



Aboriginal Hostels Limited – Submission to NHHA Review

Acknowledgment of Aboriginal and Torres Strait Islander peoples

Aboriginal Hostels Limited (AHL) acknowledges the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging.

Introduction

AHL welcomes the opportunity to provide a submission to the Productivity Commission's review of the National Housing and Homelessness Agreement (NHAA). AHL understands that the NHHA is an agreement between the Commonwealth and state and territory governments (the states) relating to the provision of housing and homelessness services. AHL's submission reflects our role in providing short-term accommodation to Aboriginal and Torres Strait Islander people; and our organisational culture, which support the role of reviews in strengthening decisions and outcomes.

Background to AHL

The Australian Government's priorities for Aboriginal and Torres Strait Islander people includes working in partnership to realise improved employment, education and health outcomes. AHL, through the provision of short-term accommodation, supports access to services and opportunities in a range of locations across Australia (see **Attachment A** for the location of our 45 hostels).

AHL was established in 1973 and is a Company wholly owned by the Australian Government. AHL's purpose is to provide safe, culturally appropriate and affordable accommodation to Aboriginal and Torres Strait Islander people who need to be away from home to access services and economic opportunity. AHL's vision is to improve the quality of life and economic opportunity for Indigenous Australians.

AHL accommodates approximately 20,000 Aboriginal and Torres Strait Islander people each year across our network of 45 hostels, which includes multipurpose, education, and medical hostels. AHL operates 365 days a year, 24 hours a day.

Residents are charged a daily tariff that is affordable for recipients of Australian Government income support (see **Attachment B** for information on our tariff rates). The Australian Government provides funds to cover the gap between tariff income and the cost of providing the hostel accommodation, including the provision of three meals per day. AHL delivered approximately 53,000 meals to our residents in 2020-21.

Aboriginal Hostels Limited – Submission to NHHA Review

In 2020-21, of AHL's \$55.8 million operating income, 64 per cent came from the Australian Government as an appropriation and 27 per cent was generated through the tariffs collected from residents. The remaining income comprised: grant funding from other Australian Government agencies or state and territory governments to operate hostels on their behalf (8 per cent) and the remaining 1% was generated from interest and other income.

Aboriginal Hostels Limited – Submission to NHA Review

AHL's service offering

AHL operates three categories of hostels: multi-purpose, education and medical.

Multipurpose 21 facilities, 1,083 beds

Multipurpose hostels provide accommodation in towns and cities for individuals and families awaiting housing, seeking employment or meeting general business and other commitments away from their homes and communities. Multipurpose hostels generally provide short-stay accommodation.

When people check in to a multipurpose hostel, our staff ask them why they are staying with AHL. In 2020-21, 15 per cent of residents self-reported that their main reason of stay was because they were homeless.

Education 12 facilities, 242 beds

Secondary education hostels provide a safe, comfortable environment for students while they attend high school to pursue their educational goals, including the Year 12 certificate and transition to higher education, training and employment. ABSTUDY assistance is available to assist with the cost of secondary education hostel accommodation.

Medical 12 facilities, 356 beds

Health and medical hostels cater for Aboriginal and Torres Strait Islander people who need to be away from home to access medical treatment, including renal dialysis and antenatal or postnatal care for mothers and babies. Financial assistance and help with transport are available through state and territory Patient Assisted Travel Schemes.

AHL's achievements in 2020-21

In 2020-21, AHL provided safe, culturally appropriate accommodation for those who needed it most. 17,827 residents, aged from new-born babies to 94-year-old Elders, were accommodated in AHL's hostels. In 2020-21 AHL achieved its targeted occupancy rate of 70%.

AHL is vigilant in meeting COVID-19 requirements and responsively adjusts our operations to meet COVID-19 safety obligations, including to assist residents to isolate and quarantine. In 2020-21 no hostels closed due to COVID-19, ensuring that Aboriginal and Torres Strait Islander people continued to have safe and affordable accommodation options.

Results from AHL's 2021 Resident Satisfaction Survey showed that 78 per cent of residents rated their overall experience staying with AHL as either 'good' or 'excellent'.

Resident feedback highlighted the benefits of staying at a hostel in terms of being able to save money, have access to services and undergo medical treatment that is close to home, community, friends and family.

Aboriginal Hostels Limited – Submission to NHA Review

AHL supported the Indigenous economy through employment opportunities and investment in Indigenous businesses, creating flow-on benefits to families and communities. In 2020-21, the Company spent over \$2.8m on goods and services from Indigenous businesses, which represents an overall percentage of 16 per cent of AHL's total expenditure.

AHL is proud to be one of the largest employers of Indigenous Australians in the Australian Public Service, with Aboriginal and Torres Strait Islander employees comprising 50 per cent of our workforce. Increasing Aboriginal and Torres Strait Islander employment is a continued area of focus.

We note that the NHA is in alignment with the Closing the Gap agenda. AHL's day to day work represents practical and tangible efforts towards addressing Closing the Gap priorities.

Aboriginal Hostels Limited – Submission to NHA Review

Specific housing and homelessness support

Through the provision of additional funding, there have been instances where AHL has been able to increase its assistance to Aboriginal and Torres Strait Islander people, including those experiencing homelessness. It is important to note that AHL normally does not offer wrap around services but instead connects residents up with the services that they need. Providing services to homeless residents can present unique challenges, require more specialist skills and increased operating costs.

Although this cohort is not our primary resident, AHL has agreed to provide this more specialised accommodation:

- where requested
- where additional funding has been provided, and
- where there has been a clear need.

Two examples (Wangkana Kari and Galawu) are provided.

As the Issues Paper notes, the term 'homeless' captures people living in non-conventional accommodation or sleeping rough and in short-term accommodation (for example, hostels), staying with family or friends and living in severely crowded dwellings.

AHL agrees that data on the prevalence of homelessness could be improved and that the Census provides valuable insights. As such, AHL worked with the Australian Bureau of Statistics (ABS) in 2021, to support residents who were staying with us at the time to complete the Census. Within AHL, we utilise data to inform decision making. We track demographic information on residents and service access because we know the value of having a strong understanding of who our residents are, where they are from and why they are staying with us. This information is invaluable from a range of perspectives, including driving informed occupancy strategies and to inform future service planning.

Aboriginal Hostels Limited – Submission to NHA Review

Wangkana Kari, Tennant Creek (NT)

In Warumungu, Wangkana Kari means Crow Dreaming



AHL is one of a number of stakeholders involved in the Barkly Regional Deal, which comprises 28 economic, social and cultural initiatives co-funded by the Australian Government, the Northern Territory Government and the Barkly Regional Council to improve the productivity and liveability of the Barkly region.

In July 2018, AHL received two-years of initial funding from the (then) Indigenous Affairs Group in the Department of the Prime Minister and Cabinet (now the National Indigenous Australians Agency – NIAA). AHL consulted with the Tennant Creek community on new service arrangements at the Wangkana Kari Hostel with the aim of providing designated beds at the hostel (42 beds) for renal and medical patients and homeless people with no safe place to stay while visiting Tennant Creek.

Under the Regional Deal, additional Commonwealth funding of \$250,000 was provided to AHL by the Department of Infrastructure, Transport, Cities and Regional Development for a one-year affordability trial, to supplement the funding from the Department of the Prime Minister and Cabinet. This was to reduce the nightly tariff and maximise occupancy rates at the hostel for residents on low incomes at no cost to the resident. This funding provided accommodation priority for Aboriginal medical patients sleeping rough.

In April 2021 AHL finalised the Impact Evaluation Study. The key findings from the Study were:

- that Wangkana Kari Hostel has helped over 430 Aboriginal people access affordable, short to medium term accommodation in Tennant Creek. Before this new model came into place, accommodation options were extremely limited, which meant people slept rough or lived in overcrowded houses
- around 70% of people reported staying at the hostel because of homelessness, with many of the residents stating they were both homeless and receiving renal treatment, and
- the new service arrangements have been effective in providing safe, alternative accommodation solutions for Aboriginal people who are undergoing renal and medical treatments, are homeless or living under housing stress, and visitors to Tennant Creek.

Aboriginal Hostels Limited – Submission to NHA Review

When the affordability trial concluded, in May 2021 AHL introduced a flat subsidised tariff of \$15/night for each person staying at the hostel, with a reduced tariff for families with children. This was seen by local service providers as good value for money and within the capacity of people to pay. At other AHL hostels a single person is required to pay \$36 per night in tariff for accommodation and three meals per day. The subsidised tariff at the Wangkana Kari hostel is made possible by the funding provided by the NIAA.

In July 2020 the NIAA extended AHL's funding for a further three years until 30 June 2023 bringing the total value of the funding provided to AHL by the NIAA to \$5,500,000. This funding supports the operations of both the Wangkana Kari hostel and the Tennant Creek Student Accommodation hostel (which offers boarding school type accommodation and provides 12 beds).

AHL's efforts at Wangkana Kari are an example of working in partnership with stakeholders to provide a service in an area of high need. Residents at Wangkana Kari have advised AHL of the importance of having an affordable accommodation choice which allowed them to keep a job, access local services, visit family and be close to support networks.

Catholic Care took me here. I was living in a tin house in top camp. There was no toilet or electricity. I have been here a long time; at least a year if not longer. I like staying here. I have a niece staying with me from Murray Downs. We are on the housing list.

Aboriginal Hostels Limited – Submission to NHHA Review

Galawu, Darwin (NT)

In Gapapuygy, Galawu means a place of shelter



In 2019, AHL entered into a time-limited agreement with the Northern Territory Government to support transitional housing opportunities for Aboriginal men, women and children experiencing homelessness in Darwin. A grant of \$799,407 was provided for the period May 2019 to March 2021 to purchase 30 subsidised beds per night at AHL’s Galawu hostel to accommodate people who are homeless and sleeping rough in Darwin’s Central Business District.

In November 2019, the Danila Dilba Health Service was contracted by the Northern Territory Government’s Department of Local Government, Housing and Community Development to undertake a preliminary evaluation, at the six-month mark, of the Galawu Short Stay Accommodation project. A number of Galawu residents participated in a survey which found that residents stayed for around 1.6 months on average. Of the participants, six had experienced primary homelessness for many years, one had experienced homelessness for two years, and one for around 30 years. The majority of residents wanted support to secure long-term public housing, with some residents having already submitted applications for housing support.

Apart from housing needs, residents reported they needed support to access a wide diversity of services, including: children (possibly supervised access); residential rehabilitation services; transport to return to country; and Centrelink services.

The project ended in March 2021 and provided a useful service, with available beds well utilised.

The rooms [at Galawu] were regarded as being spacious, clean and private and guests enjoyed having their own bathroom, air conditioning and fresh bed linen. The hostel was considered to be peaceful and relaxing, with little of the “humbug” usually endured when sleeping in public places in and around Darwin.

Aboriginal Hostels Limited – Submission to NHA Review

AHL's insights into homelessness

Housing outcomes interrelate with other policy outcomes such as health, education, employment and social participation. Without a stable, secure roof over one's head, and control over living arrangements, it is difficult to engage with any other services, and indeed with other opportunities. The need for secure accommodation has also been reinforced through the experience of the global COVID-19 pandemic.

The multilayered and multidimensional complex problems faced by Aboriginal and Torres Strait Islander people experiencing homeless are well documented. As the Issues Paper notes, Aboriginal and Torres Strait Islander people experience poorer housing outcomes across the housing spectrum compared with other Australians. Some of the relevant factors include:

- home ownership amongst Indigenous Australians is relatively low
- overcrowding is an issue in some remote communities
- there are often lengthy wait lists for those seeking to access public housing
- the private rental market is tight
- it can be complex and challenging to secure affordable accommodation, and
- aged care services are often in high demand.

These factors impact AHL in various ways because they are issues which affect our residents. While the cohort experiencing homelessness is not our primary resident, many of our residents experience housing instability in one way or another and as such, national and jurisdictional policies and programs impact AHL as a short-term accommodation provider.

AHL acknowledges that there are complex issues associated with homelessness, overcrowding and housing stress.

AHL acknowledges that there are complex issues associated with homelessness, overcrowding and housing stress. We know that population mobility can be associated with homelessness because low incomes, direct or indirect discrimination, and an absence of other options mean that accommodation options for many Aboriginal and Torres Strait Islander people, including when travelling, are likely to be limited.

Issues such as poor health, physical and mental health issues and substance mis-use, which are both a pre-cursor to, and product of, homelessness, can be problematic. Similarly, the experience of ongoing and significant trauma is also commonplace and compounded when homeless or experiencing over-crowding or housing stress. There is a need for supportive and intensive case management to assist people experiencing these issues.

Impact on AHL from broader trends

Given the pressures outlined above, AHL has found that residents are now staying with us for longer periods of time. AHL is not currently set up to accommodate this. Additional funding would enable AHL to better support this cohort, and make an even stronger contribution to Australian Government's efforts.

Aboriginal Hostels Limited – Submission to NHA Review

Although AHL is a provider of short-term accommodation, we have a number of homeless residents (over 15 per cent in 2020-21) and medical residents staying with us long term as they often have nowhere else to go. This has implications for AHL and for our residents. A key change in our resident base is the need to accommodate people for longer periods of time, particularly as older residents continue their stays in order to access ongoing medical services. Some of our residents also experience long waiting periods before accessing alternative long-term accommodation, including public housing.

Unfortunately, AHL's hostel facilities are not well suited to longer term stays. Many of our hostels are ageing and are over 50 year's years of age. Our facilities generally are not purpose built and residents' expectations have changed since AHL first developed its business model and commenced operations in 1973. For example, there is little space to store personal and household possessions, rooms are small, generally do not have ensuites and do not have self-catering facilities. Accommodation offered by AHL is often shared and at many of our hostels the ablution facilities are communal. This service offering has provided additional complexity in responding to the global COVID-19 pandemic where AHL needs to assist residents to quarantine or isolate as part of their stay with us.

Another challenge is that many of our rooms are not family friendly. AHL offers single bed accommodation and currently only has limited family style bedding, or shared family suites.

Common areas are often busy and for the wider safety of residents a *no visitor* rule is applied. For our longer-term residents, including medical residents, this can be challenging, especially as residents cannot readily have family and friends visit them, as they would in other care or accommodation settings.

Medical residents could be better supported with fit for purpose rooms providing facilities such as ensuites and small medical fridges to store medicines. These are currently only available at some hostels in some rooms.

Resident and community expectations are also changing. Resident expectations are often of commercial motel accommodation, as opposed to hostel accommodation. As noted above, expectations range from requiring separate accommodation that is not shared, to ensuites, family style bedding (such as double beds for couples and families), to shared family suites, fridges in rooms, options to have friends or families visit and in addition, in room entertainment (e.g. TV) and free wi-fi is being requested. AHL residents have also requested flexibility around set meal times and having meals reserved for consumption at time that suits them and their family.

AHL is not a motel chain, and while the service offering will change in response to resident expectations as additional funding becomes available, it will remain a hostel style accommodation, with a focus on short stay residents.

AHL charges a modest tariff of around \$36 per night for a single person, inclusive of three meals (refer **Attachment B**), compared to motel rates which are significantly more expensive per night and generally do not include meals.

Aboriginal Hostels Limited – Submission to NHA Review

Future of the NHA

AHL could play a stronger role in improving outcomes for Aboriginal and Torres Strait Islander people, including under the NHA. Accommodation is a key building block which supports Aboriginal and Torres Strait Islander peoples' effective economic and social participation, particularly by supporting access to health services, employment, training and education which are other key building blocks for participation. Given this, a whole of government approach, including working closely with Aboriginal community organisations and other local service providers, is needed.

As the Issues Paper notes, the homelessness service system is increasingly 'crisis orientated' and many people do not receive the services they need. There is not currently enough investment in prevention and early intervention services and shortages of affordable and accessible short- and medium-term accommodation are challenging for those seeking to access these services. There is a need for longer-term public and affordable housing.

AHL has a unique opportunity to continue to fill a niche in areas of market failure.

AHL's service offering of culturally appropriate accommodation and the provision of three meals a day, are not duplicated by other service providers.

AHL provides well utilised and accessed facilities and does not provide services in areas the Commonwealth already funds. There is scope for AHL to be further supported to both build and operate facilities in areas of high need.

There is further potential for AHL to play a stronger role in accommodating Aboriginal and Torres Strait Islander people to access services and opportunities and this role is critical in supporting economic and social participation. Previous reviews of homelessness support services have emphasised the importance of securing accommodation and having a safe place to stay to support economic and social participation. AHL has the potential to deliver increased accommodation facilities to Aboriginal and Torres Strait Islander people seeking to access these key services.

There may also be an opportunity for the NHA and state and territory governments to further invest in AHL to support their long-term housing and homelessness strategies and support Aboriginal and Torres Strait Islander people in temporary accommodation. This includes while they are waiting for alternative long-term accommodation, including public housing. AHL's footprint could be increased to meet demand and this could be an option which could support state and territory governments to reduce homelessness in the short-term and reduce the significant impact of homelessness on Aboriginal and Torres Strait Islander people.

AHL looks forward to continuing to play a practical and valuable role in delivering on the Government's vision for Indigenous Australians through the provision of culturally appropriate accommodation for Aboriginal and Torres Strait Islander people.

Aboriginal Hostels Limited – Submission to NHA Review

Attachment A – location of hostels across Australia



Aboriginal Hostels Limited – Submission to NHA Review

Attachment B – AHL's Tariff Rates

AHL Tariff Rates – effective 27 September 2021

<i>Tariff</i>	<i>Rate</i>
Adult Rate	\$36 single bed \$52 sole occupancy in room \$32 sharing room with partner \$65 employed resident
Child Rate	\$0 Infant under 2 \$10 Child 2-15 years \$12 Youth – 16-20 years
Student Rate	\$30 Under 21 years \$34 Aged 21 years and over