Understanding the pathways of social housing tenants

Based on AHURI Final Report No. 332: 'A pathway to where?' Inquiry into understanding and reimagining social housing pathways

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What this research is about

This research seeks to understand how social housing pathways are conceptualised and constructed by operational housing policies and the wider social policy context in Australia; who is moving into and out of social housing; and what is the lived experience of people who have moved into, within and/or out of social housing.

Social housing pathways are the housing experiences of tenants and their households over time and space. They are not linear and may refer to changes in tenure, household form, experiences and attachment.

The context of this research

Demand for social housing is high, with significant numbers of people on social housing waitlists: 140,600 for public housing, 8,800 for State Owned and Managed Indigenous Housing (SOMIH) (as at 30 June 2018) and 38,300 for mainstream community housing (as at 30 June 2017), while between 2011–2016 there was a 7 per cent decrease in government expenditure on social housing (from $1.42 billion to $1.32 billion).

Social housing policies that shape pathways have largely evolved in an ad hoc way, with social housing providers generally responding to increased demand and decreased resources by tighter targeting of eligibility and other supports.

The key findings

Policy implementation has largely been driven by a need to manage the social housing waiting list, rather than ensuring positive housing outcomes (such as housing stability, affordability, security and safety) for tenants and their households. Policies for entry into, movement within and out of social housing are predominantly shaped by eligibility criteria, which increasingly have been prioritising people with complex needs.

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Who is living in social housing

It is now almost impossible to access social housing unless you are categorised as being in 'greatest need', with 76 per cent of public housing allocations, 63 per cent of SOMIH allocations and 82 per cent of mainstream community housing allocations made in the financial year of 2016 to 2017 for people in 'greatest need'—people deemed homeless or at risk of homelessness and at most risk because of safety, health conditions, disability, caring responsibilities, or being Indigenous, under 25 years or over 75 years.

The current demographics (at June 2019) of the social housing population reflect the application of policy over time, with a number of cohorts overrepresented in social housing:

• almost two-thirds (62%) of tenants were female

• nearly one-third of tenants were aged 65 years or older (31% or 123,600 households)

• children 0–14 years comprise a significant proportion of all social housing tenants (22% in public, 20% in community and 32% in SOMIH housing compared to 18.7% across the population)

• more than 1 in 10 households (13%, or 53,700) included an Indigenous member

• almost 2 in 5 households (38%, or 151,500) included a tenant with disability.

More people are leaving social housing than are entering; in 2017–18, 7.6 per cent of all public housing tenants and 8.6 per cent of all SOMIH tenants exited, but only 6.7 per cent and 8.0 per cent of tenancies were newly allocated.

Social housing pathways—into, within and out of—are also affected by how policies are operationalised; changing household types and needs; stock availability; a lack of affordable alternatives and the broader policy environment.

Despite policies that seek to increase exits and decrease waiting lists, 43 per cent of public tenants currently residing in social housing have lived in that tenure for 10 years or more and the proportion of public housing tenants with tenures over 10 years has been increasing over the last decade.

Research using the Priority Investment Approach (PIA) dataset found that the largest group of social housing tenants (33.9%) were 'stable'. This group had remained in social housing for the full 10-year period. They were demographically different from the others in the dataset —more likely to be older and in receipt of an aged pension or a disability pension and out of the workforce. Around 1 in 10 (11.3%) were transitional exits (2.8% were in social housing, left briefly and then returned while the remaining had multiple entries and exits from and to social housing). Therefore, an exit out of social housing did not necessarily mean a successful stable housing outcome. Further, on average, the people who fell into these transitional categories spent more time on social welfare/income support than those in the stable category.

Movements within social housing

Movements within public housing and SOMIH have been limited (community housing data is not available) and can be tenant-initiated or landlord-initiated. National transfer rates were only at 2.7 per cent and 2.5 per cent respectively in 2016–17.

Tenant-initiated transfers are most likely to result from changing household circumstances. Landlord-initiated transfers usually relate to portfolio or tenancy management. Both types of transfers are constrained by the wider policy context. There is, for example, very little housing stock to transfer people to. National vacancy rates, for example, are at 4 per cent for public housing dwellings, 5 per cent for community housing and 3 per cent for SOMIH dwellings.

Interviews with tenants and housing providers in this study reflect the challenges faced by the lack of appropriate stock for entries, transfers and exits. This is evident in the length of time people have to wait for more appropriate housing to become available.

Challenges are also faced by providers trying to transfer tenants across providers in multi-provider systems, despite the existence of common housing registers (waiting lists) in most jurisdictions. Some providers expressed considerable frustration about the lack of legal levers to enforce older tenants living in larger properties to 'downsize' into smaller ones and free up larger homes for families on the waiting list. For many of the older tenants interviewed, who had lived in public housing for decades, however, 'moving on' conflicted with their sense of belonging and their connection to 'home'.

Exits from social housing

Exits from social housing can also be tenant or landlord initiated. From a landlord perspective, exits can relate to changes to eligibility. Most housing authorities have policies in place regarding the eligibility of tenants to continue in social housing, although there is wide variation across jurisdictions in relation to what is reviewed and how often. Three of the most common eligibility exit policies relate to:

- **household changes:** social housing tenants are required to report household change to their landlord, meaning that people leaving or joining a household (e.g. as a result of relationship changes) can affect tenants' entitlement for social housing or a particular type of housing

- **income:** most social housing providers operate a scheme of income-related rents, where tenants pay a proportion of their household income as rent (between 25–30 per cent). Different types of income (e.g. salary vs benefits) can be assessed differently for the purposes of calculating rent and also people's eligibility to stay in social housing

- **use of premises by tenants and households:** tenants are subject to a range of obligations regarding the use of their premises by both members of their household and visitors. Breach of these obligations can result in tenancies being terminated and households leaving social housing.

Some tenants may choose to exit social housing. In this research's sample of 76 tenants, three chose to leave, with two leaving because they felt safer in unaffordable, unstable market housing than in their social housing.

Policy levers to facilitate moves out of social housing include the sale of dwellings to tenants, provision of private rental subsidies, rental transition programs, financial planning and client-based needs planning. Some policies also target private landlords with a goal of increasing housing affordability and therefore pathways out of social housing. By far the biggest factor impacting moves out of social housing, however, is the availability, or lack thereof, of affordable housing alternatives.

Tenants experience with social housing

People's experiences and their navigation of the social housing system were shaped not only by entry, exit and throughput policies but also by operational policies and, importantly, by the relationships they had with housing providers. Tenants' experiences were profoundly influenced by the level of care (or lack of care) shown to them by housing provider staff members.

Tenant experiences were also significantly affected by the broader policy environment. Service fragmentation within and outside of housing services was particularly problematic. Better integration is needed not only between housing and housing related support services, but also between housing and non-housing services.

For tenants reliant on income support and experiencing disability or poor health or other challenges, social housing offers their best chance of stable, secure and affordable housing. It is clear that for tenants, and also for many providers across the four jurisdictions studied, social housing is not regarded as a stepping stone but as a legitimate destination. This sense of home is incompatible with a policy pathway model that promotes transition out of social housing as the most desirable outcome.

Even where tenants wanted to be in a position to move in the future, they did not see exiting social housing as a genuine option for them because there are no affordable, stable alternatives.

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What this research means for policy makers

Positive housing outcomes for current and future tenants across the social and affordable housing system requires:

- using a preventative model, rather than a reactive one, that aims to prevent people from becoming homeless, at risk of homelessness and/or entering the social housing waitlist, by providing social and affordable housing for low and very low income people who do not yet have complex needs

- accepting that long-term social housing is a legitimate (and cost-effective) way to provide social housing assistance and that we need to increase its supply

- recognising that social housing provides an infrastructure of care for other tenants/households with long-term complex needs

- increasing the supply of social housing

- establishing KPIs across the sector that focus on tenant housing outcomes to ensure shared goals that meet the needs of tenants and their households.

Private rental market

Policy developments can support low income tenants in the private rental market through:

- increasing the supply of affordable housing in the private rental market e.g. through private rental subsidies; rental brokerage/access supports; social impact investment

- ensuring appropriate, resourced supports are available for people who need them, to enable them to remain in private housing, including affordability and rental assistance schemes

- creating conditions for increased housing stability in the public and private markets

- providing and adequately resourcing supports when needed to assist people who require it to maintain tenancies and for the duration of need.

The social housing policy system

The social housing policy system requires:

- going beyond standardised entry, transfer, exit paradigms to thinking about multiple pathways for different people under different circumstances and accepting different starting and end points, including social housing as an end destination

- developing conceptual understandings of how complex systems work in human services and how pathways are affected by people within and outside the housing sector

- improving connections between the private and public housing system

- better connecting affordable housing supply with demand to ensure that pathways match household needs and that resources are used effectively and efficiently

- improving linked administrative and qualitative data across the housing sector to ensure high quality evidence-informed policy and practice.

Methodology

This research reviewed the operational policies impacting social housing pathways across all Australian jurisdictions; compiled and presented administrative and survey data used to examine movement of key population groups into, mobilities within, and exits from, social housing; and conducted interviews and a workshop with senior government officials, social housing managers, tenant advocates, service providers and former, current and prospective tenants in Tasmania, New South Wales, Victoria and South Australia.

To cite the AHURI research, please refer to:

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