
POSITION PAPER

Supportive Housing: The what, why and how

October 2026



aaeh
australian alliance
to end homelessness

Everyone deserves a safe home and the support they need to live independent, fulfilling lives.

For a small number of people in Australia their history of repeat homelessness and chronic health needs cannot be met by conventional housing plus support options.

This can be addressed through national coordination and the right investment in communities across Australia.

Acknowledgement of Country

The Australian Alliance to End Homelessness would like to acknowledge Aboriginal and Torres Strait Islander peoples as the Traditional Custodians of the land on which we work. We recognise their ongoing connection to the land, and pay our respects to Elders past, present and emerging.

We recognise that Aboriginal and Torres Strait Islander peoples are more likely to experience adverse health outcomes, housing insecurity and homelessness compared to non-Aboriginal populations. We support the need for a healthier future that intertwines the wellbeing of Aboriginal and Torres Strait Islander peoples and the land, particularly concerning health, housing and homelessness throughout the country.

Lived experience recognition

We acknowledge the contributions of people with lived experience and expertise whose involvement in research, impact measurement and advocacy has been critical to advancing Supportive Housing.

This paper draws on their work, from personal accounts to participation in program evaluations, helping to build understanding of what works in supporting people experiencing persistent homelessness and complex needs.

Endorsements



Foreword

Across Australia, too many people are living without the stability and dignity that a safe, secure home provides. For a small but profoundly vulnerable group, homelessness is not a single crisis but a persistent cycle – one shaped by trauma, ill health, disability and repeated interactions with systems that are not designed to meet their needs over the long term.

This paper shines a light on that reality and affirms it does not need to be this way.

Supportive Housing offers a clear, evidence-based pathway to break this cycle. By bringing together ongoing housing with ongoing, flexible support, it recognises a simple but powerful truth: housing is the foundation from which recovery, stability and inclusion can grow. It is a model grounded in dignity, choice and long-term commitment, and it has been demonstrated to deliver better outcomes for individuals while reducing pressure on health, justice and crisis systems.

And yet, despite this strong evidence, Supportive Housing remains the exception rather than the norm in Australia.

The consequence is not only felt by individuals experiencing long-term homelessness. It is reflected in overstretched hospitals, crowded emergency departments, rising justice system costs, and communities grappling with visible and entrenched disadvantage. We are, in effect, paying more for worse outcomes. Responding to crisis rather than preventing it.

This report sets out a different path.

It makes the case for a nationally coordinated Supportive Housing system. One that aligns housing, health, disability, justice and social services around a shared purpose. It outlines practical, achievable reforms: from ringfenced housing supply and cross-portfolio funding, to a national policy that embeds accountability and drives consistent outcomes.

We have the knowledge. We have proven models. We have a growing alignment across sectors. What is needed now is the leadership and coordination to bring these elements together into a system that meets the scale of the challenge.

Every person deserves a place to call home and the support to keep it. This report shows how we can make that a reality for those who need it most.



Debra Zanella

Chair of the Board, AAEH

Chief Executive Officer, Ruah Community Services

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Executive summary

Supportive Housing is a proven, evidence-based response for people experiencing long-term and recurrent homelessness who have high, complex and intersecting needs. Grounded in Housing First principles, it combines ongoing housing with ongoing, wraparound support, shifting from time-limited interventions to support for duration of need. This model recognises that stable housing is the foundation for improved health, wellbeing, and social participation, particularly for people with histories of trauma, disability, mental ill-health and persistent homelessness.

Despite strong international and local evidence, Supportive Housing remains underdeveloped in Australia. Many people who would benefit are instead cycling through crisis accommodation, institutional settings, hospitals, correctional facilities and rough sleeping. The case for investment is compelling. People in need of Supportive Housing are among the highest users of costly tertiary systems, including emergency departments, inpatient care, mental health services, courts and corrections. Supportive Housing not only produces better outcomes for this group but also liberates capacity in these systems, ensuring better use of government and taxpayer funds.

A group of organisations, concerned about the continuing poor life journeys of these vulnerable people in Australia, have come together to commission modelling on the extent of need, cost and benefits of new Supportive Housing developments. This has shown that between 2025–2030:

- across two WA locations, metropolitan Perth and City of Bunbury, 1,279 units are needed, creating at least \$117.4 million in savings to government across health and justice systems in the first five years, and increasing over the long-term
- in inner-city Adelaide, 156 units are needed, creating at least \$14.1 million in savings in the first five years as above, increasing over the long-term

This modelling estimates costs and benefits across four limited locations for Australia, and we urge the Federal Government to complete modelling across the country. Across these locations, government savings, from reduced health and justice costs alone, are estimated to be at least 1.44 times greater than program costs.¹ This translates into liberated capacity within these systems enabling more responsive health and justice services for the whole community.

Scaling Supportive Housing nationally also presents an opportunity to redirect spending from crisis and institutional responses toward sustainable, preventative solutions.

Australia requires a coordinated national Supportive Housing system underpinned by a clear policy framework, cross-portfolio funding, and consistent accountability across housing, health, disability, justice and social services. This system should support both single-site and scattered-site housing models, expanding existing Housing First services and delivering place-based responses within a shared national infrastructure.

Investing in Supportive Housing is not only a moral imperative, it is a fiscally responsible, system-wide reform that reduces homelessness, improves health and wellbeing, strengthens communities and delivers measurable savings to governments and taxpayers.

Summary of recommendations

1

Establish a nationally funded Supportive Housing system.

2

Develop a national Supportive Housing policy framework with shared accountability across housing, health, mental health, disability and justice sectors.

3

Ringfence an initial 15% of new social housing supply for Housing First-aligned Supportive Housing through initiatives such as the Housing Australia Future Fund (federal) and similar state-based initiatives.

4

Undertake jurisdictional modelling of Supportive Housing needed by people experiencing persistent homelessness and complex needs to inform future investment and targets which in time will replace Recommendation 3.

5

Increase funding for existing Housing First services to ensure they can provide ongoing housing and ongoing support provision for Supportive Housing.

6

Integrate the health sector into Supportive Housing through expanded health-homelessness programs and stronger system coordination.

7

Integrate the mental health sector into Supportive Housing through dedicated housing, psychosocial supports and service reform.

8

Integrate the disability sector into Supportive Housing through housing supports, tenancy sustainment programs and Housing First-aligned disability services.

9

Expand Supportive Housing options for people exiting custody to reduce persistent homelessness and reoffending.

10

Invest in national Supportive Housing infrastructure, including a centre of excellence, advisory function and knowledge-sharing mechanisms.



1. The what

What is Supportive Housing?

Supportive Housing is a specialist housing type informed by Housing First principles that offers ongoing housing integrated with ongoing wraparound supports. It is specifically for people with high, complex and intersecting needs, who require this level of support to sustain a tenancy and rebuild their health and wellbeing.*

It differs from other housing and support service models because it offers both ongoing housing and ongoing support as a proactive measure for particularly vulnerable people to either divert them from homelessness or prevent a return to homelessness, shifting support from a time-limited to duration-of-need approach. Importantly, residents have the security afforded by a tenancy agreement and the peace of mind of knowing they have a home for as long as they need it.

This means Supportive Housing differs from other housing and support models that may be temporary, such as Youth Foyers, which help young people transition to independent living; primarily focused on age-related care and health needs, such as specialist aged care homelessness services; or delivered in a clinical setting, such as inpatient health facilities.

*The National Supportive Housing Working Group chaired by AAEH established working definitions of Supportive Housing that apply to the Australian context. Notably, the removal of the term 'permanent' reflects the dynamic nature of Supportive Housing, removing the implication that there was a fixed commitment to a tenancy or housing agreement and shifting the focus to 'ongoing' support which may change over time.

Aligns with Housing First

Supportive Housing aligns itself with Housing First principles to ensure that the practice delivers evidence-based, person-centred support that is not institutional. Persistent homelessness and the factors leading to it result in almost universal experiences of multiple complex traumas.²

Housing First-informed approaches are proven to deliver significantly better outcomes for this group than standard or more institutional and/or transitional approaches.³ It is promoted as best practice in the housing and homelessness strategies of most jurisdictions across Australia.⁴

Source (right): Housing First Principles for Australia developed by Homelessness Australia, see further: <https://homelessnessaustralia.org.au/wp-content/uploads/2025/04/Housing-First-Principles.pdf-1.pdf>

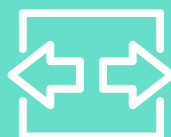
Housing First principles for Australia



People have a right to a home



Flexible support for as long as it is needed



Housing and support are separated



Choice and self-determination



Active engagement without coercion



Social and community inclusion



Recovery-orientated practice



Harm reduction approach

Supportive Housing is not yet at scale in Australia for people experiencing persistent homelessness

Examples of Supportive Housing – with ongoing housing and ongoing support – are limited. Its inadequate availability means those who need it are struggling in other inappropriate housing models, or more likely, enduring homelessness – usually rough sleeping and/or cycling through various crisis and temporary accommodation options.

Several programs within Australia have the potential to be transitioned to become part of a Supportive Housing system. But most are prevented from so doing by the restrictive and inflexible arrangements which fund them. Those programs include Michael's Intensive Supported Housing Accord (MISHA),⁵ Journey to Social Inclusion (J2SI),⁶ and Aspire Social Impact Bond.⁷ These have demonstrated excellent social and economic outcomes but have not provided enduring access to support services which limits their ability to meet people's needs over the longer-term.

Examples of long-term housing and potential support options

Higher financial means

Home ownership

Mortgage assistance products and subsidies

Private rental market

No to low tenancy and other supports

Affordable and social housing

No to medium tenancy and other supports

Supportive Housing

High tenancy and other supports

Higher support needs



Models of Supportive Housing in Australia

Supportive Housing can be delivered through both single site and scattered site models. In a single site model (like Common Ground), case management and specialist supports are delivered by an on-site team. In a scattered site model, supports are readily available through a home visit and outreach model which meets people's needs directly or connects them to local services and community. Scattered site models can draw on either social and community housing or access to rental subsidies to ensure affordable and suitable housing in the system.

Supportive Housing models can meet the needs of individuals, families and young people. Illustrative examples of programs which currently fit within a Supportive Housing system, or could transition to do so, are listed below:

Model	Location	Managing organisation(s)
Common Ground	Common Ground Adelaide	Housing Choices Australia
	Elizabeth St Common Ground (Melbourne)	Launch Housing & Unison
	Camperdown Common Ground (Sydney)	Mission Australia
	Common Ground Canberra	Argyle Housing & Northside Community Service
	Common Ground Dickson	Community Housing Canberra & YWCA
	Brisbane Common Ground	Micah Projects & Common Ground Queensland
	Southport Supportive Housing Project	Mission Australia & UnitingCare Queensland
	East Perth Common Ground	Mission Australia
Supportive Housing for families	Viv's Place (Melbourne)	Launch Housing
	South Brisbane Supportive Housing	Micah Projects & Common Ground Queensland
Keeping Families Together	Brisbane	Micah Projects & Common Ground Queensland
Journey to Social Inclusion (J2SI)*	Victoria	Sacred Heart Mission

*J2SI is provided as an example of a scattered site model of Supportive Housing but operates within limited funding and support cycles (3 years) as opposed to offering enduring support.

Sam's story

Sam* had been homeless for more than a decade before moving into Common Ground. After arriving in Australia from Indonesia in 1978, he spent an extended period in custody and, in the years that followed, experienced long-term rough sleeping and deep disconnection from stable housing, work and community.

“Supportive Housing can do more than end homelessness: it can create the conditions for recovery, participation and renewed purpose.”

With support from the homeless outreach service, Sam was able to secure accommodation at Common Ground – a turning point that created the stability needed to begin rebuilding his life. Since then, with consistent wraparound support from his Case Manager, Sam has been able to access healthcare, pursue employment-related assistance and reconnect with community life.

A keen gardener, he now takes part in the weekly gardening group and attends Bible study, strengthening both routine and belonging. With trusted support in place and a secure home as his foundation, Sam is currently exploring casual work as a cleaner. His story shows how Supportive Housing can do more than end homelessness: it can create the conditions for recovery, participation and renewed purpose.

*Name has been changed for privacy.

2. The why

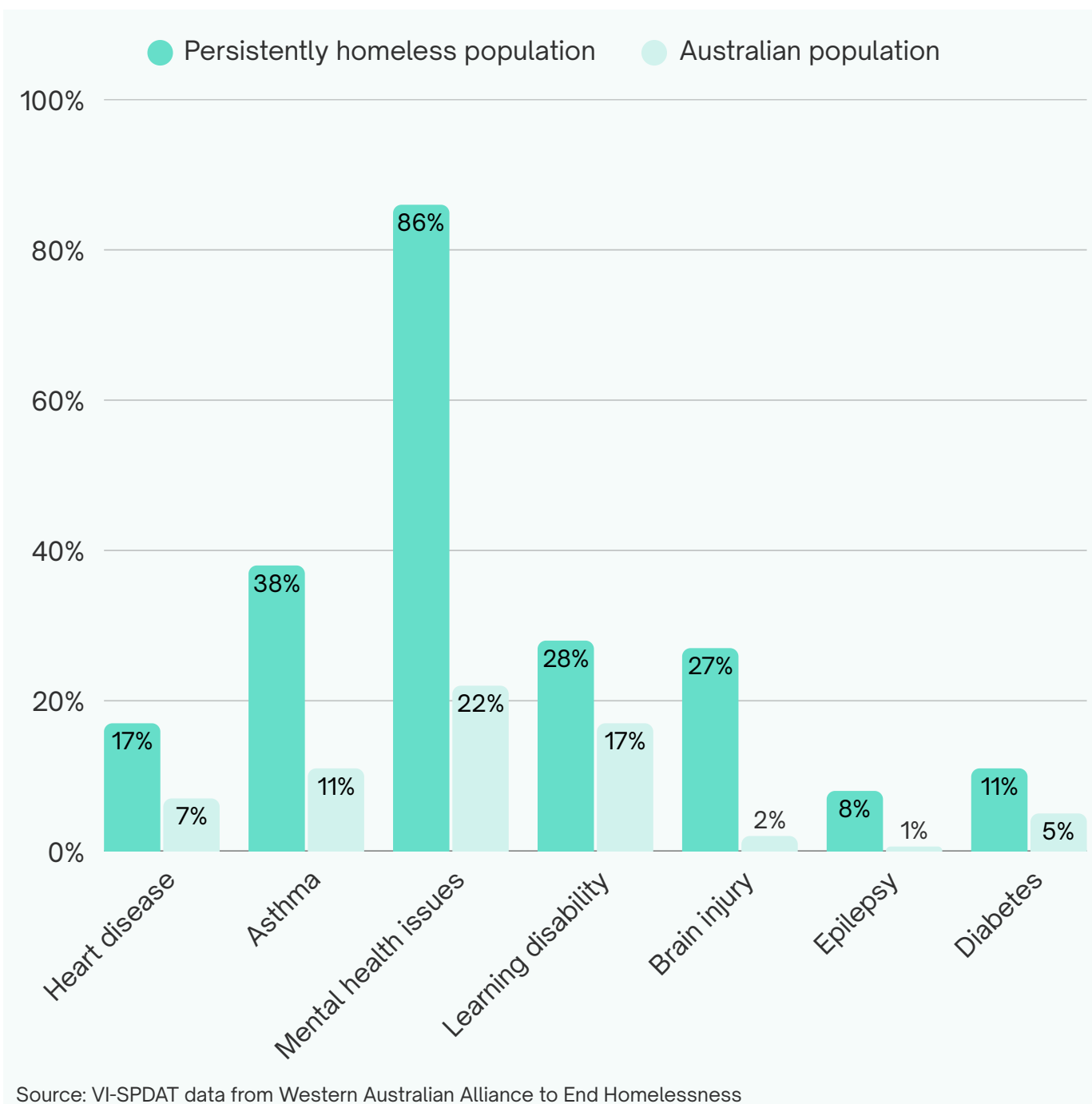
A photograph showing two men sitting in a room, possibly a community center or a support group. The man on the left is older, with white hair, wearing a grey and green striped t-shirt. The man on the right is younger, bald with a beard, wearing a black t-shirt and has visible tattoos on his arms. They are both looking towards the right side of the frame. The background shows a room with wooden cabinets and a yellow fire extinguisher.

A small but significant group of people requires Supportive Housing

There are extremely limited Supportive Housing vacancies for people with histories of long-term and recurrent homelessness and complex needs, who have been failed by multiple service systems. This also applies to those with a similar profile who are in, or cycling through, various forms of institutional settings including correctional facilities, mental health residential facilities and hospitals.⁸

This group often experiences multiple chronic health issues and complex mental health and disability challenges that can't be met by conventional housing and support models. Their health profile closely resembles that of populations experiencing significant chronic disease burden than the broader Australian community. The absence of stable housing and enduring supports for people with this health profile creates significant barriers to managing chronic illness, adhering to medication, attending appointments, engaging with preventive care and recovering from acute episodes of illness.

Comparative health data for people experiencing persistent homelessness against the Australian population



AIHW analysis shows that rough sleeping carries particular risks. Over a ten-year period of specialist homelessness services (SHS) data, one in four people (27%) who died had a recorded history of sleeping rough.⁹ This is despite rough sleeping representing only 12% of people accessing SHS in 2024-25.¹⁰

People sleeping rough die at an average age of 46 – decades younger than the general population. Among those who had experienced other forms of homelessness, 12,500 people who accessed homelessness services died in the ten years to 2022 – about 1.8 times the death rate of the general population.¹¹

High interaction with expensive tertiary systems

People in need of Supportive Housing are high users of health, mental health, justice and welfare services. A 2022 analysis of the 50 Lives 50 Homes project in Western Australia found that, for 412 individuals experiencing homelessness, a cost of \$32 million was attributed to emergency presentations, ambulance arrivals and inpatient stays across three years.

Upon being housed, total emergency department presentations for this cohort were reduced by 48% in the first year, ambulance arrivals for this cohort to emergency departments reduced by 43% and presentations to emergency departments for this cohort reduced by 20%.¹²

This is not isolated. Health systems across Australia increasingly care for people whose primary presenting issue is not simply illness, but the interaction between illness, homelessness, trauma and social disadvantage. Hospitals, emergency departments, mental health services and ambulance systems frequently become default responders to housing instability despite being designed for acute clinical care.

An analysis conducted by Taylor Fry for the NSW Government suggests that, in the 12 months before accessing specialist homelessness services (SHS), people typically also accessed mental health services, interacted with courts and Legal Aid, and presented to emergency departments. For those who accessed SHS while rough sleeping, their vulnerability was far greater and incurred higher additional costs to government.¹³

Rough sleeping is often the last resort after cycling through other states of housing insecurity (e.g. crisis accommodation, couch surfing) and people in this situation report mental health issues and/or other complex needs at higher rates compared to others who present to SHS.¹⁴

The largest group to **repeatedly access homelessness services** and more likely to **seek support following interactions with other government services** are those **sleeping rough**.



47% of clients accessed SHS multiple times, indicating an ongoing need for support...



Service use and cost estimates of rough sleeping in NSW

This table shows government services used by people sleeping rough in the 12 months prior to accessing SHS in NSW.

Area	Service	Likelihood of going on to access SHS*	Additional 3-year cost to government†
Health	Emergency department	3x	\$82,000
	Emergency department – mental health diagnosis	56x	\$111,000
	Admitted patients	2x	\$94,000
	Admitted patients – mental health diagnosis	30x	\$95,000
	Ambulatory mental health	20x	\$83,000
	Ambulatory mental health – psychoactive substance use	54x	\$71,000
	Ambulatory mental health – disorders of personality	42x	\$97,000
	Ambulance	7x	\$89,000
	Controlled drugs	49x	\$57,000
Total state health costs			\$779,000
Commonwealth health	Medicare	1x	\$66,000
	Medicare relating to mental health	4x	\$75,000
	Medicare relating to addiction	20x	\$92,000
	Medicare relating to chronic disease management	1x	\$66,000
	PBS script	1x	\$66,000
	PBS script relating to opioids	2x	\$64,000
	PBS script relating to addiction	5x	\$57,000
	PBS script relating to mental health	3x	\$75,000
	PBS script with Closing the Gap	10x	\$54,000
Total Commonwealth health costs			\$615,000

*Refers to how many more times an individual is likely to access SHS if they have accessed a given service.

†The possible reduction in costs when comparing an individual who accesses a given service listed (Column 2) and then SHS to those who access the given service and do not access SHS.

Service use and cost estimates of rough sleeping in NSW

Area	Service	Likelihood of going on to access SHS*	Additional 3-year cost to government†
Justice	Police recorded victim	7x	\$82,000
	Police recorded victim – domestic and family violence	16x	\$62,000
	Legal Aid	24x	\$78,000
	Court appearances/police caution or youth justice court	24x	\$80,000
	Custodial spell ending	60x	\$39,000
Total justice costs			\$341,000
Housing	Public housing tenancy ending	12x	\$67,000
Total housing costs			\$67,000
Child protection	Out-of-home care placement ending	11x	\$130,000
Total child protection costs			\$130,000
Commonwealth welfare	Some days on income support	3x	\$61,000
	Rental Assistance receipt	8x	\$60,000
	Disability Support Pension income support	9x	\$65,000
	JobSeeker income support	8x	\$54,000
	Parent income support	4x	\$29,000
	Student income support	2x	\$51,000
	Age pension	0.2x	\$29,000
	Centrelink risk of homelessness indicator	88x	\$47,000
Total Commonwealth welfare costs			\$396,000

*Refers to how many more times an individual is likely to access SHS if they have accessed a given service.

†The possible reduction in costs when comparing an individual who accesses a given service listed (Column 2) and then SHS to those who access the given service and do not access SHS.

Source: Department of Communities and Justice. (2021). Pathways to Homelessness: Final Report (December 2021). https://www.facs.nsw.gov.au/_data/assets/pdf_file & Department of Communities and Justice. (2023). Homelessness for people sleeping rough in NSW. <https://apo.org.au/sites/default/files/resource-files/2023-01/apo-nid322410.pdf>

Unlocks tangible benefits

There are multiple benefits to the recipient, community and government budgets from investing in Supportive Housing solutions:

- **Reductions in homelessness** – by providing homes as opposed to transitional accommodation.
- **Improved tenancy stability** – by providing targeted resources to assist people to manage and retain their tenancy.
- **Increased health and wellbeing** – by providing immediate and coordinated care from specialist staff.
- **Liberated capacity** – by reducing the repeated use of tertiary systems.
- **Stronger communities** – by engaging people and integrating them with their local community.
- **Leveraged partnerships** – by bringing together housing, health and support services to collaboratively meet the need of a common group of people.



Program evaluations demonstrate multiple benefits

These research evaluations examine the specific benefits of Supportive Housing style models. (Note: the absence of a tick does not imply the program did not achieve these benefits, merely they were not examined in that particular research).

	Tenancy retention	Increased social connections	Increased employment	Stabilised mental health	Reduction in emergency department presentations	Reduction in hospital admissions	Reduction in number of days in custody
MISHA Project¹⁵	90% after 2 years	✓	✓	✓		✓	✓
50 Lives 50 Homes¹⁶	81% retention at 1 year				✓	✓	✓
Journey to Social Inclusion (J2SI)¹⁷	96% in stable housing after 3 years	✓	✓	✓	✓	✓	✓
Brisbane Common Ground¹⁸	25% more likely to sustain tenancy after 4 years	✓			✓	✓	✓
Camperdown Common Ground¹⁹	61% tenants sustained tenancy after 3 years	✓		✓	✓	✓	

Why don't we already have enough Supportive Housing?

Despite strong international evidence and growing Australian experience, Supportive Housing remains significantly underdeveloped. This is not due to a lack of need, but rather a series of structural, financial and policy barriers that make Supportive Housing difficult to establish and scale.

1. Supportive Housing is resource-intensive upfront

Supportive Housing requires sustained investment in both housing supply and integrated support. Capital costs, operating costs, workforce, partnerships and tenancy management all require long-term funding certainty. In constrained funding environments, this level of upfront investment can be difficult to prioritise, particularly when compared to lower-cost, short-term responses.

However, the cost of Supportive Housing must be understood in the context of its capacity to deliver avoided costs over the medium to long term. Without it, governments continue to fund repeated crisis responses across homelessness services, hospitals, mental health, justice and child protection systems – often for the same person as they cycle through homelessness and temporary options.

2. The benefits are distributed across multiple systems, making more than one sector responsible

Supportive Housing delivers outcomes across health, housing, justice and social service systems. Reduced emergency department presentations, fewer hospital admissions, decreased interactions with police, improved tenancy sustainment and better wellbeing are shared gains.

Yet public funding remains largely siloed. Housing budgets do not directly capture savings in health. Health portfolios may not realise justice savings. As a result, no single portfolio “owns” the full return on investment, making cross-portfolio investment more complex to justify and coordinate.

3. Many benefits are avoided costs that take time to materialise

Avoided costs are inherently harder to measure and often accrue over years rather than budget cycles. This creates a misalignment between political timeframes and the long-term returns that Supportive Housing generates. Per Capita has conducted modelling for regions in Western Australia and South Australia, and for New South Wales as a whole (release imminent) – however, more complete modelling across the country is necessary to understand the potential to liberate capacity in other service systems by avoiding the high levels of use by the small cohort Supportive Housing assists.

4. The true extent of need has not been clearly quantified

Finally, we do not yet have a comprehensive picture of the scale and profile of Australians who require Supportive Housing. Administrative datasets are not well integrated, and people experiencing persistent homelessness are often undercounted or move between systems.

The modelling work by Per Capita (on page 24) represents an important step in identifying and quantifying the level of unmet need. Without clear visibility of demand, Supportive Housing remains under-planned and under-invested.

Jonas' story

Jonas* moved into Common Ground in his mid-20s after experiencing family breakdown and a period of homelessness, including two years sleeping rough.

During this time, he experienced violence and was stood over for money and other favours. Alongside the trauma that both contributed to and occurred during his homelessness, he has lived with a range of mental health, cognitive and functional challenges that have made day-to-day life, and the prospect of sustaining a tenancy, extremely difficult without support. When he is unwell, Jonas' personal hygiene deteriorates, he stops eating regularly and his apartment is flagged by tenancy staff as exhibiting squalor.

Over the past six years since moving into Common Ground, Jonas has experienced periods of progress as well as significant setbacks. His mental health declined significantly after the death of his mother. At other times, he has struggled with personal care, nutrition, finances, relationships, tenancy management and keeping his home safe and healthy, all of which have affected his wellbeing and stability. He has also needed support to navigate services, maintain routines and stay connected to the people and supports around him. The availability of an on-site support team has enabled him to do this, particularly given his tendency to isolate himself when he feels unable to manage.

The single-site setting of Common Ground has provided Jonas with opportunities to become part of a community. This community has become a protective factor for him – both drawing him out of his apartment and flagging with staff if they see him declining. At the same time, with stable housing and ongoing support, Jonas has been able to successfully apply for NDIS funding, engage with a psychologist, access income supports and sustain 12 months of part-time work. His progress has not been linear, but it has been meaningful.

Jonas' story shows that people with complex and ongoing needs may make important gains over time, but that progress depends on the security of long-term housing and flexible, trusted support that can respond when things become difficult.



*Name has been changed for privacy.

3. The how



Filling the gap by establishing a national Supportive Housing system

At present, Australia has a small number of Supportive Housing services that are insufficient to meet demand and not consistently available in different jurisdictions. Work by the Queensland Government in consultation with key stakeholders in the housing and homelessness sectors has established a [Supportive Housing Policy](#). This approach needs to be replicated in other states and at a national level to deliver a set of place-based responses that exist within a supporting national/state infrastructure.

Delivery of a national Supportive Housing system has the capacity to bring together resources from interested sectors that are currently working in isolation, to meet the needs of people whose intersecting support needs means they are currently drawing resources from these systems without achieving significant change and sustainable outcomes.

A Supportive Housing system would deliver nationally consistent responses informed by a robust policy framework and sustainable funding arrangements with the capacity to deliver place-based responses to meet local need.

Six elements to underpin an effective system

1 Widespread availability

- Supportive Housing is delivered where it is needed most, guided by local data and evidence.
- Supportive Housing is recognised as a core component in state/territory homelessness systems.

2 Sustainable housing and support arrangements

- Initial dedicated Housing Australia Future Fund (HAFF) grant round for Supportive Housing capital works
- 15%* of future social housing properties reserved for supportive housing. Some properties allocated to existing priority groups, including First Nations people and victim-survivors of family violence, would contribute to this.
- Dedicated and enduring support funding from related portfolios, e.g. health, mental health, disability (NDIS/Foundational Supports).
- Support packages move with people when they change tenancies.

3 Systematic identification of need

- By-name lists and AtoZ databases[†] could play an important role in identifying people who need Supportive Housing, but they would have to be scaled up so they can reach people beyond the current typical assessment points.
- Other options also need to be considered for people who avoid interaction with the homelessness or other service systems.
- Responsiveness to local community context is an important consideration with localised methods of identifying people.

*15% is estimated from: 31,000 people experiencing or at risk of persistent homelessness while also living with serious mental health issues, compared with more than 200,000 households on social housing waiting lists nationally.

†A by-name list (BNL) is a real-time list of all known people in a local community who are experiencing homelessness to assist coordination of supports, recorded with their consent in a secure platform called an Advance to Zero (AtoZ) database.

Six elements to underpin an effective system

4

Robust policy infrastructure

- Ongoing support funding to be built into national partnership agreements, e.g. the Mental Health and Suicide Prevention Agreement and the Social Housing and Homelessness Agreement.
- Complementary investment in homelessness prevention to support early intervention and reduce acuity of homelessness and mental health issues.

5

Arrangements to support the transition to the new system

- New triage and referral pathways are built to facilitate rapid access to Supportive Housing.
- Sector capacity is built to provide Supportive Housing.
- Monitoring and evaluation processes are put in place to ensure that progress is measured and maintained.

6

Supporting infrastructure

We also recommend that a Supportive Housing system will need supporting infrastructure to develop and assist in the implementation of best practice, coordinate advocacy and conversations with government, and contribute to driving the evidence base. A Supportive Housing Network could:

1. Create a **national centre of excellence** to build capacity for implementing Supportive Housing across the housing and homelessness sectors and intersecting disciplines and policy areas, including disability and mental health.*
2. Create a **community of practice** to support the development and dissemination of ideas, knowledge and experience about Supportive Housing among practitioners and researchers.
3. Coordinate **advice to government** on design, implementation, funding, need and other aspects of Supportive Housing.
4. Establish a **national clearing house** to codify existing work, document and disseminate learnings and share research and evidence.

*This could build on the existing work of the Common Ground Community of Practice.

Investment is required to scale up and meet demand

Supportive Housing financial modelling to inform investment decision-making

Modelling by Per Capita was undertaken in local service systems in New South Wales as a whole (release imminent), Western Australia and South Australia using a rigorous methodology developed by the US Corporation for Supportive Housing. The modelling draws on by-name list data, evidence-informed rate-of-need assumptions and cost and financial benchmarks from existing Supportive Housing projects.* This shows:

Western Australia (metropolitan Perth & City of Bunbury)

	Perth	Bunbury
Demand	1,218 Supportive Housing units needed 305 new build – single site 305 new build – scattered site 609 existing – scattered site	61 Supportive Housing units needed 15 new build – single site 15 new build – scattered site 31 existing – scattered site
Costs (2025-2030)	\$351.4m capital development costs to build 609 new units \$77.7m to service 1,218 units \$91.2m to operate 1,218 units	\$17.3m capital development costs to build 30 new units \$3.8m to service 61 units \$4.5m to operate 61 units
Benefits	- Government cost savings estimated to be 1.44 times higher than service costs \$117.9 million in savings to government (2025–2030) from reduced health and justice costs	

South Australia

	Inner city Adelaide
Demand	156 Supportive Housing units needed 39 new build – scattered site 39 new build – single site 78 existing – scattered site
Costs (2025-2030)	\$36.0m capital development costs to build 78 new units \$9.8m service costs for 156 units \$7.9m to operate 156 units
Benefits	- Government cost savings estimated to be 1.44 times higher than service costs \$14.1 million in savings to government (2025–2030) from reduced health and justice costs

Further modelling should be commissioned in other jurisdictions as outlined in the Recommendations section.

*The estimates draw on two Supportive Housing Needs Assessments completed in 2025 by Per Capita's Centre for Equitable Housing using real-time information collected by local homelessness services about people sleeping rough or staying in temporary accommodation, and on assessments of how many people have complex needs requiring long-term support. Because these data sources don't capture everyone – particularly families and people experiencing overcrowded or hidden forms of homelessness – the results are likely conservative. The cost and benefit estimates also rest on standard assumptions, such as access to low-cost land, projected population growth and typical local construction and service-delivery costs. The reports apply Australian and international evidence to estimate wellbeing improvements and likely government savings from reduced pressure on health, justice and emergency systems. Together, they offer a clear and credible guide to the scale of need in the specific regions studied, while being transparent about the assumptions and limitations underpinning the findings.

Boost existing Housing First services

As mentioned previously, several programs including Journey to Social Inclusion (J2SI) and the Aspire Social Impact Bond have demonstrated excellent social and economic outcomes but have not provided ongoing access to support services. Those programs can be readily transitioned to become part of a Supportive Housing system with support shifted from time-limited to duration of need.



Sarah's story

Sarah* is a 24-year-old single mother living with her two children, Liam (5) and Ava (2), in a two-bedroom house in an outer city suburb provided through a scattered site Supportive Housing program.

Prior to being housed, Sarah and her children spent 15 months in crisis accommodation after fleeing a violent and controlling relationship. During this period, the family experienced ongoing instability, Child Safety involvement and difficulty maintaining consistent engagement with health, developmental and support services.

Sarah also lives with an acquired brain injury, which affects her memory, planning, organisation and ability to process complex information, making it difficult for her to manage the competing demands of parenting, appointments, tenancy responsibilities and multiple service systems.

Since moving into Supportive Housing, Sarah and her children have experienced greater safety, stability and continuity of support. The secure tenancy has provided a foundation for Sarah to remain separated from violence, establish routines for the children and begin rebuilding her confidence as a parent.

Liam, who has Autism Spectrum Disorder and significant speech delays, and Ava, who is experiencing developmental delays, are now more consistently linked with child health and specialist services. Supportive Housing staff have worked alongside Sarah to reduce practical barriers to engagement, including appointment reminders, simplified communication, support to understand correspondence, and coordination

with Intensive Family Support, Child Health, her GP, domestic and family violence services and the NDIS access process.

The Supportive Housing intervention has helped shift the focus from crisis response to planned, coordinated and strengths-based support.

While Sarah continues to experience challenges linked to trauma, cognitive impairment and the complexity of managing multiple agencies, staff have been able to identify risks early and respond before issues escalate into tenancy failure or further child safety concerns.

Reasonable adjustments have supported Sarah to better manage rent, report maintenance, attend key appointments and make informed decisions about her family.

Through trauma-informed, child-centred and tenancy-focused support, Sarah has been able to maintain a safe home, strengthen protective factors for her children and build a more stable pathway toward long-term independence.

*Name has been changed for privacy.

Recommendations for a national Supportive Housing system

	Recommendation	Related elements (see pg. 22)	Responsibilities
1	Governments agree to establish and embed a national Supportive Housing system through dedicated funding for capital builds, tenancy management and ongoing wraparound support in the next National Agreement on Social Housing and Homelessness (NASHH).	1, 2, 4	• Federal government • State/territory governments
2	Governments agree to a national framework for Supportive Housing policy , including accountability for shared outcomes across housing, homelessness, health and mental health, disability and justice sectors.	1, 2, 4, 5	• Federal government • State/territory governments
3	Governments agree to initially ringfence 15% of new social homes for Supportive Housing through initiatives such as the Housing Australia Future Fund (federal) and similar state-based initiatives, which could be achieved in dedicated rounds to build and repurpose specifically for Housing First-aligned Supportive Housing models.	2	• Federal government • State/territory governments
4	Governments commit to undertaking region-based modelling, prioritising regions with high numbers of rough sleepers, to develop tailored targets for people experiencing persistent homelessness and complex needs. These targets would progressively replace the initial broad 15% target outlined in Recommendation 3.	3	• State/territory governments
5	State and territory governments boost funding to existing Housing First services to enable ongoing housing and ongoing support provision and contribute to the delivery of a Supportive Housing system , building this into their existing and future housing and homelessness strategies.	1	• State/territory governments

	Recommendation	Related elements (see pg. 22)	Responsibilities
6	Governments integrate the health sector into the delivery of a Supportive Housing system through inclusion of the following initiatives: • building on and expanding existing health and homelessness initiatives, including the Primary Health Networks' Homelessness Access Program, to support healthcare access, chronic disease management, care coordination and tenancy sustainment for people experiencing persistent homelessness and complex needs. • strengthening integration between housing, homelessness and health systems to improve health and housing outcomes, reduce avoidable demand on emergency, hospital and crisis services, and support a more preventative, coordinated and sustainable response to people experiencing persistent homelessness and complex needs.	1, 2	• Federal government • State/territory governments
7	Governments integrate the mental health sector into the delivery of a Supportive Housing system through: • provision of Supportive Housing for people experiencing persistent homelessness with psychosocial disability and complex needs within future Mental Health and Suicide Prevention Agreements. • the creation of a comprehensive system of psychosocial supports outside the NDIS and a review of existing support linked to housing programs funded at state and national levels to align them with the quality and integration benefits a systematised framework of offerings would provide.	1, 2	• Federal government • State/territory governments
8	Governments integrate the disability sector into the delivery of a Supportive Housing system through: • stewarding the rapid expansion of a continuum of recovery-oriented models of housing with support for people experiencing persistent homelessness and complex needs through both the NDIS and the upcoming psychosocial Foundational Supports • establishing a national program that assists people experiencing persistent homelessness and complex needs to sustain tenancies • reforms of NDIS-funded supports, delivering a Housing First-aligned Supported Independent Living (SIL) model for people experiencing persistent homelessness and complex needs which include psychosocial disability.	2	• Federal government • State/territory governments

	Recommendation	Related elements (see pg. 22)	Responsibilities
9	Governments integrate the justice sector into the delivery of a Supportive Housing system by commissioning suitable housing models for people experiencing persistent homelessness and complex needs finishing custodial sentences and who require ongoing high intensity support to avoid rough sleeping and/or reoffending.	1, 2	- Federal government - State/territory governments
10	Federal government funds the supporting infrastructure for a national Supportive Housing system such as a national centre of excellence, community of practice, advisory function to government, national clearing house.	5, 6	Federal government



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Acknowledgements

The Australian Alliance to End Homelessness gratefully acknowledges the exceptional and comprehensive work of the National Supportive Housing Working Group (the Working Group), Leah Watkins (Housing Choices) and Andrew Kos (Mission Australia) in writing this paper. We would like to acknowledge the economic modelling work completed by Dr Katrina Raynor and Per Capita that supports the paper's analysis.

We extend special thanks to Karyn Walsh AM, a tireless advocate for social justice, whose leadership has been critical in advancing the case for Supportive Housing in Australia.

Recommended citation

Australian Alliance to End Homelessness, October 2026, *Supportive Housing: The what, why and how*. Position paper, Adelaide, South Australia.

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What is Supportive Housing?

This resource sets out the Australian Alliance to End Homelessness (AAEH) definition of Supportive Housing, from a quick soundbite through to a detailed breakdown of the model.

Soundbite

Supportive Housing provides **ongoing housing** and **ongoing support**, so that the most vulnerable people in our community can stay housed, be safe and live the life they want.

Detailed definition

Supportive Housing is a specialist housing type informed by Housing First principles that offers ongoing housing integrated with ongoing wraparound supports. It is specifically for people with high, complex and intersecting needs, who require this level of support to sustain a tenancy and rebuild their health and wellbeing.

It differs from other housing and support service models because it offers both ongoing housing and ongoing support as a preventative measure for particularly vulnerable people to either divert them from homelessness or prevent a return to homelessness.

Target

Supportive Housing targets a small proportion of the population who have high and complex support needs and who are likely to have been failed by multiple service systems. This includes:

- People who have long histories of recurrent homelessness, particularly sleeping rough.
- People who have been cycling through various forms of institutional settings including correctional facilities, mental health residential facilities and hospitals.
- People who have a similar profile who are at significant risk of, but have not yet become, homeless.

In line with Housing First principles, there is no housing readiness criteria as part of the eligibility or assessment process.



What is Supportive Housing?

Housing

To ensure housing delivered as part of a Supportive Housing model meets the needs of this cohort, it is:

- **Secure** – housing is ongoing and offers people full tenancy rights.
- **Affordable** – social housing or subsidy arrangements can be used as part of the model to ensure affordability - these need to be adequately funded so they align with the ongoing nature of the service.
- **Sensitively managed** – tenancy management in a Supportive Housing model needs to be relational and work closely with support providers, to meet long-term tenancy sustainment goals – it must be funded accordingly.
- **Choice based** – to meet people's needs and preferences, which in turn increases tenancy sustainment outcomes.
- **Suitable** – to facilitate and complement the various supports provided

Both single site and scattered site models of housing can be used to deliver a Supportive Housing model. To ensure housing aligns with Housing First principles, housing and support are functionally separate.

Support

Ongoing support is delivered in line with Housing First principles to ensure the delivery of a quality, trauma-informed and person-centred approach which meets people's needs. As such, the support within the model is:

- **Intensive** – high-level and intensive support is available to address the range and complexity of need and may include access to multi-disciplinary staff.
- **Flexible** – the level and style of support may vary over time as people go through periods of recovery, relapse and emerging needs.
- **Available** – support is available on-site for single site models or is readily available for scattered site models which offer home or community visits as needed. In both models, this may include afterhours availability.

Impact

Supportive Housing provides significant benefits to both the people it houses and the service system as a whole through:

- **Reductions in homelessness** - by providing an effective long-term response to a group of people who historically cycle back into homelessness time and again as their tenancies fail.
- **Increased health and wellbeing** - through the provision of a stable home with easy access to the support they need.
- **Cost savings in health and justice systems** - as people are diverted from expensive tertiary services like hospital, emergency departments and prison.

