



# Homelessness Australia

*Creating a framework for ending homelessness*

Submission to the review of the Job Capacity Assessment and Job Capacity Account

February 2008

## **About us**

Homelessness Australia is the national peak body for agencies providing services to people who are homeless, or at risk of homelessness.

Homelessness Australia represents more than 1,300 Supported Assisted Accommodation Program (SAAP)<sup>1</sup> agencies and others who work with and for homeless people and has 500 current financial members.

Our policy work is guided by three reference groups which provide advice about key issues and represent different parts of the homelessness sector. They are the:

- Women's Services Network (WESNET);
- National Youth Coalition for Housing (NYCH); and
- Council to Homeless Persons Australia (CHPA).

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<sup>1</sup> SAAP is the major programmatic response to homelessness in Australia and is administered by the Department of Families, Housing, Communities and Indigenous Affairs. SAAP agencies provide a range of services including case management, advocacy and referral in addition to crisis and transitional housing for people experiencing homelessness.

## Recommendations

### 1. Strategies to improve the identification of homelessness in the JCA assessment processes

- 1.1. Relevant agencies to undertake further research, in partnership, to better quantify the numbers of people experiencing homeless people who do not disclose this through the JCA and related process including the Job Seeker Classification Index (JSCI).
- 1.2. JCA (and related tool including the JSCI) to adopt MacKenzie and Chamberlain's three-tiered definition of 'primary', 'secondary' and 'tertiary' homelessness, to better capture the spectrum of homeless experiences.
- 1.3. JCA to include questions identifying an interviewee's past and present experiences of homelessness in order to identify the risk and or experience of "chronic" or repeat homelessness.
- 1.4. More frequent review of JCA status, especially where an individual's Centrelink or JCA provider records display risk factors for homelessness including frequent change of address, multiple periods of medical incapacity or known residence in SAAP or inadequate housing.
- 1.5. Frequent review of JCA status to reflect that the capacity to work of people who have been homeless can fluctuate over time.
- 1.6. Expanded JCA interview times for people with high JSCI scores and people known by Centrelink to be homeless/at risk on referral to the JCA provider.
- 1.7. Further investigation of ways to remove financial disincentives to disclosure of homelessness, particularly for people who become homelessness as a result of losing rental housing while receiving Rent Assistance.

### 2. Improving knowledge of homeless people's experience of the JCA

- 2.1. Further analysis of the JCA to better understand the support needs of people who are homeless and undergo a JCA; and of homeless

people's engagement with services administered by Centrelink in general.

### **3. Improving referral to specialist services and support**

- 3.1 Uncapping of places in the Personal Support Program (PSP) to meet demand, and in recognition that it is the most appropriate existing programmatic response to the needs of homeless job-seekers aged over 25.
- 3.2 Review of the PSP with the aim of supporting better social and economic outcomes for PSP participants, including those who are homeless.
- 3.3 Review of the Jobs Placement Employment and Training programme to ensure the program is meeting the support needs of homeless people aged under 25.
- 3.4 Government commitment to expand options for short-term vocational exposure training for long-term homeless and unemployment people in the SAAP system.
- 3.5 Enhanced support to SAAP services to provide follow-up case management, including with job-search where appropriate, to service users on exit from SAAP accommodation.
- 3.6 Review of JCA status on an individual's exit from a period of support through PSP, JPET or other programs to reflect the higher risk of homelessness on exit from a period of support.

### **4. Improving arrangements to ensure attendance at JCA assessments**

- 4.1 Further collaborative effort by relevant government and community sector agencies to improve communication between Centrelink and people experiencing homelessness, including through expansion of Centrelink's Community Officers program.
- 4.2 Centrelink to adopt a "no breach" policy if Centrelink Service Officers cannot ascertain whether communication advising a person of a participation failure has been received.

- 4.3 Continued commitment by Centrelink, JCA providers and other relevant agencies to the provision of information in community languages other than English.

## **5. The JCA in the context of the social security compliance framework**

- 5.1 Participation failures, including for non-attendance at a JCA, resulting in 8-week cessation or suspension of payment, should not be imposed on people experiencing homelessness in view of the negative impact of loss of income on efforts to resolve homelessness.
- 5.2 Review of the implementation of the 'vulnerability indicator' to assess its impact on people experiencing homelessness.
- 5.3 Full review of the impact of Welfare to Work changes introduced in 2006 on vulnerable jobseekers including people experiencing or at risk of homelessness.
- 5.4 Increased Crisis Payment to people leaving situations of domestic violence and periods of incarceration, to reduce risk of homelessness at these 'trigger points'.
- 5.5 Extension of exemption from participation requirements from 16 to a minimum of 52 weeks for women leaving situations of domestic violence.
- 5.6 Granting of 'independent status' to young people in receipt of Youth Allowance irrespective of their age.
- 5.7 Granting immediate eligibility for social security payments to recently arrived migrants, asylum seekers and Temporary Protection Visa holders on arrival in Australia.

## **6. Enhancing links between SAAP agencies, Centrelink and JCA providers**

- 6.1 Further cooperative efforts to improve SAAP providers' knowledge of Centrelink, JCA and Job Network processes, in order to best enable them to support service users to navigate these systems.
- 6.2 Expansion of Centrelink's Community Officers program.

## **Homelessness Australia and the Job Capacity Assessment**

Homelessness Australia welcomes the Minister for Human Services' request for information about the impact of the Job Capacity Assessment (JCA) and Job Capacity Account on people experiencing homelessness, and on agencies providing accommodation and other services to these people.

Homelessness Australia is optimistic this review of the JCA, as part of a broader reassessment of employment and pre-employment participation services for vulnerable jobseekers, will lead to policy and service provision changes that will deliver better outcomes for people who experience or are at risk of homelessness while in the employment support system.

Homelessness Australia advocates for a holistic response to homelessness, and recognises the significant role that flexible and responsive employment support policy and programmes can play in enabling greater social and economic inclusion of people at risk of or experiencing homelessness. Our sector recognises the important role the JCA plays in identifying the capacity of marginalised jobseekers to work, and in making referral to the right type and intensity of employment and or pre-employment support possible.

Homelessness Australia is committed to working with government and non-government partners as well as with people experiencing homelessness to ensure the JCA provides the best possible assistance to people who are homeless and in the employment support system.

In this submission, Homelessness Australia's comment reflects our sector's experience with the JCA. However our range of concern extends beyond the JCA to take in other relevant aspects of homeless people's engagement with income and employment support. While these concerns will be raised in other forums including in the development of the Federal Government's Green and White Papers on Homelessness, this submission does address some other pertinent aspects of homeless people's engagement with services delivered by the Human Services Portfolio.

The recommendations below are intended to propose ways in which the JCA can be made more consistent with our vision of an employment participation system that provides flexible, personalised support and positive incentives to those who are homeless. It is Homelessness Australia's view that stable housing is a necessary pre-requisite for meaningful involvement in employment, training, education or pre-employment support.

## **1. Strategies to improve the identification of homelessness in the JCA assessment process**

People who are homeless or at risk of homelessness may not disclose this to Centrelink, providers of Australian Government employment services (PAGES), Job Network members or pre-employment support providers. This can be due to the stigma of self-identifying as homeless, or to misapprehensions about the purpose of various tools (including the Job Seeker Classification Instrument and Job Capacity Assessment) used to classify jobseekers, fear of losing payments in particular Rent Assistance as a result of disclosure, and limited ability or willingness to engage with government and other agencies especially where there is a history of trauma or mental health issues.

This is concerning as identification of homelessness is necessary for people to be referred to the right type and level of employment or pre-employment support.

A benchmark 2002 study<sup>2</sup> of 135 Newstart recipients who were homeless and residing in SAAP accommodation at the time of interview found 30 per cent did not disclose their homelessness when applying for a Centrelink administered payment, and only 60 per cent advised Centrelink when they became homeless once they were already in receipt of a payment. In addition the study (2002:27) found “significant under-reporting” by interviewees of factors relating to homelessness, where a complete assessment would have resulted in “substantially higher JSCI scores and referral to JSCI Supplementary Assessment”.

This raises concern that a significant minority of homeless jobseekers are not being identified as such through the JSCI, and are therefore not being referred to a JCA, at least not in their early engagement with Centrelink or PAGES.

While the JSCI has been modified since 2002, no data has been gathered since the introduction of the JCA about outcomes for homeless people who undergo either the JSCI and or JCA. This lack of reliable data makes it difficult for agencies to understand and respond appropriately to the needs of homeless people.

Homelessness Australia has made specific representation about the JSCI to the Review of Employment Services called by the Minister for Employment Participation. The most pressing of these concerns also relate directly to the JCA. These are:

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<sup>2</sup>Parkinson, Sharon and Michael Horne 2002. Homelessness and Employment Assistance. Hanover Welfare Services, Melbourne: prepared for the National Homelessness Strategy, Commonwealth Department of

- There is limited current information available about the extent and impact of misclassification in the JSCI, or failure to identify through the JCA, of people experiencing homelessness.
- The JSCI and JCA do not currently acknowledge tertiary homelessness as defined by Chamberlain and MacKenzie (that is, housing that fails to meet accepted minimum community standards and lacks security of tenure, for instance long-term residence of boarding houses or caravan parks), in addition to primary and secondary homelessness, and therefore do not recognise the full spectrum of homeless experiences.<sup>3</sup>
- JSCI and JCA interviews do not identify whether an interviewee has past as well as a current experiences of homelessness, to indicate the ‘chronic’ nature of their homelessness.
- People who become homeless as a result of losing their rental housing may be reluctant to disclose homelessness if they are in receipt of Rent Assistance, fearful that disclosure may lead to loss of this income.

Therefore Homelessness Australia recommends:

- 1.1. Relevant agencies including Centrelink, DEEWR, FaHCSIA, SAAP and other community agencies, to undertake further research, in partnership, to better quantify the numbers of people experiencing homeless people who do not disclose this through the JCA and related process including the Job Seeker Classification Index (JSCI). This will provide a fuller evidence base for policy and programme development.
- 1.2 The JCA (and JSCI) should adopt MacKenzie and Chamberlain’s three-tiered definition of ‘primary’, ‘secondary’ and ‘tertiary’ homelessness, to better capture the spectrum of homeless experiences and provide referral to support that responds to this risk.
- 1.3 The JCA could usefully include questions that identify whether an interviewee has past and or present experiences of homelessness, in order to identify the risk and or experience of “chronic” or repeat homelessness.
- 1.4 Where there are risk factors for homelessness, including frequent change of address, multiple periods of medical incapacity or known residence in SAAP or inadequate housing, JCA status should be more frequently reviewed.

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<sup>3</sup> For Chamberlain and MacKenzie’s widely used definitions of primary, secondary and tertiary homelessness, see Chamberlain, C and MacKenzie D 1992 ‘Understanding contemporary homelessness: Issues of definition and meaning’ Australian Journal of Social Issues 27(4):274-279

- 1.5 Frequent review of JCA (and JSCI) status should also be undertaken in recognition that the capacity to work of people who have been homeless can fluctuate over time.
- 1.6 JCA interview times should be extended for people with high JSCI scores and people known by Centrelink to be homeless/at risk on referral to the JCA provider.
- 1.7 There should be further investigation of ways to remove financial disincentives to disclosure of homelessness, particularly for people who become homeless as a result of losing rental housing while receiving Rent Assistance.

## **2. Improving knowledge of homeless people's experience of the JCA**

National data about the number of people identified as homeless or in housing crisis through the JCA (or JSCI) process does not appear to be collated or shared with relevant agencies. If this data were available, agencies would be better able to support people experiencing homelessness to navigate the income, pre-employment and employment support systems.

This situation reflects a lack of accurate data about the experiences of homeless people in the income and employment system more generally. Homelessness Australia therefore recommends:

- 2.1 Further analysis of the JCA to better understand the support needs of people who are homeless and undergo a JCA; and
- 2.2 More emphasis on collecting and collating data related to homeless people's experiences with Centrelink, PAGES and pre-employment services generally.

## **3. Referral to specialist services and support**

The two major programmatic responses to the needs of people who are homeless and in the income and employment support system are the Jobs Placement and Employment Training program (JPET) and the Personal Support Program (PSP), both currently administered by DEEWR. An estimated 14 per cent<sup>4</sup> of people

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<sup>4</sup> Senate Employment, Workplace Relations and Education Legislation Committee 2007-2008 Budget Estimates Hearing 28 and 29 May 2007, Employment and Workplace Relations Portfolio, Questions on Notice, Question Number W243-08.

identified in the JCA as homeless are unable to access the program due to its significant wait list. This currently stands in excess of 15,000 people.

Therefore, Homelessness Australia recommends:

- 3.1 Uncapping of places in the Personal Support Program (PSP) to meet demand, and in recognition that it is the most appropriate existing programmatic response to the needs of homeless job-seekers aged over 25.
- 3.2 Full review of the PSP with the aim of supporting better social and economic outcomes for PSP participants, including those who are homeless. As the most appropriate response to people over 25 who are homeless and in the employment support system, the PSP needs to be supported as well as expanded.
- 3.3 Review of the Jobs Placement Employment and Training programme to ensure the program is meeting the support needs of homeless people aged under 25.

In the cases of both 3.2 and 3.3, Homelessness Australia would welcome closer partnership between SAAP and other community sector agencies, JCA providers, Centrelink, the Department of Human Services and DEEWR in working toward “joined-up” service for people who are homeless.

- 3.3 Government commitment to expand options for short-term vocational exposure training for long-term homeless and unemployment people in the SAAP system. These opportunities should not jeopardise the security of income provided by a Centrelink payment.
- 3.4 Enhanced support to SAAP services to provide follow-up case management, including with job-search where appropriate, to service users on exit from SAAP accommodation.

While SAAP agencies provide a range of support to clients, including with job-search, outreach to former SAAP residents has not been a funding priority and the amount of time case-workers can work with former residents is often insufficient.

- 3.5 Review of JCA status on an individual’s exit from a period of support through PSP, JPET or other programs to reflect the higher risk of homelessness on exit from a period of support.

#### **4. Improving arrangements to ensure attendance at JCA assessments**

People experiencing homelessness may have difficulty understanding the social security and employment services system, and the compliance framework that is attached to it. For various legitimate reasons, people experiencing homelessness may not understand the purpose of the JCA, or the importance of attending. There may be barriers to attendance, including cost of travel or poor health including mental health or chemical addiction. People may not fully comprehend the implications of non-attendance, including possible suspension of income support payments. This can be due to transience, having no fixed address at which to receive mail advising of the JCA process, mental and physical health issues, limited command of English for some non-native speakers, and the complex bureaucratic language of Centrelink's formal letters.

Therefore, Homelessness Australia recommends:

- 4.1 Further collaborative effort by relevant government and community sector agencies to improve communication between Centrelink and people experiencing homelessness, including through expansion of Centrelink's Community Officers program that supports Centrelink Service Officers to work periodically from SAAP and other community agencies.
- 4.2 Centrelink to adopt a "no breach" policy if Centrelink Service Officers cannot ascertain whether communication advising a person of a participation failure has been received.

In view of the difficulty of contacting people who are homeless, strategies could include using registered mail, hand-delivering where possible, or communicating face-to-face with homeless clients, including through the Centrelink Community Officers program.

- 4.3 Continued commitment by Centrelink, JCA providers and other relevant agencies to the provision of information in community languages other than English.

Homelessness Australia values the work that has already been undertaken by various agencies in this regard.

#### **5. The JCA in the context of the social security compliance framework**

Attendance at a JCA is one of many obligations people experiencing homelessness may have in their relationship with Centrelink and employment or pre-employment support agencies. While this point relates to the social security compliance framework more generally, and not only to the JCA, Homelessness Australia is concerned the social security compliance framework, particularly eight week non-payment periods, places people at greater risk of homelessness, and can compound the difficulty of resolving homelessness including obtaining work where appropriate.

Research from the University of New South Wales' Social Policy Research Centre<sup>5</sup> has found that 30 per cent of people who underwent an 8 week "breach" lost their accommodation or were forced to move to less appropriate housing. The Department of Education, Employment and Workplace Relations does not collect data on outcomes for people whose payments are stopped for 8 weeks. However various studies by not-for-profit agencies<sup>6</sup> have found that greater financial strain, forced move to less desirable housing, difficulty paying utility bills and purchasing basic items, are common outcomes for people who undergo 8 week breaches.

At present Centrelink and Job Network providers can apply a "vulnerability indicator" where people are homeless or at risk of homelessness. It is however not clear how consistently the indicator is applied in practice, and what impact this has on efforts to resolve homelessness.

Homelessness Australia recommends:

- 5.1 Review of the implementation of vulnerability indicators to assess impact on people experiencing homelessness.

Certain personal transitions increase vulnerability to housing loss. These include leaving home as a result of domestic or family violence and leaving state care or prison. Homelessness Australia has received consistent feedback from member agencies that suggests Centrelink's Crisis Payment is inadequate to the needs of many people who are at risk of homelessness as a consequence of these extreme personal circumstances. A reassessment of crisis payment levels, along with improved early referral on exit from institutions, would provide greater

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<sup>5</sup> Eardley, Tony, Jude Brown Margot Rawsthorne, Kate Norris and Liz Emrys 2005:xiii. *The Impact of Breaching on Income Support Customers*. Social Policy Research Centre: University of New South Wales.

<sup>6</sup>See for instance the Salvation Army's *Stepping into the Breach*, online at [www.salvationarmy.org.au/salvwr/\\_assets/main/documents/breaching/salvobreachreportfinal.pdf](http://www.salvationarmy.org.au/salvwr/_assets/main/documents/breaching/salvobreachreportfinal.pdf)

protection against homelessness and assist homeless job-seekers to engage productively with employment assistance providers.<sup>7</sup>

Homelessness Australia therefore recommends:

- 5.2 Increased Crisis Payment to people leaving situations of domestic violence and periods of incarceration, to reduce risk of homelessness at these 'trigger points'.

Homelessness Australia is concerned that the changes to welfare support introduced in the 2006 Welfare to Work package have had unintended negative outcomes for people experiencing homelessness and for the agencies who support these individuals and families.

As the reforms significantly tightened eligibility and participation criteria for various payments, they have placed more burdensome requirements on many people experiencing homelessness, further undermining attempts to resolve the housing situation and address other issues which impede ability to work.

Homelessness Australia recommends:

- 5.3 Full review of the impact of changes to eligibility and participation criteria introduced by Welfare to Work on vulnerable jobseekers including people experiencing or at risk of homelessness.

In addition Homelessness Australia recommends:

- 5.4 Extension of exemption from participation requirements from 16 to a minimum of 52 weeks for women leaving situations of domestic violence.
- 5.5 Granting of 'independent status' to young people in receipt of Youth Allowance irrespective of their age.

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<sup>7</sup> For more information see Hartley, C. and Baraka, E. November 2007, 'Nothing more than chicken feed'. Homeless Person's Legal Service/ Public Interest Advocacy Centre, Sydney.

- 5.6 Grating immediate eligibility for social security payments to recently arrived migrants, asylum seekers and Temporary Protection Visa holders on arrival in Australia

## **6. Enhancing links between SAAP agencies, Centrelink and JCA providers**

Participating SAAP agencies report that the Centrelink Community Officer program, in which Centrelink Service Officers visit SAAP and other agencies to speak directly with homeless clients, is of great benefit to service users in understanding their obligations and rights while dealing with Centrelink/PAGES. The closer relationships built between clients and Centrelink is also of benefit in encouraging greater disclosure of relevant personal factors. This program has the additional benefit of assisting people who are homeless to understand the purpose and procedure of the JCA.

Therefore, Homelessness Australia recommends:

- 6.1 Expansion of Centrelink's Community Officers program.

Continued training for SAAP workers to better understand the employment assistance system including the JCA will help to improve the quality of service and outcomes for homeless people.

Similarly, continued upskilling of PAGES/Centrelink Customer Service Officers in the areas of causes of homelessness and appropriate responses to clients at risk or experiencing homelessness will improve the quality of service offered to vulnerable and homeless clients.

Therefore, Homelessness Australia recommends:

- 6.2 Further cooperative efforts to improve SAAP providers' knowledge of Centrelink, JCA and Job Network processes, in order to best enable them to support service users to navigate these systems.

In recognition of the multi-faceted nature of homelessness, Homelessness Australia is very pleased that the JCA and its impact on homeless people will be considered alongside other policy and program areas including the broad range of services offered by the Human Services portfolio and affecting the life chances of people experiencing and at risk of homelessness.