

What influences pathways into and out of social housing and how can mobility support positive housing outcomes?

A MORE RESPONSIVE SOCIAL HOUSING SYSTEM REQUIRES IMPROVED ACCESS TO AND GREATER CHOICE OF HOUSING ALLOCATIONS, WITH IMPROVED MOBILITY WITHIN THE SYSTEM.

KEY POINTS

- Difficulty in entering and sustaining private rental are key drivers of housing crisis. However, for a range of reasons, not all those who experience crisis immediately apply for social housing. Referral or advice from external welfare and advocacy agencies plays a key role in encouraging and assisting struggling households to apply for social housing at times of crisis.
- An integrated allocation system benefits applicants by allowing them to apply for both community and public housing with a single application. This system can also benefit providers. Current examples of integrated allocation systems are One Social Housing System (Qld) and Housing Pathways (NSW).
- Allocation of suitable dwellings for new tenants can be hindered by a limited supply of appropriate housing and very limited choices in placement. Choice-based approaches to lettings could contribute to more positive tenant outcomes. This would allow applicants to bid for properties and ensure they are not penalised for rejecting offers.

*This bulletin is based on research conducted by **Dr Ilan Wiesel, Dr Hazel Easthope, Dr Edgar Liu, and Professor Bruce Judd** at the AHURI UNSW-UWS Research Centre and **Ms Emily Hunter** from University of Technology Sydney. The study investigated pathways into and mobility through the social housing system.*

- Transfer options for social housing tenants whose housing needs have changed over time are currently extremely limited. Expanding eligibility criteria and prioritising transfer applications over waiting list applicants (as already occurs in some community housing organisations) would increase flexibility and appropriate matching of dwellings to tenants.

CONTEXT

As part of the National Affordable Housing Agreement (NAHA), there have been ongoing reforms in the social housing sector (public & community). One reform focuses on growth in the size of community housing, further targeting of public housing to households with the highest needs, and the introduction of common access systems to more efficiently manage social housing demand.

This study contributes to these policy reforms by identifying contemporary pathways into and within the current Australian social housing system.

RESEARCH METHOD

This study is based on in-depth interviews with 60 tenants and 20 staff in public and community housing throughout New South Wales, Queensland and Victoria, across metropolitan and non-metropolitan areas. Tenant interviews explored housing histories and experiences of entry into and moves within the social housing system. Interviews with housing department staff provided an understanding of the challenges in developing housing policies and structures that can help improve access to social housing, with a particular focus on outcomes from the process of integrating public and community housing waitlists.

KEY FINDINGS

Pathways into the social housing system

A household's housing pathway is shaped by their choices regarding their housing needs, and their ability to satisfy these in the context of market

constraints, and policies and procedures informing access to social housing.

While tenant interviewees had encountered a range of housing tenures prior to entering the social housing system, the majority had experienced episodes of private renting. Difficulty in entering and sustaining private rental were key drivers of housing stress or crisis that eventually triggered application for social housing. Barriers to entering private rental tenancies included applications rejected with no explanation, lack of references, special requirements due to limited mobility or health problems, and work or care duties restricting time dedicated to searching for a property. Barriers to sustaining private rental tenancies included financial stress caused by rising rents, tenancy terminations by landlords and housing that was inappropriate to special needs.

A smaller proportion of participants had entered social housing after a period of owner-occupation. These periods ended as a result of relationship breakdowns, illness, death of relatives and relocation between cities.

Some participants had entered social housing after a period of homelessness. Common triggers for homelessness amongst this sample were eviction from private rental, relationship breakdown, domestic violence and death of a relative who provided accommodation.

Many participants had delayed their application for social housing for a range of reasons, including under-appreciation of the severity of their circumstances, negative perceptions of social housing or a perception that their application would not succeed.

Referral or advice from an external organisation (social worker or health service case managers) played a key role in encouraging participants to apply for social housing and assisting in the application process.

After applying for social housing some participants reported that they faced pressure to accept housing due to penalties attached to declining one or

two offers. Some accepted tenancies that they considered unsuitable in terms of inaccessibility to services or social networks, and dwellings that were of a poor quality.

Housing allocation through a common register

The study focused on the implementation of common social housing registers. Queensland's One Social Housing System and New South Wales's Housing Pathways are both examples of integrated allocation systems, where public and community housing organisations keep a shared register. This allows applicants to access a large number of providers with a single application. In a diversifying social housing system where many potential applicants are not aware of the range of housing options available to them, and where applying with multiple providers requires significant resources from both applicants and providers, a common register helps improve both efficiency and equity.

The implementation of One Social Housing System achieved its two major aims:

- Development of a common register for hundreds of housing providers.
- A significantly higher proportion of allocations for applicants at high priority status.

In particular, a centralised approach provides greater consistency in allocation practices across providers and reduces costs of client intake and assessment for community housing. However, several of the staff interviewed reported that a top-down rather than collaborative approach to policy development caused frustration and difficult relationships between and within organisations.

Housing Pathways in New South Wales is underpinned by a 'no wrong door' principle whereby applicants are accepted, assessed and entered into the common register by any participating provider they turn to. It was reported by some staff that this has increased the length of processing time for applications, added to the workload of some participating community housing providers and raised concerns about accountability and governance due to greater interdependency across providers.

However, a key positive outcome described by interviewees was the development of further expertise across community housing providers in managing client intake and assessment.

Mobility within the social housing system

One common driver of mobility within the system was that tenants had accepted a placement that was unsuitable in the first instance. Other drivers included changing household circumstances over time (e.g. changes in health conditions or household composition) and difficult relationships with neighbours.

However, eligibility for transfer is very narrowly defined by public housing providers. Inflexible transfer policies mean that tenants living in inappropriate housing have little chance of moving, with the exception of transfers based on urgent medical need. Community housing providers were generally seen by interviewees (both tenants & staff) as more flexible, with some providing priority for transfer applicants over waiting list applicants. However, opportunities for transfer in community housing remain limited due to shortage of stock.

Exits from social housing

Several tenants in the study experienced a 'revolving door' pathway, whereby at some point in their lives they had given up a social housing tenancy but later re-entered. Tenants moved out of social housing due to a variety of factors, such as moving interstate to care for a family member, relationship breakdown or the formation of a new relationship. In other cases tenants moved out of social housing as their existing residence was no longer appropriate and there were no better transfer options within the system.

Most tenants expressed a desire to stay permanently in social housing. This reflects a reaction to the very hectic housing pathways they had previously experienced and their desire for a more secure and stable future. Participants generally felt that moving out of social housing was too risky as they would not be offered another social housing tenancy if their private tenancy was not successful.

POLICY IMPLICATIONS

Diversify housing assistance options to help address a wider range of risk factors

A greater variety in housing assistance programs across all jurisdictions can assist people at risk in various stages of their housing pathways prior to a severe crisis emerging (i.e. falling into homelessness). This includes, in particular, programs to assist in entering and sustaining suitable private rental. For example, both long- and short-term private rental subsidies, private rental brokerage, bond loans and accessibility modifications for private rental tenants.

Enable greater choice and mobility within the social housing system

Consider policy changes aimed at increasing flexibility and improving the matching of dwellings to tenants. These include expanding eligibility criteria for transfer applications, prioritising transfer applications over waiting list applicants (as already occurs in some community housing organisations) and managing existing rejection penalties—possibly through adaptation of European social housing choice-based lettings models. The choice-based approach allows applicants to bid for properties, so they are not penalised for rejections. Prior to implementation further analysis is required about the extent to which applicants and tenants would benefit from greater choice, and whether providers will be able to fill vacancies within a reasonable timeframe when the bidding process is open to more than one applicant.

Complete, expand and refine integration initiatives across jurisdictions

Integrating the registers of different providers and housing assistance programs can provide applicants with a 'one stop shop' through which all programs can be accessed. However, there is a delicate balance to be met between the need for integration and autonomy (for providers & local offices) in the various stages of the allocation process.

Improve coordination between external support, advocacy and referral organisations

The role of external organisations in assisting applicants to access social housing can be expanded by involving greater reliance on support providers to confirm applicants' housing and support needs. This is an alternative to the current emphasis on extensive documentation and paperwork. Connecting isolated applicants with external support and advocacy organisations should be an integral part of all housing assistance packages.

FURTHER INFORMATION

This bulletin is based on AHURI project 70615, *Pathways and choice in a diversifying social and affordable housing system*.

Reports from this project can be found on the AHURI website: www.ahuri.edu.au or by contacting AHURI Limited on +61 3 9660 2300.

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