obviously, we need Housing First support services to provide the wraparound. We do that first. In addition, as part of that \$92.2 million, we are providing \$6.3 million to expand the Entrypoint referral service. As the member would be aware, Entrypoint is the frontline service in Western Australia. It takes the calls and makes referrals. That is a significant boost to Entrypoint. All that funding investment follows the midyear review announcement of \$47.6 million for 15 critical homelessness services across WA. When we add the 15 and the 120 services, we are talking about 135 homelessness services across Western Australia. My understanding and the advice to me is that that is an unprecedented increase. It is about providing capacity support for those homelessness services on the front line.

[9.40 pm]

Mr P.J. RUNDLE: Does the update that the minister gave us cover the recommissioning process of all of those? Can he provide an update on the recommissioning process and when services are expected to get new contracts?

Mr J.N. CAREY: Respectfully, that is a fair question about the commissioning process. That continues. The money that we have announced is not linked to commissioning. This will ensure that they get a baseline boost to their existing services. It is a significant amount of work and the homelessness services are embracing this approach. Part of it is about a greater focus as part of commissioning on Housing First services. It also includes a greater consideration of participation by Aboriginal community-controlled organisations. The member for Central Wheatbelt and I attended an ACCO launch strategy. It is underway and the commissioning process will inform future funding decisions for homelessness based on data, evidence and engagement. I want to be clear: there is no reduction in funding to homelessness services for contracts in 2024–25. In fact, it is an unprecedented increase.

Ms M.J. DAVIES: Is there a date for when that process is expected to be completed and services will have their contracts signed?

Mr J.N. CAREY: I cannot give the member a timeframe and the reason is that we have broken the commissioning process up into four streams. It is a big, complex piece of work, as the member can imagine. To make it clear for the sector, we have broken it into four: accommodation, providing acute high support, low support or youth accommodation with varying levels of onsite support; specialist support, which is providing case management that provides support over a period to assist people to access or maintain housing, manage a range of support needs and integrate with other elements of the support system; engagement hubs, which I assume is no surprise to the member, providing a safe location for people experiencing homelessness, access to services and basic needs, information and referrals; and coordinated outreach, which is actively seeking out people experiencing homelessness, particularly those sleeping rough.

Ms M.J. DAVIES: The reason we are after the date, and I appreciate that it is complex, is that organisations are looking for some certainty around when contracts will be finalised for employment and expenditure going forward. I can see that there is funding in the system, which the minister spoke about earlier, but it is hard for those organisations to make plans too far in advance if they do not know the outcome of the recommissioning process.

Mr J.N. CAREY: I want to provide this assurance: we have provided contract extensions. The budget announcement, which saw that massive increase to the baseline funding, was overwhelmingly welcomed by the sector. I appreciate that whenever there is change, it is difficult. The commissioning is also about modernising the contracts. I want to be frank, and I have said it before, there are 135 homelessness services in Western Australia. Some have grown over time or have been inherited, and so we need to modernise their contracts and do it within those very specific streams, boost ACCO services and base it on the Housing First approach. Although I appreciate there can be some feelings of uncertainty, so far the sector gets that we need to get it right. I think that it is satisfied by the streams and how we are approaching it, and of course it has strongly welcomed the baseline funding boost.

Ms L. METTAM: I refer to page 510 and underneath “Outcome: Affordable housing options are available to eligible Western Australians” is the item “Responsiveness—Total housing assistances provided relative to the public rental waiting list”. The public rental waiting list continues to fall each year, with the budget key performance indicator for this year at 0.26. Why is the KPI falling?

Mr J.N. CAREY: Just to clarify, the member is asking why there has been an increase?

Ms L. METTAM: The target for responsiveness is falling and the budget target is now 0.26.

[9.50 pm]

Mr J.N. CAREY: I have been on the record and we have always been very clear that the overall public housing waiting list has been and is always tied to the rental market. The current rental market that we face not only in Western Australia, but also across the country means that there is greater demand. More people are seeking the safety of the public housing system. I do not think it is a surprise to anyone that an increase in competition in the private rental market means there are fewer options in the rental market, which means that more people are seeking to be placed on the housing waiting list, which puts more pressure on the waiting list. That is why we are doing everything we can to boost social housing supply. I am in this place speaking about this on a regular basis. Just to give members a sense of it, on average, around 125 social homes are being added or returned to the system every month in Western Australia, which, given the tight construction market, is a significant achievement. But I am deeply cognisant that we have to keep pushing forward.

I note that in 2022–23, because of that renewed investment, there was a 35 per cent increase in the number of people on the public waitlist in WA being housed. There was an increase from 1 963 in 2021–22 to 2 643 in 2022–23. As I have said, more competition in the rental market and less product available puts more pressure on the waiting list. I have always been very explicit about that.

Ms L. METTAM: I refer to the table “Waiting times for accommodation—Applicants housed”. In 2023–24, the budget is 130 weeks and the estimated actual is 148 weeks; in 2024–25, it will go to 163 weeks. Is that growth of an additional 33 weeks an admission that the government has been too slow to act? I know the minister talks about pulling every lever now, but has the government been too slow to address these issues?

Mr J.N. CAREY: Firstly, respectfully, I reject the member’s proposition. I will put on the record the housing delivery numbers because I think it is important. Since 1 July 2021, when we made the record investment in social housing, to today, 23 May 2024, 2 175 social homes have been added across Western Australia and 1 048 social homes are under contract or construction. That is a significant delivery in the tightest construction market.

As I have indicated and as I just said before, when rental markets are tight, people seek a surety of the public housing system, noting that, as has been acknowledged by Hon Steve Martin, the majority of people on the waiting list have accommodation. That has been acknowledged by the opposition. But people will still seek the comfort of being on the waiting list.

In terms of the actual average waiting times, I want to be clear that is not a target. That is not a target that the state government has set for itself. It is considered a forecast. It is based on a statistical forecasting model. It is not a target for the state government. As I said, we are doing everything we can to boost social housing. I come back to this statistic that in 2022–23, there was a 35 per cent increase in applicants being housed from the public waitlist in comparison with the previous year. That is a direct result of the record investment that we have made over the past few years and the homes that we are adding to the system. But it is not a target as the member makes it out to be.

Ms L. METTAM: What is the number of social houses in WA each financial year from 2017–18 to 2023–24 inclusive?

Mr J.N. CAREY: Can I just say one last thing on the last question; I should have mentioned that that forecast that the member referred to reflects the average wait time growth over the preceding 91 months. It is a model for a forecast that has been adopted with standard industry forecasting techniques. Previous to 2021–22—this is important—

Extract from *Hansard*

[ASSEMBLY ESTIMATES COMMITTEE A — Thursday, 23 May 2024]

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Chair; Ms Libby Mettam; Mr John Carey; Ms Mia Davies; Mr Peter Rundle

a simple trendline was used that was considered to be significantly inaccurate. I want to be clear. It is a reflection of only average wait time growth, and this has been adopted as a standard industry forecasting technique.

I provided ample information to the upper house on the numbers that the member has asked for. I just indicated that since 1 July 2021, 2 175 social homes have been added across WA and 1 048 social homes are under contract or construction. I provided a number of answers to the upper house that have given further details on delivery.

Mr P.J. RUNDLE: I refer to page 513, “Homelessness Support Services”. The estimated actual number of clients in 2023–24 is 16 550. There is concern over WA government support for homelessness support services. Does the government track homeless deaths at all?

Mr J.N. CAREY: Can I be very clear on this. Because of the cohort involved, it is very difficult to collect data on the cause of death because homelessness is not a cause of death in its own right. However, we recognise that people sleeping rough may be at greater risk due to a range of factors, which obviously can be exacerbated or increased by rough sleeping. Because of the cohort, the best way that we can track, and the best system in place, is by using the By-Name List. We have increased funding to the By-Name List. I want to be clear on this. I think the member’s side has criticised me and the By-Name List. The irony is that I have put more funding into the By-Name List to get more rough sleepers registered on the By-Name List. Ultimately, members on the By-Name List can be referred to our supported landlord model. We would argue that the significant investment we have made in the By-Name List and its expansion is the critical policy consideration because data on homelessness deaths is very difficult to obtain given the cohort and the complexity.

Mr P.J. RUNDLE: I have a further question. Minister, I note that —

The CHAIR: We are going to run out of time to complete it. I have a couple of procedural things I need to do.

The appropriation was recommended.