



**Submission to the Productivity Commission Issues Paper *The Social and Economic Benefits of Improving Mental Health*, April 2019**

**About Shelter Tas**

Shelter Tas is the peak body for housing and homelessness services in Tasmania.

Shelter Tas is an independent, not-for-profit peak organisation representing the interests of low to moderate income housing consumers, community housing providers and Specialist Homelessness Services (crisis and emergency shelters) across Tasmania. All funded homelessness services and all registered Community Housing providers in Tasmania are members of Shelter Tas. Shelter Tas holds regular meetings with homelessness services and Community Housing providers across the state. Clients with mental health conditions (diagnosed and undiagnosed) are seen regularly in crisis shelters and in the community housing system. People are regularly discharged from hospital into crisis accommodation as a housing of last resort. The lack of mental health services for clients presents significant challenges in the housing and homelessness sector, which is already facing a critical shortfall of affordable accommodation.

Shelter Tas is committed to working towards a fairer and more just housing system. We provide an independent voice on housing rights and a link between governments and the community through consultation, research and policy advice. We seek to improve housing access for all Tasmanians.

Shelter Tas' vision is that every person has affordable, appropriate, safe and secure housing and our mission is to end homelessness in Tasmania.

Shelter Tas welcomes the opportunity to make a submission to the Productivity Commission *Issues Paper: The Social and Economic Benefits of Improving Mental Health* (the *Issues Paper*).

**Our submission**

ShelterTas broadly supports the submission by the Mental Health Council of Tasmania, our sister peak. In this submission we focus on housing and mental health issues that are reported to us by the Specialist Homelessness Services (SHS) and community housing providers in Tasmania, who are all included in our membership. Our positions are based on consultation with our members, and interstate and national peaks, however, the content of our submission is the responsibility of Shelter Tas and draws on our knowledge and expertise as the State's peak body for housing and homelessness services.

The housing system in Tasmania has changed significantly in recent years. Our members are reporting an unprecedented shortage of affordable rental housing, leading to levels of homelessness not seen before. Vacancy rates in Hobart's private rental market have reached as low as 0.3%, due to a chronic shortage of rental accommodation. Increasing numbers of Tasmanian households are

experiencing rental stress due to the combination of high rents and the lowest incomes in Australia.<sup>1</sup> Weekly incomes in Tasmania are 25% (over \$300) less than the national average.<sup>2</sup> The December 2018 Rental Affordability Index, which compares rents to incomes, again confirms Hobart as the least affordable capital city in Australia.<sup>3</sup> In Greater Hobart, rents are now becoming unaffordable for half of all rental households.

About 27% of Tasmanian households, almost 40,000 households, and most low income households are renters.<sup>4</sup> Over eight thousand Tasmanians are in rental stress. The Hobart *Mercury* 21 Jan 2019 reported that Hobart rent prices have surged almost 20 per cent in a year, based on data from rent.com.au. With more than one in four Tasmanians renting their home, the combination of rising rent and low income growth has created unprecedented hardship for many people. The social housing waiting list is at 3,216 applications, and the average time to house priority applicants is over 60 weeks.<sup>5</sup> We have over 120,000 Tasmanians living in poverty.<sup>6</sup> The average number of daily unmet requests for assistance from homelessness services in 2017-18 increased to 28 requests (up from 25 unmet requests per day in the previous year, and 21 two years ago). Lack of affordable housing is the most common reason for people seeking help from homelessness services (64% of all requests).

Overcrowding, housing stress, and precarious housing all impact negatively on people's mental health. It is well known that housing stress, the fear of eviction, and housing poverty can trigger new mental health conditions, exacerbate existing conditions, and prevent, disrupt or delay recovery from mental illness. Lived experience of homelessness damages people's mental health.<sup>7</sup>

Poverty due to low incomes and lack of housing mean that people with lived experience of mental illness can be increasingly exposed to the risk of homelessness. They face a reduced social safety net, lack of affordable housing and shortage of clinical services. However, many or most people with experience of a mental illness do not experience homelessness. Lack of affordable secure housing places people at risk of homelessness, and the main causes are poverty as well as the housing shortfall.

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<sup>1</sup> ABS Census 2016.

[http://quickstats.censusdata.abs.gov.au/census\\_services/getproduct/census/2016/quickstat/6?opendocument](http://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/6?opendocument)

<sup>2</sup> ABS Census 2016.

[http://quickstats.censusdata.abs.gov.au/census\\_services/getproduct/census/2016/quickstat/6?opendocument](http://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/6?opendocument)

<sup>3</sup> The Rental Affordability Index is an independent report produced by National Shelter, SGS Economics, Brotherhood of St Laurence and Community Sector Banking. The November 2018 RAI Report is available at <http://www.shelertas.org.au/wp-content/uploads/2018/11/RAI-Nov-2018-high-quality.pdf>

<sup>4</sup> Census, 2016,

[http://quickstats.censusdata.abs.gov.au/census\\_services/getproduct/census/2016/quickstat/6?opendocument](http://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/6?opendocument)

<sup>5</sup> [https://www.dhhs.tas.gov.au/humanservicesstats/human\\_services\\_dashboard](https://www.dhhs.tas.gov.au/humanservicesstats/human_services_dashboard) accessed November 2018.

<sup>6</sup> TasCOSS 2018 <https://www.tascoss.org.au/120000-tasmanians-live-in-poverty/>

<sup>7</sup> [https://www.ahuri.edu.au/data/assets/pdf\\_file/0023/29381/Housing-homelessness-and-mental-health-towards-systems-change.pdf](https://www.ahuri.edu.au/data/assets/pdf_file/0023/29381/Housing-homelessness-and-mental-health-towards-systems-change.pdf)

People on high incomes can access a range of options so rarely present at homelessness crisis services.<sup>8</sup> Homelessness can be prevented when people have adequate income, effective clinical and psychosocial support where needed, and housing that is appropriate, affordable, safe and secure. Homelessness is not an inevitable outcome from experiencing a mental illness, but is much more likely when both housing and mental health services are chronically underfunded. Studies have shown that for every \$1 spent on housing a homeless person governments can save between \$2 - \$13 in health and justice costs alone.<sup>9</sup>

The twin crises in mental health and housing have become worse over time.

Deinstitutionalisation was predicated on the assumption that social housing would be available for all those living in the community with psychosocial disability. It also assumed that Centrelink incomes would retain their value. It assumed the availability of adequate housing, employment, income, clinical services and psychosocial support. In combination they would underpin a decent quality of life and social inclusion for those living with psychosocial disability. Sadly, the reality has not lived up to this vision.<sup>10</sup>

Safe, secure, affordable, appropriate housing is a foundation for the health and well-being of all Tasmanians. Being securely and affordably housed is critical for recovering and maintaining wellness. However, many Tasmanians lack this foundation of safe, secure, appropriate, accessible, affordable housing. Those who are homeless, including people who are sleeping rough, couch surfing, and living precariously or in overcrowded or sub-standard dwellings are excluded from opportunities to achieve or maintain good mental and physical health. Housing is essential social and economic infrastructure. It is the bedrock for people's wellbeing, participation in work and community activities, and underpins the care of dependent children. No-one deserves to live in housing stress, poverty or homelessness.<sup>11</sup>

Shelters are regularly used as housing of last resort, so workers are left to assist clients with a range of mental health issues, both diagnosed and undiagnosed. The link between mental health, co-morbidities and adequate housing and support is well known, and acknowledged in the *Issues Paper*.<sup>12</sup> We note also that the data collected about clients presenting with mental health issues may be affected by under-reporting. Some crisis services suspect that clients are reluctant to report their mental health diagnoses as they perceive this may discourage the service from providing accommodation. In addition, services report they observe behavioural issues that seem consistent with mental illness, but clients may not have received any clinical assessment, so any condition

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<sup>8</sup> We note that people fleeing domestic violence are an exception, and may not have access to household wealth and resources.

<sup>9</sup> Bennett V, Young A (2013). *Cost Benefit Analysis of the RESOLVE Program*. Mission Australia. Brisbane; Witte, E. 2017 'The case for investing in last resort housing', MSSS Issues Paper No. 10, Melbourne Sustainable Society Institute, The University of Melbourne; Wood, L., Flatau, P., Zaretsky, K., Foster, S., Vallesi, S. and Miscenko, D. (2016) *What are the health, social and economic benefits of providing public housing and support to formerly homeless people?*, AHURI Final Report No. 265, AHURI, Melbourne

<sup>10</sup> Jenny Smith, CEO, Council to Homelessness Persons, Editorial, *Parity – Australia's national homelessness publication* Vol 31, Issue 8, Melbourne: 2018.

<sup>11</sup> [www.shelertas.org.au/shelter-tas-budget-submission-2019-2020/](http://www.shelertas.org.au/shelter-tas-budget-submission-2019-2020/)

<sup>12</sup> <https://www.pc.gov.au/inquiries/current/mental-health/issues> p 18.

remains undiagnosed. These factors suggest an even higher level of need than is captured in the AIHW statistics.<sup>13</sup>

Using the housing and homelessness system as the 'alternative' when hospital beds are unavailable is inappropriate and unhelpful to people experiencing acute mental health distress, unfair and unsustainable for the services and the people who work there, and adds pressure to a system in crisis, with harmful and costly impacts on vulnerable people.

In our recent submission to the State Budget Process 2019-20, Shelter Tas urged the Tasmanian Government to prioritise adequate mental health support for people in crisis accommodation and the workers who support them.

Shelter Tas members report an urgent and escalating need for appropriate mental health pathways for people in crisis accommodation.<sup>14</sup> Shelter Tas is extremely concerned about the growing risk to clients and workers. The situation reflects both a lack of resources and the lack of integration between mental health and housing/homelessness services. A clear response pathway that delivers appropriate support for clients and workers is needed urgently.

This is a widespread issue affecting young people, people who have experienced family violence and men accessing homelessness services. There is an opportunity to pilot a response model in alignment with the Mental Health Council's call for *Centralised Mental Health Access Service* (CMHAS). As MHCT notes, "The CMHAS will address known concerns expressed by various stakeholders including community members about the need for a centralised service providing advice and navigation around available supports and referral pathways preventatively, to support mental health literacy and access."<sup>15</sup> In addition, a comprehensive and well-resourced system will be crucial to deliver long term outcomes. The care model needs to follow individuals as they transition across housing types.<sup>16</sup>

Workers in shelters and housing of last resort are not clinically trained, but as the *Issues Paper* notes, are more and more often left responding to and accommodating people who have diagnosed or undiagnosed mental health challenges. We know from our members that clients experiencing mental health distress in emergency and transitional accommodation need effective integrated solutions, and the same people often need continuing clinical and tenancy support in other longer term accommodation options such as social housing, but they do not get it. This is a huge impediment to people's recovery, and a significant gap in the system.

Many specialist homelessness services in Tasmania operate on a one worker model, so that when a client is in psychological distress up to and including psychotic behaviour, self harm and suicide, the worker has no option other than to call police or ambulance to take the client to the Emergency Department at the local hospital. Out of hours clinical outreach support would often be more suitable, but is simply not available. Calling emergency services is an inefficient and ineffective way of supporting people who need clinical support for their mental health conditions.

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<sup>13</sup> <https://www.aihw.gov.au/reports/homelessness-services/specialist-homelessness-services-2017-18/data>

<sup>14</sup> Currently, as many Shelters have a 'one worker model' if a client is in extreme distress, self-harming, or displaying behaviour suggesting acute mental ill-health, the only option is to call police or ambulance. The expense and disruption of emergency service call outs could in many cases be avoided if early intervention and support were in place.

<sup>15</sup> MHCT *Budget Priorities Statement* 2019-20.

<sup>16</sup> [www.shelertas.org.au/shelter-tas-budget-submission-2019-2020/](http://www.shelertas.org.au/shelter-tas-budget-submission-2019-2020/)

Many people with mental health conditions need ongoing support (continuous or episodic) to manage their tenancy in the longer term.

Self-harm and suicide attempts occur with distressing regularity in crisis shelters. While staff are professionally trained and educated to deal with difficult situations, they are not clinical experts and can feel ill-equipped to deal with the complex mental health challenges experienced by clients. Disruption arising from acute behaviour as well as ambulance or police call out can affect the individual client as this often escalates the situation, can impact on other residents and can be highly stressful for the single worker who is present for overnight shifts. Access to clinical expertise at a stage before calling an ambulance or police through an outreach service would be less disruptive, less costly and more effective in many cases.

Specialist Homelessness Services across Tasmania have identified the need for access to on-call mental health support for clients, face-to-face assessment and support to residents outside of business hours, and support for staff as needed.

Of course the lack of mental health support for people staying in crisis accommodation is not the only gap in services, but in Tasmania our members are reporting ever-increasing pressure in this area. There is no indication that this trend will reverse. We are aware when people leave crisis accommodation with unresolved issues, and nowhere safe and affordable to live, they are likely to return. This revolving door of perpetual crisis amplifies personal harm and trauma, and increases cost to the system.

There is an urgent need to address the housing shortage in Tasmania and in other jurisdictions to both prevent people's mental health getting worse, and to aid people's recovery. The major reason people give for accessing emergency housing services is that they have nowhere else to go, which reflects the shortages across the housing system. Both housing and clinical services need appropriate resources to support people's mental health, especially where people are facing both of these challenges. Shelter Tas recommends broad consultation across both housing and mental health services to develop an adequate resourcing model. An affordable, appropriate, safe and secure home for everyone is needed to obtain the social and economic benefits of improving mental health.

Shelter Tas appreciates the opportunity to provide comment on the *Issues Paper*, and look forward to contributing further during the consultation on this very important issue.

For any further information on this submission, please contact

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