The Social and Economic Benefits of Improving Mental Health

I write to you on behalf of Launch Housing to highlight the critical importance of stable housing in preventing mental health issues. It is critical that housing and supports are provided for people experiencing mental illness to prevent and respond to homelessness and accommodation instability. Homelessness can have a devastating effect on mental health and wellbeing, and consequently, have an adverse effect on the social and economic impact on individuals and the broader community.

Mental health, the mental health system, and its broader effects on wellbeing and social participation have been the subject of numerous reviews over the past decade. It is especially important that the work of the Productivity Commission is aligned with the current investigations of the Royal Commission into Victoria’s Mental Health System.

We have identified the following themes for consideration by the Productivity Commission:

1. Placing safe, secure and appropriate housing at the centre of prevention and recovery.
2. Recognising and privileging the experience, expertise, and voice of consumers.
3. Enhancing prevention and early intervention approaches and improving pathways to mental health services.
4. Prioritising the specific issues for high needs groups in Australia.

ABOUT LAUNCH HOUSING

Launch Housing is an independent Melbourne-based community organisation working with people at risk of or experiencing homelessness. We are one of Victoria’s largest providers of housing and homelessness support services. We provide flexible, specialist services that directly assist thousands of individuals, couples and families every year across Melbourne.

Launch Housing is Victoria’s strongest advocate for affordable housing and is a national leader of research into homelessness that produces better outcomes for our clients and lasting positive change for our community. We believe housing is a basic human right that affords people dignity, and this is reflected throughout every aspect of our work. Everyone has a right to a home, and it is our job to make this happen. Our mission is to end homelessness.
From hospitals to real estate agents, police to schools, we work with others to help people get and keep housing and encourage communities and decision-makers to change the systemic circumstances that contribute to homelessness.

**HOMELESSNESS**

Often when thinking about homelessness, the stereotype image that comes to mind is that of someone sleeping rough. This is certainly one aspect of homelessness, but it also includes: people using supported accommodation such as crisis accommodation provided by agencies like Launch Housing; people staying temporarily with other households; people living in boarding houses and other temporary lodgings; and people living in 'severely' crowded dwellings.

Importantly, homelessness is not just about a lack of shelter. At Launch Housing we believe strongly that homelessness is about the loss of _home_ and all the elements that are central to what a home provides: privacy, security, warmth, connection, and belonging.

The 2016 Census estimated that more than 116,400 people, including children and young people, experience homelessness on any given night across Australia. In Victoria, that figure is close to 25,000 people. As highlighted in the inaugural Australian Homelessness Monitor – commissioned by Launch Housing – the changing level of homelessness is an outcome of socio-economic and housing market trends that influence the number of people liable to become homeless, and which also affect the capacity for those in this situation to regain suitable accommodation.

The demand for homelessness services in Victoria increased by 28%, from 2011 to 2016. The co-occurrence of mental health is ever-present for people either at risk of or experiencing homelessness. Over 30 per cent of Launch Housing clients present with a mental health issue but we estimate that the true extent is much higher. The considerable stress and trauma of homelessness itself contributes to poor mental health.

**KEY ISSUES**

**Issue 1: Placing safe, secure and appropriate housing at the centre of prevention and recovery**

A key feature of the prevention and early intervention of mental health issues is housing.

Safe, secure and appropriate housing is a fundamental prerequisite for facilitating social participation and inclusion and directly contributes to overall health and wellbeing. As well recognised by the Productivity Commission\(^1\), people who experience mental illness can find it difficult to obtain adequate housing or maintain their occupancy. Conversely, housing stresses such as affordability and poor housing conditions can contribute to mental ill-health.

Unfortunately, we know that the absence of good housing can have a detrimental effect on health, particularly mental health. There is a 'health gradient' whereby the health and wellbeing of a community (including its mental health) is greatly shaped by the amount and...

---

quality of housing. Without housing people who are mentally unwell are at a higher risk of cycling through acute mental health care and exiting into homelessness, only to return repeatedly to hospital-based care, and/or being accommodated in prisons.

There is extensive research literature about the adverse effect of homelessness on mental health and wellbeing, and the co-presence of mental health issues for many people experiencing homelessness. For example, mental health problems are increased or exacerbated by the experience of homelessness. See Attachment A.

Housing, along with appropriate supports, is also central to recovery. Secure tenure, with the right support services in place, allows people to focus on mental health treatment and rehabilitation. This is readily evident with Permanent Supportive Housing models that provide an effective approach to the immediate housing and support needs for people with a mental health issue who are experiencing homelessness. Permanent Supportive Housing had its inception in the US and is an overseas practices for improving the housing stability of those with mental illness that warrants closer consideration for Australia. See Attachment B.

**Recommendation**

That the Productivity Commission:

- Review the available evidence on the preventive role of safe, secure and appropriate housing in preventing mental health issues.
- Revisit the available evidence about the co-occurrence of mental health issues for people either at risk of or experiencing homelessness, and the devastating effects of homelessness on mental health.
- Examine housing and support options available to people with mental health issues and their integration with the current mental health system as an extended system response.
- Undertakes work to review the application of Permanent Supportive Housing for individual and families with very high housing and support needs.

**Issue 2: Recognising and privileging the experience, expertise and voice of consumers**

Ultimately any changes in the mental health system is about improving the life chances and wellbeing of people experiencing a mental health issue. Service systems and institutions should be judged by the experience and expertise of consumers. This includes an assessment of the current state of mental health provision across Australia and the role of consumer-informed practices to assist with the co-design of services.

Consumer participation is a strongly held principle for Launch Housing as expressed by our Lived Experience Advisory Group (LEAG). The LEAG is a group of 12 consumers with a lived experience of homelessness. The group has representation of people from diverse backgrounds and experiences including Aboriginal and Torres Strait Islanders, the trans and gender diverse community, parents, young people, and older people.

Any consideration of mental health services needs to account for the lived reality of people experiencing homelessness who use mental health services. It is essential that their perspective and experiences are placed at the centre of the work of the Productivity Commission and is the most effective way to identify systemic deficiencies within the mental health system.
health sector such as discharge practices from hospital and how mental health orders are enacted.

**Recommendation**

That the Productivity Commission:

- Ensure the experience, expertise and voice of current and former mental health consumers are central to the Commission’s deliberations and recommendations.

**Issue 3: Enhancing prevention and early intervention approaches and improving pathways to mental health service**

It is well recognised that the establishment and maintenance of prevention and early intervention programs are a necessary feature of a balanced approach to mental health. While there remains a valuable role for the tertiary treatment of people with mental health issues, we know that mental health outcomes are improved through effective prevention and early intervention.

Prevention and early intervention programs for mental health was nominated by our internal stakeholders as a priority issue. Respondents argued that more money needs to be invested into community work, work in schools, and with families to develop healthy lifestyles for children and young people. For example, our Education Pathways Program provides active support to enable parents and children experiencing homelessness to re-engage with a school community and provide much needed stability and security. *See Attachment C.*

Crucial to the early intervention is our ability to secure in a timely manner mental health assessments and other clinical health interventions for people rough sleeping and those who are ‘hard to reach’. Due to the highly skilled relations that our practitioners have with consumers, it is preferable that mental health resources sit with specialist homelessness support services like Launch Housing to ensure the effective targeting of assistance.

Accessibility and navigating the mental health system were also nominated by our internal stakeholders as an important issue. Launch Housing works intensely with all aspects of the mental health service system including the acute sector and community mental health providers. For example, we work intensively with clinic providers by having practitioners working on the Acute Wards of the Alfred and St Vincent’s, and with the Inner West outreach team. Similarly, we work closely with a range of providers such as NEAMI who are providers of community-based mental health and homelessness services. Support is provided to improve client wellbeing and to live independently using a targeted wrap-around approach for rough sleepers.

It is imperative that there is increased and sustained funding for community-based and acute mental health services to meet demand and to ensure ready access for people experiencing homelessness. This must be matched by improvements in service collaboration and integration. A recent report by the Victorian Auditor-General’s Office[^2] highlighted systemic deficiencies with access to mental health services in Victoria.

For example, this report notes how many people wait too long or miss out altogether on mental health services, and for those who do receive services, their clinical care can be compromised by the need to quickly move people through the system. Further, the mental health system is characterised as operating in ‘crisis mode’ and desperately requires meaningful improvement. Demonstrably this is an unsustainable situation. But of course, improvements in the funding and integration of community-based and acute mental health services will be ineffective without access to safe, secure and appropriate long-term housing.

**Recommendation**

That the Productivity Commission:

- Highlight the considerable benefits of prevention and early intervention programs and the need for additional resources to support successful intervention.
- Examine the critical role of safe, secure and appropriate housing in preventing mental health issues.
- Highlight the current inadequacies, from the lived experience of consumers, in accessing and navigating the mental health system.
- Explore the option of targeting mental health resources to specialist homelessness support services who are better placed to engage with people experiencing homelessness, including people sleeping rough.
- Identify gaps and recommend urgent improvement to ensure clearer referral pathways and better integration between acute and community mental health services, hospitals, and alcohol and drug services.

**Issue 4: Prioritising the specific issues of high needs groups**

Whilst a general response to the mental health and wellbeing of all Australians is warranted, particular attention should be on particular high needs groups. There is an ethical obligation upon government and providers to ensure that the mental health system supports those most in need including people experiencing homelessness. Our internal survey also identified a number of priority groups with particular needs such as Aboriginal and Torres Strait Islander peoples and LGBTIQ people, both of whom are over-represented in homeless services and have higher rates of suicide.

**Recommendation**

That the Productivity Commission:

- Ensures that acute and community-based mental health services are designed to meet the needs of and readily available for people experiencing homelessness.
- Recognise the specific circumstances and needs of high need groups including Aboriginal and Torres Strait Islander peoples and LGBTIQ people and ensure any recommendations are culturally appropriate.

**SUMMARY**

I trust that the five issues in our submission are considered. In particular, we urge the Productivity Commission to look frankly at the current state of the mental health experience for Australians experiencing homelessness and precarious housing. Access to secure, affordable and appropriate housing is a critical precondition to good mental health and is a social determinant of health and wellbeing. Appropriate housing also provides a safe place for people to pursue treatment, mental health management and/or recovery.

Without focusing in the importance of housing and the devastating effects of homelessness, it will not be possible for the Productivity Commission to understand the gaps and failings of the current mental health system, nor fully appreciate the lived experiences of people with mental health issues struggling to navigate the current system.

Yours faithfully

BEVAN WARNER  
Chief Executive Officer