

What can we learn from householder and service provider experiences of forced exits from private rental?

MANY HOUSEHOLDS FORCED FROM FORMAL PRIVATE RENTAL HOUSING GO INTO THE INFORMAL RENTAL SECTOR, MAKING THEM INVISIBLE TO MANY SERVICE PROVIDERS. HOUSEHOLDS NEED ASSISTANCE TO RETURN TO STABLE HOUSING.

KEY POINTS

- Forced exits from the formal private rental housing market are associated with householders' personal vulnerabilities, such as limitations on their capacity to earn income, manage household finances, or cope with relationship breakdowns.
- After exit, householders often made arrangements in the temporary, informal rental sector, or with friends and family. Only when these arrangements were no longer possible did they turn to the state or the community sector for support, including seeking public housing.
- According to many service providers, when people moved into the informal rental sector or family-based arrangements, this made them 'invisible' to their services, potentially putting householders at risk of longer term homelessness.
- Current policy prioritises social housing for those with high needs. However, until there is an improved supply of affordable private rental housing, many householders will

*This bulletin is based on research conducted by **Dr Patricia Short, Dr Cameron Parsell, Ms Rhonda Phillips, Ms Nicola Seage, and Dr Amity James** at The University of Queensland. This research investigated the circumstances of forced exit from private rental accommodation in Queensland. It sought to understand practitioner responses and ways to assist people back into suitable accommodation.*

experience, or be at risk of, forced exit, putting greater pressure on the informal rental sector and family networks.

- The capacities of the informal rental sector to provide temporary housing should be helped rather than undermined.
- Early intervention by service providers in responding to client needs and securing housing arrangements might prevent householders becoming homeless. Service providers need to be better resourced to reach those in the informal housing sector.

CONTEXT

The private rental market is becoming an increasingly important tenure for households on low incomes, especially with the decline of social housing. Affordability remains a key issue in private rental, with many low-income earners experiencing housing affordability stress.

RESEARCH METHOD

This project collected a range of information about forced exit from three case study locations in metropolitan and regional Queensland.

The study included an online survey of not-for-profit or public housing and related service providers, followed up by workshops and qualitative interviews. It also interviewed householders who had experienced exclusion from the private rental sector.

KEY FINDINGS

Forced exit occurs due to both personal factors and housing stress

'Forced exit' from the private rental sector meant leaving a tenancy involuntarily and with no opportunity to go to other suitable housing. It may arise from eviction or a notice to leave, financial pressures, personal health concerns, or other factors such as family/household breakdown or separation.

Service providers explained that their clients had limited capacities to pay the rent, care for their rented property and get along with other tenants/neighbours. Typically, this was because householders had limited incomes, compromised health, and personal and family stressors that affected their ability to afford rents and to show they were good housekeepers and neighbours.

A range of factors were associated with the risk of forced exit for a householder. These included personal vulnerabilities and behaviours that undermined a person's capacity to work and earn an income or to manage household finances; requirements to access health care (or look after relatives); and changed household circumstances (e.g. newly separated) that resulted in lower income.

Service providers also identified problems in the housing markets that undermined the capacity of low-income householders to maintain a tenancy. For example, in the regions experiencing tight housing conditions, some tenants were pushed into housing with high rents, which subsequently escalated. People on limited working incomes, such as young people in casual employment or in apprenticeships, also faced increases in rents that outstripped their wage growth.

Exiting householders tend to move into marginal housing

For most householders in this study, exclusion was an ongoing experience rather than a 'one-off' event, with householders experiencing two or more exits from housing. A forced exit from the formal private rental market generally led to a form of tertiary homelessness, such as living in marginal housing (e.g. boarding houses) or temporarily staying with family and friends. These householders typically found themselves in precarious housing and remained at risk of eventually being forced out of this accommodation, leading to them accessing crisis type accommodation, most often through not-for-profit community providers.

Householders with 'very high needs' for support and accommodation were likely to be accommodated in social housing, albeit having spent time in temporary or transitional accommodation before coming to service providers' attention.

Strategies for re-entering stable housing

After being excluded from stable housing in the private rental market, people exercised two broad types of strategies.

1. People deployed a range of strategies to get by and make do in various forms of temporary and crisis accommodation. Householders talked about their 'competence' in managing to acquire and maintain informal or temporary housing. Such a sense of personal competence (i.e. being able to afford accommodation, finding it by their own means, and being able to 'make do') gave reason to their remaining in circumstances that were not ideal, but were 'workable' and acceptable.
2. People engaged in strategies with the intention of accessing stable housing. Only when temporary arrangements were no longer possible—when they were 'homeless'—did they turn to the state (enquiring about 'public housing') or to the community sector for support.

Householders described that while an event or specific situation, coupled with their limited financial means, explained their forced exit from the private rental sector, the barriers they faced in re-accessing stable housing were systemic: their limited financial means of affording private rental and the long waiting times for social housing.

Tenancy preservation needs early intervention and support

Service providers highlighted the necessity of being able to intervene to prevent situations where tenants have 'nowhere to go', especially before they exit tenancies. Cases were cited of clients who could have been helped before a rent arrears problem got out of hand or notices to leave had been issued, but by the time they sought assistance it was too late to help.

Service providers attested that early interventions can be successful in extending tenancies that were at risk through providing assurances to private landlords or agents that they can work with the client to address arrears and underlying problems, such as addictions or other personal issues. Such assurances needed to be credible and backed by private rental support programs such as Tenancy Advice and Advocacy services, RentConnect and Home Stay tenancy support programs.

Re-entry to private rental is difficult

Following forced exit, householders' circumstances and capacities made it hard for them to be competitive in the formal private rental market. Service providers described how they needed to 'walk with the client' in getting their client back into private rental. This was partly because some clients (especially the young or those with mental health or drug issues) did not have the competency to manage the process of engaging with the private rental sector, such as looking over houses or presenting for house inspections. Service providers agreed that the client had to take ownership of their situation to achieve a successful outcome.

Clients become invisible in the informal private market

According to many service providers, when people moved into informal or family-based arrangements it made the householders 'invisible' to their services, potentially putting householders at risk of longer term homelessness.

Service providers emphasised their organisations had limits in being able to provide 'extra' services to assist people whose needs fell outside the range of services their organisations were funded to provide. They suggested that collaborative engagement with other service providers within the community sector, or through investing in relationships with private sector agents or corporations, may help to build capacity to extend services to clients.

POLICY IMPLICATIONS

Policy-makers need to work towards fairer rental housing markets to reduce the number of forced exits, especially those attributable to unaffordable rents.

1. This involves increasing the supply and flexibility of available housing stock, including considering new forms appropriate to those on low incomes. Alternatively, it could mean providing additional support to those in housing affordability stress by broadening income targets for housing assistance so as to take account of differing housing market conditions or householder needs.
2. Practitioners need to consider ways to help people help themselves. This might include providing better information on accommodation options around boarding or sharing, or encouraging innovation in housing and homelessness programs to enable subsidies and support transitions back into the private rental market.
3. There is a need to look at the informal rental sector as a viable sector in its own right. Flexibilities in the building/planning codes might facilitate different forms of multiple occupancy and/or modular housing. More appropriate regulation might extend the 'rent by the room' approaches that are widely used in student accommodation.

4. Homelessness and community housing services need to provide earlier intervention support to householders in private rental and better support for those gravitating to the informal sector. This includes building capacity for outreach at the community level, and to linking formal products and services with forms of housing provision based upon kinship, friendship and other informal social ties at local levels.

FURTHER INFORMATION

This bulletin is based on AHURI project 20610, *Bridging the divide: the experiences of low-income households excluded from the private rental sector in Australia*.

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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